

Responsible Steel™ Certified Site



DNV-C563271

Presented to

ArcelorMittal Poland S.A.

SITE NAME AND ADDRESS

ArcelorMittal Poland Unit in Dąbrowa Górnicza,
Al. J. Piłsudskiego 92; 41-308 Dąbrowa Górnicza, POLAND
ArcelorMittal Poland Unit in Kraków,
ul. Tadeusza Sendzimira 1; 31-752 Kraków, POLAND
ArcelorMittal Poland Unit in Zdzeszowice,
ul. Powstańców Śląskich 1; 47-330 Zdzeszowice, POLAND
ArcelorMittal Poland Unit in Świętochłowice,
ul. Metalowców 5; 41-600 Świętochłowice, POLAND
ArcelorMittal Poland Unit in Sosnowiec,
ul. Niwecka 1; 41-200 Sosnowiec, POLAND
ArcelorMittal Poland Unit in Chorzów,
ul. Metalowców 13; 41-500 Chorzów, POLAND

CLIENT NAME AND ADDRESS

ArcelorMittal Poland S.A.
Al. J. Piłsudskiego 92; 41-308 Dąbrowa Górnicza
POLAND

Version of the ResponsibleSteel Standard and Assurance Manual that the site was audited against

ResponsibleSteel Standard Version 1-1
ResponsibleSteel Assurance Manual Version 1.0

ISSUE DATE

25.08.2022

EXPIRY DATE

24.08.2025

NEXT SCHEDULED AUDIT

August 2023

CERTIFIED SINCE

25.08.2022

CERTIFICATION SCOPE

Sinter Plant, Blast Furnaces, Lime Plant, Steel Plant, Continuous Casters, Rolling Mills, Coke Plants, Hot Rolling Mill, Cold Rolling Mills, Hot Dip Galvanizing, Organic Coating, Wire Rod Mill

CERTIFICATION BODY

DNV Business Assurance Poland Sp. z o.o.
ul. Łużycka 6e
81-537 Gdynia



Any facilities and associated activities that are directly related to steel making or processing, that are on-site or near the site and that have not been included in the certification scope or audit scope

none

AUTHORISED CERTIFICATION BODY SIGNATURE

A handwritten signature in blue ink, appearing to read 'T. Słupek'.

TOMASZ SŁUPEK, Area Manager Certification Poland

ResponsibleSteel™, 755 Hunter Street,
Newcastle West NSW 2303, Australia

Validity of this certificate is subject to continued conformity with the applicable ResponsibleSteel Standard and can be verified at www.responsiblesteel.org

This certificate does not constitute evidence that a particular product supplied by the certificate holder is ResponsibleSteel certified. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required ResponsibleSteel claim is clearly stated on sales and delivery documents.



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Annex

ArcelorMittal Poland S.A.

SITES AND FACILITIES COVERED BY THE CERTIFICATE

ArcelorMittal Poland Unit in Dąbrowa Górnicza: Sinter Plant, Blast Furnaces, Lime Plant, Steel Plant, Continuous Casters, Rolling Mills,

ArcelorMittal Poland Unit in Kraków: Coke Plant, Hot Rolling Mill, Cold Rolling Mill, Hot Dip Galvanizing, Organic Coating,

ArcelorMittal Poland Unit in Zdziechowice: Coke Plant,

ArcelorMittal Poland Unit in Świętochłowice: Hot Dip Galvanizing, Organic Coating,

ArcelorMittal Poland Unit in Sosnowiec: Cold Rolling Mill, Wire Rod Mill,

ArcelorMittal Poland Unit in Chorzów: Rolling Mill.

SUPPORT FUNCTIONS THAT CONTRIBUTED TO THE AUDIT

ArcelorMittal Headquarter, 24-26, Boulevard d'Avranches, Luxembourg City, Luxembourg

ArcelorMittal Europe – Flat Products & EPO (European Procurement Organisation), 24-26, Boulevard d'Avranches, Luxembourg City, Luxembourg

ResponsibleSteel™, 755 Hunter Street,
Newcastle West NSW 2303, Australia

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PUBLIC SUMMARY AUDIT REPORT

This is a concise public summary of the audit report for ArcelorMittal Poland S.A. The full version of the audit report is in the possession of the member company and the audited sites.

Audit overview

Member Name	ArcelorMittal Group
Audited entity name	<i>ArcelorMittal Poland S.A.</i>
Number of sites Names & location	ArcelorMittal Poland S.A. Al. J. Piłsudskiego 92; 41-308 Dąbrowa Górnicza [HQ] Six sites: ArcelorMittal Poland Unit in Dąbrowa Górnicza, Al. J. Piłsudskiego 92; 41-308 Dąbrowa Górnicza ArcelorMittal Poland Unit in Kraków, ul. Tadeusza Sendzimira 1; 31-752 Kraków ArcelorMittal Poland Unit in Zdzeszowice, ul. Powstańców Śląskich 1; 47-330 Zdzeszowice ArcelorMittal Poland Unit in Świętochłowice, ul. Metalowców 5; 41-600 Świętochłowice ArcelorMittal Poland Unit in Sosnowiec, ul. Niwecka 1; 41-200 Sosnowiec ArcelorMittal Poland Unit in Chorzów, ul. Metalowców 13; 41-500 Chorzów
Certification scope	Production of metallurgical products in full manufacturing cycle as well as coke and coal by-products.
Standard version audited against	ResponsibleSteel Standard V1-1
Audit type and outcome	Initial certification audit
Certification body	DNV
Audit Dates	Stage 1: 9-10.11.2021 Stage 2: 24.01.2022 – 02.02.2022
Number of auditors and audit days	02 auditors 26 audit days (stage 1, stage 2 and reporting)

Lead auditor declaration	<p>The findings in this report are based on an objective evaluation of evidence, derived from documents, first-hand observations at the sites and interviews with site staff, employees and stakeholders, as conducted during Stage 1 and Stage 2 audit activities.</p> <p>The audit team members were deemed to have no conflicts of interest with the sites.</p> <p>The audit team members were professional, ethical, objective and truthful in their conduct of audit activities.</p> <p>The information in this report is accurate according to the best knowledge of the auditors who contributed to the report.</p> <p>It should be noted that audits are snapshots that rely on sampling. Sampling of interviewees, of documentation and records, of observed operations and activities. The auditors can therefore not exclude the possibility that there are non-conformities in addition to the ones identified during the audit activities.</p>
Next audit type and date	<p>Surveillance audit</p> <p>August 2023</p>

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Introduction

About ResponsibleSteel

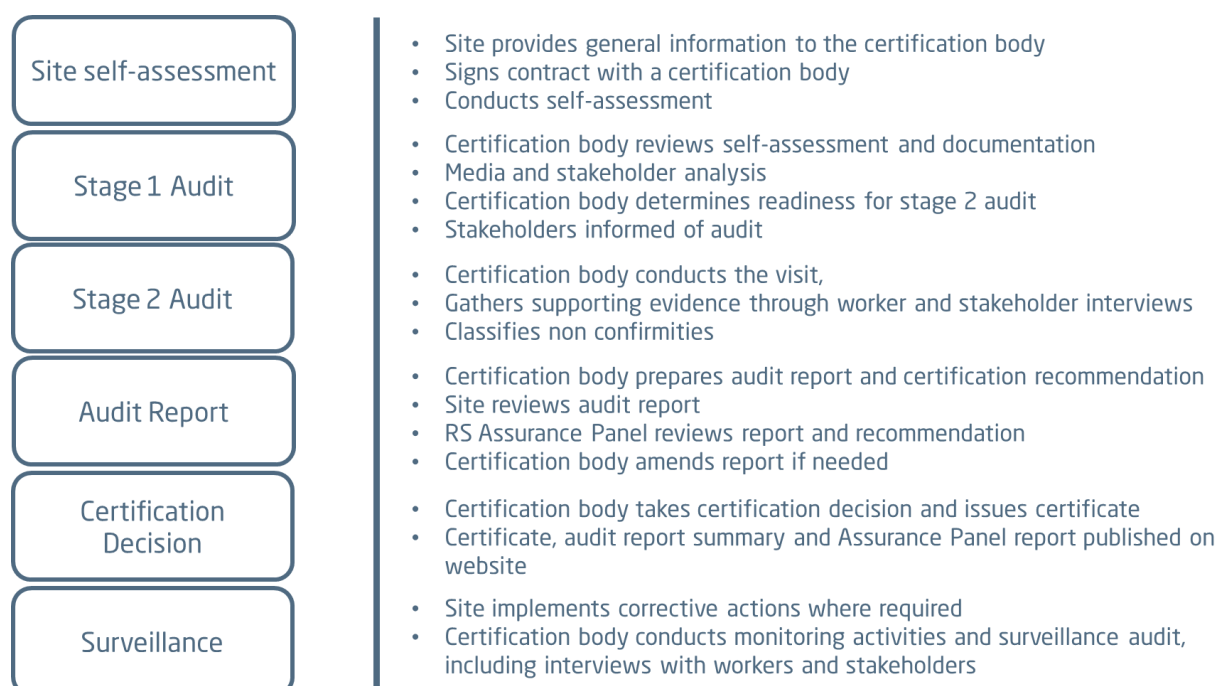
Our mission is to achieve net zero carbon emissions for the steel sector, and to enhance the responsible sourcing, production, use and recycling of steel.

We are a not-for-profit multi-stakeholder organisation founded to bring together business, civil society and downstream users of steel, to provide a global standard and certification initiative for steel. We have built a consensus on what sustainability looks like for steel – including the impacts of mining, steel production, the scrap metal supply chain, greenhouse gas emissions, water use, employees’ rights, communities and biodiversity. We are the first global scheme for responsibly sourced and produced steel.

Our Members include steel makers, mining companies, automotive and construction companies as well as civil society organisations focused on labour rights, biodiversity, climate change and many other important issues.

Overview of the certification process

Certification against the ResponsibleSteel Standard is voluntary and follows the process below:



Sites can apply to be assessed against the ResponsibleSteel Standard on a voluntary basis. Conformity with the Standard is verified by independent certification bodies and auditors. They study documentation provided by the site, review relevant media and scientific publications on the site, visit the site to see operations first-hand, and interview site management, process owners, shopfloor employees and external stakeholders such as authorities, community and civil society representatives. The assessment is summarised in an audit report that is reviewed by an independent Assurance Panel. Only if that Panel is satisfied with the quality of the audit and the resulting report, can a site with a positive certification recommendation be certified. A ResponsibleSteel certificate is valid for three years and certified sites have to pass a surveillance audit after 18 months and subsequent re-certification audits to remain certified. The rules and processes for ensuring compliance with the Standard are laid out in the [Assurance Manual](#) and have been developed in line with the Assurance Code of Good Practice set by the ISEAL Alliance.

ResponsibleSteel provides an Issues Resolution System that any stakeholder may use to log a complaint about any aspect of the ResponsibleSteel programme. The [Issues Resolution System](#) can be accessed via the ResponsibleSteel website.

More information on ResponsibleSteel can be found on <https://www.responsiblesteel.org/>.

Site information

Country and town	Poland, headquarters Dąbrowa Górnicza
Activities and products	<p>ArcelorMittal Poland Unit in Dąbrowa Górnicza: Sinter plant, Blast Furnaces, Lime Plant, Steel plant, Continuous Casters, Rolling Mills, Power & Utilities</p> <p>ArcelorMittal Poland Unit in Kraków: Coke Plant, Hot Rolling Mill, Cold Rolling Mill, Hot Dip Galvanizing, Organic Coating, Power & Utilities</p> <p>ArcelorMittal Poland Unit in Zdzeszowice: Coke Plant, Waste Water Treatment Plant, Heat & Power plant</p> <p>ArcelorMittal Poland Unit in Świętochłowice: Hot Dip Galvanizing, Organic Coating</p> <p>ArcelorMittal Poland Unit in Sosnowiec: Wire Rod Mill, Cold Rolling Mill, Heat & Power Plant</p> <p>ArcelorMittal Poland Unit in Chorzów: Rolling Mill, Power & Utilities.</p>
Year site opened	<p>ArcelorMittal Poland Unit in Dąbrowa Górnicza: 1976</p> <p>ArcelorMittal Poland Unit in Kraków: 1954</p> <p>ArcelorMittal Poland Unit in Zdzeszowice: 1932</p> <p>ArcelorMittal Poland Unit in Świętochłowice: 1828</p> <p>ArcelorMittal Poland Unit in Sosnowiec: 1902</p> <p>ArcelorMittal Poland Unit in Chorzów: 1802</p>
Major extensions and / or refurbishments and year(s) when these occurred	<p>Dąbrowa Górnicza</p> <p>2006: reline of blast furnace #2</p> <p>2006: new slab casting line</p> <p>2009: new twin ladle furnace</p> <p>2009: new rail control and measurement unit</p> <p>2011: hot metal desulphurisation stations</p> <p>2012: pulverised coal injection at blast furnace #2</p> <p>2012: sinter belt revamping and two new electrostatic precipitators</p> <p>2014: sheet piles service centre</p> <p>2014: 120 m long rail production (one of only a few producers worldwide)</p> <p>2018: modernisation of primary and secondary dedusting in steel shop</p> <p>2018: modernisation of the dedusting systems of the sinter plant belts (hybrid filters)</p> <p>Kraków</p> <p>2007: new hot strip mill</p> <p>2009: modernisation of cold rolling mill</p> <p>2012: coke gas cleaning facilities</p> <p>2012: torpedo ladles</p>

	<p>2013: biological wastewater treatment plant</p> <p>2016: extension of hot strip mill</p> <p>2017: new hot dip galvanising line</p> <p>2020: shutdown of primary operations</p> <p>2020: new combi line (hot dip galvanising and colour coating)</p> <p>Zdzieszowice</p> <p>2003: reline of coke oven battery #7</p> <p>2004: reline of coke oven battery #8</p> <p>2006: new coke oven battery #11</p> <p>2008: new coke oven battery #12</p> <p>2017: modernisation of by-products installations</p> <p>2018: shutdown of old coke oven batteries #3 and #4</p> <p>Świętochłowice</p> <p>2006: new organic coating line #2</p> <p>2013: revamping of hot dip galvanising line</p> <p>2015: modernisation of organic coating line #1</p> <p>Sosnowiec</p> <p>2006: modernisation of wire rod mill</p> <p>2015: billet distributor</p> <p>2017: modernisation of combined heat and power plant</p> <p>2019: modernisation of wire rod mill</p> <p>2020: modernisation of cold strip mill</p> <p>Chorzów</p> <p>2010: new hydraulic high-pressure descaler</p> <p>2015: modernisation of rolling stands</p> <p>2019: new marking machine</p> <p>2020: control and measurement unit</p> <p>2021: take-over of energy department from neighbouring company</p>
Annual production	<p>Steel 3,991,867 tones (2021)</p> <p>Coke 4,192,790 tones (2021)</p>
Number of employees and contractors	9,518
Carbon reduction target	Decreasing GHG emissions and achieving target of 35% emissions reduction for 2030

Further environmental and social information	Polish version: https://poland.arcelormittal.com/fileadmin/Content/user_upload/Raport_zrownowazonego_rozwoju_ArcelorMittal_Poland_2020_rok.pdf English version: https://poland.arcelormittal.com/fileadmin/Content/user_upload/Sustainability_Report_ArcelorMittal_Poland_2020.pdf
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Stakeholder engagement

Stakeholder engagement is an integral part of a ResponsibleSteel audit and ensures a rich and balanced collection of information and evidence. The auditors followed the methodology indicated in the [Guidance on Stakeholder Engagement](#) developed by ResponsibleSteel as well as the [Introduction to ResponsibleSteel for stakeholders](#).

The communication with stakeholders was initiated in November 2021 by the chairman of ArcelorMittal Poland and was followed up by the letter from DNV Business Assurance Poland in December 2021. The audit was conducted during the peak of another wave of the COVID-19 pandemic. The auditors, anticipating that the possibility of physical meetings would be severely limited, and on the other hand aware of the importance of receiving feedback from the ArcelorMittal Poland environment, decided to prepare and send out a questionnaire with questions modelled on the ResponsibleSteel manual.

The survey was sent to all (137) stakeholders identified in the first phase of the audit. A full list of stakeholders, together with their status in relation to ArcelorMittal Poland is included in the table in the appendix to this full report.

For the purposes of communication and to collect opinions from ArcelorMittal Poland stakeholders, a short questionnaire was prepared with a request to complete it. In the survey, we asked about stakeholders' relationships and opinions on the main issues addressed in the ResponsibleSteel standard. All communication with stakeholders was done through a dedicated email box: ResponsibleSteelStakeholders@dnv.com

In the second half of December 2021, a questionnaire asking for ratings (min 1- max 6) and opinions on 8 issues was sent to 137 stakeholder representatives by email.

26 questionnaires were received back with relevance ratings and opinions to the above mentioned issues. Average results below.

1. Care for the environment (emissions, waste, noise, etc.) - 4.7
2. Taking care of employees' safety - 5.42
3. Taking care of employees (health and safety, social issues, etc.) - 5.13
4. Climate action (decarbonisation) - 4.5

5. Support for local communities, scientific and educational institutions, cultural and sports institutions. 4.58
6. Communicate their development plans transparently - 4.29
7. Transparent communication of incidents - 4.50
8. Measures for improvement of the natural environment, biodiversity (environmental initiatives, tree planting, etc.) - 4.53

From the stakeholders who responded to the questionnaire, 7 were selected for additional interviews. The interviewees represented public and local government administration, scientific units, cooperating companies, environmental organisations, historical associations, industry association. Response for the survey from local communities was limited, due to pandemic reasons and health problems. Thus, in mentioned selection, local communities were represented by local administration offices participating in the survey. Based on: Stakeholders Panel and output from meetings, Meeting calendar with stakeholders 2021, ArcelorMittal Poland Stakeholders Survey results 2020, local records in ArcelorMittal Poland Sites, shown evidence for regular meetings with local communities in all ArcelorMittal Poland Sites. During the next audit auditors will focus on relations with local communities..

Examples of stakeholder opinions are provided below:

"ArcelorMittal Poland S.A. actions in the field of social responsibility can be a model for many other organizations. Cooperation with ArcelorMittal Poland S.A. provides our company with stable operations and prospects for development."

"Very good communication with persons involved in environmental protection at the Coke Plant in Zdzeszowice.

Responding appropriately in areas requiring clarifications and additions, in particular in the process of verifying compliance with emission limits by the authority and in the process of issuing administrative decisions. Timely performance of duties."

"Marshal of Opole Province is the environmental protection authority for the Zdzeszowice Coke Plant Branch. I have described my experience in contacts with ArcelorMittal Poland SA on the basis of experiences related to verification of the installation's impact on air quality, i.e. assessment of compliance with emission limits, assessment of fulfilment of obligations under the integrated permit and proceedings to amend the integrated permit."

"As regards other environmental components, i.e. water and sewage management, protection against waste, protection against noise and charges for using the environment, I do not have full knowledge."

"ArcelorMittal Poland takes care about health and safety of its employees to the highest standard."

"ArcelorMittal Poland is open not only to its employees but also participates in social and voluntary activities."

"A positive experience from the perspective of the Museum of Nowa Huta was cooperation with the exhibition *My second home? Huta im. Lenina* exhibition, including in particular handing over of items for our exhibitions and financial support for the *Zajrzyj do Huty* event."

"We value our relationship with ArcelorMittal Poland. Thanks to participation in the projects organized by the company, we influence world-view changes in our beneficiaries and the environment, which contributes to smaller or larger changes in the closest environment. We would like to continue our cooperation with the company in order to change for good and better the people cooperating with us as well as the environment in which we live."

"My long-time scientific and research activity as well as my academic experience entitle me to express my opinion about a certain regression observed in recent years in the scope of scientific research and academic education in such areas as metallurgy or coke industry. The subject is not as attractive as it was e.g. in the last century, which may constitute a significant obstacle for proper development and preservation of competitiveness of technologies currently operated and to be implemented in the future by ArcelorMittal Poland plants.

A global company like ArcelorMittal is in a position to create an appropriate platform for effective international cooperation of scientific institutions, R&D and design offices dealing with R&D in the field of metallurgy, coking, power generation etc. The platform should also include human resources training activities for the entire AM group. Such a platform should in particular include countries where ArcelorMittal has industrial operations

Once a year (January, February) local media should publish information about current situation of Zdzeszowice Plant in e.g. Nowa Trybuna Opolska, Tygodnik Krapkowicki."

"ArcelorMittal is one of the biggest industrial plants in Sosnowiec and region, providing jobs for thousands of employees and having real impact on local development. We are of the opinion that cooperation between local authorities and business environment is possible and that is why we want to maintain the policy of high quality joint cooperation with the company. The trends of greening public space and conducting transparent local development policy provide an opportunity for joint action."

The respondents generally gave a positive picture of the cooperation with ArcelorMittal Poland and referred to the evaluation of the above mentioned 8 issues.

Workers are an important internal stakeholder group since they are directly affected by the activities of the sites.

At the audit time ArcelorMittal Poland employed a total of 9,518 people under employment contract, of whom about 10% were women. Generally, there are full time employment contracts at ArcelorMittal Poland. Additionally 240 employees were employed by employment agencies at the time of the audit. Nearly 50% of employed employees are 50 years old or older, and 5% are under 30 years old. The management staff is dominated by men (over 92%) and about 6% of the production staff are women.

The selection of interviewed employees started immediately after the Stage 1 audit. For this purpose, an ArcelorMittal representative was asked to prepare lists of names of employees from defined group types, from which prior to the Stage 2 audit the auditors selected names and forwarded them to ArcelorMittal Poland for appointment.

Individual and group meetings were held in the presence of the auditor conducting the interview only (without representatives of ArcelorMittal Poland), on the premises of the audited ArcelorMittal Poland unit.

The following lists of employees were requested for initial preparation by ArcelorMittal Poland and delivered to DNV auditors for selection of the names by DNV auditors for individual interviews:

Women - a list of 10 people to be selected by the auditors from each location (six lists)

- Long seniority office employees (more than 10 years) - a list of 10 persons to be selected by the auditors from each location (six lists)
- Short experience office employees (1-2 years) - lists of 4 persons to be selected by the auditors from each location (six lists)
- Long-serving production employees (more than 10 years) - lists of 10 persons to be selected by the auditors from each location (six lists)
- Production employees with short work experience (1-2 years) - lists of 10 persons to be selected by the auditors from each location (six lists)
- Employees in specialist and middle supervisory positions - lists of 10 persons to be selected by the auditors from each location (six lists)
- Employees employed by employment agencies (from 2 agencies used by ArcelorMittal Poland at the moment of the audit) - lists of 2-3 persons from each location, to be selected by the auditors (six lists)
- Trade union representatives (including the leaders of these unions) - 2-3 persons from each location, to be selected by the auditors (six lists)
- Employees who are Social Labour Inspectors - 2-3 persons from each location, to be selected by the auditors (six lists)

Individual meetings with managers at each location were conducted during field visits (process owners - meeting in the office before going to the site).

The following lists of employees were requested for initial preparation by ArcelorMittal Poland and delivered to DNV auditors for selection of the names by DNV auditors for group meetings (this section explains how employees were selected for group interviews). The auditors asked the ArcelorMittal Poland representatives to prepare lists of employees in numbers and with professional characteristics as given below. After receiving these proposals, the auditors selected from this pool of employees (2 x 3) (2 x 4) (1 x 5) and (1 x 6) employees who were invited for interviews at respective locations. Hence, the number proposed is higher, as the auditors wanted to avoid a situation where the selection of employees for interviews was solely on the client's side.)

- Production employees - 10 operators from each location to be selected by the auditors (six lists)
- Production employees - 6 foremen from each location to be selected by the auditors (six lists)
- Office employees - 10 people from each location to be selected by the auditors from (six lists)
- Support staff - 6 persons from each location to be selected by the auditors (six lists)

Group meetings with the managers of each unit were held after the opening meeting of each of the unit audits.

In addition, during the field visits, unplanned interviews were undertaken with random employees, foremen and others at the worksite.

This section shows the number of interviews conducted with employees selected by DNV auditors and scheduled at each ArcelorMittal Poland location, according to the formats specified in the Assurance Manual (Table 3: Workers to be interviewed and time spent on employee interviews during stage 2 audits for initial certification). During the audit, appointment-based interviews were conducted with 59 employees, according to the following schema:

'No appointment' interviews were conducted:

- with managers, before the field visit to each of the visited sites (managers, specialists, health, safety and environmental representatives, stakeholder communication representatives),
- with employees in blue-collar positions, during the visits.

In total, about of 200 people in all 6 sites participated in such "ad hoc" interviews (no list was kept in this regard).

Dąbrowa Górnicza: 7 individual interviews; 1 interview with a group of 6 employees; 1 interview with a group of 2 employees (15 people in total)

Kraków: 5 individual interviews; 1 interview with a group of 5 employees; 1 interview with a group of 4 employees (14 people in total)

Zdzieszowice: 5 individual interviews; 1 interview with a group of 4 employees; 1 interview with a group of 3 employees (12 people in total)

Świętochłowice: 3 individual interviews; 1 interview with a group of 3 employees; 1 interview with a group of 2 employees (8 people in total)

Chorzów: 3 individual interviews; 1 interview with a group of 2 employees (5 people in total)

Sosnowiec: 3 individual interviews; 1 interview with a group of 2 employees (5 people in total)

Employees indicated by the auditors from each of the lists prepared by ArcelorMittal Poland corresponding to the specified types of employees were invited to the interviews. In addition to the above interviews, the management of each unit of ArcelorMittal Poland was interviewed - focusing on the role of the management and their involvement in particular areas described by the principles of the ResponsibleSteel standard. Numerous interviews were also held with employees at various levels during site visits.

The high rating given by the auditors in relation to the requirements of the ResponsibleSteel standard, as presented in the detailed compliance statements later in the report, is primarily due to the picture of the company that emerged during the interviews with employees and external stakeholders.

Each employee and group was asked a set of questions, which were to provide answers to issues related to working conditions, relations between the management and employees, sense of safety, company's care for the overall well-being of its employees, including social care, medical care, support in difficult life situations.

Almost 100% of positive answers were obtained for the following questions: are you satisfied with your work at ArcelorMittal Poland, do you feel safe at work in your position, how do you assess ArcelorMittal Poland's social support, how do you assess the quality of social dialogue and management's sensitivity to the "voice of the employees", their needs and expectations. Particularly worth mentioning are opinions of Trade Union Leaders who, with no exception, confirmed that the ArcelorMittal Poland management created conditions for trade union activities and constructive dialogue with employee representation. Some employees hired via employment agencies at the time of the audit had some observations regarding availability of social package to this group.

A separate topic were salaries, which are often the subject of smaller or larger employee claims or dissatisfaction in this type of research. This was also the case at ArcelorMittal Poland, however, with the limitation that the level of dissatisfaction does not differ significantly from the "average level" in Polish plants (observation on the basis of data on salaries at ArcelorMittal Poland, data on salaries in the national economy and auditors' experience). Individual interviewees, dissatisfied with the level of remuneration in relation to their self-esteem (work experience, competences) shared during the interview their plans to look for a job outside ArcelorMittal Poland. The positive attitude of women is also noteworthy. None of the interviewees gave information about any mistreatment of women at work, although in a few cases women complained about the lack of career advancement opportunities.

In conclusion, with reference to the auditors' over 20 years of auditing experience (DNV from dozens of companies in Poland), interviews with employees indicate a high level of organisational culture, characterised by trust in the management team, built on fair and transparent social dialogue and visible leadership of the top management.

This organisational culture, combined with the system solutions and corporate standards, creates conditions for taking up ambitious business challenges, as well as for overcoming difficult periods for the company.

Summary of Audit Findings

The performance of **ArcelorMittal Poland** in relation to the Principles and Criteria of the ResponsibleSteel Standard is summarised in the table on the next page. The headings of the table mean the following:

Conform	Conformity, the requirement is fulfilled.
Opportunity for Improvement (OFI)	The respective requirement or criterion has been implemented, but effectiveness or robustness might be increased, or it is a situation that could lead to a future non-conformity if not addressed.
Minor non-conformity (NC)	Isolated, unusual or non-systemic lapse. Or a lapse with limited temporal and organisational impacts. A non-conformity that does not

	result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. Sites can become certified with minor non-conformities, but they must have addressed them by the time of their next audit.
Major non-conformity (NC)	A non-conformity that, either alone or in combination with further non-conformities, results in or is likely to result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. For example, non-conformities that continue over a long period of time, are systemic, affect a wide range of the site's production or of the site's facilities. Sites with major non-conformities cannot be certified.
Exclusion	The requirement is either not applicable : excluded from the audit since it is not applicable to the sites; or not rated : the requirement is very closely linked to another requirement where a non-conformity (NC) or opportunity for improvement (OFI) has already been raised. Sometimes, when requirements are linked to one and the same subject-matter, it is appropriate to count NCs or OFIs only once to avoid repetition.

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Principle 1. Corporate Leadership					
Criterion 1.1: Corporate Values and Commitments (6)	6				
Criterion 1.2: Leadership and Accountability (5)	5				
Principle 2. Social, Environmental and Governance Management Systems					
Criterion 2.1: Management System (6)	5		1		
Criterion 2.2: Responsible Sourcing (6)	6				
Criterion 2.3: Legal compliance and signatory obligations (6)	6				
Criterion 2.4: Anti-Corruption and Transparency (8)	8				
Criterion 2.5: Competence and awareness (5)	5				
Principle 3. Occupational Health and Safety					

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 3.1: OH&S policy (6)	6				
Criterion 3.2: Health and Safety (OH&S) management system (10)	9	1			
Criterion 3.3: Leadership and worker engagement on OH&S (10)	9	1			
Criterion 3.4: Support and compensation for work-related injuries or illness (8)	4				4
Criterion 3.5: Safe and healthy workplaces (5)	4	2			1
Criterion 3.6: OH&S performance (2)	2				
Criterion 3.7: Emergency preparedness and response (6)	6				
Principle 4. Labour Rights					
Criterion 4.1: Child and juvenile labour (9)	9				
Criterion 4.2: Forced or compulsory labour (7)	7				
Criterion 4.3: Non-discrimination (9)	7	2	1		
Criterion 4.4: Association & collective bargaining (12)	10	1			1
Criterion 4.5: Disciplinary practices (5)	5				
Criterion 4.6: Hearing and addressing worker concerns (5)	5				
Criterion 4.7: Communication of terms of employment (5)	5				
Criterion 4.8: Remuneration (11)	9				2
Criterion 4.9: Working time (7)	7				
Criterion 4.10: Worker well-being (2)	1	1			
Principle 5. Human Rights					
Criterion 5.1: Human rights due diligence (5)	5				
Criterion 5.2: Security practice (9)	9				
Criterion 5.3: Conflict-affected and high-risk areas (5)					5
Principle 6. Stakeholder Engagement and Communication					
Criterion 6.1: Stakeholder engagement (10)	10				

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 6.2: Grievances and remediation of adverse impacts (12)	12				
Criterion 6.3: Communicating to the public (7)	7				
Principle 7. Local Communities					
Criterion 7.1: Commitment to local communities (8)	8				
Criterion 7.2: Free, Prior & Informed Consent (3)					3
Criterion 7.3: Cultural heritage (7)	3	2			1
Criterion 7.4: Displacement and Resettlement (9)					9
Principle 8. Climate Change and Greenhouse Gas Emissions					
Criterion 8.1: Corporate commitment to achieve the goals of the Paris Agreement (8)	8				
Criterion 8.2: Corporate Climate-Related Financial Disclosure (2)	2				
Criterion 8.3: Site-level GHG emissions measurement and intensity calculation (3)	3				
Criterion 8.4: Site-level GHG reduction targets and planning (11)	11				
Criterion 8.5: Site-level GHG or CO2 emissions reporting and disclosure (8)	5		1		3
Principle 9. Noise, Emissions, Effluents and Waste					
Criterion 9.1: Noise and vibration (7)	7	1			
Criterion 9.2: Emissions to air (8)	8				
Criterion 9.3: Spills and leakage (9)	9				
Criterion 9.4: Waste, by-product and production residue management (11)	11	1			
Principle 10. Water Stewardship					
Criterion 10.1 Water-related context (7)	7				
Criterion 10.2 Water balance and emissions (8)	8				
Criterion 10.3 Water-related adverse impact (6)	4	2			

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 10.4 Managing water issues (8)	8				
Principle 11. Biodiversity					
Criterion 11.1: Biodiversity commitment and management (25)	25				10
Principle 12. Decommissioning and closure					
Criterion 12.1: Decommissioning and closure (13)					13
	Conform	OFI	Minor NC	Major NC	Exclusion
Total (370)*	305	14	3	0	52

* Note that the Total in the table does not correspond to the sum of Conform, OFI, Minor NC, Major NC and Exclusion due to the way that requirements and conformity classifications are counted.

Strengths

In the context of the requirements of the Responsible Steel standard, ArcelorMittal's strongest points include:

1. Comprehensive corporate governance built on the pillars of global policies, codes of conduct and detailed procedures focused on the elements of sustainability and corporate and social responsibility. Not only the fact of having documented standards, but above all the attitude and commitment to them of the top management, which is reflected in the commitment of the entire management team, was strongly evident during the interviews, examination of documentation and field visits. The specific high management culture of ArcelorMittal Poland, consistent in each of the 6 locations, was clearly felt. Despite the many different areas of corporate regulations, ArcelorMittal Poland employees used these procedures quickly and efficiently, which results, on the one hand, in effective work and, on the other hand, in a sense of personal satisfaction with their tasks. Worth emphasising is the strong position of the Compliance Office, armed with efficient procedures and clear communication channels to ensure that corporate governance is maintained in such a large organisation as ArcelorMittal Poland.

2. High level of work safety culture, which translates into organisation and provision of all necessary safety measures, detailed risk assessment carried out jointly with employees and implementation of preventive measures, employee awareness of both accident and health risks. From the interviews conducted with more than 100 employees at their workplaces and during the organised meetings (audit interviews) no statement was heard referring negatively to the issue of ensuring safe working conditions for employees. During the audit, the attention of the management was also drawn not only to the safety of employees, but also to the creation of conditions for ensuring the welfare of

employees. This involves a broad package of social assistance, health-oriented activities, help for families (e.g. running two kindergartens) and support for achieving one's own ambitions.

3. High activity in the area of stakeholder relations, especially with local communities, social support organisations, educational and cultural units. The social activity of ArcelorMittal Poland was strengthened by the constantly developing volunteer work of the employees, which consists in supporting social and pro-environmental initiatives of ArcelorMittal Poland's employees. During the audit reports on several projects sponsored by ArcelorMittal Poland were tracked, which were coherent with the ambitions of sustainable development and social responsibility of the whole ArcelorMittal group. (Due to pandemic environment there were no meetings with local communities representatives. However, the available evidences from the contacts, letters and memos from meetings with local organizations conducted by ArcelorMittal Poland representatives in different locations gave an overall positive impression about responsiveness and support ArcelorMittal Poland gives to the local needs and expectations. Having all this in mind - during next periodic audit special focus will definitely be put on this area.)

4. An undoubtedly noteworthy achievement of ArcelorMittal Poland is the level of implementation of internal social dialogue - relations with 16 trade union organisations operating at ArcelorMittal Poland. Dialogue and cooperation with employees is understood by the Board and management as an element of modern management of the organisation and an important element of success of the whole company. All interlocutors representing trade unions emphasized creation of very good conditions for realization of their statutory tasks. They emphasised the quality and frequency of meetings and consultations regarding important employee issues. It was clear from these talks that the Management Board and management succeeded in creating real conditions for partnership between the employer and employees, which resulted in the fact that in such a large organisation there have not been any collective disputes or other forms of protests for almost 15 years. The period of permanent closure of primary operations at Kraków unit is a good example of mature social dialogue. The blast furnace and steel shop in Kraków were temporarily idled in November 2019, as a result of the market downturn, then in 2020 decision was taken to permanently close the operations. The solutions were identified immediately to address the affected employees (around 1300 people), employees were redeployed to other sites at ArcelorMittal Poland or offered other solutions, Thanks to the engagement in the dialogue with trade unions of the top management, mutual understanding of arguments of the employer and employees, it was possible to carry out this process, painful for the employees, without negative consequences. This process was specifically discussed during interviews with representatives of the two largest representative trade unions and employees selected at the Krakow location. The audit conclusion presented is based on the outcome of these interviews.)

5. ArcelorMittal Poland carries out a wide range of activities for the efficient management of water resources and the operational maintenance of water and wastewater infrastructure facilities, although more attention should be paid to the need for ArcelorMittal Poland to take account of water

demand planning with consideration of climate change (shortages/pollution) and sharing of water resources with stakeholders

6. One of the new management areas within the scope of the ResponsibleSteel standard is the assessment of impacts on biodiversity and associated risks and the implementation of biodiversity management plans. The management of ArcelorMittal Poland decided to engage a professional consulting company and conduct a comprehensive nature inventory, assess the impact of all six ArcelorMittal Poland sites on biodiversity, evaluate risks and prepare biodiversity management plans for each site. This work was carried out in autumn 2021 and the audit was able to verify the reports (prepared in accordance with the World Business Council for Sustainable Development's Guidance for Assessing and Managing Biodiversity Impacts and Risks), their conclusions and action plans. In spring 2022, when biological processes gain momentum and plant vegetation is in bloom, a second phase of work is planned, mainly related to a more detailed nature inventory and updating of biodiversity management plans.

Areas for improvement

Few of the issues assessed by the RS standard can be classified as areas of weakness in ArcelorMittal Poland. It is an organisation comprising 6 different plants, each with its own history and technical, social and infrastructure conditions. Despite the large amount of money spent on improving social and living conditions, there are occasionally some shortcomings, more in terms of aesthetics than actual risks to employees' safety or health, for example incidental cases where sanitary conditions or waste labelling should be improved.

The infrastructure and large areas under the supervision of ArcelorMittal Poland often still need to be renovated.

A big challenge for ArcelorMittal Poland is the ability to recruit staff, particularly for positions involving heavy physical work, often in continuous operation. The labour market is becoming more demanding, there is strong upward pressure on wages, for many employees the high level of social benefits is becoming insufficient to prevent them from seeking other employers. Decreasing employee resources, which locally could result in overloading current employees with work, are among the most important risks in the area of sustainable development faced by the ArcelorMittal Poland Management Team.

The second area for improvement, which is otherwise natural, is further integration of the areas of the ResponsibleSteel standard with the management system implemented and functioning at ArcelorMittal Poland. Although the auditors have no doubts about the development and implementation of the practices and activities described in the RS standard, it was pointed out that the existing mechanisms in ArcelorMittal Poland for systemic verification of compliance with the

requirements of ISO standards and means of continuous improvement should be also applicable to the requirements of the RS standard.

Assurance Panel Declaration

In line with the ResponsibleSteel Assurance Manual, three members of the Assurance Panel reviewed the full audit report for ArcelorMittal Poland, including the auditors' findings for each individual requirement of the ResponsibleSteel Standard. Subsequently, the Assurance Panel members met online to discuss individual findings and to align their views on the audit report. We sought clarification and asked for reconsideration of conformity classifications where the auditors' conclusions were not sufficiently substantiated. Following review of the changes that were made by the auditors, we support the certification recommendation for ArcelorMittal Poland.

The Assurance Panel's conclusions on the final audit report are as follows:

- The audit report contains sufficient detail to support an informed certification decision
- The supporting evidence and rationales given in the audit report support the auditors' conformity classifications
- The certification recommendation based on the audit report is conclusive

This statement has been approved by the three members of the Assurance Panel who reviewed the audit report on 18 August 2022.

More information on the audit process and the role of the Assurance Panel can be found in the [ResponsibleSteel Assurance Manual](#).