

Responsible Steel™ Certified Site



DNV-C543837

Presented to

ArcelorMittal España S.A.

SITE NAMES AND ADDRESSES

Avilés-Gijón (Asturias)

Residencia La Granda, 33418 Gozón, SPAIN

Sagunto

Carretera acceso IV Planta, 65, 46520 Sagunto, SPAIN

Lesaka-Legasa

Bº Arratzubi, s/n, 31770 Lesaka, SPAIN

Etxebarri

Egetiaga Uribarri, 48450 Etxebarri, SPAIN

CLIENT NAME AND ADDRESS

ArcelorMittal España S.A.

Residencia La Granda,

33418 Gozón, SPAIN

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

ResponsibleSteel Standard Version 1.1 (effective from 23 June 2021)

ResponsibleSteel Assurance Manual Version 1.0 (effective from 29 December 2019)

ISSUE DATE

13th May 2022

EXPIRY DATE

12th May 2025

NEXT SCHEDULED AUDIT

November 2023

CERTIFIED SINCE

13th May 2022

CERTIFICATION SCOPE

Integrated steel-making: Coal yard, ore yard, coke batteries, sinter plants, blast furnaces, LD steel shops, hot strip mill, pickling lines, cold rolling mills, galvanizing lines, annealing & temper, tinplate lines, heavy plate mill, wire rod mill, rail mill. Downstream activities: Pickling line, cold rolling mill, galvanizing line

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

None

CERTIFICATION BODY

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



AUTHORISED CERTIFICATION BODY SIGNATURE

A handwritten signature in black ink, reading 'Shaun Walden'.

Shaun Walden, Deputy Area Manager UK

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

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

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



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Annex

ArcelorMittal España S.A.

SITES AND FACILITIES COVERED BY THE CERTIFICATE

- 1. Avilés-Gijón (cluster headquarter):** slab, hot rolled coil, cold rolled coil, galvanized, tinplate, organic coated, heavy plate, wire rod and rail. Facilities of the site: Coal yard, ore yard, coke batteries, sinter plants, blast furnaces, LD steel shops, hot strip mill, pickling lines, cold rolling mills, galvanizing lines, annealing & temper, tinplate lines, heavy plate mill, wire rod mill, rail mill. Main support activities: Internal transport, energies.
- 2. Sagunto:** cold rolled coil, galvanized, electrogalvanized. Facilities of the site: Pickling line, cold rolling mill, galvanizing line, electrogalvanizing line.
- 3. Lesaka-Legasa:** galvanized, organic coated, tabstock. Facilities of the site: Combi line, organic coating, electrogalvanizing.
- 4. Etxebarri:** tinplate and TFS (tin-free steel). Facilities of the site: Cold rolling mill, tinning lines.

SUPPORT FUNCTIONS THAT CONTRIBUTED TO THE AUDIT

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

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

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

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documents.



PUBLIC SUMMARY AUDIT REPORT

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

Audit overview

Member Name	ArcelorMittal Group
Audited entity name	ArcelorMittal España S.A
Number of sites Names & location	4 sites: <ul style="list-style-type: none">• Avilés-Gijón (Asturias), Residencia La Granda, 33418 Gozón, SPAIN• Sagunto, Carretera acceso IV Planta, 65, 46520 Sagunto, SPAIN• Lesaka-Legasa, Bº Arratzubi, s/n, 31770 Lesaka, SPAIN• Etxebarri, Egetiaga Uribarri, 48450 Etxebarri, SPAIN
Certification scope	The 4 sites of the cluster manufacture and commercialize various types of steel products. Various activities and products are described below in this report.
Standard version audited against	ResponsibleSteel Standard V1-1
Audit type and outcome	Initial certification audit Initial certification
Certification body	DNV Business Assurance Services UK Limited
Audit Dates	Stage 1: 13 to 15 October 2021 Stage 2: From 8 to 19 November 2021
Number of auditors and audit days	2 auditors 27.5 days (stage 1, stage 2 and reporting)
Lead auditor declaration	The findings in this report are based on an objective evaluation of evidence, derived from documents, first-hand observations at the sites and interviews with site staff, workers and stakeholders, as conducted during stage 1 and stage 2 audit activities. The audit team members were deemed to have no conflicts of interest with the sites. The audit team members were professional, ethical, objective and truthful in their conduct of audit activities. The information in this report is

	accurate according to the best knowledge of the auditors who contributed to the report.
Next audit type and date	Surveillance; November 2023 (tbc)

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Introduction

About ResponsibleSteel

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

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

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

Overview of the certification process

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



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

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

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

Site information

Country and town	<p>Avilés - Gijón , SPAIN</p> <p>Sagunto, SPAIN</p> <p>Lesaka - Legasa, SPAIN</p> <p>Etxebarri, SPAIN</p>
Activities and products	<p>1. Avilés-Gijón (cluster headquarter): slab, hot rolled coil, cold rolled coil, galvanized, tinplate, organic coated, heavy plate, wire rod and rail. Facilities of the site: Coal yard, ore yard, coke batteries, sinter plants, blast furnaces, LD steel shops, hot strip mill, pickling lines, cold rolling mills, galvanizing lines, annealing & temper, tinplate lines, heavy plate mill, wire rod mill, rail mill. Main support activities: Internal transport, energies.</p> <p>2. Sagunto: cold rolled coil, galvanized, electrogalvanized. Facilities of the site: Pickling line, cold rolling mill, galvanizing line, electrogalvanizing line.</p> <p>3. Lesaka-Legasa: galvanized, organic coated, tabstock. Facilities of the site: Combi line, organic coating, electrogalvanizing.</p> <p>4. Etxebarri: tinplate and TFS (tin-free steel). Facilities of the site: Cold rolling mill, tinning lines.</p>
Year site opened	<p>Avilés-Gijón: 1950</p> <p>Sagunto: 1975</p> <p>Lesaka-Legasa: 1958</p> <p>Etxebarri: 1959</p>
Major extensions and / or refurbishments and year(s) when these occurred	<p>Year 2015: Phase I upgrade of pickling line no. 2 completed. Start-up curve with a slight delay, but the production target was reached.</p> <p>Year 2016:</p> <ul style="list-style-type: none"> Phase I of the rail mill upgrading completed. First tests of the new universal rolling stands in the rail mill carried out in September. Major modernisation project of LDA CC1 (Linz-Donawitz Aviles Continuous casting), new converter no. 2 and boiler, and replacement of 16 steel beams completed on schedule, with a very good start-up curve. Replacement of staves in BF(blast furnace) 'A' and 'B'. <p>Year 2017: Phase II of rail mill upgrade completed, including new UTS (Ultrasound) machine. Production and shipment to customers of 108</p>

	<p>meter long rails on schedule in quarter 4.</p> <p>Year 2020:</p> <ul style="list-style-type: none"> • Coke battery no. 1 in Gijón started in January 2020, but operations were halted for one month to resolve several technical issues. Construction of battery no. 2 resumed in Q4 2020 and It became operational in the first quarter of 2021. • The new CC (continuous casting) machine no. 2 at the LDA(Linz-Donawitz Avilés) steel mill was successfully commissioned on 8 February 2020, and the first 20 tonnes slabs for heavy plate were produced in the third quarter. <p>Year 2021: Coke battery no. 2 at Gijón was commissioned in February 2021.</p>
Annual production	4.1 million tonnes of steel in 2019.
Number of employees and contractors	<p>Total ArcelorMittal España: 6,495 employees</p> <p>Temporary agency workers: 87</p> <p>Subcontractors: 1866</p>
Carbon reduction target	35% carbon reduction target for Europe by 2030 and to reach a net zero carbon balance by 2050.
Further environmental and social information	https://corporate-media.arcelormittal.com/media/b41aj40j/arcelor-mittal-integrated-annual-review-2020.pdf

Stakeholder engagement

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

Each site identified relevant stakeholders and their representatives in their areas of influence. All stakeholders were informed 3-4 weeks in advance of the site visit and given the opportunity to participate in the audit process. Stakeholders were contacted by email on 2 occasions to encourage their response or input. Subsequently, for those stakeholders who reported wanting direct contact, contact was facilitated through Microsoft Teams meetings, phone calls or face-to-face meetings. In total, 67 stakeholders were contacted by email and 31 direct contacts were made, through interviews,

by telephone, videoconference or face-to-face. The initial number of stakeholders was higher but they declined to participate in the audit process. Stakeholders contacted and/or interviewed were from different areas of engagement, including, ordered by the number of interviews carried out, the municipalities where the plants are located, business or industrial promotion associations, training centres, representatives of the local communities, environmental authorities, environmental organisations, social organisations and organisations promoting the employment of people with disabilities.

A stakeholder proposal was made by ArcelorMittal, which was reviewed by the auditor. Other companies and customers were included as Stakeholders because they have an interest in ArcelorMittal's operational activities or share interests in the area of influence, such as legal compliance, supply chain cooperation, business forums, shared community projects, etc.

The perception of external stakeholders about the sites and how they manage their activities was mostly positive. Engagement and collaboration with the sites seems to be based on mutual understanding and respect. The only exception is that different communication channels are used to communicate to Stakeholders initiatives carried out in the area of corporate responsibility and/or related to the Communities. Several of the interviewed Stakeholders stated that they were unaware of these initiatives, so the current process, which is clearly defined, does not seem to reach all Stakeholders. Stakeholders rate the Community Relations Committee very positively, perceiving and expressing greater transparency and commitment since its implementation. Stakeholders consider the Stakeholder Identification and Complaints Management process to be effective. In addition, a neighbourhood association in Gijón expressed concern about environmental aspects such as atmospheric emissions, but confirmed and understood that ArcelorMittal informed them of the actions and improvements carried out and planned to be carried out, as well as the availability of an action plan in accordance with the legislation, an aspect confirmed in an interview with the environmental authority. In turn, several stakeholders at all the sites, such as local councils and neighbourhood and business organisations, express their concern about the permanence and continuity of ArcelorMittal's activity and operations at their locations. All are very positive about the creation of jobs and opportunities for the community.

Workers are an important internal stakeholder group since they are directly affected by the activities of the sites. In addition to the staff who participated in the audit, a total of 90 interviews were conducted with employees at all sites. Some 50 interviews were conducted individually and 40 in groups. The sample of interviews per site was divided into 25 interviews in Avilés, 21 in Gijón, 16 in Sagunto, 10 in Lesaka-Legasa and 15 in Etxebarri. 70 of the interviews were conducted with men and 20 with women. 86 interviews were carried out with personnel employed by ArcelorMittal and 4 with personnel from subcontractors. 22 of the 90 interviews were conducted with workers' representatives. Interviews were conducted with people from different areas such as offices, staff, production at different stages of the process, maintenance, logistics, engineering, energy and

laboratories. Interviews were conducted with people at different levels of responsibility, from area or department heads, to middle management, support technicians and basic personnel. The people interviewed from subcontractors were from the logistics and water treatment areas. Individual and group interviews were conducted following the sampling table in the ResponsibleSteel Assurance Manual.

The interviews showed that the sites effectively involve workers in health and safety issues and provide them with the necessary competence to perform their work safely. Labour rights are well respected in the plants, but other social issues are not yet systematically managed, specifically in terms of awareness and dissemination among employees of the social issues developed and promoted by ArcelorMittal in the communities where it operates, such as STEM (science, technology, engineering and mathematics) training initiatives, integration of people with disabilities in the workplace, and the availability of resources for the protection of industrial and natural heritage. In the interviews, the workers did not report that they were affected by these aspects in their daily lives.

This feedback from the workers led the sites to develop a fully integrated social management system, which was positively received by the workers with the exception of the differences in the remuneration of overtime worked by Collective Agreement and outside Collective Agreement workers. The integrated social management system has been implemented in Avilés, Gijón and Sagunto, and is less consolidated in Lesaka-Legasa and Extbarri.

Summary of Audit Findings

Conform	Conformity, the requirement is fulfilled.
Opportunity for Improvement (OFI)	The respective requirement or criterion has been implemented, but effectiveness or robustness might be increased, or it is a situation that could lead to a future non-conformity if not addressed.
Minor non-conformity (NC)	Isolated, unusual or non-systemic lapse. Or a lapse with limited temporal and organisational impacts. A non-conformity that does not result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. Sites can become certified with minor non-conformities, but they must have addressed them by the time of their next audit.
Major non-conformity (NC)	A non-conformity that, either alone or in combination with further non-conformities, results in or is likely to result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. For example, non-conformities that continue over a long period of time, are systemic, affect a wide range of the site's production or of the site's

	facilities. Sites with major non-conformities cannot be certified.
Exclusion	The requirement is either not applicable : excluded from the audit since it is not applicable to the sites; or not rated : the requirement is very closely linked to another requirement where a non-conformity (NC) or opportunity for improvement (OFI) has already been raised. Sometimes, when requirements are linked to one and the same subject-matter, it is appropriate to count NCs or OFIs only once to avoid repetition.

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Principle 1. Corporate Leadership					
Criterion 1.1: Corporate Values and Commitments (6)	6	0	0	0	0
Criterion 1.2: Leadership and Accountability (5)	5	0	0	0	0
Principle 2. Social, Environmental and Governance Management Systems					
Criterion 2.1: Management System (6)	6	0	0	0	0
Criterion 2.2: Responsible Sourcing (6)	6	0	0	0	0
Criterion 2.3: Legal compliance and signatory obligations (6)	5	0	#1	0	0
Criterion 2.4: Anti-Corruption and Transparency (8)	7	0	0	0	1
Criterion 2.5: Competence and awareness (5)	5	1	0	0	0
Principle 3. Occupational Health and Safety					
Criterion 3.1: OH&S policy (6)	6	0	0	0	0
Criterion 3.2: Health and Safety (OH&S) management system (10)	10	1	0	0	0
Criterion 3.3: Leadership and worker engagement on OH&S (10)	10	1	0	0	0
Criterion 3.4: Support and compensation for work-related injuries or illness (8)	8	0	0	0	0
Criterion 3.5: Safe and healthy workplaces (5)	4	0	0	0	1
Criterion 3.6: OH&S performance (2)	2	0	0	0	0
Criterion 3.7: Emergency preparedness and response (6)	6	0	0	0	0
Principle 4. Labour Rights					

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
Criterion 4.1: Child and juvenile labour (9)	7	0	0	0	2
Criterion 4.2: Forced or compulsory labour (7)	4	0	0	0	3
Criterion 4.3: Non-discrimination (9)	9	1	0	0	0
Criterion 4.4: Association & collective bargaining (12)	11	0	0	0	1
Criterion 4.5: Disciplinary practices (5)	3	0	0	0	2
Criterion 4.6: Hearing and addressing worker concerns (5)	5	0	0	0	0
Criterion 4.7: Communication of terms of employment (5)	5	1	0	0	0
Criterion 4.8: Remuneration (11)	6	0	#2	0	4
Criterion 4.9: Working time (7)	7	1	0	0	0
Criterion 4.10: Worker well-being (2)	2	0	0	0	0
Principle 5. Human Rights					
Criterion 5.1: Human rights due diligence (5)	3	0	0	0	2
Criterion 5.2: Security practice (9)	9	2	0	0	0
Criterion 5.3: Conflict-affected and high-risk areas (5)	0	0	0	0	5
Principle 6. Stakeholder Engagement and Communication					
Criterion 6.1: Stakeholder engagement (10)	9	2	#3	0	0
Criterion 6.2: Grievances and remediation of adverse impacts (12)	9	0	0	0	3
Criterion 6.3: Communicating to the public (7)	7	0	0	0	0
Principle 7. Local Communities					
Criterion 7.1: Commitment to local communities (8)	8	0	0	0	0
Criterion 7.2: Free, Prior & Informed Consent (3)	0	0	0	0	3
Criterion 7.3: Cultural heritage (7)	0	0	0	0	7
Criterion 7.4: Displacement and Resettlement (9)	0	0	0	0	9
Principle 8. Climate Change and Greenhouse Gas Emissions					
Criterion 8.1: Corporate commitment to	8	0	0	0	0

Principles and criteria (# of requirements)	Conform	OFI	Minor NC	Major NC	Exclusion
achieve the goals of the Paris Agreement (8)					
Criterion 8.2: Corporate Climate-Related Financial Disclosure (2)	2	0	0	0	0
Criterion 8.3: Site-level GHG emissions measurement and intensity calculation (3)	3	1	0	0	0
Criterion 8.4: Site-level GHG reduction targets and planning (11)	10	0	0	0	1
Criterion 8.5: Site-level GHG or CO2 emissions reporting and disclosure (8)	8	0	0	0	0
Principle 9. Noise, Emissions, Effluents and Waste					
Criterion 9.1: Noise and vibration (7)	7	0	0	0	0
Criterion 9.2: Emissions to air (8)	8	0	0	0	0
Criterion 9.3: Spills and leakage (9)	9	0	0	0	0
Criterion 9.4: Waste, by-product and production residue management (11)	11	0	0	0	0
Principle 10. Water Stewardship					
Criterion 10.1 Water-related context (7)	7	0	0	0	0
Criterion 10.2 Water balance and emissions (8)	7	0	0	0	1
Criterion 10.3 Water-related adverse impact (6)	6	0	0	0	0
Criterion 10.4 Managing water issues (8)	8	1	0	0	0
Principle 11. Biodiversity					
Criterion 11.1: Biodiversity commitment and management (25)	7	0	0	0	18
Principle 12. Decommissioning and closure					
Criterion 12.1: Decommissioning and closure (14)	0	0	0	0	14
	Conform	OFI	Minor NC	Major NC	Exclusion
Total (370)*	290	12	3	0	78

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

Strengths

Strengths have been identified that are applicable to all sites, because ArcelorMittal Spain has a multi-site approach to the development of its management systems and processes. The main strengths that the auditors identified are summarized here:

- There is good internal and external deployment and dissemination of the company's policies and values (1.1.2).
- Defined and implemented management systems based on reference standards: IATF, ISO 9001, ISO 14001, ISO 45001, ISO 50001 (ISO 50001 only in Avilés and Gijón) (2.1.).
- Production process control tools that allow continuous monitoring and response to incidents: SIMATIC, SCADA, etc.(2.1.).
- Global assurance audits are carried out to identify and manage risks (2.1).
- HIRA (Hazard Identification Risk Assessment) Lite system, in addition to the usual Risk Assessment of the job position.
- CLOSED LOOP (2.1). Based on situations and aspects that have occurred in other ArcelorMittal plants worldwide, lessons to be learned are analysed and actions are implemented to avoid situations that occur in other plants of the group (2.1.).
- Development of a new system for the improvement of supplier management and supplier relations - digiPACE (2.2.).
- Internal management of compliance, through the establishment and monitoring of direct KPIs of the level of performance and the implementation of specific training for all staff (2.3., 2.4.).
- Commitment of the Management Team to follow up on legal compliance and signatory obligations, producing on a regular and planned basis a Compliance Certificate for the Cluster that evidences the monitoring and compliance status (1.2.5., 2.3.).
- Training and awareness of people in cyber-security (2.5.).
- "Take Care Training" (TCT), a specific training program in health and safety aspects from the corporate function. It includes Safety dilemmas (meetings to discuss and train in health and safety aspects). Proactivity KPI = Preventive Observations Report + Incident Analysis + Operational Monitoring + Proposed corrective actions. They are KPIs to control health and safety performance levels and proactivity in the sense of leading indicator.(3.3.).
- Use of SharePoint as an internal tool for communication and control of information (3.3., 4.6.).
- A variety of internal and external channels has been deployed for the communication of possible risks or breaches in the protection of human rights. During the time that these communication processes have been in place, which started in March 2020, no complaints have been registered in this regard (5.1.).
- Supported by expert advice, improvements in the security of installations are being developed: automation of systems in all sites, use of drones in Avilés-Gijón for surveillance of facilities by flying over the perimeter from an aerial view to identify risks of intrusion, sabotage and/or vandalism, etc. (5.2.).

- Deployment of a Community Relations Committee in Avilés, Gijón and Sagunto to engage with stakeholders, who perceive and express greater transparency and commitment since its implementation (6.1., 6.2., 6.3., 7.1.).
- Effective stakeholder identification and complaint handling process (6.2.).
- Alignment of the organisation's lines of action with the concerns expressed by stakeholders, e.g. those related to air quality management, water management, knowledge dissemination, cession of spaces for cultural or sporting activities and the search for synergies in the socio-economic environment (7.1.).
- Development of environmental improvement projects such as: improvement project in the management of gases in the wire rod area (Asturias), recirculation of process water (Etxebarri), re-use of space for scrap metal management (Sagunto) (8., 9., 10.).
- Water management and operational control of water use, coordinating with the competent authority the needs of the area of influence (Sagunto) (10.4).

Areas for improvement

During the audit, a few areas were identified that require the attention of the organisation. As a consequence, 3 minor non-conformities against requirements of the ResponsibleSteel Standard were raised. The sites are required to effectively address the non-conformities before the surveillance audit. The non-conformities findings are related to:

In terms of legal compliance some requirements have not yet been completed (Requirement 2.3.1.b.)

In terms of compliance with the law, although progress has been made, some requirements have not yet been completed, for example, compliance with the application requirements has not yet been completed for all the machines/facilities affected or various documents required by the relevant regulations have yet to be processed with the authorities. Evidence of non-compliance:

1. Adaptation of machines to RD 1215/1997.
2. Equality Plan and Remuneration Audit.
3. Unregistered Collective Bargaining Agreement in Avilés - Gijón - Sagunto.
4. Legal compliance of the Sagunto chemical product storage facility.

There are differences in remuneration for overtime worked by workers with Collective Agreement and EXEMPT workers (outside of Collective Agreement). (Requirement 4.8.1.b).

There is no Internal Rule that establishes how the salaries of these EXEMPT workers are structured and the remuneration versus responsibilities. The overtime of these workers is neither paid nor compensated. This situation means that managers (EXEMPT) with a team under their direction receive, sometimes, a lower salary than their subordinates. Evidence of non-compliance: Discussions with EXEMPT workers at all sites

Not all sites have records to track and ensure that there are contacts and actions with Stakeholders and/or the Community. (Requirement 6.1.5.)

A communication process/plan has been defined that integrates the Community Relations Committee (CRC) as the body for relations with the Stakeholders and/or the Community and which formalises contacts and actions in different records such as the minutes of the CRC meeting and/or the record of control of actions or investment programmes. This process has been implemented in Avilés, Gijón and Sagunto and has not been implemented in Lesaka-Legasa or Etxebarri, which does not enable monitoring and control to be ensured.

Evidence of non-compliance: In Lesaka-Legasa and Etxebarri, contacts and actions with Stakeholders and/or the Community are managed without any formal support or record.

Opportunities for improvement

Apart from the 3 minor non-conformities, the sites meet all the requirements of the ResponsibleSteel Standard. However, the auditors have identified 12 requirements where the sites have potential for improvement. These are recommendations to the sites rather than non-conformities. Among others, the following:

- It is recommended to standardise at group level of the POSITION PROFILE tab.
- It is recommended to monitor the use of the Employee Portal.
- It is recommended to reinforce the dissemination to workers of the channels for reporting situations of harassment.
- Improve internal communication to potential candidates in internal promotions.
- There are different communication channels used to communicate to Stakeholders/Community the initiatives carried out in the field of corporate responsibility and/or related to the Community. Several of the Stakeholders interviewed stated that they were unaware of these initiatives, so the current process, which is clearly defined, does not seem to reach all Stakeholders/Community.
- The Verified Greenhouse Gas Emissions Report does not include emissions from the transport of raw materials for production.
- It is recommended that progress be made in the evaluation of the efficiency and specific use of water, in line with the corporate lines of action, controlling the water recirculation rate.

Exclusions

2.4.4. Transparency International Corruption Perceptions Index 2020 for Spain is low risk

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

4.1.3. There is no risk of child labour being recruited or tolerated.

4.1.5. There are no juveniles working at ArcelorMittal Spain

4.2.2. and 4.2.3. There is no risk of forced or compulsory labour at the sites.

4.4.2. National law does not restrict workers' organisations.

4.5.3. The risk analysis conducted in conjunction with the findings of the interviews and monitoring committees determines that there is no risk of sites causing or tolerating undignified disciplinary practices.

4.8.5. There are no on-site shops.

4.8.6. Accommodation is not provided by the sites.

4.8.7. National legislation establishes a minimum living-wage. Since 2018, the mandatory minimum wage in Spain has risen from €735.9 to €1000 in 2022, in 14 payments, which means in 12 payments a minimum wage of €1166.7. Spain is at a similar level to other European countries in terms of the ratio of minimum wage to cost of living.

5.1.3. and 5.1.4. Based on the human rights risk analysis, no risks related to human rights have been identified.

5.3.1. The sites do not operate in conflict-affected or high-risk areas.

6.2.4 ArcelorMittal Spain provides evidence that no concerns have been raised that it has caused or contributed to adverse human rights impacts.

6.2.5. ArcelorMittal Spain provides evidence that no concerns have been raised that it has caused or contributed to adverse human rights impacts and has not been required to cooperate in legitimate processes to consider remediation.

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

7.3.1., 7.3.2., 7.3.3., 7.3.4., 7.3.5. No cultural heritage sites and values exist in the area of influence of the sites.

ArcelorMittal has carried out an analysis in his biodiversity plan at each site to determine that there is no cultural heritage, consulting local authority and stakeholder agency sources.

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

10.2.4. There are applicable regulatory standards.

11.1.3. and 11.1.4 The sites do not convert or degrade any natural or critical habitats, act in accordance with their IPPC permit and the IPPC Act. ArcelorMittal has developed a biodiversity plan that analyzes the situation of the industrial facilities in Avilés, Gijón, Sagunto, Lesaka-Legasa and Etxebarri in relation to biodiversity.

11.1.9.b) and 11.1.9.c) ArcelorMittal Spain has defined and implemented a biodiversity plan that analyses the environment of the sites in relation to the protection figures, assessing the protected areas and evaluating the risks and impacts on biodiversity, concluding that there are no risks of adverse impacts, no residual impacts and actions that protect biodiversity.

11.1.11. ArcelorMittal Spain has not been subject to controversy in relation to biodiversity. We have interviewed the environmental area, workers and stakeholders (including environmental authorities and community members) and they confirm that ArcelorMittal has not been subject to controversy in relation to biodiversity.

12. 1. No site decommissioning or closure have been announced within the scope of the sites.

Assurance Panel Declaration

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

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

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

This statement has been approved by the three members of the Assurance Panel who reviewed the audit report on 11 April 2022.

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