



ArcelorMittal



ArcelorMittal Ostrava
For a better life in the region
Corporate Responsibility Report 2014



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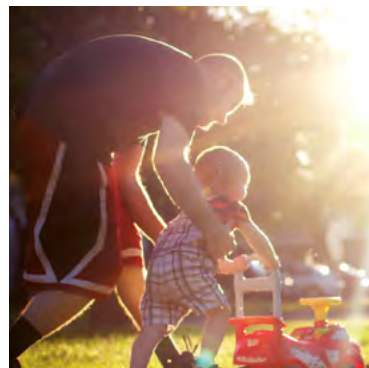
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Manufacturing safe
sustainable steel

2014 facts and figures

- We produced **2,090,896 tons** of hot metal.
- We produced **2,034,056 tons** of liquid steel.
- Our tandem furnaces consumed **676,776 tons of scrap** which represents 28% of the metallic charge.
- We sold **354,500 meters** of safety barriers.
- We produced **48,010 tons** of grain oriented electrical steel in the Cold Rolling Mill in Frýdek-Místek.
- Our employee's average salary was **CZK 35,247**.
- **36,225 employees** were trained.
- A total of **147,518 hours** spent by employees in training.
- We distributed **CZK 680,000** among 56 projects of nonprofit organizations through our employee grants; the number of beneficiaries was 7,643.
- We donated **CZK 31 783 516** to support local communities, the number of beneficiaries was 43,156.
- We employ **4,613 people**; together with the subsidiaries the headcount is 7 406 people.



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The Corporate Responsibility Report has been published every year since 2008.

The scope of the report always covers a period of a single calendar year. The previous report is related to 2013.

The 2014 Corporate Responsibility Report is a summary of activities of ArcelorMittal Ostrava and its subsidiaries in the area of corporate responsibility which took place in 2014 and activities that we expect in 2015.

The report contains data collected by the individual departments using the KPI parameters or data related to the GRI methodology covering the year 2014.



Ladies and gentlemen,

You have in your hands a regular report which describes our activities in the area of corporate social responsibility in 2014. Social responsibility is not simply a concept to us: it is an inherent part of everything we do. We are part of the Moravian and Silesian Region and we want the people that live there to live well. This is why we support charitable projects for children, senior citizens, the handicapped and the socially-disadvantaged, why we contribute towards culture and education and why we apply a responsible approach to environmental preservation. We treat our employees with honour and respect, provide them with a safe work environment and invest in their personal and occupational growth.

We invested significant sums in 2014 in further reducing the impact our production has on the environment. In the power plant alone, we built a facility to desulphurize four boilers, began the construction of technology designed to reduce the production of nitrogen oxide in three boilers and started building a modern boiler to replace the four existing ones. This last project is the biggest investment we have made since the 1990s, in spite of the unfavourable situation on the market at present. In total, these projects will cost around three billion crowns. Our emissions now comply with the strictest European limits set to come into force in 2016, as well as national and regional limits. We shall, however, continue to become more environmentally-friendly into the future.

In addition to our environmental projects, we also invested in modernizing our production process and improving the quality of our



product portfolio. In the past year, in fact, we began upgrading three hot-blast stoves for blast furnaces, which will reduce material consumption and in turn the costs involved and emissions of carbon oxides. We aim to become more competitive by increasing the share of products we make with higher added value. For this reason we invested 200 million crowns to launch the production of special threaded bars for use in the construction industry, the very first company in the Czech Republic to do so. Our new crash barrier with increased protection for bikers, meanwhile, is now being installed on high-risk sections of road in the Czech Republic. We are still the largest producer of road safety systems in the country and we continuously work on their development to ensure greater safety.

We will also continue to support the city and the region of which we are a part. It is important to us that we contribute towards higher quality technical education, either through financial donations or cooperation on research work with

different levels of schools or by offering consultation to students with regard to their dissertations or practical education for students and teachers directly at the mill. We also try to help prominent and small cultural institutions and projects run by non-profit organizations in different areas, last year providing them with over 31 million crowns. Our annual Dance for Life campaign, at which people can dance in support of non-profit organizations, was held twice for the first time last year, visiting the Advent Full of Angels event in addition to the traditional Colours of Ostrava festival. Annual employee grants, through which we contribute to non-profit projects, last year reached a value of 680 thousand crowns. Neither did we stand still in supporting volunteer work, in which nearly 1,500 of our employees got involved last year, working for 5,000 hours.

We are a major employer in our region. Above-standard care for our employees is all part of our strategy given that our employees are our most valuable asset. In ad-

dition to salaries that are significantly higher than the average, our employees are also able to enjoy countless corporate benefits. One absolute priority at the company is to continuously improve occupational health and safety. Lost-time injuries are now at a historic low; however, we continue to work towards achieving our goal of zero injuries.

Dear Readers, if you are interested in more detailed information about what we do for Ostrava and the Moravian and Silesian region and about our other public interest projects, then simply leaf through the pages that follow. If you have any questions or comments regarding the report or our activities in general, please do not hesitate to contact us. You can contact us on our website, ostrava.arcelormittal.cz, or by sending an e-mail to cr.ostrava@arcelormittal.com.

Thank you for your interest.

Tapas Rajderkar
CEO and Chairman of the Board of Directors, ArcelorMittal Ostrava



We are part
of the largest
steelmaking group
in the world

The ArcelorMittal Group is the world's largest steel-making and extraction company, with a presence in 60 countries and a workforce of more than 220 thousand. The company occupies a leading position on all of the principal steel markets: the automotive industry, the construction industry, packing steel and steel for the production of domestic appliances. It is a leader in research and development and owns significant sources of raw materials and an effective distribution network. ArcelorMittal is listed on the stock exchange in New York (under the trading symbol MT), Amsterdam (MT), Paris (MT), Luxembourg (MT), Barcelona (MTS), Bilbao (MTS), Madrid (MTS) and Valencia (MTS).

ArcelorMittal in the Moravian-Silesian Region



ArcelorMittal Ostrava

ArcelorMittal Ostrava a.s. is the largest steelmaker in the Czech Republic. We produce 2 million tons of steel a year, steel which is then used mostly in the construction industry and mechanical engineering industry. We are the only manufacturer of road crash barriers and grain oriented electrical steel in the Czech Republic. In addition to the domestic market, we sell our products to more than 40 countries throughout the world.

Subsidiaries of ArcelorMittal Ostrava

The following are among the companies in which ArcelorMittal Ostrava has controlling ownership interest:

ArcelorMittal Tubular Products Ostrava a.s. which is engaged in the manufacture of tubes and the metallurgical processing of iron and steel and which is the largest manufacturer of tubes in the Czech Republic.

ArcelorMittal Tubular Products Karviná a.s. is involved in the manufacture and sale of longitudinally-welded, thin-walled steel sections and tubes and thin-walled open sections.

ArcelorMittal Engineering Products Ostrava, s.r.o. is a manufacturing and repair plant and brings together engineering and foundry production.

ArcelorMittal Distribution Solutions Czech Republic, s.r.o. is engaged in the manufacture and cutting of flat and long products.

ArcelorMittal Energy Ostrava s.r.o. is a service plant that focuses particularly on the needs of the metallurgy industry and which generates energy, together with compressed and blown air or steam, at the ArcelorMittal Ostrava mill itself. It also produces heat energy for inhabitants of the Ostrava – Jih district during the heating season. The company became TAMEH Czech s.r.o. on December 11, 2014.

ArcelorMittal Technotron s.r.o. is engaged in the manufacture of cores for magnetic circuits, which are used in the engineering, electrotechnics and metallurgical industry and even in health care. ArcelorMittal Technotron s.r.o. is the third largest producer of cores on the European market.

You will find more information at company's website:
<http://ostrava.arcelormittal.com/>

ArcelorMittal has a presence in **60 countries** all over the world

We produced **2,034,056 tons** of steel in Ostrava in 2014

Scope of the report

Data which primarily relates to the ArcelorMittal Group (ArcelorMittal Ostrava a.s., ArcelorMittal Tubular Products Ostrava a.s., ArcelorMittal Tubular Products Karviná a.s., ArcelorMittal Engineering Products Ostrava, s.r.o., ArcelorMittal Distribution Solutions Czech Republic, s.r.o., ArcelorMittal Energy Ostrava, s.r.o., and ArcelorMittal Technotron, s.r.o.) has been used for the purposes of the Corporate Social Responsibility Report for the year 2014. For some sub-indicators data relating only to ArcelorMittal Ostrava a.s. is used.

The report comprises data about the main investments and the results of projects and activities aimed at improving the situation in key areas of social responsibility.

We take a socially responsible approach

Investing in our people

Our employees are an essential part of our success. We take inspiration from their ideas and rely on their industry and purposefulness. We treat them with dignity and respect, invest in their development and provide them with a safe and healthy work environment.

Making steel more sustainable

We develop technology that improves the steel production process and promote sustainable procedures that are more considerate to the environment. Our innovative products help customers and suppliers achieve their objectives in relation to the environment.

Enriching our communities

We are an important part of the society in the area in which we operate. That is why we contribute towards the healthy and sustainable development of the local community. We respect local culture and priorities and build active partnerships with local organisations.

Transparent governance

We believe in open management. We are interested in the impact of our activity, minimise the consequences of our business and responsibly manage the risks involved. We work together with key target groups and have a process of transparent conduct in place in this area.

Our strategy of corporate responsibility is based on active communication and cooperation with the stakeholders.

ArcelorMittal keeps working on perfecting and improving its approach to corporate responsibility and sustainable development. After a series of discussions across the company, we have identified ten markers of sustainable development on which the company will focus and seek to fulfill in the long-term perspective. We in ArcelorMittal Ostrava have adopted this strategy and started in-

corporating it to the current strategy so that we can report the results of 2015 on the basis of these markers. We are aware that steel offers countless opportunities for the future; however, it is also a great challenge. We are starting a long journey at the end of which steel will become one of the most sustainable materials in the world.

The 10 sustainable development outcomes

- 01 Safe, healthy, quality working lives for our people
- 02 Products that accelerate more sustainable lifestyles
- 03 Products that create sustainable infrastructure
- 04 Efficient use of resources and high recycling rates
- 05 Trusted user of air, land and water
- 06 Responsible energy user that helps create a lower carbon future
- 07 Supply chains that our customers trust
- 08 Active and welcomed member of the community
- 09 Pipeline of talented scientists and engineers for tomorrow
- 10 Our contribution to society measured, shared and valued

All underpinned by transparent good governance.

Our stakeholders

	Customers	Employees	Government and regulators	Investors and lenders	Local communities	Media	Multilateral and business organizations	Non-governmental organizations	Suppliers
Stakeholder issues	<ul style="list-style-type: none"> Quality of products Ethical business practices Safety in products Renewable technologies, light-weight steel products 	<ul style="list-style-type: none"> Worker health and safety Job security Working conditions Remuneration and rewards Career development Operational excellence 	<ul style="list-style-type: none"> Biodiversity conservation Emissions control Attracting investment Employment opportunities Social and economic development 	<ul style="list-style-type: none"> Corporate governance Business performance Employee health and safety Climate change Corporate responsibility management 	<ul style="list-style-type: none"> Community engagement processes and plans Environment and emissions control Social investment Job security 	<ul style="list-style-type: none"> Industry challenges and developments Health and safety Environmental issues 	<ul style="list-style-type: none"> Long-term industry challenges Human rights Water, energy and waste Health and safety Responsible sourcing Climate change 	<ul style="list-style-type: none"> Environmental protection Social and economic development Working conditions Corruption and bribery Health and safety Human rights 	<ul style="list-style-type: none"> Code for responsible sourcing Quality of products Operational excellence Ethical business practices
How we engage	<ul style="list-style-type: none"> Site visits Customer-oriented publications and events Partnerships, e.g. our engineering teams in customers plants 	<ul style="list-style-type: none"> Intranet Meetings Employee survey Newsletters and publication Training programs Trade union relations 	<ul style="list-style-type: none"> Country-specific steering groups Conferences and speaking engagement 1:1 formal dialogues 	<ul style="list-style-type: none"> Road shows 1:1 meetings, regular conference calls Site visits 	<ul style="list-style-type: none"> Local engagement workshops Local corporate responsibility reporting 1:1 meetings 	<ul style="list-style-type: none"> Site visits Press releases Interviews Internet Twitter 	<ul style="list-style-type: none"> Active involvement in organization, including WBCSD, CSR Europe, World Steel Association, EITI and UN Global Compact 	<ul style="list-style-type: none"> Partnership Formal meetings Correspondence and events 1:1 meetings 	<ul style="list-style-type: none"> Dialogue through account management relationships Regular engagement with our local management on-site
Our relationship	<ul style="list-style-type: none"> Provide innovative partnerships for sustainable growth Provide quality products at good value 	<ul style="list-style-type: none"> Central to the success of our business by demonstrating productivity, quality and leadership Provide a safe and enriching work experience 	<ul style="list-style-type: none"> Generate economic growth through revenues, taxes, fees and product innovation Key to providing fair and transparent competitive trading conditions 	<ul style="list-style-type: none"> Generate sustainable growth and shareholder returns Improve our shareholder capital and boost financial performance 	<ul style="list-style-type: none"> Provide support for local economic development Build trust with local communities 	<ul style="list-style-type: none"> Provide industry trends as well as social, environmental and economic information Build and protect and raise awareness of our products and operations 	<ul style="list-style-type: none"> Add to the collective understanding of responsible business practices Build capacity within our organization and understand and drive peer approaches 	<ul style="list-style-type: none"> Provide an insight into the needs of society and the environment Monitor our performance in meeting the needs of stakeholders, vulnerable groups and society 	<ul style="list-style-type: none"> Secure delivery of good value and quality products and services Meet responsible sourcing requirements Provide fair access to business opportunities and appropriate payment conditions

Investing in our people



Key Performance Indicators					
Investing in our people	2010	2011	2012	2013	2014
Lost Time Injury Frequency Rate related to number of hours worked	0.93	0.68	0.73	0.48	0.47
OHSAS 18001 safety standard certification	renewed	renewed	renewed	renewed	renewed
Number of hours of training for employees of ArcelorMittal Ostrava and subsidiaries	111,229	149,921	132,524	102,341	147,518
Number of meetings of the Occupational Health and Safety Committee	15	11	11	9	9
Participants in Health and Safety Day	7,595	4,233	3,600	6,366	6,327
Preventive medical examinations	4,577	5,891	4,363	4,088	4,835
Health and safety audits	231	11,756	11,121	11,291	11,267
Employees trained in the OHS area	6,963	8,395	8,608	3,830	8,084

Health and safety first

Occupational health and safety projects

Our global objective is to eliminate the number of serious and fatal injuries at work and reduce the frequency of occupational injuries to a minimum. We progressively work to achieve these goals through the Journey to Zero and Shared Vigilance projects. We also continue to introduce corporate safety standards, mainly in the areas of working at heights, isolation of technological equipment and improving the quality of occupational health and safety management among external contractors of services. An expert committee has been set up with the aim of creating a safe system of securing and isolation of equipment from sources and energy.

In discussions with staff in questions of occupational health and

safety we employ established tools, such as five-minute safety meetings, shop floor audits and the Golden Rules of Safety. The regular training of all employees at the company in safety regulations is also one of our prevention measures.

We work with VŠB – Technical University of Ostrava, Faculty of Safety Engineering, throughout the year in discussing students' dissertations and offering specialized excursions. We also maintain continual dialogue and share current safety risks with the staff of external contracting companies and other partners.

Certificates and awards

We hold a prestigious "Safe Enterprise" award, which we were presented with for the fifth time based

on an audit by the District Work Inspectorate. Four of our subsidiaries also received this award: ArcelorMittal Tubular Products Ostrava, ArcelorMittal Engineering Products Ostrava, ArcelorMittal Energy Ostrava and ArcelorMittal Distribution Solutions Czech Republic.

The company again successfully underwent an audit of its occupational health and safety management system according to the OHSAS 18001 standard. This resulted in an extension of the certificate for our system of health and safety management at the workplace.

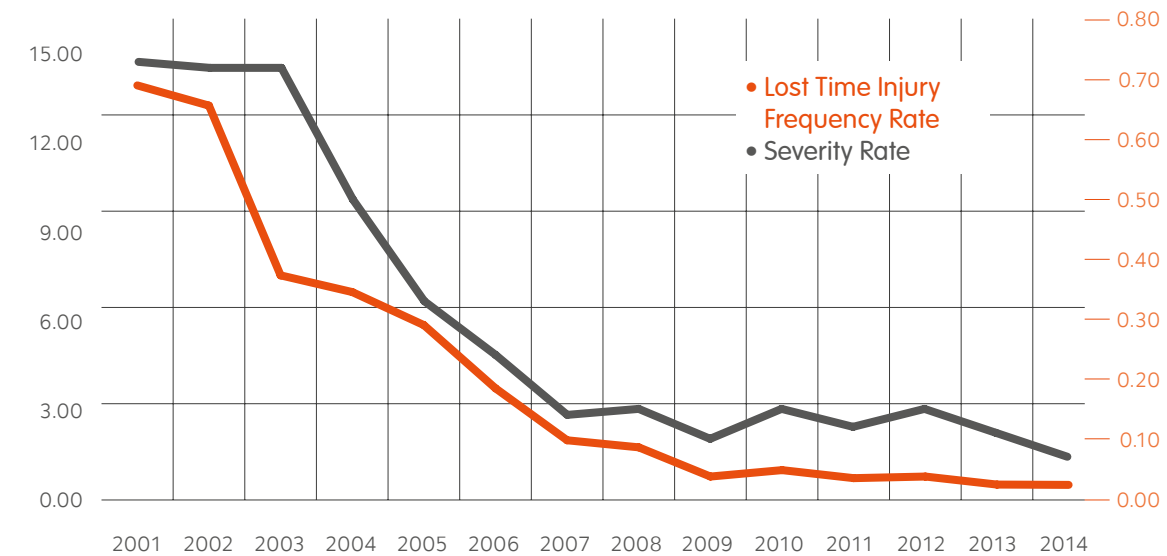
**OHSAS - occupational health and safety management systems*



„Our employees are the most valuable asset we have. We care deeply about their safety and invest considerable efforts and money in this. I am delighted that our employees are interested in activities of this kind and that they bring positive results.“

Jiří Michálek,
Chief Health and Safety Officer

Development of Lost Time Injury Frequency Rate and Severity Rate 2001 - 2014



The Lost Time Injury Frequency Rate in 2014 was 0.47 injuries per million hours worked and the Severity Rate was 0.07 lost days per thousand hours worked.

Frequency
0.47
occupational injuries
per million hours worked

The participation of more than **6,300** employees at Health and Safety Day

955 alcohol checks carried out among external contractors



Occupational Health and Safety Committee

A task force consisting of employee representatives and top management that deals with the issue of occupational health and safety at the company. Nine meetings and workplace inspections were held in 2014. The aim of this dialogue is to propose measures to minimize the work-related risks identified or eliminate shortcomings. All employees at the company have the right to contact members of the OHS Committee in relation to any matter related to occupational health and safety at work and to put forward suggestions for discussion through them.

Health and Safety Day

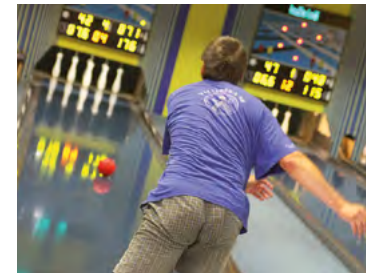
More than 6,300 employees, union representatives and representatives of 27 external companies were involved in our eighth Health and Safety Day. The main topic was preventing injuries and the motto was „No more slipping, tripping, pinning or falling!”. The day-long programme allowed employees to take part in practical first aid courses and attend talks or presentations of personal protective equipment. The fire rescue brigade



at ArcelorMittal Ostrava arranged practical training for employees in extinguishing flammable liquids. Efforts were also made to try and make sure that employees enjoy a healthy lifestyle, with healthy meals being served in company canteens at a discount.

Health Week

Our Health Week is also popular, focusing as it does on educating people about living a healthy lifestyle, preventing serious illnesses and providing advice to employees. Those interested were able to undergo a preventive



screening for melanoma or breast cancer or to hear about the risks involved in smoking. They were also reminded of basic skills in the provision of first-aid or extinguishing flammable liquids. Union representatives and members of top management took part in our popular bowling and football tournaments. Some employees at the plant were even given massages by visually-impaired masseurs. There was also an information campaign about flu and subsequent flu vaccinations.



with the slogan, “My safety is primarily my concern and if I see somebody else in danger, I will immediately inform him/her of that danger!” We want to make this message part of the daily work process and for this reason have created informative materials that focus on safety matters. These materials, located on company premises, at bus stops or elsewhere within the mill premises, are designed to remind staff to take care of their own safety.

Shared Vigilance

The prevention of accidents in the workplace is supported by a campaign













Red Scorpions

The company launched a project entitled “Red Scorpions” in collaboration with the Technical University of Ostrava. As part of this, seventeen university students check adherence to national and corporate safety regulations on construction sites and other investment projects on a daily basis. Their involvement helped reduce the accident rate among external contractors. Some 8,951 alcohol checks were carried out on external service contractors during the project. The Red Scorpions project won the Human Resources Excellence Award (HREA) in 2014 for the best HR programme in the “companies having over 500 employees” category.

„Red Scorpions help us evaluate safety at the workplace through other people’s eyes. Thanks to the fact that we have an equal approach to all those who work at the mill premises in terms of occupational health and safety, we have also managed to significantly reduce the number of injuries to the employees of our contractors,”

says Jiří Michálek, Chief Health and Safety Officer at ArcelorMittal Ostrava.

Our 10 Golden Rules of Safety

-  I will come to work in a “fit and able” condition.
-  I will follow the lockout/ isolation procedure when working on equipment.
-  I will respect all the rules of load handling at all times and never stand under or near a suspended load.
-  I will respect rail priority and stay out of the close clearance area unless the proper precautions have been taken.
-  I will not disable safety devices.
-  I will use fall protection or prevention whenever and wherever required according to our standards.
-  I will follow the confined space entry procedure before entering, as well as during the full duration of the task.
-  I will respect all traffic rules.
-  I will respect the rules of entering and working in hazardous gas areas.
-  I will respect all the basic Health and Safety rules, standards and signals and I will wear the required Personal Protective Equipment (PPE).





Better equipment for the mill's ambulance

We replaced three outdated pieces of apparatus in our ambulance with MEDUCORE Standard equipment from German manufacturer Weinmann in May 2014. The apparatus combines the functions of heart defibrillation, monitoring heart rate and pulse and detecting the amount of oxygen in the blood for the correct operation of vital functions, all in one portable system. It complies with all standards for work in the field in accordance with recommended procedures in providing urgent pre-hospital care.



Our employees' sporting success

Adam Kauer from our Fire Rescue Brigade came a magnificent second at the Fire-fighters World Cup in Mountain Biking in the Swiss Sainte-Croix and finished sixth in the Fire-fighters World Cup in Road Cycling in Graz, Austria.



Stanislav Loksa, a refractories technologist at the Steel Plant, finished twenty-first in the slalom at the Paralympics in Sochi, Russia, from a field of 51 starters. He was also the flag-bearer of the Czech team at the ceremonial opening of the Winter Games.

Riding to work on a bike

For the second time now, the mill was declared Ostrava Cycling Employer of the Year. Many of our employees found that they enjoyed travelling to work by bike and 31 of them even took part in the national "Riding to work on a bike" competition in May. Their results were good, some of them even finishing in medal-winning positions. Vladimír Žingor from the Blast Furnace Maintenance department came second with 1,153 kilometres cycled a month and his colleague

Radim Bednář finished third with 788 kilometres a month.

Blood donor battles skidding

Dana Harvánková from the Transport Plant, who won the top prize of a voucher for the skid school at the Safe Driving Centre in Ostrava for her participation in the "100 minutes for life" campaign, decided to try it out at the beginning of May 2015. She already has 90 blood donations to her name and has been an active blood donor for over twenty-five years.



completed – the implementation of a central protection desk and the upgrading of the dispatching office at the Fire Rescue Brigade, which should improve the quality of the services provided and receiving of emergency calls in the case of fire or other emergencies.

Employee health

Employee health is another of our priorities, alongside their safety. We improve our company medical services on a continual basis and doctors regularly visit us to check workplaces. An emergency first aid service is also contractually provided 24 hours a day all year round.

Our health programme includes targeted programmes for individuals and selected groups of employees, such as week-long and two-week treatment and rehabilitation holidays for employees (602 employees involved) and individual out-patient progra-

mmes aimed at prevention and boosting immunity (273 employees involved).

We pay heightened attention to occupational illnesses, microclimatic conditions and the handling of chemicals and continually improve the hygiene conditions at company facilities. The number of occupational illnesses (12) was the lowest here in the past 10 years.

Work incidents

We have an accurate overview of all dangerous events thanks to a reliable work incident recording system and are immediately able to investigate these and take safety measures. In addition to records of injuries, we also monitor all near misses, dangerous situations and dangerous actions. We term the riskiest of these serious incidents as serious occurrences and investigate them with the same care as if they were lost time injuries or fatal injuries.

Fire Rescue Brigade

A total of 17 drills at the Fire Rescue Brigade unit took place in 2014 in cooperation with employees at the plant as part of efforts to make sure the company is ready to deal with and respond to emergencies. Two in-house drills took place as part of emergency training (SEVESO) – major-accident prevention. Two investment projects were also

A total of
7 980

employees (including agency workers) received vitamin packages

Smoke-free work environment at ArcelorMittal Ostrava within a year

ArcelorMittal Ostrava has joined the global trend in trying to prevent smoking, which has been proven to cause many serious health problems. We offer our employees a programme designed to help them quit, which will be completely free-of-charge if they succeed. Some 38 employees signed up for the programme in 2014. All smokers at ArcelorMittal Ostrava and its subsidiaries have the chance to undergo the "kick-the-habit" programme from September 2014 to the end of August 2015. The company will then put a no-smoking regime in place on 1st September 2015.

Human resources

336
improvement ideas
was submitted

A total of
147,518 hours
spent by our employees in training

A total of
114 employees
took part in the Talent Programme

Almost
32 million crowns
saved thanks to improvement ideas
made by employees



ArcelorMittal CAMPUS Ostrava

The ArcelorMittal University Campus in Ostrava trained more than 36,225 employees from ArcelorMittal Ostrava and its subsidiaries in 2014. Employees spent 147,518 hours in training.

Employees play a part in continuous improvement

Employees are involved to a great extent in improving processes and conditions at the mill.

A total of 336 improvement ideas were submitted last year. Exactly 268 of them were accepted for implementation, 184 already having been successfully put into practice. We paid employees more than 1.6 million crowns for improvement

ideas aimed at reducing costs and improving safety. What is more, the best innovator at each plant received a four-day wellness holiday for two at a spa as a special reward. The ideas that we rewarded included a system of self-greasing the skip track for the blast furnace or changes to the technology used in the steel alloying process.

Education Week

The second annual Education Week was held on the premises of the training centre in September, the main motto this time being „We share, we learn, we develop“. It got underway with a workshop taken by actress Milena Steinmasslová on the subject of „The secret of speaking“.

There was also great interest in the course on etiquette. Those that attended were able to expand their knowledge of social behaviour and how to act when dealing with clients.

As part of Education Week, representatives of secondary schools and universities were invited to visit the mill, providing those interested with information about the possibilities of further study. This was an opportunity taken by our employees and their children, who still await the question of deciding on their future careers.

Talent Programme

For the seventh year now we offered employees who achieved above-average performance in evaluation the chance to join special training programmes. The focus here is mainly on the individual development of talent. The talent programme involves education through seminars and workshops that focus on presentation skills, cooperation in teams, lean



„Our employees are the most important part of the company. We invest considerable sums in their personal and professional development.“

Jan Rafaj,
HR and Public
Relations Director

production and finance and experience courses in occupational safety.

One part is the Leadership Academy, a comprehensive two-year programme for talent with the potential to advance to management positions.

Trainee Pool

The trainee pool is a special one-year programme for graduates of secondary schools and universities with a maximum of two years' experience that allows them to launch their careers at our company without any prior experience. As part of the programme, graduates work in selected positions and learn the ropes at individual plants under the guidance of experienced colleagues. Ten secondary-school leavers and 8 university graduates joined the programme in 2014.



Gender diversity / Support for women at the company

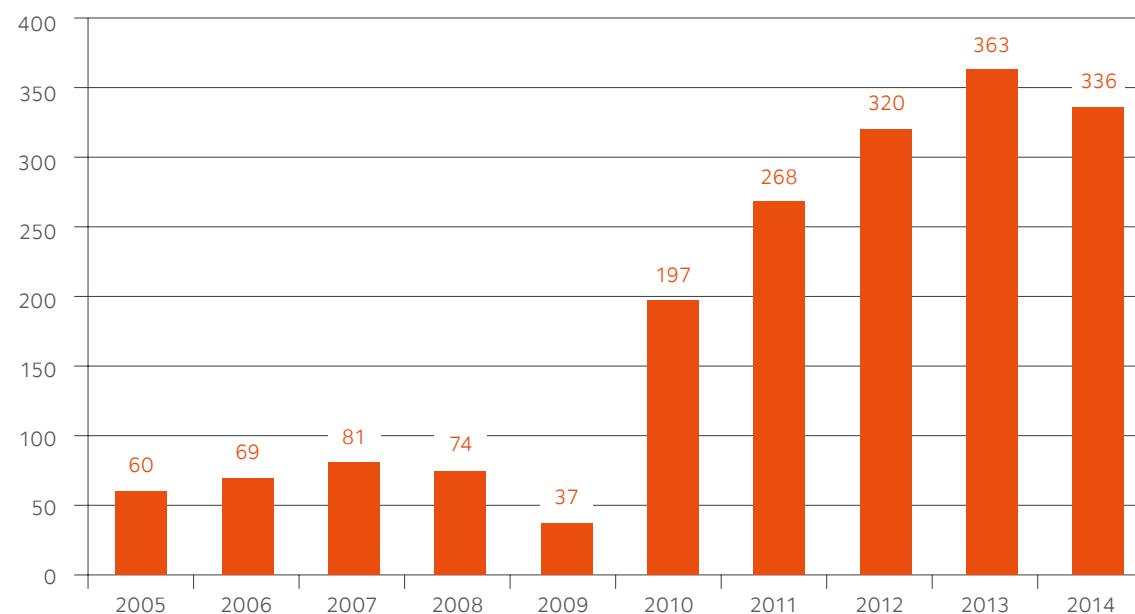
Gender diversity is a subject to which we pay particular attention at our company. We are a steel-making company at which women account for only 13% of our staff and where, by nature, the work environment is demanding for women. In order to support women at ArcelorMittal, we opened the door to them for further career growth and development and promoted interest from talented women from outside the company by putting into place a number of plans of action. One of these is the creation of a Ladies Club.

This is an informal quarterly meeting open to all women at the company to discuss matters they are interested in and that may be of help to them. We also invite female managers and HR specialists from surrounding businesses to our Ladies Club. A group of around 40 women usually meets. Meetings take the form of presentations or interviews that focus on two key areas:

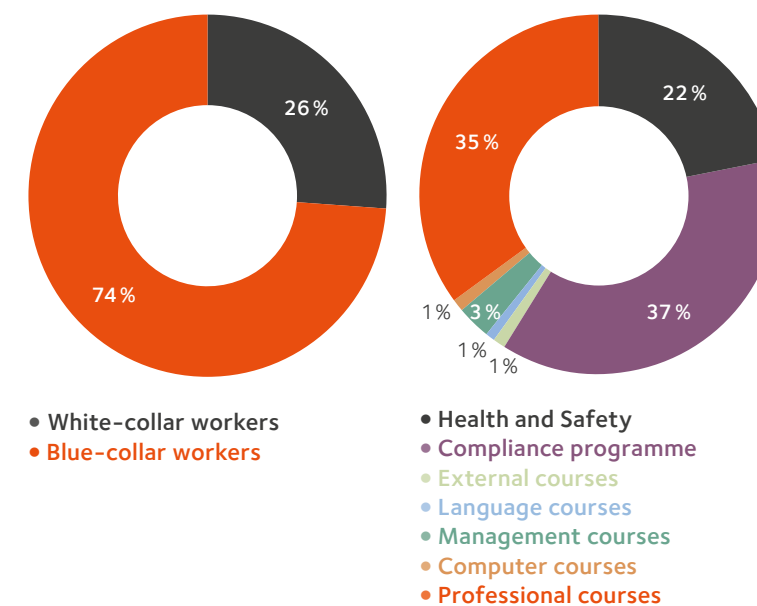
- personal career and professional path;
- the area in which the guest of the club is involved.

Our guests in 2014 included prominent female managers (e.g. Mrs. Rezlerová from Manpower and Mrs. Vládková from AWT), female psychologists (e.g. Mrs. Ševčíková and Mrs. Špatenková) or Colonel Kateřina Bernardová from the Czech Army.

Number of innovation proposals submitted 2005 – 2014



Employees trained in 2014



A total of

18

graduates took part in the Trainee Programme

Through these meetings we try to offer our women a view of different areas and aspects of life and introduce them to successful women and their career paths. We enjoy learning from our guests how their Work-Life Balance functions and where lies the secret of their success.

Paul Marciano at ArcelorMittal Ostrava

Paul Marciano, world-renowned expert in employee motivation and author of the book "Carrots and Sticks Don't Work", paid a visit to the company in May.

According to Paul Marciano, the main factor that influences the level of staff engagement is corporate culture, meaning the company's method of communication. A company does not earn employ engagement through expensive programmes, but through a company culture based on showing them respect. This is built through an expression of recognition, empowerment,



encouraging feedback, partnership, respect or trust.

Company flexibility as its competitive advantage

This was the theme of the HR & Business Forum, held under the patronage of the company in Ostrava last year. Chief Operation Officer and member of the Board of Directors Anoop Nair welcomed more than 90 delegates to the conference, greeting them in his native language

and adding that, "a poorly chosen method of communication is the root of many problems". The subject-matter chosen responded to the need to share good practice in in-house communication at production companies. In his speech, Jan Rafaj, HR and Public Relations Director and moderator of the meeting, introduced instruments of communication throughout a global company and the rules of an in-house newsletter at a company where 80% of the employees are blue-collar workers.



Events for employees

We rewarded

80

of our best employees

Sports and Children's day

Our popular sports day for employees and their families was held for a seventh time. A thousand people took part in a whole day of entertainment. Although it was summer, the sporting activities focused more on winter disciplines in the spirit of the Winter Olympics, with events such as biathlon and building a Jamaican bobsleigh. The afternoon belonged, as usual, to the children, with plenty of competitions and attractions to enjoy. The day of fun included a demonstration of the work done by the Czech Red Cross and tastings of the delicious coffee served by the Mental Café travelling café.

them received a small gift bag with a personal message from the CEO. Women accounted for 13% of the workforce at the mill in 2014.



children tried out some traditional crafts in what was a very pleasant atmosphere – baking and decorating gingerbread, making paper Christmas cards and a Christmas candlestick using natural materials, painting a bell made of plant pots and making decorations using wood chips, beads and much more. St. Nicholas then arrived to give all the children parcels full of treats.

We employ

957

women

Work Jubilees and Best Employee

We announce the best employees on a quarterly and an annual basis. There were 80 of them in 2014.

We also reward employees that have worked at the company for many years: for 20, 25, 30, 35 and 40 years, to be exact. There were 873 of them this year. Let's hope they continue to act as role models for our younger generation of employees.



International Women's Day

We prepared a small gift for each of our female colleagues to mark International Women's Day. Each of

"E-Card Contest"

For the sixth time now ArcelorMittal organized a corporate competition to find the most attractive New Year's greeting card for the children of our employees and the children that we support through partner organizations, all aged between 6 and 14. This year the theme was "Our steel protects the world". Eleven year old Lucie Polášková was the winning entrant from the Czech Republic.



Christmas workshops for children

We prepared Christmas workshops for 200 children and gifts from St. Nicholas together with Klub ÁMOS. Accompanied by their parents, the

Making steel more sustainable



Our products

The production capacity of the ArcelorMittal Ostrava plant is up to 3 million tons of steel a year. In the past few years, however, actual production has stabilized at some 2 million tons per annum. We supply our products to the construction industry, engineering, metallurgical secondary production, the mining industry (steel mine support structures), the energy industry and transport infrastructure.

Basic products at ArcelorMittal Ostrava

- 1 | Crash barriers
- 2 | Seamless and welded tubes
- 3 | Strips and sheets, sections, reinforcement bars
- 4 | Wire rod
- 5 | Castings
- 6 | Mine supports
- 7 | Steel bars
- 8 | Railway wheel sets

Safety barriers

We are the only producer of crash barriers at the ArcelorMittal group and the largest producer in the Czech Republic.

Up to 80% of all crash barriers on Czech roads come from our mill. We manufacture around 15 thousand tons of safety systems and accessories every year and continually develop our crash barriers, exporting to places such as Slova-



kia, Germany, Poland and the Baltic States. We have also developed a special crash barrier with a lower bar, which better protects bikers in the case of accidents. In the first section, which we fitted free-of-charge in Šebrov in the Blansko district, the new crash barrier has already helped bikers avoid serious injuries during accidents.

Traffic breakfast

Traffic breakfast is a project run by the institutions of state administration and prominent companies that supply road construction work. The aim is to explore what causes the poor condition of Czech roads and offer possible technical solutions. These meetings discuss action designed to increase safety on the road for road users. Representatives of ArcelorMittal Ostrava presented the results of the development of new types of crash barriers, including the crash barrier for



bikers already mentioned. Traffic breakfasts were held in all regions of the Czech Republic in 2014.

New product - threaded bars

The mill last year invested 200 million crowns in upgrading its medium-section rolling mill and began the production of a unique product under the AMTB brand name, the first in the country to do so. This is a bar with a special continuous thread that runs the entire length.

The thread facilitates the screwing of nuts and other accessories and makes it possible to join individual pieces without welding (without the need to weld). This saves time and material. The bars are used as reinforcing steel, but are also suitable for special use, such as for anchoring in rock or wiring together masses of rock. The new product is one step in making the mill more competitive and will increase the share of products with high added value.

Hot-blast stoves

We also began upgrading three hot-blast stoves in 2014. These

We produced **2.09 million tons** of hot metal

We produced **2.03 million tons** of liquid steel

heat the air blown into the blast furnace. The new hot-blast stoves increase the temperature of hot air by 150 °C, thus reducing the volume of fired coke and emissions of carbon oxides. The innovation will help us make savings and reduce the impact on the environment. Significant modernization of hot metal production will run to 400 million crowns and will be fully completed in January 2016.

Research and development
Our research department plays a major part in developing our products. Such work involves fully applied research and development. This part of the company responds quickly to ever-changing market conditions. It addresses the pressure to produce higher quality materials, develops new production technology and looks for potential savings in the cost of steel production or in processing by-products that are created during its production.

Key performance indicators				
Making steel more sustainable	2011	2012	2013	2014
Hot metal output	2.10 million tons	1.93 million tons	1.97 million tons	2.09 million tons
Liquid steel output	1.95 million tons	1.81 million tons	1.92 million tons	2.03 million tons
CO ₂ emissions per ton of steel produced	1.40 tons	1.51 tons	1.44 tons	1.41 tons
Dust emissions	669 tons	584 tons	686 tons	653 tons
SO ₂ emissions	2,316.30 tons	2,100.47 tons	1,612.26 tons	2,155.91 tons
NO _x emissions	1,925.85 tons	2,023.64 tons	2,609.59 tons	2,428.36 tons
Number of Green Line calls	48	116	194	78

Environmental investment

The year 2014 was a turning point for the mill from the environmental perspective and one in which we achieved significant success. In power plant alone we desulphurized four boilers at a cost of half a billion crowns, we started the denitrification of three boilers at a cost of one billion and began the construction of a new fluid bed boiler at a cost of a billion and a half, this new boiler designed to replace four existing ones.

We also entered into negotiations with the State Environmental Fund of the Czech Republic and the European Commission in 2014 on the possibility of obtaining a subsidy for above-standard investment in making production environmentally-friendly. This was successful and for the first time in the history of the mill we received a European subsidy for new environmental projects which will help us reduce emissions by more than the EU requires.

We began work on most of the subsidized investments by the end of 2014 – we organized tenders, compiled the project documentation, applied for building permits and began the construction of selected technology. This mainly involved bag filters to ensure that dust is eliminated as much as is possible. The new filters will be fitted in 2015, for example to sintering bands, coal and ore tippers, cooling bands, discharge routes and torpedo ladles cleaning stations.

These investments in dust elimination, coming at a cost of two billion crowns, will catch 510 tons of dust a year and

help improve the air in the Moravian and Silesian region.

We received a subsidy of up to 90% from the EU for above-standard environment-friendly technology because our mill has been able to meet in advance the strictest emission limits laid down by the European Union according to the Best Available Technology and which enter into force in March 2016.

Desulphurization of boilers K8, K9, K10 and K11



We completed the low-temperature desulphurization of boilers K8, K9, K10 and K11 in 2014 at a cost of half a billion crowns. We paid for this project from our own funds and the result



„We see the EU subsidy as being another step in making the company more environment friendly. If we had not already met the new European limits, which come into force in 2016, we would have had no entitlement to a subsidy. But we want to continue our contribution toward improving the environment and bringing our emissions below EU limits,”

explains Petr Baranek, Chief Green Officer at ArcelorMittal Ostrava as to why the company was awarded a subsidy.



is that we have been able to reduce sulphur dioxide emissions four-fold.

Denitrification of the power plant

Environmental investment to reduce emissions of nitrogen oxides also got underway at the thermal power plant. Denitrification will bring an overall reduction in gas emissions, with emissions of nitrogen oxides from the K8, K9 and K10 boilers being reduced by more than half after completing the investment in 2015. We received

„The boiler will fully replace the existing equipment and will also reduce gas and dust emissions. I am truly proud of the fact that, in spite of the none-too-favourable economic conditions right now, we have made such a significant investment at the mill. This will help us ensure a better environment and will at the same time secure our future,”

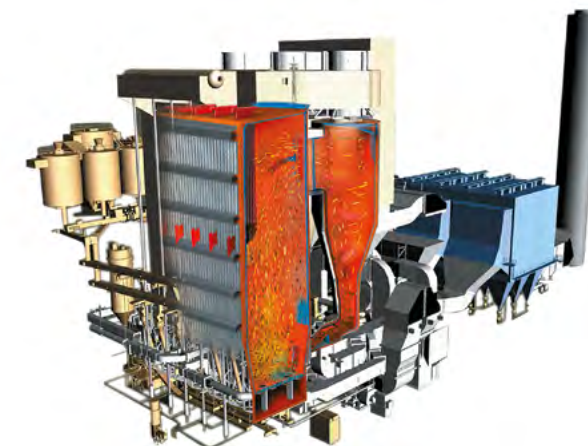
said CEO of the mill Tapas Rajderkar in describing the new investment.

a subsidy of 40% from the State Environmental Fund for the billion-crown investment.

New K14 fluid boiler

We began the construction of our new K14 fluid bed boiler in 2014 at a cost of 1.5 billion crowns to fully replace the four oldest boilers at the

mill. The fluid bed boiler is among the very latest pieces of technology in the energy sector and has higher combustion efficiency, exceeding 92%. The fluid bed creates the conditions for the even burning of fuel throughout. The new boiler will reduce emissions of nitrogen oxide by 700 tons a year, sulphur dioxide by 1,000 tons a year and dust by 10 tons a year.



Overview of planned investments at ArcelorMittal Ostrava in 2015 jointly financed by the European Union

NAME OF THE INVESTMENT	GREENING EFFECT
Lime route dedusting	reduction of fugitive emissions by 100 tons a year in the steel plant
Dedusting of tipplers, Sinter Plant North and South part	reduction of fugitive emissions by 6.4 tons a year on both tipplers
Dedusting of cooling belts, SP North part	reduction of fugitive emissions by 137.4 tons a year
Dedusting of cooling belts, SP South part	reduction of fugitive emissions by 61.5 tons a year
Dedusting of SP South part	reduction of dust emissions by 94 tons a year
BF2 – cast house dedusting	reduction of fugitive emissions by 51.9 tons a year
BF3 – cast house dedusting	reduction of fugitive emissions by 23.5 tons a year
Dedusting of cleaning station for torpedo cars	reduction of fugitive emissions by 870 kg a year
Dedusting of system of charging containers of ore bridge	reduction of fugitive emissions by 3.5 tons a year
Reduction of fugitive emissions in sinter and on material routes by improving the quality of sintering, SP North part	reduction of fugitive emissions by 5.8 tons a year
Increasing efficiency of dedusting the transfer roads, SP North part	reduction of emissions by 21.3 tons a year
BF2 and 4 – charging system dedusting	reduction of fugitive emissions by 98 tons a year
BF3 – charging system dedusting	reduction of fugitive emissions by 20.7 tons a year
DeNOx ArcelorMittal Energy Ostrava	reduction of NOx emissions by 808 tons a year
Greening of quenching tower of Coke Plant	reduction of emissions below 18 grams per ton of produced coke



Total energy consumption of 49 760 TJ*

at ArcelorMittal Ostrava a.s. in 2014

* Tera Joule

Cleaning the company premises

We clean the premises at the company thoroughly and in doing so reduce the dust level. In fact we collected around 400 tons of impurities on the premises in 2014. Other effective measures include covering vehicles that transport dusty materials, a system of cleaning roads and pavements and dedusting the skull-cutting area. What is more, we have been using a unique suction loader worth more than 10 million crowns since January 2011.

Environment and metallurgy conference

The EIA Regional Centre organized the Environment of Iron Metallurgy and Secondary Production conference in September 2014. Patronage of the conference was taken by the Deputy Mayor of the City of Ostrava. The main objective of the conference was to present and discuss development plans in the metallurgical industry and topical issues of environment protection in iron metallurgy and metallurgical secondary production. The core element in the conference was the preparation of a long-term strategy in the development of metallurgy and its influence on the quality of the environment. Representatives of ArcelorMittal Ostrava also took an active part in the conference.

Racoon was sweeping the streets of Ostrava again

A Mercedes-Benz Scarab cleaning vehicle, known by the name of Mýval (Racoon), was again seen cleaning the

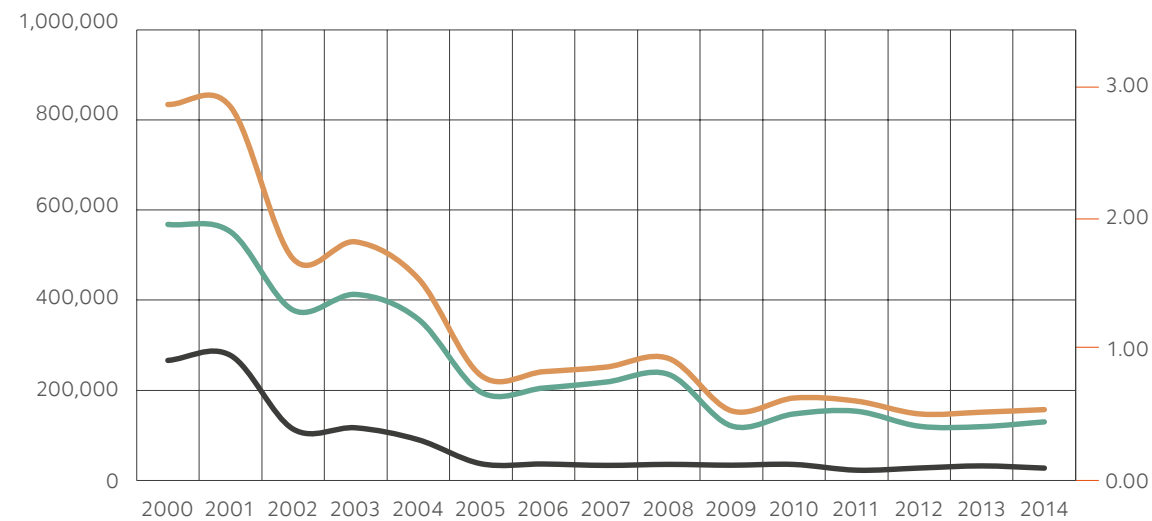
streets of city districts in the Ostrava area in 2014. The works donated the vehicle, which cost five million crowns, to the city districts of Silesian Ostrava and Radvanice and Bartovice in 2009 and has contributed towards its operation every year since. The vehicle helps remove impurities and dust from the streets after winter. Since 2009, the mill has provided nearly 2.5 million crowns towards running the vehicle. "The Racoon is able to clean 9 kilometres of road and collect 6 to 8 tons of dust during one shift. What is more, it sprays the road with water after collecting all the dust," says Monika Pěnčíková, Head of the Department of Corporate Responsibility and Social Services at ArcelorMittal Ostrava.



We collected 400

tons of impurities

Production of Wastes in the years 2000 to 2014



• Category N waste (hazardous) [t/y] • Category O waste (other) [t/y] • Total waste [t/y]

International certification

We adhere to regulations laid down by ISO 14001, an international standard for environmental management systems according to which all our production plants are certified. This we do beyond the scope of legal regulations. This internationally-recognized certification allows the company to prove, by way of regular independent audits, that it complies with the requirements of environmental management, among them minimizing the impacts of activities on the environment (e.g. air, water or soil pollution), compliance with the requirements of the relevant laws and directives and continuous improvement of management.

Protecting waters

We reduce the amount of water we take from external sources and use recycled water as much as we can. A total of 5,674,581 m³ of cleaned waste water was recycled for re-use from both of our terminal wastewater treatment plants in 2014. This accounted for 24.3% of the water required for ensuring production at the mill.

Greenhouse gases - CO₂ emissions

CO₂ emissions into the atmosphere are a global problem. One of the ways of reducing emissions is to reduce the energy intensity of production. The production of one ton of steel resulted in the emission of 1.41 tons of CO₂ in 2014.

Recycling scrap and using the by-products of production e.g. granulated blast furnace slag, decreases the production of so-called greenhouse gases. In 2014 alone we were able to reduce CO₂ emissions by 770,180 tons thanks to this procedure.



Environmentally-friendly heat from the plant

People living in the town of Vratimov really benefit from living beside the plant in Ostrava. Thanks to ArcelorMittal Ostrava, around 500 homes and almost 7,000 people can enjoy environmentally-friendly heating. It was possible to disconnect all local boilers for heating housing that work on solid fuel thanks to these heat supplies. Annual heat supplies to the town of Vratimov are close to 35,000 GJ. This is waste heat, the most environmentally-friendly source, because 80% of this heat is produced in flue-gas boilers at the medium-section rolling mill. The remaining 20% comes from the ArcelorMittal Energy Ostrava heating plant.

Environmentally-friendly waste management

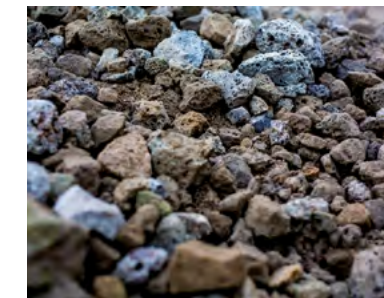
Reducing the amount of by-products and waste is one of our long-term objectives. We pay great attention to preventing the production of waste and to maximum recycling. We look for ways of re-using the waste that we produce.

100-% recyclable steel

In contrast to other industrial products, the key advantage of steel is that it is one hundred per cent

recyclable. Its re-processing, in fact, is far less demanding on energy than its primary production. Steel scrap at ArcelorMittal Ostrava is on average one-third of the metal charge. We processed 676,808 tons of scrap iron in 2014.

By-products



In addition to recycling steel itself, we also recycle and re-use a number of by- and waste products. Some waste is certified as a product and is primarily used in the construction industry. • Blast-furnace slag after hot metal production, from which artificial aggregate and granulate is made.

We produced 367,340 tons of granulate and 278,566 tons of aggregate in 2014.

- Steel-making slag, which is used in earth work. We supplied external companies with 155,564 tons of processed steel slag in 2014.
- Refractory lining material, around 10% of which we recycle and use again in repairs of metallurgical aggregate; the remainder is used in the construction industry. We produced 56,841 tons of this material in 2014.

Therapeutic holidays for children

We make an annual contribution to the State Environmental Fund of the Czech Republic in support of therapeutic holidays for children from the most-polluted areas of the city of Ostrava and its surroundings. We contributed the sum of 3,138,000 crowns in 2014.

We are capturing thousands of tones of dust emissions

We were able to capture a total of 8,266 tons of dust particles in 2014 thanks to electrofilters and bag filters at sintering plants. We captured another 1,728 tons of dust in bag filters at the steel plant by cleaning the gases of vacuum degassing and gases from charging of alloying materials.

Making steel more sustainable



„We greatly appreciate the support provided by ArcelorMittal Ostrava. The new children’s play area and relaxation zone on Radniční náměstí has been welcomed by mothers and children and senior citizens alike,” says Dagmar Hrudová, Mayor of Vratimov town.

Children’s play area on Radniční Square

We provided a contribution of six hundred thousand crowns to a project involving the revitalisation of Radniční Square in the centre of Vratimov. A children’s play area was built using our contribution featuring attractions for children of between 2 and 12 years of age. The play area is used by locals and by those living in surrounding villages and towns. Parents, grandparents or just passers-by can therefore keep an eye on their children at play. The play area is easy to reach from the Ostrava – Frýdek-Místek cycle path and is a place where parents and children can stop to relax.

Vratimov yesterday and today

The town of Vratimov last year celebrated the 740th anniversary of the foundation of the town.

To honour this anniversary, the town published a book of photographs showing the changes witnessed in Vratimov and Horní Datyně in the past 80 years and organized an exhibition and the Vratimov Music Night, towards which we also provided a contribution.

Improving the appearance of the roundabout in Radvanice and Bartovice

Coal – the past, steel – the present, nanotechnology – the future

These three elements symbolize the city district and city of Ostrava and have been installed at the large roundabout at the crossing of the Těšínská and Fryštátská roads.

The first part symbolizes coal, which is linked to the life of the mining town that is now a part of history.

The second element symbolizes steel, the present, mainly associated



with production at ArcelorMittal Ostrava.

The third and final part symbolizes the future, meaning nanotechnology, research into which is being carried out at the Technical University of Ostrava, another inherent part of the city.

“The objective is to continue improving the appearance of the city district and flowers will be added alongside the sculptures. Ostrava will therefore have the grand sort of entranceway you are used to when you visit various cities elsewhere in Europe. We want the district to be beautiful and for people to feel good here,” said the Mayor of the City District, Šárka Tekielová.

ArcelorMittal Ostrava contributed towards the realization of the project, mainly financially. The roundabout has therefore become a dominant feature of the city district in large part thanks to the sculptures.



Relaxation zone in the courtyard area in Na Svahu Street in Radvanice

We contributed more than three hundred thousand crowns to the improvement of natural areas in Ostrava-Radvanice. In doing so, we helped improve the quality of the environment and the attractiveness of the gardens, roads and pathways and urban greenery in the district of Radvanice and Bartovice.

Supporting beekeepers



We have provided support to the Primary Beekeepers Organization in Radvanice and Bartovice for many years now.

The aim here is to support beekeeping in Radvanice and Bartovice and in doing so attract young people to beekeeping. Beekeepers talk about the lives of bees and about caring for them at talks given at schools and improve the level of education at special talks organized for members of the organization and the public.



Wild Carpathian Rivers

We supported the Salamandr Czech Union for Nature Conservation through our Dance for Life charity project and in doing so its “Care programme for endangered plant species in Carpathian rivers” project in the basin of the Morávka, Ostravice and Olše rivers. These so-called Carpathian rivers are examples of unique natural wealth within the Czech Republic.

The occurrence of the following rare species was successfully mapped out in 2014: German tamarisk, coastal small reed, European violet willow, rosemary willow and oroblanche. Evidently the rarest of these plants is the German tamarisk, a critically endangered shrub that is currently known in only 23 locations, with a total of only 74 shrubs.

Liquidation of invasive plant species

In addition to the actual regulation of rivers, rare species are endangered



by invasive plants, meaning non-indigenous species, that have settled with the assistance of humans in such a way that they drive out the indigenous. We are talking in this case of the knotweed, which was



liquidated on the Jičínka and Lubina in 2014. This species will also be liquidated on the River Ondřejnice in 2015 and on the River Ostravice in 2016.

Planting new trees

We planted 150 new trees within the area of the Cold Rolling Mill in Frýdek-Místek. We chose land on which to plant the trees that have in the past undergone rehabilitation of old environmental burdens. Employees in the mill complex voluntarily planted 150 oaks, lindens, hornbeams and maples on three different days.

Children’s playgrounds in Havířov

We again contributed towards the addition of attractions for children to play on in the town of Havířov in 2014. This time the locations involved were Havířov-Bludovice and Havířov-Životice. The new play sets, swings, benches and information panels (playground rules) will improve the culture of living and the leisure time experience of the people of Havířov.

Enriching our communities

Helping community development

There is not a single company that creates only economic relations through its business activity: they all influence their surroundings, the environment, the community, the social situations of employees and so on. It is also true that the surroundings significantly influence the success of the company.



We provide help where it is needed and direct our support at the region in which we work. In doing so we want to contribute to making sure that life in our city and region is better and better.

We make regular investments in the development of our work procedures, try to improve the quality of life of the people and support development of the infrastructure in the city and the whole region. We help local economic development, providing local people with job opportunities, taking goods from local suppliers and supporting local education, health and other non-profit organizations.

We take the following into consideration in the overview of our estimated economic contribution: salaries, payments for the purchase of services and material, taxes and contributions to the state budget, investment in science and research and social investment.

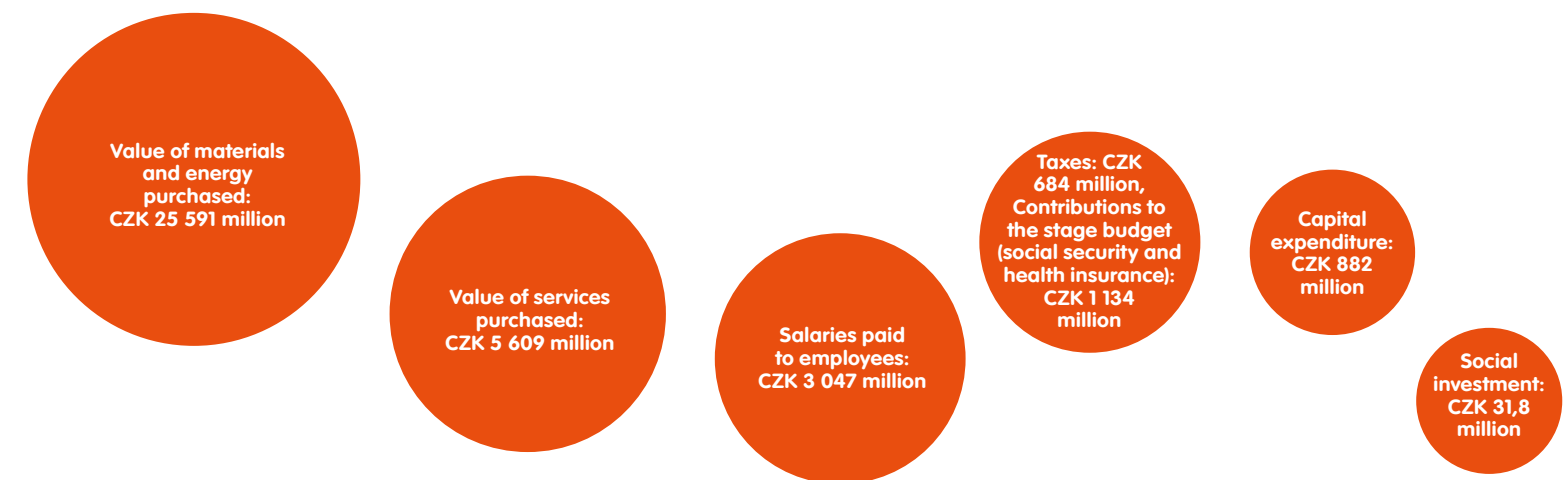
It is our aim to ensure that our presence in the region is of benefit to all those involved, not just our employees and their families, but our partners in business, our suppliers, surrounding communities and associations, the region and the Czech Republic as a whole.

We are aware of our responsibility to the region in which we work and to the people that live there. That is why we have long considered ourselves to be a good neighbour that notices the needs of its surroundings.

We prepare, organize and carry out a number of projects, the aim of which is to help those that need it.

ArcelorMittal Ostrava's economic contribution for 2014

Direct and indirect financial support from the company CZK 36,978.8 million



Key performance indicators

Enriching our communities	2011	2012	2013	2014
Funds dedicated to supporting local communities	CZK 21 million	CZK 28.8 million	CZK 28.5 million	CZK 31.8 million
Number of hours of voluntary activities by employees	6,604	6,111	5,710	5,085
Number of beneficiaries of ArcelorMittal Ostrava's community projects	57,729	79,448	76,143	43,156



Health



„Our organization has supported sick children for many years now and is very proud of this particular project. I would like to thank our partner, the ArcelorMittal Ostrava mill, with which we were this year able to broaden the campaign to include the “project “Be careful!”. We believe that this will bring a noticeable reduction in the incidences of child injuries,”

added Eva Pastušková,
Director of the KIWANIS KLUB
Ostrava association.

Health is a fundamental right of each and every human being. Occupational health and safety is an absolute priority everywhere at ArcelorMittal Ostrava and of course one way of looking after our employees. We also support projects that contribute towards improving the conditions of health care and eliminating health risks in local communities.

Participation of

377

employees in the “100 minutes for life” campaign

The Czech Red Cross

We are a partner to the regional branch of the Czech Red Cross in Ostrava, for which we financed equipment for its Emergency Team and supported a first-aid competition entitled “The Castle Lives by First-Aid”.

Members of the Czech Red Cross organize special training sessions and practical drills in the provision of first aid for employees and managers at the mill and regularly take part in day-



long sporting events for the employees of ArcelorMittal and their families.

Giving blood

Employees at ArcelorMittal have donated blood regularly for many years now, thanks to which we are the company with the highest number of blood donors in the Ostrava region.

The regular “100 minutes for life” campaign in October serves as

a reminder for blood donors of how vital blood is. Another aim of the campaign is to motivate new donors to join their colleagues that are already members of the blood-donating family. The name of the campaign, which the plant organizes every year in support of free blood donation, is based on the length of time it takes to donate blood, from filling in a questionnaire through the actual taking of blood to the subsequent period of rest.



„The clowns demonstrate risk situations from everyday life at every performance, showing the right and wrong outcomes. The children respond to the situations having arisen and try to resolve them. At the end of each situation, the clowns demonstrate the right way of dealing with it and the entertaining style of presentation means that the children remember better,”

says David Zbavitel,
Ringmaster of the Clowns from
the Balloon Land.

The Kiwanis doll

For more than 15 years now we have been a partner to the KIWANIS KLUB Ostrava association, which helps sick and abandoned children, with Kiwanis fabric dolls sewn by inmates at the prisons in Ostrava and Opava. Kiwanis also organizes visits by famous people to children’s hospital wards. Almost 11,000 dolls are handed over to children’s hospital wards throughout the Moravian and Silesian region each year.

“Be careful!”

The Clowns from the Balloon Land, together with KIWANIS KLUB Ostrava and ArcelorMittal Ostrava organized the second annual series of more than 25 educational theatre performances for nursery schools in the region entitled “Be careful!” for pre-school children.

The project with an educational subtext warns children of the risk situations they might encounter in everyday life and teaches them how



to avoid these. The company also provided posters for common areas in nursery schools so that children have pictures pointing out risk situations before their eyes at all times.

Fund for children threatened by air pollution

We again contributed the sum of 2 million crowns to the Fund for Children Threatened by Air Pollution of the City of Ostrava in 2014. The

fund is intended to pay for curative holidays. The subsidy is provided to pupils at nursery schools, primary schools and grammar schools in Ostrava of up to 15 years of age. The most popular destinations for the curative holidays are still the Vsetínské Beskydy and Jeseníky mountains. A total of 9,127 children from 115 schools have been on the holidays since the fund was set up, with a total of 38,683,000 crowns having been distributed.



Education

Education is a fundamental tool in personal, social and collective development. We ensure there is access to quality education in upholding human rights and respect for cultural diversity. We are also aware how important it is to develop secondary and higher education in metallurgical and engineering sectors in the region. For this reason we deal with this issue in a comprehensive way, cooperating with primary and secondary schools and universities in the region.

Cooperation with the university

We continued our cooperation with the Technical University of Ostrava in the sphere of science and research in 2014, the university receiving almost 2 million crowns from the company. Joint projects included cooperation in assessing the reducibility of ores, the production of castings from high-quality graphite cast iron and projects that focused on the environment.

Career PLUS

We regularly attend the Career PLUS employment opportunities fair and were again able to present ourselves to students as a prospective employer. We provided information to those interested in the possibilities of our graduate programme and presented our offer of placements and expert consultation in writing dissertations. There was time for entertainment too. As in previous years, our stand attracted a number of students interested in competing to win attractive prizes.



Support for technical disciplines at secondary schools

We contributed almost half a million crowns to secondary schools in 2014, the money being used on specific projects that were successful in grant application procedure.

The Electrical Engineering Secondary School in Ostrava received a contribution with which to modernize its teaching workshops. Pupils at the Vítkovice Secondary Industrial School will now be able to use the instruction systems of pneumatic and hydraulic circuits. These will help them better understand the theory and practice

of engineering and metallurgical disciplines.

The Secondary School of Industry, Business Academy and Language School in Frýdek-Místek is the only school in the Czech Republic that teaches metallurgy. This school also received a donation to add a PLC systems programming workplace for pupils to its existing mechatronics classroom.



The need for trades will always be

The "Need for Trades Will Always Be" project falls within our strategy of supporting technical education and



again received our support. Primary school pupils in grades 8 and 9 were able to try out in an interactive form what specific trades involve, including steel worker, mechanic, fireman and locksmith.

We love maths

We supported the promotion of maths and quality technical education and in doing so became an important and valued partner to the 63rd annual central round of the Maths Olympics, the most prestigious maths event for secondary school pupils in the Czech Republic. The 45 best young mathematicians and 30 information scientists from all regions of the Czech Republic pitted their wits against each



other in the Moravian and Silesian region. We support meaningful projects that allow young people to show their talent and further develop it.

Specialized practical training for teachers

We organized specialized practical training for teachers, the aim of which was to provide teachers of technical subjects with specialized practical training in action and to support their specialized professional development, in cooperation with the Sedukon non-profit organization.

A total of 20 teachers undertook the training in the 2012/2013 and 2013/2014 school years, compil-

ing 100 work sheets and 20 papers. The certificate was accredited by the Ministry of Education, Youth and Sports as part of the system of further education for teachers. The project helped teachers better combine theory and practice, with emphasis on applying the latest trends.

Excursions for pupils and students

We endeavour to encourage interest among the pupils of primary schools in an interactive way.

They are able to tour our premises, getting the chance to learn about production, ecology and occupational safety at the mill. Schools

We organized **43 excursions**

for 822 pupils and students

were also provided with an educational video that details the production of iron and steel using our mill as an example.

English for schools as part of the EDISON project

EDISON is an interesting education project in which we are jointly involved for a fourth year now together with the AIESEC student organization under the patronage of the Ministry of Education, Youth and Sports.

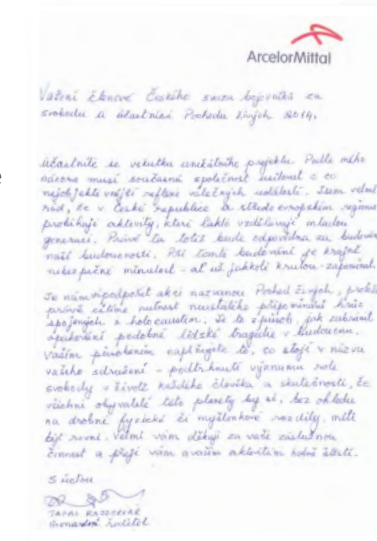
Five foreign university students taught students at the industrial school in Frýdek-Místek English speaking skills during one week in December. Students from Georgia, Columbia, Guatemala, Egypt and Brazil presented the social, economic, political and cultural situations in their countries in an interactive way.

Science and Technology Center in Lower Area of Vítkovice

Traditional metallurgical production can already be seen at the "U6 Little World of Technology". We are now preparing an original exhibition at the "Big World of Technology" whose interactive, modern elements of production will arouse interest among pupils, students, teachers and all other visitors. We will present ArcelorMittal as a modern company that is considerate to the environment and aim to show that steel is a 100-% recyclable material.

March of the Living 2014

The mill became a partner to a project that informs mostly the young generation of the crimes of Nazism. This was organized by the Ostrava Committee of the Czech Association of Freedom Fighters. The programme itself involved a museum visit to the former Polish concentration camp of Auschwitz and the three-kilometre March of the Living from Auschwitz to Birkenau. The project commemorates the human tragedy that struck Europe during the Second World War.



Letter of the CEO



Culture

It is our aim to change the future of all those who live in our region. The project of official partnership for the development of culture in Ostrava is based on an agreement that came about after long-term negotiations between our company and the City of Ostrava. We thus became one of the main sponsors of top-class cultural projects and institutions in Ostrava in 2012-2014. Each year we contribute significant sums to many cultural projects that bring joy to a wide audience in the Ostrava region. Smaller cultural projects, art schools and specific music ensembles also receive our support.

Cultural partnership

The most prominent cultural events which we support by way of partnership include the Colours of Ostrava music festival, Festival on the Streets, the Ostrava Shakespeare Festival, the Saint Wenceslas Music Festival, Folklore without Boundaries and Dream Factory Ostrava. All these projects are known as major cultural events that take place in and around the city of Ostrava. We are also partners to the Petr Bezruč Theatre, the National Moravian and Silesian Theatre, the Puppet Theatre, the Aréna Chamber Theatre, the Cooltour multi-genre centre and Ostrava Museum.

Shakespeare Summer Festival

We are delighted to have been able to again help the audience in Ostrava enjoy a unique, open-air, summer fes-



tival focusing on the works of William Shakespeare in 2014. This meant that the poetic language of Shakespeare's dramas and comedies was once again heard on the grounds of Silesian Ostrava Castle last year.

"A year in (not just) Czech Music"

We also provided support to a long-term project entitled "A year in (not just) Czech Music" at the Janáček Conservatory and Grammar School in Ostrava, which is run as an extra-curricular activity and therefore requires special funding. "The contribution provided by ArcelorMittal Ostrava is of great help to us in making sure the standard of the project remains high," said Soňa Javůrková, headmistress of the school. The project made several events possible throughout the year, including an organ show, dance performances, Christmas Revue II, several concerts and performances by the music and drama ensemble.

Family Gospel Ostrava

A gospel workshop for children and their parents and a concert for the public were held at the end of March at the Cooltour multi-genre centre. In addition to the enthusiastic singers, who left full of new energy, the event was enjoyed by Danish choirmaster and singer Sarah Moshage, who took the workshop and said after it had ended, "I cannot remember having had as good a choir as you at a workshop".



Silesian Day at the Castle

We were again the main partner to Silesian Day, a family event staged at Silesian Ostrava Castle. This traditional celebration in the city district of Silesian Ostrava is attended each year by more and more people intent on having a great day out with their family and friends.

Hugely popular among visitors young and old were Miloš Nesvatba, Vladimír Hron, singing some timeless classics, and bands such as Legendy se vrací and Support Lesbiens. The celebrations in this city district also included an international cooking competition in preparing the classic Silesian dish "bigos".

Silesian Lily

Ostrava organized the fourth annual international festival of contemporary Christian music and more. Around two



thousand people made their way to Ostrava-Kunčičky on the 14th and 15th of June 2014 to see performances given by bands and artists from the Czech Republic, Slovakia, the United States of America and Poland.

Region for Ourselves

The ceremonial gala night known as Region for Ourselves is a traditional event organized by the Association for the Development of the Moravian and Silesian Region for its members at the end of the calendar year. The aim of this social event is to offer informal support to regional communication and to thank members of the association for their cooperation. The main guest at the 15th annual gala night was singer Marta Kubišová.

Primary School of Art gets a new look

The town of Šenov was provided with a donation of CZK 250,000 towards the repair of the façade and sgraffito

"I think that it is great to show that there are societies, towns and people that really do bring something to the region. I consider the night to have been a great success and we will most certainly be continuing this tradition."

Pavel Bartoš, Director of the Association for the Development of the Moravian and Silesian Region



of the Primary School of Art building. These repairs were part of commemorating the 20th anniversary of the foundation of the school. All work was done by the end of the summer holidays, meaning that the children and their parents arrived at a newly-reconstructed building for the start of the new school year. After many years, then, the repaired Primary School of Art building enhanced the park in Šenov and will be a dignified place in which to teach young pupils, hold concerts and wedding ceremonies and indeed welcome new-born babies to the town.

Competition for student bands

The company staged a competition for student bands under the name of ArcelorMittal Student Music Band.

The Blues'n'Bass duo was announced as the winner, receiving a voucher for CZK 30,000 to buy music equipment and being given the chance to play at Festival on the Streets and at Colours of Ostrava.





Colours of Ostrava

We remained the main partner to the Colours of Ostrava music festival, at which the number of visitors increased by more than 10,000. More than 40 thousand visitors were therefore able to get involved in our Dance for Life charity event.

40,777
a record number
of visitors to Colours of Ostrava

Dance for Life

Dancers aim to replicate as faithfully as possible the choreography of professional dancers. The system awards the dancer a point for each correctly executed step, transferring these points into money. The dancers can then choose the project to which the amount they danced for is donated.

Those involved in the 13th year of the event raised some **344,093 crowns** by dancing and in doing so provided support to three non-profit projects in the Moravian and Silesian Region. The company rounded the sum up and donated a total of 350 thousand crowns to projects organized by the Czech Red Cross, the Salamandr Czech Union for the Conservation of Nature and the Clowns from the Balloon Land non-profit organization.

Festival on the Streets

The fourth annual Festival on the Streets, of which we have been a general partner since the very beginning, was held on the same days as the Colours of Ostrava festival for the first time. A Week of Colour was also staged for the first time, as part of which there were several events – the Festival on the Streets, followed by Colours of Ostrava and then Czech Music Crossroads. Last year's record was broken here too, with more than 45,000 people attending the events.



Projects supported:

Buying equipment for emergency service workers – Emergency Team at the Czech Red Cross in Ostrava

The Emergency Team at the Czech Red Cross in Ostrava was provided with 124 thousand crowns to buy modern equipment for emergency workers. The money raised by dancing was therefore used to buy stretchers, radio transmitters, uniforms and shoes.

The “preservation of endangered species of plants” project – Salamandr Czech Union for the Protection of Nature

The Salamandr Czech Union for the Protection of Nature used 126 thousand crowns that was raised by dancing to preserve endangered species of plants in the basins of the Olše, Morávka and Ostravice rivers.

Education programme for nursery schools focusing on safety – the Clowns from the Balloon Land

One hundred thousand crowns made their way to the Clowns from the Balloon Land for the preparation and realization of a special theatre performance for pre-school children with an educational subtext in cooperation with the KIWANIS KLUB Ostrava civic association. The aim was to avoid risk situations in everyday life. The project therefore built on the “Be careful!” campaign organized by KIWANIS KLUB Ostrava.

Dance for Life offers help before Christmas for the very first time

The ninth annual meeting and ceremonial evening of the “Advent full of angels” project was held in Lower Area of Vítkovice at the end of November. The Christmas version of the Dance for Life event, which our company has staged many times now, was held for the very first time here. Visitors managed to raise almost 30 thousand crowns by dancing. The company then distributed



„ArcelorMittal Ostrava has been involved in charity work at the Colours of Ostrava festival since 2008. From 2010, when Dance for Life became a regular part of the festival, the company has provided support to 21 non-profit organizations and divided some 1.85 million crowns among them.”

Monika Pěničková,
Head of the Department of Corporate Responsibility and Social Services at ArcelorMittal Ostrava

10 thousand crowns each to three non-profit organizations:

SK Kontakt Brno – “From Kraví Mountain to Corcovado Mountain – the swimming dream”

The donation was used to help disabled swimmers compete at the International German Championships in Berlin (IDM BERLIN).

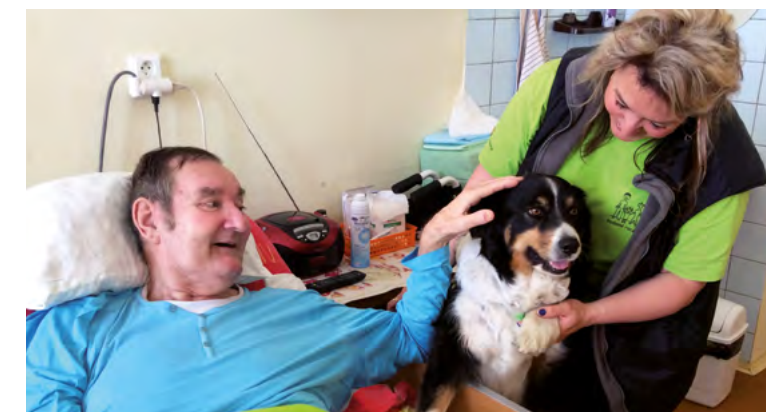
The shaken hand – “Help shake paws with us”

The donation was used to buy uniform work t-shirts for therapy dog

volunteers that are there to ensure greater safety and better arrangement for the visits that volunteers pay to clients.

Child with Diabetes civic association – “Health and Education Summer Camp”

The donation helped children with diabetes go to a camp in Prostřední Bečva without their parents and allowed them to come into contact with children suffering from the same disease, which could help them come to terms with their handicap.





Social projects

We work together with non-profit organizations and surrounding communities. Support for socially-beneficial projects in our region is of great importance to us. We provide support to local communities, take part in the social programmes organized by local self-government and provide grants to other projects.

They came together to help

Charity Ostrava organized a benefit concert in support of the homeless with our support. The aim of the project was to bring together culture and charity at a benefit concert and to collect funds to support the reconstruction of the Michal Magone Charity Centre, a low-threshold facility for children and young people of between 6 and 18 years of age. Among those performing at the Church of the Holy Spirit in Ostrava-Zábřeh were soprano Eva Dřízgová-Jirušová and the Camerata Janáček orchestra and ArcelorMittal Gospel together with EzyWay.



Holiday for senior citizens

We offered our support to senior citizens at the nursing home in Hladnovská Street and Heřmanická Street and to pensioners' clubs in cooperation with the City of Ostrava, City District of Silesian Ostrava. A total of 40 senior citizens embarked on a three-day holiday to the Krkonoše

Mountains. It is our aim, and that of the city district, to promote an active lifestyle among senior citizens and to widen the possibilities they have in terms of spending their free time.

Sports Day

The thirteenth annual Sports Day for the physically handicapped was staged at the Social Services Centre

in Hrabyně. The day has become a popular sporting event in which dozens of disabled athletes from all over the Czech Republic take part. A total of 172 contestants from the Moravian and Silesian region, the Olomouc region, the South Moravia region and the Pilsen region took part in the games. There were four categories of competitors, regardless of age: wheelchair users, quadruple-

gics, walking disabled and children. All contestants received vitamin packages from us.

The Mental Café travelling café

ArcelorMittal provided support to the Mental Café - travelling café project, in which the waiting staff are people with mental disabilities, through its Dance for Life project back in 2013. It was able to use the money raised at special dance tents at the Colours of Ostrava and Festival on the Streets to buy a mobile café, allowing it to offer quality coffee in the company of pleasant staff at different events all over Ostrava. The travelling café was ceremonially christened in Komenského sady in the presence of representatives of ArcelorMittal Ostrava and Mental Café. During the summer, the café travelled around the Festival on the Streets, Colours of Ostrava, the Shakespeare Summer Festival and other events to which we are partners.

Vitamins for the elderly

Senior citizens in Radvanice and Bartovice were again able to look forward to a little present before Christmas last year.



A total of 195 vitamin packages awaited them at three pensioners' clubs, these being handed over by Mayor Šárka Tekielová and Director for Human Resources and Public Relations Jan Rafaj.

Olympics in Light Athletics

We again offered our support to Olympics in Light Athletics for young people with mental disabilities. The

event was organized for the eighteenth time by the School of Life day-care centre for the handicapped in Frýdek-Místek and staged at the TJ Slezan stadium in Frýdek-Místek. One hundred and fifty handicapped sportsmen and woman from the Czech Republic, Poland and Slovakia competed for the challenge cup and for medal positions in individual athletics disciplines. Primary school pupils also took part in the Olympics, competing in a relay race.



„We want to show the public that even though people with mental disabilities are a little bit different, they love sport and love winning just like the rest of us. They are enthusiastic about every social event they attend. The aim of this sort of gathering is to integrate them in company in which everyone has the chance to compete, meet their friends and have a chat,”

said Günther Kuboň, Head of the Organizing Committee and Director of Handicap centrum Škola života Frýdek-Místek, o.p.s.

„Management at ArcelorMittal provided us with vitamin packages for our senior citizens for a fifth year now. I think this is a wonderful and useful gift to find under the tree,”

said Mayor of the city district Šárka Tekielová.



Corporate volunteering

Involving employees in corporate volunteering has become a key element in the corporate responsibility strategy at ArcelorMittal Ostrava. It is not enough to simply make financial donations to help the community develop; it is also important for each and every CSR activity to have its own special face. And the best face we can offer is that of our employees. Many of our employees are ready to go and willingly help non-profit organizations with what they need right at that time.

Solidarity Holidays

One attractive volunteer activity for our employees is Solidarity Holidays, an international volunteer project. As part of the project, employees are able to spend part of their holiday time as a volunteer in another country, helping people in need and meeting colleagues from other countries. In 2014, for example, Jakub Martyčák travelled to South Africa to help build houses for socially-deprived families and Gabriela Pernická journeyed to the same country to help bring together children from antagonized peoples at a festival for children and young people.

International Volunteer Day

One hundred and fifteen employees became involved in the ArcelorMittal group's seventh annual International Volunteer Day at 22 facilities in our region. They were therefore able to provide 920 hours of volun-

teer work in a single day. Employees are paid for a normal working day, but instead of working at the plant they help out at selected non-profit organizations.

"There was a great response to volunteer work here. We allow employees to spend a work day in places where they are needed and make the people they are helping feel good, and indeed themselves," explains Monika Pěňčíková, Head of the Department of Corporate Responsibility and Social Services at ArcelorMittal Ostrava.

Sheltered workshop markets

It is now something of a tradition for us to organize Christmas and Easter markets on company premises in support of sheltered workshops. Our employees can therefore help in the running of sheltered workshops by buying the products on sale. Sales



of products at these markets help sheltered workshops find the money they need so much to continue their work.

"We are delighted with the event. It is an opportunity for our children's home to show off the products our children make and to earn some money for leisure time activities. We would love to be involved next time too," says Lucie Richterová from Loreta Children's Home and Fulnek School Canteen about the Christmas markets.



Reconstruction and opening of training areas at the St. Lucy Charity Centre

The chance to learn skills and abilities as part of social acquisition programmes at the newly-opened St. Lucy Charity Centre helps people at risk of social exclusion prepare themselves to lead an independent life. In addition

to providing labour in the form of corporate volunteers, the plant also lent some machinery to help with the work. New, barrier-free training areas have been created by reconstructing the basement of the Charity Ostrava directorate building in Ostrava-Vítkovice. These will be used by people now living in one of 18 starter flats, meaning by around 90 clients.



A total of
1,427

employees a year took part in volunteer activities of ArcelorMittal Ostrava

Financial proceeds
CZK 165,016

from sheltered workshop markets

"The training areas will be used to undertake social rehabilitation activities for users as part of the starter flat service. This will involve learning how to cook and how to do certain manual work, creative activity, learning how to work on a PC and courses and seminars focusing on financial literacy, entering the labour market and other topics," said Director of Charity Ostrava Martin Pražák.



Hours
5,085

dedicated to volunteer activities by our employees



Employee grants

One unusual, but very effective form of helping regional non-profit organizations through company employees comes in the form of what are known as employee grants. The employees themselves register the projects they come up with to help a particular non-profit organization in their free time. Each employee that devotes some free time to volunteer work is able to earn a grant of up to 30 thousand crowns for his or her chosen organization. Applications are made for projects that are of benefit to the public in several areas: leisure-time activities for children, social and environmental projects, health and safety.

The idea of employee grants came about at the end of 2010, when the company decided to contribute more towards the development of the local community and to combine the company's interests with those of its employees. Patronage of each project supported is taken by a member of senior management at the company, who gets to know the project, visits the place where it is carried out and can even become involved.

Employee grants (known as ZAME grants) have been very well received by employees and the community

Round	Number of projects supported	Amount distributed	Number of beneficiaries
2010/1	15	200,000	1,554
2010/2	30	400,000	4,961
2011/3	33	400,000	4,920
2011/4	39	450,000	4,063
2012/5	39	450,000	4,723
2012/6	46	450,000	5,111
2013/7	51	772,610	4,456
2014/8	56	680,000	7,643
TOTAL	309	3,802,610	37,431

alike and have become a permanent fixture of the volunteer programme.

We should mention at least a few of the projects having received support:

Sport is healthy, sport is fun!

Jan Hučín received a contribution towards providing the nursery school in Havířov – Podlesí Čelakovského with a new see-saw.

The children at the nursery school are happy with their new toy and are able to learn how to accept each other's needs, help younger friends and boost their own self-confidence.



Ludgeřovice Hiking Club, civic association

Petr Michna received funding for a civic association that focuses on working with children and on organizing children's camps during the summer in Žimrovice. The aim of the project was to repair and reconstruct the sanitary amenities at the camp base run by the Ludgeřovice Hiking Club. The work that Petr Michna provided in person was also of great help. Improving the quality of sanitary conditions helped more than 200 children.



Railway Transport Fun Club Ostrava, building model tracks for the club

David Habáň helped construct segmented tracks to be created by the members of a modelling club. This unique project shows people a simplified view of managing a railway in reality. The project is set to benefit members of the club, children from the modelling club and indeed the general public, who can see the results at regular exhibitions.



Leoš Janáček Primary School and Nursery School in Hukvaldy, new Merkur building sets

Through our employee **Jiří Chvalina**, we provided a donation towards the purchase of 19 Merkur building sets (similar to Meccano) for younger pupils at the primary school so that they can get over the unknown term "technology" in an entertaining way. The building sets are used in lessons about work activity and at school club. The use of the building sets in teaching work activities allows pupils to learn the basics of technology and the mechanical operation of products and to gain basic knowledge and skills in the field of technology.



MIKASA z.s.

René Naivert obtained a donation towards providing extra equipment to a special therapy room and with which to buy aids for clients at the MIKASA day-care centre. The aim of the day-care centre is to provide social services and activities to children and young people with combined disabilities, autistic spectrum disorder and behaviour disorders. The donation will be used to help make work with visitors to the day-care centre more pleasant and of a higher quality.



Cobwebs Children's Day

Kamil Raška received a donation towards organizing a children's day in the city district of Ostrava-Kunčičky, where a high percentage of the population is socially-weaker. Children were able to enjoy a variety of attractions and competitions in the beautiful, sunny weather. The biggest attractions were aqua zorbing, the trampoline and the bouncy castle for younger children. All the children that took part were given something sweet as a reward and those that came first were given prizes. The event also included a cultural programme. The dance ensemble from Kunčičky Primary School, which put on a show of Roma dance, and the Fussion Ostrava-Jih choir were both very popular. A total of 72 children aged between 2 and 13 years of age took part in the competitions.



Želvička civic association, quality seating for disabled children

Věra Konečná obtained a donation towards the acquisition of mobile adjustable chairs with work surfaces for children with disabilities, providing them with quality and safe seating and allowing them to involve themselves in activities they would otherwise not be able to cope with.

„We try to distribute our employee grants evenly among children and their leisure time activities, senior citizens and people with physical or mental handicaps. They all need help,”

explains **Monika Pěňčíková**, Head of the Department of Corporate Responsibility and Social Services at ArcelorMittal Ostrava.

A total of

56

projects supported by employee grants

Financial contribution of

CZK 680,000

received employee grants

Transparent governance

We are aware that our type of production is associated with extra responsibility. Our employees always act in accordance with the legislation in force and with the company's rules and code of conduct, which governs many relations more precisely than legislation. Our company applies globally-accepted standards of transparency. The ArcelorMittal Group came in sixth position in the Transparency International survey, which examines the level of openness of business activity among the 124 largest global corporations.

We at ArcelorMittal Ostrava are also governed by other, more detailed policies that take in areas such as respecting human rights, discrimination at work, anti-monopoly and anti-corruption guidelines and economic sanctions. Adhering to all ethical rules is a requirement. Employees therefore have the opportunity to tell us of any cases of breach of regulations. Their information is checked without delay and the corresponding measures taken.

Open communication

We place considerable emphasis on open and direct communication with the stakeholders. We publish an in-house company magazine for employees – The One – at monthly intervals, also sending the newsletter out to important external stakeholders. The "Neighbours" newsletter has also been published since 2012, focusing on the communities in the area around the company.

Stakeholders, meanwhile, have tools at their disposal to make inquiries and comments, the public can use a free

telephone line and employees can direct their questions and suggestions to the in-house "Call the CEO" line. There are also boxes, known as "TONDA" boxes, in which employees can place written comments and reactions, at all plants and at the company directorate.

We meet regularly with mayors from surrounding communities and city districts at a round table. We also provide public representatives with news from the mill and plan joint projects that contribute to the sustainable development of society.

Visit by the Minister of Finance

Andrej Babiš held a communicative meeting with senior employees at our company to discuss the current economic situation at the firm, possible support from the state, the current situation on the market and the future of the company, one of the most significant employers in the Moravian-Silesian region. He also discussed strategic plans for the

onward development of the company with them.

Corporate Responsibility Committee

The aim of the committee is to elaborate fundamental visions and objectives for management in the sphere of corporate responsibility as specific tasks for individual areas. The committee was involved in creating the company image and is charged with ensuring that employees are well informed of activities relating to social responsibility at ArcelorMittal.

One important communication tool is the company's website: <http://ostrava.arcelormittal.com/>

Our free Green Line
800 100 648

allows us to communicate with the public with ease



ArcelorMittal



We are members of many organizations, such as The Steel Federation, the Confederation of Industry of the Czech Republic, the Association for the Revitalization and Development of the Moravian and Silesian Region and the Regional Chamber of Commerce of the Moravian and Silesian Region.



Key performance indicators				
Transparent governance	2011	2012	2013	2014
Number of inquiries to the "CEO line"	81	101	115	74
Training in anti-corruption guidelines	67	23	337	185
Training in the Code of Business Conduct	4,560	1,990	829	5,246
Training in respecting human rights	6,664	84	90	6,359

Employee organizations

Open communication is the basis of a working partnership and constructive dialogue with unions is essential to the operation and prosperity of the company as a whole.

Unions cover more than 59% of the employees at ArcelorMittal Ostrava and now even agency workers, at least to a certain extent. Union representatives are active members of the European Works Council, the Occupational Health and Safety Committee and other committees. The company maintains partnerships with unions at a very good level. There are regular discussions and meetings, again at the highest level, and these continue at plant level. Union representatives are also regularly invited to attend round table meetings with representatives of surrounding communities.

A total of **59%**

of employees are trade union members

A total of **13**

trade union organizations at our company

Some 13 branches of the OS KOVO union having legal personality are active at ArcelorMittal Ostrava and its subsidiaries, which, with the exception of two organizations, are associated under the following two union groupings:

- OS KOVO ArcelorMittal Ostrava Association
- OS KOVO ArcelorMittal Czech Republic Union Council



Collective bargaining came to a conclusion on March 12, 2014, when company management signed an addendum to the collective agreement for the years 2013 to 2015 with representatives of the individual union organizations.

This covers 99% of the employees at ArcelorMittal Ostrava a.s., ArcelorMittal Energy Ostrava s.r.o. and ArcelorMittal Engineering Products Ostrava s.r.o.

„I greatly value the activities that the company prepares for employees. Employees become actively involved in events such as the sports tournaments organized as part of Health Week, attend the Sports and Children’s day. They can also look forward to Volunteer Day during advent, a campaign that is firmly rooted at the company. I consider this to be the way forward and would like to thank everyone who is personally involved in these activities.”

Roman Bečica,
Chairman of OS KOVO Steel Plant



Company awards



It is our goal to continually improve ourselves. In order that we can compare our strengths with our competitors, we take part in several prestigious competitions each year.

House magazine “The One” is regularly placed in one of the leading positions in the “Best In-house Magazine” category in the Zlatý středník competition. Our magazine also took third position in the “Best Company Newsletter for Employees” category in the Fénix content marketing competition.

The company also won a Human Resources Excellence Award, awarded by People Management Forum for the best feats in the field of HR, for its Red Scorpions project in the “companies having over 500 employees” category.

We were also declared Ostrava Cycling Employer of the Year, as was the case in 2013.

Our responsible human resources strategy means that we are regularly recognized as a desirable employer. We won the Sodexo Employer of the Year 2015 award in the “company having over 5,000 employees” category, Sodexo Pass being the general partner of the competition. The company is regularly one of the “best employers in the Moravian-Silesian Region”.

„Winning the Employer of the Year competition is a great honour for us and acts as confirmation of our long-standing efforts to provide our employees with comprehensive standards at a very high level. We see the strengths of the company in areas such as the high standard and diversity of the benefits provided, development activities for employees and emphasis on career advancement from internal sources, meaning white collar and blue collar workers, placing us among the elite in the Czech Republic. I am convinced that the result shows the heart that most employees put into the company, what HR managers would term our employees high level of involvement.”

Jan Rafaj, HR and Public Relations Director at ArcelorMittal Ostrava, had this to say on the company’s success in the Employer of the Year 2015 competition in the “company having over 5,000 employees” category.

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ArcelorMittal Ostrava
Vratimovská 689
707 02 Ostrava-Kunčice, Czech Republic
<http://ostrava.arcelormittal.com>

Your opinion matters to us. Please, send your feedback regarding our CR activities and this report to cr.ostrava@arcelormittal.com

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