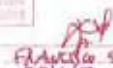




Environmental Declaration

ArcelorMittal Sestao

“ADVANCING TOWARDS SUSTAINABILITY”

EMPRESA, S. R. L. S.	
C/ Muelle Pinedo 17-24	
48940 Galdakao - P. 48940 Galdakao	
Tel: 946 11 11 11	
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E-mail: info@arcelmittal.es	
Web: www.arcelmittal.es	
Responsible for the declaration:	
	
Francisco Serrano	
Director General	
Fecha de la declaración:	
Firma del responsable:	
Firma del responsable:	

Like every year, ArcelorMittal Sestao submits its Environmental Statement, proof of the voluntary commitment of the plant's Management, staff and subcontractors to society through voluntary adherence to EMAS Regulation.

By means of the elaboration and publication of this report, which features with total transparency the most relevant initiatives and projects undertaken in our plant throughout 2011, ArcelorMittal Sestao proves its commitment to Sustainability and Corporate Responsibility aligning with the values of ArcelorMittal Group.

Faithfull to this commitment, throughout 2011 we have realized several activities concerning to the safety, the health and the well-being of our staff, our contractors and our surrounding community, such as the 5th "International Health and Safety Day" held on the last 28th of April and the Health Week, which took place from the 24th to the 28th of October.

The communication and the involvement of our whole staff are the most important things in order to get our target. That is why throughout 2011 the communication activities were a lot, increasing during the second half of the year in order to inform about the current and future situation of the Sestao's plant which was under the influence of the worldwide crisis which affects to our sector which caused the stoppage of our work during the last two months of the year, going on this situation until June 2012.

We work hard for the achievement of our environmental objectives. In 2011 we have attained the 81.7% of the Environmental Plan which covers the main actions and goals in this subject. One of the outstanding facts we have executed this year is the declassification of the oily sludge of the Water Plant as a hazardous waste, becoming categorized as a non-hazardous waste as a result of its collection process improvement.

Finally, during 2011 ArcelorMittal has successfully set out an effective self-control of the 100% coils, supporting the necessary organizational changes with a general development project of the quality standards, the control plans and the staff training.

The Environmental Statement is provided for all the plant workers and organizations such as the Basque Government, the Town Councils of the neighboring towns, customer, suppliers and companies in the area. Also, in accordance with our policy of complete transparency and permanent adaptation to new technologies, it is made available to any person wishing to consult it through our web site: www.arcelormittal.com

Yours faithfully,

ArcelorMittal Sestao Management Committee



ENVIRONMENTAL DECLARATION 2011

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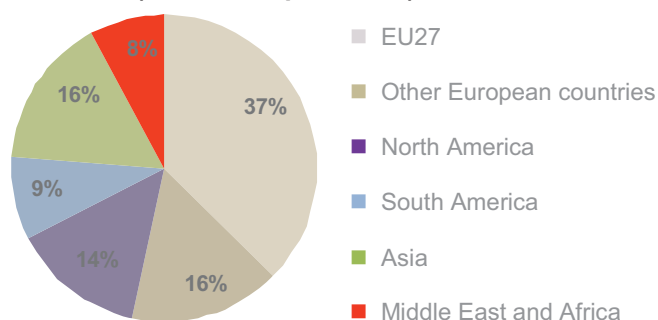


1. COMPANY PROFILE

ArcelorMittal Group

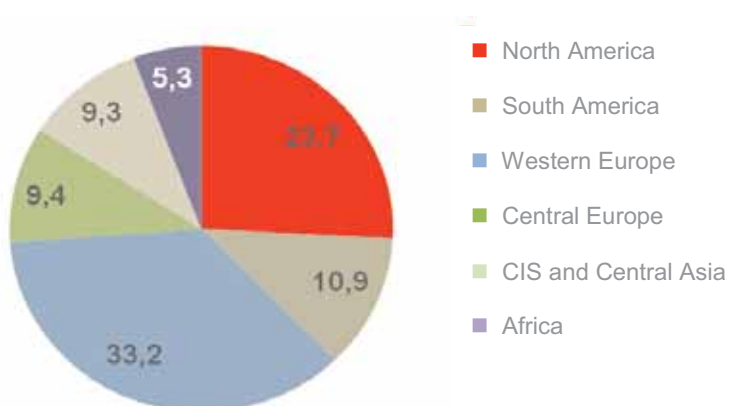
ArcelorMittal is the world's leading steel and mining company, with a workforce of over 260,000 employees in more than 60 countries. The company has led the consolidation of the steel industry worldwide and it is nowadays the only global steelmaker.

**Staff distribution per geographic areas in 2011
(Full time equivalents)**



In 2011, ArcelorMittal had revenues of \$78 million and crude steel production of 91,891 ktonnes, representing approximately 6% of world steel output.

**Crude Steel production per geographic areas, in 2011
(Million tonnes)**

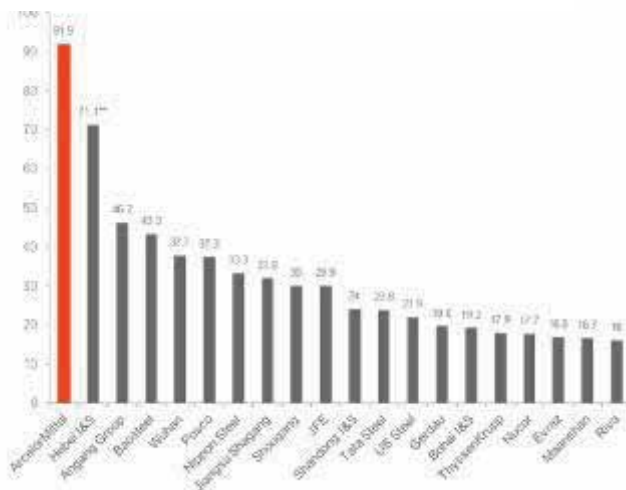


ArcelorMittal is the leader in all major global steel markets, including automotive, construction, household appliances and packaging, with leading R&D&I and technology as well as captive supplies of raw materials and outstanding distribution networks. With an industrial presence in over 20 countries, the Company covers all of the key markets, from emerging to mature.

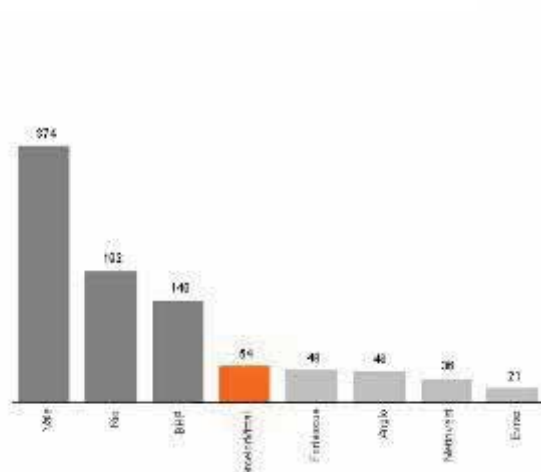


The company produces around the 38% of the steel in America, the 46% in Europe and the 16% in other countries as Kazakhstan, South Africa and Ukraine.

Main iron and steel producing companies in 2011*
(Crude steel million tonnes)



4° Main iron ore-producing company
(2011, million tonnes)



INNOVATION

Innovation is a mindset at ArcelorMittal. The Group is not only the largest steelmaker by volume, but it offers the broadest range of steel grades, new steel products, steel solutions and cutting-edge technologies. It therefore continuously invests significantly in R&D. Close cooperation with customers, involving mutual trust, an open-minded approach and permanent exchanges of personnel, helps foster the spirit of innovation, enabling us to develop the products and solutions that will meet their ever-growing demands.

ArcelorMittal believes that its leading position involves significant liabilities. With the outstanding role that it plays in the consolidation process of the iron and steel industry, the Group helps to create a more sustainable workplace. In line with its commitment to “transforming tomorrow”,

It is remarkable that ArcelorMittal and the Basque Government has reached a collaboration agreement to carry out Research and Development projects, with a total amount of 100 M€. The Sestao Council has added to this agreement for the building of a Research Centre (ArcelorMittal Basque Country Research Centre) near the plant of ArcelorMittal Sestao, at the Benedicta dock (whenever the economic situation makes it possible).

This Research Centre will be specialized in the electric mills. It will work in two innovation strategies: one of them will be managed to the steel and rolling mill processes, steel products and their appliances improvement; the second strategy is more innovative, as it goes into the energy efficiency.

The Centre will be a steel architectural reference and will be placed in an emblematic building to build, placed in a land which has been given by the Sestao town council.



CORPORATE RESPONSIBILITY

ArcelorMittal has undertaken to become a benchmark in citizen responsibility. This commitment involves setting up a stable entity, with a global dimension, that has the necessary resources to supply its customers with the products that they need, that generates value in a sustainable way for all the stakeholders involved in their activities, including the communities where its facilities are located, and which applies the strictest performance levels in areas such as safety, health and environmental protection.

In 2011, the Company's top priority continued to be Health and Safety, Environment and Quality. ArcelorMittal operates in a wide variety of countries, from emerging to the most developed ones. The Group admits that its decisions affect not only its employees and the communities where it is present, but also suppliers, governments and investors.

ArcelorMittal target focuses not only on being the unquestionable leader in the sector, but also to be identified as one of the most valued companies worldwide, by proving a level of excellence in all its spheres of action and by constantly providing a high level of quality and excellent results for all interested parties. ArcelorMittal shall continue transforming tomorrow and leading the evolution of the iron and steel industry in order to ensure the best possible prospects for the Company, stakeholders and industry – in a broader sense, both at present and for future generations.

ArcelorMittal Foundation is a non-profit organization, established in 2007, focused on the project development which benefits the communities in which ArcelorMittal deals. Nowadays the Foundation is present in 30 countries.

Each year it supports near 580 projects in line with its three activity areas: Education, Health and Development of the Communities. Moreover it offers emergency aid to the towns battered by natural disasters.

In Spain the ArcelorMittal Foundation backs the NGO's who work with disabled people. It also collaborates with the Josep Carreras Foundation against the leukemia; with the Vicente Ferrer Foundation in a program which strengthen the women role in India and with the ANAR Foundation focused in helping children and adolescents at a vulnerability situation.

ArcelorMittal Foundation promotes some initiatives in order to encourage the company employees towards the volunteer. Therefore, it annually organizes 3 events:

- **International Volunteers' Day:** from 2008, the Foundation holds the International Volunteer's Day. The ultimate aim is the Group employees taking part in a volunteer's deed during some hours. Each year about 7,500 employees collaborate on one of the 200 activities which are worldwide arranged.
- **Holidays of Solidarity:** The holidays of solidarity offer the chance to ArcelorMittal employees of devoting a part of their holidays to taking an active part as a volunteer in a foreign Foundation Project.
- **Little contributions:** Through this initiative the Foundation financially supports (up to \$5,000) several projects of the NGO's in which ArcelorMittal employees take active part as volunteer. 73 NGO's received this little contribution in 2011.

ArcelorMittal Foundation, Spain
foundation@arcelormittal.com

Further information is available at www.arcelormittal.com.

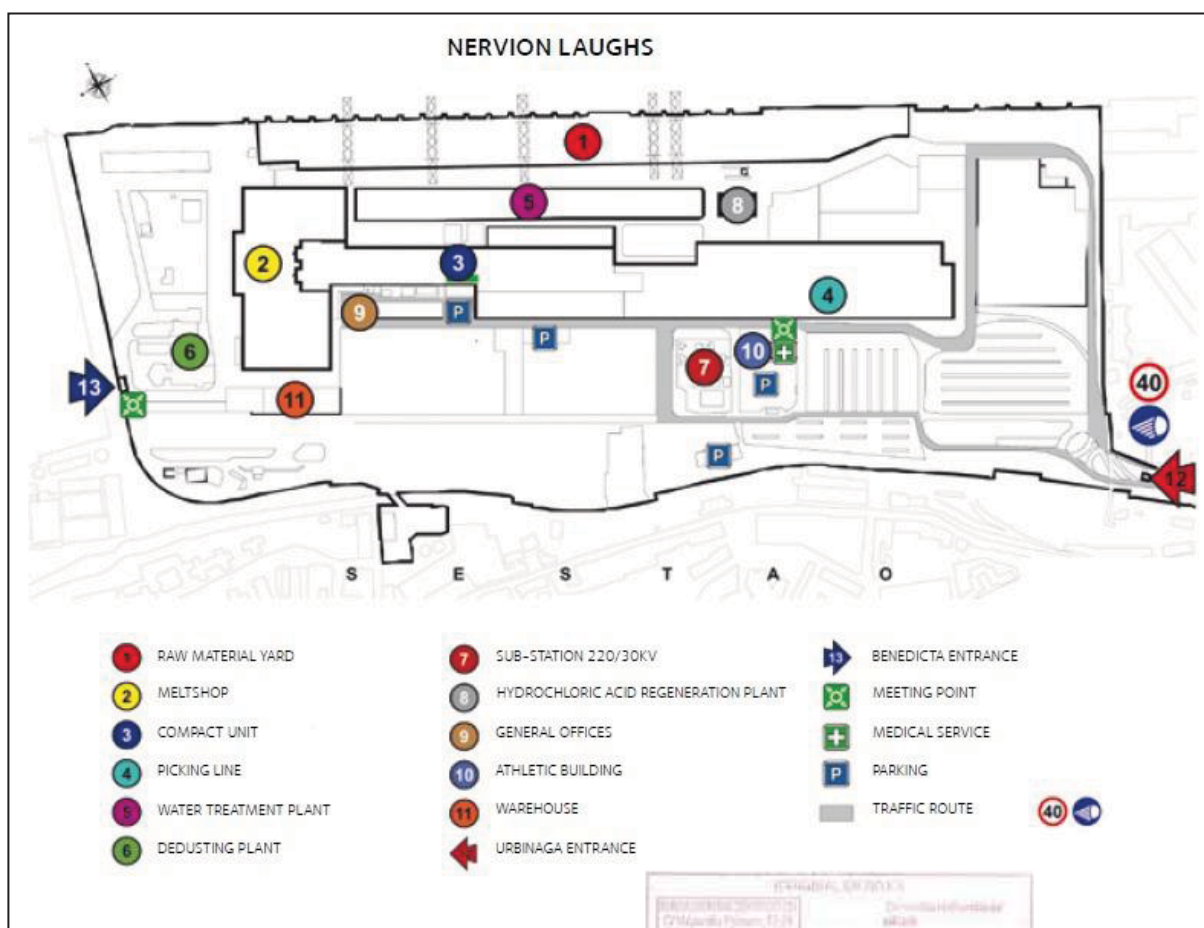


ArcelorMittal Sestao

Located in the Biscay municipality of Sestao, on the banks of the Bilbao River and connected to the rest of the world by the Port of Bilbao, ArcelorMittal Sestao is a technologically advanced steel company with a highly qualified workforce.

BEST AVAILABLE TECHNOLOGIES

ArcelorMittal Sestao is a new generation steel plant that produces hot rolled steel coils and hot rolled pickled steel coils. All our facilities are characterized by having processes considered as Best Available Technologies (BATs) in their design and construction. We also have the most advanced technology in the sector. The maximum capacity of the plant is 1,800,000 tonnes of hot rolled steel coils and 600,000 tonnes of pickled coils annually. ArcelorMittal Sestao has a high level of flexibility and a fast turnaround time, which enables us to adapt to needs at any given time in a highly automated way and, furthermore, with very high levels of safety.



MANUFACTURING PROCESS



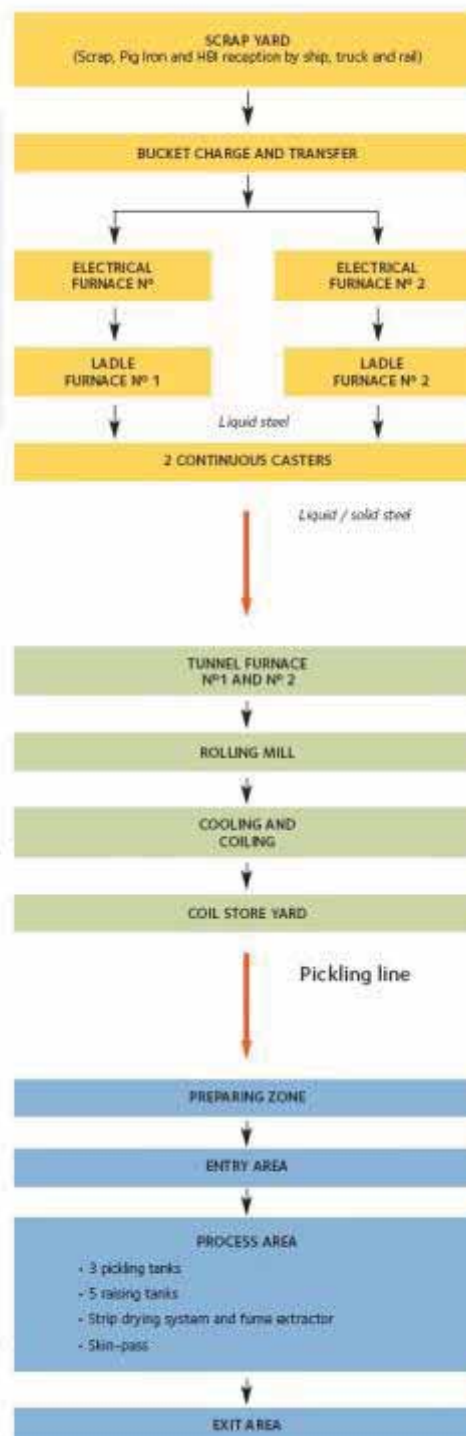
Hot Rolled Coil

Widths: 845 / 1550.
Thicknesses: 1 / 15 mm.
Weight: 20 Kg/mm wide.
Maximum 28 Tn weight.



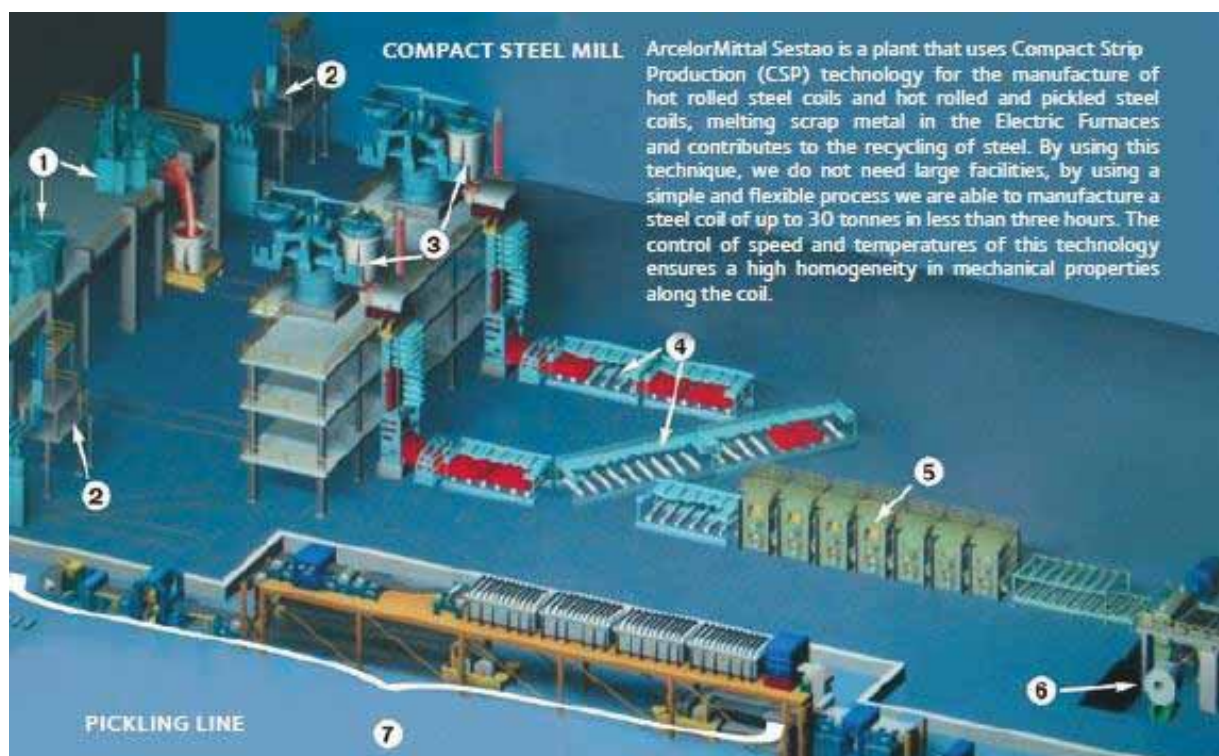
Pickled Coil

Widths: 845 / 1550.
Thicknesses: 1 / 4 mm.
Weight: 20 Kg/mm wide.
Maximum 28 Tn weight.



PROCESO DE FABRICACIÓN	
PRODUCTO: COILS DE ACERO CANTIDAD: 10.000 Tn FECHA: 15/01/13 LUGAR: Sestao	DESPACHADO POR: FECHA: 15/01/13 LUGAR: Sestao
FIRMA: <i>[Signature]</i> NOMBRE: FRANCISCO SERRANO CARGO: JEFE DE AREA	

FACILITIES



Scrap Yard: Scrap is sorted and handled, being loaded into scrap baskets according to melt shop's requirements.

- 1- Electric Arc Furnace: scrap is melted in electric arc furnaces. Molten steel is decarburised and dephosphorised.
- 2- Ladle Furnace: molten steel from electric arc furnaces is deoxidised and desulphurised. Chemical analysis of molten steel is adjusted according to steel grade requirements and the required temperature is reached. Molten steel is also refined in ladle furnace.
- 3- Continuous Casting: in this process stage, molten steel is solidified. For this, molten steel is poured from the ladle into the tundish and then into the mould, where molten steel solidification is started. The solidified strand is cut into slabs in a pendulum shearing machine.
- 4- Tunnel Furnace: slab temperature is homogenized when passing through the tunnel furnace, keeping temperature at the required level.
- 5- Rolling Mill: slabs are rolled passing through seven rolling mill stands to reduce thickness from 60 mm on slabs to 1/15 mm on coils.
- 6- Coiling and Inspection: hot rolled strips are coiled by means of coilers. Samples are taken from coils to perform the tests required.
- 7- Pickling Line: rust produced on strip surface when hot rolled is removed by means of hydrochloric acid. Then strip edges are cut (if customer request) and strip surface oiled to prevent rusting after coiled, except customer contrary request.

Auxiliary Facilities: Shops for Rolls, Segments, Tundishes, Ladles, Gas Collection and Cleaning, Lab, Water Treatment Plant, Power Sub-Station, etc.



PRODUCTS APPLICATIONS MADE BY ARCELORMITTAL SESTAO

STEELS FOR COMMERCIAL, STRUCTURAL AND DRAWING GALVANISING



These steels are suitable for direct galvanising after cold rolling. They are used in a wide range of applications: construction (pre-painted plate, roofs, enclosures, doors, fences, air conditioning and ventilation pipes, shelves, traffic signs, supports for dropped ceilings), agriculture (fences, silos, wheelbarrows), the automotive industry (supporting frames, original parts and spares), etc.

Characteristics:

- Chemical composition as per UNE 36090-86.
- Highly suitable for cold forming.
- Good weldability.
- Long life and good resistance to atmospheric corrosion.

STEELS FOR DRAWING AND COLD FORMING



The steels in this group (DD11, DD12, DD13) are designed to be offer excellent performance in cold forming applications. They are used when forming and ductility properties are more important than strength. They are used in the automotive industry, drawing and embossing, machinery manufacturing, construction, etc.

Characteristics:

- Chemical composition and mechanical properties as per EN 10111.
- Low levels of free nitrogen to prevent ageing of the material.
- Isotropic mechanical properties.
- Fine grain to facilitate drawing and prevent orange peel defect ...

FLUTED AND TEARDROP PLATE



The plate is embossed on the upper side with a diamond or teardrop-shaped pattern. This structural steel (S185, S235) with non-slip properties is used mainly in construction (floors and stairs) or for decorative purposes.

Characteristics:

- Chemical composition as per EN 10125.
- Embossing as per DIN 59220.

MICROALLOYED STEELS (HSLA)



These are steels with low carbon content, high yield strength and low alloy levels (Nb, V and Ti). They are characterised by being largely clear of inclusions and by their fine grain size. They are used in a wide range of applications such as transport, roll-forming, construction, but above all in the automotive industry instead of structural steels in order to reduce weight and increase vehicle safety.

Characteristics:

- Chemical composition and mechanical properties as per EN 10149.
- Good cold forming.
- Good weldability.
- Better than structural steels with the same yield strength, due to their low carbon content.
- High fatigue strength.
- Highly suitable for galvanising.
- High resilience at low temperatures.
- Not suitable for normalising.



API STEELS FOR PIPING



These steels are used for the manufacture of large diameter welded tubes for water and gas piping. These types of tubes are supplied in compliance with very demanding quality requirements. Products manufactured by Arcelor- Mittal Sestao range from API 5L Grade B to X70.

Characteristics:

- Chemical composition and mechanical properties as per EN 10208 or API 5L.
- High ductility.
- Good weldability.
- High toughness and resilience at low temperature.
- Highly clear of inclusions.
- Highly suitable for bending.

STRUCTURAL STEELS - CONSTRUCTION STEELS



This group comprises steel types S235, S275 and S355. These steels are not specifically alloyed. They have good weldability and do not usually require pre- or post-treatment.

They are mainly used in construction, industry, street furniture (street lamps, stairways, containers, sections, plates, roadside barriers etc.).

Characteristics:

- Chemical composition and mechanical properties as per EN 10025.
- In addition to their sound mechanical properties (Re, Rm, A and Hardness), they are also very tough.
- They can be bent, but are not suitable for deep drawing.
- High resilience at low temperatures upon request (J2, K2 quality).

ATMOSPHERIC CORROSION RESISTANT STEELS



These steels (S355J2G2W, ENSACOR and similar) are high yield-strength low-alloy fine-grain structural steels whose resistance to atmospheric corrosion is better than that of other steels with similar mechanical properties.

If they are used uncoated, atmospheric oxide forms an adhesive patina on their surface that protects the steel beneath. They are mainly used in the construction of chimney stacks, bridges and containers, and in mining and architectural features.

Characteristics:

- Chemical composition and mechanical properties as per EN 10155.
- Excellent weldability.
- If painted, their self-passivation capacity doubles paint lifetime.
- They should not be used in highly saline environments.

DUAL PHASE STEELS



These are low-carbon steels with a dual phase structure (ferritic - martensitic) providing an optimum combination of the high tensile strength characteristic of martensite and the good cold-forming properties of ferrite.

They are mainly used in the automotive industry for internal car (chassis components, reinforcements, etc.).

Characteristics:

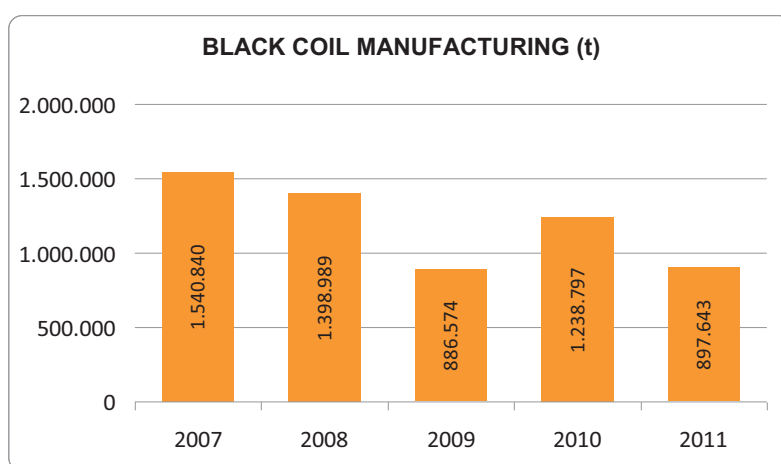
- Good ratio of ductility to high breaking strength.
- Low Re/Rm ratio.
- High fatigue strength.
- High even elongation.
- High strain hardening.



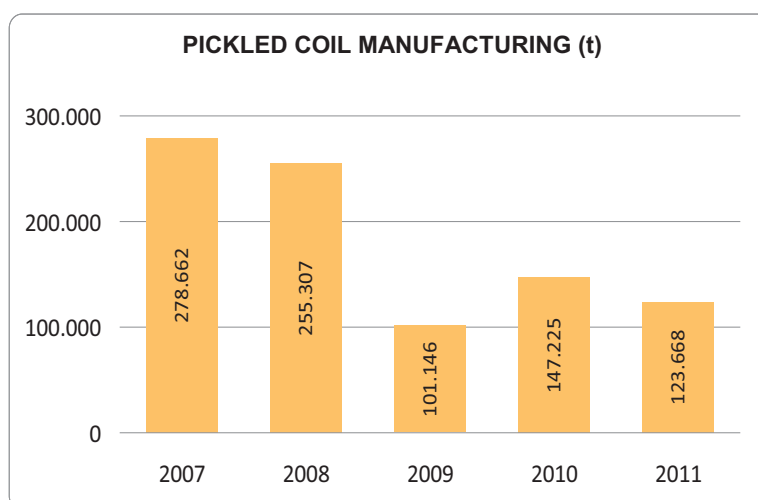
MANUFACTURING DATA

In 2011, global raw steel production has reached 92 million tonnes, in front of 116 million tonnes of 2010, which implies a 20% decrease.

Regarding ArcelorMittal Sestao, in 2011 black coil manufacturing resulted in 900,000 tonnes, 30% lower than 2010 manufacturing. In spite of the good predictions of the beginning of the year, when working with both of the manufacturing lines near their maximum load, from the half April the Sestao's order book is affected by the market crisis, being necessary the stop of one of the manufacturing lines. During the rest of 2011 the situation does not improve, so as the plant stops during the last two months of the year.



In turn, the pickling line has got a 127,000 tonnes of pickling coil production which implies a 16% decrease with regard to the previous year. During 2011 the pickling line has worked in an intermittent way.



For those indicators included in this Statement, Black Coil (BC), Pickled Coil (PC) or both (C) are used as reference standards depending on the process giving rise to each environmental issue.



HEALTH AND SAFETY, ENVIRONMENT, CORPORATE RESPONSIBILITY AND QUALITY

ArcelorMittal Sestao is committed to preventive actions and to continuous improvement, embodied through the establishment of an Integrated Management System (IMS), which enables our products to be manufactured in a Safe and Healthy working environment, as well as guaranteeing the quality of our products and services within the framework of absolute respect for the Environment and Corporate Responsibility.



Every year the ArcelorMittal Corporate Responsibility Report is internally published, where the main activities held during the year concerning the areas of Health and Safety, research, social dialog, the relationship with its environment communities and the corporate government are contained.

WORLD CLASS MANUFACTURING (WCM)



In the constant search for tools to take us to industrial excellence, we opted to implement the WCM methodology. World Class in the industrial world is a synonym for Excellence.

The concept of World Class Manufacturing includes strategies such as Total Quality Control (TQC), Just in Time (JIT), Total Productive Maintenance (TPM) and others regarding management, technology and services. The basic pillars of this methodology are Continuous Improvement, Total Productive Maintenance (TMP), together with Health and Safety, Environment and Corporate Responsibility, Customer Service, total control of product Quality, development of staff competence and cost reduction, which are all supported by the solid principles of the 6S methodology.



Based on continuous improvement, WCM studies and predicts breakdowns of machines and facilities. It also enables improvements in the quality of processes and products and cost reduction through the optimization of the overall efficiency of machines and facilities and the continuous reduction of losses. This management system promotes the participation of people, including contractors, in the elimination of losses and safety risks.

6S METHODOLOGY

The 6S emerged in ArcelorMittal Sestao due to the integration of S for Safety in the 5S methodology, in order to continuously improve the work station or area conditions and, therefore, promote quality, productivity and competitiveness in the organization.

The 6S project is the pillar of the WCM management methodology and it directly contributes to the Health and Safety, Autonomous Maintenance and Environment pillars.



Flat Carbon Europe



Integrated policy on Health & Safety, Environment and Quality

01.09.2010

Our Principles

Our commitment to the Health & Safety of our own employees and subcontractors, to the Environment and to the Quality of our products and services, is a clear contribution in line with our company brand promise "transforming tomorrow".

We believe in the following **principles** to guide our actions:

- **All non-conformities can be prevented and must be eliminated**, i.e. all injuries & work-related illnesses, all non-conformities against environment protection and all non-conformities of our product quality and our services.
- **Management is accountable** for the Health & Safety, Environment and Quality performance.
- **Communication, involvement and training** of all our own employees and subcontractors are essential for our Health & Safety, Environment and Quality performance.
- **Everyone has a role to play** in preventing injuries, illnesses, environmental nuisance and product non-conformities.
- **Excellence** in Health & Safety, Environment and Quality leads to excellent business results.
- Health & Safety, Environment and Quality have to be **inherent in all business management processes**.
- **Continuous improvement progress** is the main driver for the management of our activities and enables us to improve our results

Fully in line with the policies set at Corporate level, Flat Carbon Europe as a business unit has added further specific items. Our entities may add some relevant items specific to their local situations.

Our Integrated Policy

We have the willingness to strongly work towards a goal of zero accidents, zero injuries and to establish a process for the reduction of work-related illnesses, zero non-conformity regarding environmental aspects and zero non-conformity of the product and services.

To achieve this we will implement the following **actions**:

1. Identify, evaluate and eliminate all risks to ensure that hazards are managed.
2. Comply fully with all relevant laws and regulations and meet or exceed these expectations wherever we operate.
3. Establish effective processes for both (1) preventing and (2) investigating all occupational illnesses, accidents, incidents and non-conformities.
4. Act immediately on incidents related to unsafe work conditions, manufacturing of products not complying with customer requirements and the environmental impact. We establish measurable performance indicators to monitor processes through reports and audits.
5. Update procedures regularly, including testing of emergency procedures.
6. Improve our system continuously, implementing standards where appropriate.
7. Communicate with all stakeholders and be close specially to the customers.
8. Develop and produce environmentally and health friendly products.



Robrecht Himpe
CEO of Flat Carbon Europe



MISSION, VISION AND VALUES AT ARCELORMITTAL SESTAO

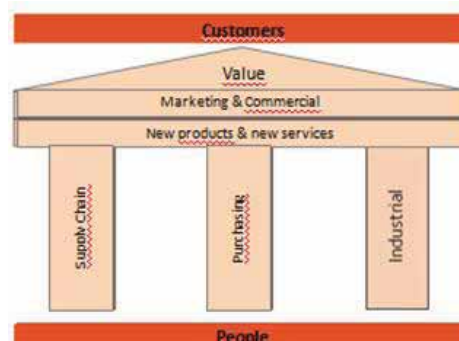
MISSION

ArcelorMittal Sestao is a new generation iron and steel company that produces hot rolled steel coils and hot rolled pickled steel coils. It is a technologically advanced company with a highly qualified workforce that is part of the ArcelorMittal Group.

Our objective is the continuous achievement of added Value, both for shareholders and for workforce, by meeting the needs and expectations of our customers, with a workforce committed to the project. All of this is by means of leadership, innovation, technological development, competitiveness in the steel market and involvement of suppliers in the objectives of the company by following the principles of Corporate Responsibility and Sustainability.

VISION

- To be a leader in the target markets adding value to the ArcelorMittal Group product range with our special products.
- To provide a commitment to value so that the company is recognized by our customers as a leading supplier of innovative products that exceed their needs and expectations.
- To apply WCM (World Class Manufacturing) methodology as a Management System to obtain the best results from industrial capacities as well as the continuous improvement of our workforce, achieving a stimulating and motivating work environment.
- To be a fully integrated company within the community, promoting care for Health, Safety and the Environment for all of the people that are part of its habitat.



VALUES

Related to the COMPANY:

- Profitability.
- Innovation and development.
- Optimization of economic and human resources.
- Dynamic and target-oriented organization.
- Integrated Management System.
- WCM Methodology.

Related to PEOPLE:

- Occupational Health and Safety.
- Ethics.
- Leadership.
- Entrepreneurship. Proactiveness.
- Decision-making capacity at all levels.

Related to the ENVIRONMENT:

- Environmental respect and protection. Sustainability.
- Respect and partnership with social agents and institutions.
- Knowledge and respect for competitors.

Related to ALLIANCES:

- Customer satisfaction. Quality, attention, service.
- Integration of suppliers into the company vision.



ARCELORMITTAL SESTAO INTEGRATED POLICY

As an essential pillar of our Integrated Management System, the Management Committee created and adopted together with the rest of the staff and in line with the company's policies the Integrated Policy for Health and Safety, Environment, Corporate Responsibility and Quality.

This policy contains the commitments and objectives of the organization to achieve continuous improvement in Health and Safety, Environment, Corporate Responsibility and Quality. It is always aligned with the Flat Carbon Europe Integrated Policy.

ArcelorMittal Sestao



ArcelorMittal

Integrated policy of Health & Safety, Environment, Corporate Responsibility and Quality

05.05.2011

Our Principles

The Health and Safety of our own employees and subcontractors, the Environment and the Quality of our products are **Essential Values** of our Company.

In accordance with it, we believe in the following principles to guide our actions:

- **All non-conformities can be prevented and must be eliminated**, i.e. all injuries & work-related illnesses, all non-conformities against environment protection, all related to Corporate Responsibility and all non-conformities of our product quality and our services.
- **Management is accountable** for the Health & Safety, Environment, Corporate Responsibility and Quality performance.
- **Communication, Involvement and training** of all our employees and subcontractors are essential for our Health & Safety, Environment, Corporate Responsibility and Quality performance.
- **Everyone has a role to play** in preventing injuries, illnesses, environment nuisance and product non-conformities.
- **Excellence** in Health & Safety, Environment, Corporate Responsibility and Quality leads to excellent business results.
- **Health & Safety, Environment, Corporate Responsibility and Quality have to be inherent in all business management processes.**
- **Corporate Responsibility** is essential to guarantee the sustainable development of our company and of the community around us.
- **Continuous improvement** is the main driver for the management of our activities and enables us to improve our results.

In order to guarantee the development of these principles in our Company we have introduced an Integrated Management System (IMS) which implies the next certifications:

- ✓ Occupational Risk Prevention Management according to OHSAS 1800
- ✓ Environmental Management according to ISO 14001 and the EMAS Register
- ✓ Quality Management in accordance to ISO 9001 and to ISO/TS 16949

Our Integrated Policy

We have the willingness to strongly work towards a goal of zero accidents, zero incidents and to establish a process for the reduction of work-related illnesses, zero non-conformity regarding environmental aspects and zero non-conformity of the product and services.

To achieve this, we will implement the following actions:

1. Identify, evaluate and eliminate all risks to ensure that hazards are managed.
2. Identify, evaluate and reduce the environment aspects of our activity, specially the relevant ones. Manage and reduce, whenever it were technically and economically possible, the CO₂ mark of the steel manufacture.
3. Comply fully with all relevant law and regulation, the customer and product specific requirements and also the acquired obligations and meet or even exceed the expectations.
4. Put into practice an approach based on the processes and establish the sequence and interaction among them.
5. Establish effective processes for both preventing and investigating all occupational illnesses, accidents, incidents and non-conformities.
6. Act immediately on incidents related to unsafe work conditions, manufacturing of products not complying with customer requirements and the environmental impact in our activity.
7. Satisfy our customer needs and prospects.
8. Establish measurable performance indicators to monitor processes through reports and audits.
9. Maintain the updating of our Selfprotection Plan and check its operating capacity.
10. Promote the participation and involvement of all the employees and guarantee their development by giving the necessary motivation and training to them.
11. Communicate in an active and transparent way to all our publics, and be close specially to the customers, and establish proximity relations, specially with the community and the environment around us.
12. Improve our Integrated Management System continuously, implementing standards where appropriate.
13. Develop and produce environmentally and health friendly products.



Jose Ramón Mendizabal



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Sestao 5 May 2011



Revision number: 04
Element: 10 - REG MAN-6

Signed: ArcelorMittal Sestao Management Committee



3. EVALUATION OF ASPECTS AND RISKS

In ArcelorMittal Sestao we dynamically identify direct and indirect environmental aspects in the activities, products or services we can control and on which we may have certain influence in order to determine those that have or may have past, present or future significant environmental impact.

Likewise, we identify, analyze and evaluate the environmental risks of activities, products or services gathering the necessary information for adequate decision-making to undertake preventive measures. The outcome of this evaluation allows us to prepare an inventory of actions to design, maintain or improve risk management measures.

Environmental aspects and hazards are identified according to standard operation conditions, stop-start conditions and abnormal conditions (reasonably predictable emergencies) and taking into account, when appropriate, the following aspects and hazards:

DIRECT ASPECTS	INDIRECT ASPECTS	HAZARDS / RISKS
- Air emissions - Waste water - Waste generation, recycling, reuse, transport and disposal - Noise - Land use and pollution - Raw and auxiliary materials consumption - Energy consumption - Water consumption - Landscape impact - Effects on biodiversity - Transport of goods (hazardous goods reception and unloading) - Environmental behaviour and practices of contractors, subcontractors and suppliers - Aspects related to the life cycle of the product (design, development, packaging, transport, use and waste recovery and disposal)	- Capital investment, loans and insurance - New markets - Choice and composition of services (e.g. transport or restoration) - Administration and planning decisions - Product portfolio - Environmental awareness (green bying)	- Natural: torrential rains, river overflowing, blizzard - Technological / Industrial: fire, explosion, overflows and accidental spills, ionizing - Radiation - Social: burglary, sabotage, etc.

Once environmental aspects are identified, the magnitude (M) and severity (S) related to each aspect are determined, getting a Global Rating (R) according to next ratio: $R = M \times S$. One or two representative indicators are allocated to each aspect for its evaluation.

On the other hand, after the identification of all potential sources of hazards, their probability of occurrence considering the surrounding characteristics and the severity of the consequences on the environment is evaluated, which provides risk estimates for each event.

Based on major environmental aspects and risks and their priority, we proceed with the establishment of objectives, goals, environmental programs, Emergency Plans and measures for aspect or risk reduction or elimination. We never reject the adoption of measures on non-significant environmental aspects or risks.

In 2010 the most relevant aspects for ArcelorMittal Sestao after the Evaluation of Aspects and Risks were the drinking water consumption, HCl and Cl₂ emissions of the Acid Regeneration Plant reactor and of gas scrubbers in the Pickling Line, the emission of solid particles of the Acid Regeneration Plant reactor, of the oxide bagging unit and of the gas scrubbers in the Pickling Line, the pH of the waste water discharge, the suspended solid waste, the chloride discharge, the iron discharge of industrial water, the chrome discharge, the increasing of the packaging materials which were placed in the market and the training and raising awareness hours per person concerning environment.



Based on these aspects we defined some strategic points and objectives which are included in the 2011 Environment and Corporate Responsibility Annual Plans in order to reduce the impact produced by themselves. In this document it is detailed the degree of achievement of each aspect target.

Comparing to 2010, in 2011 we have achieved to eliminate the drinking water consumption, the chloride discharges, the packaging materials quantity which were placed in the market and the training and raising awareness as a relevant aspect. On the other hand, a new relevant aspect has appeared: the CO emission of the Acid Regeneration Plant reactor.

In 2011 the most relevant aspects are:

Environmental aspects under normal conditions	Environmental performance indicators
Emission of air pollutants	HCl emission (Acid Regeneration Plant Reactor and steam extraction in pickling tanks)
	Cl ₂ emission (steam extraction in pickling tanks)
	Solid Particles emission (Acid Regeneration Plant Reactor, oxide bagging unit y steam extraction in pickling tanks)
	CO emission (Acid Regeneration Plant reactor)
Waste water discharge	pH, (industrial waste water discharge point)
	Suspended solids discharge (industrial waste water discharge point)
	Fe discharge (industrial waste water discharge point)
	Discharge of most unfavourable metal (Zn) in industrial effluents VC01 discharge
Generation of acoustic emissions	Noise at perimeter (point 5-night) and noise inside housing LAmx (point 9-night)

The following section deals with the environmental indicators corresponding to these relevant aspects, comprising Indicators of Operational Behavior, Management Behavior and Environmental Situation in the area in which ArcelorMittal Sestao operates.



4. ENVIRONMENTAL ASPECTS AND RELATED INDICATORS

OVERVIEW

The situation of 2011 has featured a steel decreasing demand caused by the economic crisis. This fact has undoubtedly affected the ratios shown next, unlike previous to crisis years' when production was more stable.

Concerning the achievement degree of the strategic lines which are defined in the 2011 ArcelorMittal Sestao Annual Progress Plans in Environment and Corporate Responsibility, it has been high in the next ones:

- Radioactivity monitoring system: the radiactivity procedure and the emergency protocol have been modified including the steelworks Lamse systems.
- Establishment of the ISSI report proposed steps for the improvement of the Regeneration Plant emissions.

Besides, the next strategic lines are still being developed:

- Promoting the "Benchmarking" culture.
- pH and solid regulation Plant: investment approval and setting up.
- Complete Waste Management new contract setting up.
- CETTO system including in the radiological monitoring procedure.
- Undertaking new actions at the Acid Regeneration Plant, as the ISSI technologist recommended.

This year, in the same way as last year, the indicators submit in the Statement comply with EMAS III requirement.

In this 2011, in the same way, the indicators are presented not just in the form of ratios but including absolute values, total values, mass values for emissions and/or discharges instead of concentrations trying to highlight the relevance of each aspect.

For each aspect, through its indicators, we inform about the final results in comparison to the defined targets at the beginning of 2011. In the same way there are showed the 2011 results together with the figures of the four previous years.

This information refers not only to the relevant aspects but to every aspect which ArcelorMittal Sestao thinks as a remarkable one.



INDICATOR i.01: ENERGY CONSUMPTION

i.01

2011 ENVIRONMENTAL OBJECTIVES

- To reduce by 3.2% electric power consumption in black coil production.
- To adjust electric power consumption in pickled coil production.
- To reduce by 7.4% the natural gas consumption in black coil production.
- To adjust the natural gas consumption in pickled coil production.
- To reduce by 3.3% the oxygen consumption in black coil.

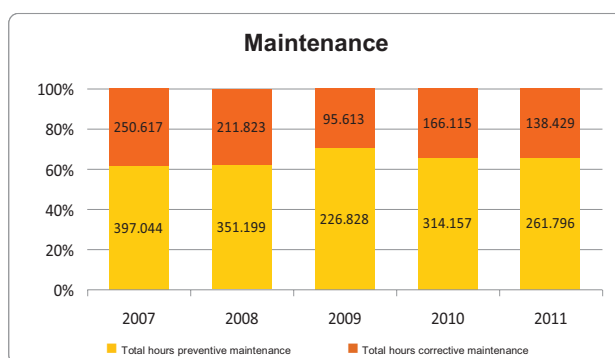
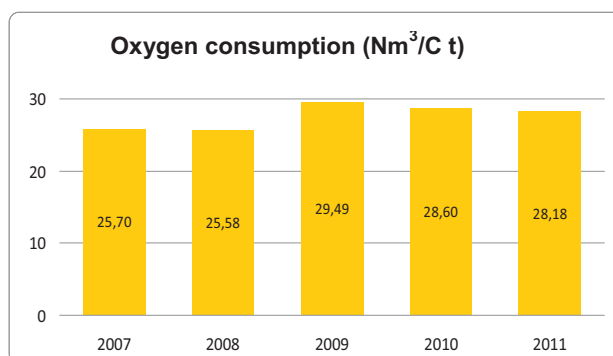
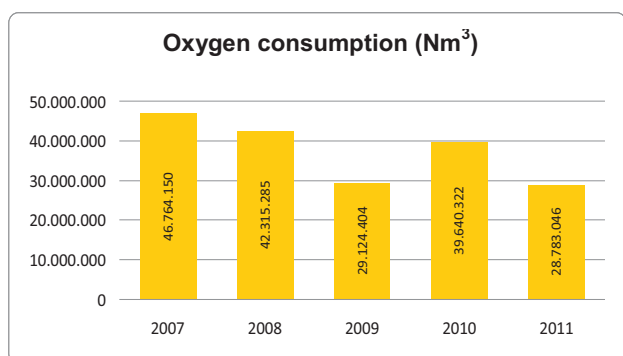
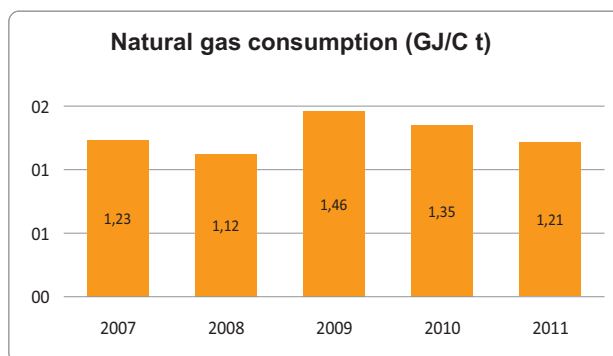
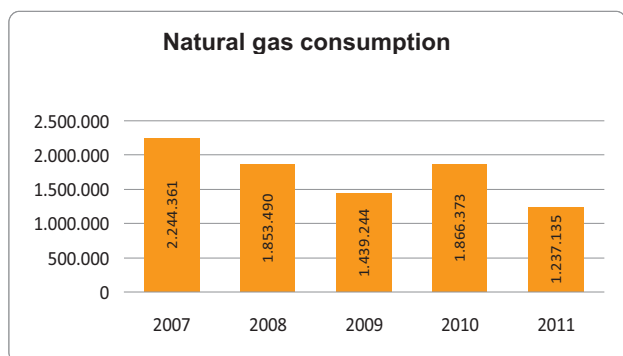
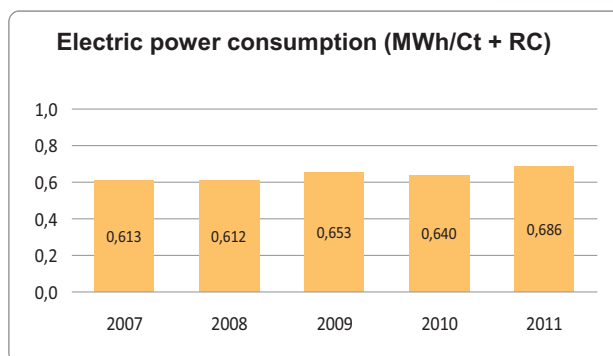
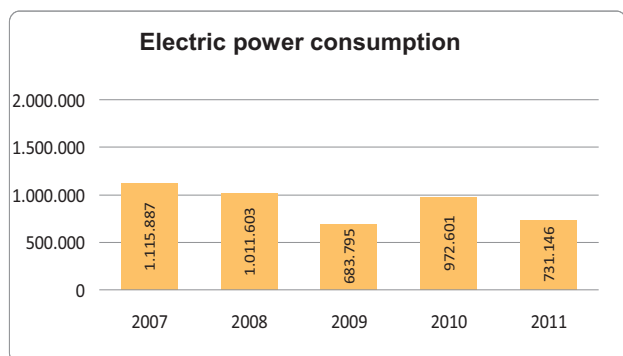
- ✚ In 2011 there has been an increase in electric power consumption per tonne of produced coil with respect to the previous years. Nevertheless, the consumption in absolute values has highly decreased comparing with 2010 in accordance with the production decrease.
- ✚ Concerning the black coil, the electric power consumption has been reduced in 2.95%, as the 92.2% established target of 2011 Environment Annual Plan has been achieved. It has also been adjusted the electric power consumption in pickled coil manufacturing, achieving the established target.
- ✚ The natural gas consumption per tonne of black coil has been reduced with respect to the one of the previous year, achieving with this 2011 established target.
- ✚ Concerning the Oxygen consumption per tonne of black coil, it has decreased in 3.1%, approaching to the defined target. As in the mentioned cases the consumption in absolute values has decreased in accordance to the production decrease.
- ✚ One of the activities with greatest impact on energy consumption decrease is Maintenance. Adequate preventive maintenance for the equipment can considerably increase the plant's energy efficiency. In 2011, the number of hours dedicated to maintenance (not only preventive but also corrective) has decreased. Nevertheless and in spite of this reduction, the preventive maintenance stands on a 65.4% of the total hours devoted to these tasks, as well as in the previous year.

Energy efficiency is directly link to the saturation of the plant facilities. If maximum saturation for which facilities have been designed is not achieved, energy optimization is minor. During the first part of 2011, the plant worked with two lines, as in the second one, one line has only operated. In any of these situations there were a saturation of the facilities.

Most electric power is used in Arc Furnaces, while natural gas is mainly used in Tunnel Furnaces. Both facilities must be operating at full production rate for optimum energy efficiency.

It is very important for the electric power calculation the one related to the rolled coil (RC). The coil rolling process is made in the pickling line, using only a part of this facility. During this year the rolling process has been the 27% of the total pickled more rolled coil production. This rolling process only has a bearing on the electric power consumption ratio.





INDICATOR i.02: WATER CONSUMPTION

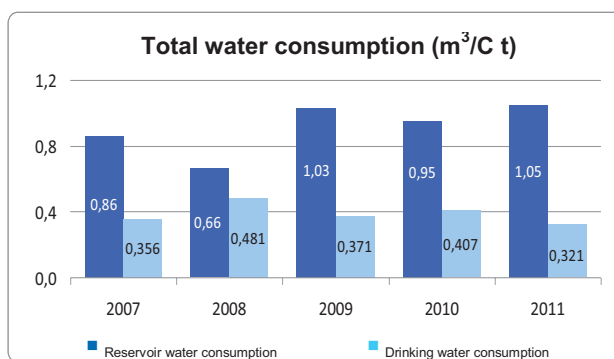
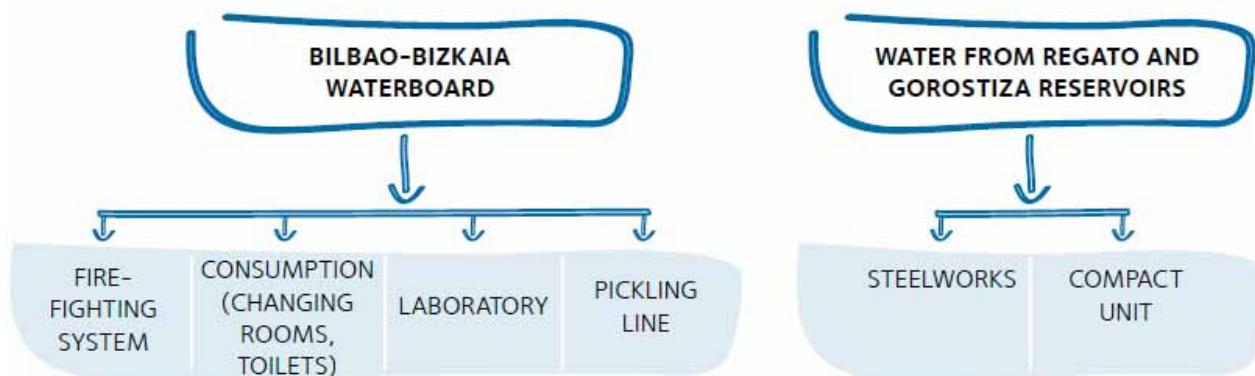
i.02

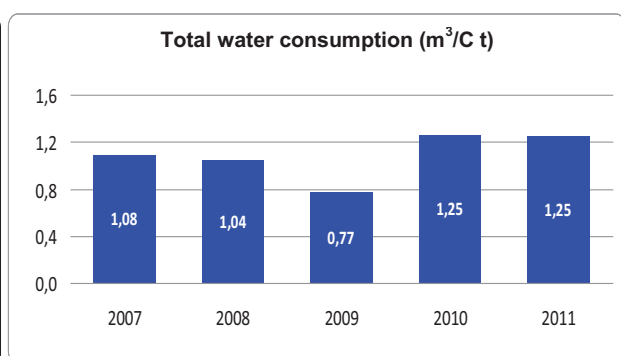
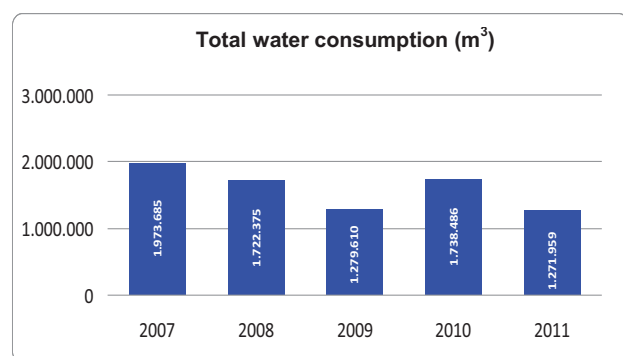
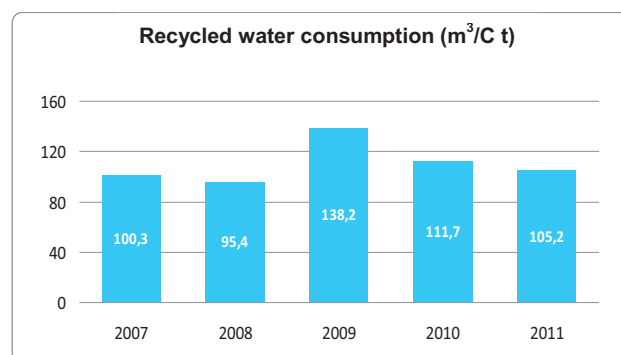
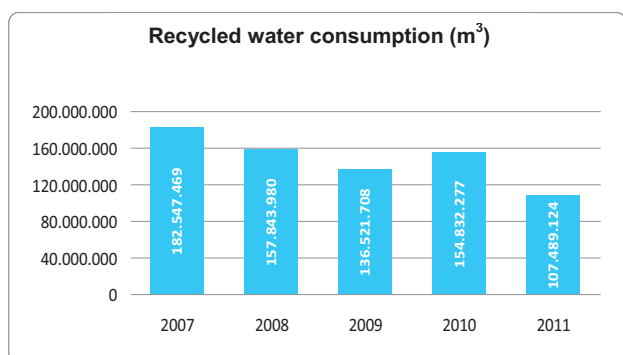
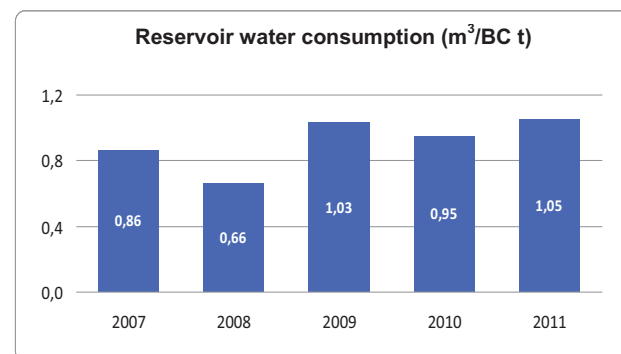
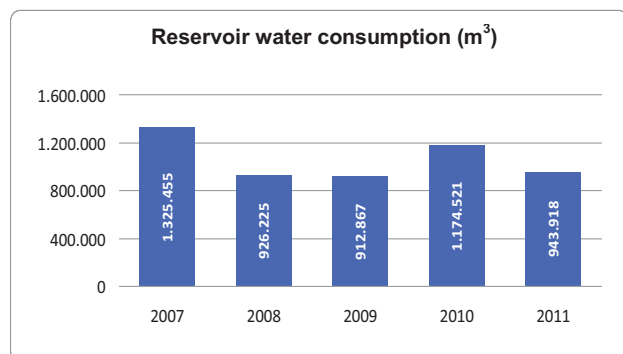
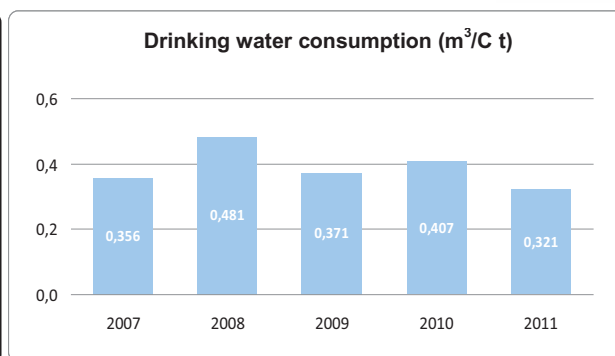
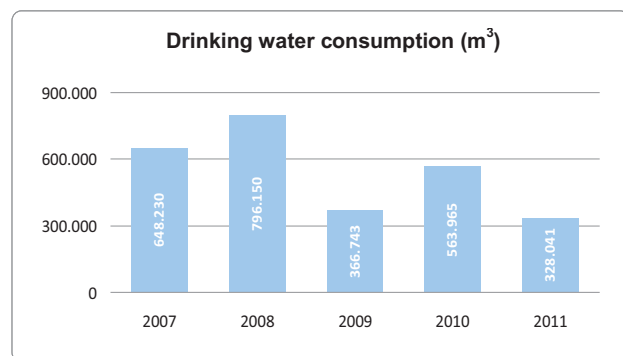
2011 ENVIRONMENTAL OBJECTIVES

- ◆ Aumentar la recirculación de agua en un 2%
- ◆ To reduce in 2.6 % the consumption of water supplied by the Waterboard.
- ◆ To adjust reservoir water consumption.

- ✚ In 2011 there has been a decrease of 2.6 in Waterboard water consumption per black coil tonne, so the Environment Annual Plan target has been achieved.
- ✚ The decrease in the drinking water consumption per coil tonne makes possible keep on minimizing the impact which the Waterboard Treatment produces (energy consumption, waste generation, etc.).
- ✚ During 2011 it has been achieved the increase of recycled water in 1.9%, reaching the 97.9% of the 2011 Environment Annual Plan target.
- ✚ Due to the decrease of production during 2011, the total water consumption, in absolute values, has been considerably reduced with regard to 2010.
- ✚ It has been achieved the readjustment of the reservoir water consumption with regard to the drinking water consumption per black coil tonne. The 66% necessary water for this production comes from the Gorostiza reservoir.

ArcelorMittal Sestao uses water from the Regato and Gorostiza reservoirs in Barakaldo, and from the Bilbao-Bizkaia Water Management Body.





INDICATOR i.03: MATERIAL CONSUMPTION

i.03

2011 ENVIRONMENTAL OBJECTIVES

- Responsible management of natural resources.
- To monitor and reduce consumption of raw materials.
- To encourage materials savings.
- To broaden the use of renewable materials.

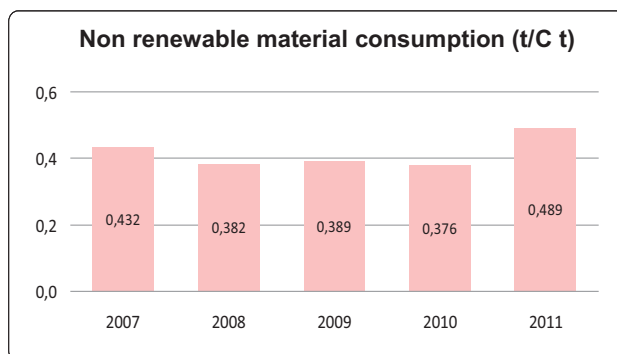
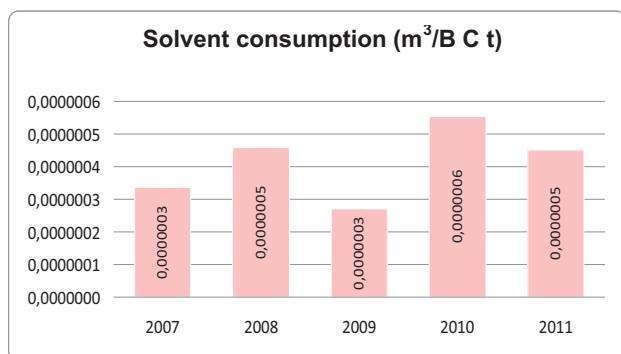
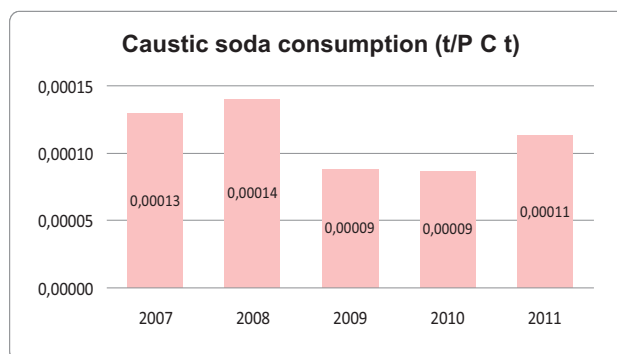
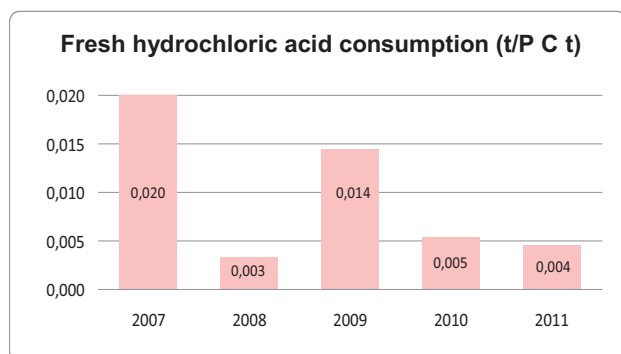
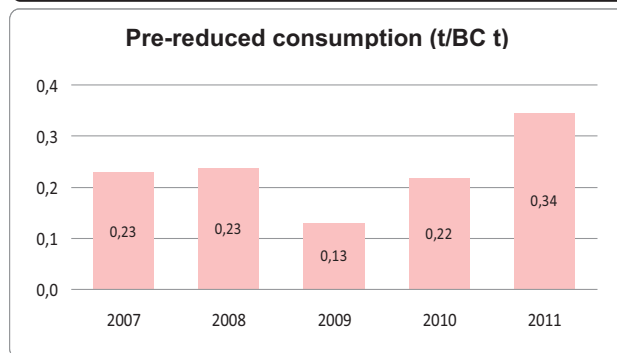
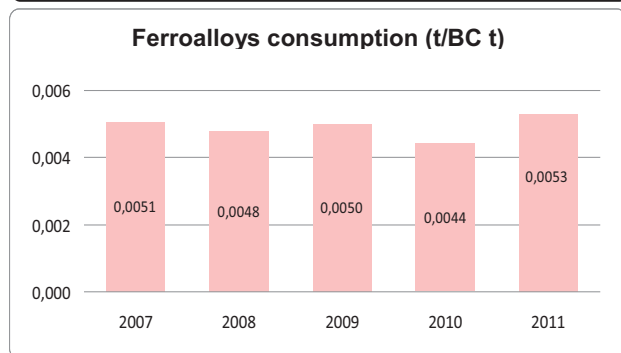
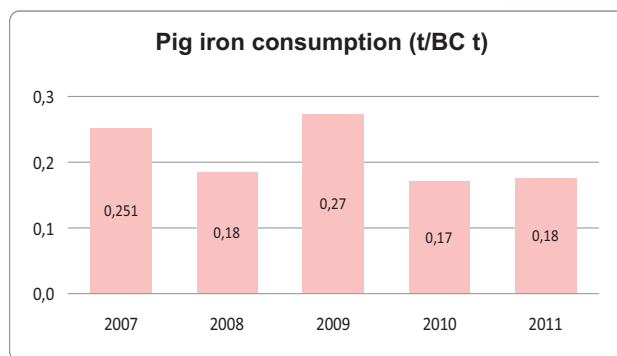
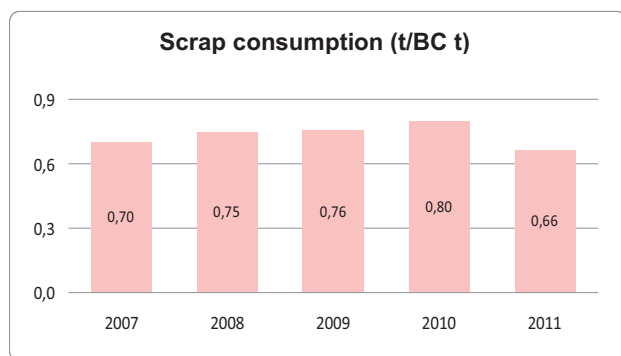
- ✚ During 2011 the pre-reduced consumption has increased and the scrap consumption has decreased with regard to previous year, according to the strategic plan situation of this year. Concerning the pre-reduced it is kept on giving priority to the usage of DRI (Direct Reduced Iron) versus to HBI (High Briqueting Iron). Reaching this year a 84% of DRI upon the total pre-reduced.
- ✚ Consumption of fresh hydrochloric acid in the pickling line has decreased with regard to 2010 because of the Regeneration Plant working maintaining.
- ✚ Caustic soda consumption per tonne of pickled coil has increased with regard to 2010, in spite of the 2011 decrease of the pickled production, due to the demineralized water plant requirements.
- ✚ Consumption of solvents has slightly increased with regard to the previous year's average, nevertheless it is not considered a relevant aspect.

ArcelorMittal Sestao is committed to saving natural resources and sustainability through the use of scrap as raw material and the manufacturing of steel, an indefinitely recyclable product.

Through the whole year and in a continuous way, the coil production mix of load is checked, always looking for the optimum percentage (quality-price) of each used raw material.

Specifically during this year the pre-reduced (DRI) consumption has been fostered, opposite to the scrap consumption.





INDICATOR i.04: AIR EMISSIONS

i.04

2011 ENVIRONMENTAL OBJECTIVES

- To monitor, control and reduce emissions of air pollutants:
 - ✚ To reduce by 18.7% Solid Particles emission in Source 1 (main steel mill fume treatment).
 - ✚ To reduce HCl emission in Source 10 (steam extraction in pickling tanks), in 2.1%.
- To reduce CO₂ emissions per black coil by 0.5%.

- Ⓢ During 2011 the emission of Solid Particles, CO have increased comparing to the previous years, only exceeding the limit value which had been established for CO at the Acid Regeneration Plant. This parameter measurement was taken few days after the Regeneration Plant start, after some months of stoppage, so the mentioned plant was in a warming period. That is why the measurements which were taken over the limit are caused by measuring them under these circumstances, so they should not be considered as significant ones. Afterwards, in the last measurement of 2011, the target was achieved, as it was taken into account the above circumstances and the plant was working in a regular way and in a nominal system (3m³/h). Concerning to NO_x, the emissions have decreased with regard to previous years.
- Ⓢ Concerning the solid particles emission at the hotspot 1 and the HCl at the hotspot 10, the targets have been achieved as established in the 2011 Environment Annual Plan.
- Ⓢ At the hotspot 10 of the Pickling Line, in the annual measure of September, the Cl₂ emission limit value was exceeded. In the past it has never been a troubled hotspot and it has always been under the emission limit values, not only in the previous years but in 2012, so the measurement of 2011 should not been considered as a relevant one.
- Ⓢ Regarding the emission of greenhouse gases, along 2011 ArcelorMittal Sestao has emitted 165,047 t. Concerning to CO₂ emission per black coil, the ratio has decreased with regard to 2010, reaching the established goals.
- Ⓢ At the beginning of 2011 it have been installed the on-line measurement systems of the Picking Line and of the Regeneration Plant, so there are already installed all the measurement systems which the Environmental Integrated Authorization requires. During the whole year we have worked together with Tecniaia in the adjustment of these measurement systems.
- Ⓢ Concerning the Acid Regeneration Plant, during 2011 it has operated in a discontinuous way only working twice a week. This situation has made the correct operating of the plant difficult as there were not the optimum design conditions. During this period we have introduced every suggestion proposed by the ISSI technologist, decreasing in this way de emission values, but however, the required limits of the Environmental Integrated Authorization concerning the particles, Cl₂ and HCl have not been reached until the last measure of the year.



Next tables show the results of the air emissions in 2011 for each ArcelorMittal Sestao emission hotspot.

FE01 – Depuration line 1

REPORT	DATE	Solid particles mg/Nm ³	CO ppm	NOx ppm	SOx mg/Nm ³	Zn µg/Nm ³	Pb µg/Nm ³	Ni µg/Nm ³	Hg µg/Nm ³	Cu µg/Nm ³	Cr µg/Nm ³	Cd µg/Nm ³	As µg/Nm ³	PCDD/F pg/Nm ³	HCl mg/Nm ³	NMCOV mg/Nm ³	HF mg/Nm ³	Cl ₂ mg/Nm ³
Unit																		
Legal threshold																		
Datum	PA11002-11.03_01.01	21,22/09/2011	13,20	300	0,23	1.374,69	54,94	3,52	1,87	12,42	12,22	2,12	6,63	8,30	0,19	0,08	0,10	3,23

Remark: There is not emission threshold value in the IEA.

FE02 – Depuration line 2

REPORT	DATE	Solid particle mg/Nm ³	CO ppm	NOx ppm	SOx mg/Nm ³	Zn µg/Nm ³	Pb µg/Nm ³	Ni µg/Nm ³	Hg µg/Nm ³	Cu µg/Nm ³	Cr µg/Nm ³	Cd µg/Nm ³	As µg/Nm ³	PCDD/F pg/Nm ³	HCl mg/Nm ³	NMCOV mg/Nm ³	HF mg/Nm ³	Cl ₂ mg/Nm ³
Unit																		
Legal threshold																		
Datum	PA11002-11.03_01.02	18,19/10/2011	6,73	300	35,65	146,83	12,31	3,3	1,28	4,67	4,06	0,90	7,21	3,49	0,22	0,67	0,16	1,88

Remark: There is not emission threshold value in the IEA.

FE03 – Tunnel furnace 1

REPORT	DATE	Solid particles mg/Nm ³	CO ppm	NOx mg/Nm ³
Unit				
Legal threshold				
Datum	PA11002-11.03-04.01	2011-06-06	12,73	14,67

FE04 – Tunnel furnace 2

REPORT	DATE	Solid Particles mg/Nm ³	CO ppm	NOx mg/Nm ³
Unit				
Legal threshold				
Datum	PA11002-11.03_05.01	2011-02-28	5,47	22,75

FE06 - Steam in pickling tanks					
	REPORT	DATE	Solid particles mg/Nm ³	HCl mg/Nm ³	Cl ₂ mg/Nm ³
Unit			20	10	6
Legal threshold					
Datum	PA11002-11.03_10.01	2011-01-26		30,110	
Datum	PA11002-11.03_10.02	2011-02-11		0,528	
Datum	PA11002-11.03_10.03	2011-02-24		0,628	
Datum	PA11002-11.03_10.04	2011-03-10		2,687	
Datum	PA11002-11.03_10.06	2011-09-22	3,37	0,060	7,133

FE07 – ARP Reactor

	REPORT	DATE	Solid particles mg/Nm ³	CO mg/Nm ³	NOx mg/Nm ³	SOx mg/Nm ³	CO ₂ mg/Nm ³	HCl mg/Nm ³	Cl ₂ mg/Nm ³
Unit			40	150	350	100	180,000	15	6
Legal threshold	PA11002-11.03-07.001	2011-03-04	58,60	373,26	224,94	0,61	178,781,67	28,83	2,83
Datum	PA11002-11.03-07.002	2011-11-03	24,70	128,37	52,33	1,40	158,166,67	4,30	1,88

FE08 - Oxide bagging unit

	REPORT	DATE	Solid Particles mg/Nm ³
Unit			
Legal Limit			20
Datum	PA11002-11.03_08.01	2011-02-24	2,83
Datum	PA11002-11.03_08.02	2011-11-04	1,94

FE09 – Boiler on Pickling Line

	REPORT	DATE	Particles mg/Nm ³	CO mg/Nm ³	NOx mg/Nm ³	SOx mg/Nm ³	CO ₂ mg/Nm ³
Unit							
Legal threshold			N/A	50	150	N/A	N/A
Datum	PA11002-11.03-09.01	2011-06-09	2,20	1,88	94,53	1,48	119,849,67

Remark: There is not emission threshold value in the IEA.



At the beginning of 2011 a new facility of DRI reception and storing has started, which is placed at the scrap yard and includes its own depuration system with a capacity of 40,000 m³/h throughout a bag filter.

ArcelorMittal Sestao has on-line meters for continuous monitoring and control air pollutants, which are connected to the Basque Government's Air Quality Surveillance Network.



1: Source of depuration 1

6: Steam extraction in pickling tanks.

2: Source of depuration 2

7: HCl Regeneration Plant reactor

3: Tunnel Furnace A

8: Oxide bagging unit

4: Tunnel Furnace B

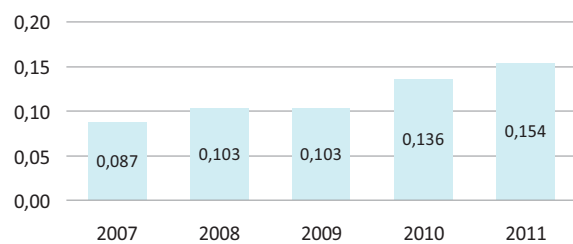
9: Natural gas boiler

5: Oxi cutting of pieces source

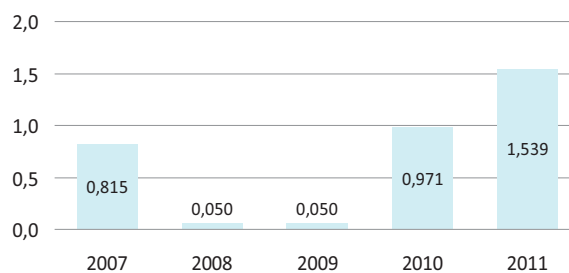
10: DRI facility



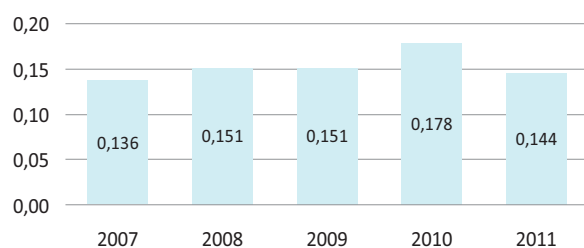
Solid Particles emission (kg/C t)



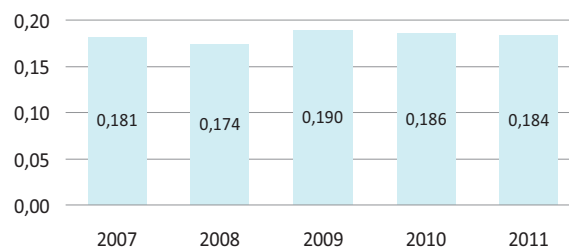
CO emission (kg/C t)



NOx emission (kg/C t)



CO₂ emission (t/BC t)



INDICATOR i.05: WASTEWATER DISCHARGE

i.05

2011 ENVIRONMENTAL OBJECTIVES

- To reduce industrial discharge by 2.4%.
- To reduce the pollutant load in industrial discharges.
- To eliminate any potentially polluting discharge to the river.
- To eliminate any non-controlled or accidental discharge which might pollute the water.
- To promote effluent reuse in the process.
- To encourage water savings.

- ✚ In 2011 the ratio of volume of waste water discharged to sewer per tonne has increased.
- ✚ The established target does not achieve, being in 71.8%.
- ✚ Concerning the discharged of oils and fats, iron and suspended solids of the industrial waste, it has increased with regard to previous years, so as we must keep on working in the reduction of these parameters. Especially the iron and the suspended solids have become relevant aspects in 2011.
- ✚ Moreover, at the effluent discharge point VC01 the zinc parameter discharge has increased, being a relevant aspect in 2011.
- ✚ Sediment accumulation in the Monitoring System is due to the significant increase in suspended solids in the waste water coming from the cooling water entering the slag pit. Likewise, the incorporation of this effluent to the discharge network entering the sewer has led to a considerable increase in pH to become one of the most significant aspects in 2011. During the months of the plant stop, a lot of cleaning has been made near the slag pit and the industrial water pipes that, together with the decrease of the production, have improved the measure of these parameters, reaching suitable levels in the first measures of 2012.
- ✚ At the same time, at the end of 2011 it was requested the checking of the discharge emission limit values to the Basque Government, adjusting them to the ones mentioned in the ArcelorMittal Sestao Discharge Authorization to the Bilbao Bizkaia Waterboard. The request was accepted by legal ruling in March 2012. With these new limits, and particularly the ones referring to Fe and Zn parameters, the 2011 measured values would be acceptable in 2012 (except sometimes the pH value).
- ✚ The pH exceeding in some analysis are due to the basic water from the slag cooling place. These waters link to the industrial effluent line in a point which is very next to the VC1 Water Board discharge manhole (measure point), which is very near, so the time for dissolution with the rest of the waste water discharge (with neutral pH or with slightly acid one) is very short as there is no time for its homogenization.
- ✚ In order to solve this problem, ArcelorMittal Sestao has asked for the approval of ArcelorMittal Group for investing in a pH Regulation Plant. This investment has been accepted by the Group and it has been included in the 2013 Investing Plan. It would be operative around the middle of 2013.

ArcelorMittal Sestao has two effluent discharge points to Bilbao-Bizkaia Water Management Board's sewerage:

- ✚ VC1: an outlet for water from the Water Treatment Plant, i.e. industrial effluents coming from the production process, water produced during slag spraying for cooling and rainwater amenable to carry pollutants from the Fume Treatment Plant, the HCl Regeneration Plant, the Slag Pit and the Scrap Yard.
- ✚ VC2: evacuation of domestic and laboratory water, together with industrial effluents from the manholes in the hydraulic room of the Electric Arc Furnace No.2 and the substation of the Ladle Furnace No.2. These industrial effluents are treated in an oil separator before its connection to the foul water line.

Prior to discharge, most part of the water collected needs pre-treatment. For this purpose, ArcelorMittal Sestao has the following systems:

- ✚ Non-permeable membrane in the slag yard to promote the collection of rainwater amenable to carry pollutants.



- ✚ 3 oil separators for water treatment: in the hydraulic room at the Steelworks, in the Water Plant and in the machine cleaning area.
- ✚ Water Treatment Plant to cool down water coming from the cooling systems and to remove scale and oils using rectangular decanters and sand filters.
- ✚ Neutralization Plant to treat acid waters coming from the Pickling Line.

ArcelorMittal Sestao has an Industrial Discharge Monitoring System, fitted with on-line measurement equipment for water quality control.

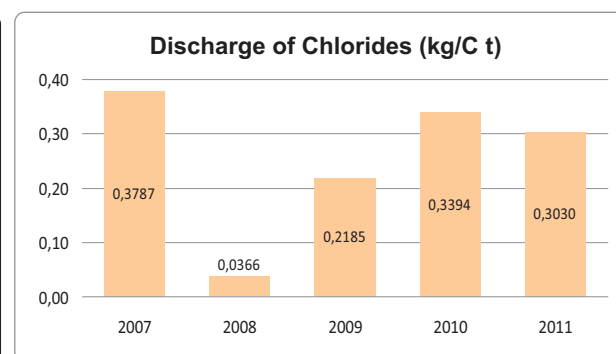
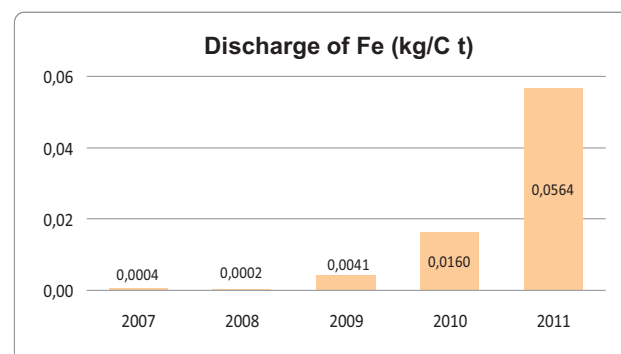
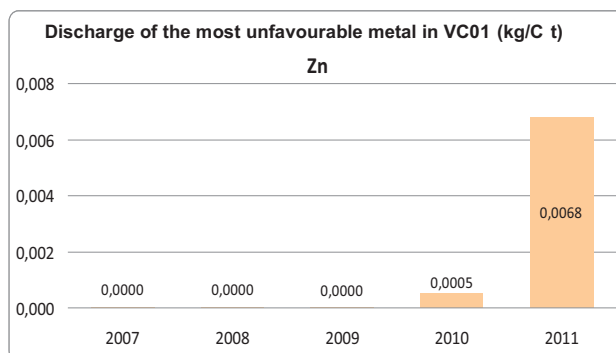
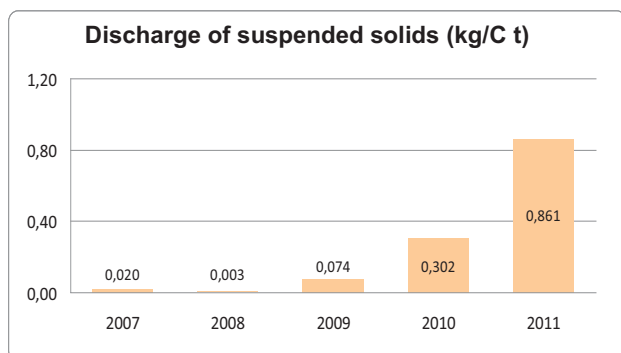
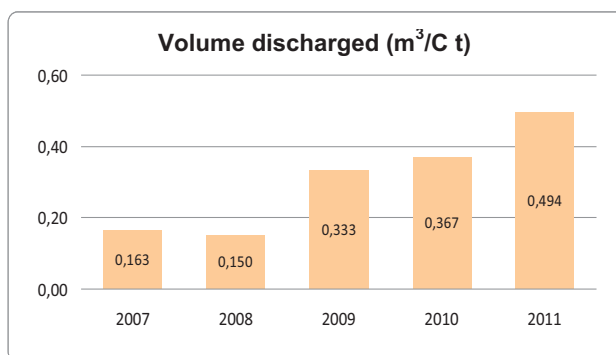
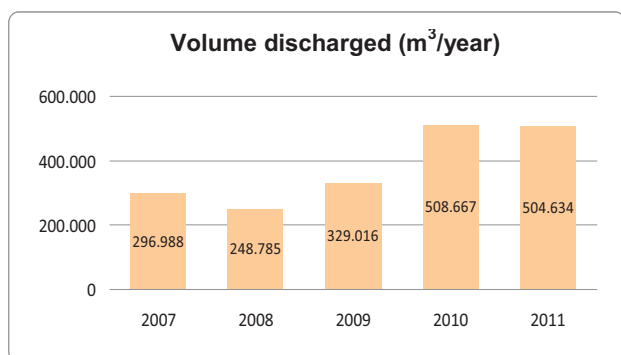
FABRIL SIDA	
IDENTIFICACION Cód. Planta: 00000000 Cód. Línea: 00000000 Cód. Producto: 00000000	Origen del material 0000
Identificación  FRANCISCO SERRANO 22/11/11	
Fecha de emisión 22/11/11	

VC01													
SUBSTANCES	Discharge limits	January	February	March	April	May	June	July	August	September	October	November	December
pH	6-9,5	12	8,6	9,5	9,6	10	11	9,4	10	11,3	11	-	-
t ^a	45°C	20	18	21	19	21	19	20	21	18	21	-	-
Suspended solids	600 mg/l	11000	850	200	46	240	440	200	1800	130	2600	-	-
Oils and fats (minerals)	50 mg/l	2,5	2,5	2,5	2,5	2,5	6,6	2,5	5,8	2,5	8,6	-	-
S ⁼	2 mg/l	1	2,3	0,6	0,4	1,1	0,15	2,3	1,9	0,8	1,5	-	-
SO ₄ ⁼	1.500 mg/l	169	300	330	450	330	320	370	240	510	330	-	-
CN ⁻	2 mg/l	0,004	0,004	0,004	0,004	0,004	0,004	0,004	0,009	0,004	0,004	-	-
Aggr. N	120 mg/l	0,55	0,57	0,32	0,23	0,35	0,2	0,26	0,47	0,2	0,59	-	-
N-NH ₃	300 mg/l	0,58	1,9	0,83	0,8	1	1,2	0,67	2	0,75	0,94	-	-
As	1,5 mg/l	0,12	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	-	-
Cd	1,5 mg/l	0,092	0,005	0,021	0,005	0,005	0,005	0,005	0,022	0,005	0,005	-	-
Cr	0,2 mg/l	5,2	0,39	0,17	0,022	0,086	0,28	0,079	0,74	0,48	0,01	-	-
Cu	7,5 mg/l	1,26	1,29	0,11	0,025	0,025	0,095	0,025	0,4	0,025	0,24	-	-
Fe	10 mg/l	695	85,5	26,2	3,3	16,9	32,6	10,5	122	1,51	153	-	-
Ni	0,2 mg/l	0,17	0,14	0,062	0,078	0,063	0,054	0,045	0,1	0,01	0,087	-	-
Pb	3 mg/l	3,34	0,27	0,56	0,025	0,025	0,19	0,025	0,73	0,82	0,14	-	-
Zn	2 mg/l	97	5,28	12,7	0,6	1,17	1,87	0,56	14,9	0,25	3,39	-	-
Hg	1,5 mg/l	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	-	-
Ag	1 mg/l	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	-	-
Phenols	50 mg/l	0,025	0,3	0,4	0,025	0,025	0,57	0,025	0,07	0,25	0,24	-	-
Toxicity	50 eq/m3	2	2	2	2	2	2	2	2	2	2	-	-
Cl ⁻	2.000 mg/l	490	2000	380	390	360	560	380	400	420	780	-	-



VC02													
SUBSTANCES	Discharge limits	January	February	March	April	May	June	July	August	September	October	November	December
pH	6-9,5	8,5	8	8,7	8,3	7,8	8,4	8,7	8,3	8,2	8,5	-	-
t ^a	45°C	19	19	21	19	21	19	20	21	18	21	-	-
Suspended solids	600 mg/l	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	-	-
Oils and fats (minerals)	50 mg/l	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	-	-
S ⁼	2 mg/l	0,55	0,15	1	0,1	0,9	0,15	2,5	2,2	0,5	2	-	-
SO ₄ ⁼	1.500 mg/l	68	79	67	64	76	89	32	77	79	94	-	-
CN ⁻	2 mg/l	0,009	0,02	0,01	0,015	0,015	0,02	0,004	0,004	0,01	0,021	-	-
Aggr. N	120 mg/l	0,89	0,25	0,25	0,4	6,4	0,54	0,25	0,41	0,25	1,3	-	-
N-NH ₃	300 mg/l	14	9,9	11	13	9,4	12	2,3	9	9,9	8,3	-	-
As	1,5 mg/l	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	-	-
Cd	1,5 mg/l	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	-	-
Cr	0,2 mg/l	0,01	0,01	0,01	0,01	0,01	0,01	0,02	0,01	0,01	0,01	-	-
Cu	7,5 mg/l	0,025	0,025	0,025	0,025	0,025	0,025	0,098	0,025	0,025	0,025	-	-
Fe	10 mg/l	0,38	0,063	0,27	0,051	0,13	0,14	4,7	0,15	0,092	0,15	-	-
Ni	0,2 mg/l	0,01	0,01	0,01	0,01	0,01	0,01	0,024	0,01	0,01	0,01	-	-
Pb	3 mg/l	0,025	0,025	0,025	0,025	0,025	0,025	0,11	0,025	0,025	0,025	-	-
Zn	2 mg/l	0,025	0,025	0,24	0,06	0,025	0,081	2,1	0,054	0,045	0,056	-	-
Hg	1,5 mg/l	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	0,005	-	-
Ag	1 mg/l	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	-	-
Phenols	50 mg/l	0,025	0,06	0,28	0,025	0,025	0,025	0,025	0,025	0,025	0,025	-	-
Toxicity	50 eq/m3	2	2	2	2	2	2	2	2	2	2	-	-
Cl-	2.000 mg/l	45	41	35	37	40	40	13	46	45	52	-	-





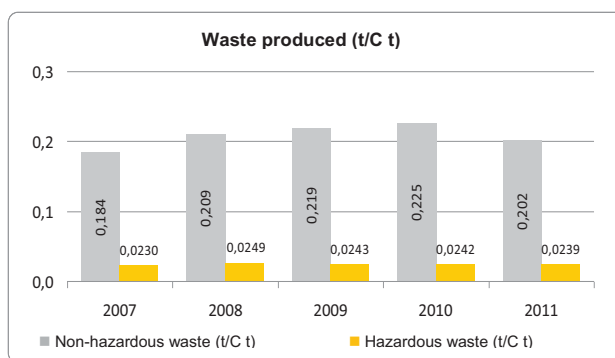
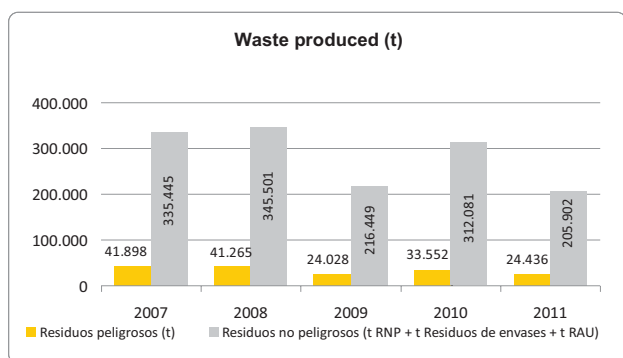
INDICATOR i.06: WASTE GENERATION AND MANAGEMENT

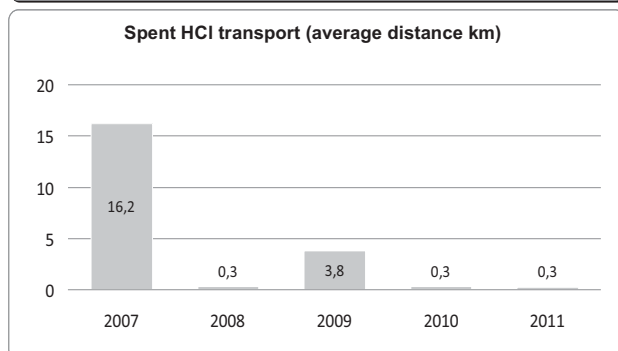
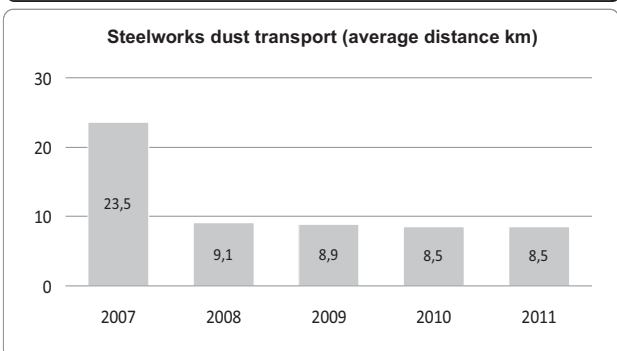
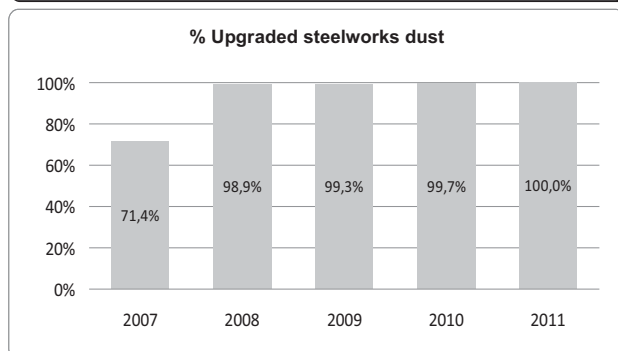
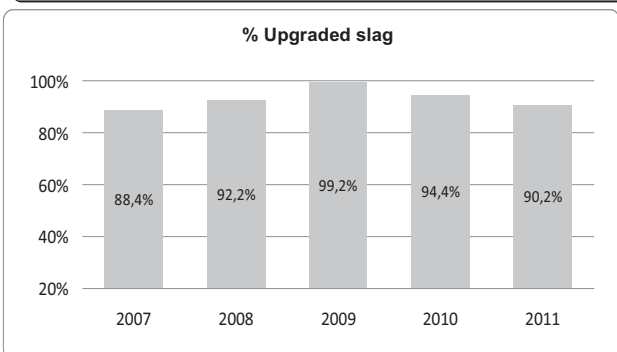
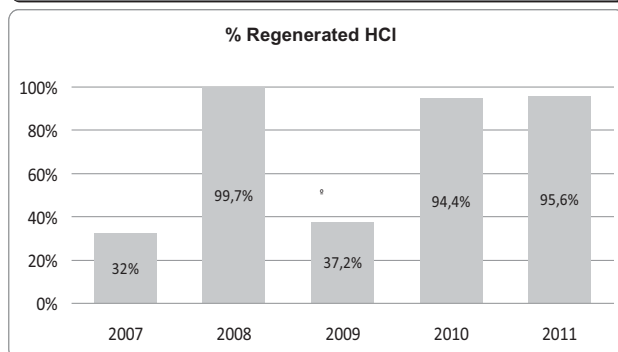
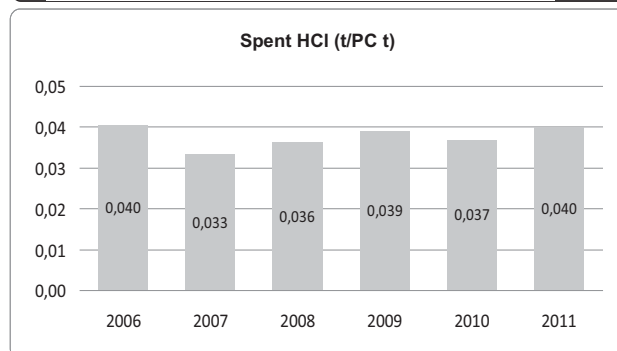
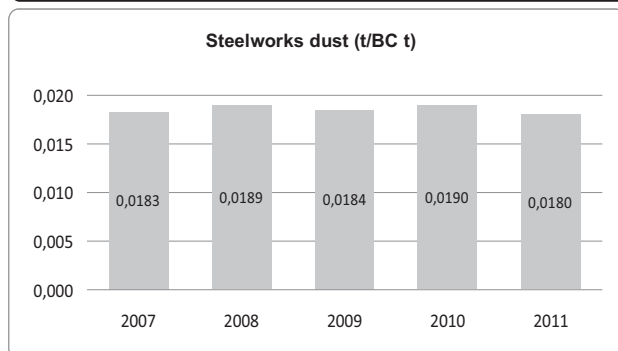
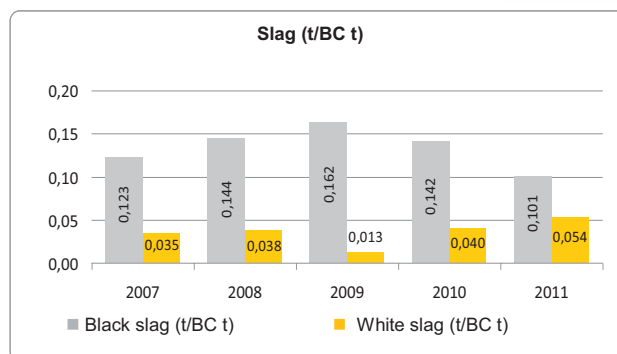
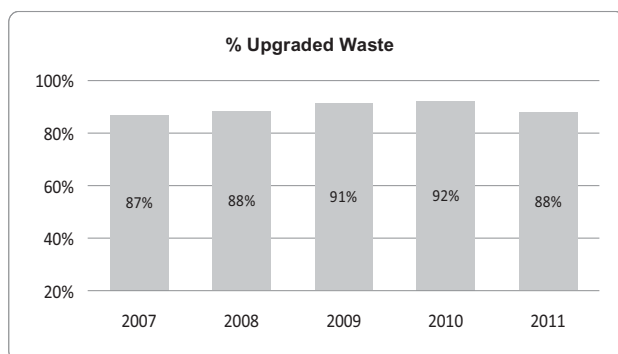
i.06

2011 ENVIRONMENTAL OBJECTIVES

- To reduce the generation of hazardous waste by 2.5%.
- To increase the upgrading of hazardous waste in 0.8%.
- To reduce the generation of inert waste by 5%
- To increase the upgrading of non-hazardous waste in 2.1%.
- To reduce the generation of steelworks dust by 2%.

- ✚ In 2011 the hazardous and non-hazardous waste generation has decreased, reaching almost the same values of 2009, aspect directly to do with the ArcelorMittal production decrease.
- ✚ 90% of the waste generated are categorized as non-hazardous.
- ✚ Hazardous and non-hazardous waste generation per tonne of coil produced has decreased with regard to 2010, being the best ratio since 2008.
- ✚ The 2011 established target has been achieved concerning: the reduction and upgrading of inert waste and the upgrading of hazardous waste. On the other hand, the target of the reduction of generation of hazardous waste has not been achieved, reaching 98% of the established goal.
- ✚ Steelworks dust from smelting in the Electric Arc Furnaces and Ladle Furnaces made up over 66% of total hazardous waste produced in 2011. The generation of this waste varies depending on the quality of the scrap used. During this year these values have decreased, achieving the Environment Annual Plan and obtaining the best ratio of the last years.
- ✚ Among non-hazardous waste at ArcelorMittal Sestao, black slag and white slag are the most relevant. In 2011, black slag generation per tonne produced decreased by 29% while white slag increased by 35%. As a whole the values have decreased in comparison with previous years.
- ✚ Waste upgrading reached 88%, 86.7% for hazardous waste and 87.8% for non-hazardous waste.
- ✚ In 2011 the HCl Regeneration Plant has been running discontinuously without the optimum design conditions adjustment. Even then, it has enabled the regeneration of 95.6% of all the spent HCl produced during the year.
- ✚ Regarding transport of hazardous waste, the average distance for steelworks dust management and spent HCL are the same as the ones of the previous year, 8.5 km and 0.3 km for each one.





Next table shows the 2011 generated and managed waste quantity:

Environmental performance indicators	Unit	2011
Total waste produced (RP + RNP)	Hazardous wastes (t)	24.436
	Non-hazardous wastes (t RNP + packaging waste t + t RAU)	205.902,1
	Hazardous wastes (t/C t)	0,0239
	Non-hazardous wastes (t/C t)	0,202
	Evacuated t	230.337,8
	Upgraded %	88%
	Upgraded t	202.025,7
Slags (white and black)	Black slag	90.385,2
	White slag	48.087,6
	Black slag (t/BC t)	0,101
	White slag (t/BC t)	0,054
	Evacuated t	138.472,8
	Upgraded %	90,2%
	Upgraded t	124.850,16
Steelworks dust	Evacuated t	16.126,27
	Upgraded %	100,0%
	Upgraded t	16.126
Spent HCl	Evacuated t	4.937,9
	Regenerated %	95,6%
	Regenerated t	4.719,5



INDICATOR i.07: GENERATION OF ACOUSTIC EMISSIONS

i.07

2011 ENVIRONMENTAL OBJECTIVES

- To reduce noise levels around ArcelorMittal Sestao after evaluating the acoustic modelization and the Etorgai NUPROSS project conclusions.
- To assess the effect of future process modifications, building works or town planning schemes on ambient noise levels, in case there were.

- ✚ Each year, an OCA (official monitoring body (OCA) runs a campaign to measure acoustic levels in residential areas near the plant and in the ArcelorMittal perimeter to calculate the noise attributable to our production process.
- ✚ During 2011 a plant acoustic modelization has been done, establishing three different scenes:
 - Estimate of every noise hotspot average, including those ones out of the plant activity.
 - Noise hotspot average only produced by the plant activity.
 - Noise hotspot in the most unfavorable case (highest levels) only produced by the plant activity.
- ✚ This modelization shows as the main noise hotspots the scrap yard, the fume treatment unit, the slag pit and the arc electric furnaces.
- ✚ As stated on the Integrated Environment Authorization, the evaluation has been realized by methods of acoustic rate calculation (acoustic modelization) Ld, Le, Ln, LAeq-Ti and LAeq 60s.
- ✚ Concerning the obtained results, it is remarkable that the threshold level is only exceeded in the point 5 of the factory limits during the night period. This point is placed on the river banks, where there is no people or fauna which are affected, and at the facility perimeter inside as the perimeter measures (over the river) are not available. Because of this deviation, the noise report recommendations are implemented, which mainly consist on changing the habits in the scrap managing. After the implementation of these correcting actions, a new measure is done in 2012 verifying that these measures are enough and the registered values are under the limits. These recommendations are contained in the Operative Practice PO Ma-25 which is nowadays in the stage of signing.
- ✚ Concerning the established limits for inside housing, there is observed that the highest levels are exceeded (LAm_{ax}) in the point 9 during the night period.
- ✚ Through 2011, within the Etorgai program of the Basque Government, ArcelorMittal Sestao, together with ArcelorMittal Basque Country Research Centre and Tecnalia Research & Innovation have worked in the development of an integrated noise management system. This system will allow the acoustic levels modelization related to the defined work scene and, as the relations of the different noise hotspots which are characterized in the plant manufacturing processes, are known, the modelization tool will allow the right intervention in case of failure situations. The item to develop in 2012 for the complete development of the tool is the integration of every system in a noise map display and recipient enquiry software.

By definition, ambient noise includes that produced by noise sources outdoors and those propagated outdoors affecting noise-sensitive receivers. In these terms, the main noise hotspots are transport infrastructure, industrial plants and cities.

ArcelorMittal Sestao is aware of the impact of the noise produced on our surroundings and the nuisance caused thereby due to the proximity of housing in Sestao, Lamiako and other nearby towns. Consequently, we do our most to reduce emissions and meet the threshold levels set in the Integrated Environmental Authorization.



Since the outset of our activity, we have gradually fitted noise barriers to muffle the noise caused by the main noise hotspots, such as Scrap Yard operations, melting in the Electric Arc Furnaces, and in Fume Treatment units. As a result, acoustic levels have been substantially reduced.

The results of the sound level evaluation campaign in 2011 are the next ones:

2011 Annual Campaign (Legal Requirement AAI) Housing façade measuring						
Measuring Points	Daytime/ night limits dB(A)	dB(A) LAeq 60s daytime	dB(A) LAeq 60s night	Daytime/ night limits dB(A)	dB(A) LAmix daytime	dB(A) LAmix night
Point 1	40/30	28,6	28,6	45/35	36,5	36,5
Point 2		28,5	28,5		34,2	34,2
Point 3		34,6	34,6		38,8	38,8
Point 4		30,1	30,1		38,1	38,1
Point 5		32,4	32,4		39,3	39,3
Point 6		28,4	28,4		35,0	35,0
Point 7		29,4	29,4		42,5	42,5
Point 8		25,5	25,5		44,0	44,0
Point 9		30,0	30,0		42,5	42,5
Point 10		30,8	30,8		34,1	34,1

Figure 1: Façade measuring points.



It is remarkable that the noise levels resulted from the noise inside housing, are predictably overestimated. In this sense, in order to evaluate the noise levels in housing, the tests must have been done meeting each owner, so the levels would have been registered inside the houses or having the

actual data of the acoustic moderation of the building sound proofing. The standard spectrum of the sound proofing which is defined in the IT-RUIDO-IPPC-01 shows very limited acoustic characteristics to reduce the aerial noise hotspot, the impact noise and the self - building facilities. We mean that from the sound proofing point of view, the definitive spectrum in the IT-RUIDO-IPPC-01 establishes the most unfavorable building situation.

That's why there is no conclusion about the possible exceeding of the noise limits which affect to the inside housing and that these ones are caused by the ArcelorMittal Sestao plant activity.

REMARK: So as the plant Works in a continuous way from the acoustic point of view, the measuring results have been got during only one evaluation period (night period 23:00 – 07:00h) and they have been extrapolated to the daytime period.

The measurements at the facility perimeter are the next ones:

2011 Annual Campaign (Legal Requirement AAI) Plant perimeter measuring				
Measuring points	Daytime, evening and night limits (d/ e/ n) dBA	Perimeter measuring		
		Ld	Le	Ln
1	75/ 75/ 65	53,3	53,3	53,3
2	75/ 75/ 65	55,9	55,9	55,9
3	75/ 75/ 65	64,5	64,5	64,5
4	75/ 75/ 65	53,8	53,8	53,8
5	75/ 75/ 65	69,9	69,9	69,9
6	75/ 75/ 65	60,9	60,9	60,9

Figure 2: Perimeter measuring points



The acoustic threshold concerning the perimeter is only exceeded at one point (nº 5) which is placed on the river Banks, so there are no people or fauna near it which are affected by that noise hotspot.

REMARK: So as the plant Works in a continuous way from the acoustic point of view, the measuring results have been got during only one evaluation period (daytime period 07:00 – 19:00h) and have been extrapolated to the rest of the periods (evening and night).



INDICATOR i.08: LAND USE

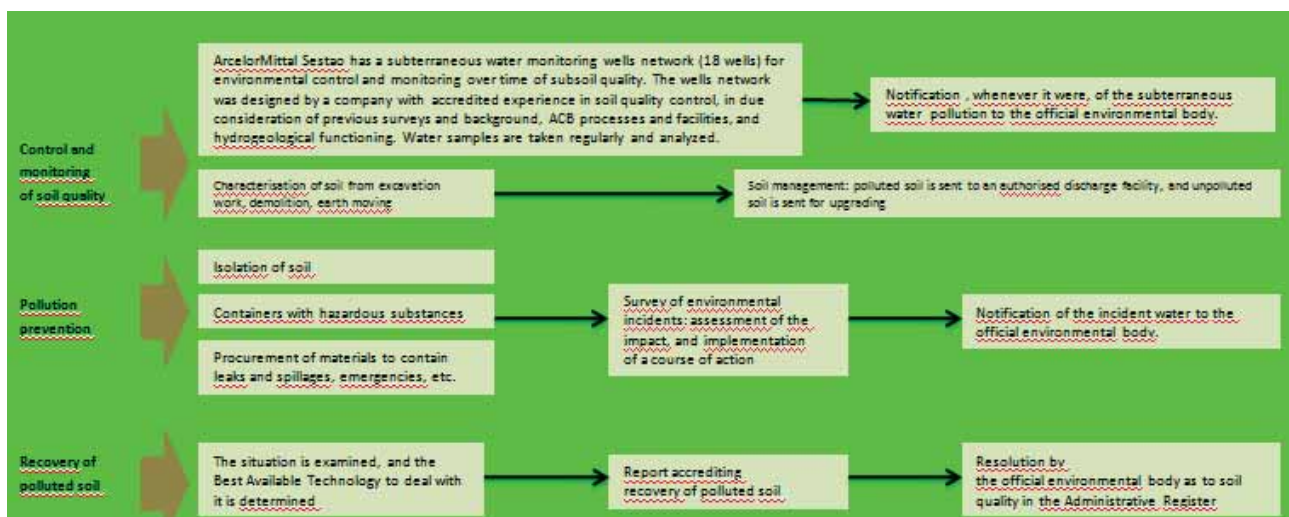
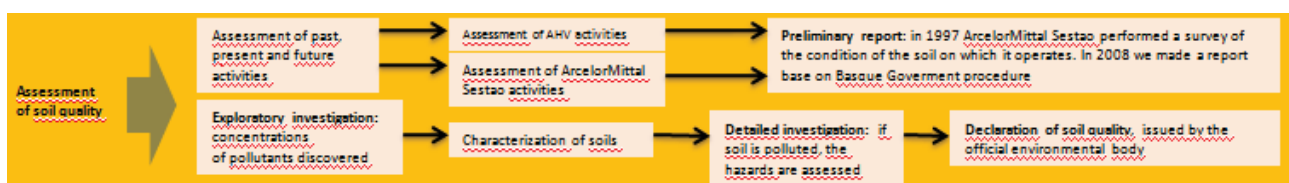
i.08

2011 ENVIRONMENTAL OBJECTIVES

- To control past, present and future activities of anthropogenic origin which could lead to changes in the chemical composition of the soil on which ArcelorMittal Sestao stands.
- To assess soil quality.
- To prevent soil pollution.
- To control and monitor soil conditions over time.
- To recover polluted soil.

- ✚ ArcelorMittal Sestao holds a certificate issued by the Deputy Ministry of Environment of the Basque Government in relation to the adaptation of the land occupied by the Company for industrial use. Moreover, it also has a report on the compatibility of its activities with Town Planning in Sestao.
- ✚ An annual sampling in the groundwater monitoring wells is performed in order to determine the evolution of soil quality. In 2011, there have been 7 monitoring wells in which some parameter is over the threshold limit. This increase does not involve a relevant worsening. The exceeding is in relation with to ancient activities, not with the one of ArcelorMittal Sestao activity.
- ✚ ArcelorMittal Sestao has a preliminary Report of soil conditions following the Operating Procedure issued by the Department of Environment and Land Planning of the Basque Government. This report identifies the risk sources which are currently under control, although the risk is usually associated to accidental conditions (breakage, leakage, spills, etc.) and not to common situations during industrial operations.

ArcelorMittal Sestao stands on land formerly occupied by Altos Hornos de Vizcaya (AHV), an integrated steel producer. Aware that AHV's and ArcelorMittal Sestao's activities are among the major potential soil polluting ones, we have designed and implemented a procedure for the prevention and correction of soil pollution:



INDICATOR i.09: IMPACT ON THE LANDSCAPE AND ENVIRONMENTAL PROGRESS IN ADJACENT ECOSYSTEMS

i.09

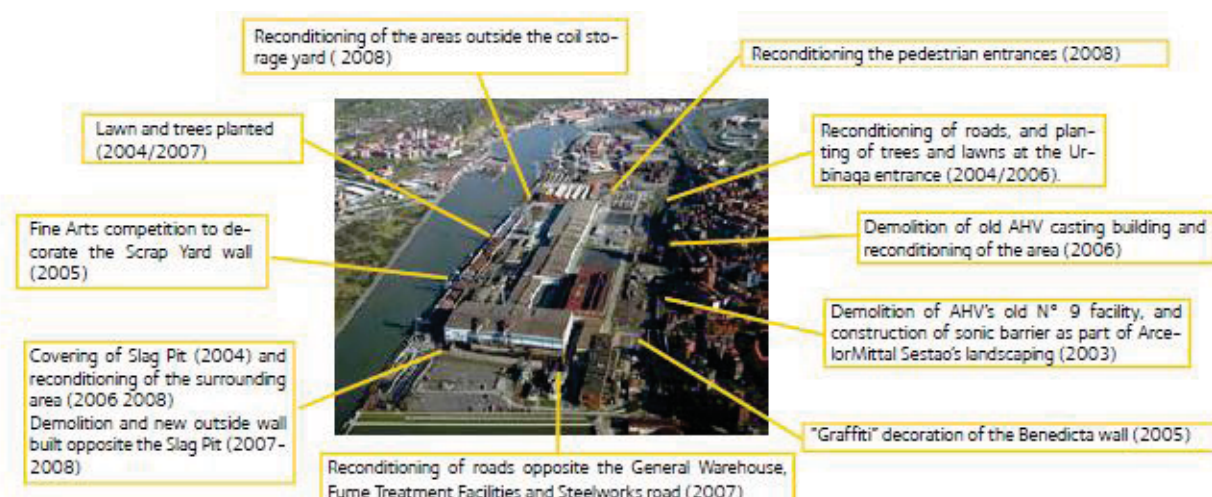
2011 ENVIRONMENTAL OBJECTIVES

- To eliminate any potential threat to the River and the surrounding area in order to maintain basic ecological processes and the ecosystem's evolutionary capacity.
- To reduce the company's effect on the landscape.
- To extend town planning and landscaping regeneration throughout ArcelorMittal Sestao.
- To increase green and tree-covered areas.
- To encourage respect for nature and for surrounding ecosystems.

- ✚ During 2011 there has not been any change in the built area with regard to 2010, remaining in 150,684m². So the built area at the site where ArcelorMittal Sestao facilities are located does not represent more than 33% total surface.
- ✚ Over recent years, ArcelorMittal Sestao has placed great importance on improving the landscape impact of the plant. Various actions have been carried out, such as planting green areas and trees in many parts of the plant, demolishing the old AHV warehouses and decoration with the graffiti mural on the Benedicta façade, among others.
- ✚ The Sestao Bai Society, shared by town Council, has carried out a new road in the land of transfer in accordance with the Town Planning, which links Chavarri street with the surrounding of the Benedicta Sports Center. It has been opened in the first months of 2011.
- ✚ We now have over 1,000 different trees from 21 species around our facilities.
- ✚ Despite the fact that we can consider that life is back in the estuary of the Bilbao River, its current ecological status alongside ArcelorMittal Sestao is still deficient. However, the influence of our activity is not representative due to the piping collecting effluents and rainwater amenable to carry pollutants for discharge to the sewerage managed by the Bilbao Bizkaia Water Management Board.

IMPACT ON THE LANDSCAPE

In recent years, a number of initiatives have been carried through to reduce the impact on landscape and to improve the company's image. Work has focused along the four directions surrounding ArcelorMittal Sestao.



In addition, we have extensive lawns and, currently, over 1,000 trees (21 different species) and shrubs.

ADJACENT ECOSYSTEMS

The Bilbao River and its banks constitute one of the largest industrial and most densely populated areas in the Bay of Biscay. Its geographic location and the richness of its mineral resources, particularly iron, led to intense industrial and demographic development at the end of the 19th century.



Before

However, for many years urban and industrial effluents were discharged directly, untreated, into the estuary. The system has been deteriorated so much that in the 1970s water had extremely low oxygen levels and high microbial load, the sediment was polluted and, consequently, no fauna was found in most parts of the River.

To deal with this situation, in 1979 the Integral Sanitation Plan for the Metropolitan Bilbao was implemented. This was an ambitious project to offset the processes of eutrophication, pollution by waste discharge, bad odours and microbe spreading which was affecting the nearby estuary water and beaches.



Nowadays

After 25 years, this effort has brought life back to the estuary. Fifty fish species, dozens of bird species and over one hundred and sixty species of invertebrate fauna now live here, and recovery of the banks of the estuary has provided new leisure spaces: it is now possible to fish the entire length of the river, from El Abra to El Arenal.

At ArcelorMittal Sestao, we are committed to preventing any polluted discharge or emission into the Nervion, thus helping to improve and recover the River.



INDICATOR i.10: SAFETY AND HEALTH

i.10

2011 ENVIRONMENTAL OBJECTIVES

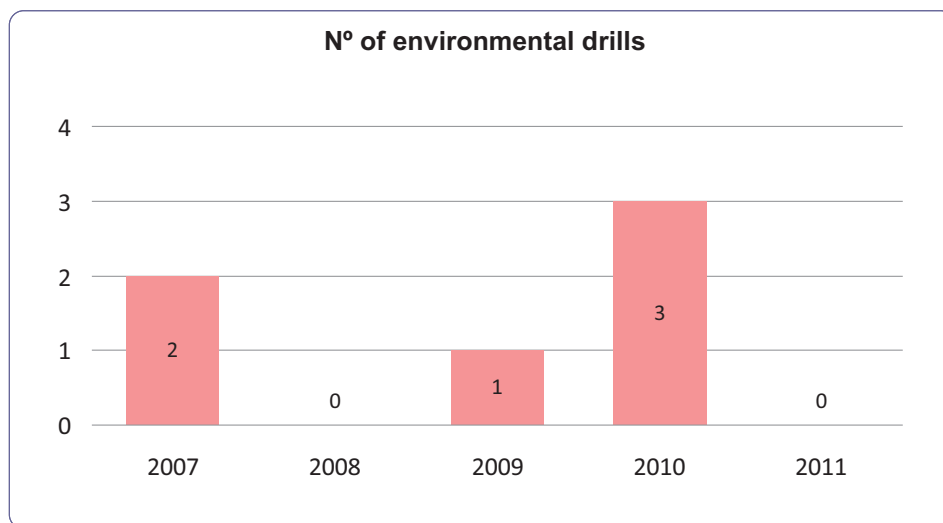
- 0 incidents with environmental impact.
- Preparation of the Self-protection Plant Plan for the behavior, communication and organization improvement in case of Emergency.
- To continue with the training of all those working for the organization and on behalf of it on the emergency procedures, specific protocols, behavior in the event of fire, etc.
- To complete the Radioactivity Monitoring System with the starting of new fittings in melt shop rolling, plant entering, scrap yard and main depuration silo.
- To evaluate the current status of radioactive detection equipment and to identify and assess potential improvements.
- To inform all staff at ArcelorMittal Sestao of emergency operations to be carried out in the event of a radioactive incident.

- ✚ There were no incidents with environmental repercussions in 2011.
- ✚ In 2011 four cases of radioactivity contaminated materials have been detected.
- ✚ Along the year, over 172 Legionella controls have been performed, with a maximum of 4,200 colony forming units per milliliter. This situation was solved by doing a disinfection as our protocol establishes.
- ✚ In 2011 there has not been any environment emergency drill because the proposed drill was scheduled during the plant stoppage, caused by economic crisis.
- ✚ On 28 April, the International Health and Safety Day was held. Several activities which were focused on the Health and Safety of the people working in this plant, not only the staff but also the subcontractors, were done.
- ✚ During the week from 24 to 28 october the Health Week was held, with the objective of training, informing and promote the health.
- ✚ We have an exclusive storage facility with all those materials required for instant effective performance in emergency situations: emergency car in the event of spills, selective absorbers, signs, personal emergency equipment, etc.
- ✚ Concerning the Health and Safety Anual Plan of 2011, the 80.1% of the proposed targets has been achieved.



ENVIRONMENTAL DRILLS AND INCIDENTS

The Emergency Plan at ArcelorMittal Sestao includes specific performance protocols in the event of environmental incidents like radioactive episodes, accidental spills or emissions of air pollutants.



RADIOACTIVITY

One of the risks at ArcelorMittal Sestao is the radiation sources and contaminated material entering among the scrap. To prevent this happening, radiation monitoring measures have had to be set in place. From 2000 ArcelorMittal Sestao signed the Voluntary Cooperation Protocol for Radiological Monitoring of Metallic Materials drawn up by the Ministry of Industry and Energy, the Economic Promotion Ministry, the Nuclear Safety Council (CSN), the National Radioactive Waste company (ENRESA), the Association of Steel Producers, the Spanish Federation for Recovery and the trades unions UGT and CC.OO..

ArcelorMittal Sestao has got the next radioactive sources detection operating systems:

SUPERVISION OF INCOMING AND OUTGOING MATERIALS

- 6 radioactivity detectors in each crane at the Scrap Yard
- 2 radioactivity detectors in each Weighbridge
- 6 radioactivity detectors at the Reception entrance
- 2 radioactivity detectors at the Benedicta Dock security.

SUPERVISION OF THE PROCESS

- 2 fixed Spectrometers in the Laboratory
- 1 radioactivity Detector at the Fume Treatment System for Line 1
- 2 Detectors in the melt shop rolling

RESEARCH

- 2 portable spectrometers



Besides, during this year 2011 the radioactivity procedure and the emergency protocol including the steelworks Lamse facilities have been modified. Due to the plant stoppage at the end of the year, the Detection System CETTO, actually in training period, could not be included. That is why the annual target has been partially achieved.

The table shows the radioactive material detections with a very low activity from 2007.

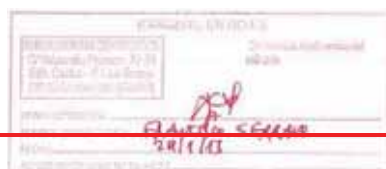
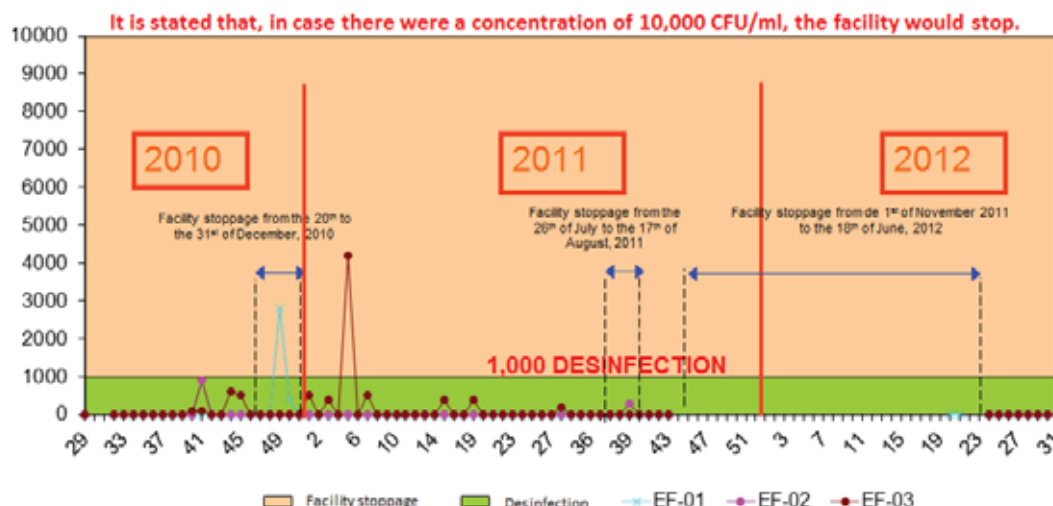
	2007	2008	2009	2010	2011
Radioactive source	0	0	0	0	0
Material contaminated by radiation	1	1	0	0	4
Natural radioactive element	0	2	0	0	0
Refractory material	3	1	0	2	0
TOTAL DETECTIONS	4	4	0	2	4

LEGIONELLA

ArcelorMittal Sestao complies with the Royal Decree 865/2003, of 4 July, in which the hygienic and health criteria to prevent and control the Legionellosis are stated. For this purpose ArcelorMittal Sestao has contracted an accredited company to maintain the facilities. Its own staff who makes the maintenance of the Water Plant have also been trained.

The next chart shows the evolution of the colony forming units per milliliter in the cooling towers, and also the performed disinfections according to the mentioned RD 865/2003, of 4 July.

LEGIONELLA Evolution of CFU/ml in Cooling de Towers 2010 - 2012



INTERNATIONAL HEALTH AND SAFETY DAY IN SESTAO

On 28 April 2011, the International Health and Safety Day 5th edition was held. The event gathered several activities focusing on Health and Safety for plant workers including self and subcontractor employees.

Through all the day there were some **speeches** about the PPE's using consciousness raising, about ergonomics and psycho-social factors, about the assistance in case of burns, etc. There were also some **workshops** about the stress management by using the Laughter Therapy technique. An **emergency drill** was organized in front of ArcelorMittal Sestao Headquarters.

THE HEALTH WEEK IN SESTAO

During 2011, from 24 to 28 october, it is held the "Health Week", a Group initiative which encourages the healthy life habits and to spread contents concerning Health. This year it is dedicated to the cancer and to the use of the defibrillator.



Nothing more important than your health

2011 Health Week – ArcelorMittal Sestao

Sestao Health Board has promoted a conference in order to raise the worker's awareness of the health.

The objective is training, informing and promoting concerning the health.

These conferences will be held in our plant during the last week of October (from 24 to 28 October) and the subjects to develop by the Medical Attention Service but also by external contributor will be:

- **KNOWLEDGE AND USE OF THE AUTOMATIC EXTERNAL DEFIBRILLATOR (AED)**
- **CANCER:** Awareness and information campaign about the most prevalent cancers around us.



Activity Programme

1. Theoretic and practical workshops explaining the use of the defibrillator in a situation of cardiorespiratory arrest. In groups of 6 people with a length of 45 min.

From 24 to 28 October at San Mamés Room (mock-up side) at 9.30 and at 15.30. Registration on tel. 944894535-4420. The deadline for enrolment is October 21st.



2. In collaboration with the Spanish Cancer Association (AECC), during the whole week there will be a STAND of INFORMATION where AECC volunteers will provide us with guides, leaflets and other information.

2011 Health Week – October

	24 october	25 october	26 october	27 october	28 october
9.30	Defibrillator WORKSHOP		Defibrillator WORKSHOP	Defibrillator WORKSHOP	Defibrillator WORKSHOP
10.30					
11.30					
12.30	AECC STAND		AECC CONFERENCE	AECC STAND	AECC STAND
13.30					
15.30	Defibrillator WORKSHOP		Defibrillator WORKSHOP	Defibrillator WORKSHOP	
16.30					
17.30	AECC STAND		AECC STAND	AECC CONFERENCE	
18.00					

3. Conferences about the more prevalent cancers in our environment from the prevention point of view, by AECC team.

11 Ingredients for the best prevention

1. Do not smoke. If you smoke, give it up as soon as possible. If you cannot do it, please never smoke in the presence of nonsmokers, especially if they are children.
2. Avoid obesity.
3. Do a moderate physical activity every day.
4. Increase the fruit and vegetable consumption: eat at least 5 portions each day. Cut down on animal fatty foods.
5. If you drink alcohol, wine, beer or high graduation drinks, moderate the consumption until 2 drinks per day if you are a man, or until 1 if you are a woman.
6. Avoid the excessive exposure to the sun. It is especially important the protection of children and teenagers. People who tend to suffer from burns must protect themselves against the sun for all their life.
7. Women of 28 and over should do an early detection test of uterine neck cancer.
8. Put into practice the current law concerning the safety prevention about exposure to any substances which may produce cancer. Carry out the health and safety advice concerning use of these substances. Observe the radiology protection regulation.
9. Women of 50 and over would get a mammogram in order to early detect the breast cancer.
10. Men and women of 50 and over would do early detection test of colon cancer.
11. Take part in vaccination plans against the B Hepatitis virus.

European code against cancer

Approved by the European Union

Last revision: The 17th June, 2003



PROCESADO EN 2011

Elaborado por: *[Signature]*

Revisado por: *[Signature]*

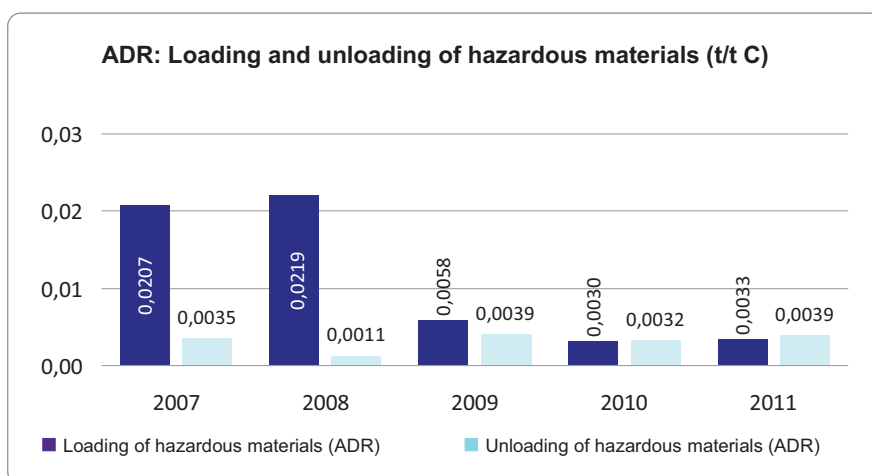
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INDICADOR i.11: LOGISTICS AND TRANSPORT OF GOODS i.11

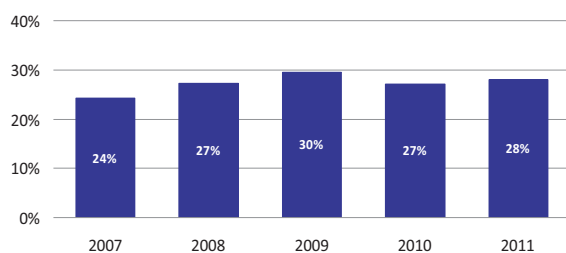
2011 ENVIRONMENTAL OBJECTIVES

- To identify and monitor the storage of hazardous substances.
- To recondition the storage facilities for hazardous substances requiring this measure.
- To prevent any accidental spill of hazardous substances.
- To prevent soil and surface water pollution.
- To spread knowledge on risks associated to the handling of hazardous substances.
- To promote railway or ship coil transport over road transport.
- To prioritize scrap reception by sea and/or railway.
- To keep packaging volumes placed in the market within minimum quality and safety levels.

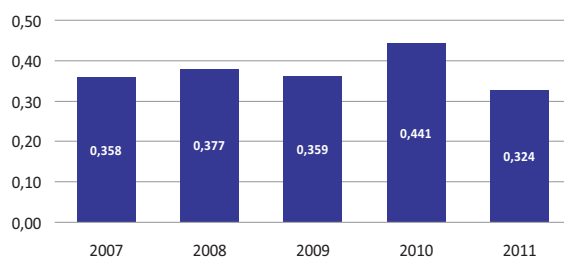
- The results of this chapter are directly related with the supply origin and with our exposure destiny.
- In 2011 the hazardous goods load and unload ratio has slightly increased with regard to the previous year.
- During this year a 50.9% coils were transported by train, a 18.7% by ship and a 30.4% by truck. Coil shipping in trucks, a less sustainable means of transport when compared to trains or ships, decreased in 5.4% with regard to 2010, although it is far away from the last years' average.
- Moreover, scrap reception in trucks keeps on the levels of 2010.
- Regarding packaging materials marketed by ArcelorMittal Sestao, we should highlight that they comply with the minimum safety requirements, they adapt to the minimal fulfillment degree to guarantee the management, the protection of the end-product and they meet the quality requirements requested by our customers. Therefore, in 2011 around 324 grams of packaging material per tonne of coil produced were placed in the market, being the best data of last years.



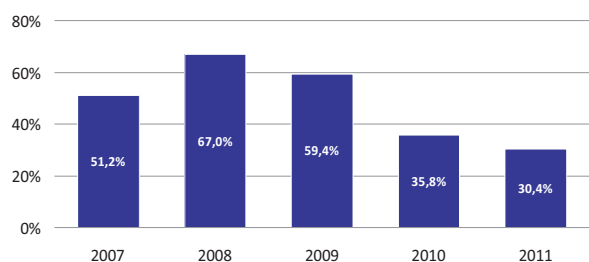
(%) Scrap reception by truck



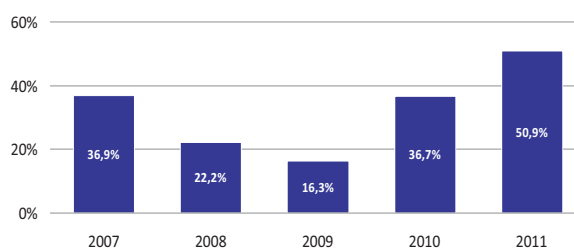
Packaging materials placed on the market (kg/t C)



Coil exposure in truck (%)



Coil exposure in train (%)



INDICATOR i.12: TRAINING AND RISING AWARENESS

i.12

2011 ENVIRONMENTAL OBJECTIVES

- To encourage respect and caring for the environment amongst those who work in ArcelorMittal Sestao.
- To train, inform and raise awareness about the environmental consequences of our daily activities, not only at work, but also in any moment of daily life.
- To ensure internal communication between the various levels and functions in the organization, i.e. fluent communication in all directions and between all members.
- To organize internal activities, forums and technical and leisure seminars regarding aspects associated with the economic and social development of ArcelorMittal Sestao, as well as environmental protection.
- To disseminate and identify those Good Environmental Practices contributing to the general commitment to sustainability amongst workers of ArcelorMittal Sestao and subcontractors.
- To encourage the submission of suggestions and to recognize and reward the proposals that promote environmental impact reduction of ArcelorMittal Sestao.
- To prepare a three-fold leaflet identifying the environmental commitments of each department.
- To increase the environmental training.

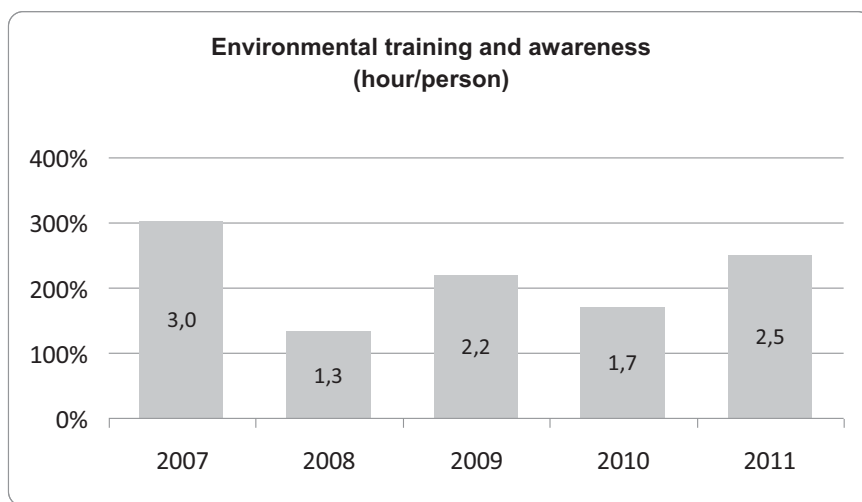
- ✚ In 2010 new information channels on several topics of interest have been activated, like the "1" internal magazine and the intranet start. During 2011, there have been respectively published 14 and 21 news by ArcelorMittal Sestao.
- ✚ Another information channel is the regular communication sessions summoned by ArcelorMittal Sestao General Management.
- ✚ In 2011 the staff in ArcelorMittal Sestao got an average 2.50 hours training on environmental issues. This value is higher than previous years.



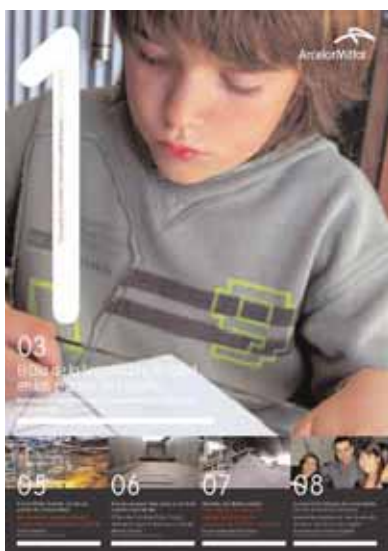
ENVIRONMENTAL TRAINING

This training is scheduled along the year through lectures by plant supervisors.

Moreover, the Welcome Plan for new workers at ArcelorMittal Sestao includes, amongst other things, environmental training, highlighting the environmental aspects and risks of the company, their control and prevention and the good practices to be applied by everyone.



"1" MAGAZINE



In February of 2010 "1" Magazine was born. The publication provides the most relevant data about the activities both of the ArcelorMittal Group in Spain and our own plant on a monthly basis. Every worker receives the magazine at home each month, and they are informed about projects and events in areas such as Safety, Corporate Responsibility, Industrial Organization, and other social subjects.

ArcelorMittal Sestao has published 14 articles in this magazine during 2011.



INTRANET START



On the 3rd of June, 2010 the first Intranet started in www.mylarcelormittal.com.

With this new tool, ArcelorMittal Sestao staff can access not only to the whole global and local information, but also to the business documents and applications of the Company.

During 2011 ArcelorMittal Sestao has published 21 articles in "Sestao News" section.

COMMUNICATION SESSIONS



On a regular basis, the General Management of the plant calls the employees to comment on different current affairs. This forum informs about issues directly affecting industrial activity such as market situation, order book, main operational indicators, including environmental indicators, relationship with the external environment, raw materials and, in general, any topic of interest.

At the end of the lecture, a round of questions and requests is opened. Likewise, participants complete an evaluation form after the session as part of the communication continuous improvement process.



INDICATOR i.13: ENVIRONMENTAL AWARENESS FOR SUPPLIERS AND COMMUNITY RELATIONS

i.13

2011 ENVIRONMENTAL OBJECTIVES

- To progressively drive ArcelorMittal Sestao suppliers to implement environmental management systems in their processes and facilities. (ISO 140001)
- To approve those suppliers holding the ISO 14001, OHSAS 18001, ISO 9001 and ISO/ TS 16949 and EMAS certifications.
- To promote and boost the path towards Sustainability and Corporate Responsibility by signing Voluntary Environmental Agreements with Authorities.
- To provide voluntary external communication about any information with environmental significance.
- To hold and take part in external activities, forums and technical and leisure conferences regarding issues relating to the environmental development of ArcelorMittal Sestao and its environment.
- To cooperate with external bodies on environmental issues, and to apply the best environmental practices in the sector.
- To receive, document and reply to information requests from external stakeholders.

- ✚ In 2011, 19.9% of suppliers and subcontractors had an approved Environmental Management System, it means 120 companies from the 602 active ones during the year.
- ✚ Along the year, a total of 51 external enquiries have been received.
- ✚ It was ArcelorMittal Sestao's intention to hold the Volunteer Day in December, but it was not possible at the end because of the facility stoppage during this period.
- ✚ Every year since its first registry in the EMAS Regulation in 2003, ArcelorMittal Sestao has issued an Environmental Statement providing a copy to all interested parties.

ENVIRONMENTAL AWARENESS FOR SUPPLIERS

ArcelorMittal Sestao, as an active player in its commitment to sustainable development, intends to progressively drive its suppliers towards an improved environmental performance through pollution prevention and minimisation. So far significant results have been attained:



EXTERNAL COOPERATION

We are involved in several bodies with which we work closely on environmental issues. Some of these organizations are as follows:

- ✓ **ACYMA.** Basque Steel and Environment Association.
- ✓ **ACLIMA.** Environmental Industry Association of the Basque Country.
- ✓ **UNESID.** Spanish Union of Iron and Steel Companies.
- ✓ **IZAITE.** Association of Basque Businesses for Sustainable Development.
- ✓ **EUSKALIT,** the Basque Foundation for Quality.
- ✓ **Euskalit 5S Club.**
- ✓ **Business Club applying Mini-company Concepts.**



INDICATOR i.14: COMPLIANCE, IMPROVEMENT AND RECOGNITIONS

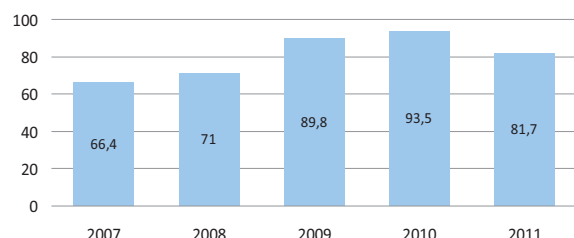
i.14

2011 ENVIRONMENTAL OBJECTIVES

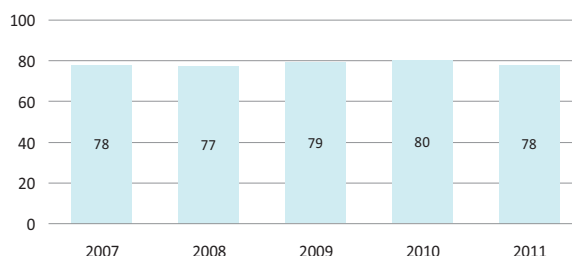
- ◆ To disseminate ArcelorMittal Sestao's and the Group's Policy for Prevention of Occupational Hazards, the Environment and Quality to all those working for and on behalf of the organization.
- ◆ To comply with and enforce the commitments contained in the Policy.
- ◆ To extend the knowledge in the Integrated Management System (IMS) to all ArcelorMittal Sestao staff, new staff and subcontractors.
- ◆ To integrate new legal requirements or any requisites subscribed to by ArcelorMittal Sestao within the IMS.
- ◆ To maintain and improve ISO 14001 and EMAS implementation and certification.
- ◆ To adapt the IMS to new reviews of the certified standards and applicable legal requirements or others that might be endorsed.
- ◆ To obtain the recognition to the effort, commitment and involvement of all people working in ArcelorMittal Sestao to go towards an "economic and social development not damaging the Environment and natural resources, whose quality determines a continuous human development and activity".

- ✚ From 17 to 20 may 2011 ArcelorMittal Sestao has successfully passed the Re-Certification Audit of the Integrated Management System according to OHSAS 18001, ISO 14001, ISO/TS 16949 and ISO 9001 standards and has renewed the 2010 Environmental Declaration as the EMAS III Certificate regulation.
- ✚ In 2011, the 6S methodology, arising from the integration of S (safety) and 5S methodology, achieved a score of 78% in line with ArcelorMittal Sestao's involvement in this project. Nevertheless it would be even more encouraged.
- ✚ En 2011 se ha logrado un cumplimiento del 81,7% de los objetivos y metas propuesto en el Plan Anual de Medio Ambiente, este dato refleja un descenso respecto a años anteriores. In 2011, the attainment of 81.7% of the objectives and milestones proposed in the Environmental Annual Plan reflects a decrease with regard to previous years.

(%) Fulfillment of Environmental Annual Plan



(%) Overall 6S



INDICATOR i.15: EVALUATION OF ENVIRONMENTAL INDICATORS

i.15

Indicator i.01: Energy consumption	Indicator i.02: Water consumption	Indicator i.03: Material consumption	Indicator i.04: Air emissions
			
Indicator i.05: Waste water discharge	Indicator i.06: Waste generation and management	Indicator i.07: Generation of acoustic emissions	Indicator i.08: Land use
			
Indicator i.09: Impact on landscape and environmental progress in adjacent ecosystems	Indicator i.10: Health and safety	Indicator i.11: Logistics and transport of goods	Indicator i.12: Training and Raising Awareness
			
Indicator i.13: Environmental awareness for suppliers and Community relations	Indicator i.14: Compliance, Improvement and Recognitions		
			

The faces for each indicator show a concise assessment of each:

	Positive trend
	Some positive progress, albeit insufficient
	Unfavourable trend



‘5. LEGAL REQUIREMENTS ON ENVIRONMENTAL ISSUES

On **12 April 2010**, the Basque Government Deputy Minister of Environment issued the Resolution by which modified and **come into effect** the **Integrated Environmental Authorizations** awarded to all the Steelworks, Molten Steel and Hot Rolling facilities of ArcelorMittal Sestao, and to the project of the pickling line and HCl regeneration plant located in Sestao.

The Authorizations which are modified and come into effect by the Resolution of 12 April 2010 are:

- RESOLUTION of 13 April 2005, by the Deputy Minister of Environment for the formulation of the environmental impact statement and the granting of the integrated environmental authorization to the Project addressing the Pickling Line and HCl Regeneration Plant promoted by the Acería Compacta de Bizkaia, S.A located in Sestao.
- RESOLUTION of 18 February 2008 by the Deputy Minister of Environment by which the integrated environmental authorization is awarded to all the Steelworks, Molten Steel and Hot Rolling Facilities in the company. This action was promoted by the ACERIA COMPACTA DE BIZKAIA, S.A., located in Sestao (Bizkaia).

In the Integrated Environmental Authorization the required environmental conditions for the ArcelorMittal Sestao facilities working are stated. It involves duties concerning different aspects of ArcelorMittal Sestao's activity, such as air emissions, waste water discharge, hazardous and non-hazardous waste generation and acoustic emissions. Besides developing guidelines for performance to control and monitor these aspects, it also sets limits such as those recommended for air emissions:

SOURCE	SUBSTANCES	Emission Limits
Source 1. Steelworks treatment 1	CO	500 ppm
	NOx	300 ppm
	Solid Particles	20 mg/Nm ³
Source 2. Steelworks treatment 2	CO	500 ppm
	NOx	300 ppm
	Solid Particles	20 mg/Nm ³
Source 4. Tunnel Furnace Line A	CO	500 ppm
	NOx	400 mg/Nm ³
	Solid Particles	150 mg/Nm ³
Source 5. Tunnel Furnace Line B	CO	500 ppm
	NOx	400 mg/Nm ³
	Solid Particles	150 mg/Nm ³



SOURCE	SUBSTANCES	Emission Limits
Source 6. Oxi cutting of pieces (faulty coils)	Solid Particles	20 mg/Nm ³
Source 7. Acid Regeneration Plant Reactor	HCl	15 mg/Nm ³
	Cl ₂	6 mg/Nm ³
	Particles	40 mg/Nm ³
	SO ₂	100 mg/Nm ³
	CO	150 mg/Nm ³
	NOx (as NO ₂)	350 mg/Nm ³
	CO ₂	180.000 mg/Nm ³
Source 8. Oxide bagging unit	Particles	20 mg/Nm ³
Source 9. Natural gas steam boiler	NOx (as NO ₂)	150 mg/Nm ³
	CO	50 mg/Nm ³
Source 10. Steam extraction in pickling tanks	HCl	10 mg/Nm ³
	Cl ₂	6 mg/Nm ³
	Particles	20 mg/Nm ³

In turn, with regard to waste water discharge to sewer the following limits apply to both discharge points:

SUBSTANCES	Discharge limits
pH	6-9,5
t ^a	45°C
Sólidos en suspensión	600 mg/l
Suspended solids	50 mg/l
Oils and fats (minerals)	500 mg/l
Oils and fats (vegetables and animals)	2 mg/l
S ⁼	1.500 mg/l
SO ₄ ⁼	2 mg/l
CN ⁻	120 mg/l
Aggr. N	300 mg/l
N-NH ₃	1,5 mg/l
Cd	1,5 mg/l
Cr	0,2 mg/l
Cu	7,5 mg/l
Fe	10 mg/l



SUBSTANCES	Discharge limits
Ni	0,2 mg/l
Pb	3 mg/l
Zn	2 mg/l
Hg	1,5 mg/l
Ag	1 mg/l
Fenoles	50 mg/l
Phenols	50 eq/m ³
Toxicity	2.000 mg/l
Cl ⁻	

Concerning the noise related conditions, the emission limit in the outside land of ArcelorMittal Sestao have been stated on:

- 75 dB(A) at daytime (Ld y Le).
- 65 dB(A) at night (Ln).

Concerning the noise level LAeq, 60 seconds, transmitted inside housing, it would never exceed:

- 40 dB(A) within 7.00 and 23.00 hours.
- 30 dB(A) within 23.00 h and 7.00 hours.

Concerning the LAmix rate, inside housing should not exceed:

- 45 dB(A) from 7 to 23 hours.
- 35 dB(A) from 23 to 7 hours.

Concerning the REACH regulation, ArcelorMittal Sestao has registered the next materials:

Materials	Number of register
White slag	01-2119487457-23-0021
Black slag	01-2119485979-09-0012
Pig iron	01-2119458865-23-0017
Pre-reduced	01-2119462838-24-0216
Ferric oxide	01-2119457614-35-0020



On 7 March 2012, the Basque Government Deputy Ministry of Environment issued a new Resolution by which modified the Integrated Environmental Authorization (n° 16-1-01-000000000016) awarded to ArcelorMittal Sestao and which combines the two previous ones awarded to the Steelworks, Molten Steel and Hot Rolling facilities, and to the project of the pickling line and HCl regeneration plant located in Sestao, by means of the Resolutions of 13 April 2005 and 18 January 2008 and modified by order of the Deputy Ministry of Environment of 20 June 2008.

In the mentioned Resolution there have been significant changes with regard to the current IEA:

Concerning the waste water discharge to sewer the apply limits have been modified for any parameters as the next table shows:

SUBSTANCES	Discharge limits (Previous Resolutions)	Discharge limits (Resolution of 7 March 2012)
Cr	0,2 mg/l	7,5 mg/l
Fe	10 mg/l	150 mg/l
Ni	0,2 mg/l	5 mg/l
Zn	2 mg/l	15 mg/l

Likewise, the weekly analysis of discharge in VC01 and in VC02 is eliminated.

Concerning the sources of air emissions, the DRI facility has been included (source 10):

SOURCE	SUBSTANCES	Limit Emission Values	Monitoring frequency
Source 10. DRI Facility	Solid particles	20 mg/Nm ³	3 years



6. STRATEGIC LINES FOR 2012

As appointed before in the “Evaluation of aspects and risks” section, the evaluation of aspects which has been done from the results of 2010 shows as relevant the next ones:

Environmental aspects under normal conditions	Environmental performance indicators
Emission of air pollutants	HCl emission (Acid Regeneration Plant Reactor and steam extraction in pickling tanks)
	Cl ₂ emission (steam extraction in pickling tanks)
	Solid Particles emission (Acid Regeneration Plant Reactor, oxide bagging unit y steam extraction in pickling tanks)
	CO emission (Acid Regeneration Plant reactor)
Waste water discharge	pH, (industrial waste water discharge point)
	Suspended solids discharge (industrial waste water discharge point)
	Fe discharge (industrial waste water discharge point)
	Discharge of most unfavourable metal (Zn) in industrial effluents VC01 discharge
Generation of acoustic emissions	Noise at perimeter (point 5-night) and noise inside housing L _{Amax} (point 9-night)

In order to contribute to the Continuous Improving process, in ArcelorMittal Sestao we have designed the Annual Progress Plan for 2012 which in the Environmental and Corporate Responsibility areas states the following strategic lines:

- To promote the “Benchmarking” behavior increasing the Exchange of ways of management, operative practices, etc. between the different plants not only of the group but of our environment.
- To develop the slags management project in order to upgrade them.
- To maintain the Radioactivity Monitoring System in a good state and including the CETTO system in the procedure.
- To begin the global risk management for each process.
- To introduce a new overall KPI.
- To start the new contract of Integral Management of Waste. Puesta en marcha del nuevo contrato de Gestión Integral de Residuos.
- To undertake new actions in the Acid Regeneration Plant, as the ISSI technologist suggested.
- pH and solid regulation plant: to work on the report in order to approve the investment.
- To develop the Etorgai NUPROSS Project, and to define better practices of behavior in order to minimize the acoustic emissions.

In line with the 2011 aspects evaluation results and with the strategic lines stated in the Annual Progress Plan of 2012, we have designed the Environment Annual Plan and the Corporate Responsibility Annual Plan for 2012. In both of them we detail which activities aim in order to minimize the impact on this aspects, giving priority to most significant ones, and specific objectives are stated.



This Statement complies with the EC Regulation 1221/2009.

REVISED BY:			APPROBED BY:	
				
(Head of the Quality and Laboratory Unit)	(Head of the Environmental Unit)	(Head of the Prevention, Occupational Health and Industrial Safety Unit)	(Customer Representative)	(Management Representative)

ACCREDITED VALIDATOR No.:

ACCREDITED VALIDATOR: E-V-0003

BUREAU VERITAS CERTIFICATION

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