ArcelorMittal

Société Anonyme

24-26, boulevard d'Avranches, L-1160 Luxembourg
Grand-Duchy of Luxembourg

R.C.S. Luxembourg B 82.454
(the "Company")

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

(The "General Meeting")

HELD ON TUESDAY APRIL 30, 2024, from 3:00 PM (CET)

at the Company's offices at
24-26, boulevard d'Avranches, L-1160 Luxembourg, Grand-Duchy of Luxembourg

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The director of ArcelorMittal, Mr. Michel Wurth, who presided the meeting, welcomed the shareholders to the General Meeting of ArcelorMittal.

Mr. Michel Wurth announced that the following persons had taken place on the podium: Mr. Henk Scheffer, Company Secretary, Mrs. Stephanie Werner-Dietz, Head of Human Resources, Mr. Brad Davey, Head of Corporate Business Optimisation, Mr. Genuino Christino, CFO, and Mrs. Karyn Ovelmen, Lead Independent Directors and chair of the Appointment, Remuneration and Corporate Governance Committee.

The Chairman of the General Meeting pointed out the presence of the following members of the Board in the first row of the audience: Mrs. Clarissa Lins, Mrs. Patricia Barbizet, Mr. Karel de Gucht, Mr. Tye Burt, and Mr. Etienne Schneider.

Mr. Olivier Lemaire and Mr. Emmanuel Mareschal from Ernst & Young, ArcelorMittal's independent auditor, who had examined the 2023 financial statements submitted to the General Meeting for approval, were also present.

Mr. Wurth suggested appointing Mr. Etienne Schneider and Mrs. Clarissa Lins as scrutineers and Mr. Henk Scheffer as Secretary of the meeting, to which proposal there was no objections from the shareholders present, so that the scrutineers and the Secretary were appointed.

Mr. Scheffer drew the attention of the attendees to the fact that shareholders must own at least one share of ArcelorMittal as of the record date to attend the General Meeting and that they must have followed the procedures described in the convening notice published on 29 March 2024.

The Chairman of the General Meeting drew attention of the shareholder to the fact that they had to own at least one share of ArcelorMittal as of the record date to attend the General Meeting. Mr. Wurth requested then the Secretary to explain technical points about the General Meeting. After indicating the emergency exits, the Secretary explained that the processing and counting of votes would be conducted by an external service provider, LUMI. He underlined that the General Meeting would validly deliberate on the resolutions regardless of the number of shareholders present and the number of shares represented, and that the resolutions on the agenda would be adopted by a simple majority of the votes validly cast by the shareholders present or represented.

The documents and information required by law had been sent or made available to the shareholders in a timely manner. The convening notice for this General Meeting had been published on 29 March 2024 in Luxembourger Tageblatt, a Luxemburg local newspaper, and in the Luxembourg official gazette RESA as well as on the Company's website, www.arcelormittal.com. Copies of these publications could be consulted at the registration table.

Thereafter, the Chairman of the General Meeting confirmed that the General Meeting had been convened in accordance with Luxembourg law, was validly constituted and could validly deliberate and resolve on all Agenda items.

The Chairman of the General Meeting pointed to the Agenda of the General Meeting.

The Secretary drew attention to the special cards that the shareholders had received on which the shareholders could write questions, if they wished to raise any question during the Questions & Answers sessions. He also underlined that only the shareholders present in person or proxy holders were entitled to ask questions, that the written questions should be given to ArcelorMittal staff circulating in the meeting room and that the questions from the shareholders would be answered following the presentation of the 2023 accounts.

<u>Presentation of 2023 results</u>

Mr. Michel Wurth together with Mr. Genuino Christino and Mr. Brad Davey presented the 2023 results of ArcelorMittal and made specific highlights on the Company's operations and strategy, as attached hereto as Annex A.

The Chairman of the Genera Meeting expressed a huge appreciation for ArcelorMittal member of the Board of directors Tye Burt. The Chairman of the General Meeting reminded he was going to retire after 12 years on ArcelorMittal Board. He thanked Mr. Tye Burt on behalf of the Board and the Company for his efforts, his wisdom, and his contribution to the success of the Company.

The Chairman asked the Secretary to start with the Question & Answers session.

<u>Questions & Answers ("Q&A") session</u>

The Secretary then introduced the Q&A session explaining that answers to written questions submitted to the Company would be answered on the Company's website.

He also explained that to speak, the attendees were required to signal to ArcelorMittal staff walking in the meeting room who had microphones. He recommended the attendees, before asking question, to introduce themselves. The Secretary drew attention of shareholders to the fact that the speaking time was limited to 2 minutes per shareholder and that only questions directly related to an Agenda item could be answered.

A summary of the Q&A raised before the General Meeting as well as those received during the General Meeting is attached hereto in Annex B.

<u>Vote</u>

The Chairman of the General Meeting then closed the Q&A session and stated that, according to the attendance list that had been communicated to him, the shareholders present or represented at today's Annual General Meeting own a total of 625,787,309 shares, representing 78.47% of the voting right.

The Chairman of the General Meeting then announced that he would submit the proposed resolutions related to the Annual General Meeting (AGM resolutions 1 to 12).

He asked the Secretary to inform the shareholders about the procedure to be followed for the voting process.

The Secretary explained that the shareholders would vote on each of the resolutions by using an electronic voting device that had been handed to the shareholders upon registration. In addition, he detailed the functioning of the electronic voting device to the shareholders.

The shareholders voted on the resolutions after the reading aloud of each resolution.

AGM RESOLUTIONS

1. Presentation of the management report of the board of directors of the Company (the "Board of Directors") and the reports of the independent auditor on the financial statements of the Company (the "Parent Company Financial Statements") and the consolidated financial statements of the ArcelorMittal group (the "Consolidated Financial Statements") for the financial year 2023 in each case prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union

No vote was required on this item.

2. Approval of the Consolidated Financial Statements for the financial year 2023

Resolution I

The General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent auditor, approves the Consolidated Financial Statements for the financial year 2023 in their entirety, showing a consolidated net income of USD 1,022 million.

The resolution was approved with 99.90% of the votes casts 'for' and 0.10% 'against.'

3. Approval of the Parent Company Financial Statements for the financial year 2023

Resolution II

The Annual General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent auditor, approves the Parent Company Financial Statements for the financial year 2023 in their entirety, showing a net loss of USD 8,373 million for the Company as parent company of the ArcelorMittal group, as compared to the consolidated net income of USD 1,022 million, in both cases established in accordance with IFRS as adopted by the European Union.

The resolution was approved with 99.90% of the votes casts 'for' and 0.10% 'against.'

4. Allocation of results and determination of the dividend and the remuneration of the members of the Board of Directors in relation to the financial year 2023

Resolution III

The Annual General Meeting acknowledges the net loss of USD 8,373 million and that no allocation to the legal reserve or to the reserve for treasury shares is required.
On this basis the Annual General Meeting, upon the proposal of the Board of Directors, decides to pay a dividend out of the distributable results consisting in profit brought forward and profit for the year.
The Annual General Meeting acknowledges that a dividend of USD 0.50 (gross) per share will be paid in two equal instalments on 12 June and on 4 December 2024.
The Annual General Meeting, upon the proposal of the Board of Directors, sets the amount of total remuneration for the Board of Directors in relation to the financial year 2024 at EUR 1,499,543 (USD 1,656,995)[1].

The resolution was approved with 99.94% of the votes casts 'for' and 0.06% 'against.'

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[1] These figures and those set out in Resolution VI are based on the EUR/USD exchange rate of EUR 1 = USD 1.105 on 31 December 2023.

Resolution IV

Considering Resolution III above, the Annual General Meeting, upon the proposal of the Board of Directors, decides to allocate the results of the Company based on the Parent Company Financial Statements for the financial year 2023 as follows:

Net loss for the year	USD 8,373,303,066
Profit brought forward (Report à nouveau)	USD 31,138,571,996
Results to be allocated and distributed	USD 22,765,268,930
Allocation to the legal reserve	--
Directors' remuneration for the financial year 2023 (as per Resolution III, above)	USD 1,656,995[2]
Dividend of USD 0.50 (gross) per share relating to the financial year 2023[3]	USD 409,635,878
Profit carried forward	USD 22,353,976,057

The resolution was approved with 99.85% of the votes casts 'for' and 0.15% 'against.'

5. Resolutions concerning the Remuneration Report for the year 2023

Resolution V

The Annual General Meeting decides by an advisory vote to approve the Remuneration Report of the Company for 2023.

The resolution was approved with 98.06% of the votes casts 'for' and 1.94% 'against.'

Resolution VI

Based on Resolution III, the Annual General Meeting decides to allocate the amount of total remuneration for the Board of Directors in relation to the financial year 2023 at 1,499,543 (USD 1,656,995).

The resolution was approved with 99.46% of the votes casts 'for' and 0.54 % 'against.'

6. Discharge of the members of the Board of Directors

Resolution VII

The General Meeting decides to grant discharge to the members of the Board of Directors in relation to the financial year 2024.

The resolution was approved with 89.90% of the votes casts 'for' and 10.10% 'against.'

7. Election of members of the Board of Directors

Resolution VIII

[2] For full details about payments to Board of Directors members including Executive Chairman and Chief Executive Officer (who are not remunerated as directors) please refer yourself to page 5 of the Remuneration Report for 2023.

[3] Based on 819,271,756 shares in issue on 31 December 2023 net of treasury shares held by the Company. Dividends will be paid in two equal instalments on 12 June and on 4 December 2024, resulting in a total annualized cash dividend per share of USD 0.50.

The General Meeting re-elects Mrs. Karyn Ovelmen as director of ArcelorMittal for a three-year mandate that will automatically expire on the date of the annual general meeting of shareholders to be held in 2027.

The resolution was approved with 92.47% of the votes casts 'for' and 7.53% 'against.'

Resolution IX

The General Meeting re-elects Mrs. Clarissa Lins as director of ArcelorMittal for a three-year mandate that will automatically expire on the date of the annual general meeting of shareholders to be held in 2027.

The resolution was approved with 88.02% of the votes casts 'for' and 11.98% 'against.'

8. Renewal of the authorisation of the Board of Directors of the Company and of the corporate bodies of other companies in the ArcelorMittal group to acquire shares in the Company

Resolution X

The General Meeting decides to authorise, effective immediately after this General Meeting, the Board of Directors, with the option to delegate, and the corporate bodies of the other companies in the ArcelorMittal group, to acquire and sell shares in the Company in accordance with the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "Law") and any other applicable laws and regulations, including but not limited to entering into off-market and over-the-counter transactions and to acquire shares in the Company through derivative financial instruments as well as to enter into cash-settled derivative financial instruments to mitigate volatility in the per share prices paid to acquire shares in the Company.

The present authorisation is valid until the end of the 2027 AGM or until the date of its renewal by a resolution of the general meeting of shareholders if such renewal date is prior to the 2027 AGM.

The Company may not repurchase shares amounting to more than 10% of its issued share capital at the date hereof (being 85,280,977 shares). Treasury shares can be cancelled from time to time by the Company in accordance with the authorisation granted to the Board of Directors by the 2023 EGM.

The maximum number of own shares that the Company may hold at any time directly or indirectly may not have the effect of reducing its net assets ("actif net") below the amount mentioned in paragraphs 1 and 2 of Article 461-2 of the Law.

The purchase price per share to be paid shall not exceed 110% of the average of the final listing prices of the thirty (30) trading days preceding the three (3) trading days prior to each date of repurchase and shall not be less than one euro cent.

The final listing prices are those on the New York Stock Exchange, Euronext markets on which the Company's shares are listed or the Luxembourg Stock Exchange, depending on the market on which the repurchases are made.

For off-market transactions, the maximum purchase price shall be 110% of the reference price on the New York Stock Exchange (in case of purchase in USD) or the Euronext markets (in case of purchase in EUR) on which the Company's shares are listed. The reference price will be deemed to be the average of the final listing prices per share on these markets during thirty (30) consecutive days on which these markets are open for trading preceding the three (3) trading days prior to the date of purchase.

For the avoidance of doubt, price restrictions set out in the immediately preceding paragraphs do not apply to cash settled derivative financial instruments entered into to mitigate volatility in the per share prices paid to acquire shares in the Company.

In the event of a share capital increase by incorporation of reserves or issue premiums and the free allotment of shares as well as in the event of the division or regrouping of the shares, the purchase price indicated above shall be adjusted by a multiplying coefficient equal to the ratio between the number of shares comprising the issued share capital prior to the transaction and such number following the transaction.

All powers are granted to the Board of Directors, with the power to delegate, to ensure the implementation of this authorisation

The resolution was approved with 98.64% of the votes casts 'for' and 1.36% 'against.'

9. Appointment of an independent auditor in relation to to (i) the Parent Company Financial Statements and the Consolidated Financial Statements for the financial year 2024 and (ii) the assurance opinion on the sustainability reporting to be included in the management report of the Board of Directors for the financial year 2024 if and as required.

Resolution XI

The General Meeting decides to (i) reappoint Ernst & Young, société anonyme, with registered office at 35E, Avenue John F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg ("E&Y"), as independent auditor to perform the independent audit of the Parent Company Financial Statements and the Consolidated Financial Statements regarding the financial year 2024 and (ii) appoint E&Y to provide the assurance opinion on the sustainability reporting to be included in the management report of the Board of Directors for the financial year 2024 if and as required.

The resolution was approved with 94.92% of the votes casts 'for' and 5.08 % 'against.'

10. Authorisation of grants of share-based incentives

Resolution XII

The General Meeting acknowledges the above background information provided about the Executive Office PSU Plan and other retention-based grants and authorises the Board of Directors:
(a) to allocate up to five million five hundred thousand (5,500,000) of the Company's fully paid-up ordinary shares under the 2024 Cap, which may be either newly issued shares or shares held in treasury, such authorisation to be valid from the date of the Annual General Meeting until the 2025 AGM,
(b) to adopt any rules or measures to implement the Executive Office PSU Plan and other retention-based grants below the level of the Executive Office that the Board of Directors may at its discretion consider appropriate,
(c) to decide and implement any increase of the 2024 Cap by the additional number of shares of the Company necessary to preserve the rights of the grantees of Executive Office PSU Plan and other retention-based grants below the level of the Executive Office in the event of a transaction impacting the Company's share capital, and
(d) to do or cause to be done all such further acts and things as the Board of Directors may determine to be necessary or advisable to implement the content and purpose of this resolution.

The resolution was approved with 99.99% of the votes casts 'for' and 0.01% 'against.'

<u>CLOSING OF THE MEETING</u>

The Chairman of the General Meeting thanked the shareholders for their participation at the General Meeting and expressed his wish to see them again at the Company's next annual general meeting of shareholders.

He proceeded to close the General Meeting.

Signed by:

Michel Wurth (Chairman of the General Meeting) *Henk Scheffer (Secretary)*

Etienne Schneider (Scrutineer) *Clarissa Lins (Scrutineer)*

ANNEX A

SLIDES FROM THE AGM

Annex A

ArcelorMittal – Annual General Meeting

30 April 2024

ArcelorMittal and Vestas are partnering to produce low carbon-emissions steel which will be used in the production of wind turbine towers.

2023 another year of strategic progress

Key 12M'23 figures:

- $8.7bn EBITDA[1]
- $2.9bn FCF
- Steel shipment 55.6Mt
- $4.9bn adjusted net income[2]
- $5.78 adjusted EPS[2]
- $66/sh book value
- $299mn investment in R&D
- Recommended increase in base dividend to $0.50/share[3]

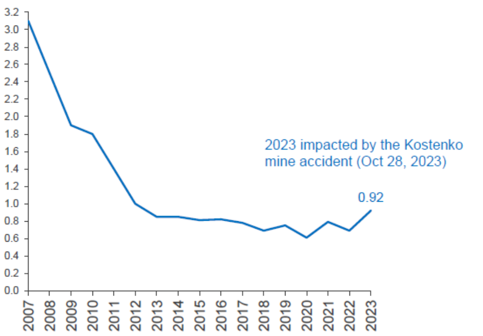
- **Mobilizing the organization to deliver zero accidents**: Launch of a Group-wide external audit of our health and safety practices and processes supporting an internal health and safety review
- **Increasing demand for low carbon emissions steel**: Sales of our XCarb® products, which can have a carbon footprint of as low as 300kgCO2/t reached 229,000 tonnes in 2023 and set for significant growth
- **Ongoing progress with decarbonization**. Our major projects are moving through FEED[4]. At the same time, we have been investing to increase our access to scrap and renewables.
- **Gender diversity continues to increase**: 40% of women on the Board (vs. 30%) and 17% in leadership positions (vs. 16%)
- **Growth ahead of us:** Major projects coming online in 2024 (e.g. 1GW renewables in India & the new Electric Arc Furnace in AM/NS Calvert) which are expected to support an estimated $1.8bn additional Ebitda by the end of 2026

1. As announced with ArcelorMittal's 4Q23 financial results, the Company has amended its presentation of reportable segments and EBITDA. Effective from 1.1.2024 EBITDA is defined as operating result plus depreciation, impairment items and exceptional items and result from associates, JVs and other investments (excluding impairments and exceptional items if any)
2. Impairment charge for 12M 2023 amounted to $0.1bn, relating to the Long business of ArcelorMittal South Africa; following the sale of the Company's Kazakhstan operations, on December 7, 2023, the Company recorded a $0.9bn non-cash impairment charge (including $0.2bn goodwill), and recorded $1.5bn cumulative translation losses (previously recorded against equity) through the P&L and an impairment of associates, JVs and other investments related to the Company's investment in Acciaierie d'Italia (ADI); 3 subject to the approval of shareholders at the 2024 AGM). 4. front-end engineering design (FEED) stage

Determined to reach zero harm: 3rd party group-wide safety audit commenced

- **Company-wide audit of safety practices by dss+ launched.** Key recommendations to be published in September 2024. The audit will cover:
  - Comprehensive Fatality Prevention Standards (FPS) audit for the 3 main occupational risks (crushed by vehicle, crushed by moving machinery & fall from height) leading to serious injuries and fatalities
  - Expert input into the CTO-led process risk management safety system that will include audits of its highest priority countries and assets (including strategic JVs)
  - Assessment of all health and safety systems, processes, structures, capabilities; governance and assurance processes
- **2023 Health & Safety results**:
  - LTIFR[1] of 0.92 for FY 2023 → Performance in 2023 was severely impacted by the tragic Kostenko mine accident on October 28, 2023

Group lost time injuries frequency rate[1]

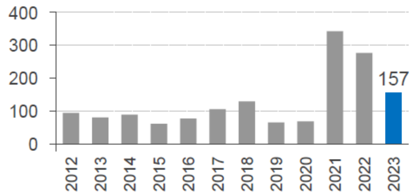


1. LTIFR = Lost time injury frequency rate defined as Lost Time Injuries (LTI) per 1,000,000 worked hours (own personnel and contractors); A LTI is an incident that causes an injury that prevents the person from returning to his/her next scheduled shift or work period

ArcelorMittal results reflecting structural improvement

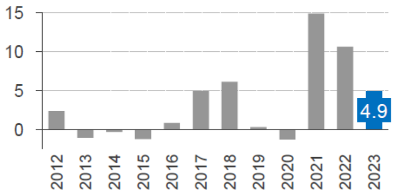
Despite the weak economic backdrop, and specific challenges faced by the Europe and ACIS operations in 2H'23, the Group profitability is higher than historical average levels, demonstrating the benefits of our strengthened asset portfolio in recent periods

EBITDA($/t)[1]



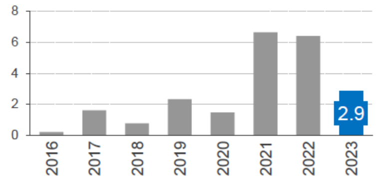
- Strengthened asset portfolio and improvements made to the cost base supporting higher per ton profitability
- 2023 EBITDA/t is above average levels achieved in the 2012-2022 period, despite the macro environment and company-specific challenges

Adjusted net income[2] ($bn)



- Adjusted net income and ROE structurally improved
- 2023 adjusted net income more than 1.5x the average levels achieved since 2012-2022
- This reflects the growing contribution from JVs and the lower cost balance sheet

Free cash flow ($bn)



- FCF in 2023 of $2.9bn
- Consistent positive FCF since 2016

1. This figure includes income from share of associates, JVs and other investments (excluding impairments and exceptional items if any, of associates, JVs and other investments) which are included in EBITDA; 2. Adjusted net income excluding exceptional items, impact on disposal of Kazakhstan operations, impairment charges and impairments of associates, JVs and other investments

ArcelorMittal

Leveraging strengths to lead the market in low-emissions steel solutions

Strengths & advantages:
- Existing EAF footprint → 36 EAFs in the group (including JVs)
- Existing DRI capabilities → we are the world's largest DRI producer
- Innovation → R&D capabilities supporting "smart carbon" steel making technologies; announced plans to build industrial-scale direct electrolysis plant (Volteron™)
- Diverse operations → unique scale provides access to options and opportunities

Securing resources:
- 1700MW renewable energy projects; Argentina (130MW), India (1GW; completion 1H'24) and Brazil (554MW; completion 2025)
- Three scrap recycling businesses acquired in UK/Europe with combined collection capacity of ~1.0Mt
- Accessing high quality DRI through acquisition of Texas HBI and organic investments (Canada DRI pellet conversion project, Serra Azul pellet feed)

A strong market presence:
- XCarb® products gaining an established market presence
- Our range of low-carbon emissions solutions is being adopted by customers across many end use segments. Most recent examples include
  - Vestas: XCarb® recycled and renewably produced heavy plate steel to an offshore wind farm, Poland
  - Schneider Electric: XCarb® recycled and renewably produced steel for its electrical cabinets and enclosures

Decarbonization projects progressing:
- **DRI/ EAF projects** across Europe and Canada progressing through FEED:
  - Contract signed with industrial engineering company for the new EAF in Gijon (Spain);
  - Letter of Intent signed with EDF for long-term supply of low-carbon electricity to support our project at Dunkirk (France); subject to final approvals of DRI/EAF projects
- **Carbon Capture and Usage, Ghent:** 1st industrial production of ethanol and bio-coal (from waste-wood) successfully used in the blast furnace

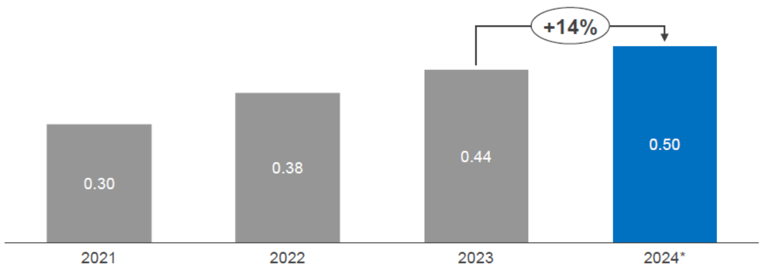
A capital efficient strategy focussed on cost position, ensuring long-term competitiveness and an acceptable return on the capital to be invested

Base dividend growing with structural profitability

- Having achieved its balance sheet targets, ArcelorMittal has adopted a prudent and flexible capital allocation and return policy
- Fixed component: Conservative base dividend to be progressively increased over time as profitability structurally increases
- Variable component: Minimum 50% of post-dividend free cash flow returned to shareholders (balance retained as strategic capital)

Base dividend per share $/sh

2023 dividend increase reflects the portfolio change including the addition of ArcelorMittal Pecem (Brazil)



* Subject to shareholder approval at the AGM in April 2024

Consistent buy backs: One third of shareholder equity repurchased since Sept 2020

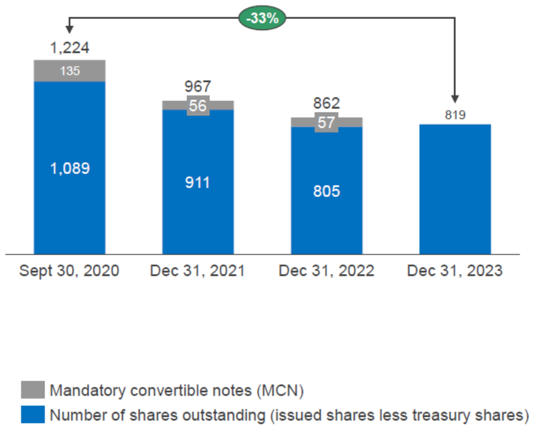
Balanced capital return policy: minimum 50% of post-dividend annual FCF is returned through buybacks

12M'23 FCF of $2.9bn → $0.4bn dividends paid and $1.2bn returned through buybacks

Ongoing buybacks: Company has repurchased 45.4m shares during 12M'23 (48.8m as of 28 March 2024) including 26.3m from the current 85m share buy back program

Consistent returns: 33% reduction in the number of fully diluted shares outstanding since Sept 30, 2020, at average price of €24.38

Diluted no. of shares (outstanding* & MCN) (millions)



* Issued shares less treasury shares. MCN 57m equivalent shares is considering the $608 million aggregate principal amount of the MCNs that remained outstanding as of December 31, 2022, divided by the maximum conversion price of $10.64 per share (post June 2022 dividend)

Smarter steels for people and planet

Deliver long-term strategic growth in attractive markets and attractive parts of the steel value chain

- On the cusp of a period of enhanced and sustainable growth in profitability
- Investing in high-return projects to drive additional $1.8bn higher normalized EBITDA
- Several projects to be commissioned/start production in 2024

+

Strengthen our world-class auto franchise

- Leaders in attractive automotive market in core markets
- Delivering advanced solutions to customers (e.g. Usibor®)
- Significant opportunity to grow in electrical steels (e.g new electrical steel project Mardyck)

+

Achieve competitive decarbonization

- Driving decarbonization globally
- Decarbonization technology choices to maximize our competitive advantage, and deliver best return on investment
- XCarb® set to significantly grow sales

+

Invest selectively in the decarbonization value chain

- Securing resources (e.g. renewables) and metallics (e.g. scrap & DRI) to support low carbon steel making
- Delivering returns as standalone investments

Continue to be the world's leading steel and mining business

ANNEX B

Questions and Answers session (April 30, 2024 General Meetings)

Below is a summary of the questions and answers raised before the General Meetings

AGM Questions from Investors

Questions have been received from the following groups of investors:

1. Climate Action 100+ (Aegon Investment Management BV & Nordea Asset Management)
2. PhiTrust
3. French SIF
4. Fair Steel Coalition
5. Individual

Climate Action 100+ (Aegon Investment Management BV & Nordea Asset Management)

1) **On the back of inflation, improved pricing power among suppliers and revised capital allocation directed towards reducing emissions among its competitors (e.g. Voestalpine, Salzagitter, SSAB), could the Board provide the rationale for revising, or not revising, its 2021 planned capital allocation directed toward carbon emissions reduction? Could ArcelorMittal commit to performing a cost sensitivity analysis as to the preferred pathway, accounting for the planned phase- out of EU ETS free allowances and the possible implications on free cash flow?**
2) **Further to the above, could the Board provide additional comments on whether it believes the US$10bn (gross) capital allocation is sufficient to build 5 Direct Reduced Iron facilities and 10 Electric Arc Furnaces in Europe by 2030, while retiring the equivalent BF- BOF assets, taking into account the planned phase-out of EU ETS free allowances and the possible implications on free cash flow and, disclose any additional factors which may delay or prevent this transition?**

The Company is not immune to inflation like many of its peers.

We are currently in the front-end engineering and design phase of several of our decarbonization projects for both DRI-EAF and CCS technologies, which will be completed by the end of this year.

While engineering is ongoing, the Company is continuing discussions with host governments over energy cost and availability, which is critical to ensure these projects are sustainable long- term. Recently, the Company signed a Letter of Intent with EDF for a long-term agreement to supply low-carbon emissions power for our key French operations.

We are conscious of the need to decarbonize and the responsibility we have to do so. We are also focused on ensuring we do this in a competitive way that enables us to create value as well as reduce emissions. We believe we are helped in this aim by the global nature of our footprint.

We understand our stakeholders are looking for more clarity and that our last climate action report was published in 2021. We are currently working on an updated climate action report and it is our intention to publish this by the end of this year.

That will address several of the questions you are asking and we believe that is the right place to do so. In reality, there is not one cost per technology as decabonisation of our assets can depend significantly on the specific location (e.g. energy costs, policy support and carbon taxes).

However, it is not our intention to revise the expected cost upwards and the focus is to remain within the $10bn budget that has been announced and to achieve the same carbon emissions reduction target. What we can say is that we are evaluating different ways in which this target can be achieved.

3) **With respect to the short and long term carbon emissions targets, could the Board kindly (a) explain the key performance indicators it relies upon, and the frequency thereof, to measure progress and/or address risks regarding its transition and (b) elaborate on the Board's thoughts on capital allocation, in terms of committing additional capital to carbon reduction efforts (versus returning cash to shareholders, investing in research and development or, acquiring businesses in whole or part) for long-term shareholder returns?**

The focus on the Board is on the 2030 target and the relevant decarbonization projects. These projects are discussed on a quarterly basis and in adhoc meetings in between by the Board.

The primary KPI that is reviewed is carbon intensity on scope 1 and 2 which is computed taking all the production sites annually and disclosed in our annual report. Estimations are also performed quarterly and reviewed by the Board.

At the same time, the Board reviews the decarbonization projects to assess whether they are maximising the competitive advantage and deliver an acceptable rate of return. NPV and IRR are the main investment criteria. In addition, to take into account key uncertainties such as CO2 prices, energy and green H2 prices, the Company complements this analysis by using risk adjusted return techniques in which instead of using a single assumption, the Company simulates returns by defining a range of values and probability distribution.

The combination of both the decarbonization KPIs and financial KPIs enables the Board to assess the projects against the Company's overall strategy to achieve competitive decarbonization.

The Board believes that the Company has a balanced capital allocation policy, including a clearly defined capital return policy. The Company expects to pay a base annual dividend (to be progressively increased over time); in addition, a minimum of 50% of the amount of free cash flow (calculated as net cash provided by operating activities less purchases of property, plant and equipment and intangibles ("capital expenditures") less dividends paid to non- controlling shareholders) remaining after paying the base dividend is allocated to a share buyback program.

At the same time as paying dividends and share buybacks, the Company has been able to invest in the Company's consolidated assets and also in the JVs, notably in India and the US. In 2023, the Company invested US$1.4bn out of a total US$4.6bn capital expenditure in strategic growth initiatives. These include a renewable project in India, an Electric Arc Furnace in Calvert (JV with Nippon Steel) and an Electrical steels project in France used for Electric Vehicles. This year there will be a further investment of approximately the same, e.g. $1.4bn out of an expected total capital expenditure of $4.5 – $5.0bn. These growth projects are expected to support an estimated additional $1.8bn to Ebitda by the end of 2026. All of our investments must meet or an IRR of 15%.

The Company also has an active R&D team where the Company has consistently spent between $250 - $300mn. The R&D team has launched 24 products and solutions to support sustainable construction, infrastructure, and energy generation, while also progressing further on 16 such product development programmes. At the same time, the R&D team has been developing new tools and techniques to reduce and mitigate the Company's environmental impacts.

4) **Will the Board commit to preparing and releasing both an updated Climate Action report and a Climate Lobbying report well in advance of the 2025 AGM?**

The Company is in the process of writing a Climate Action Report 3 and as was highlighted in the Integrated Annual Report, the current intention is that it will be published by the end of this year.

<u>Phitrust</u>

1) **To date, your company has not committed to using the nature reporting framework promoted by the TNFD – Taskforce for Nature- related Financial Disclosure. Faced with the rapid erosion of biodiversity, we want to encourage the adoption of best practices in transparency so that companies report on their impacts, dependencies, risks and opportunities related to nature. Could you give the reasons why your company has not signed up to this reporting framework, and could you make a commitment to shareholders to sign up to this initiative in the near future? Alternatively, will you report on biodiversity as a material issue for your company under the European CSRD (Corporate Sustainability Reporting Directive)?**
2) **In addition, following on from this approach, have you considered adopting science- based targets (SBTN type – Science Based Targets for Nature) to materialize this ambition to preserve biodiversity?**

The Company seeks to be a trusted user of resources and the natural environment, and to be a responsible steward of the land and ecosystems around our operations. The Company recognizes that the environmental reporting has not previously provided the depth and breadth required by the new disclosure requirements and onset of TNFD.

However, the Company carried out two TNFD pilots at one the steelmaking facilities at Bremen and the mines in Liberia in 2023. The pilot study in Liberia encompassed three mine sites and facilities, railway and port and Biodiversity Conservation Programme. The pilots have provided valuable input into the onward management, resourcing and compliance of our operations, together with guidance for roll-out of our TNFD preparations across the rest of our steel and mining operations.

While the Company did not disclose material information about the results of these assessments, the Company will be doing so in response to the CSRD, which through its different exposure standards, encourages the use of the Locate, Evaluate, Assess and Prepare (LEAP) approach prescribed by the TNFD. At the same time, the Company is reviewing the SBTN methodology.

<u>French SIF</u>

<u>Environment</u>

ArcelorMittal

Question 1

a) **Could you recall your short, medium and long-term decarbonization objectives on your three scopes (in absolute value and intensity)? For each of your objectives, explain the main actions planned to achieve these objectives (please specify the percentage of contribution to the objective of each action).**

What part is dedicated to negative emissions (absorption and storage, etc.), avoided emissions or even carbon credits in your strategy (to be distinguished from your decarbonization objectives)?

To help you answer, it is possible to complete the table in Appendix 1.

As a hard-to-abate sector, it is not possible to set near-term targets. Feasibility studies, engineering, construction, commissioning and product validation for new assets can take 4-6 years to complete before their GHG emissions reduction impact can be realised.

In the medium term, we have set a target to reduce carbon emissions intensity by 25% globally by 2030, and by 35% in Europe, across Scopes 1 and 2. During 2023 we have undertaken substantial work to better understand our Scope 3 emissions, improving our accounting methodology, identifying value chain emissions hotspots, and prioritizing stakeholders' engagement, so we can in due course set realistic Scope 3 targets as well.

We are implementing clear steps in addressing our asset base, technologies and processes to achieve our long-term 2050 net-zero target (which include scopes 1, 2 and 3 on an absolute basis), although some parts of our business may achieve net zero in advance of this:

Transforming our steelmaking assets

The global steel industry faces a total transformation of its asset base and the technology used to make steel. We believe a broad suite of decarbonization technologies will support our pathway to net zero. In fact, steel will be made in many different ways across the world dependent on the policy and supporting infrastructure.

Innovative DRI which uses green hydrogen for the production of Direct Reduced Iron (DRI) is one way to decarbonize steel. We also see Smart Carbon as another route to decarbonisation where you modify the blast furnace to take advantage of gas injection/ recirculation, bioenergy and carbon capture, usage and storage. Longer term, we are investing in direct electrolysis which uses clean electricity to power the direct electrolysis of iron ore. We have not explicitly disclosed the split between these technologies as this will depend on policy conditions.

Increasing the proportion of scrap used in the steelmaking process

In addition to using scrap in EAF operations, the business can increase the use of low-quality scrap in the BF-BOF steelmaking process by improving steel scrap sorting and classification, installing scrap pre-melting technology and adjusting the steel making process to accommodate scrap. It is expected that scrap availability globally will increase as the amount of steel in circulation increases, thereby demonstrating the inherent circularity of steel. The acquisition of John Lawrie (Scotland, 2022), Alba International Recycling (Germany, 2022) and Riwald Recycling (Netherlands, 2023) are good examples of how the company is working to increase its access to scrap steel to lower carbon emissions from steelmaking.

Investing in clean electricity used in the steelmaking process

Reducing the business' Scope 2 emissions means mainly focusing on sourcing low-carbon electricity. The company is looking for more and wider sources of clean energy at affordable prices, purchasing Guarantees of Origin (GOOs) and Renewable Energy Certificates (RECs) as well as making more use of direct power purchase agreements (PPA) with suppliers from renewables projects. We have made significant investments in renewable energy projects in India (1GW), Argentina (130 MW) and through a JV with Casa dos Ventos in Brazil (554MW), from solar power, wind power and pumped hydropower projects to participation in a green hydrogen hub.

Negative Emissions

We plan to buy high-quality offsets or launch projects to generate high-quality carbon credits to neutralize our residual emissions (~10% of our base year emissions). We have based our understanding of quality and integrity of carbon credits in five fundamental elements:

- Be additional - credits that would not have happened without the company's intervention.
- Not be overestimated – credits based on a realistic and credible baseline, and that are quantified, monitored, reported, and verified
- Be permanent – credits shall represent a permanent removal of CO_2 from the atmosphere
- Not be claimed by another entity, and
- Not be associated with significant social or environmental harm

In terms of carbon offset removals solutions, we have identified three main groups:

- Restoration of ecosystems that serve as natural carbon sinks. Restoring these natural habitats is necessary to sustain population as well as local flora and fauna
- Nature-based solutions, based on actions to protect sustainably manage and restore natural and modified ecosystems, simultaneously benefiting people and nature.
- Technology-based solutions, based on innovative or adaptative technologies

In 2023, we conducted a preliminary assessment of these solutions based on criteria such as cost, carbon storage capacity and availability in different timeframes. Based on this work, we envisage an offset strategy that focuses on the nature-based solutions in the shorter term into the 2030's and then increasingly moves into technology-based solutions.

b) Could you associate a necessary investment amount with each of the main actions deployed across all three scopes? Please specify the time horizon covered by these investments.

Most often, the information expected here is different from the amount of CAPEX/OPEX aligned with the European taxonomy which only concerns investments in your sustainable activities and not those for your entire decarbonization plan.

To achieve its 2030 global carbon emissions intensity reduction target of 25%, ArcelorMittal has estimated the gross capital cost required to be approximately $10bn, including Country Government support.

We have announced our DRI/EAF project plans at integrated sites in Canada, Spain, France, Belgium, and Germany – these plans make up the sizeable majority of the $10bn investment. For all of these projects, we have received approval for Government funding support in line with our request of 50%. Engineering studies are underway to assess the economic viability of building and operating these assets.

At the same time, we are continuing discussions with host governments over energy cost and availability, which is critical to ensure these projects are sustainable long- term. Recently, we signed a Letter of Intent with EDF for a long-term agreement to supply low-carbon emissions power for our key French operations.

c) **On which reference scenario(s) is your decarbonization strategy based (on the three scopes)? Is it aligned with a 1.5°C scenario? Is it validated by an independent third party (SBTi, ACT-ADEME, etc.)?**

Please indicate the name of the scenario(s) and the reference organization(s) (e.g. IEA, IPCC, etc.).

In 2021, we engaged with the Science Based Targets Initiative (SBTi) to initiate a new sector decarbonisation approach as it was clear that the previously proposed approach was not fit-for-purpose. We were a founding member of the multi-stakeholder Expert Advisory Group comprised of steel producers and civil society groups, and were directly involved throughout the 18 month process.

After thoughtful consideration and analysis, ArcelorMittal has concluded that it is not possible to credibly set a science-based 2030 target for the group at this point in time.

We believe that for targets to be credible they must be achievable, and that is counter-productive to give the impression that a considerably higher level of ambition is possible than the current political and economic realities support.

Specifically in the case of steel, we need faster progress in the scaling up of renewable energy, green hydrogen and carbon capture and storage (CCS), all of which are critical to enable the transition to net zero, in all the regions where we operate. We are continuing to evaluate the potential of setting a target for individual segments. Any relevant updates will be shared in due course.

We continue to progress our decarbonisation plans and remain confident in both ArcelorMittal's ability to achieve net zero by 2050 and in the opportunity for steel as a critical material in a low-carbon world.

d) Could you communicate the share of your investment expenditure (CAPEX) that you plan to allocate to sustainable alternative solutions (in particular electric arc furnaces operating with sustainable electricity for steel recycling, and direct reduction hydrogen-based iron) in the short, medium and long term, specifying your definition of "sustainable alternative solutions" based on your activity?

ArcelorMittal's definition of 'sustainable alternative solutions' would include all investments which are supportive of the decarbonization of the steel sector (e.g. electric arc furnace, direct reduced hydrogen-based iron, renewables, metallics) and also investments that support our customers to provide sustainable solutions (e.g. electrical steels for EVs)

As we have outlined, we have estimated that we will spend $10bn gross capex (including Country Government support) to meet our 2030 targets. This includes the DRI/ EAF projects communicated in Europe and Canada.

In addition, we have been investing in strategic projects which support the decarbonization of the steel sector. These include a renewable project in India, an Electric Arc Furnace in Calvert (JV with Nippon Steel) and an Electrical steels project in France used for Electric Vehicles.

Question 2

Taking into account the risks, impacts, dependencies and opportunities linked to biodiversity in company activities (internal, supply chain, products, customer services, etc.) is still insufficient. But the context and tools (TNFD, SBTN, GRI, etc.) are progressing and so are the practices.

Although this subject may appear to be of little material importance for certain sectors, we nevertheless believe that it deserves analysis by everyone.

a) **Have you carried out work to evaluate, monitor and reduce your dependencies and your risks, on the one hand, your footprint, on the other hand, but also your opportunities (investment in net impact projects positive on nature, services in favor of biodiversity, etc.) in connection with biodiversity and nature?**

Is this assessment up to date and does it cover your entire value chain (direct, upstream and downstream operations)? If this only covers part of your value chain, are you considering extending the scope of this assessment? If not why ?

b) **Do you publish the results of this work? If not, are you planning to publish it? Please justify your answer.**

Do you plan to rely on voluntary frameworks such as the TNFD, the SBTN, the GRI101, etc. to report on the risks and opportunities linked to nature?

c) **Do you publish or plan to publish quantitative indicators to report on the risks and opportunities that biodiversity poses or offers to your society (value of assets, liabilities, income and expenses considered vulnerable to nature-related risks, CAPEX, financing or investments dedicated to opportunities linked to nature...)? If so, which goals do you set for yourself? Justify the choice of these indicators. If not why?**

We seek to be a responsible steward of the land and ecosystems around our operations. We recognize that our environmental reporting has not previously provided the depth and breadth of data required by the new disclosure requirements and onset of TNFD.

We are working to build our capabilities and resources for managing and enhancing biodiversity and ecosystems around our assets. We have joined the Proteus Partnership with other extractives companies and the UN Environment Program - World Conservation Monitoring Centre (UNEP-WCMC), to gain access to their expertise and global datasets (e.g., Integrated Biodiversity Assessment Tool).

We have been working on the integration of the TNFD methodology into our risk management and disclosure frameworks. We carried out two TNFD pilots at one of our steelmaking facilities at Bremen and one of our mines in Liberia in 2023. The pilot study in Liberia encompassed three mine sites and facilities, railway and port and Biodiversity Conservation Programme. While we have not disclosed material information about the results of the assessments carried out, we will be doing so in response to the CSRD, which through its different exposure standards, encourages the use of the Locate, Evaluate, Assess and Prepare (LEAP) approach prescribed by the TNFD.

We assessed the various ecosystem classifications neighbouring and surrounding these pilot assets, and identified their current states of integrity, the impacts upon them, the ecosystem services they provide us with (e.g., basic minerals, fresh water, flood retention), our dependencies on them, as well as related risks and opportunities. From this, we compiled a materiality assessment that rated risks, such as the potential for a TSF failure, pollution spillages or landslips, before considering means of mitigation or prevention.

The pilots have provided valuable input into the onward management, resourcing and compliance of our operations, together with guidance for roll-out of our TNFD preparations across the rest of our steel and mining operations.

As part of our preparations for CSRD, we are improving our monitoring on-site, tracking emerging best practice, and collaborating with relevant stakeholders, including civil society, government bodies and communities to manage biodiversity and ecosystems effectively in and around our operations.

Question 3

a) **What is the place of the circular economy in the company's strategy? Criteria to evaluate:**

- **Objectives (quantitative, ambitious, scope)**
- **Ambition and quality of the strategy**
- **Links made with other sustainable development topics (notably decarbonization and biodiversity)**

b) **What are the risks identified by the company linked to resources, the costs incurred and the amount of CAPEX and OPEX in favor of the circular economy? Criteria to evaluate:**

- **Identification of upstream and downstream risks (scarcity, supply, access difficulties, waste management, regulations, etc.)**
- **Associated financial costs**
- **CAPEX and OPEX (in %)**

c) **What are the key actions implemented by the company to circularize its business model? What share of turnover does this represent? Criteria to evaluate:**

- **Integration of the different pillars of the circular economy (reduction of resource consumption/sobriety, eco-design, sustainable supply, reuse, industrial and territorial ecology approach, recycling, etc.)**
- **Scaling up circular economy initiatives or projects**
- **% of turnover linked to circular economy offers (or any other relevant circular economy indicator)**

Steel is an ideal material for a circular, low-carbon future because it is the most recycled material globally. However, there will not be enough scrap globally to meet demand. As such, we are targeting greater access to scrap for our operations. At the same time, we are supporting our customers with new products that have high recycled content or to enable them to reduce resource consumption. To support our own decarbonisation journey, we have made some exciting investments in scrap recovery businesses to increase our access to scrap, and are reusing or recycling our own waste products such as waste steel gas, slags and dusts where practically possible.

Circular Steel

We are increasing our low-carbon emission steel offerings through our XCarb® branded products in response to the increased demand for low-carbon solutions from major sectors such as automotive and construction. XCarb® recycled and renewably produced uses above 70% scrap to produce a range of steel grades. Sales of our XCarb® products, which can have a carbon footprint of as low as 300kgCO2/t reached 229,000 tonnes in 2023.

We are undertaking several initiatives towards building strong circularity business models and solutions for our customers. For example, in 2023, we agreed with Gestamp to jointly design and implement a circularity scheme to enhance recycling of steel, to enable automotive customers to fulfil their carbon emissions goals. In 2022, we trialled with Gestamp use of low-carbon steel with high scrap content for use in car parts. The agreement involves the integration of scrap management into Gestamp's strategy, with traceability of scrap collections, sorting and reuse.

The Steligence® portfolio of products helps investors, real estate companies, architects and structural engineers meet the increasing demand for lower-cost sustainable building design through steel's recyclability and lower environmental impact when compared with other materials such as concrete.

A key concept within Steligence® is to make buildings easier to assemble and dismantle. As a result, buildings become quicker to construct, leading to significant efficiencies and cost savings while also creating the potential for re-use. This reflects ArcelorMittal's wider research into modularisation solutions and the potential re-use of steel components – a field it is discussing with customers, particularly in relationship to LCA assessments.

Building our position in recycling and processing

In 2022 and 2023, we completed several targeted acquisitions in recycling and waste processing, with a total of 1Mt of combined annual scrap processing capacity. These acquisitions are fully complementary taking in conventional iron and steel structures through to non-ferrous metals, white goods, appliances and electronics. The turnover from these sites was $295mn, the capex was $14mn and the opex was $10mn in 2023.

We are conducting R&D projects to further improve the recycling efficiency of these plants, and our operations more broadly. We are also researching the business models, logistics and technology requirements of providing robust circular services for key sectors, such as facilitating the automotive OEMs' needs.

Building technology and solutions for reducing and mitigating our environmental impacts and contributing to a circular economy

In 2023, solutions were industrialised to reduce natural gas consumption through models to reduce energy needs and replace natural gas with steelmaking gases. In 2024, R&D will continue with the development of solutions to reduce natural gas consumption, replacing it with steelmaking gases and testing burners capable of replacing 70-90% of natural gas with blast furnace gas, reducing NOx emissions at the same time by 50%.

We continue to research solutions for making constructive use of our waste and minimising detrimental land use. The company is making innovative re-use of slag in the following applications: cement, civil construction (e.g. roads and asphalt), a fertiliser source for agriculture and as ballast in offshore wind turbine foundations to replace natural ballast; a construction material for building protection walls to reduce noise and dust; and its potential re-use in water filtration and greenhouse gas capture.

In 2023, ArcelorMittal produced the first ethanol samples from its carbon capture and usage site in Belgium. The €200 million 'Steelanol' facility is a first of its kind for the European steel industry, deploying technology developed by leading carbon utilization company LanzaTech. The facility captures carbon-rich waste gases from steelmaking and biologically convert them into advanced ethanol through LanzaTech's bio-based process.

In 2023, Global R&D started a pioneering research programme to find alternative uses for our mining tailings. Some potential applications include the use of recycled tailings for cement, concrete, bricks or floor tiles. Our researchers are co-innovating with different companies, universities, and technological centres to give a second life to this material that traditionally had no use. With this research, we aim to increase the circularity of our mining operations.

Our goal is the 100% efficient use of raw materials, zero waste and increased availability of the critical minerals needed for the net-zero transformation.

<u>Social</u>

Question 4

a) **In France, the "Climate and resilience" law of August 22, 2021 and the national interprofessional agreement (ANI) on ecological transition and social dialogue of April 11, 2023 extended the environmental prerogatives of the CSE and strengthened the role of local representatives . Over the last twelve months, what initiatives are likely to significantly illustrate an evolution in the functioning of these bodies within your group following these provisions?**

b) **As part of these new prerogatives, the training and expertise of social partners are fundamental. Have you recently developed or have you planned in the near future programs specifically dedicated to social partners to strengthen their expertise in environmental matters which go beyond legal obligations?**

c) **International framework agreements are mechanisms that strengthen the quality of social relations within a group. Does your group have a framework agreement that goes beyond the scope of the European Union? If so, how have you integrated the question of ecological transition and, more broadly, environmental questions? If not, is such a project being considered? In any case, in your five main geographic markets outside France, can you list major initiatives highlighting a recent strengthening of the involvement of social partners in the company's environmental policy?**

Building the talents and skills that our people hold is very important to the future of the company. The energy transition will require a fundamental change in how we work, in the nature of our assets, and the skills and know- how we employ. From where we stand, we will increasingly become a technology led company. We need to build those capabilities amongst our people, and in our communities, minimizing and mitigating any inequalities along the way, such that it is a constructive and positive future for them, in which no- one is left behind. Our new Just Transition Framework and strategy, based on the EU's Green Deal, seek to achieve this balanced way forward.

In France, the Environmental theme is an integral part of social dialogue with the works councils through the regular communication on environmental indicators and on exchanges with the State supervisory authorities. In addition, the social, economic and environmental database has been enriched with environmental information which is a mandatory database on which the employer has to store various information at the disposal of members of the works council.

It is also an integral part of the works council's consultation taking into account the issues linked to decarbonization on which we are discussing with the social partners.

On specific French schemes, as we have outlined in question 7, the company offers employee savings funds which are orientated towards socially responsible investments. We also have local social agreements on telework (e.g. in the event of a pollution peak) but also as part of a new way of working in almost all our legal entities in France.

Training is an important part of the offering and in 2023, ~550 days of Union training in ArcelorMittal Mediterranee included environmental topics. More broadly for all employees, through our online learning platform, AMU360, we have launched the Sustainability Academy powered through a partnership with AXA Climate School. AXA Climate School provides an online learning experience that allows organizations to educate employees about the climate change emergency and empower them to take meaningful action in their jobs. It is designed and open to all ArcelorMittal employees and it incorporates 200+ modules with interactive quizzes in 21 courses in nine languages.

Question 5

a) **For each of the last five financial years, can you indicate, on the one hand, the number of shares repurchased (also specify the number of shares under liquidity contracts) and, on the other hand, the number of shares created, as well as the number of self-owned securities at the beginning and end of each year? For each of these exercises, can you break down: the number of actions canceled; the number of shares allocated as performance shares (as well as the number of beneficiaries and their proportion in relation to all the group's employees); the number of shares distributed as part of employee shareholding operations (as well as the number of eligible employees, the number of effective beneficiaries and their proportions in**

relation to all employees of the group); other uses (specifying details)? To help you answer, it is possible to complete the table in Appendix 2.

b) **In the context of performance share allocation plans, and when this proves relevant, how do you “neutralize” the effects of self-held or canceled shares when calculating the achievement of objectives?**

c) **What amounts of investments (R&D and capex) have you made over the last 5 financial years (year by year)? What amounts of capital have you repurchased and canceled over the same period? To help you answer, it is possible to complete the table in Appendix 3. As part of the overall approach to value sharing, do you size the amount allocated to share buybacks in relation to the amount of investments – in particularly those dedicated to the ecological transition – carried out by the company (essential element for the creation of value and the sustainability of the company)? If so, do you have any rules on this matter? If not, explain the reason leading you not to consider investments when setting share buyback amounts?**

The company believes that it has a balanced capital allocation policy, including a clearly defined capital return policy. The Company expects to pay a base annual dividend (to be progressively increased over time); in addition, a minimum of 50% of the amount of free cash flow (calculated as net cash provided by operating activities less purchases of property, plant and equipment and intangibles (“capital expenditures”) less dividends paid to non- controlling shareholders) remaining after paying the base dividend is allocated to a share buyback program.

The Company’s defined capital allocation and return policy is working well, allowing the Company to develop and significantly grow its earnings capacity whilst consistently rewarding shareholders.

Buybacks so far have been very successful. As at the end of December 2023, the Company has bought back 45.4m shares in 2023 at a cost of $1.2bn, 106.4mn in 2022 at cost of $2.9bn, 170.9mn in 2021 at cost of $5.2bn and 35.6mn in 2020 at cost of $500mn bringing the total reduction in fully diluted shares outstanding to 33% since the end of September 2020.

The Company's capital return policy includes the payment of a base dividend, to be progressively increased as the Company grows its normalized earnings capacity. Base annual dividend increased to $0.50/share (from $0.44/share paid in 2023) to be paid in June 2024 and December 2024 in two equal instalments. The base dividend increasing is linked to the growing earnings power of the business.

At the same time, we have been able to invest in our consolidated assets but also in our JVs, notably in India and the US. In 2023, we invested US$1.4bn out of a total US$4.6bn capital expenditure in strategic growth initiatives. These include a renewable project in India, an Electric Arc Furnace in Calvert (JV with Nippon Steel) and an Electrical steels project in France used for Electric Vehicles. This year there will be a further investment of approximately the same, e.g. $1.4bn out of an expected total capital expenditure of $4.5 – $5.0bn. These growth projects are expected to support an estimated additional $1.8bn to Ebitda by the end of 2026.

We also have an active R&D team where we have consistently spent between $250 - $300mn. The R&D team has launched 24 products and solutions to support sustainable construction, infrastructure, and energy generation, while also progressing further on 16 such product development programmes. At the same time, the R&D team has been developing new tools and techniques to reduce and mitigate our environmental impacts.

	2023	2022	2021	2020	2019
Number of shares repurchased	45,355,995	106,427,996	170,903,017	35,636,253	4,000,000
Number of shares created				80,906,149	
Number of treasury shares held at the start of each year	72,471,843	71,916,570	22,075,359	9,824,202	8,335,365
Number of treasury shares held at the end of each year	33,538,016	72,471,843	71,916,570	22,075,359	9,824,202
Number of shares cancelled	25,000,000	105,000,000	120,000,000	0	0
Shares allocated as performance shares					
Number of shares allocated as performance shares (granted in year)	1,127,673	786,364	684,543	862,672	1,932,867
Number of beneficiaries and proportion compared to all group employees	258 beneficiaries (0%)	244 beneficiaries (0%)	246 beneficiaries (0%)	237 beneficiaries (0%)	519 beneficiaries (0%)
Shares distributed as part of employee shareholding transactions					
Number of shares distributed as part of employee shareholding transactions (granted in year)	1,269,300	866,000	1,079,250	1,391,284	0
Number of eligible employees / proportion of all group employees		not disclosed	not disclosed	not disclosed	not disclosed
Number of beneficiary employees / proportion compared to all group employees	958 beneficiaries (1%)	802 beneficiaries (1%)	847 beneficiaries (1%)	859 beneficiaries (1%)	N/a

	2023 $mn	2022 $mn	2021 $mn	2020 $mn	2019 $mn
Amount of R&D investment	299	286	270	245	301
Amount of Capex investment	4,613	3,468	3,008	2,439	3,572
Amount of capital redeemed	1,208	2,937	5,170	500	90
Amount of capital cancelled	9	38	43		0

Question 6

The living wage can be defined as: "The remuneration received for a normal working week by a worker in a given location, sufficient to ensure a decent standard of living for the worker and his family. The elements of a decent standard of living include food, water, shelter, education, health care, transportation, clothing and other essential needs, including provision for unforeseen events ", definition from the Global Living Wage coalition. The living wage is also quite distinct from the local legal minimum wage.

a) **Have you adopted a definition of living wage such as the one mentioned above or equivalent? If yes which one? Have you developed a policy/commitment on the issue of a living wage** (public commitments, accreditation as a Living Wage Employer, etc.)? Please note that for the remaining questions we are specifically looking for elements related to the living wage which we distinguish from the local legal minimum wage. If you have not made a commitment yet then please move on to question 7.**

- **b) Based on your definition of a living wage, have you started to calculate it and what methodologies do you rely on? If yes, in which region(s) and for what scope (employees but also self-employed workers, small farmers, etc. - or/and employees of your suppliers)? What information do you publish about this? Have you identified any gaps between the minimum wage and the living wage?**
- **c) Can you describe the actions taken to establish a decent wage? (Ex: developing internal management regarding decent wages supplemented by training, engaging with social partners and/or your suppliers, improving purchasing practices, promoting freedom of association and collective bargaining, etc.).**
- **d) How do you measure the implementation of decent wages for your employees and suppliers? Please provide details of the contribution of possible external audits to the monitoring.**
- **e) Have you identified the likely obstacles that could stand in the way of paying a decent wage to your employees and the employees of your suppliers (for example, in a country where labeling rights and regulations are less strict)? If so, what are you doing to mitigate them?**

Bonus question: Do you communicate the results of your potential studies and have you set up a whistleblower tool for your employees and suppliers?

Strictly speaking, ArcelorMittal does not have a “living wage” policy. While certain countries have adopted the “living wage” concept and are currently translating this into law, not all countries are at this same stage which makes application complex. Nonetheless, several of ArcelorMittal’s policies, including our human rights policy and code for responsible sourcing, promote fair wages and compensation, while the process of site certification against the ResponsibleSteel and IRMA standards also brings us reassurance that our practices are aligned with such expectations. In each country we work with our unions to ensure pay levels are agreed under our collective bargaining agreements.

The Speak Up + platform has continued to provide for detailed two-way engagement and dialogue about the needs and concerns of employees. We have moved the frequency of the surveys to twice per year to avoid survey fatigue for the respondents, and to allow the organisation to act on the findings and identify the required actions. Out of those invited, 86% of employees participated in the survey and the engagement level and score has remained at the same level as last year.

The Speak Up + survey is the driving force behind our global people initiatives, and its results act as the most important source to capture and understand the needs and concerns of our employees.

In addition, we have a corporate whistleblower tool which is available to be used by employees and suppliers https://corporate.arcelormittal.com/investors/corporate-governance/whistleblower

Question 7

- **a) France scope: How many funds are there offered to your employees outside of employee shareholding in your employee savings plans? How many and which funds offered to your employees have the responsible label (please mention their name as well as the name of the**

associated labels)? What is the amount of labeled assets per fund? Can you also mention the amount of overall outstandings and the amount of non-labelled outstandings excluding shareholders? To help you answer, it is possible to complete the table in Appendix 4.

On average, the contribution amounts offered to your employees on your labeled funds are greater than those offered for your other non-labelled funds excluding shareholding.

b) **If certain funds are not labeled but include ESG criteria, explain how these criteria attest to a robust and selective ESG approach (please indicate the selectivity rate and/or the theme of these funds)? Have you planned with the social partners to have more labeled funds available in the next three years?**

c) **How do you involve your social partners in the choice of responsible funds (examples: training, expert who takes care of educational support for employees, time given to social partners to question the choices of responsible funds)?**

How do you involve your social partners in monitoring the responsible commitment of funds (training of members of the supervisory board beyond the 3 regulatory days, establishment of a company savings commission, etc.)?

This appears to be a specific question in relation to France. In France, two out of 9 funds offered to employees are labelled as 'sustainable' under the Sustainable Finance Disclosure Regulation. One fund is article 8 and the other is article 9 and the two funds together represent 37% of the total assets.

For the funds not labelled as sustainable, we review the ESG approach as part of our regular meetings with the fund managers. On an annual basis, the Supervisory Board meets with the funds for an update on their approach and results.

The Supervisory Board includes Union members to ensure employees are represented in these meetings. Any changes to the fund allocation goes through a rigorous consultation with employees. We have been discussing with the Unions whether we would increase the number of labelled funds within the next 3 years.

We do not publicly disclose the amount in the funds. However, we have highlighted the percentage of the total amount available in the table below.

We do not operate similar savings plans for employees in other countries, so our response relate only to the 15,000 employees in France.

Number of funds offered to your employees excluding employee shareholding in your employee savings and retirement plans	8
Number of funds offered to your responsible- labeled employees	2

	Name of the labeled fund	Name of the associated label	Amount of the dedicated contribution
1	FCPE 1 Rendement Equilibre	Amundi Asset Management	7%

2	USINOR 2 LONG TERME ACTIONS C	Sienna Gestion	5%
3	USINOR 2 LONG TERME TAUX C	Sienna Gestion	16%
4	ARCELOR 6 MONETAIRE	LBPAM	35%
5	ARCELOR 7 ACTIONS	Natixis Asset Management	20%
6	ARCELOR 8 OBLIGATIONS	Sienna Gestion	14%
7	ARCELOR 9 SOLIDAIRE	Sienna Gestion	2%
8	AMUNDI ACTIONS PME ESR F	Amundi Asset Management	2%

Governance

Question 8

For the company's fiscal responsibility to be in line with the company's social responsibility, the Board of Directors must be fully involved in the choices built around tax citizenship (aligned with principles such as those of the B Team initiative). In this logic, the FIR expects that a public tax responsibility report, reviewed and signed by the Board of Directors, detailed country by country, exists, and that it is aligned with GRI 207.

a) **Do you publish a detailed charter describing your commitments in terms of tax responsibility (tax practices deemed unacceptable, tax havens)? How often is it reviewed and approved by the Board? How does the Council ensure the application of this charter?**

b) **Make your tax reporting public country by country for all countries of activity, i.e. going beyond the requirements of the EU directive which is limited to reporting for member countries of the EU and countries on the list of jurisdictions not-cooperatives? If no, please justify your choice? Is the distribution of taxes country by country debated by the Council?**

c) **Can you explain your effective tax rate for the year 2023? How is this consistent with your commitments in terms of tax responsibility? Particular attention will be paid to companies with a particularly low tax rate (equal to or less than 20%) or particularly high (around 30%)?**

At ArcelorMittal we aim to ensure the highest standard of compliance with tax regulations when managing the tax affairs and by doing that create value to the stakeholders.

The Group approach to taxes is described in the publicly available Tax Policy updated annually. The original policy was approved by the Board. AM's tax matters are overseen by the Corporate Finance and Tax Committee (CFTC), chaired by the Chief Financial Officer (CFO), and are managed by an experienced in-house tax team. The CFTC is informed of any material tax developments and substantial tax risks.

ArcelorMittal supports and complies with applicable transparency initiatives such as EU-wide reporting on payments to governments with respect to the extractive activities, country-by-country reporting (DAC4) and mandatory disclosure to Tax Administrations for certain reportable cross-border arrangements (DAC6).

The Group financial reports, such as 20F, contain all information required by the applicable standards in respect of the tax, including the effective tax rate reconciliation.

Question 9

Registration in the transparency register of the European Union and of interest representatives with the High Authority in France being obligatory, the FIR has access to your declarations (human and financial resources, center of interest).

Through this question, we would like to direct your answers more on the influencing activities that you have carried out (head office, subsidiaries, professional associations, or consulting firm) in the E S G areas. We would like to understand how the representation activities of interests are aligned with sustainability objectives / how do your interest representation practices fit into your group's CSR strategy.

a) **What are the main activities of interest (for example top 3) that you prioritize in relation to your material ESG issues? Can you specify all the jurisdictions where you carry out these lobbying activities?**

b) **How do you ensure alignment between your ESG objectives and the positions of professional associations? How do you manage potential discrepancies? (Examples: trying to realign the positioning of associations with your own ESG objectives or thoughts on the possibility of leaving a professional association that is definitely not aligned with your ESG strategy). What do you post about alignment and/or divergence?**

c) **What is the role of the Board of Directors in the application of your interest representation policy (for example: activities, budget, meetings)?**

d) **Do you train people internally or externally (e.g., firms) in responsible lobbying? If so, what criteria do you apply in selecting the firms that support you?**

Our government affairs teams globally lead on engagements that impact the steel industry from social factors through to climate change. The Sustainability Committee of the Board meets quarterly to review Sustainability matters of the company. This includes high level policy asks linked to our materials sustainability risks and opportunities.

On climate change specifically, the team typically lead on engagement and alignment in accordance to our climate advocacy principles and, in this context, ArcelorMittal works not only with policymakers and trade associations but is proud to work with a range of climate-focused membership bodies and stakeholder initiatives. We are fully committed to conducting all our direct and indirect policy lobbying and advocacy work in line with the Paris Agreement.

The Company believes that policy instruments need to deliver five market conditions to ensure that low- and zero carbon emissions steelmaking is at least as competitive as higher carbon- emissions steel:

1. Measures to incentivize the transition to low and zero carbon- emissions steelmaking
2. A fair and competitive landscape that accounts for the global nature of the steel market, ensuring domestic production, import and exports are subject to equivalent GHG reduction regulations and incentives, or other means to level playing field between regions with different climate policies

3. Financial support to promote innovation, ensure decarbonization at scale and make long- term investments and neutralize the higher operating costs of low and zero carbon- emissions steelmaking.
4. Access to sufficient clean energies at globally competitive price levels.
5. Incentives to encourage the consumption of low and zero carbon- emissions steel over higher carbon- emissions steel.

ArcelorMittal is actively advocating the climate change regulation agenda in relevant jurisdictions, also focusing on developing significant traction between industry advocacy platforms and governments globally. The Group intends to leverage these experiences to advance its advocacy across other jurisdictions.

Engagement with trade associations and other membership organisations plays a key role in our advocacy work, notably in their capacity to aggregate and communicate sectoral input to policymakers and offer feedback on upcoming legislation. In January 2022, ArcelorMittal published its second Climate Advocacy Alignment report which maps the policy positions of the 61 associations of which the Paris Agreement and the five policy priorities outlined above. In addition, in January 2023 the Company published the addendum to the Report. See: https://corporate.arcelormittal.com/media/41dbfuem/arcelormittal-industry-association-report-addendum.pdf

In parallel to the report linked above, we continued to engage with industry associations that were found not to be fully aligned in the past reporting cycle and who's positions have not changed. This is being done by clarifying our policy positions, highlighting our expectations from industry associations, encouraging them to refine their public narrative on policy advocacy and create dialogue between the industry associations and third parties that assess industry associations (e.g. InfluenceMap).

Question 10

a) **How many Board directors have CSR skills? Who are they and how did they acquire these skills (studies, training, professional experience)? Are these skills specific to the challenges of your sector (biodiversity, energy transition, social and value chain, financial impact of climate, etc.) Do you publish a matrix of specific skills for each board member?**

b) **How do you ensure that board members' knowledge of CSR issues is updated (internal or external training process, expert interventions, updates on regulatory news or key themes, etc.)? How often?**

c) **How do you assess the CSR competence of directors? On what criteria? How often? Is this assessment individual or collective?**

d) **Do you include a CSR component in the process of appointing new directors?**

When choosing board members, we look for specific requirements and qualifications. They are chosen on a balance of individual profiles, competences and geographic representation. At the same time, financial expertise and an understanding of sustainability particularly the energy transition and health and safety is key. The assessment provided on the CSR competence of the Directors is done as a collective to ensure that we have the right level of expertise across the Board. This is the same for all competencies e.g. we aim to have competencies in the main geographies that we operate.

Clarissa Lins was appointed in 2021 and leads our Board Sustainability Committee and has experience in strategy, sustainability and corporate governance. Since 2004, her career has focused on sustainability when she joined the FBDS Fundação Brasileira para o Desenvolvimento Sustentável (Brazilian Foundation for Sustainable Development). In 2013 she founded the consultancy Catavento, advising corporations in the areas of strategy and sustainability. She was also head of Corporate Strategy at Petrobras from 1999 to 2002, when the state-owned oil and gas company shifted its strategy and improved its corporate governance practices while doing an IPO in the NYSE.

The Board Sustainability Committee has also drawn on the health and safety expertise across both mining and steel from Tye Burt and Michel Wurth. Tye Burt was a member of the Board of Directors of Kinross, where he had overall responsibility for the health and safety program and has contributed this expertise on health and safety in mining to the ArcelorMittal Board of Directors. Michel Wurth has on the ground experience of health and safety practices on the shop floor, as a former head of our Flat Carbon Europe segment and with a very long career as an executive in the steel industry.

Decarbonisation experience in an industrial and mining company is important as one of the most material issues that we face. Here we have expertise from within ArcelorMittal (Aditya Mittal and Michel Wurth) and we have had across mining (Tye Burt). Tye has also brought expertise on tailings which is important for our operations in Serra Azul in Brazil. We note that Tye Burt has now finished his tenure on the Board.

The Sustainability Board Committee meet quarterly and for adhoc meetings throughout the year where they are provided with an update on the sustainability programme at ArcelorMittal. Sector specialists also provide teach- ins in this forum or adhoc meetings to the Board members.

Fair Steel Coalition

Human Rights

1. **Will ArcelorMittal commit to engaging with the Fair Steel Coalition in drafting and adopting strong and effective due diligence processes which:**

   a) **respect international human rights standards;**

   b) **identify, prevent, mitigate and remedy the impacts of their business operations on the environment and human rights;**

   c) **Address the cumulative environmental and human rights impact assessment of real and potential repercussions of their operations;**

2. **What is AML doing to ensure respect for the self-determination and customary land rights of the tribal peoples who are affected by this project, at the mine sites, along the rail line and at the port in Buchanan?**

3. **How will the company ensure, in accord with its new November 2023 Human Rights Policy, respect for 'the rights of Indigenous people, their history culture, connection to the land, and traditional livelihoods?**

4. **In accord with statements in its new November 2023 Human Rights Policy, how will the company ensure, before proceeding, that it has obtained the free prior and informed consent**

of tribal peoples currently and anticipated to be affected by this expansion project now and into the future?

5. **By a report from the Fair Steel Coalition, I am aware of concerns regarding the lack of sharing of benefits, remediation and compensation for alleged environmental and social impacts in Liberia, South Africa and Mexico around the projects of the company? What specific actions have you made and are willing to do to improve the situation?**

ArcelorMittal commits to respecting all internationally recognized human rights in our own operations and across our value chains. These commitments are set out in our human rights policy which is available on our website.

During 2023, the Company undertook an intensive five- month human rights saliency assessment aligned to best practice, developed a new set of human rights training for employees and suppliers, developed and currently piloting a new supplier due diligence tool, and updating our corporate grievance mechanism.

ArcelorMittal commitments are set out in our human rights policy which is available on our website which addresses all the topics in your question. The Company consults and cooperates with indigenous people based on good faith negotiations. Mr Mittal recently met with the Chief of the Innu people in Quebec to discuss our partnership with them there. In Liberia, the Company has been consulting with the government and local community there since 2013 and continue to have an active dialogue. When others left Liberia during the Ebola crisis and Covid pandemic, the Company stayed and supported the local population.

Senior members from ArcelorMittal's leadership met with the Fair Steel Coalition after the AGM and listened to their concerns. It was agreed that the Fair Steel Coalition would follow-up with its specific concerns and provide corresponding evidence. ArcelorMittal has a corporate whistle blower policy, procedure and mechanism (https://corporate.arcelormittal.com/investors/corporate-governance/whistleblower) which provides access for grievances to be registered, investigated and addressed where upheld.

For further details on our response to the Fair Steel Coalition report see – Fair Steel Coalition letter

Human Rights – Violence

6. **Will ArcelorMittal commit to engaging with the Fair Steel Coalition on the adoption of a zero-tolerance policy for attacks, reprisals, violence, stigmatization and persecution against the environmental and human rights defenders, including:**

   a) **The establishment of safety protocols;**

   b) **An accessible grievance mechanism and internal investigation process;**

   c) **Meaningful consultation processes which allow for redress to all affected communities and workers?**

   d) **A commitment to respecting self-determination, the right to Free Prior and Informed Consent and fair access to shared benefits of indigenous and tribal peoples.**

7. **What steps has the company taken to make sure that the operations at the Peña Colorada are not contributing to or benefiting from systemic violence?**

8. **Given the company's influence in Mexico, what is the company doing to ensure that these acts of violence are fully and impartially investigated by authorities?**
9. **By a report from the Fair Steel Coalition, I am aware of social concerns related to violence against environmental defenders in Liberia and Mexico in the regions where the company has projects? What specific actions have you made and are you willing to do to improve the situation?**

As ArcelorMittal has highlighted in its human rights policy, it will work collaboratively with relevant authorities in relation to any allegations of human rights infractions at our operations or along our supply chains. The Company will not tolerate nor contribute to threats, intimidation, violence, surveillance, and attacks (both physical and legal) against human rights defenders in relation to our operations. The Company commits to collaborating with human rights defenders to enable engagement in respecting human rights.

Peña Colorada is a joint-venture, and the Company has been encouraging it to apply similar commitments. Peña Colorada operates within the law, adhering to high international standards regarding human rights and environmental respect. It holds all necessary environmental permits, as well as agreements with the communities where it operates. Peña Colorada and its shareholders strongly condemn any situation of violence and criminal activity in Mexico.

There is no benefit for Peña Colorada from systemic violence. Instead Peña Colorada has developed a Comprehensive Social Development Plan to contribute to the well-being of communities near its operations. It aims to have a positive impact through these six action areas: education, infrastructure, culture, recreation and sports, productive projects, health, and environmental culture. I would encourage you to look at the Peña Colorada's latest sustainability report on its website (Sustainability Report for 2022).

Just Transition

10. **Will the ArcelorMittal Group commit to engaging with Fair Steel Coalition in regard to drafting and finalising a company owned Just Transition Plan, in order to support its decarbonisation efforts in a manner which does not leave communities and workers behind and which ensures that historical pollution is addressed in a meaningful manner, while ensuring sustainability of the company, people and the planet?**

The company recognises that the transition to a low-carbon economy can exacerbate existing inequalities and vulnerabilities in society and lead to greater social injustice. This will be even more keenly felt in developing countries where unemployment rates are already high. Maintaining the company's profitability is critical to being able to continue to support workers and communities throughout the transition.

To address this ArcelorMittal has developed a Just Transition strategy and framework which can be found in our recently published Integrated Annual Review. Stakeholder engagement is a key part of our approach.

The Company is open to engaging with all of our stakeholders and we would be happy to engage with you as well on this important topic and are open to hearing your perspectives. Representatives from our sustainability and executive teams are ready and able to meet you after the conclusion of this AGM.

1.5 Degree aligned plan

11. **When will ArcelorMittal adopt a transformation plan at group level which is aligned with a 1.5ºC scenario, based on renewable energy and circular economy solutions, to avoid disastrous climate change, without leaving behind the global South??**
12. **Will the ArcelorMittal Group commit to engaging with the Fair Steel Coalition in regard to drafting and finalising a company-level transformation plan in order to support its decarbonisation efforts in a manner which does not leave communities behind and which ensures that historical pollution is addressed in a meaningful manner?**
13. **In the integrated report that was just published, it is stated that ArcelorMittal will not adopt an SBTi target. This is extremely disappointing as this is a strong expectation from investors. The reason mentioned is "the absence of an appropriate global policy". Yet, reports from Influence Map reveal that ArcelorMittal is one of the top 25 companies blocking climate policy action. What measures are you putting in place to ensure that global policy action results in climate-oriented solutions?**
14. **In 2023, after having audited ArcelorMittal's Fact Book, the Company's assurance provider DNV recommended that ArcelorMittal extends its reporting of Scope 3 emissions to include notably equity-based investments and upstream impacts of raw materials. Both are very likely to be significant given ArcelorMittal's stake in its fastgrowing joint venture in India and the Company's coal consumption. Has the Company implemented DNV's recommendation, so that the scope 3 emissions reported in the newest Fact Book include emissions from AMNS India and from the extraction and processing of mined products purchased by ArcelorMittal?**
15. **How are the financial results affected by the acknowledgement that it is not aligned to a 1.5 degree scenario given the importance of that in the investment community? How are the financial results going to be affected by the halting or delaying in the shift to green hydrogen for which the Company has been committed significant Government subsidies?**

We have spent a lot of time understanding the intricacies of science-based targets and evaluating whether ArcelorMittal is able to credibly set one at this point in time.

In 2021, the Company engaged with the Science Based Target Initiative (SBTi) to initiate a new sector decarbonization approach. We were a founding member of a multi-stakeholder Expert Advisory Group comprised of steel producers and civil society groups to develop a steel sector target-setting guidance, a process that took 18 months.

After thoughtful consideration and analysis, ArcelorMittal has concluded that it is not possible to credibly set a science-based 2030 target for the group at this point in time.

We understand that many stakeholders see science-based targets as showing you have the right level of ambition. However, the Company believes that for targets to be credible they must be achievable, and that is counter-productive to give the impression that a considerably higher level of ambition is possible than the current political and economic realities support or that there appears to be little chance of achieving.

The steel industry needs much faster progress in the scaling up of renewable energy, green hydrogen and carbon capture and storage (CCS), all of which are critical to enable the transition to net zero, in all the regions where ArcelorMittal operates. The Company continues to evaluate the potential of setting a target for individual segments.

We do not believe that we block climate policy – rather we speak up when we believe climate policy is not effective or is counter-productive to its aims. That is not the same thing.

Specifically on scope 3, it is included as part of our net zero target by 2050. During 2023, the Company has undertaken substantial work to better understand our Scope 3 emissions, improving our accounting methodology, identifying value chain emissions hotspots, and prioritising stakeholders' engagement, so that in due course the Company can set realistic Scope 3 targets as well.

The Company continues to progress our decarbonisation plans and remain confident in both ArcelorMittal's ability to achieve net zero by 2050 and in the opportunity for steel as a critical material in a low-carbon world.

<u>End use of coal</u>

16. **ArcelorMittal must commit to ending blast furnace relining from today and coal use altogether by 2040.**
    a. **How are plans to continue building blast furnaces (in India for instance) and to reline existing blast furnaces in line with ArcelorMittal's goal of reaching net zero emissions by 2030?**
    b. **When does ArcelorMittal plan on completely stopping the use of coal in its operations?**
    c. **What is the timeline to retire existing coal- consumption blast furnaces?**
17. **For depreciation, how do you depreciate blast furnaces in the financial accounts? What does it assume?**

The Company does not believe that the blast furnace is dead. External agencies, including the IEA, also have acknowledged the use of carbon capture usage and storage as a relevant decarbonization lever for steel with an estimated 37% of steel plants equipped with Carbon capture storage and usage (CCUS) by 2050 in their latest update of the Net-Zero Emissions (NZE) scenario.

What matters is that emissions are reduced. Given steel is a hard to abate sector we believe being technology agnostic is absolutely the right approach to take – particularly when there is no green hydrogen available today and certainly at nowhere near the scale we need.

The Company therefore, sees Smart Carbon as an important route to decarbonization where you modify the blast furnace to take advantage of gas injection/ recirculation, bioenergy and carbon capture, usage and storage.

The Company is developing strategies and capabilities to harness carbon capture across the Company. This includes the Carbon Capture and Usage (Steelanol) demonstration plant at Ghent which captures carbon- rich industrial gases from steel production and biologically converts them into ethanol using LanzaTech's carbon biorecycling process. Separately, the Company has been working on pilots at the sites in Ghent and Dunkirk that capture carbon across the steel making process for transport and storage.

On depreciation, it is based on the current view of the useful life of the blast furnace. In cases where we have decarbonization projects then we will align the projects to this timeline.

The Company is technology agnostic and is focused on three main technologies to decarbonise the steel sector; DRI EAF, Smart Carbon and direct electrolysis which uses clean electricity to power the direct electrolysis of iron ore. The technology used will depend on the country specific policy conditions.

<u>Different pace decarbonization globally</u>

18. **Despite being the largest steel producer in Sub Saharan Africa, VEJA, groundWork and CER have observed a significant discrepancy between the company's climate action goal for Europe of 35% in comparison to its 25% reduction target for greenhouse gas emissions by 2030 for South Africa. Considering how AMSA's operations have disproportional impacts on a majority brown and black population in the Vaal Triangle and the environmental racism evident in this gap, why is ArcelorMittal not planning to reduce greenhouse gas emissions at an adequate pace and scale in South Africa to match that of its reduction plans in Europe? What steps will it take to close this gap?**
19. **In light of the fact that developing countries in the global south cannot afford to provide subsidies for the decarbonisation efforts of major emitters, does the AM Group recognise its responsibility to provide both financial and technological support for decarbonisation efforts for operations in the Global South, especially since the group has committed all operations to 25% emission reductions targets?**
20. **The Fair Steel Coalition is concerned about the ArcelorMittal Group's lower commitment to reducing emissions for the rest of the group, as compared to its European Operations?**
    a. **Is ArcelorMittal providing financial and technological support to all subsidiaries to ensure the committed reduction in emissions? If so, please provide a detailed account of all financial commitments, in particular, as well as information on whether such support involves a capital injection or as loans?**

The points that you highlight is exactly why we need a global price on carbon. If there was a suitable and appropriate price on carbon applied equally globally then not only would everywhere move at the same pace but the pace of transformation would be a lot quicker.

It is a matter of fact that some regions will move faster than others and also that the regions that are currently moving slower are those that are likely to see a faster demand growth for steel.

The Company wants to reduce emissions intensity everywhere it operates to provide competitive low carbon emissions steel.

But as it stands today that is regrettably not achievable – and as with SBTI we do not believe it does anyone any favours to pretend that it is.

In Europe, policy measures such as the carbon price through the EU ETS and capex support for decarbonisation has meant that the Company has announced more projects in the region. These are now all going through the engineering phase.

Even given the absence of policy, we are still moving forward in other regions of the world. The Company has announced investment of $1.4bn of capex (total Capex $4.6bn) in growth projects and many of these around the world will support our decarbonisation strategy outside of Europe (e.g. renewable projects in India, Brazil and Argentina) an Electric Arc Furnace in Calvert (JV with Nippon Steel) and access to high quality DRI through the Serra Azul pellet feed).

At the same time, the Company has been announcing projects to reduce emissions at our sites around the world. In Brazil, the blast furnaces have lower CO2 emissions/ t than the rest of the Company. In Brazil, the bioflorestas site which uses biochar as an input into the blast furnace. The Company has also announced an investment in a JV with Casa dos Ventos for 554 MW of wind power expected to provide 38% of ArcelorMittal Brazil's future electricity needs in 2030.

Progress is also being made in South Africa with the development of a 200MW embedded solar installation at Vanderbijlpark (43% of Vanderbijlpark's electricity requirements), a solar power purchase agreement expected to come online in Q3 2025 and advanced plans to increase our use of scrap. At the same time, ArcelorMittal South Africa has been progressing pathways to produce direct reduced iron ("DRI"), a technology that uses gas as the reductant rather than coke. This includes in March 2024, a joint development agreement for a wide ranging but detailed techno-economic analysis of the green DRI opportunity as part of a pre-feasibility study at the mothballed facility in Saldanha, Western Cape.

As you can see there is a lot of activity around the group on our decarbonisation progress.

<u>**Bosnia**</u>

21. **Are there plans or corporate strategic decisions about the future strategic production in Zenica, Bosnia, as coke production already stopped?**

22. **Global trends for green steel include research and plans to decarbonize the steel production. Are there any plans to make the metallurgical production in Zenica, Bosnia greener?**

As it stands today the company will continue to produce steel via the blast furnace route, purchasing coke from external sources. Zenica is part of our group and therefore, our net zero 2050 target.

<u>**Decarbonisation technologies – CCS/ Hydrogen economics and viability**</u>

23. **Does ArcelorMittal intend to develop CCU-related projects—such as Steelanol generation—in places other than Belgium or South Africa? Is AM planning to develop any more CCU projects in Spain, France, Germany or Belgium?**

24. **Are there any details on the timeline and costs for implementing CCUS at commercial scale?**

25. **Given that CCUS is unlikely to perform and to play a major role in steel decarbonization, what measures have been put in place to mitigate the risks of CCUS implementation failure?**

26. **Has ArcelorMittal compared the costs of CCUS and CCS and the re-lining of Blast Furnaces to the costs of implementing green steel technology at plants in Europe and the rest of the world, bearing in mind that CCUS and CCS are unproven technologies? If so, could such studies be made available to us?**

27. **ArcelorMittal Europe CEO Geert van Poelvoorde's words in February, implying that the expected hydrogen prices would make green H2-DRI projects unviable at this moment, put into question the future of several green-steel production projects in Europe. Could you please**

provide us with the information that supports AM's claim that the hydrogen costs have increased from what was projected when the company requested the state aid?

We do not agree that Carbon Capture and Storage (CCS) does not have a future when it comes to decarbonizing the steel sector or indeed decarbonizing the economy more broadly.

ArcelorMittal is developing capabilities to harness carbon capture across the Company. The carbon capture and usage project with Lanzatech in Belgium is a commercial demonstrator so its role was to assess how Carbon Capture and Usage could be used as part of a Smart Carbon approach. The Company has taken away a lot of learnings from having constructed and operated this plant which can be used around the group.

As well as capabilities in Carbon Capture in Usage in Ghent, it is also working on Carbon Capture and Storage pilots in Belgium and France. The multi- year trials are to test Carbon Capture across the steel making process.

The Company is part of CO2 supply hubs both in Belgium and France where it has been investigating the cost and feasibility of transportation and also the storage of the carbon that is captured.

A considerable amount of work is performed to test technologies like carbon capture usage and storage (CCUS) before deploying at scale to ensure that we reduce the risk of CCUS implementation failure. This is the same with all new technologies deployed across the Company.

On hydrogen costs, the EU recently disclosed the findings of its analysis on green H2 in Europe and indicated the average levelized cost of renewable hydrogen by country varies from 5.8 to 13.5 EUR/ kg H2 which is much higher than the cost to make it competitive.

The Company does not disclose our internal studies where it compares costs of CCUS vs DRI EAF. The cost of each project depends on the specific location and policy environment. However, what I can say is that ArcelorMittal would not be investigating CCUS with the blast furnace if it did not think it could be a competitive alternative in some regions.

<u>**European Decarbonisation projects**</u>

28. **Could you disclose the schedule proposed for phasing out fossil gas for each of the projects which had been authorised State aid in Europe to build green H2-DRI?**

29. **Did any of the State aid requests or Memorandums of Understanding signed with the authorities of Spain, Belgium, Germany or France allow the company to operate the H2-DRI plants with fossil gas in an indefinite manner?**

30. **Did the Memorandum of Understanding signed between ArcelorMittal and the Spanish Government allow for the use of fossil gas as a fuel to feed the DRI plant?**

    a. **The Spanish Government granted 450 million Euros of aid for ArcelorMittal to build a green hydrogen based DRI plant. According to Article 1 of the State aid decree regulating this "the actions carried out under the subsidy granted through this royal decree are intended to replace the use of fossil fuels, such as coal and natural gas, with hydrogen of renewable origin from electrolyzers for manufacturing. of steel in furnaces. In addition article 5 stated that "the beneficiary will ensure that the hydrogen used in the project for the operation of the direct reduction plant is**

produced from renewable energy sources". Following recent announcements from ArcelorMittal it seems that the planned DRI plant is going to burn not only fossil gas but also metallurgical gases. This would result in delays to the green transition necessary globally.

b. **How is the use of fossil gas and metallurgical gases in line with the conditions of the aid that has been granted?**

c. **Has ArcelorMittal consulted with the European Commission regarding its published intention to delay the use of green hydrogen in its projected operation in Gijón, Spain?**

d. **What was or has been the Commission's reaction or response to such consultation if it happened?**

e. **What has been the Spanish government's reaction or response to ArcelorMittal's approach to modifying the phase-down period for the use of fossil gas in the projected DRI plant as established in the state aid concession decree?**

As the Company set out in our Climate Action Report 2, ArcelorMittal's plan has been the use of natural-gas based DRI EAF as the first step to decarbonize our announced projects, with the ability to further innovate and decarbonize using green hydrogen. The transition to natural gas based DRI EAF from the blast furnace more than halves the carbon emissions and I hope we would all agree that is a meaningful reduction that it makes no sense to ignore.

At this stage, green hydrogen is not available in Europe at the price or capacity that we need to provide competitive low carbon emissions steel by 2030.

However, the Company is already taking steps to decarbonize our Spanish footprint with the announcement of an Electric Arc Furnace.

Individual

1) **What actions are planned to improve the EBITDA and share price?**

Our results show the structural improvements that we have made to profitability. Against a far from easy operating environment, we have generated $157/tonne EBITDA shipped in 2023, which is better than our historical average.

In terms of further EBITDA improvement, we have been investing in recent periods on a series of high return strategic projects. These projects include higher added value capabilities, additional capacity in high growth markets, and investments to increase our self-sufficiency in critical resources. As we commission and ramp-up these projects over the next 2-3 years, we expect our EBITDA capacity to increase by $1.8bn.

We are all dissatisfied by our share price performance, which is a function of many variables and market forces. We are actively engaging with the market to highlight the unique strengths of ArcelorMittal, our strategic priorities, and our capital allocation and return policies.