

Responsible Steel™ Certified Site



DNV-2023-C568951

Presented to

ARCELORMITTAL TAILORED BLANKS ZARAGOZA S.L.

SITE NAME AND ADDRESS

ArcelorMittal Tailored Blanks Zaragoza S.L.
Pol. Ind. El Pradillo II, parc 9, 50690 Pedrola, Zaragoza,
Spain

CLIENT NAME AND ADDRESS

ArcelorMittal Tailored Blanks Zaragoza S.L.
Pol. Ind. El Pradillo II, parc 9, 50690 Pedrola, Zaragoza,
Spain

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

ResponsibleSteel Standard Version 1.1, 23 June 2021
ResponsibleSteel Assurance Manual Version 1.0, 29
December 2019

ISSUE DATE

5 July 2023

EXPIRY DATE

4 July 2026

NEXT SCHEDULED AUDIT

July 2024 (TBC)

CERTIFIED SINCE

5 July 2023

CERTIFICATION SCOPE

Production of cut and welded blanks welded to size by
laser welding and assembly of metal sheets by spot
welding.

CERTIFICATION BODY

DNV Business Assurance Services UK Lim
4th Floor, Vivo Building, 30 Stamford St.,
London. SE19LQ

United Kingdom



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 black ink, appearing to read 'Th van Haaren'.

Thomas van Haaren, Global Services Manager – Supply Chain Management

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.



Responsible Steel™ Certified Site

Annex

ARCELORMITTAL TAILORED BLANKS ZARAGOZA S.L.



DNV-2023-C568951

SITES AND FACILITIES COVERED BY THE CERTIFICATE

ArcelorMittal Tailored Blanks Zaragoza S.L.
Pol. Ind. El Pradillo II, parc 9, 50690 Pedrola, Zaragoza,
Spain

SUPPORT FUNCTIONS THAT CONTRIBUTED TO THE AUDIT

ArcelorMittal España S.A.,
Palacio de La Granda, 33418 Gozón, Spain

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.



PUBLIC SUMMARY AUDIT REPORT

This is a concise public summary of the audit report for ArcelorMittal Tailored Blanks Zaragoza S.L. The full version of the audit report is in the possession of the member company and the audited site.

Audit overview

Member Name	ArcelorMittal
Audited entity name	ArcelorMittal Tailored Blanks Zaragoza S.L
Number of sites Names & location	Located at Polígono del Pradillo II Pedrola (Zaragoza) very close to the OPEL Spain plant, at 30 km from the capital of Aragon "Epicenter" of car manufacturing in Spain. https://spain.arcelormittal.com/que-hacemos/productos-planos/tailored/
Certification scope	Activity: production of cut and welded blanks welded to size by laser welding and assembly of metal sheets by spot welding. Facilities: A Blanking line with a 1200 ton press, four laser welding machines, an ablation line and an automatic pallet warehouse with 500 cells and other auxiliary equipment.
Standard version audited against	ResponsibleSteel Standard V1-1
Audit type and outcome	Initial certification
Certification body	DNV Business Assurance Services UK Limited, Vivo Building, 30 Stamford Street, London SE1 9LQ, United Kingdom
Audit Dates	Stage 1: 12.12.2022 to 13.12.2022, 2 days Stage 2: 13.2.2023 to 16.2.2023, 4 days
Number of auditors and audit days	Lead auditor: Marcelino Manteca Perez
Lead auditor declaration	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, workers and stakeholders, as conducted during stage 1 and stage 2 audit activities. The audit team members were deemed to have no conflicts of interest with the sites. The audit team members were professional, ethical, objective and truthful in their conduct of audit activities. The information in this report is accurate according to the best knowledge of the auditors who contributed to the report.

	<p>It should be noted that audits are snapshots that rely on sampling. Sampling of interview partners, 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, the audit will take place 12 to 18 months after the issuance of the certificate (planned between July 2024 and January 2025).</p>

Contents

Introduction 4

Site information 6

Stakeholder engagement 7

Summary of Audit Findings..... 8

Assurance Panel Declaration 17

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, workers’ 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 workers 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	Spain, Pedrola , Zaragoza
Activities and products	<p>Facilities are characterized by having equipment for the laser welding process. They have a format cutting line equipped with a 1200 Tn press with a stacker "March-Stop" that allows to stack the formats to be welded in the same configuration in which they will be welded, avoiding subsequent handling of pallet preparation.</p> <p>They also have an automatic warehouse with 500 cells with capacity for 6 TN in each of them, where both cut formats and pallets for customers with finished product are stored.</p> <p>They have 4 laser welding lines equipped with fiber laser, as well as an "online" quality control system by artificial vision, in each of them.</p>
Year site opened	1999
Major extensions and / or refurbishments and year(s) when these occurred	The start-up project of the factory began in 1999, starting in record time all its lines, with production "On Time in Full" from the first month of supply in August 2000. The factory started with capital from the company Aceralia, later in 2001 it would merge with the Belgian group Arbed and the French Usinor to form the largest steel mill in Europe under the name of Arcelor. In 2006 the merger with Mittal would arrive giving rise to the company ArcelorMittal.
Annual production	22,800 tonnes, 4.399.047 welded parts
Number of employees and contractors	<ol style="list-style-type: none"> 1. 89 employees. 2. 2 contractors on site. 3. Temporary agency staff: Between 8 and 12 depending on production.
Carbon reduction target	<p>ArcelorMittal's Climate Action is to be net zero by 2050 and in Europe the target is to reduce its CO2 emissions by 30% by 2030 over 2018.</p> <p>ArcelorMittal Europe's Climate Action objective is to transform the production of the 32 Mt ArcelorMittal produces in Europe and reach -35% Scope 1 & 2 CO2 emissions by 2030 across Europe. The roadmap features five groupings of actions and initiatives ('levers') that act as stepping stones to achieving carbon neutrality, i.e. net zero CO2 emissions, by 2050.</p>
Further environmental and social information	<p>ArcelorMittal: https://corporate.arcelormittal.com/sustainability</p> <p>ArcelorMittal Tailored Blanks Zaragoza S.L.: https://spain.arcelormittal.com/wp-content/uploads/memoria-anual-2021.pdf</p>

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 outlined in the Guidance on Stakeholder Engagement provided by ResponsibleSteel as well as the Introduction to ResponsibleSteel for stakeholders.

ArcelorMittal Tailored Blanks Zaragoza S.L. has identified the relevant stakeholders and their representatives in their areas of influence. 14 stakeholders were informed 3-4 weeks in advance of the visit and given the opportunity to participate in the audit process. Stakeholders were contacted by email on 1 occasion to encourage them to respond or provide input. Subsequently, for those stakeholders who expressed a desire for direct contact, contact was facilitated through TEAMS meetings, phone calls or face-to-face meetings. In total, 7 stakeholders have been contacted by email and 6 direct contacts have been made through interviews, by telephone, videoconference or face-to-face. The initial number of stakeholders was higher, but they have declined to participate in the audit process.

External stakeholders who were interviewed:

- Pedrola Town Council.
- Supplier (logistics, Marcotran)
- Recruitment agency (Adecco)
- Local communities (Representative of the regional automotive cluster).
- Civil society organisation (Zenon Altau Association).
- Academics (Siglo XXI Secondary School).

The stakeholders contacted and/or interviewed belong to different spheres of participation, including, suppliers, academics entities, civil society organisations, Local communities, local and government authorities.

ArcelorMittal Tailored Blanks Zaragoza S.L. has made a stakeholder proposal, which has been reviewed by the auditor. Other companies, suppliers are included as Stakeholders because they have an interest in the operational activities or share interests in the area of influence, such as legal compliance, supply chain co-operation, business forums, shared community projects, etc.

External stakeholders' perceptions of the centres and the way they manage their activities were mostly positive. Engagement and collaboration with the sites appear to be based on mutual understanding and respect. Stakeholders have a positive assessment, especially with regard to the dissemination of good business and operational practices as well as support to the demands and interests of the members of the Community, such as support for cultural or sporting activities, such as popular walks in the municipality of Pedrola and the

search for synergies in the socio-economic environment such as job fairs or the development of a greenhouse in Pedrola in collaboration with the Siglo XXI Institute. Stakeholders consider the stakeholder identification and complaint handling process to be effective.

No local community stakeholders have been identified as being at risk of being adversely affected by the site. This is evidenced by stakeholder interviews, employee interviews, site visit observation, telematic consultation of the authorities' platforms, review of press releases and press releases on local websites.

Employees constitute an important internal stakeholder group, as they are directly affected by the activities of the site. In addition to the staff who participated in the audit, a total of 15 interviews were conducted with employees. Some 8 interviews were conducted individually and 7 in groups. One of the individual interviews was conducted with a woman, the rest of the employees interviewed were men. 12 interviews were conducted with personnel employed by ArcelorMittal Tailored Blanks Zaragoza S.L., 2 with personnel from subcontractors and 1 with personnel of recruitment agency. 2 of the 12 interviews were conducted with employee representatives. Interviews were conducted with people from different areas, such as Workers' Committee, Finance, Logistics, Procurement, Production and Maintenance. Interviews were conducted with people at different levels of responsibility, from departmental managers, middle management and rank and file staff. Individual and group interviews were conducted following the sampling grid of the Responsible Steel Assurance manual.

The interviews showed that the plant effectively engages workers on health and safety issues and provides the necessary competence to perform the work safely. Labour rights are well respected in the plant, including commitments to equality and non-discrimination. In interviews with workers, they positively assessed health and safety conditions, flexible working hours, the accessibility to their requests/consultations from the social climate among all employees, the efficiency of the payroll process and the ability to reach agreements on the collective bargaining and confirmed compliance with the working conditions agreed in the collective bargaining agreement.

Summary of Audit Findings

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.

The performance of ArcelorMittal Tailored Blanks Zaragoza S.L. 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:

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	0	0	0	0
Criterion 1.2: Leadership and Accountability (5)	5	0	0	0	0
Principle 2. Social, Environmental and Governance Management Systems					
Criterion 2.1: Management System (6)	5	0	#1	0	0
Criterion 2.2: Responsible Sourcing (6)	5	0	#2	0	0
Criterion 2.3: Legal compliance and signatory obligations (6)	6	0	0	0	0
Criterion 2.4: Anti-Corruption and Transparency (8)	6	0	#3	0	1
Criterion 2.5: Competence and awareness (5)	5	0	0	0	0
Principle 3. Occupational Health and Safety					
Criterion 3.1: OH&S policy (6)	6	0	0	0	0
Criterion 3.2: Health and Safety (OH&S) management system (10)	10	0	0	0	0

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 3.3: Leadership and worker engagement on OH&S (10)	10	0	0	0	0
Criterion 3.4: Support and compensation for work-related injuries or illness (8)	7	0	0	0	1
Criterion 3.5: Safe and healthy workplaces (5)	4	0	0	0	1
Criterion 3.6: OH&S performance (2)	2	0	0	0	0
Criterion 3.7: Emergency preparedness and response (6)	6	0	0	0	0
Principle 4. Labour Rights					
Criterion 4.1: Child and juvenile labour (9)	9	0	0	0	0
Criterion 4.2: Forced or compulsory labour (7)	7	0	0	0	0
Criterion 4.3: Non-discrimination (9)	9	0	0	0	0
Criterion 4.4: Association & collective bargaining (12)	11	0	0	0	1
Criterion 4.5: Disciplinary practices (5)	5	0	0	0	0
Criterion 4.6: Hearing and addressing worker concerns (5)	5	0	0	0	0
Criterion 4.7: Communication of terms of employment (5)	5	0	0	0	0
Criterion 4.8: Remuneration (11)	7	0	0	0	4
Criterion 4.9: Working time (7)	7	0	0	0	0
Criterion 4.10: Worker well-being (2)	2	0	0	0	0
Principle 5. Human Rights					
Criterion 5.1: Human rights due diligence (5)	5	0	0	0	0
Criterion 5.2: Security practice (9)	1	0	0	0	8
Criterion 5.3: Conflict-affected and high-risk areas (5)	0	0	0	0	5
Principle 6. Stakeholder Engagement and Communication					
Criterion 6.1: Stakeholder engagement (10)	10	0	0	0	0
Criterion 6.2: Grievances and remediation of adverse impacts (12)	9	0	0	0	3
Criterion 6.3: Communicating to the public (7)	7	0	0	0	0
Principle 7. Local Communities					
Criterion 7.1: Commitment to local communities (8)	8	0	0	0	0

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 7.2: Free, Prior & Informed Consent (3)	0	0	0	0	3
Criterion 7.3: Cultural heritage (7)	4	0	0	0	3
Criterion 7.4: Displacement and Resettlement (9)	0	0	0	0	9
Principle 8. Climate Change and Greenhouse Gas Emissions					
Criterion 8.1: Corporate commitment to achieve the goals of the Paris Agreement (8)	8	0	0	0	0
Criterion 8.2: Corporate Climate-Related Financial Disclosure (2)	2	0	0	0	0
Criterion 8.3: Site-level GHG emissions measurement and intensity calculation (3)	1	0	#4	0	1
Criterion 8.4: Site-level GHG reduction targets and planning (11)	10	0	#5	0	0
Criterion 8.5: Site-level GHG or CO2 emissions reporting and disclosure (8)	1	0	#6, #7, #8, #9	0	3
Principle 9. Noise, Emissions, Effluents and Waste					
Criterion 9.1: Noise and vibration (7)	6	0	#10	0	0
Criterion 9.2: Emissions to air (8)	8	0	0	0	0
Criterion 9.3: Spills and leakage (9)	9	0	0	0	0
Criterion 9.4: Waste, by-product and production residue management (11)	10	1	0	0	0
Principle 10. Water Stewardship					
Criterion 10.1 Water-related context (7)	7	0	0	0	0
Criterion 10.2 Water balance and emissions (8)	5	1	#11	0	1
Criterion 10.3 Water-related adverse impact (6)	6	0	0	0	0
Criterion 10.4 Managing water issues (8)	7	1	0	0	0
Principle 11. Biodiversity					
Criterion 11.1: Biodiversity commitment and management (25)	18	0	0	0	7
Principle 12. Decommissioning and closure					
Criterion 12.1: Decommissioning and closure (13)	0	0	0	0	13
	Conform	OFI	Minor NC	Major NC	Exclusion

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Total (370)*	292	3	11	0	64

* 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

Applicable strengths have been identified. The main strengths identified by the auditors are summarised below:

1. Training on the code of conduct and corporate governance processes is conducted on a regular basis and for all persons. Deployment of policies and code of conduct to customers, suppliers and contractors. An on-boarding manual with sustainability information, code of conduct and compliance programme has been developed and deployed. (1.1.2.).
2. Leadership of the management team for the alignment of the organisation in the promotion and implementation of Rs requirements (1.2.5).
3. Consolidated management systems with a culture of health and safety, environmental protection and continuous improvement based on the WCM and EFQM programmes (2.1.2.)
4. Monitoring of supplier certifications and declarations of compliance with policies and code of conduct (2.2.2.).
5. Commitment to legal compliance, supported by organisational processes and recognised expert advice (2.3.1.).
6. There is a compliance process adapted to the organisation, which analyses and assesses the risks of the different functions, direct performance indicators are established and followed and specific training is given to all staff. No high or medium risks to manage have been identified and the audit confirms this (2.3.2).
7. Roles and job profiles have been clearly defined, analysing and managing the necessary training actions to reinforce people's competence (2.5.1.).
8. An on boarding manual with sustainability information, code of conduct and compliance information/training has been developed and implemented (2.5.3.).
9. In the interviews with workers, the priority given to health and safety by the organisation is evident, supported by the provision of information, resources and systems to promote its effectiveness and continuous improvement. There is evidence of investments to improve health and safety conditions (3.2.1).
10. Health and safety management system with specific and targeted risk assessments aimed at providing operational and practical information (3.2.2.).

11. Internal benchmarking of security incidents originating in other group companies, REX programme as a basis for lessons learned and dissemination (3.2.2.).
12. Information on health and safety standards and procedures to employees and subcontractors through information boards, posters and/or meetings. Reinforced through SharePoint as an internal tool for communication and information control (3.2.2.).
13. Suggestion campaigns to identify improvements, reduce risks and encourage employee engagement and involvement (3.2.2.).
14. Regular health and safety training for all persons, including new employees, contractors and employees of contracting agencies, e.g. the "Take Care Training" (TCT) programme and safety dilemmas (3.2.2.).
15. Specific programmes for the reduction of health and safety incidents and accidents. Among others the safety minute colloquiums, safety day, observation campaigns, FPA audits, etc...(3.2.2.).
16. The Health and Safety risk assessments carried out conclude that there are no intolerable or significant risks to health and safety, including psychosocial risks (3.3.1.).
17. It is evident that there have been no serious accidents for years (3.6.1.).
18. Employees value positively the social climate among all employees and the ability to reach agreements in collective bargaining (4.4.3.).
19. BLIPOL system for assessing workers' perception of working conditions (4.6.3.).
20. Employees value positively the flexible working hours, the accessibility to their demands/consultations by the responsible functions, the efficiency of the payroll process (4.6.3.).
21. Employees rate the efficiency of the payroll process positively (4.8.2.).
22. Employees value positively the flexible working hours allowed in the daily and weekly working hours (4.9.4.)
23. Healthy company management system to promote the health of employees (4.10.1.).
24. The human rights risk analysis evidences and concludes that there is a low risk in the operations (5.1.2.).
25. Various internal and external channels have been deployed for the communication of possible risks or breaches in the protection of human rights. During the time these communication processes have been in place, no complaints have been registered (5.1.4.).
26. Deployment of a Community Relations Committee to engage with stakeholders, who perceive and express greater transparency and commitment since its implementation (6.1.3.).
27. An effective stakeholder complaint handling process has been implemented. There is evidence of a lack of complaints in recent years (6.2.6.).
28. Stakeholders have a positive assessment, especially with regard to the dissemination of good business and operational practices as well as the support to the demands and interests of the members of the Community such as the support to cultural or sporting activities and the search for synergies in the socio-economic environment (7.1.3.).
29. Operational processes with low risk of emissions to air. Absence of incidents in recent years is evident (9.2.5.).

30. Development of a circular economy initiative for the recovery of wooden pallets supplied to customers in order to reduce the generation of wood waste (9.4.1.b).
31. Operational processes with low risk of spillage. Closed-loop system for water use. There is evidence of no incidents in recent years (10.4.4.).
32. A biodiversity risk analysis has been carried out which concludes that there is a low risk of impact on biodiversity in operations and processes (11.1.8).
33. Arcelor Forest" project to protect and enhance biodiversity (11.1.9.c.).

Areas for improvement

Minor non-conformities

During the audit, a few areas were identified that require the attention of the organisation. As a consequence, 11 minor non-conformities against requirements of the ResponsibleSteel Standard were raised. The sites are required to effectively address the non-conformities before the surveillance audit. The non-conformities are described below :

1- There is no plan for how to monitor and achieve compliance with all applicable requirements of the Responsible Steel standard after the initial audit. (2.1.2.b).

Responsibility for assessing compliance with the requirements of the ResponsibleSteel standard has been assigned in the initial self-assessment but there is no plan for how to monitor and achieve compliance with all applicable requirements of the ResponsibleSteel standard after the initial audit.

Evidence of non-compliance: The system or process for monitoring and achieving compliance with all applicable requirements of the ResponsibleSteel standard after the initial audit has not been defined.

2-The criteria for assessing suppliers with regard to their alignment with the commitment to responsible sourcing have not been defined (2.2.3).

Information has been obtained on suppliers' compliance with policies and code of conduct. This information is used to evaluate suppliers but no acceptance or de-approval criteria have been defined that consider the level of supplier performance.

Evidence of non-compliance: the evaluation of suppliers following the procedure P 06 02v24 Supplier selection, acceptance and evaluation has been carried out using the indicators and information on compliance with policies and code of conduct, but this procedure does not include an acceptance or non-recognition criterion on how to consider the supplier's performance level. It is also not included in the L001 List of Accepted Suppliers.

3-The public is not regularly informed about the total monetary value received by business associations, charities and think tanks that have received financial or in-kind contributions directly or indirectly

(2.4.6.). Community support initiatives are reported in the sustainability report, however the details of the total amounts of these initiatives are not mentioned. They are made public through the Community Relations Committee but this mechanism does not allow access to information to all Stakeholders.
Evidence of non-compliance: Sustainability Report 2021.

4- ArcelorMittal Tailored Blanks Zaragoza S.L. has not estimated the total GHG emissions (CO2 e) associated with materials imported to the site from outside its boundaries. (8.3.1.)

A process has been identified and GHG emissions have been assessed for direct (Scope 1) and indirect (Scope 2) emissions, but emissions associated with materials imported to the site from outside its boundaries (Scope 3) have not been assessed. At the corporate level, all emissions have been assessed.
Evidence of non-compliance: Evidence: There is no evidence of estimated total GHG emissions (CO2 e) associated with materials imported to the site from outside its boundaries.

5- ArcelorMittal Tailored Blanks Zaragoza S.L. has not communicated mid-term targets for net GHG emission reductions and GHG emissions associated with imported electricity (8.4.5.)

ArcelorMittal Tailored Blanks Zaragoza S.L. has not publicly communicated its GHG emissions reduction targets and emissions related to imported electricity. It is evident that emission reduction targets are communicated at the corporate level of the ArcelorMittal group.
Evidence of non-compliance: there is no evidence of public communication of GHG emission reduction targets and emissions related to imported electricity.

6- ArcelorMittal Tailored Blanks Zaragoza S.L. has not publicly communicated the estimated aggregate GHG emissions (CO2 e) for materials imported to the site from outside the site boundary, and an explanation of the basis for the estimate (8.5.1.a)

It is evident that estimated aggregate GHG emissions (CO2 e) for materials imported to the site from outside the site boundary, and an explanation of the basis for the estimate are communicated at the corporate level of the ArcelorMittal group.
Evidence of non-compliance: there is no evidence of public communication of the estimated aggregate GHG emissions (CO2 e) of materials imported into the plant from outside the plant boundary, nor an explanation of the basis for the estimate.

7- ArcelorMittal Tailored Blanks Zaragoza S.L. has not publicly reported the plant's total GHG emissions associated with the use of electricity imported into the plant (8.5.1.c)

It is clear that total GHG emissions associated with the use of imported electricity at the plants are reported at the ArcelorMittal group corporate level.
Evidence of non-compliance: there is no evidence of public communication of the plant's total GHG emissions associated with the use of electricity imported to the plant.

8- ArcelorMittal Tailored Blanks Zaragoza S.L. has not publicly reported total GHG emissions (CO2 e) or site CO2 calculated in accordance with the requirements of Criterion 8.3. (8.5.1.f)

It is evident that total GHG (CO2 e) or CO2 emissions from the site calculated in accordance with the requirements of Criterion 8.3 are communicated at ArcelorMittal group corporate level.

Evidence of non-compliance: there is no evidence of public communication of total GHG emissions (CO2 e) or site CO2 calculated in accordance with the requirements of Criterion 8.3.

9- ArcelorMittal Tailored Blanks Zaragoza S.L. has not publicly communicated the basis for measuring GHG emissions intensity, including an explanation of whether the reported emissions intensity figure includes or excludes GHG emissions associated with raw materials imported to the site from outside its boundaries (8.5.1.h)

ArcelorMittal Tailored Blanks Zaragoza S.L. in the sustainability report, the method for calculating emissions from the supply of materials has not been publicly communicated, only the method for scope 1 and 2 is communicated, but a description of the elements that are excluded from consideration is not described.

ArcelorMittal Group does publish the emissions calculation method for Scopes 1, 2 and 3.

Evidence of non-compliance: there is no evidence of public communication of the basis for measuring GHG emissions intensity, including an explanation of whether the reported figure for emissions intensity includes or excludes GHG emissions associated with raw materials imported to the site from outside its boundary.

10- ArcelorMittal Tailored Blanks Zaragoza S.L. has defined a noise control plan to comply with legislation. The last noise measurement carried out concludes that there is a legal non-compliance with the requirements of the regulations and the plan is not fulfilled (9.1.5.).

A noise measurement has been carried out which shows that in some areas the legally permitted level is exceeded by a few decibels with respect to the established legal limit and the noise control plan. The expected noise levels have not been reached and the control plan has not been modified as of the date of the audit. It is planned to clarify the results with the measuring company to determine the influence of background noise in order to be able to determine more precisely whether or not non-compliance exists.

Evidence of non-compliance: Noise measurement report of 8.6.2022.

11- Water consumption has been calculated and the amount of discharges is monitored, but a water balance has not been formalised and the efficiency of water use calculated (10.2.2.).

Data on water consumption is available and there is evidence of the control of discharges, but a water balance has not been carried out and recorded in order to determine the efficiency of water use.

Evidence of non-compliance: The environmental monitoring records do not show the water balance or the efficiency of water use.

Opportunities for improvement:

Apart from the 11 minor non-conformities, ArcelorMittal Tailored Blanks Zaragoza S.L. complies with all requirements of the ResponsibleSteel standard. However, the auditor has identified 3 requirements that the sites can improve. These are recommendations to ArcelorMittal Tailored Blanks Zaragoza S.L. rather than non-conformities and can be found in the tables below.

Exclusions

Exclusions

2.4.4. According to Transparency International's Corruption Perceptions Index 2022, Spain ranks 35th out of 180 countries, with a score of 60 out of a maximum of 100 (the highest ranked country is 90th). Therefore, Spain cannot be considered a high-risk country for corruption.

3.4.2. In Spain, compensation for accidents at work, sickness or death is provided through a government scheme (Seguridad Social) and is set out in chapter 4 of the collective agreement published in the official gazette of Aragon.

3.5.3. The requirement is not applicable since there is no on-site housing for workers.

4.4.2. Spanish law does not restrict workers' organisations. Legislation in Spain obliges to allow workers' freedom of association, without interference, opposition, discrimination, reprisals or harassment. discrimination in labour relations (Workers Statute).

4.8.5. There are no on-site shops.

4.8.6. Accommodation is not provided by the site.

4.8.7. At the request of the workers' representatives, ArcelorMittal Tailored Blanks Zaragoza SL commits and evidences to introduce a living wage for its workers. This commitment is based on compliance with the Spanish regulations defining the minimum wage and is included in the agreement with the workers. Spanish National legislation establishes a decent minimum wage. Since 2018, the mandatory minimum wage in Spain has gone from €735.9 to €1,000 in 2022, in 14 payments, which means a minimum wage of €1,166.7 in 12 payments. Spain is at a similar level to other European countries in terms of the relationship between the minimum wage and the cost of living.

5.2.2. and 5.2.3. Based on the site visits and interviews with stakeholders and employees, it is evident that ArcelorMittal Tailored Blanks Zaragoza SL does not have security personnel at its facilities in Pedrola.

5.3.1. and 5.3.2. ArcelorMittal Tailored Blanks Zaragoza SL operates in Spain, in Zaragoza. ArcelorMittal Tailored Blanks Zaragoza SL receives raw materials from other plants of ArcelorMittal of Spain, France and Germany. Spain, France and Germany are not considered areas of high risk of conflict.

6.2.4 and 6.2.5. ArcelorMittal Tailored Blanks Zaragoza SL provides evidence that no concerns have been raised that it has caused or contributed to adverse human rights impacts, community health or safety, and therefore no remediation has been necessary.

7.2.1., 7.2.2. and 7.2.3. There are no indigenous peoples in the area of influence of the sites.

7.3.3., 7.3.4., 7.3.5. There are no sites or cultural heritage values in the area of influence of the sites.

ArcelorMittal Tailored Blanks Zaragoza SL has implemented the documented procedure to consult with stakeholders, including the Local Community and the Local Authority, and identify and address cultural heritage sites and values within its area of influence. The conclusion is that there is no cultural heritage within the ArcelorMittal Tailored Blanks Zaragoza SL area of influence.

7.4.1., 7.4.2., 7.4.3., 7.4.4., 7.4.5., 7.4.6., 7.4.7. No displacement or resettlement of communities caused by the sites has taken place nor is planned.

8.3.3. ArcelorMittal Tailored Blanks Zaragoza SL does not produce crude steel.

8.5.1.b) and 8.5.1.g) ArcelorMittal Tailored Blanks Zaragoza SL has no GHG emissions (CO2 e) from heat and steam imported to the site from outside the site boundary.

8.5.1.e). Neither ArcelorMittal nor ArcelorMittal Tailored Blanks Zaragoza SL have CO2 or GHG emissions (CO2 e) that are considered "credit emissions" for their sites.

10.2.4. There are applicable regulatory standards in Spain and in the ArcelorMittal Tailored Blanks Zaragoza SL area of influence.

11.1.2.c) There are no indigenous peoples in the area of influence of the site.

11.1.3.c) and 11.1.4. ArcelorMittal Tailored Blanks Zaragoza SL do not convert or degrade any natural or critical habitats.

11.1.6. There are no World Heritage sites, Ramsar sites or officially protected areas in, around or adjacent to the area of activity of ArcelorMittal Tailored Blanks Zaragoza SL.

11.1.11 ArcelorMittal Tailored Blanks Zaragoza SL has not been subject to controversy in relation to biodiversity.

12. 1. No site decommissioning or closure have been announced within the scope of ArcelorMittal Tailored Blanks Zaragoza SL

Assurance Panel Declaration

In line with the ResponsibleSteel Assurance Manual, three members of the Assurance Panel reviewed the full audit report for ArcelorMittal Tailored Blanks Zaragoza S.L., 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 Tailored Blanks Zaragoza S.L.

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 21 June 2023.

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