

Environmental and Social Data Sheet

Overview

Project Name: ARCELORMITTAL EUROPEAN R&D PROGRAMME
 Project Number: 2016-0731
 Country: FRANCE / BELGIUM / SPAIN / CZECH REPUBLIC / POLAND / LUXEMBURG / ROMANIA
 Project Description: Financing the European R&D programme of ArcelorMittal in the years 2017 to 2020.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The project comprises selected EU based Research, Development and Innovation (RDI) in the promoter's strategic business areas covering his financial years 2017 - 2020. The selected RDI activities and programs are carried out in the fields of (i) iron and steel production process optimisation and (ii) product development. To a lesser extend the promoter is also active in fundamental research of iron and steel. Examples of these RDI activities are:

- Iron and steel production process optimisation RDI: covering topics such as the efficient use of energy and raw materials to reduce emissions and environmental footprint of plants;
- Product development RDI: comprising activities such as innovative steel solutions used in automotive, civil engineering, construction, packaging and plant building industries in order to reduce weight of products and as a result CO2 emissions;
- Fundamental research is primarily oriented towards a drastic reduction of CO2 emissions in steel production and/or reusing it for chemical processes.

The RDI activities will be carried out in existing R&D facilities and plants of ArcelorMittal in France, Belgium, Spain, Czech Republic, Poland, Luxembourg and Romania. This type of activities is not mentioned in the EIA Directive; therefore these activities are not expected to require an EIA according to Directive 2011/92/EU, as amended. Also, biodiversity or nature conservation issues are not touched upon as the project's activities will be carried out within the borders of existing RDI facilities and plants. This applies also to investment in equipment required for this project.

Although minor residual impacts might remain from production processes still adding to the overall environmental load, the expected results from this RDI project, i.e. new products,

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

Luxembourg, 13th December 2016

process improvements and technical solutions are expected to bring significant positive environmental results, in terms of direct and in particular indirect CO2 emission reduction.

98% of the promoter's industrial operations are certified under ISO 14001 and 97% of industrial operations are certified to OHSAS 18001.

Sustainability is an integral part of the promoter's corporate strategy who follows strict policies on topics such as energy efficiency, environmental protection and public health and safety.

Social Assessment, where applicable

With regard to occupational health and safety, the promoter follows a clear "zero accidents" vision. Today 97% of industrial operations are certified to OHSAS 18001.

Conclusions and Recommendations

Should - contrary to current knowledge and expectation - one of the components of the project require an EIA or equivalent, it will be a contractual requirement to send a copy of such EIA to the EIB.

The project is not expected to result in significant additional negative environmental and social impacts. It is therefore considered acceptable for Bank financing.