

2020 Sustainability Report



ArcelorMittal



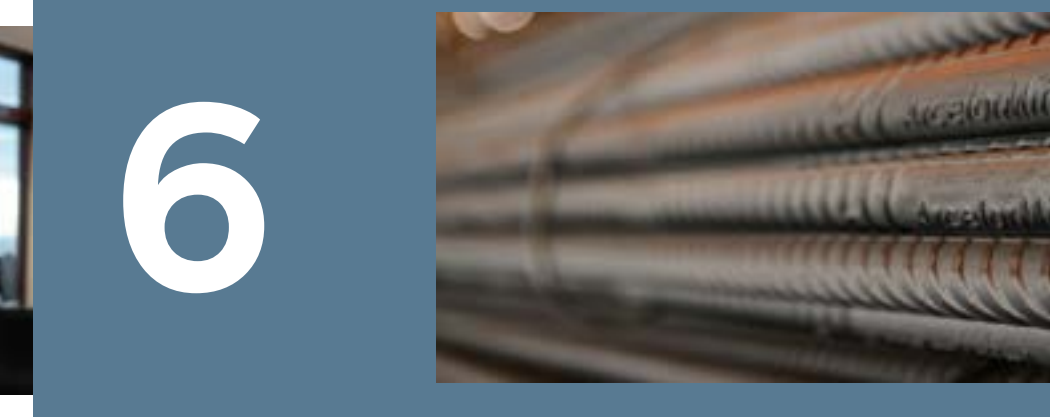
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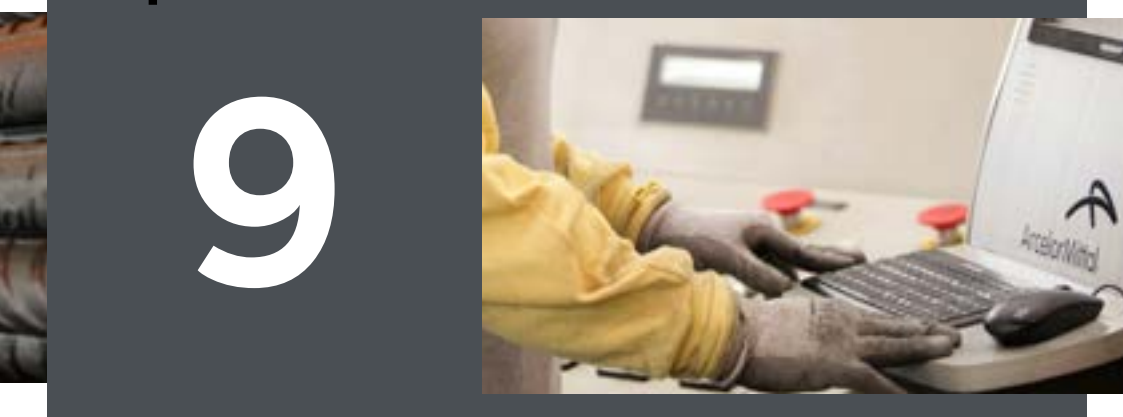
Foreword



About Us



Corporate Governance



People



Products and Solutions



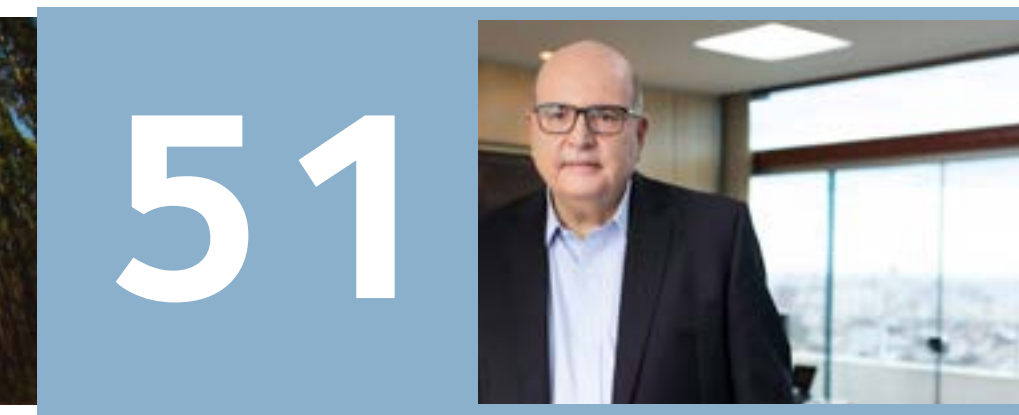
Social Investment



Environment



Financial Performance



Click here and access our YouTube channel





Foreword

Benjamin Baptista Filho
CEO, ArcelorMittal Brazil and ArcelorMittal
Flat Carbon South America

In a year marked by challenges of the COVID-19 pandemic, our 2020 Sustainability Report is replete with content explaining how we work to mitigate the impacts of the health crisis, including the steps we took to protect the health and safety of our employees, their families and our communities; to keep our operations running; and to provide support to our different stakeholders—from the communities where we operate to our customers and broader society.

The report provides an objective and transparent account of our key results, projects and achievements, and our outlook for the future. Here, the idea is to present the most relevant facts of ArcelorMittal in Brazil in 2020, according to the vision of our stakeholders. Enjoy the reading.

Message from Management

GRI 102-14

Year 2020 was dominated by the COVID-19 pandemic. The resulting and unprecedented social and economic impacts led ArcelorMittal to activate its crisis committee with a mission to coordinate an effective response in order to mitigate the impacts from the pandemic.

Stringent measures were put into place to protect the health and safety of our employees in Brazil while ensuring continued production of steel—an essential raw material for key supply chains and for the development of global economy. Thanks to the concerted efforts of our teams, high productivity and a continuing drive for excellence, we came through the year a stronger company, and with quite positive financial and operational results.

In the Flat Carbon segment, we had progress in the construction of the fourth coke battery and in the works of a seawater desalination plant that will produce up to 500 m³/h (12,000 m³/day) of industrial water.

With significant progress made on studies and works in connection with the Environmental Commitment Agreement (ECA) signed in September 2018 between ArcelorMittal Tubarão, the State Government of Espírito Santo and the Federal and State prosecution services, we reinforced our investments to

meet environmental guidelines and goals set for a period of five years.

In Santa Catarina, works began on a third galvanizing line at Vega unit, with start-up expected for 2023 and an investment of approximately BRL 1.5 billion. The project will strengthen the ArcelorMittal Group's position in the Brazilian market for high value-added Flat Carbon products.

As part of our expansion in the retail market, the Long Carbon Products segment opened four new stores in Greater São Paulo and other cities in the state. Our e-commerce business, the first online steel sales platform in Brazil, introduced several improvements, including a chatbot called Steela and a dedicated online sales channel for retailers.

On the operational front, Juiz de Fora unit completed the revamp of one of its blast furnaces, an investment of approximately BRL 118 million. Furthermore, in partnership with Bekaert, BRL 88 million were invested in retooling Belgo Bekaert's production facilities to serve the automotive segment, aiming at cutting costs, improving product quality, and developing high value-added steel solutions.

In mining, Andrade and Serra Azul mines continued to perform strongly. Andrade Mine started producing and monitoring the ramp-up of a new itabirite concentration plant, an investment of BRL 133 million. Serra Azul Mine remained committed to supporting the families

evacuated from the Pinheiros community (Itatiaiuçu, Minas Gerais state), and to mitigate the damages caused by the activation of the Emergency Action Plan for Mining Dams in 2019. In compliance with a resolution by the Brazilian National Mining Agency (ANM), progress was made on studies toward the construction of a Downstream Containment Structure – a physical barrier to contain the tailings in the event of a dam break, which will allow to initiate decommissioning the dam.

By putting innovation at the center of its strategy, ArcelorMittal bets on getting closer to the open innovation ecosystem, strengthening connections, increasing engagement with customers and partners, and driving co-creation in the business environment. In 2020, ArcelorMittal's innovation laboratories — Açolab, in Minas Gerais state, and iNO.VC, in Espírito Santo state — connected to new startups, research centers, universities and other institutions to support digital innovation, continuous improvement of processes and products, and development of solutions for the steel value chain.

As one of the first Brazilian companies to become a signatory of the United Nations Global Compact, since 2001 ArcelorMittal Brazil keeps the commitment of having its strategy compliant with the 10 principles of the UN voluntary adherence initiative and continues to advance in this field.



As part of this, in 2020 ArcelorMittal announced the ArcelorMittal group-wide commitment to being carbon neutral by 2050, putting the company at the forefront of the efforts to reduce greenhouse gas emissions from steelmaking. In Brazil, ArcelorMittal set a target to cut emissions by 10% by 2030, and to achieve carbon neutrality by 2050.

As another sustainability milestone, we took initial steps to obtain external certification of our operations by ResponsibleSteel™ and the Initiative for Responsible Mining Assurance ("IRMA")—Both initiatives aim to ensure a sustainable production in the production chain of steelmaking and in mining, respectively. In 2020, the company once more led the way by obtaining the Environmental Product Declaration (EPD) from Germany's IBU (Institut Bauen und Umwelt) for Hot-rolled Coils, Galvanized Coils and Galvalume steel products, in the Flat Carbon segment.

As for corporate governance, we enhanced communications about ArcelorMittal's Integrity Program guidelines: with more employees working from home in 2020 because of the pandemic, we reinforced our rules of conduct, in particular those related to information security.

We also strengthened our Diversity & Inclusion Program as part of our efforts to consolidate an increasingly inclusive workplace, where respect, empathy and

tolerance prevail both inside and outside the company. In 2020 we joined four important entities: UN Women, the Business and LGBTI+ Rights Forum, the Business Network for Social Inclusion, and the Business Coalition for Racial and Gender Equity. We have set a goal of having at least 30% of women in all areas of ArcelorMittal Brazil by 2030.

In 2020, we implemented flexible working and a working from home policy as a way to improve employee satisfaction, quality of life and wellness. We also launched a major redesign of our head offices in Belo Horizonte, using the Workplace model that embodies the modernization and cultural transformation that the company is currently implementing in its work and management processes. The changes will provide more productive, connective and inclusive environments.

Creating a safe, healthy and high-quality workplace environment has always been a priority at ArcelorMittal Brazil, and became even more so during the pandemic. ArcelorMittal's operations in Brazil had the lowest lost-time injury frequency rate (LTIFR) among Group companies in 2020, at 0.29x. Our strong safety performance reflects robust safety governance including training, leadership and risk management. Because of its outstanding safety record, ArcelorMittal Brazil has been tasked with leading the Group's health and safety

programs and policies at a global level.

In support of the society's COVID-19 response efforts, ArcelorMittal invested BRL 45 million in a range of initiatives dedicated to both internal and external audiences, including implementation of special commuting arrangements, adjustment of structures, purchase of COVID-19 tests and PPEs, donation of medical equipment and materials, in addition to hospital improvements, among others.

Apart from launching its Foundation 4.0 strategy in 2020, with a focus on science and technology projects, the ArcelorMittal Foundation — which for 32 years has served as the company's social arm — reinvented itself by creating initiatives to continue its mission in a year of pandemic. Many actions were adapted to the digital environment, and new projects addressed circumstantial needs, benefiting more than 1 million people in 60 municipalities.

In 2021 we will remain fully focused on our employees — our greatest differentiator and the key to our sound and successful track record so far. We will also continue our tireless efforts to become an increasingly sustainable, innovative, efficient and inclusive company, connected to society's expectations



2020 highlights

- ArcelorMittal announced a group-wide commitment to be carbon neutral by 2050
- In Brazil, ArcelorMittal sets a target to cut emissions by 10% by 2030
- BRL 5.083 billion EBITDA in 2020, 27% higher than 2019
- BRL 45 million investments in COVID-19 response efforts in the year
- Greater Diversity & Inclusion: ArcelorMittal joins the UN Women, the Business and LGBTI+ Rights Forum, the Business Network for Social Inclusion, and the Business Coalition for Racial and Gender Equity
- Innovation: iNO.VC developed 97 initiatives in its first year and Açolab engaged more than 5,000 people in online events
- Our chatbot, Steela, gives face and voice to our communications and e-commerce platform

Awards and recognition

The important recognition received for the performance in 2020 attests that the company remains firm in its purpose of pursuing sustainable business through strategies and initiatives that are aligned with material topic, “Preserving reputation: trust, admiration, esteem and empathy”. See below some of the highlights in the year, and learn more about the awards and recognition received in 2020 by clicking [here](#).



Exame magazine's Best & Largest annual list

Once more, ArcelorMittal Brazil was named the best company in the steel and metallurgy sector by Exame magazine's Best & Largest list. The company ranked first in the steelmaking sector in three of the previous four editions. The Exame Biggest & Best list is the largest study on the evolution of business in the country for 47 years.



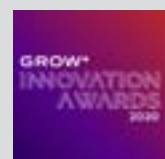
Empresas Mais 2020

ArcelorMittal Brazil ranked first for innovation in Empresas Mais, a ranking created by Brazilian newspaper O Estado de S.Paulo in collaboration with Fundação Instituto de Administração (FIA/ USP) and Austin Rating. This was the fifth edition of the annual list, one of the most comprehensive rankings in the area of economy, which assesses 1,500 leading companies in terms of governance and results. In addition to financial criteria, the Empresas Mais list includes Corporate Governance and Innovation categories.



Época Negócios 360°

ArcelorMittal Brazil was recognized for the fifth consecutive year in the Época Negócios 360° annual list. In the Mining & Steelmaking segment, the company occupied the third position. In the sector, the company won in the People category. As for net revenue, ArcelorMittal Brazil came in the 21st position.



Grow+ Innovation Awards

In September, ArcelorMittal Brazil ranked first place in the Innovation Culture – Large Corporations category of the annual awards organized by premium startups accelerator Grow+. The award was presented in recognition of Açolab's Innovative DNA project.



Best Workplaces – Indeed

In 2020 ArcelorMittal Brazil was listed among the five best companies to work for in Brazil as ranked by Indeed, one of the largest job search websites in the world. We were the only steel company to make the list of 25 selected organizations, which were ranked based on reviews and comments from millions of Indeed website users, including employees and former employees.



ABERJE Award 2020

Our Diversity & Inclusion Program received the 2020 ABERJE Award in the Diversity & Inclusion category for the Minas Gerais and Midwest Region. The awards are the foremost recognition for corporate communications in Brazil. More than 300 case studies from hundreds of companies were assessed by a judging panel of the Brazilian Association of Business Communications (ABERJE).



100 Open Startups

Recognized for the second consecutive time by the 100 Open Startups ranking in 2020, ArcelorMittal Brazil came in second place among 1,635 participating companies. The company was awarded for the open innovation initiatives conducted by Açolab, the first innovation hub of the steel industry in the world. We were also the top-ranked company in the Mining & Metal category. 100 Open Startups is a platform that connects startups, large companies, executives, scientists and governments.



Valor Inovação Brasil – Valor Econômico

ArcelorMittal ranked fourth in the awards promoted by Valor Econômico newspaper in the Mining, Metallurgy & Steel category. Carried out in partnership with Strategy&, PwC's strategy consulting arm, the list recognized the 150 most innovative companies in the country. The annual ranking Valor Inovação Brasil is based on the survey that had 214 participating companies this year.

About Us



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As coordinator of ArcelorMittal’s Environmental Management System, it is rewarding to see how the activities I perform help the company to achieve the sustainable development goals. Among those activities, I highlight maintaining the environmental certifications by performing internal audits at the units, and external audits on ISO 14001.

Certifications are very important as they demonstrate to society, customers and partners that we are committed to producing steel plates and coils in a sustainable manner and to using natural resources intelligently.”

Andressa Arnaba Marcos,
Environmental Analyst
at ArcelorMittal Tubarão



[Click here to learn more about ArcelorMittal Brazil](#)

About ArcelorMittal Brazil

ArcelorMittal Brazil, a privately held corporation, is the leading steel producer in Latin America. We have production facilities in the states of Espírito Santo, Mato Grosso do Sul, Minas Gerais, Rio de Janeiro, Santa Catarina and São Paulo, with an annual installed capacity of more than 12.5 million tons of crude steel and 7 million tons of iron ore. ArcelorMittal Brazil also operates in the mining, energy generation and information technology (IT) segments, and in the production of renewable bio-reducer (charcoal from eucalyptus forests).
GRI 102-1, 102-4, 102-5

With a workforce of some 16,000 people, the company supplies various industrial sectors: construction, agribusiness, automotive, home appliances and shipbuilding. Our Long and Flat Carbon products and solutions are sold through an extensive distribution network that serves both the domestic and global markets. GRI 102-2, 102-6, 102-7

ArcelorMittal Group

World's leading company in the steel and mining sectors, the ArcelorMittal Group had an annual production capacity of 97.3 million tons of crude steel in 2020. The Group employs approximately 168,000 professionals in production operations spread across 18 countries, serving customers in more than 160 countries. At its 12 research centers, scientists develop products and processes to ensure a sustainable future, taking on the leadership in the sector in terms of Research & Development.



Businesses, segments and geographies

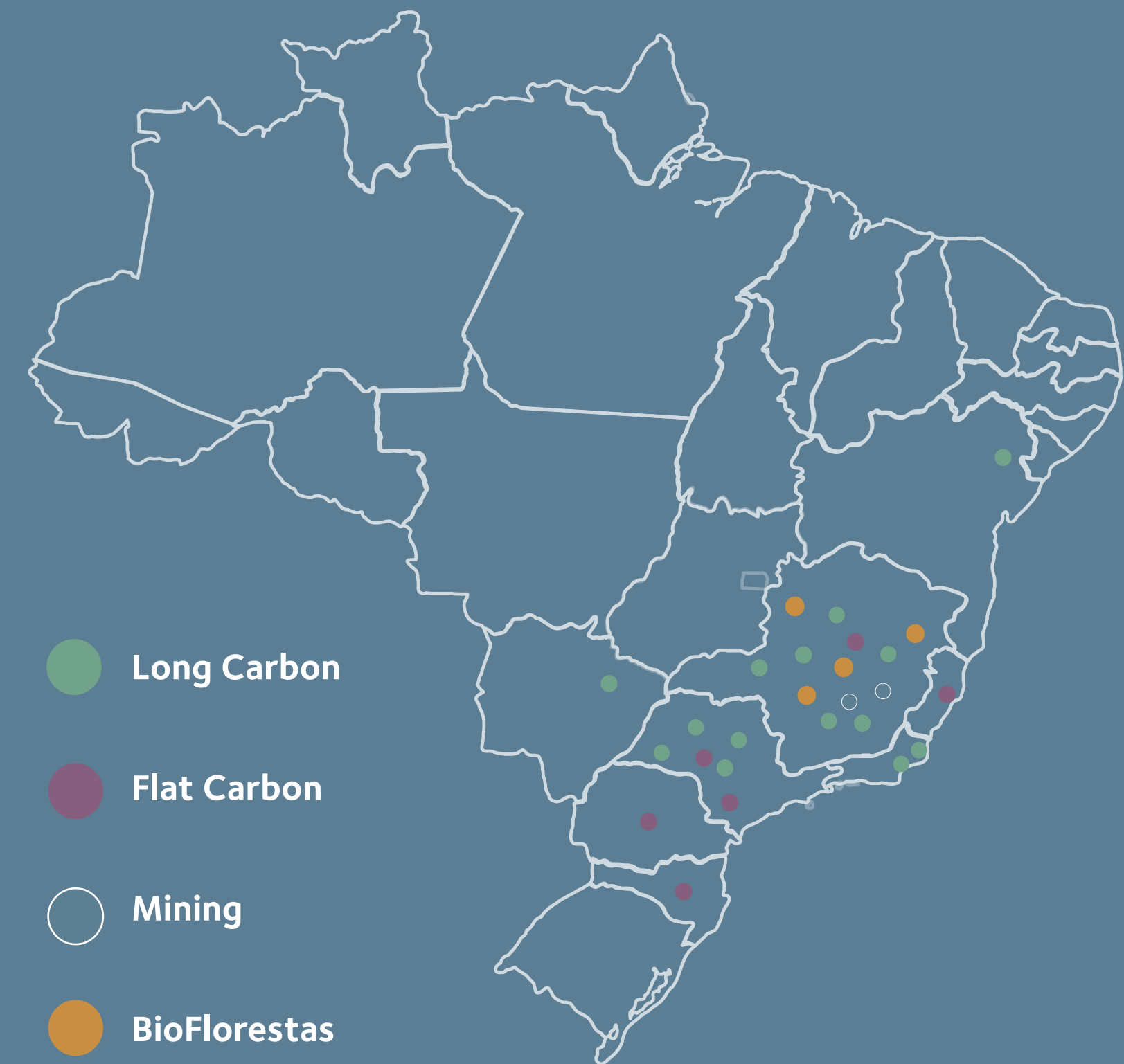
GRI 102-2, 102-4

ArcelorMittal Brazil's primary businesses are Long Carbon, Flat Carbon and Mining, with operations throughout the Southeast, Midwest and South of Brazil, as well as in the northeastern state of Bahia.

The Long Carbon segment has industrial operations in five Brazilian states (Bahia, Mato Grosso do Sul, Minas Gerais, Rio de Janeiro and São Paulo) and a country-wide distribution network supplying the market with products and solutions for the Construction, Manufacturing and Agribusiness sectors. Through Belgo Bekaert, a partnership with the Bekaert Group in Brazil, the Long Carbon segment is the leading supplier for the Industry and Agribusiness, and is among the three largest producers of steel cords for tire reinforcement. The joint venture with Grendene, in Três Lagoas (MS), produces rebar.

The Flat Carbon segment, with production units in the states of Espírito Santo, Minas Gerais and Santa Catarina, also has a joint venture with Gonvarri Steel Industries, represented by ArcelorMittal Gonvarri Brasil — a steel service center, located in Araucária (PR), specializing in pickling, slitting, cut-to-length and blanking of hot-rolled, cold-rolled and coated products. This business serves the automotive, machinery and equipment, and construction segments, among others. In a joint venture with Perfilor, operates in the areas of metal roofing and façade, thermoacoustic systems, and mixed slabs steel deck).

Brazil footprint





Inventing smarter steels for a better world

Purpose, values and SDOs

GRI 102-16

As the world’s leading steel and mining company, ArcelorMittal has the purpose of “**Inventing smarter steels for a better world**”, seeking to supply the market with high value-added steel solutions and to contribute to building a more sustainable, righteous, prosperous and inclusive society. Sustainability is one of our Group’s three core values, alongside **Quality and Leadership**.

The Integrated Reputation and Sustainability Management Platform guides the company’s efforts to build and maintain its reputation — an intangible asset translated into trust, admiration, esteem and empathy.

The sustainability management is based on the 10 Sustainable Development Outcomes (SDOs), which were based on UN’s 17 Sustainable Development Goals. The 10 SDOs support effective management of stakeholders’ expectations and needs, underpinned by ethical and transparent governance. Each outcome articulates a commitment in building a more sustainable future across aspects such as quality of life of employees and communities, responsible use of natural resources, value-added supply chains, scientific support and investment in new solutions.

ArcelorMittal also has a robust Integrity Program through which the company orchestrates initiatives to foster an ethical corporate culture, built on the pillars of honesty, transparency, dignity and exemplarity.

Sustainable Development Outcomes SDOs

- 1** Safe, healthy, quality working lives for our people

2 Products that accelerate more sustainable lifestyles

3 Products that create sustainable infrastructure

4 Efficient use of resources and high recycling rates

5 Trusted user of air, land and water

6 Responsible energy user that helps create a lower carbon future
- 7** Supply chains that our customers trust

8 Active and welcomed member of the community

9 Pipeline of talented scientists and engineers for tomorrow

10 Our contribution to society measured, shared and valued

Corporate Governance



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For the Legal Department, the ArcelorMittal Group's Integrity Program provides the Corporate's support and the necessary understanding from internal and external audiences so that the Compliance and Governance policies are naturally and indistinctly applied to all the company's businesses. Honesty, transparency, respect, dignity and exemplarity are the values we live by each day in dealing with customers and representing ArcelorMittal's interests.”

Vinicius de Andrade Simões
Legal Counsel

ArcelorMittal Brazil’s corporate governance prioritizes ethical, fair and egalitarian conduct. Through a broad and comprehensive strategy, the company goes beyond strict compliance with legislations. The company’s goal is to ensure that markets are supplied with quality steel whilst fueling socioeconomic progress in regions where the company operates, in line with international best practices and the Group’s global model. This goal is supported by strategy and compliance practices that are guided by a robust Integrity Program.

Organizational structure GRI 102-18

In line with industry best practices and Group management policies, ArcelorMittal Brazil’s corporate governance structure consists of four governance bodies, including a non-permanent Oversight Board.

These bodies are assisted by at least seven advisory committees, including the: Diversity & Inclusion Committee; Suppliers Committee; Image, Reputation & Sustainability Committee; Integrity Committee; Ombudsman Committee; Risk & Crisis Committee; and Information Security Committee.

Learn more about each of the governance bodies:

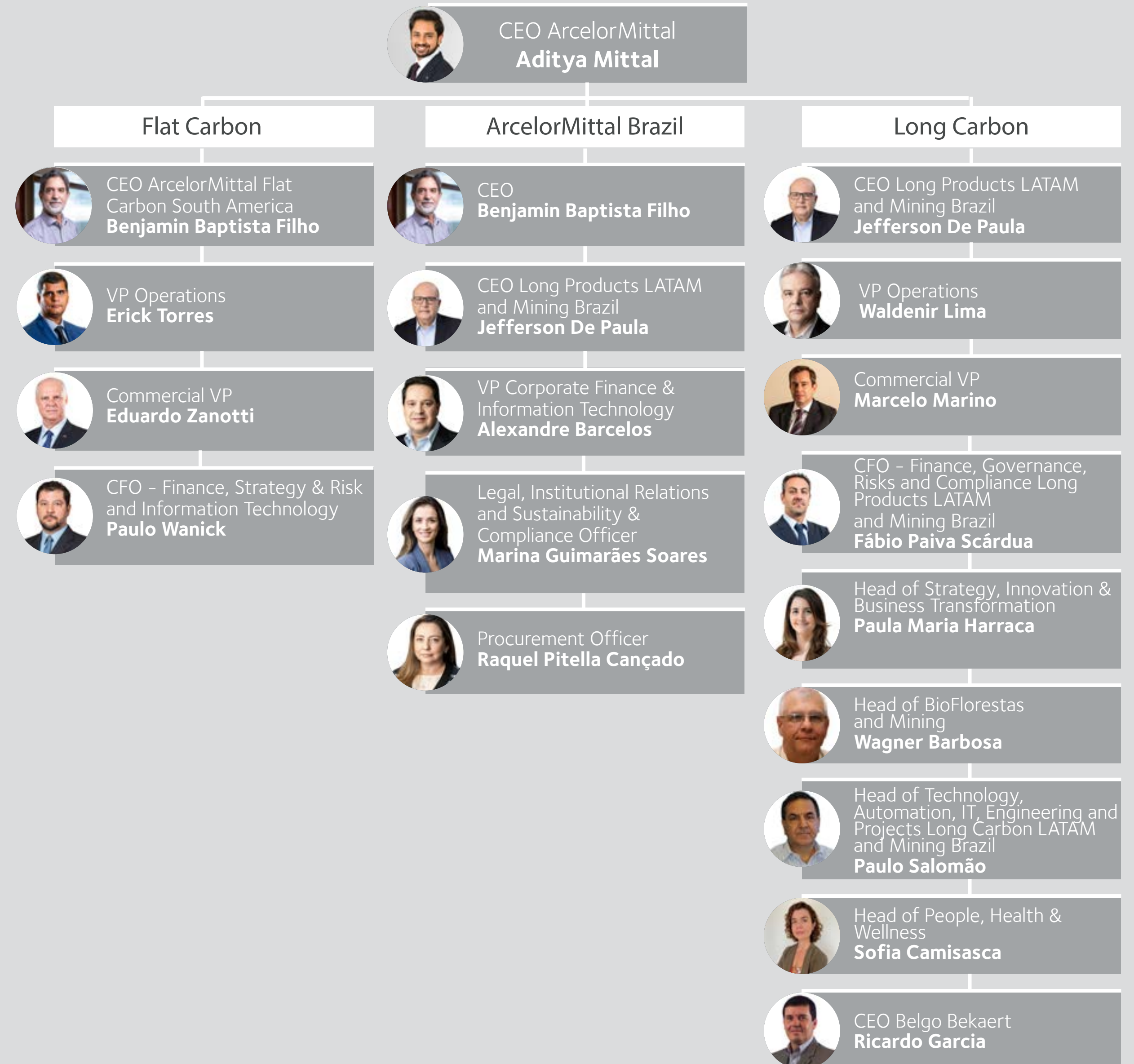
General Shareholders’ Meeting: our highest governance body, in which shareholders meet to decide on matters submitted for deliberation.

Board of Directors: with a composition of three members elected at the General Shareholders’ Meeting, two of whom are independent, the Board of Directors is responsible for establishing strategic guidelines, monitoring business performance, overseeing management activities, and assessing economic, environmental and social impacts. **GRI 102-19**

Statutory Executive Board: composed of eight executives appointed by the Board of Directors for two-year terms, the Executive Board is responsible for the regular management of the business.

Oversight Board: with 3 to 5 members appointed by the General Shareholders’ Meeting, the Oversight Board is an independent body convened at shareholders’ discretion to exercise oversight of Officers’ performance and review the company’s accounts. The Oversight Board was not convened in 2020.

Organizational Structure



Culture of integrity

GRI 103-2, 103-3: 205, 412

A Culture of Integrity steers the company's governance and compliance and is crucial to consolidating and developing ArcelorMittal's Integrity Program. Disseminated and incorporated globally by senior management and employees, this culture was cemented by the Group's Integrity Program, introduced in 2007 (known at the time as the Compliance Program) and is reviewed periodically. Based on best international practices, the program aims to implement initiatives that nurture an ethical corporate culture meeting the expectations of the new social dynamics. Its progress depends on all employees, who are key for disseminating the Integrity Culture amongst internal and external stakeholders. Company senior management is also completely engaged with the Culture of Integrity. Since 2014, it has been based on three pillars:

Honesty and transparency: in every gesture, action and word, the company complies with legislation, standards and ethics. Without using short cuts or improvising, the indicators, statements and reports are transparent and fully compliant at all levels.

Respect and dignity: the company pursues innovation to always do the best for people and communities. Its actions values respect and dignity of people, the environment and property, aiming to nurture enduring relations with all stakeholders, respecting contracts and confidentiality.

Exemplarity: Individual actions always set an example for collective actions. The ArcelorMittal Group leads by example, as do each and every one of its employees. Communicating our values and commitments in a transparent and objective manner will positively influence our entire corporate environment and relations, culminating in recognition.

Integrity Program

GRI 102-16

Our Integrity Program draws on several policies and procedures that are reviewed periodically so they evolve and become increasingly clear and comprehensive, helping ensure the organization's success. The main documents are available for download on the ArcelorMittal Brazil website

<http://brasil.arcelormittal.com.br/>.

Learn more about some of them below:

Code of Conduct

Applicable to directors, officers and employees of the ArcelorMittal Group, the Code of Conduct sets out mandatory general guidelines to be followed so as to comply with laws and expected behaviors. It addresses issues such as conflicts of interest, confidential information, harassment and discrimination-free workplaces, health and safety, respect for the environment, among others.

Anti-corruption Policy

Establishes guidelines to assure that employees and third parties follow the highest standards of integrity and do not engage in any corrupt activities in the course of business. Its aim is for employees and partners to abide by the strictest standards of integrity. Other specific procedures have derived from this code, such as the Procedure for Accepting and Giving Gifts and Entertainment, and the Anti-corruption audit procedure.

GRI 103-2, 103-3: 205





Human Rights Policy

Sets out core principles in order to maintain a workplace where human rights are respected, especially in terms of health and safety labor, work and local communities.

Drawing on the United Nations (UN) Universal Declaration of Human Rights; the two conventions that make up the International Declaration of Human Rights; the International Labor Organization’s Declaration on Fundamental Principles and Labor Rights and Rights at Work; and the UN Global Compact, this Policy applies to all employees at ArcelorMittal subsidiaries and affiliates around the world, as well as to contractors providing services to the Group. It establishes core principles on upholding human rights in the workplace and in interactions with communities. The Human Rights Policy aims to promote the creation of operating procedures that foster an environment where human rights are respected, and helps to ensure the Group does not engage in activities that directly or indirectly violate human rights.

In 2020, the ArcelorMittal Group published a new version of its Human Rights Policy, aligned with the UN Framework on Business and Human Rights. **GRI 103-2, 103-3: 406, 408, 409, 412**

Guidelines for Complying with Antitrust Legislation

These guidelines establish rules for avoiding all forms of conduct that infringe or seem to infringe fundamental anti-trust principles and legislation. They explain the measures and precautions to be followed by employees when dealing with competitors, benchmarking, participating in trade associations among other situations.

Anti-fraud Policy

Reinforces our commitment to honest conduct and zero tolerance for the practice and concealment of fraud or illegal acts. The Group has internal audit and forensic investigation teams with unfettered access to all of the company’s data and facilities.

Personal Data Protection Procedure

Sets out consistent, adequate and global rules to protect the personal information of employees, customers and suppliers in their interactions with ArcelorMittal Group entities.

Whistleblowing Policy

Sets out guidelines to detect any material irregularities in accounting, audits, finances, bribery or any other breaches of the Integrity Program and applicable legislation.

The main documents are available for download [here](#) on the ArcelorMittal Brazil website.

Whistleblowing hotline

GRI 102-17

ArcelorMittal Brazil has channels in various formats for internal and external stakeholders and runs campaigns to encourage the reporting of non-compliances with best practices in terms of ethics, integrity and corporate governance. Whistleblowing reports are assessed and investigated under absolute confidentiality and whistleblowers are protected from any retaliation, as the mechanism allows them to be make the denouncements anonymously, if so desired.

The channel primarily aims to: ensure continuous improvement of the Integrity Program and guarantee that appropriate measures are taken, thereby avoiding recurrence.

Discrimination reports are accessible only to certain personnel, such as the Compliance Officer and the Internal Audit – Forensic Service. The Internal Audit – Forensic Service was established as a body independent from senior management, with no direct subordination to the local leadership and is it managed by ArcelorMittal’s Audit Committee, based in Luxembourg. In 2020, ArcelorMittal Brazil’s whistleblowing hotline received 199 reports, 142 of them were investigated and addressed within the year.

GRI 103-2, 406-1

Grievances in 2020 GRI 103-2	Contact us	Social media	Total
Number of grievances filed through grievance mechanisms	7,484	160	7,644
Number of grievances addressed	7,484	44	7,528
Number of grievances resolved	7,484	160	7,644
Number of grievances filed prior to the reporting period that were resolved during the reporting period	-	-	-
Number of grievances resolved through remediation and how remediation was provided	-	-	-



Data protection

In 2020, ArcelorMittal Brazil continued preparations for compliance with the General Data Protection Regulation (GDPR) by implementing a Privacy Policy, Terms of Use for websites and apps, Cookies Policy, and new clauses in employment and supplier contracts. A number of events and internal training on data protection were also held. OneTrust, a personal data governance tool, was also implemented.

ArcelorMittal Brazil’s website now has a dedicated section where [data subjects can exercise their rights](#). The company reiterates its commitment to building a genuine culture of privacy.



Training GRI 205-2

Training on Integrity Program policies are stipulated for positions in accordance with a global matrix on compliance training, considering areas and functions that are more exposed to risks. The matrix includes topics such as anti-corruption, standards of conduct, human rights, fighting fraud, anti-trust procedures, economic sanctions, insider information and conflicts of interests. In 2020, trainings were mostly online due to social distancing imposed by COVID-19.

In 2020, 1,378 employees across all categories received training on anti-corruption practices. Furthermore, every single employee received information about campaigns addressing matters such as gifts and entertainment, conflicts of interest, fighting fraud, and standards of conduct.

Initial training is provided during onboarding and refresher training every three years. Each year, employees whose three-year refresher training is due to expire are called to take retraining on the Integrity Program. Courses, workshops, roundtables and other events are also organized on different topics related to the Integrity Program. A variety of training content is also available at the ArcelorMittal University portal, including Human Rights. GRI 412-2

Organized by the Global Assurance area, a highlight was the 2020 International Fraud Awareness Week, held in partnership with the Association of Certified Fraud Examiners (ACFE). Around 400 employees attended live-streamed lectures and training to raise awareness about the risk of fraud in all areas of the company.



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Risk management

GRI 102-15

Since 2008, ArcelorMittal adopts a unified risk management policy, applicable to all countries where the Group operates. The methodology is based on monitoring the identification, assessment (financial and/or non-financial impacts and likelihood), treatment or response required, and periodic monitoring of risks.

For the company, risk management is not a department or a task, but a culture that brings together skills and organizational practices that are fully integrated into its strategy. The goal is to manage risks during value creation, preservation and realization, as an integral part of the day-to-day tasks of all areas and teams.

In order to reinforce the methodology applied and to disseminate the culture of risks, segments periodically promote workshops and training for several units and areas of the company. In the Long Carbon and Mining segments, these events are held every six months and are attended by focal points from units and offices, in addition to other guests from different areas. The event held in the second half of 2020 addressed the topic of “Cybersecurity in times of pandemic and working from home”. At ArcelorMittal Flat Carbon, the eighth edition of the Governance, Risk & Compliance Workshop brought together more than 850 participants from different operations in South America in an online event. At the time, strategies, decision-making and risk reduction were discussed, essential subjects to overcome challenges, especially in an atypical year due to the Covid-19 pandemic.

Strategic risk maps for each ArcelorMittal Brazil business segment are periodically discussed and analyzed by the leading process managers and the Governance, Risks and Compliance department, and are subsequently assessed by the relevant risk committees, consisting of the CEO and executive officers. Risk analysis is also made during strategic planning and during the evaluation of investment projects (Capex), as well as in the deployment of the methodology for tactical/operational risks and those related to the company’s main assets.

Based on the Precautionary Principle — an approach introduced by the UN during the 1992 Earth Summit to inform preventive actions taken by organizations — ArcelorMittal considers all factors that may pose risks to the environment, image and reputation, health and safety of employees, and other stakeholders.

GRI 102-11

In order to mitigate corruption risks posed by suppliers, business partners are assessed using risk ratings based on objective criteria established by the ArcelorMittal Group in its Anti-Corruption Policy and Procedure. The ratings also determine the scope of assessment procedures, and all active suppliers are reassessed every three years. In 2020, 14,842 partners underwent corruption-related risk assessments. The assessment is based on the following criteria: length of contractual relationship, size, the country’s Corruption Perceptions Index, business activity, and interactions with public agents. **GRI 205-1**

Controls and technology

ArcelorMittal applies the COSO (Committee of Sponsoring Organizations of the Treadway Commission) methodology and other risk management and internal controls practices to support more effective monitoring of action plans and to clearly establish each department’s and manager’s roles and ownership.

Robot Process Automation (RPA) is another initiative to enhance internal controls through innovation. The company ended 2020 with 70 automated tests, 66% more than the 42 at year-end 2019.

In the Flat Products segment, in 2020 we implemented IB Solutions, a governance, risk

and compliance platform that automates follow-up on action plans, in addition to digitizing the activity using a paperless approach embedded in the system. It is the IB Risk, which in its first phase of implementation covered strategic and tactical risk management. The second phase, in 2021, will include the risk management of Assets/ Operational and investment project, including for projects in connection with the Environmental Commitment Agreement (ECA), signed with the regulatory agency in the state of Espírito Santo to reduce air emissions.

In the Long Carbon and Mining segments, the system will be rolled out in 2021. It will initially cover strategic risks and will be subsequently extended to tactical/operational risks.





People

“

Working at a company that has “People” as its core value is what most motivates me at ArcelorMittal. I believe that people have the capacity to go the extra step, making a real difference for the business.

The organization is open to diversity, which empowers me every day as a person and as a Human Resources/ People professional.

Being able to contribute with my ideas, propose innovation, look out for people and be a culture agent makes me proud to be a part of ArcelorMittal.”

**Regiane Henrique
Moreira Miranda**

Human Resources Analyst at
ArcelorMittal Monlevade



Click here to see the stories of some ArcelorMittal Brazil employees

The priority of ArcelorMittal Brazil's people management practices is to guarantee safe, healthy, quality working lives for its people, in accordance with the organization's first sustainable development outcome (SDO 1). This is why the goals set for People department include robust investments in health and safety, engagement initiatives, and talent development.

Total workforce by employment contract and gender¹ GRI 102-8

Contract type	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Definite term	2	4	6	2	1	3	54	11	65
Indefinite term	15,288	1,718	17,006	14,814	1,777	16,591	17,813	2,037	19,850
Total	15,290	1,722	17,012	14,816	1,778	16,594	17,867	2,048	19,915

¹ Not including outsourced workers, apprentices, interns and employees on leave.

Total workforce by employment contract and region¹ GRI 102-8

Contract type	2018			2019			2020		
	Definite term	Indefinite term	Total	Definite term	Indefinite term	Total	Definite term	Indefinite term	Total
North	0	9	9	0	8	8	0	57	57
Northeast	0	564	564	0	571	571	0	1,657	1,657
Midwest	0	138	138	0	105	105	0	133	133
Southeast	6	15,632	15,638	3	15,217	15,220	65	17,370	17,435
South	0	663	663	0	690	690	0	633	633
Total	6	17,006	17,012	3	16,591	16,594	65	19,850	19,915

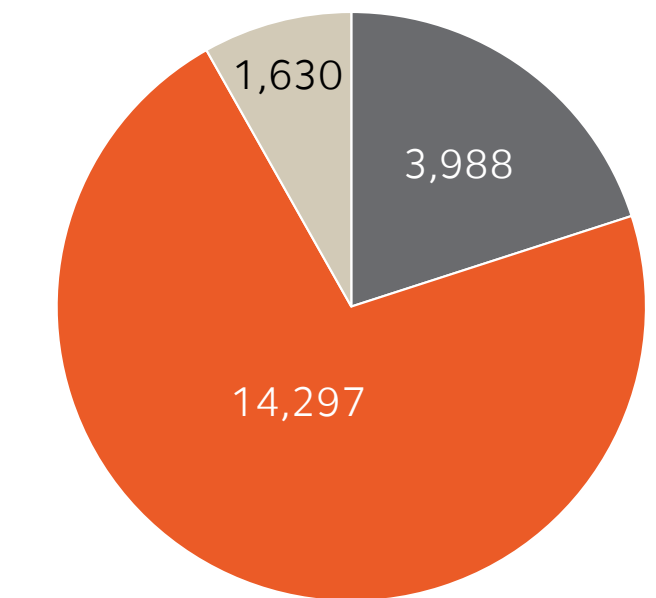
¹ Not including outsourced workers, apprentices, interns and employees on leave.

Total workforce by employment type and gender¹ GRI 102-8

Type of employment	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	15,290	1,722	17,012	14,803	1,773	16,576	17,865	2,045	19,910
Part Time	0	0	0	13	5	18	2	3	5
Total	15,290	1,722	17,012	14,816	1,778	16,594	17,867	2,048	19,915

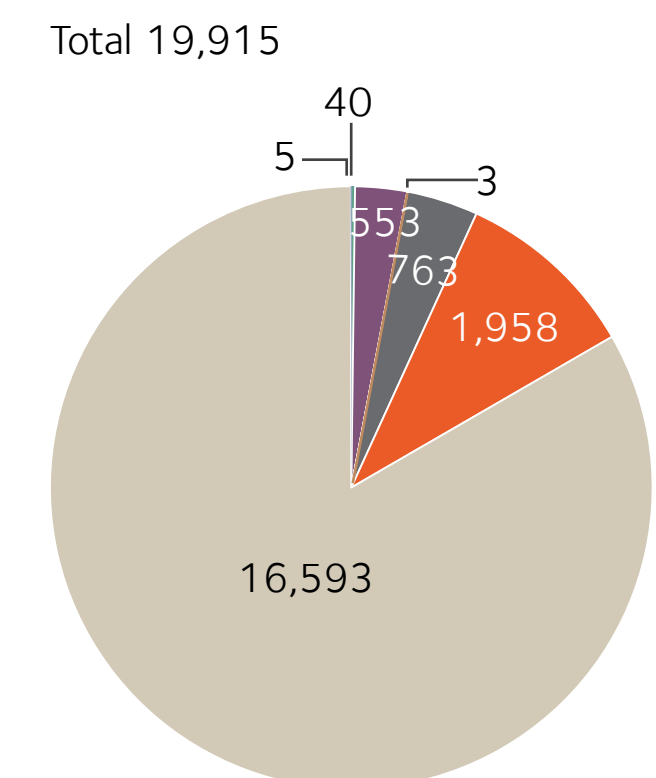
¹ Not including outsourced workers, apprentices, interns and employees on leave.

Employees by age group
Total 19,915



- < 30
- 30 - 50
- > 50

Workforce by employee category
Total 19,915



- Executive Board
- Middle Management
- Head/coordinator
- Technical/supervisor
- Administrative
- Operational
- Trainees

Telecommuting

The social distancing required to help curb the spread of COVID-19 transferred 2,500 employees to the telecommuting format.

Within this context, a range of reference materials were made available on virtual platforms, such as the ArcelorMittal University's (AMU) On-line Campus, to keep employees informed while working remotely. Another resource available to most of our employees was the Virtual Stand of the Learning Guide, a Corporate Education section on SharePoint offering a variety of educational materials.

Several IT arrangements were also implemented to facilitate employee access to file archives, streamline communications, and ensure information security. This included a new VPN (Virtual Private Network) to allow employees working from home to access the company's server securely and efficiently. A SharePoint page was also created with tips and advice to assist employees in their day-to-day activities. Data protection and information security were reinforced with the implementation of multifactor authentication (MFA), a software that helps to prevent attacks from hackers.

Professional development

Performance assessment systems measure and monitor employee development based on their professional categories. The company uses GEDP (Global Employee Development Program). By assessing employee performance and potential around strategic business guidelines, the program allows mapping performance, training demands, and potential around strategic business guidelines, the program can map performance, skill requirements and potential professional growth within the company. A robust process of succession planning maps positions and professionals that can progress to new career opportunities.

The company's development programs are based on cognitive neuroscience and lifelong learning, aligned with the cultural journey, connecting employee needs to business challenges. Despite the challenges posed by COVID-19, in 2020 the company kept investing in knowledge management initiatives.

In on-line and off-line formats, the training and initiatives cover all operations with different training programs such as the Supervision Academy, for base leadership; Gateway, for new apprentices; Steel Trainee, for trainees; Business Academies, for specific department requirements; Com#Vivência Project, for sharing good practices

among managers; Executive Board Lives and Coffee with Management, enabling approximation with employees; Supervision Talks to share expertise and offer practical tools to equip this management level, and Leadership Academy, which prepared the booklet "Leadership in Times of Uncertainty".

The program for 2020 also includes the following workshops:

Leader challenges, Meaningful Talks and Measuring Well-being. The challenge of the pandemic also accelerated the development of legal training on a hybrid basis (e-learning, virtual classroom and in-person practical activities), which was adapted internally and offered through the ArcelorMittal University's online platform and app.

Knowledge Week – held in June 2020, the program focused on ArcelorMittal's three core capabilities: Courage to Challenge, Innovation and Inspiring Trust. For the first time, the event was completely online as result of the social distancing during the COVID-19 pandemic. In some 30 sessions, more than 4,000 employees followed the events on their smartphones, computers or tablets, using the Teams platform. In addition to the four lives anchored by CEOs, officers and leadership broadcast across Brazil, events took place addressing topics like agile methodologies, time management, emotional intelligence, meditation practices and mindfulness. The units also held specific meetings to meet local specific demands.



“

Our focus is to provide employees with the best experience possible. For this reason, our HR is always open for queries, to assist in various demands and monitoring the entire team. We are taking an increasingly human-centric approach that brings us closer to employees by implementing best practices.”

Carolina Pedrosa,
Attraction and Engagement Analyst at
Serra Azul Mine

Incentivizing new talent

ArcelorMittal Brazil is amongst the companies rated highest by its interns in 2020, according to a survey by Glassdoor's recruitment and careers website. New talents participate in the Gateway program developed in partnership with SENAI, which provides training to high school graduates between 18 and 22 in the fields of Steelmaking Processes, Mechanical Maintenance and Wire Drawing. The courses were administered at the operations in João Monlevade (MG), Piracicaba (SP), Andrade Mine (MG), Juiz de Fora (MG) and Sabará (MG), coupling theoretical classes with practical work.

At ArcelorMittal Vega (SC), the Technical Sustainability Program in partnership with SENAI helps identify, select and develop young talent from São Francisco do Sul (SC) via the Young Apprentice Program and the Technical Electromechanical course. The program provides training courses for the community, with the possibility of being an intern and later hired by the company. More than 50% of students graduating in the technical course are now working for ArcelorMittal Vega or companies in the region. The efforts and contribution of the program for a better qualification of local residents received awards from the Brazilian Association of Human Resources (ABRH-SC), with the 2020 Human Being Award.

In 2020, ArcelorMittal Tubarão (ES) enabled 212 adolescents to graduate in its Mechanics, Electrotechnical, Computer Network, and Occupational Safety courses. In addition to the technical courses, training courses were provided in management, where the young people were able to learn about administrative and warehouse procedures. The company's selection processes are open to both apprentices and interns.



ArcelorMittal Master online

Running for 14 years now, the ArcelorMittal Master touring training program continued its activities during the pandemic. Aimed at construction professionals, the program that has trained more than 20,000 people in courses held aboard a truck-mounted classroom that toured cities across the country, was adapted to a virtual format in 2020. Classes continued to be free of charge and were divided into three modules covering all stages of a construction, from design to finishing.

An interactive chat service was available and allowed 2,000 students to submit questions in real time.



[Click here to learn more about ArcelorMittal Brazil's Health & Safety initiatives](#)

Health and Safety

GRI 103-2, 103-3: 403
ArcelorMittal's Occupational Health & Safety Management System is certified to international standards ISO 45001:2018 and OHSAS 18001. These certifications demonstrate our commitment to implementing sound health and safety practices in our activities and to improving quality of life for employees and other stakeholders—as well as our commitment to suppliers and customers. Our safety practices aim to protect people's integrity by providing safe and healthy workplaces, preventing work-related injuries and illnesses, and continually improving safety performance. The success of the system relies on leadership, commitment and participation from all levels and functions within the organization. GRI 403-1

Safety management is prevention-oriented and based on an organizational culture focused on efficiency, discipline, knowledge management, and respect to the highest standards.
GRI 103-2, 103-3: 403

ArcelorMittal Brazil provides training to both own employees and outsourced workers in order to disseminate its prevention culture and practices, promote good safety practices, and improve employee awareness of hazards and risks. All employees receive specific induction safety training before taking on their roles. Safety training addresses a wide range of health and safety topics, such as wearing PPE, the golden rules, emergency procedures, and behavioral training. In addition, employees receive mandatory technical training on topics

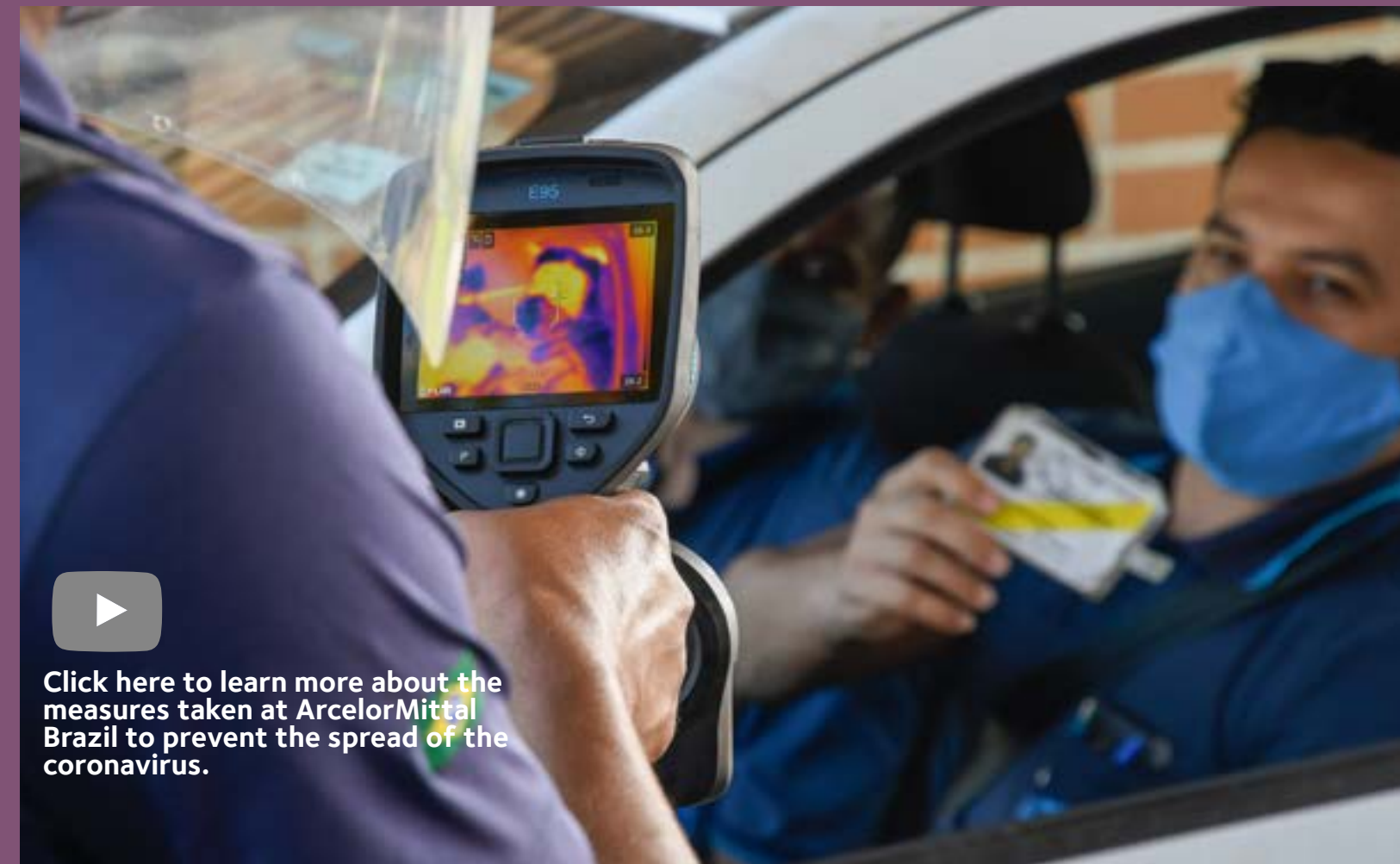
such as work at heights, electricity, access to confined spaces, overhead crane operation, among others. GRI 403-4, 403-5

Monitoring the performance of the Occupational Health & Safety Management System (OHSMS) include compliance with legal requirements, identifying and addressing hazards and risks related to activities and operations, and identifying opportunities for improvement in order to achieve the organization's goals.

Employee health and safety is managed by measuring and monitoring occupational risks; occupational health checkups; monitoring against health and safety goals and targets; approaches and inspections; identification, assessment and remediation of anomalies; internal and external audits; and audits on new projects. The company also has process management tools and critical analysis meetings to assess findings and implement required actions to achieve set goals. These actions are all managed using dedicated software systems. GRI 403-2, 403-3

ArcelorMittal monitors OHSMS performance against qualitative and quantitative indicators. The continuous monitoring of its own results and those of contractors' allows to implement actions to continuously improve the system. The company keeps an OHSMS communication, participation and consultation procedure to ensure open dialog and transparency in the relationship with employees and partners. For example, our anomaly management system allows any employee to report health and safety-related deviations, unsafe conditions or behavior. Another important communication channel is our Internal Commission on Accident Prevention (CIPA), which is composed of both employer and employee representatives. GRI 403-3

Furthermore, discussions about health and safety management are regularly held at both local and global corporate levels through conference calls, videoconferencing, meetings, and internal and external audits, with results being periodically monitored by senior leadership. GRI 403-2, 403-4



Fighting COVID-19

GRI 403-6

In the fight against COVID-19, ArcelorMittal Brazil prioritized the health and safety of its employees and their families by taking emergency actions coordinated by the Crisis Management Committee, set up to oversee implementation of the protocols recommended by health authorities, and to disclose information on prevention. In addition to implementing the telecommuting model, sanitary measures and social distancing ensured employee safety when commuting and at the workplace. Prevention measures included more frequent cleaning and disinfection; mandatory use of masks (supplied and distributed by the company); stringent distancing rules; installation of handwashing stations with soap and water and hand sanitizers; shuttle bus fleet was expanded and increased vehicle disinfection; adaptation of all workstations to prevent the spread of the disease; body temperature screening at entrances; creation of a single platform where all information regarding the company's prevention practices is made available. Moreover, as a way to strengthen the initiatives, 13,600 people received the H1N1 vaccine. The governance on fighting the new coronavirus that was established enabled several benchmarking around the world and involved a multidisciplinary team that engaged several departments and processes to support adapting and

continuously monitoring all workstations and common areas where pandemic-related prevention measures could be applied. Based on all the experience gained, it was also possible to prepare a governance project for future pandemic scenarios, similar to the 2020 context, aiming to speed up the response time and decision-making.

In addition to medical and hospital care for employees and their families, in the Long Carbon segment, Abertta Saúde offered a 24/7 telephone service that employees could call to ask questions and get instructions about where to get help if they showed COVID-19 symptoms. All employees and their dependents were also able to receive remote consultations from internal medicine physicians and pediatricians via the Einstein Conecta service. Abertta Saúde also launched the counseling Psicologia Viva (Living Psychology) platform, with a diversified team of specialists. The platform allows beneficiaries to receive virtual consultations from home, with a specialist of their choice.

At the Flat Carbon operations, a remote advice and consultation channel was made available with teams from the Integrated Family Health System (SIM) and Livon, to support and monitor suspected or confirmed cases among employees and their dependents, providing needed assistance until resolution. At Tubarão unit, an internal social and psychological support committee, made up with psychologists and social workers, was created to provide remote support to employees and their families, thus seeking to reduce emotional impacts caused by the pandemic.

At our Flat Carbon units, Tubarão (ES) and Vega (SC), one of the actions taken to better understand and learn about the real impact of the pandemic on society and within the company's boundaries was carrying out a Serological Survey (mass testing), which helped to check and maintain actions to fight COVID-19. The strategy was applied to employees and contractors with on-site activities. The testing method chosen allowed to identify asymptomatic cases for appropriate measures, thus minimizing the risk of spreading the disease.





Injury prevention

GRI 403-2, 403-5

ArcelorMittal Brazil has a policy that encourages employees to report unsafe conditions, and a specific procedure for assessing and investigating typical injuries and near misses. Based on the assessments, action plans are developed to remediate and improve work processes and the work environments.

Injury investigations are conducted in accordance with specific procedures of the OHSMS and the ArcelorMittal Group's global Fatality Prevention Standard (ST011). These investigations aim to identify the basic and fundamental causes of an event, and to structure an action plan to prevent similar occurrences.

Within the ArcelorMittal Group, Brazil is a benchmark for several best practices and has a good performance in terms of health and safety indicators. Andrade Mine (MG) is a global benchmark, with a safety record of 28 years without any LTI and 73 years with zero fatalities. Other key initiatives at our operations are described below.

Long Carbon

In the Long Carbon segment, the safety culture programs 'Take Care', 'Safety Leadership' and 'Bebecare' further strengthened, in 2020, the pillars addressed in phase 1: the Golden Rules, identifying hazards and risks, and "see and act" commitment (It starts with me!). In 2020, we also focused on another important pillar of our safety culture - the

Fatality Prevention Standards (FPS), and on expanding the commitment with the team (It starts with me! And continues with us!).

With the Take Care program, 94.4% of own employees and 74.5% of contractors were trained in 2020. The Safety Leadership program covered 89.2% of own leadership and 76.3% of contractors' leadership (fixed and temporary contractors with contract term equal to or greater than 120 days).

Flat Carbon

At the Flat Carbon units, the Safe Behavior program is the highlight. Focusing on prevention, the program aims to achieve greater maturity in health and safety through perennality, simplification and consolidation of methods, in addition to understanding the influence and importance of human aspects. In 2020, the program focused on training new leaders and raising employee awareness through safety campaigns involving their families.

The digital transformation project carried out by the occupational safety department further improved during the year, introducing several improvements including a "Safe Behavior" app that makes it quick and easy to document anomalies and safety approaches. Another highlight was the development of online reports providing more and better-quality information to support the leadership.

Using redesigned tools, 82,400 safety

inspections and approaches were carried out seeking to reflect on the topic in an andragogical manner with the teams involved. Some 40 preventive safety assessments were also conducted to foster open discussion with own employees and contractors, and to assess the level of maturity, awareness and engagement of the teams. The assessments identified and addressed more than 14,000 anomalies. This entire process enabled the area to achieve a lost-time injury frequency rate (LTIFR) of 0.14, an excellent result within the ArcelorMittal Group and in the global steel industry.

Mines

Chosen by the Brazilian Association of Safety & Protective Equipment Industry (ANIMASEG) as the best company in Brazil in the field of Health & Safety, Mineral Extraction category, ArcelorMittal Mining Serra Azul is a benchmark in the topic. The award recognized the non-existence of serious injuries, the implementation of effective management and indicators, and initiatives to improve the work environment both in the company and in the society.

In 2020, the "Health 4.0 – QR Health Card" project, an app developed by the unit, was in the spotlight of the 22nd edition of the Mining & Metals Industry Excellence Awards organized by *Minérios & Minerables* trade journal.

The app supports a more efficient response in the event that employees are injured or become unwell, as it allows responders to

quickly access each employee's medical records. In an emergency, first-aid responders and the medical team will be able to readily access the patient's health profile and provide more effective medical assistance. Serra Azul mine received another five awards from trade journal *Proteção* during the Brazilian Conference on Occupational Health & Safety.

Andrade Mine also delivered strong safety performance in 2020. The unit celebrated 28 years without any lost-time injuries (LTI) in September, and 74 years with zero fatalities in November. These results reflect continuous investment in accident prevention, as attested by the mine's certification in the year to ISO 45001 (Occupational Health and Safety Management Systems).

- In locations not covered by the healthcare assistance network, alternative health care options are offered.

- The company also offers healthcare programs provided by employees' health insurance plan, the Zero Tobacco program, and Sempre Alerta (Always Alert) program, to prevent and fight alcohol and drug abuse.

Work-related injuries GRI 403-9	Employees	Workers ¹
Number of hours worked	27,183,876	16,291,654
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0	0
Number of serious work-related injuries (excluding fatalities)	5	3
Rate of serious work-related injuries (excluding fatalities)	0.18	0.18
Number of recorded work-related injuries (including fatalities)	39	13
Rate of recorded work-related injuries (including fatalities)	1.43	0.80

¹Workers who are not employees, but whose work and/or workplace is controlled by the organization.

Diversity & Inclusion



Click here to learn more about the Diversity & Inclusion Program of ArcelorMittal Brazil

GRI 103-2, 103-3: 406

In order to build an inclusive workplace where all are treated equally and with respect, ArcelorMittal Brazil values and encourages team diversity. Believing that in a welcoming workplace, diversity brings new ideas, perspectives and experiences, bolstering the company's values – Sustainability, Quality and Leadership, in 2020, the organization cemented its Diversity & Inclusion (D&I) Program, bringing together more than 1,300 volunteers who actively participate with ideas and suggestions of projects in four affinity groups: People with Disabilities, Gender Equality; Racial Diversity and LGBTI+.

Since its launch in 2019, communication initiatives and campaigns have been carried out to educate and raise awareness of internal stakeholders about the topic. In 2020, the Company signed up to the Women's Empowerment Principles, created by UN Women, to the Forum on Business and LGBTI+ Rights, the Business Network for Social Inclusion, and to the Business Coalition for Racial and Gender Equality. For 2021, the Diversity & Inclusion Committee organized a comprehensive agenda of meetings with affinity groups and devised initiatives for commemorative dates (Women's Day, LGBTI+ Pride Month, National Day of People with Disability and Black Awareness Day). Leadership and spokesperson training programs were organized, in addition to the LGBTI+ Census, a survey open to all employees, amongst other initiatives. **GRI 102-12**

In 2020, ArcelorMittal Brazil prevailed in the Diversity and Inclusion category of the **2020 ABERJE awards**, in the regional edition for Minas Gerais and the Midwest. Another key event in the year was the inclusion of socially vulnerable migrants at Belgo Bekaert, where 21 Haitian and Venezuelan professionals joined the team.

Virtual meeting

The first virtual meeting was held in February 2020 between leaders, mentors and volunteers from the affinity groups of the Diversity and Inclusion Program. The meeting also provided an opportunity to reinforce roles and responsibilities and prepare volunteers to welcome and advise employees reporting sensitive situations in the workplace.

The event also highlighted results achieved, projected targets and achievements for 2021, recognizing the work being carried out by affinity groups.



laurinha, logo em inglês

Steela gives a face and voice to our communications

Our Communications and Marketing departments ran internal and external campaigns to advertise our new chatbot service, Steela, which gives a face and voice to customer service communications, e-commerce platform and supplier communications on SRM platform. The new tool reflects the company's evolution in stakeholder relations.

Hi, nice to meet you! I'm Steela!





Click here to learn more about ArcelorMittal Brazil's products and solutions

Products and Solutions

“

My job is to ensure the availability of work rolls for the hot strip mill, from bearing assembly to final handling when they are changed at the mill stands. I'm also responsible for cleaning the rolls once they are changed, in addition to inspecting them, lubricating the inner bearing surfaces, and checking the schedule to make sure there are no delays in the process. The rolls are assembled using manual and pneumatic tools, all contact surfaces are lubricated with grease, and cleaning is made using industrial soap and pressurized water. I handle some of the equipment using the overhead crane.”

Thais Pinheiro dos Santos Xavier
Roll Shop Operator at ArcelorMittal Tubarão

Steel is a staple raw material in several industries. Being the most reused material in the world without losing its versatility and durability, steel can be 100% recycled, which reduces environmental impacts. Keeping up with the sustainable development challenges, ArcelorMittal Brazil has a guideline to continuously invest in Research & Development to deliver products, solutions and by-products that can drive modernization in the agribusiness, automotive, construction, manufacturing and mining industries. The result of this policy is shown in its portfolio of products, originated from units certified to ISO 9001 quality management system.



“

I joined ArcelorMittal eight years ago and I work as a development and application engineer for the construction sector. Our biggest challenge is to develop increasingly optimized designs for our customers, capturing maximum value from each development and estimating the actual productivity, one that can be measured, from early project planning to application at the worksite. We have a team of specialists that carefully evaluates each project and adapts designs to each application. Our main differentiator is having the most complete mix of products and services in Brazil.”

Rayanne Oliveira dos Santos
Development and Application Engineer
for the Construction sector,
ArcelorMittal Long Carbon





Long Carbon

GRI 102-43, 102-44

The Long Carbon industrial operations, concentrated in the states of Minas Gerais, São Paulo, Bahia and Mato Grosso do Sul, supply customized products and services to the broader Brazilian market. The company serves various markets and keeps a vast brick-and-mortar and virtual (e-commerce) distribution network, including 95 commercial units, 23 service units and 17 retail stores, with a nationwide footprint. Through Belgo Bekaert, a strategic joint venture with the Bekaert Group, ArcelorMittal Long Carbon segment is the leader in the production of wire in Latin America, and one of the top three global manufacturers of wire rod for steel cords, a steel solution that makes tires safer and more stable. Its portfolio also includes products for the agribusiness, fencing, construction and automotive sectors, in addition to welding, special applications, and oil industry.

In 2020, Belgo Bekaert began selling agribusiness products via a marketplace platform. This was a demand identified during the Agribusiness Customer Journey, a survey to assess the customer's buying experience in this segment. As part of efforts to build closer relations with all customers, the event "Hello, Customer" was organized to disclose to all employees the guideline of having customers as the primary driver in decision-making.

GRI 102-43, 102-44



Flat Carbon

ArcelorMittal Brazil's Flat Carbon portfolio offers a wide range of solutions for the automotive, shipbuilding, home appliance, construction, and agricultural machinery sectors. Our product portfolio also includes hot-rolled, cold-rolled and coated flat carbon, sheets, blanks and slitters. ArcelorMittal has a service center — a joint venture with Gonvarri Steel Industries — specializing in pickling, slitting, cut-to-length and blanking of hot-rolled, cold-rolled and coated flat carbon steel. With Perfilor, the company has a joint venture to produce metal roofing and façades, thermo acoustic systems, and composite steel decks. In the Flat Carbon segment, ArcelorMittal Brazil has production units in the states of Espírito Santo and Santa Catarina, and processing and distribution units in the states of Minas Gerais, Paraná and São Paulo. Customer satisfaction in this segment is assessed in annual surveys using electronic forms (Microsoft Forms).
GRI 102-43, 102-44



Mining

In Brazil, ArcelorMittal operates two mines in the central region of Minas Gerais state: Andrade and Serra Azul. These operations are part of the global strategy to become self-sufficient in iron ore and transform mining into a safer and more sustainable model.

In 2020, the construction of a new itabirite beneficiation plant at Andrade mine was completed, an investment of BRL 115.7 million. Itabirite, which previously had no industrial application at ArcelorMittal, can now be processed, thus increasing the mine's lifespan and enhancing the iron ore quality. The unit has an installed capacity of 180 tons of concentrate per hour, and is expected to achieve the goal of 567,000 tons per year.

In 2020, Serra Azul mine secured a license from the state environmental agency, COPAM, for a mine expansion. This will allow the extraction of iron ore in more superficial soil, improving the average quality of the end-product sold in the domestic and foreign markets.

Idled in October 2012, Serra Azul tailings dam

operates since then using the dry stacking method as a safety measure. In 2019, the Emergency Action Plan for the tailings dam was escalated to level 2 after a thorough assessment. As a result, residents impacted were rehoused in properties rented by the company and receive monthly emergency aid, as established in a Preliminary Agreement Term (PAT).

To comply with the steps required to carry out the reinforcement works, in 2020, the company evolved in the technical studies of the project to build a barrier structure downstream of the Serra Azul tailings dam, for containment of tailings in the event of a dam break. The containment structure must be complete prior to initiating the tailings dam reinforcement and subsequent removal of all tailings, an engineering process known as decommissioning. On the roughly 20 properties whose boundaries will be modified, the company will install or relocate safety fencing. The areas modified are automatically included in the Preliminary Agreement Term (PAT) between ArcelorMittal, the Federal and State prosecution services, and the Residents' Committee.



BioFlorestas

Charcoal quality is crucial in pig iron production, and investments in initiatives to improve charcoal properties can help to optimize product performance and improve competitiveness.

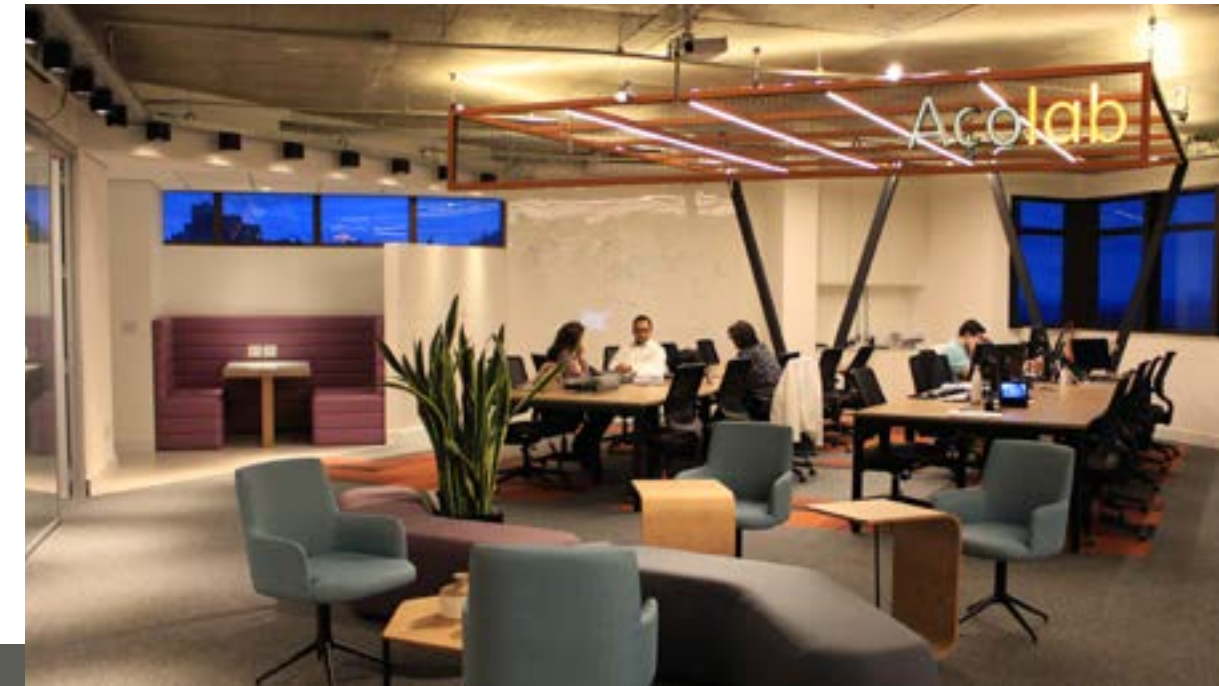
This led ArcelorMittal Bioflorestas to build a new laboratory in 2020 in Martinho Campos (MG), with a team specializing in testing whether products meet customer specifications. The laboratory analyzes physical and chemical properties such as mechanical strength, amount of fines produced, moisture content, energy potential, among others. It also tests the timber from planted forests, which is used to produce the charcoal.



Innovation and technology

ArcelorMittal Brazil’s continuous innovation efforts were recognized by several awards in 2020: first place for Innovation in the *Empresas Mais* list published by Brazilian newspaper *O Estado de S. Paulo*; second in the Top 100 Open Corps list; and the Grow + Innovation Award (for a case study on Innovative DNA). [Learn more in Awards and recognition.](#)

That is the result of putting the company’s culture of innovation into action through various initiatives and programs to incentivize technological development and relationship with leading science and technology institutions and innovation hubs in Brazil and around the world in order to develop several projects. [Learn more about Innovation & Technology here](#)



Açolab

Açolab — the first steel innovation hub in the world, located in Nova Lima (MG) — was among the highlights in 2020. In two years of activities, Açolab — the Long Carbon innovation laboratory — has connected to 4,000 startups, research centers, universities and other institutions seeking to improve processes, products and customer gains. In 2020, more than 30 projects were developed involving different departments including production, sales, procurement and logistics. One of the outstanding projects is the bar counter, which uses computer vision and artificial intelligence, and will contribute to a better value offer to customers. Another innovative initiative using visual computing was the identification of failures during the mechanical coupling process. Safety is a core value at ArcelorMittal, and the project resonates directly with this value, making the work environment even safer.

Five Açolab Meetups and two Açolab Talks were organized in the year, bringing together leading Brazilian companies such as MRV, Magazine Luiza and Burger King, customers, startups, ArcelorMittal executives, and representatives from governments and universities. The events featured discussions on topics

such as the importance of diversity for innovation, innovation in the construction sector, and the role of open innovation in the post-COVID-19 era. More than 5,000 people attended the events, both of them held in an online format. Other significant activities at Açolab in the year included:

COVID-19: two calls for COVID-19-related open innovation projects were issued in the year, one seeking solutions to help the Abertta Saúde partner hospitals, and the other seeking solutions to support employees returning to offices, in a collaboration with partner companies (Saint-Gobain, Oxiteno, VLI and Andrade Gutierrez). More than 400 solutions from Brazilian and foreign startups were mapped. In addition, support was given to Inatel and Ventrrix Health Innovation to develop a low-cost mechanical ventilator, dubbed Quíron.

Innovation culture: Açolab selected winning projects of the Innovative DNA program, an intra-entrepreneurship initiative that has generated significant returns in terms of both engagement and financial returns. The InovAção (“InnovAction”) program, in which

operations of both engagement and financial results. The InovAção (“InnovAction”) program, focused on ideas for improvement and dedicated to operational staff, had a record participation in 2020, with more than 2,400 ideas pitched by around 6,000 employees. The company also continued with the Innovation Ambassadors program, a movement in which innovation champions across the company’s different segments, providing the capillarity needed to drive innovation in such a large and diverse company as ArcelorMittal Brazil.

In a collaboration with the Procurement and IT departments and INO.VC, Açolab organized ArcelorMittal Brazil’s first Botathon event, an internal marathon to develop robots using Robot Process Automation (RPA) technology, as a way to enhance productivity and efficiency in Procurement processes. A total of 234 ideas were pitched, and 10 were selected.

In 2020, building on our efforts to develop an innovative mindset in our employees, Açolab launched a Thematic Challenge focused on improving the employee experience. Selected ideas will be implemented in 2021. [Learn more about Açolab at: https://www.acolabam.com.br/](https://www.acolabam.com.br/)

ArcelorMittal Sistemas’ new purpose



Launched in 2020 at ArcelorMittal Sistemas, the ConnectMinds program started a new chapter in the company’s journey, guided by a new purpose: “Accelerate ArcelorMittal by connecting minds”. Based on behavioral change, the program prioritizes simplicity and constructive dissatisfaction. As part of the program, an *AgileMinds* community was created with a focus on Agile practices and Culture.

As part of such innovation, in 2020, the company’s VPN was expanded to support approximately 2,000 simultaneous accesses, accommodating the added demand due to telecommuting during the COVID-19 pandemic. In response to a rise in cyber attacks, the cyber security team launched several initiatives that culminated in certification to ISO 27001 (an international standard for Information Security management), ArcelorMittal’s first certification to this standard.

In addition to managing the GDPR compliance project, the IT department also supported business continuity by implementing several updates and upgrades to ensure the stability of the infrastructure and systems environments. Automation and simplification—using “DevSecOps” (short for Development, Security, Operations) methodology—of our SAP and MES systems helped to make them more robust and accelerated the rollout of new features. The first business process monitoring was implemented for sales, and several new technologies were introduced within business functions’ Digital Roadmaps, including RPA, chatbots, Big Data, Artificial Intelligence, and Office 365.

Building on initiatives of the agility and cultural transformation journey, proposed by the ConnectMinds program and AgileMinds community, the management by OKR (Objective and Key Results) was launched for more transparency, collaboration, engagement and focus.

Click [here](#) to view a video about ArcelorMittal Sistemas’ purpose.



iNO.VC Program

On the digital innovation front, iNO.VC, a digital innovation program for the Flat Carbon segment, physically hosted at Tubarão unit (ES), provides links to the digital ecosystem for the Tubarão (ES), Vega (SC) and Contagem (MG) Flat Carbon units. In 2020, the program’s first year of activities, a total of 97 digital initiatives were developed, 55% of them in collaboration with startups. The iNO.VC program organized 250 events; created 181 connections with startups, 12 with innovation habitats, and 5 with universities; and launched 22 national challenges.

Noteworthy projects include several initiatives in response to the pandemic, and artificial intelligence and advanced analytics projects (60% of initiatives). In order to remain connected and seeking innovative solutions during the pandemic, the first cycle of iNO.VC Live debates was organized.

Live streamed on [ArcelorMittal Brazil’s YouTube channel](#), five events were hosted over a period of five weeks, with guest speakers discussing topics such as “How can we learn from more mature ecosystems about managing this crisis?” and “Interacting with the innovation ecosystem in Espírito Santo”. Learn more about iNO.VC at: <https://brasil.arcelormittal.com/inovc>

Strategic partnerships

In 2020, the company continued with several strategic partnerships, such as the collaboration with the University of São Paulo (USP) to create the ‘Building Tomorrow’ chair, which aims to increase the sector’s productivity and to foster research and professional development activities for the construction industry in the city of São Paulo. As one of its first initiatives, a Sustainable Construction Innovation Center (CICS) is being built at the University.

Established in May 2019 to develop the ArcelorMittal Industry Innovation Center (CIAMI) in Belo Horizonte, the partnership with the Minas Gerais State Industry Federation (FIEMG) and the National Industrial Training Service (SENAI/MG) delivered significant results in 2020. Of the five projects planned for the first phase of the collaboration, four have been completed. In the second phase, initiated in October 2020, another six projects will be developed in collaboration with new partners: the Federal University of Uberlândia (UFU), Federal University of Minas Gerais (UFMG) and the Center for Nano Materials and Graphene Technology (CTNano). The work developed by CIAMI is focused on three pillars — Research, Development and Innovation; Laboratory Analyses; and Technical Training — and aims to address challenges in keeping the company competitive.

Innovation highlights

At Belgo Bekaert, one fourth of profits in 2020 came from products developed within the past five years. Within the innovation ecosystem, more than 30 startup collaborations were mapped, including ongoing projects such as the development of chatbots, implementation of agile methodologies, and delivery routing optimization. Innovation was put higher on the agenda in the year with the creation of a dedicated department to cement a culture of innovation within the company. Also in 2020, the Environmental Culture – Sustainable Attitude program was launched at Belgo Bekaert with a series of 10 awareness workshops attended by 400 direct employees and contractors in leadership positions. The initiative will restructure the company’s environmental management system to make it more sustainable and aligned with the organization’s purposes.

Another important initiative in the year was the launch of a project, called “Digital Operator”, that will provide the shop floor with internet access to control shutdowns, open requests, and support integration with other systems.

Following a reformulation of the company’s Ideation Program, which promotes intra-entrepreneurship within the organization, more than 1,400 ideas were submitted on the digital platform, which is now more inclusive and streamlines initiative management by decentralizing idea assessments. In addition, Innovation Ambassadors — representatives from all business functions and who have the mission to promote innovation, disseminate knowledge and make connections — produced more than 600 hours of podcast content, reaching more than 8,300 views.

Smart building and construction

Supporting innovation in the Construction sector, ArcelorMittal developed Steligence®, a methodology that uses a holistic approach to meet sustainable construction requirements. Steligence® evaluates the life of a venture based on three pillars: environmental, economic and social aspects. Designed to support real estate developers, architects, engineers and construction companies in developing innovative solutions, Steligence® creates the opportunity to optimize all areas of a project including architectural flexibility, fast-track construction, and reduced environmental impacts. Learn more at <https://steligence.arcelormittal.com.br/>



Research & Development (R&D) Center

ArcelorMittal Brazil’s Research & Development (R&D) Center, located at Tubarão unit, in Serra (ES), was created to assist own projects and to work in synergy with the Group’s 11 other R&D centers around the world. It supports projects in four main areas: new products, process development and optimization, innovative solutions co-developed with customers, and environment.

Free Innovation Day (FIND), created by ArcelorMittal’s Research & Development Center for South America, has been driving the debate on proposals for innovative solutions for four years. In 2020, the event brought together approximately 50 people, using a virtual format due to the measures taken to protect employee health and safety in times of social distancing.

In 2020, digitization efforts were accelerated, mainly due to the COVID-19 pandemic, with digital channels being used more intensively both in production processes and in new product development and customer service. An example of these efforts is the use of Data Science in several research, including process and environmental

studies to support the implementation of more robust data analysis methods.

In 2020 the research team developed several solutions for COVID-19 prevention and for treating patients, including:

- A helmet-shaped negative pressure device designed to prevent coronavirus transmission from hospitalized patients—developed in collaboration with Sail Master.
- A face shield that can be fitted to worker’s helmet, and another model that can be worn by newborns to protect them while in a hospital — a partnership with Findeslab, an industry innovation hub in the state of Espírito Santo.
- A prototype of a simplified ventilator, based on a Brazilian model, designed and successfully tested at Hospital das Clínicas in Vitória (ES).
- An ultraviolet (UV-C) radiation chamber for effective disinfection of objects — partnership with Federal University of Espírito Santo.
- Antimicrobial coating capable of preventing proliferation of the virus on metal surfaces.



Innovation in retail

End consumers are the center of ArcelorMittal’s business strategy for the construction segment, which accounts for approximately one third of the steel consumed in Brazil. ArcelorMittal Brazil currently has 17 wholly owned and 30 co-owned retail stores, and expects to reach 100 direct points of sale by year-end 2021. The company also innovates by creating the first direct-to-customer e-commerce platform for steel in Brazil (HYPERLINK “<http://loja.arcelormittal.com.br/>”com.br), offering more than 500 products and solutions. In 2020, keeping up with the increase in virtual sales due to social distancing, the company’s sales on the platform grew by 95% year-on-year.

At Belgo Bekaert, products were offered for sale on marketplace platforms OLX, Mercado Livre and Balcão Rural for the first time in 2020.

Supply chain

GRI 102-9, 103-2, 103-3: 308, 408, 409, 412

As a leading player in major steel markets around the world, ArcelorMittal Brazil has a responsibility to promote business sustainability. The company’s growth is directly associated with its commitment to supply smarter steels and to the responsible, ethical, high-quality and cost-competitive sourcing.

The company’s status as one of the largest buyers of goods and services in the regions in Brazil where its plants are located, underlines the importance of our operations for local economies. ArcelorMittal Brazil’s supply chain includes more than 15,000 suppliers of different sizes, in different segments and in different geographies, which puts the company in a position to significantly contribute to raising living and environmental standards in different locations.

Managed via a Supplier Relationship Management platform, the procurement department is structured into three different tiers — global, regional and local — and in a way that ensures procurement processes are as transparent and efficient as possible.

The company keeps business relationships governed by its Responsible Sourcing Code and Code of Conduct, as well as its policies on Occupational Health & Safety, Anti-Corruption and Human Rights policies. All supplier contracts contain human rights clauses under which suppliers undertake not to engage in any unlawful labor practices, including forced or child labor.

GRI 412-1, 412-3

ArcelorMittal Brazil has an Integrated Supplier Development Program (PRODFOR) run in partnership with other organizations in Espírito Santo. Created in 1997, the program supports the development of local suppliers within a Supplier Quality Management System that helps to organize suppliers’ management routines and internal processes in an efficient and effective manner.

ResponsibleSteel™ – Responsible Sourcing

ArcelorMittal Brazil has helped to spearhead implementation of ResponsibleSteel™, a global industry certification standard to drive the responsible production and sourcing of steel. The Responsible Sourcing program is a key component of the procurement strategy. The company’s approach to supply chain management works to improve suppliers’ social and environmental performance. As part of this, sustainability principles are incorporated in supplier contracts, establishing objective requirements for aspects such as safety, health, environment, and employee and community relations.

In 2020, 41 suppliers of critical materials underwent environmental audits, and 195 suppliers underwent onboarding due diligence by the corporate Institutional Relations & Sustainability Department. These audits covered 36.8% of suppliers of critical materials, i.e., suppliers whose primary activities involve environmentally sensitive industrial processes that can generate negative impacts.



Negative environmental impacts in the supply chain and actions taken GRI 308-2	2018	2019	2020
Number of suppliers identified as having significant potential negative environmental impacts	632	584	641
Number of suppliers assessed for significant potential negative environmental impacts	29	29	236
Percentage of suppliers assessed for significant potential negative environmental impacts	4.6	5.0	36.8
Proportion of suppliers, by volume, identified as having significant potential negative environmental impacts	16,4 MI	42,5 MI	27,2 MI
Proportion of suppliers, by volume, assessed for significant potential negative environmental impacts	1,4 MI	27,8 MI	4,9 MI
Significant actual and potential negative environmental impacts identified in the supply chain	<p>The supplier's negative environmental impacts identified are due to the environmental sensitivity of their main activity, such as the extraction of virgin material, use of charcoal as raw material, and handling of materials potentially contaminated by oils and greases. A real negative impact on the chain is considered to be those suppliers that have not reached the minimum percentage required in the audits carried out; improvements are agreed upon, and for those who do not have valid minimum environmental documents, commercial relations are suspended until proper regularization.</p>		
Number of suppliers identified as having significant actual negative environmental impacts with whom improvements were agreed upon as a result of the assessment	2	1	2
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with whom improvements were agreed upon as a result of the assessment	6.90	3.45	0.85
Number of suppliers identified as having significant actual and potential negative environmental impacts with whom relationships were terminated as a result of the assessment	0	0	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with whom relationships were terminated as a result of the assessment	0	0	0
Reasons for which relationships were terminated as a result of assessments	<p>No relationships with suppliers were terminated in the last three years for environmental reasons.</p>		



Social Investment




“

I am proud to work at a company that thinks about the community and makes a difference in its geographies. ArcelorMittal Vega is an example of development and solidarity, always aware of others' needs. I felt reinvigorated by contributing to an initiative that has helped many families and made a difference in their lives. That makes us sure that every good deed done to others makes us stronger as a person and professional.”

Beatriz Mahiara Fernandes Izzo Padilha

Secretary at the Cold Rolled Coils Division of ArcelorMittal Vega

 [Click here to learn more about ArcelorMittal Brazil's social initiatives](#)

GRI 103-2, 103-3: 413, 419

ArcelorMittal Brazil's social investment is based on initiatives that make the difference in people's lives. To this end the company maintains an open dialog with the communities where it operates in order to identify the needs of each location or organizations directly and indirectly related to its activities.

The priority is to create value in the areas of education, culture, sport, social promotion, creative economy, environment, urban infrastructure and health care, ensuring that 100% of the communities impacted by ArcelorMittal's operations have local development and/or engagement initiatives and/or programs. GRI 413-1

The initiatives take place through partnerships and are carried out by teams from the units themselves according to local requirements. At Belgo Bekaert, for example, employees are encouraged to collect aluminum can ring pulls which, thanks to a partnership with Instituição Lacre do Bem, allowed them to donate four wheelchairs to charitable institutions and low-income individuals. Two were donated thanks to employee collections and two were donated by the company, which matched employees' donation. The excellent result achieved in just three months resulted in the initiative being extended to 2021.

In addition to one-off initiatives via the ArcelorMittal Foundation, the company develops structured projects - involving employees, customers, suppliers, civil society and the government - for children and adolescents. These projects were not suspended in 2020 despite the COVID-19 pandemic, but rather adapted and expanded. The total invested in the year was BRL 32 million, 23% higher than the BRL 26.3 million in 2019.



Company-funded and tax-deducted investments in 2020 GRI 413-1

Area	Company-funded			Tax-deducted	Company-funded + tax-deducted
	Flat Carbon Tubarão	Flat Carbon Vega	ArcelorMittal Foundation ¹	All companies	
Education	BRL 482,693	BRL 125,401	BRL 536,030	-	BRL 1,144,124
Culture	BRL 476,366	BRL 15,000	BRL 74,197	BRL 15,565,854	BRL 16,131,418
Sports	BRL 353,316	-	BRL 17,743	BRL 4,447,540	BRL 4,818,599
Health	BRL 933,723	BRL 520,328	BRL 1,978,001	BRL 1,520,934	BRL 4,952,988
Social Development/Promotion	BRL 6,000	BRL 232,054	BRL 285,631	BRL 2,164,973	BRL 2,688,658
Other	BRL 586,751	BRL 4,000	BRL 1,687,042	-	BRL 2,277,793
Total	BRL 2,838,850	BRL 896,784	BRL 4,578,646	BRL 23,699,300	BRL 32,013,580

¹ The Foundation includes the Long Carbon segment, BioFlorestas, Andrade Mine, Serra Azul Mine and BBA/BMB.

Safer communities

GRI 413-2

Idled in October 2012, the tailings dam at the Serra Azul mine uses, since then, the dry-stacking method as a safety measure. In 2019, the Emergency Action plan for the tailings dam was escalated to level 2 after a thorough assessment. As a result, impacted residents were rehoused in properties rented by the company and receive monthly emergency aid, as established in the Preliminary Agreement Term (PAT).

As part of preparations to initiate reinforcement works on the Serra Azul tailings dam, in 2020 we progressed on technical studies to inform the construction of a downstream barrier structure for containment in the event that the dam fails. The containment structure must be complete prior to initiating the tailings dam reinforcement and reclamation process.

Safety fencing installed on the roughly 20 properties whose boundaries will be modified, and these properties have been included under the Preliminary Agreement Term (PAT) between ArcelorMittal, the Federal and state prosecution services, and the Residents' Committee.

Other impacts –Tubarão unit monitors actual impacts such as air and noise pollution, odors and impacts on local traffic. Potential impacts at this site include injuries, respiratory diseases, and water and soil contamination. At Vega unit, monitored impacts include the quality of effluents and waste treatment, air emissions and transportation of material.

Together against COVID-19

ArcelorMittal Brazil worked on all fronts in its response to the COVID-19 pandemic, which generated impacts across the country. With investments of BRL 45 million as of year-end 2020, and with the support of its employees, the company actively tackled the pandemic through a series of initiatives in support of communities.

In addition to company-organized initiatives in the communities where it operates, the company also partnered with governments, industry associations and other companies in collaborative networks.

Some of the most significant initiatives included: infrastructure investments at Hospital Margarida in João Monlevade (MG); repair of mechanical ventilators in a collaboration with the National Industrial Training Service (SENAI) and other large companies; construction of the Municipal Biomolecular Laboratory in Belo Horizonte for COVID-19 testing; donation of 78 sewing machines in Espírito Santo for inmates to produce face masks, gowns and caps for use by Department of Justice employees, with a production of almost 8,000 items per day; donation of personal hygiene materials and hospital supplies in the states of Espírito Santo, Minas Gerais and Santa Catarina; support for the production of 150,000 face masks for health professionals in Espírito Santo; and distribution of rapid coronavirus test kits.

COVID-19 response by the numbers



ArcelorMittal's website features news about its COVID-19 response in Brazil, useful information and news about pandemic developments. [See here.](#)





The ArcelorMittal Foundation

[Click here to learn more about the ArcelorMittal Foundation](#)

In existence for more than 30 years, ArcelorMittal Foundation runs projects for communities in the vicinity of its operations. Aligned with the company's intention of creating a better world, the institution invests in preparing children and adolescents to take the reins of their future. By surveying local requirements, it propels projects in education, culture, social promotion, sports and health, in partnership with the government and other institutions. The investments are made using funds from ArcelorMittal Group and tax incentive laws.

In 2020, ArcelorMittal Foundation began applying the Foundation 4.0 concept to guide projects involving children and adolescents in 56 municipalities. Innovation was essential to making its response to the COVID-19 pandemic challenges effective.

The Diversão em Cena (Fun on Stage) program model, which consists of children's theater plays being presented every Sunday, switched to an online format and enabled it to be seen by more people nationwide. Sporting initiatives also migrated to a virtual format, with classes available online.

In order to support families during the pandemic, the institution launched the Antenados project, aligned with the Common National Curricular Basis (BNCC). ArcelorMittal Foundation offered advice and activities for parents to help their children to come to terms with their feelings and develop social and emotional skills during social distancing. Schools and teachers also received support during the suspension of in-person classes. In partnership with Sincroniza Educação, the institution

conducted the Remote Emergency Teaching project, which trained educators in the use of digital tools. This training was reinforced by the Practical Hybrid Teaching project, a capacity building initiative for teachers in the use of virtual resources once students return to school.

The institution continued with the Citizens of Tomorrow program, which encourages employees, relatives, Group companies, customers, suppliers and communities to allocate part of their income tax due or to make donations to projects approved by the Youth Fund or by the Federal Sports Incentive Act. In 2020, BRL 2,358,120.20 were raised.



Donations campaign

ArcelorMittal Foundation ran a campaign encouraging people to make donations to social organizations serving the community. More than BRL 2.4 million were allocated to social institutions in 2020. Around BRL 1.4 million of this total comes from donations made by employees, their relatives, suppliers, customers and people in the communities where the company operates. The company expanded the amount, donating up to BRL 1 million. The funds were allocated to social organizations in 11 states and the Federal District.

Donation of REVSOL®

Produced by ArcelorMittal Tubarão, the by-products REVSOL® and REVSOL Plus® are donated to be used as primary surfacing for rural and local roads, by way of the New Paths program. In 2020, ArcelorMittal Tubarão entered a partnership with the State Government and municipal government of Alfredo Chaves, in Espírito Santo state, creating the first Revsol Distribution Center (CDR) in the south of the state. Designed to help improve urban and rural mobility, New Paths is a socio-environmental cooperation program between ArcelorMittal Tubarão and the government, running since 2006. More than 2 million tons of by-products have already applied to roads in 42 municipalities in Espírito Santo state.



Supporting sports

ArcelorMittal Foundation and Instituto Compartilhar created a partnership in October to donate funds to the project *Vôlei em Rede* through the Citizens of Tomorrow program. Conceived by volleyball coach Bernardinho – the ArcelorMittal brand's ambassador in 2021, the São Paulo center of the program will receive income tax funds from individuals (employees of ArcelorMittal) and legal entities (companies comprising ArcelorMittal Group) by way of the Federal Sports Incentive Act. Founded in 2003, Instituto Compartilhar serves some 3,600 children and adolescents aged between 9 and 15 in five Brazilian states. The partnership will benefit 420 students from Campinas and Itu (SP).



Environment

[Click here to learn more about ArcelorMittal Brazil's Sustainable Development initiatives](#)

“

My job puts me in daily contact with the environment. I'm proud of how my work helps to form new eucalyptus forests to produce charcoal for a sustainable steel.”

Maria Geralda Miranda da Silva
Forestry Services Assistant
at ArcelorMittal BioFlorestas

GRI 103-2, 103-3: 307

ArcelorMittal Brazil applies the Groupwide Environmental Policy, which calls for compliance with environmental laws and regulations; efficient use of natural resources; commitment to managing, and reducing emissions in general. Consistent with these principles, the company invests in developing operational solutions and products that generate minimal environmental impact. In addressing these challenges, the company relies on innovative business models, research, and technologies to mitigate the impacts inherent to its core business.

To accommodate differences across operations and geographies, each business unit has its own risk and impact monitoring and control models, going beyond compliance with applicable federal, state and municipal laws and regulations. ArcelorMittal Brazil works to obtain certification to internationally recognized standards such as ResponsibleSteel™ and IRMA, as well as Environmental Product Declarations (EPD).

All initiatives prioritize developing positive relations with communities and employees and on safeguarding their health, safety and quality of life.



Environmental management and biodiversity

GRI 103-2, 103-3: 304

Environmental management at ArcelorMittal Brazil is focused on initiatives to mitigate and manage the impacts from its production activities, based on the Environmental Management System requirements outlined in ABNT NBR ISO 14001. The Long Carbon segment also has Ecological Label certification from the Brazilian Technical Standards Association (ABNT).

Aware of the constant changes in social and environmental demands, ArcelorMittal Brazil engages continuously with communities, government agencies, trade associations and academia to consistently enhance investments in new solutions dedicated to managing processes and business models.

In addition to its operations, the company also monitors its supply chain and works to develop suppliers and business partners to ensure that the raw materials sourced are produced in accordance with the best environmental and social practices.

In collaboration with the Global R&D, and the innovation centers Açolab and iNO.VC program, the company works to supply the market with eco-friendly products and solutions, and to assist customers in using them properly.

In 2020, we further delivered on our commitment by becoming the first steel producer to join the Green Building Council Brazil (GBC Brazil), an institution that seeks to transform the construction industry by focusing on sustainability. Other members include construction companies, real estate developers, academia, federal, state and municipal agencies, financial institutions, and NGOs, among others. **GRI 102-13**

In the construction sector also, ArcelorMittal Brazil became the first steel producer in Latin America to obtain Environmental Product Declaration (EPD) for hot-rolled coils, galvanized coils and Galvalume. These products are produced at the Flat Carbon were also secured for our Long Products plants.

Information about our product certifications are available on the ArcelorMittal website. See [here!](#)

Conservation and reforestation

In relation to biodiversity, ArcelorMittal Brazil follows internationally recognized best practices in to preserve the areas where its facilities are located, and conducts fauna and flora assessments in accordance with environmental licensing requirements.

The company, therefore, invests in initiatives to preserve forest remnants and reforested areas, and to monitor and assess ecosystems (marine and lakes) through quantitative, physical, chemical and eco-toxicological monitoring.

By 2022, 300,000 seedlings of 60 different Atlantic Forest and Cerrado tree species will be produced at the Langsdorff Nursery, in Taquaraçu de Minas (MG). These seedlings will be used to rehabilitate riparian vegetation and springs in the Velhas River Basin (MG). The project is being developed in partnership between ArcelorMittal Brazil and the Velhas River Basin Committee.

The company is also rehabilitating forestland and farmland to remediate springs in the Santa Maria da Vitória River Basin (ES), the primary source of water supply for Greater Vitória. As of 2020, of the 183 known springs in the region, 51 had been assessed and 37 were identified as requiring fencing. The assessment was conducted under a Technical-Scientific Cooperation Agreement established in 2018 between ArcelorMittal and Espírito Santo State Prosecution Service, the Espírito Santo Research and Rural Extension Institute (INCAPER) and the municipal government of Santa Leopoldina.

In 2020, the nursery created by ArcelorMittal Mining Serra Azul mine in Itatiaiuçu (MG) received native plant seedlings to preserve species from the Self-Rescue Zone (ZAS) downstream of the Serra Azul tailings dam, as instructed by the state environmental authority, FEAM.

The nursery received seedlings, fruits and seeds of plants from Cerrado and Atlantic Forest biomes, which are found in the region; the nursery is managed by a team of specialists including biologists, forestry engineers and agronomists. The purpose of the nursery is to preserve and conserve species for future reproduction and reintroduction into nature.

Plant salvaging efforts were informed by a forest inventory to identify the native species existing within the tailings dam's Self-Rescue Zone (ZAS). A total of 259 different species were identified, including copaiba, embauba, araucaria, jacaranda, brauna, canela sassafrá, ipe amarelo and ipe rosa.

The initiative is applicable to all tailings dams with emergency status in Minas Gerais State, and in addition to the flora, it comprehends the survey of fauna, soil quality, and water and sediment monitoring.

Protected areas and areas of high biodiversity value GRI 304-1

Region	Total area belonging to the organization (ha)	Protected areas in the region (ha)	Biodiversity value
ArcelorMittal Brazil			
Coronel Fabriciano (MG)	4,995	1,138	An area with approximately 109 ha of Permanent Preservation Area (PPA) and 1,030 ha of Legal Reserves.
ArcelorMittal BioFlorestas			
Midwest of Minas Gerais State (Abaeté, Bom Despacho, Dores do Indaiá, Martinho Campos and Quartel)	34,304	8,046	A Cerrado preservation area adjacent to eucalyptus plantations and charcoal production facilities at three Energy Production Units (EPUs). Approximately 734 ha of APP and 7,313 ha of Legal Reserves.
Vale do Rio Doce in Minas Gerais State (Dionísio, São José do Goiabal and São Pedro dos Ferros)	32,258	12,918	An Atlantic Forest preservation area with approximately 6,084 ha of PPA and 6,835 ha of Legal Reserves.
Northern Minas Gerais State (Carbonita, Senador Modestino Gonçalves and Diamantina)	41,941	11,818	This area contains eucalyptus plantations and charcoal production facilities. It has approximately 6,337 ha of Private Natural Heritage Reserves (PNHR), 1,233 ha of PPA and 4,247 ha of Legal Reserves.
ArcelorMittal Monlevade and Andrade Mine			
João Monlevade (MG)	9,960	3,864	A total of 519 ha of PNHRs managed by ArcelorMittal Monlevade, containing Atlantic Forest biome along the banks of the Piracicaba River; 1,031 ha of PPA and 2,314 ha of Legal Reserves.
ArcelorMittal Juiz de Fora			
Juiz de Fora (MG)	2,000	782	782 ha of PPA and Legal Reserves.
ArcelorMittal Sul Fluminense			
Barra Mansa (RJ)	54.2	19.8	19.8 ha of PPA and Legal Reserves.
Resende (RJ)	423.9	176.8	176.80 ha of PPA and Legal Reserves.
Belgo Mineira Bekaert			
Itaúna (MG)	48.4	1.47 ha	9.7 ha of Legal Reserves.
Guilman Amorim HPP			
Nova Era and Antônio Dias (MG) – Middle Piracicaba River	3,285	1,236	Approximately 254 ha of PNHRs, 216 ha of PPA and 767 ha of Legal Reserves containing preserved Atlantic Forest.



Region	Total area belonging to the organization (ha)	Protected areas in the region (ha)	Biodiversity value
Nova Era and Antônio Dias (MG) – Middle Piracicaba River	3,285	1,236	A total area of 3,285 ha hosting the Guilman Amorim Hydroelectric Dam. Approximately 254 ha of PNHRs, 216 ha of PPA and 767 ha of Legal Reserves containing preserved Atlantic Forest vegetation.
Serra Azul Mine			
Itatiaiuçu (MG)	1,162	322	72 ha PPA and 250 ha are Legal Reserves.
ArcelorMittal Vega			
São Francisco do Sul (SC)	220	151	76 ha of PNHRs and 75 ha of non-continuous Atlantic Forest vegetation, partly consisting of restingas.
ArcelorMittal Tubarão			
Serra (ES)	1,338	279.9	Protected or recovered habitats occupy 665 ha (6.65 km ²), including: 394.3 ha (3.94 km ²) of reforested areas (including the green belt) and 271 ha (2.71 km ²) of residual forest areas (tableland forest, restinga, marshes, mangrove swamps and swamp forests), including 35 ha (0.35 km ²) belonging to the Environmental Education Center (EEC) (reforestation with growth species, native species, fruit species, riparian vegetation and regenerating vegetation). Also important is an adjacent area known as “Área da Picanha”, occupying 0.088 km ² , located in the Praia Mole EPA. The biodiversity value of the area consists of the following ecosystems: <ul style="list-style-type: none"> • Freshwater: on the company’s property eight lagoons – one is artificial (CEA) and seven are natural (six of them are interconnected to form the Praia Mole Creek). These lagoons are extensively monitored and analyzed; • Terrestrial: the company manages important areas containing residual tableland forest and restinga vegetation; • Marine: the company’s operations are adjacent to a marine ecosystem that is extensively monitored and assessed.

Habitats protected or restored GRI 304-3

Aspect	Picanha Area	Green areas
ArcelorMittal Tubarão	0.088	6.65
Location of all areas with protected or restored habitat	Restored area	Residual forest areas belonging to ArcelorMittal Tubarão
Report whether the success of the restoration measure was approved by independent external experts	Area restored in 2019, assessment by the environmental agency expected to 2021 is pending	Restoration of greenbelt areas containing residual forest vegetation, approved by specialists from INCAPER (Espírito Santo Research and Rural Extension Institute)
Report whether there are partnerships with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures	Not applicable	Partnership with INCAPER/FUNDAGRE
Status of each area based on its condition at the close of the reporting period	Area restored in 2019	Planted areas are currently being maintained and green belt areas are being monitored at the Coal and Ore Stockpile Yards, the Co-product Storage Center (CPSC) and the Environmental Education Center (EEC)
Standards, methodologies, and assumptions used	A Disturbed Land Rehabilitation Plan (DLRP) was developed including guidelines on species diversity and sustainable management and cultivation	Technical guidance from INCAPER

IUCN Red List species and national conservation list species with habitats in areas affected by operations or areas of high biodiversity GRI 304-4

Endangered status	2018	2019	2020
Critically endangered	Mammals: Geoffroy's marmoset (<i>Callithrix geoffroyi</i>) and bristle-spined rat (<i>Chaetomys subspinosus</i>); Birds: Blue-winged macaw (<i>Primolius maracana</i>);	Plants: Brauna (<i>Melanoxylon brauna</i>)	-
Endangered		Plants: <i>Piper cf. juliflorum</i> , <i>Solanum sooretamum</i> (<i>Solanaceae</i>) and <i>Couratari asterotricha</i> (<i>Lecythidaceae</i>)	Reptiles: Broad-snouted caiman (<i>Caiman latirostris</i>)
Vulnerable	Birds: Cocoa thrush (<i>Turdus fumigatus</i>); Plants: <i>Anthurium jilekii</i> , Palmito-juçara (<i>Euterpe edulis</i>), <i>Ischnosiphon gracilis</i> , <i>Stromanthe schottiana</i> , <i>Piper cf. juliflorum</i> , <i>Jacquinia armillaris</i> .	Plants: <i>Anthurium jilekii</i> , palmito-juçara (<i>Euterpe edulis</i>), <i>Ischnosiphon gracilis</i> , <i>Stromanthe schottiana</i> , <i>Jacquinia armillaris</i> . Mammals: Bristle-spined rat (<i>Chaetomys subspinosus</i>) Reptiles: Green sea turtle (<i>Chelonia mydas</i>) and broad-snouted caiman (<i>Caiman latirostris</i>)	Mammals: Bristle-spined rat (<i>Chaetomys subspinosus</i>) Birds: Cocoa thrush (<i>Turdus fumigatus</i>); Plants: <i>Araceae</i> (<i>Anthurium jilekii</i>), Palmito-juçara (<i>Euterpe edulis</i>) <i>Ischnosiphon gracilis</i> , <i>Stromanthe schottiana</i> , <i>Piper cf. juliflorum</i> , <i>Jacquinia armillaris</i> .
Near threatened	Mammals: Gray slender opossum (<i>Marmosops incanus</i>)	Birds: Blue-winged macaw (<i>Primolius maracana</i>)	Birds: Blue-winged macaw (<i>Primolius maracana</i>)
Least concern	Birds: Tropical mockingbird (<i>Mimus gilvus</i>); Plants: <i>Handroanthus riodocensis</i> , <i>Machaerium fulvovenosum</i> , <i>Solanum sooretamum</i> .	Mammals: Geoffroy's marmoset (<i>Callithrix geoffroyi</i>), gray slender opossum (<i>Marmosops incanus</i>); Birds: Tropical mockingbird (<i>Mimus gilvus</i>), cocoa thrush (<i>Turdus fumigatus</i>); Plants: <i>Handroanthus riodocensis</i> , <i>Machaerium fulvovenosum</i> , <i>Solanum sooretamum</i> .	Reptiles: Green sea turtle (<i>Chelonia mydas</i>) Birds: Tropical mockingbird (<i>Mimus gilvus</i>) and Geoffroy's marmoset (<i>Callithrix geoffroyi</i>) Plants: <i>Handroanthus riodocensis</i> , <i>Machaerium fulvovenosum</i> , <i>Couratari asterotricha</i> and <i>Solanum sooretamum</i> .

Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated in 2020¹ (in hectares) GRI MM1

Region	Midwest ²	North ³	Doce River ⁴	Vazante ⁵	Andrade Mine
Total land disturbed and not yet recovered	14.73	5.29	0	15.22	0
Total amount of land disturbed during reporting period	0	9.76	0	2.4	N.D.
Total amount of land rehabilitated during reporting period	6.63	4.54	0	86.38	N.D.

¹ ArcelorMittal BioFlorestas operations.

² Includes the municipalities of Abaeté, Martinho Campos, Bom-Despacho, Quartel Geral and Dores do Indaiá.

³ Includes the municipalities of Carbonita, Diamantina and Senador Modestino Gonçalves.

⁴ Includes the municipalities of Dionísio, Marliéria, São José do Goiabal and São Pedro dos Ferros.

⁵ Includes the municipalities of João Pinheiro, Paracatu and Vazante.



20th anniversary of the TAMAR project

In 2020, ArcelorMittal Tubarão and TAMAR project celebrated two decades of partnership. In these 20 years, 4,940 green sea turtles (*Chelonia mydas*), a threatened species, have been captured, tagged and returned to the ocean. Located in Serra (ES), southeastern Brazil, the plant has a station for capturing and studying sea turtles of this species. The research station is located at the company's final effluent area, where large numbers of turtles gather, attracted by calm and warm waters that form a safe refuge with abundant food. All captured turtles undergo studies on biometry, growth, migration patterns, blood profiles and health condition.



Water, effluents and waste

GRI 103-2, 103-3: 303, 303-1, 303-2

ArcelorMittal Brazil is a signatory of the Brazilian Business Commitment to Water Security and its management; in addition to meeting all parameters established in current legislation regarding collection and disposal, it follows the guidelines described in the Water Master Plan (WMP), a methodology designed to provide water security to industrial facilities while reducing impacts on river basins from water withdrawal for steelmaking. GRI 102-12

The WMP targets three fronts: alternative water sources; efficient use; and institutional representation. It also includes a short, medium and long-term vision to ensure operational water security.

In 2020, after securing the required license from the Espírito Santo State environmental regulator (IEMA) in March, ArcelorMittal Brazil started construction of a seawater desalination plant at ArcelorMittal Tubarão. The project aims to increase water security and ensure stability of operations, and will position ArcelorMittal Tubarão at the forefront of water stewardship initiatives not only in Espírito Santo, but across Brazil and in the global steel industry. An investment of approximately BRL 50 million, the plant consists of seawater withdrawal and pumping, pretreatment and filtration, reverse osmosis desalination and storage, and distribution of the desalinated water produced. The plant will have a capacity to

produce up to 500 m³/h of industrial water for the plant.

The studies preceding the project included assessments of technology alternatives, and technical discussions with desalination plant and reverse osmosis membrane suppliers around the world. Reverse osmosis pilot plants were also tested in a laboratory, and technical visits took place in Argentina and the US. Preliminary research involved the ArcelorMittal Research & Development Center, and researchers from Brazil and Spain.

ArcelorMittal's operations generate no significant impacts on river basins, and all water withdrawals are made under appropriate permits, which are preceded by assessments by environmental authorities to determine the water volumes that can be sustainably withdrawn. In terms of water disposal, there are similarly no significant impacts, as most of the water withdrawn is used in contactless cooling systems and the effluent is heat treated before returning to the ocean.

Water withdrawal by source^{1,2,3} (m³) GRI 303-3

Sources	2018	2019	2020
Surface water	9,047,718	7,973,901	7,743,176
Groundwater	3,048,099	3,502,452	2,999,375
Seawater	405,655,305	380,871,838	324,861,032
Provided by third parties	16,623,166	16,607,982	15,519,186
Total	434,374,288	408,956,173	351,122,769

¹There is no water withdrawal in areas with water stress.

²There is no water withdrawal from produced sources.

³Water withdrawals are measured in m³ (cubic meters).

Water discharge by type of destination¹ (m³) GRI 306-1

Type of destination	2018	2019	2020
Utilities	196,673	417,351	185,598
Infiltration into the soil	39,860	56,495	26,734
Ocean	1,400,460	1,451,276	2,258,603
River	1,129,683	853,992	955,937
Total	2,766,676	2,779,114	3,426,872

¹Discharge parameters are within the limits established by applicable regulations. In terms of effluent quality, there were no significant changes from previous years.

Waste disposal (t) GRI 306-2

Hazardous	2018	2019	2020
Reuse	33,011	46,828	-
Recycling	119,347	98,444	135,276
Recovery (including energy recovery)	1,125	8,245	6,577
Incineration (mass burn)	199	838	15,139
Landfilling	6,958	9,340	40,449
On-site storage	679	76	583
Total	161,319	163,770	198,024
Nonhazardous	2018	2019	2020
Reuse	2,496,938	449,421	281,677
Recycling	3,983,144	4,374,131	5,108,041
Composting	212	1,218	1,009
Recovery (including energy recovery)	2,073	6,111	1,903
Incineration (mass burn)	-	5,570	19
Landfilling	260,101	485,139	432,899
On-site storage	549,339	758,992	33,312
Total	7,291,807	6,080,582	5,858,861

Total amounts of overburden, rock, tailings, and sludges and their associated risks GRI MM3

In metric tons	2018	2019	2020
Non-hazardous mine waste (overburden) ¹	7,826,128	6,301,578	5,661,120
Non-hazardous mine waste (tailings) ²	519,971	524,221	860,988
Sludge	301	515	603

¹ The 11% reduction in overburden volumes is largely due to the mine development design for the Andrade mine, which has improved the ratio of overburden to ore as a result of favorable geological conditions.

² The 64% increase in waste volumes is due to the new itabirite concentration plant at Andrade mine. Previously, waste was produced only at Serra Azul mine.



Reuse and recycling

GRI 103-2, 103-3: 303, 306

Waste management practices at ArcelorMittal Brazil aim to maintain low rates of waste per ton of steel produced. The company, therefore, values reuse and recycling, with a particular focus on by-products such as scrap metal, which is sold as a raw material to other production processes. Other by-products are donated for reuse, recycling or energy recovery in other processes.

Energy and emissions

GRI 103-2, 103-3: 302, 305

As part of its commitment to the Group’s Sustainable Development Outcomes, ArcelorMittal Brazil has a policy in place on energy efficiency and conservation, and encourages employee engagement around energy savings through awareness programs. The ArcelorMittal Energy Policy applies to all business units in Brazil, but each business unit has its own teams and targets.

In each operation, the consumption and distribution of utilities to production processes—such as coke gas, blast furnace gas and converter gas—is managed and tracked against indicators measuring how efficiently energy inputs and other materials are consumed, as part of our quality management (ISO 9001) and environmental management (ISO 14001) systems. These processes are periodically assessed by plant managers and through internal and external audits in order to identify and adopt best practices and more efficient technologies.

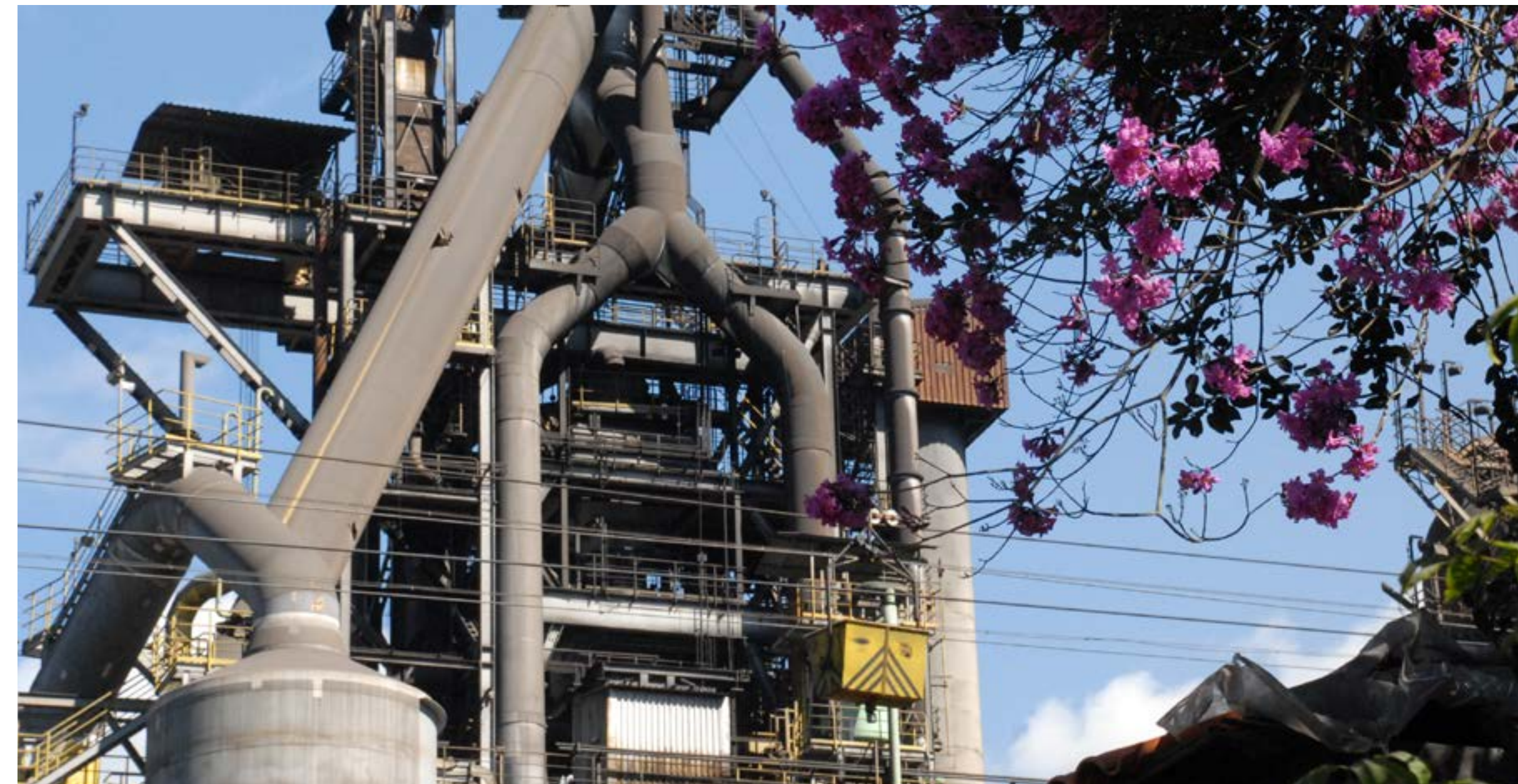
These initiatives are aligned with our corporate climate change strategy of mitigating the causes of, and minimizing, the global warming trend caused by greenhouse gas emissions. The initiatives are structured around the role that industry has been called on to play in improving energy efficiency and adopting cleaner production processes, as defined in Brazil’s commitment under the Paris Agreement. ArcelorMittal Tubarão, for example, an energy-self-sufficient operation, has undertaken initiatives under the Brazilian Energy Efficiency Master Plan (PDEE)

since 2015; and since 1990, it has implemented initiatives to adopt clean technologies and reduce CO₂ equivalent emissions, in accordance with strategies established in the Kyoto Protocol and Paris Agreement. These practices enabled it to become the first integrated steel production plant in the world to have a Clean Development Mechanism (CDM) Project approved.

The Environmental Commitment Agreement (ECA) we signed in 2018 with government authorities of Espírito Santo state, establishes a set of measures to improve control of fugitive air emissions from the operations, in order to improve air quality in the Metropolitan Area of Vitória, as part of the Evoluir program. To meet these requirements, ArcelorMittal Brazil has proposed approximately 500 initiatives which are expected to be completed by 2023.

Photovoltaic panels

ArcelorMittal BioFlorestas’ office, in Martinho Campos (MG), was equipped with photovoltaic panels in September to generate clean, sustainable electricity. The project, accelerated by the Innovative DNA program, will generate cost savings of approximately BRL 16,000, down 27%, in its first year of operation. Studies are currently underway to implement photovoltaic technology at other units of the company.



Consumption of non-renewable fuels (GJ) GRI 102-48, 302-1	2018	2019	2020
Anthracite	1,452,860	2,579,160	2,342,978
Compressed air	624,492	480,082	246,702
Argon	19,721	20,372	7,026
Coking coal	120,995,569	107,844,189	97,817,410
PCI coal	47,195,895	45,259,579	34,732,342
Natural gas ¹	6,101,256	5,783,322	5,356,312
LPG	504,748	119,783	25,809
Nitrogen	1,640,392	1,392,284	601,356
Diesel fuel	880,635	835,914	77,4401
Oxygen	7,438,958	6,235,658	2,232,580
Total²	186,854,526	170,550,344	144,136,916

¹ The natural gas figures for 2019 were restated in relation to the previous report as they excluded consumption in Resende and Barra Mansa (RJ) operations.

² The total figures for 2019 and 2018 have been restated in relation to the previous report.

Consumption of renewable fuels (GJ)	2018	2019	2020
Charcoal	6,140,903	3,897,876	3,385,215
PCI charcoal	812,332	517,515	709,872
Total	6,953,235	4,415,391	4,095,088

Electricity (GJ)	2018	2019	2020
Consumed	19,535,389	21,079,020	22,357,882
Sold	3,180,799	5,129,941	4,176,359

Total energy consumption ¹ (GJ)	2018	2019	2020
Non-renewable fuels ²	186,854,526	170,550,344	144,136,916
Renewable fuels	6,953,235	4,415,391	4,095,088
Electricity consumed ²	19,535,389	21,079,020	22,357,882
Energy sold ²	-3,180,779	-5,129,941	-4,176,359
Total	210,724,887	188,521,812	166,413,527

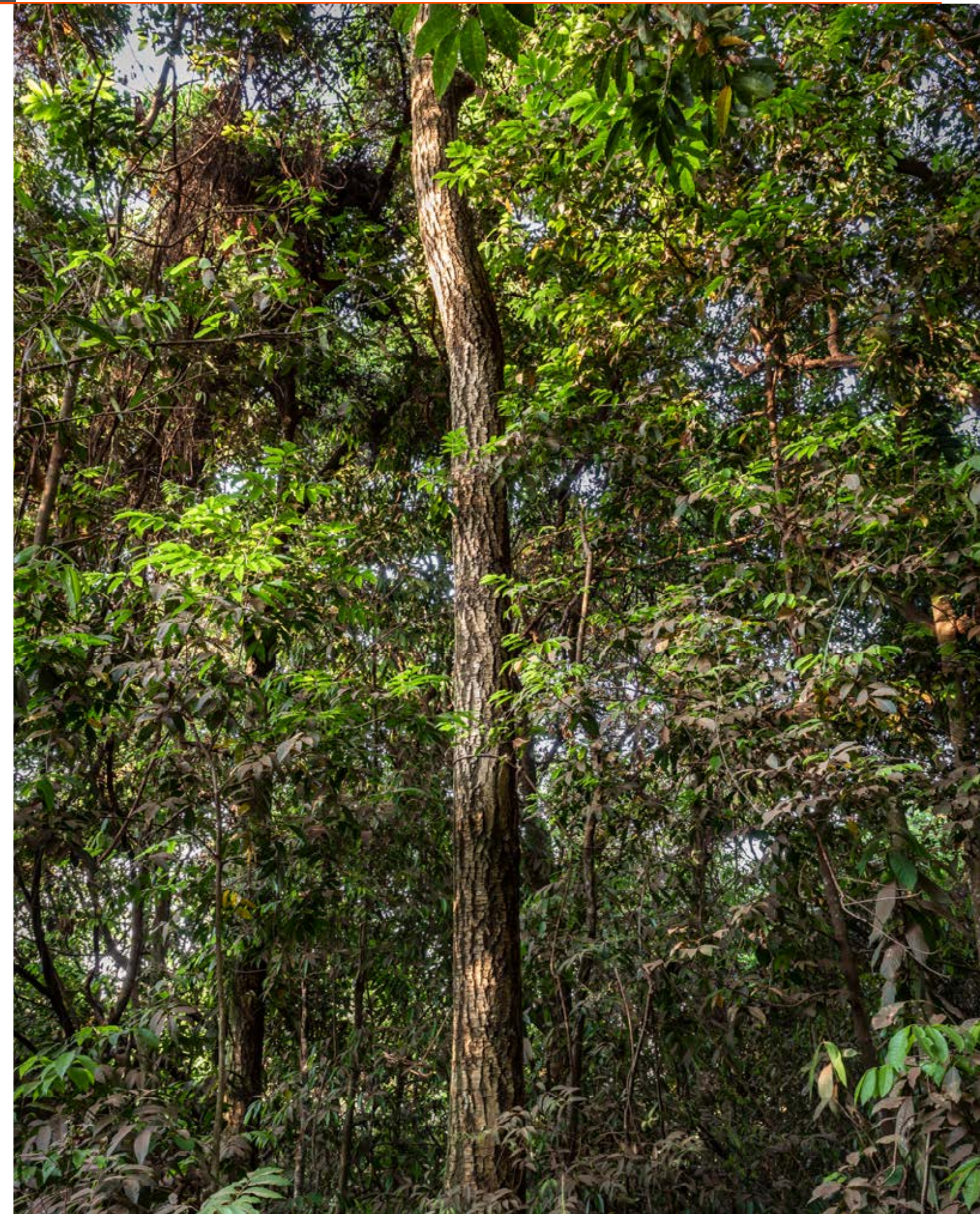
¹ The reduction in energy consumption in absolute terms was primarily driven by lower production rates due to the COVID-19 pandemic (total production was down by approximately 12%, with no production in April in Juiz de Fora, Piracicaba and Resende), but is also the result of routine energy efficiency projects at the business units.

² Figures for 2018 and 2019 have been restated. Total natural gas consumption in 2019 was restated as it excluded consumption at our Resende and Barra Mansa operations.



Reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives (GJ) GRI 302-4

By operation		2019	2020
Barra Mansa	Reduction of Electricity consumption	9,481	2,521
	Reduction of Natural Gas consumption	17,992	49,270
Juiz de Fora	Reduction of Electricity consumption	25,461	9,543
	Reduction of Natural Gas consumption	62,023	17,617
Monlevade	Reduction of Electricity consumption	-	10,461
	Reduction of Natural Gas consumption	19,832	50,620
Piracicaba	Reduction of Electricity consumption	-	48,476
	Reduction of Natural Gas consumption	90,999	-
Resende	Reduction of Electricity consumption	162,340	37,026
	Reduction of Natural Gas consumption	3,676	72,321
Wire Drawing	Reduction of Electricity consumption	-	3,241
	Delayed start of cross operation of the Heat Recovery Unit (average impact in April: 0.6 MW)	-	1,810
Tubarão	Power station management during extended operation of the HR coke oven (consumption reduced by 2.19 MW for 110 days)	-	24,225
	Water balance management with a focus on energy efficiency: Reduced well water pump operating times (annual savings of approximately 54 MWh)	-	225
	Implementation of a new high-purity oxygen line for the Blast Furnace 1 regenerators (3Ndam per hour of COG Generation - a 3.35 MW increase in power output for four months)	-	40,415
	Energy Efficiency Master Plan	14,065	-
	Optimized operation of the HRPC Thermal Power	30.38	-
	Optimization of the seawater system (shutdown of auxiliary pumps)	7.75	-
	Electricity savings through optimization of seawater circuit equipment at the Thermal Power Station. Seawater system operation with a reduced pressure setting, maintaining overall system safety by operating near the lower set point. This generated 2.7 MW in electricity savings for 4.5 months	-	36,654
	Overall reduction in Natural Gas consumption through a change of approach in managing the input	941	-
	Total	391,803	402,613



Emissions

ArcelorMittal Brazil has set a target to reduce CO₂ emissions by 10% by 2030. This is an intermediate step toward the Group-wide goal of becoming carbon neutral by 2050. The carbon neutrality commitment applies to all units within the organization.

The challenge ahead is to find ways to produce steel using clean energy technologies at industrial scale, while still remaining competitive on the global market. The ArcelorMittal Group is a member of the Energy Transitions Commission (ETC) and is an active member of the ETC's Net Zero Steel Initiative underway in partnership with the World Economic Forum.

GRI 102-12

ArcelorMittal Brazil's operations are recognized as being highly energy-efficient for current technological standards. The company invests in cleaner production processes, energy efficiency projects and low-carbon technologies to mitigate and minimize air emissions and greenhouse gas (GHG) emissions. It also implements energy management plans and innovation initiatives, and annually undertakes strategic investments to improve emissions performance in its operations. In 2020, the company achieved absolute emissions reductions of 14.18% year-on-year, but this was primarily due to a decline in crude steel production as a result of the COVID-19 pandemic, which led to production curtailments at our Juiz de Fora, Piracicaba and Resende operations.

Some of ArcelorMittal Brazil's planned emissions reduction initiatives include: expanded use of scrap as raw material, using natural gas, and optimized use of charcoal in currently charcoal-fueled operations.

Globally, ArcelorMittal is considering alternative technologies to transform process gases containing CO₂ into ethanol for on-site consumption and as a raw material in the chemicals industry. A process is also being developed to produce biofuel from wood chips and other waste using a similar method as used to produce charcoal in Brazil.

Direct greenhouse gas emissions¹ (t CO₂ equivalent) GRI 305-1

Scope 1	2018	2019 ²	2020
Biogenic CO₂ emissions (tCO₂ equivalent)	625,880	602,075	528,425
Physicochemical processing	18,934,123	15,740,992	13,465,272
Transportation of materials, products, waste, employees and passengers to PCI	68,471	67,958	101,262
Total gross CO₂ emissions	19,002,593	15,808,950	13,566,534

¹Includes operations in which we have an equity interest, but only those operations producing the largest volumes of emissions (more than 95% of Group emissions). These include the following steel production operations: ArcelorMittal Tubarão, ArcelorMittal Monlevade, ArcelorMittal Juiz de Fora, ArcelorMittal Piracicaba, ArcelorMittal Sul Fluminense (Barra Mansa and Resende); one coke production operation: HRCF Tubarão; two iron ore mines: Andrade and Serra Azul; and one manufacturing operation: ArcelorMittal Vega.

The calculation methods used are those outlined in the Basis of Reporting for ArcelorMittal Brazil, and are based on data collection recommendations from the World Steel Association. The methodology has been adapted to the steel industry and is compatible with main globally accepted methodologies and inventory requirements.

²The figures for 2019 have been restated as, when analyzing identified differences, the emissions from "Transportation of materials, products, waste, employees and passengers" at ArcelorMittal Tubarão were found to have been inadvertently recorded under "Physicochemical processing". However, total gross CO₂ emissions remained unchanged.

Scope 2 (t CO₂ equivalent) GRI 305-2

	2018	2019	2020
Indirect emissions from purchased electricity	129,230.42	111,034.50	209,566.41

Scope 3 (t CO₂ equivalent) GRI 305-3

	2018	2019	2020
Other indirect GHG emissions / purchased raw materials	1,264,980	1,266,597	543,665
Biogenic¹ CO₂ emissions	944,124	1,034,670	1,104,027

¹Biogenic emissions are emissions from natural sources that are considered neutral because they are part of the biological carbon cycle in nature.

Reduction of GHG emissions¹ (t CO₂ equivalent) GRI 305-5

	2018	2019	2020
Reductions of direct emissions (Scope 1)	505,322	472,894	395,356
Reductions of indirect emissions from purchased energy (Scope 2)	334,338	352,687	291,550
Reduction of other indirect emissions (Scope 3)	46,181	46,833	27,183

¹Includes the following gases: CO₂ (carbon dioxide); CH₄ (methane); and N₂O (nitrous oxide).

Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions¹ GRI 305-7

	2018	2019	2020
NO_x	5,302	4,840	4,779
SO_x	13,479	13,312	13,045
Volatile Organic Compounds (VOCs)	6	1.9	3
Particulate Matter (PM)	2,619	2,149	2,185

¹Emissions are measured through continuous monitoring of the primary sources of particulate matter and gas emissions. When continuous monitoring is unavailable, data is calculated preferably on the basis of isokinetic measurements taken at least twice a year, or using estimates based on production volumes.

Calculations may also be made using field-measured emissions factors based either on studies conducted at ArcelorMittal Tubarão and/or on AP-42 emission factors (EPA).

Diffuse emissions

Diffuse emissions are emissions that are not released from pipes or stacks – they are the main challenge in controlling air emissions, sources already have established methods for online monitoring.

To address this challenge, ArcelorMittal Tubarão has initiated studies towards implementing a Diffuse Emissions Monitoring Network, the first initiative of its kind within the ArcelorMittal Group, which will help to improve performance in environmental management.

Developed in collaboration with the Desert Research Institute (DRI), North American research institution that is a reference in environmental controls and atmospheric monitoring, the project was kicked off in January with researchers from DRI visiting Tubarão unit to align on technical details with the local project team.

The DRI researchers also met with air quality management, licensing and environmental management teams at the State Environment and Water Resource Institute (IEMA). Apart from providing background information about DRI, they explained the concept of Diffuse Emissions Monitoring Networks and the potential benefits in environmental management. They also discussed how monitoring information can inform annual emissions inventories and the development of new technologies for emissions monitoring.

The meeting with IEMA representatives helped to underscore ArcelorMittal's commitment to managing emissions—the monitoring network is an initiative above and beyond the company's minimum obligations under the Environmental Commitment Agreement (ECA).

Financial Performance

Jefferson De Paula
CEO Long Carbon LATAM
and Mining Brazil



Based on ArcelorMittal Brazil's 10th Sustainable Development Outcome — Our contribution to society measured, shared and valued" — the company seeks to reconcile financial performance with value creation for society.

Our financial results translate into economic development and positively impact economic and social conditions in the communities where our steel production, distribution, sales and mining operations are located.



Market Overview

The adverse macroeconomic effects triggered by the COVID-19 pandemic plunged Brazil into a recession, slicing 4.1% off of GDP in 2020 – the sharpest contraction since the IBGE began making records in 1996. The second half saw a surprisingly fast economic recovery, which was not sufficient to turn around the losses suffered in the first half of the year, but did bring renewed hope of a more sustained upturn in 2021. Except for agriculture, which accumulated a rise of 2% compared with 0.6% in 2019, other macro sectors of the economy suffered contractions. Industry contracted by 3.5% – compared with an increase of 0.4% in 2019; services contracted by 4.5%, compared with growth of 1.6% in the previous year; and household consumption contracted by 5.5%, compared with growth of 2.2% in 2019.

Influenced by the historic economic slump in Brazil, the automotive sector, one of the main steel consuming segments, suffered a sharp contraction in its activities, despite the recovery in the second half. Vehicle production contracted by 31.6% year-on-year – the worst result since 2003 – and sales fell by 25.8%, as a result of the stoppages by Brazil's leading carmakers in the first half. On the other hand, construction GDP contracted by 2.8% – less than the overall economy – making a meaningful recovery in the second half, which boosted the steel segment. Driven by real estate and low interest rates, the sector remained heated up and was the main creator of jobs in the country, responsible for 112,200 out of a total of 142,700 new jobs. Property sales in the year rose by 9.8% year-on-year, according to the Brazilian Construction Industry Chamber (CBIC).

As was the case for all leading industrial segments, the steel sector has also been affected by the pandemic, but made a remarkable recovery in the second half, which allowed crude steel production to close the year at 330.971 million tons – a contraction of 4.9% year-on-year, but vastly superior to the negative forecasts that were made at the height of the crisis. Rolled product output, in turn, was 21.664 million tons, down 3.7%. Domestic sales amounted to 19.2 million tons, an expansion of 2.4%. The apparent consumption of steel products in Brazil 21.2 million tons, an increase of 1.2%. Exports amounted to 10.7 million tons, or USD 5.4 billion, 16.1% and 26.6% less than 2019, respectively. Imports amounted to 2 million tons, a contraction of 14.3%. In terms of value imports amounted to USD 2.1 billion, a decrease of 13%.

The downturn in international demand led to the global steel production capacity surplus reaching 521 million tons, reversing a trend of gradual decreases, which deteriorates the competition environment. According to data from the World Steel Association, global crude steel production amounted to 1.827 billion tons in 2020, a 0.9% decrease year-on-year.



Economic performance

GRI 103-2, 103-3: 201

Despite the uncertainties triggered by the novel coronavirus crisis and the adverse business environment, ArcelorMittal Brazil reported extremely positive financial indicators, which was possible thanks to a combination of measures taken to protect cash, cut costs, support the customer and supplier chains, enhance processes and increase productivity.

At the height of the crisis, in April, the company acted quickly to adjust its production to the falling steel demand and downsize its operations, including the curtailment of blast furnace 3, the Tubarão facility (Flat Products), in Espírito Santo, and temporary curtailment #3 blast furnace at the Tubarão unit (Flat Carbon), in Espírito Santo state, and temporary curtailment in certain Long Carbon units. It is worth noting that Tubarão's #2 blast furnace, which had been shut down since last year, and #3 blast furnace, were reactivated in July and October respectively, in light of the market recovery.

In conjunction with stopping certain lines and equipment, and on an emergency and temporary basis, the company reduced shifts and salaries and suspended employment contracts, pursuant to Provisional Measure 936/2020, issued by the Federal Government. Following the strong economic recovery in the second half, ArcelorMittal's production plants began operating at full capacity to meet the growing demand, especially from the domestic market.

All of these actions adopted quickly and efficiently,

coupled with the strong financial position of ArcelorMittal Group and ArcelorMittal Brazil, which provided the foundations and composure to tackle the uncertainties produced by the COVID-19 crisis, enabled the company to strengthen its cash and generate a better-than-expected EBITDA of BRL 5.083 billion in 2020 – an increase of 27% year-on-year. Net revenue amounted to BRL 33.070 billion, up 1.9%. Total production of long and flat carbon was ca. 9.5 tons, 8% less than in 2019. Sales volume was 9.3 million tons, down 6.8%. Of total sales, 67% went to the domestic market and 33% to the foreign market. The company exported BRL 6 billion, down 26% year-on-year.

The EBITDA margin over consolidated net revenue was 15%, 3% lower than in 2019. Net income was BRL 1.235 billion, a 16% increase as compared to the BRL 1.068 billion in FY 2019.

The performance of the mining assets in Brazil (Serra Azul and Andrade mines) was also better than expected. The segment reported an EBITDA of BRL 119 million, and the volume of iron ore produced was 3.2 million tons, an increase of 495% and 39% respectively.

Due to the severe crisis in Venezuela and the lack of consumables in the country, the subsidiary Unicon, the largest pipe manufacturer in Venezuela, is operating far below productive capacity and recorded a null EBITDA in FY 2019.

Direct economic value generated and distributed GRI 201-1

Direct economic value generated (BRL million)	2018	2019	2020
Revenue	31,259	32,455	33,070

Consolidated value distributed (BRL million)	2018	2019	2020
Total assets	41,659	41,044	43,928
Net debt	16,278	16,224	14,351
Investment (cash flow)	914	1,209	1,032
Equity	12,801	11,435	12,207
Consolidated net income (loss)	2,441	1,230	1,505
Operating cash flow (EBITDA)	5,704	4,006	5,083

Direct economic value distributed (BRL million)	2018	2019	2020
Employees	2,608	2,623	2,662
Taxes	2,484	2,298	3,420
Interest on third-party capital	2,305	2,629	2,909
Payouts on equity	2,441	1,230	1,505
Total	9,838	8,780	10,496

Direct economic value retained (BRL million)	2018	2019	2020
"Direct economic value generated" minus "Economic value distributed"	21,421	23,675	22,574

Economic value distributed (%)	2018	2019	2020
Employees	26.51%	29.87%	25.36%
Taxes	25.25%	26.17%	32.58%
Interest on third-party capital	23.43%	29.94%	27.72%
Payouts on equity	24.81%	14.01%	14.34%

About this report

GRI 102-46

The ArcelorMittal Brazil 2020 Sustainability Report reviews our key initiatives, projects and results in the period from January 1 to December 31, 2020.

GRI 102-50

The report has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards—an internationally recognized framework for corporate reporting—as well as drawing guidance from the integrated reporting framework (IIRC), which guides the ArcelorMittal Group’s reporting practice. GRI 102-52

The topics selected are those considered as most relevant in the materiality matrix. They include information on the management of economic, social and environmental aspects at ArcelorMittal’s operations in Brazil.

Materiality

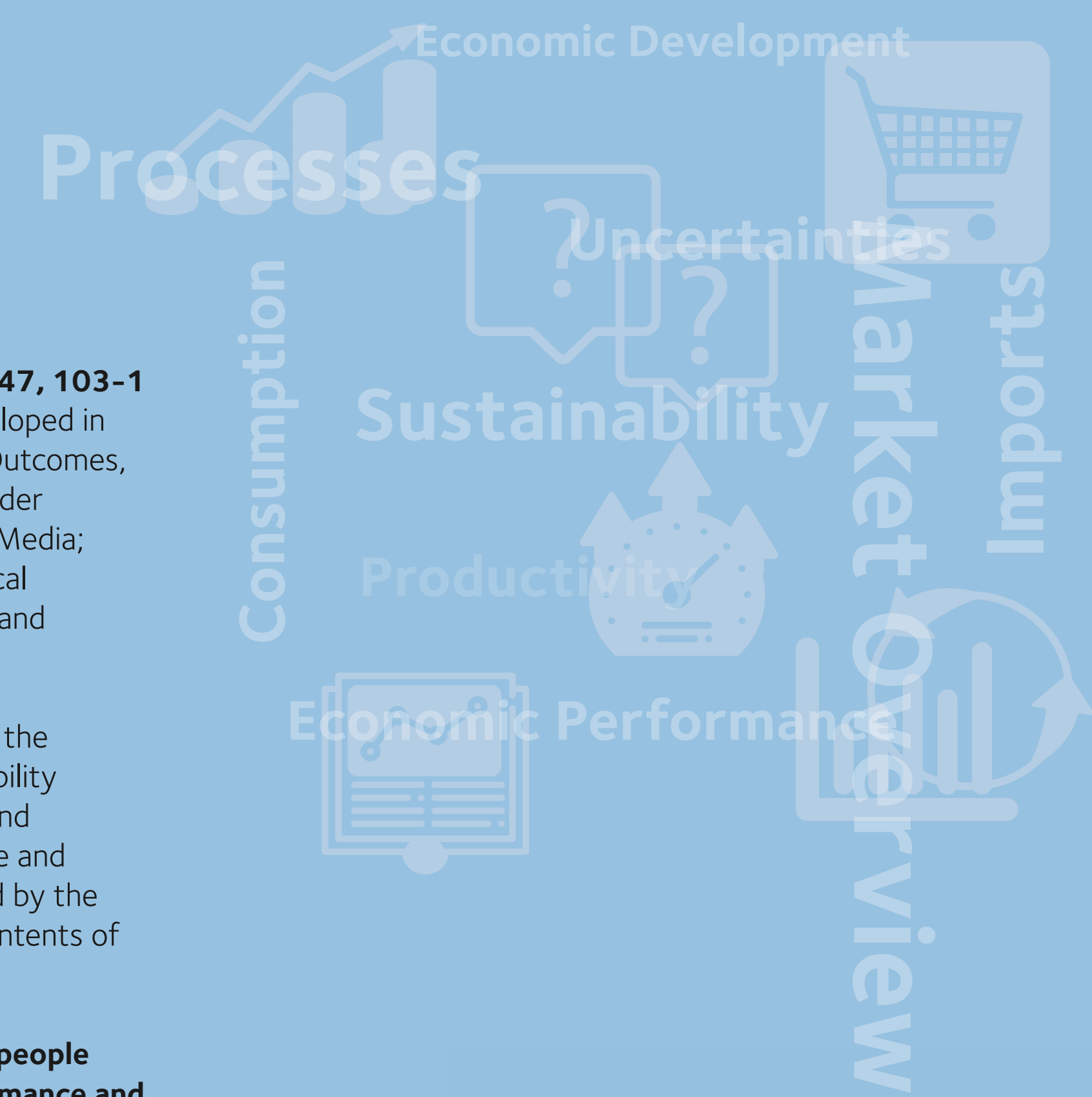
GRI 102-40, 102-42, 102-43, 102-44, 102-47, 103-1

ArcelorMittal Brazil’s materiality matrix was developed in 2018 around the 10 Sustainable Development Outcomes, and based on the views of the following stakeholder groups: Multilateral and Business Organizations; Media; Employees; Customers; NGOs; Academia and Local Communities; Suppliers; Shareholders, Investors and Lenders; Governments and Regulatory agencies.

Endorsed by the company’s senior management, the materiality matrix steers the company’s sustainability management practice, influencing decisions around initiatives and projects, as well as its performance and culture of integrity. In addition, as recommended by the GRI, the defined material topics informed the contents of this report. The material topics are:

1. Safe, healthy, quality working lives for our people
2. Governance: encouraging leadership, performance and culture of integrity
3. Trusted user of air, land and water
4. Responsible energy user that helps create a lower carbon future
5. Supply chains that our customers trust
6. Protecting reputation: trust, admiration, esteem and empathy

Any questions or requests for further information can be addressed to comunicacao.corporativa@arcelormittal.com.br. GRI 102-53



GRI Content Index

GRI 102-55

GENERAL DISCLOSURES

GRI 101: Foundation 2016

	GRI 101 does not include any disclosures			
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Organizational profile

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-1 Name of the organization	7		
	102-2 Activities, brands, products, and services	7		
	102-3 Location of headquarters	Belo Horizonte (MG).		
	102-4 Location of operations	7		
	102-5 Ownership and legal form	7		
	102-6 Markets served	7		
	102-7 Scale of the organization	7		
	102-8 Information on employees and other workers	16		8, 10
	102-9 Supply chain	32		
	102-10 Significant changes to the organization and its supply chain	None.		
	102-11 Precautionary principle or approach	14		
	102-12 External initiatives	22, 45 and 50		
	102-13 Membership of associations	41		

Strategy

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	3		
	102-15 Key impacts, risks, and opportunities	14		8

Ethics and integrity

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	8 and 11		16
	102-17 Mechanisms for advice and concerns about ethics	13		16

Governance

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-18 Governance structure	10		
	102-19 Delegating authority for economic, environmental and social topics	10		

Stakeholder engagement

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	54		
	102-41 Collective bargaining agreements	All employees are covered by collective bargaining agreements. At year-end 2020, however, employees at the Feira de Santana operation remained under the expired agreement as discussions between the relevant labor and employer unions had not been concluded.		8
	102-42 Identifying and selecting stakeholders	54		
	102-43 Approach to stakeholder engagement	25, 26 and 54		
	102-44 Key topics and concerns raised	25, 26 and 54		

Reporting practices

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	Long Carbon, Flat Carbon, Energy, Eucalyptus and Charcoal, Mining and Information Technology businesses.		
	102-46 Defining report content and topic Boundaries	54		
	102-47 List of material topics	54		
	102-48 Restatements of information	48		
	102-49 Changes in reporting	None.		
	102-50 Reporting period	54		
	102-51 Date of most recent report	June 2020, for fiscal year 2019.		
	102-52 Reporting cycle	54		
	102-53 Contact point for questions regarding the report	54		
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards—"Core" option.		
	102-55 GRI content index	55		
	102-56 External assurance	None		

MATERIAL TOPICS

GRI 200 – ECONOMIC SERIES

Economic performance

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	53		
	103-3 Evaluation of the management approach	53		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	53		8, 9

Anti-corruption

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	11		
	103-3 Evaluation of the management approach	11		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	14		16
	205-2 Communication and training on anti-corruption policies and procedures	13		16
	205-3 Confirmed incidents of corruption and actions taken	This information is confidential and restricted to the teams under the Compliance Officer, Forensic Department, and Internal and External Auditors.		16

GRI 300 – ENVIRONMENTAL SERIES

Energy

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	47		
	103-3 Evaluation of the management approach	47		

GRI 302: Energy 2016	302-1 Energy consumption within the organization	48		7, 8, 12, 13
	302-4 Reduction of energy consumption	49		7, 8, 12, 13

Water and effluents

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	45		
	103-3 Evaluation of the management approach	45		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	45		6, 12
	303-2 Management of water discharge related impacts	45		6
	303-3 Water withdrawal	46		6, 8, 12

Biodiversity

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	41		
	103-3 Evaluation of the management approach	41		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	42		6, 14, 15
	304-3 Habitats protected or restored	43		6, 14, 15
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by the organization's operations	44		6, 14, 15
Mining Sector - Biodiversity	MM1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	44		3, 6, 12, 14, 15

Emissions

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	47		
	103-3 Evaluation of the management approach	47		

GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)	50		3, 12, 13, 14, 15
	305-2 Indirect GHG emissions (Scope 2)	50		3, 12, 13, 14, 15
	305-3 Other indirect GHG emissions (Scope 3)	50		3, 12, 13, 14, 15
	305-5 Reduction of GHG emissions	50		13, 14, 15
	305-7 NOx, SOx, and other significant air emissions	50		3, 12, 14, 15

Effluents and waste

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	46		
	103-3 Evaluation of the management approach	ok		
GRI 306: Effluents and waste 2016	306-1 Water discharge by quality and destination	46		3, 6, 12, 14
	306-2 Waste by type and disposal method	46		3, 6, 12
	306-3 Significant spills	None.		3, 6, 12, 14, 15
Mining Sector Supplement - Effluents and waste	MM3 Total amounts of overburden, rock, tailings, and sludges and their associated risks	46		3, 6, 12

Environmental compliance

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	41		
	103-3 Evaluation of the management approach	41		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations			16

ArcelorMittal was subject to 22 administrative proceedings and related fines in 2020, 70% fewer than the 73 proceedings in 2019. The reduction reflects the curtailment of production activity, and the consequent reduction of audit activity, in 2020 due to the COVID-19 pandemic, as well as the larger number of audits in 2019 in connection with the renewal of the Operation License for Tubarão unit. In 2020 ArcelorMittal received fines amounting to BRL 2,319,180.70, which are being appealed against.

Supplier environmental assessment

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	33		

GRI 400 – SOCIAL SERIES

Occupational health and safety

GRI Standards	Disclosure	Page number	Omission	SDG	
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54			
	103-2 The management approach and its components	18			
	103-3 Evaluation of the management approach	18			
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	18		8	
	403-2 Hazard identification, risk assessment, and incident investigation	19 and 20		3, 8	
	403-3 Occupational health services	19		3, 8	
	403-4 Worker participation, consultation, and communication on occupational health and safety	18 and 19		8, 16	
	403-5 Worker training on occupational health and safety	18 and 20		8	
	403-6 Promotion of worker health	19		3	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Contractors and their employees are required to observe the same standards and guidelines as direct employees. All contractor employees are required to understand and comply with the company's standards. To this end, they receive information about health and safety, attend mandatory training on how to perform their tasks, and attend daily, monthly meetings and other events about safety.			8
	403-8 Workers covered by an occupational health and safety management system	100% of employees and workers at ArcelorMittal are covered by our Occupational Health & Safety Management System, which is based on legal requirements and/or recognized standards/guidelines, and is internally and/or externally audited and certified by an external party.			8
	403-9 Work-related injuries	21			3, 8, 16
	403-10 Work-related ill health	There were no cases of work-related ill health or fatalities as a result of work-related ill health involving employees or workers at ArcelorMittal.			3, 8, 16

Non-discrimination

GRI Standards	Disclosure	Page number	Omission	SDG
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	12 and 22		
	103-3 Evaluation of the management approach	12 and 22		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	13		5, 8

Child labor

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No such operations or suppliers were identified in 2020.		8, 16

Forced or compulsory labor

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such operations or suppliers were identified in 2020.		8

Human rights assessment

GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 412: Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	21		
	412-2 Employee training on human rights policies or procedures	13	The number of hours of employee training on human rights policies and procedures was not reported in 2020.	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	32		

Local communities				
GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	35		
	103-3 Evaluation of the management approach	35		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	35		
	413-2 Operations with significant actual or potential negative impacts on local communities	36		1, 2
Food Sector Supplement – Local communities	MM6 Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples		Our Human Rights Policy articulates our commitment on this topic, but records are not kept on the number and description of conflicts as requested by the indicator.	1, 2

Social and economic compliance				
GRI Standards	Disclosure	Page number	Omission	SDG
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	54		
	103-2 The management approach and its components	35		
	103-3 Evaluation of the management approach	35		
GRI 419: Social and economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area		No instances in 2020.	16

Social and economic compliance				
GRI Standards	Disclosure	Page number	Omission	SDG
Mining Sector Supplement – Closure planning	MM10 Number and percentage of operations with closure plans		This information is unavailable due to confidentiality requirements under the ArcelorMittal Group Code of Conduct.	

Corporate Information

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ArcelorMittal Brasil S/A

GRI 102-1

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