



ArcelorMittal

# 1Q 2022 Investor Roadshow

May 2022



# Disclaimer

## Forward-Looking Statements

- This document may contain forward-looking information and statements about ArcelorMittal and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe”, “expect”, “anticipate”, “target” or similar expressions. Although ArcelorMittal’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ArcelorMittal’s securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of ArcelorMittal, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the filings with the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier) and the United States Securities and Exchange Commission (the “SEC”) made or to be made by ArcelorMittal, including ArcelorMittal’s latest Annual Report on Form 20-F on file with the SEC. ArcelorMittal undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

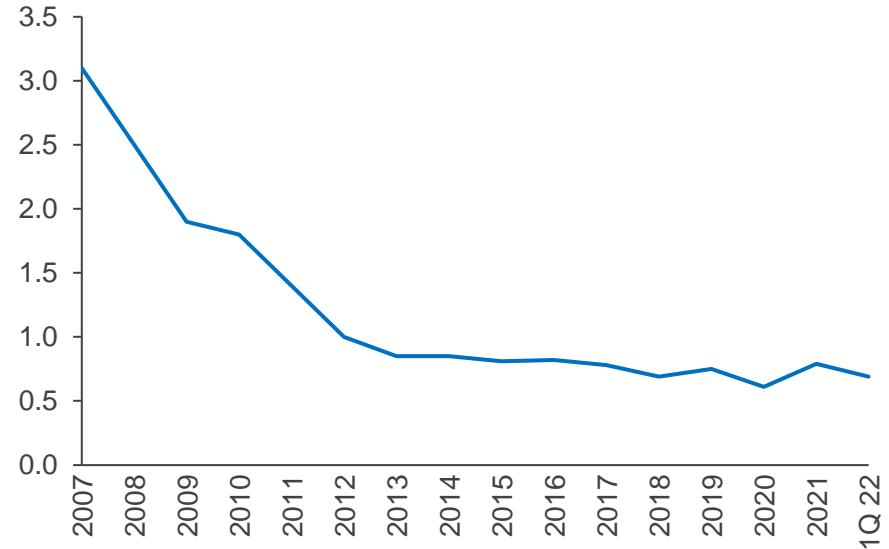
## Non-GAAP/Alternative Performance Measures

- This document includes supplemental financial measures that are or may be non-GAAP financial/alternative performance measures, as defined in the rules of the SEC or the guidelines of the European Securities and Market Authority (ESMA). They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with IFRS. Accordingly, they should be considered in conjunction with ArcelorMittal's consolidated financial statements prepared in accordance with IFRS, including in its annual report on Form 20-F, its interim financial reports and earnings releases. Comparable IFRS measures and reconciliations of non-GAAP/alternative performance measures thereto are presented in such documents, in particular the earnings release to which this presentation relates.

# Safety is our priority: committed to reach zero harm

- Following full review of every aspect of safety a **multi-pronged action plan has been deployed**, building on and supporting the considerable policies and processes already in place
- Global H&S team **strengthened**
- Group's **H&S policy, standards and golden rules updated**: comprehensive and effective dissemination throughout the Company is being actioned
- **Safety training & mentoring upgraded**: leadership presence on the shop floor now mandatory and central to day-to-day performance reviews
- **Instituted a “quarantine” for operations** that have experienced a serious incident or deemed at risk of such an incident
- **Remuneration links to H&S strengthened**: 50% increase in the STI link to safety performance (with fatalities acting as a circuit breaker); Safety target in STIP increased to 15%, and LTIP to 10%; ESG objectives included in LT incentive plans

## Health and safety performance (LTIF)\*



Global Health & Safety Day on April 28, 2022

# Adapting Kryvyi Rih to ensure safety of people and integrity of assets

- First priority is safety of our people working in ArcelorMittal Kryvyi Rih
- At the onset of the war in Ukraine, the Company announced the suspension of operations to protect its people and assets
- Since then we have slowly restarted operations, and are currently operating 1 of 3 blast furnaces
- Blast furnace No.6 (~20% of Kryvyi Rih capacity), was restarted on April 11, 2022 (to resume low levels of pig iron production)
- Iron ore production is currently running at about 50-60% capacity
- Identified contingencies in place to ensure operations are restarted safely and without risk

## Supporting our colleagues and communities in Ukraine

- Significant humanitarian effort undertaken → ~1000 family members evacuated
- The Company has been actively supporting the humanitarian relief efforts in Ukraine. So far \$7.6 million has been donated; this includes \$2.8 million gifted by our colleagues worldwide – an amount which was then matched by ArcelorMittal - through support established with UNICEF
- Funds raised have been used to reach vulnerable children and families affected by the conflict with essential services, including health, education, protection, water and sanitation
- Provided logistical assistance for employees across the EU27 countries to offer accommodation for our Ukrainian colleagues



Bus full of Ukrainian young children with their mothers being evacuated from Kryvyi Rih and settled in Poland

# A strong start to the year

## Key 1Q'22 figures:

- \$5.1bn EBITDA
- \$1.5bn FCF
- \$4.1bn net income
- \$4.28 EPS
- \$57/sh book value
- 36% ROE\*

### Decarbonization leadership:

2030 targets set (25% CO<sub>2</sub>e reduction globally, 35% for Europe)

1st Smart Carbon projects to start production end-2022

1st Hydrogen reduction project to start production 2024-25

Plans announced to transform 4 integrated sites to DRI/EAF

XCarb Innovation Fund investments in five technology partnerships

### Strategic growth:

\$3.65bn strategic capex envelope to generate \$1.2bn additional EBITDA

Agreed acquisition of Corpus Christi HBI plant to facilitate decarbonization

\$0.6bn India investment to develop renewable energy capacity

Plans underway to significantly expand capacity through JVs in India and the US (Calvert)

### Capital returns:

\$7.7bn capital returned to shareholders since Sept'20

Base dividend of \$0.38/sh to be paid in June

2022 SBB increased to \$2.0bn (of which \$0.5bn completed in 1Q'22 and \$0.5bn completed in Apr'22)\*\*

Fully diluted share count reduced to 949m at end 1Q'22 (-22% lower than 3Q'20)

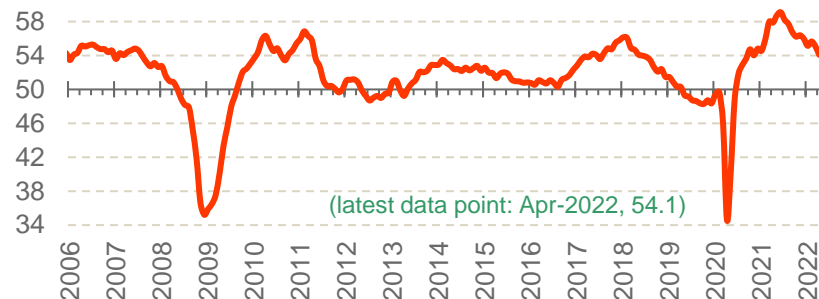
Focused on creating sustainable per share value

# Market conditions supportive

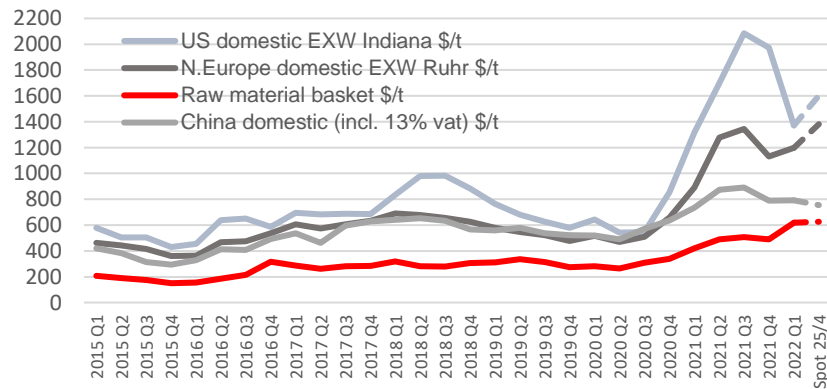
- **Pace of the real demand recovery has moderated:** non-automotive demand continues to recover whilst supply chain effects have continued to impact automotive
- **Supply/demand has tightened:** reflecting the implications on supply from the Russia-Ukraine conflict
- **Positive steel spread evolution:** steel prices have risen to reflect tightening markets
- **Uncertainties and risks to the outlook have increased:**
  - Duration of the Russia-Ukraine conflict and the risks to energy prices
  - Implications of higher energy prices on economic activity and consumer confidence, particularly in the EU
  - Implications of COVID19 on the China economy and the extent to which this will be offset by stimulus actions
- **Long term fundamentals intact:** given the structural changes to supply and steel's inherent role in the transition to a low carbon, circular economy

## ArcelorMittal weighted PMI\* chart

Apr'22 54.1: down from 58.5 peak in Jul'21 but still signalling real demand expansion



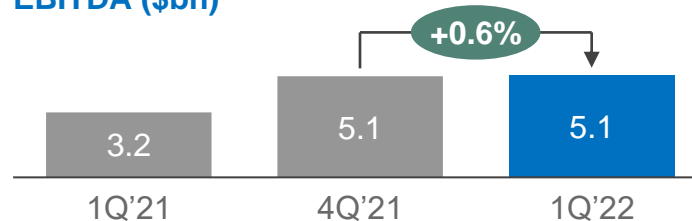
## Regional HRC prices & RMB \$/t\*\*



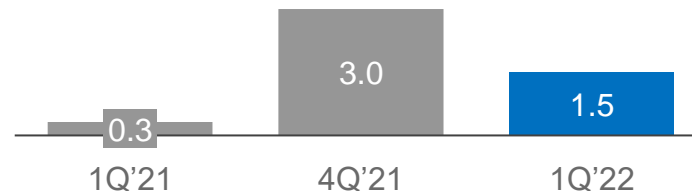
# Strong operating results for 1Q'22

- **Solid EBITDA performance:** 1Q'22 EBITDA of \$5.1bn (stable QoQ)
- **Strong steel performance:**
  - Europe (+19.1%) and NAFTA (+9.0%) EBITDA improvements QoQ offsetting ACIS (due to the Russia/Ukraine conflict) and Brazil negative price-cost impact
- **Strong iron ore performance:**
  - 1Q'22 benefitting from higher seaborne iron ore prices (+28.2% QoQ) offset in part primarily by seasonally lower iron ore shipments (-6.3%) (mainly AMMC impacted by severe weather and associated logistic issues)
- **Strong cash flow performance:**
  - FCF\*\* of \$1.5bn in 1Q'22 despite \$2.0bn investment in working capital
  - Low run-rate of capex offset by a catch up in cash taxes
- **Balance sheet strong:**
  - \$3.2bn net debt down by \$2.8bn YoY; \$11.1bn total liquidity\*\*\*

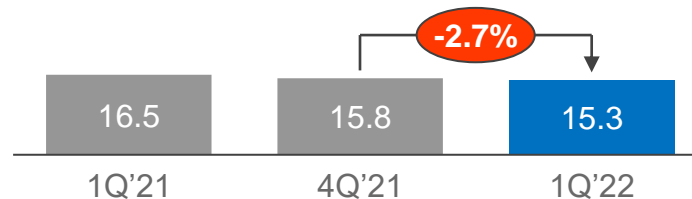
## EBITDA (\$bn)



## Free cashflow\*\* (\$bn)



## Steel shipments\* (Mt)

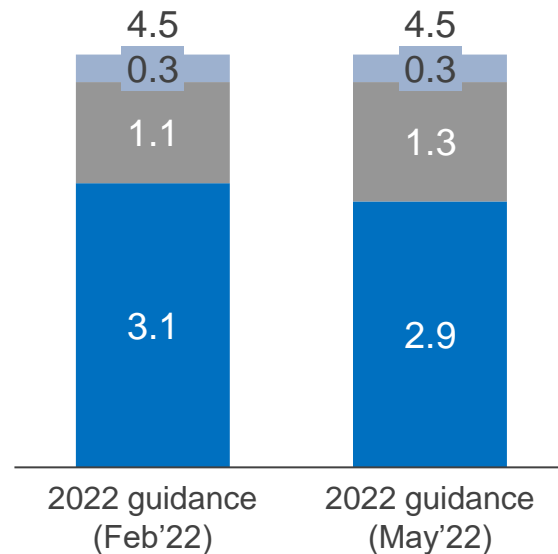


# Capex funding strategic growth + decarbonization

- 1Q'22 capex of \$0.5bn
- FY 2022 capex guidance unchanged and includes:
  - \$0.3bn spend on decarbonization projects
  - Increased strategic capex to \$1.3bn (from \$1.1bn) largely due to:
    - Renewable energy project with Greenko (India)
    - Ukraine pellet plant project temporarily suspended
  - 2022 base / normative level guidance reduced by \$0.2bn primarily due to lower maintenance spend in Ukraine

## Capex (\$bn)

- Decarbonization
- Strategic envelope
- Base / normative (Including carry over of normative from 2021)



## Solid contribution from JV and Associates

- **14% of group net income:** \$559m income from associates, JVs and other investments in 1Q'22 (vs. \$383m in 4Q'21) including \$117m dividend from Erdemir
- **\$12.1bn book value** of JV & Associates (incl. other investments) as of March 31, 2022

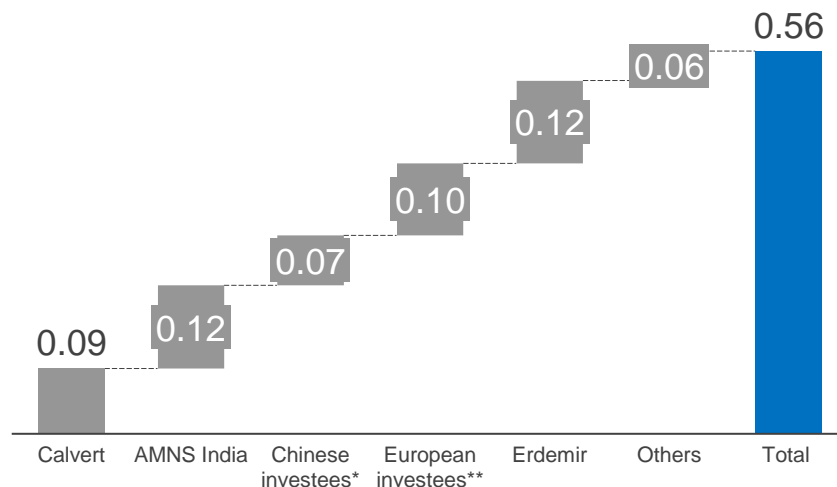
**AMNS India (60%):** Solid EBITDA performance in 1Q'22; supported by contribution from sale of pellets from newly commissioned pellet plant offset in part by a negative price cost impact

- Plans to debottleneck existing operations (steel shop & rolling parts) and achieve 8.8Mt capacity by end of 2023 underway
- Downstream: Ground-breaking CRM2 complex (2Mt PLTCM, 0.5Mt galvanizing line, 1Mt Galvanizing and Annealing line - March 2022)
- AMNS India Hazira facility expansion to at least 14.4Mt in advance preparation: advanced discussions with vendors to close, engineering and design work to start soon; awaiting final environmental clearance

**Calvert (50%):** Improved profitability QoQ; business generating healthy FCF – cash to be reinvested to fund EAF

- 1.5Mt EAF by 2023 (option to add a further 1.5Mt being studied)

### Total JV/Associate share of income (\$bn)

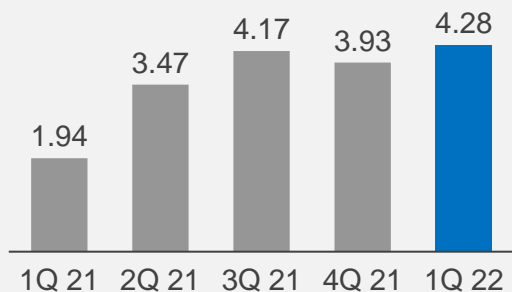


# Driving per share value development

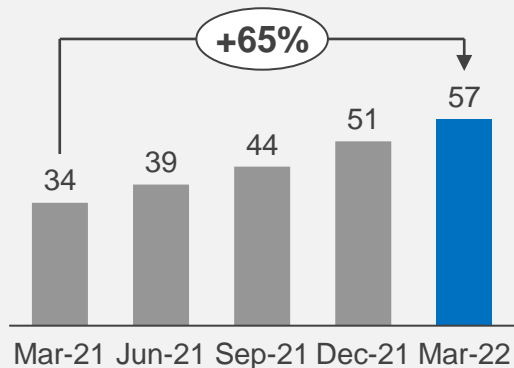
## Enhanced share value:

- Basic EPS increased +9.0% QoQ to \$4.28/sh; 1Q 2022 annualized ROE of 36%; book value per share of \$57

Basic earnings per share \$/t



Book value per share \$/t



Return on equity\* % (rolling 12 months basis)



# Acquisition of 80% stake in Corpus Christi HBI plant facilitates decarbonization

**ArcelorMittal has signed an agreement to acquire an 80% shareholding in voestalpine's world-class Hot Briquetted Iron ('HBI') plant located in Corpus Christi, Texas**

- **Strategic acquisition** valuing the business at \$1bn (\$680m cash out for 80% equity). **Accelerates integration in to high-quality metallic feedstock for EAFs** & facilitates our global decarbonization journey
- **Annual capacity of 2Mt** HBI, a high-quality feedstock made through the direct reduction of iron ore used to produce high-quality steel grades in an EAF; can also be used in BF's, resulting in lower coke consumption
- **Optionality:** Ideally located with its own deep-water port with unused land on the site which provides options for further development
- voestalpine has retained a 20% interest in the plant - with a corresponding offtake agreement - **ArcelorMittal would own 100% of any future development**
- Balance beyond offtake to be delivered to 3rd parties under existing supply contracts, and to **ArcelorMittal facilities, incl. AMNS Calvert** in Alabama, upon commissioning of its 1.5Mt EAF (expected 2H'23)
- Closing expected in 3Q'22 (subject to customary regulatory approvals)

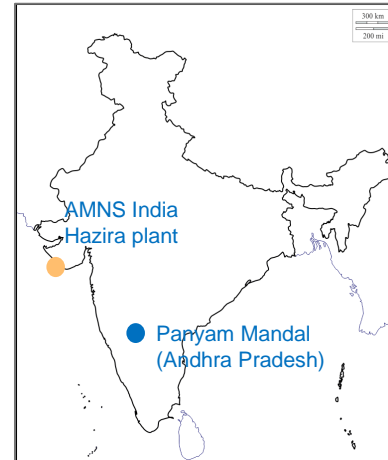
**HBI plant in Corpus Christi, Texas**



# New renewable energy project in India creates significant value

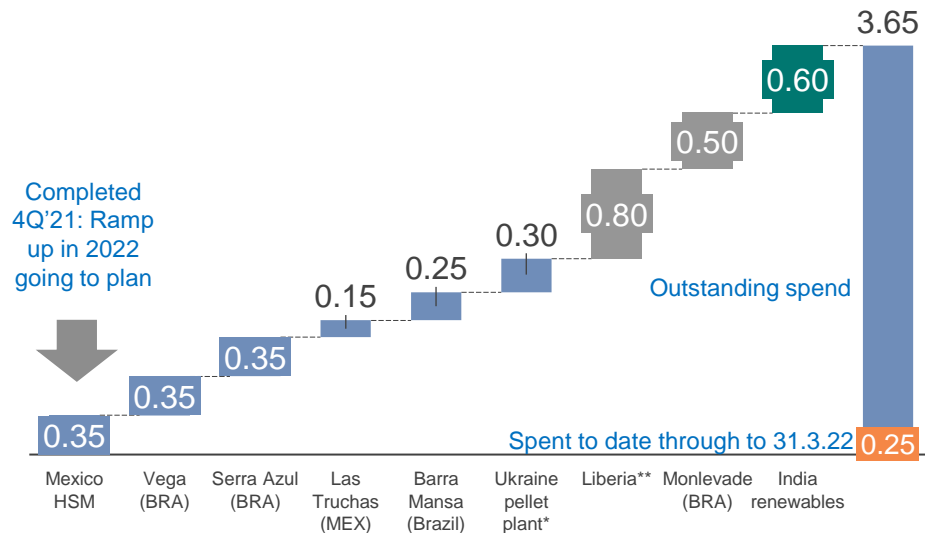
## Renewable energy a key “resource” for decarbonized steel making:

- \$0.6bn investment combining solar and wind power (975 MW nominal capacity), supported by Greenko's hydro pumped storage project
- Overcomes the intermittent nature of wind and solar power generation to supply “round the clock” power to AMNS India
- Project & land owned and funded by ArcelorMittal; Greenko will design, construct and operate facilities in Andhra Pradesh
- AMNS India to purchase 250 MW of renewable electricity annually from the project under 25 year off-take agreement
- Over 20% of AMNS India's Hazira plant electricity requirement will come from renewable sources → reducing carbon emissions by ~1.5Mt per year
- Project commissioning is expected by mid-2024
- Estimated to add \$0.1bn to ArcelorMittal EBITDA upon completion with additional benefits accruing to ArcelorMittal through its 60% ownership of AMNS India JV
- ArcelorMittal is studying the option to develop a second phase which would double the installed capacity

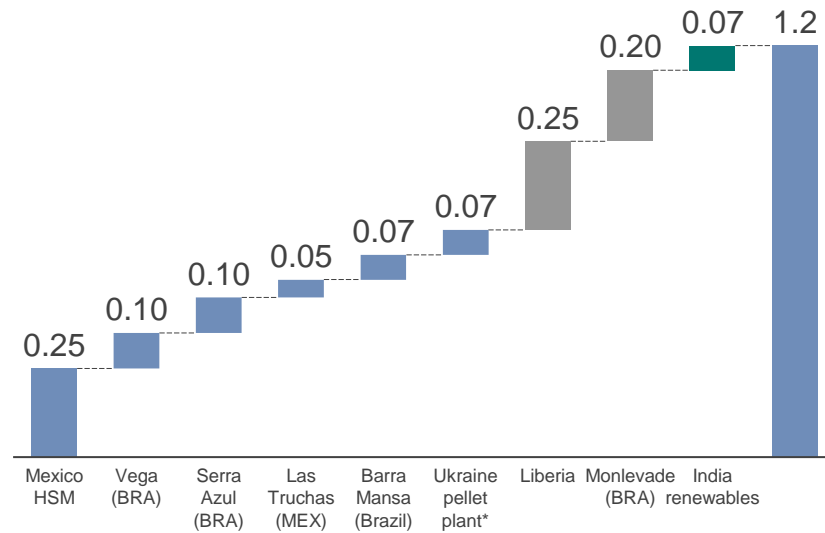


# Strategic capex envelope increased → to drive significant incremental value

Strategic capex 2021 – 2024 (\$bn)



Potential EBITDA impacts\*\*\* (\$bn)



■ Ongoing projects ■ Recommended projects ■ New project

# Consistently returning capital to shareholders → reducing shares to create value

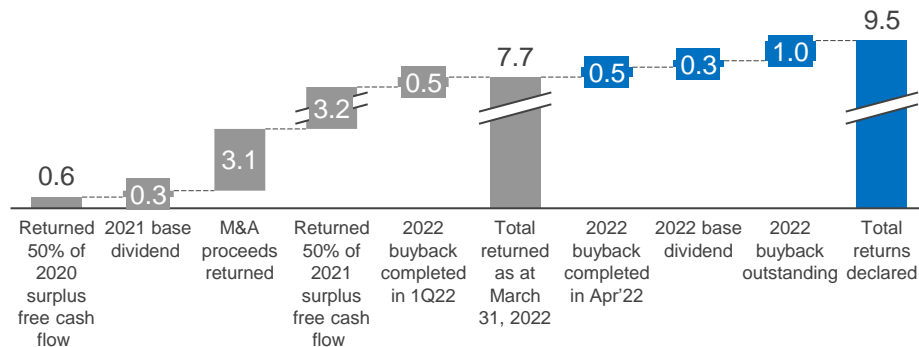
## Implementation of clearly defined capital return policy:

- \$7.7bn returned since Sept 2020 as of March 31, 2022
- Company completed the 1<sup>st</sup> \$1bn SBB on April 25, 2022 (with \$0.5bn paid as of March 31, 2022)
- Company announces an increase in its buyback program by \$1.0bn (\$2.0bn in total)
- \$0.38/share base dividend (\$0.3bn) will be paid in Jun 2022
- Total returns declared since Sep'20 of \$9.5bn

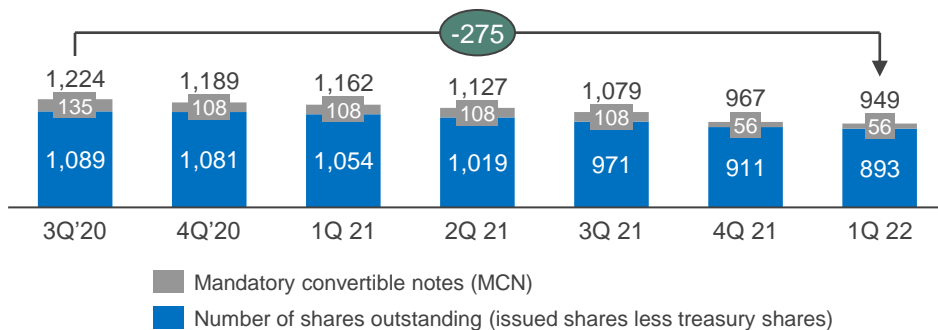
## Significant reduction of shares:

- Shares outstanding\* (excluding MCN) reduced to 893m
- At maturity (May 18, 2023) remaining MCN\*\* converts to minimum 56m shares
- Fully diluted share count reduced to 949m at end 1Q'22 (-22% lower than 3Q'20)
- ArcelorMittal cancelled 45m treasury shares in 1Q'22

## Returns to shareholders since Sept 2020 (\$bn)



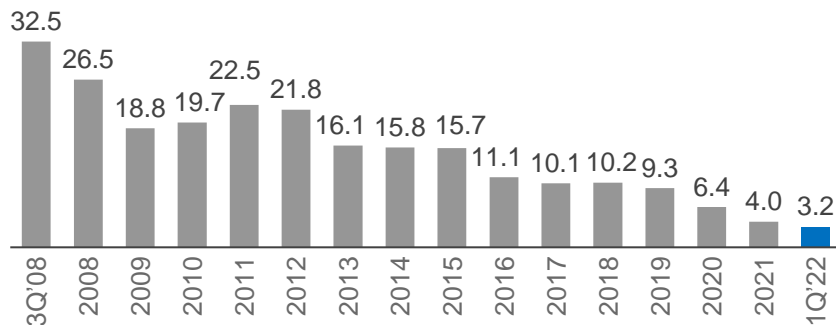
## Diluted no. of shares (outstanding\* & MCN) (millions)



\* Issued shares less treasury shares; \*\* MCN conversion includes 15m shares following the change of conversion ratio from minimum (\$9.27, prior to June 2021 dividend) to maximum (\$10.79); \*\*\* By the end of March 31, 2022, the Company had repurchased 18.3m shares for a total value of \$569m (of which \$504m was paid by the end of March 31, 2022, and \$65m settled early April 2022). By market close on April 25, 2022, ArcelorMittal had completed the \$1bn share buyback announced in Feb'22 with the purchase of 31.8m shares at an approx. average price per share of €28.68.

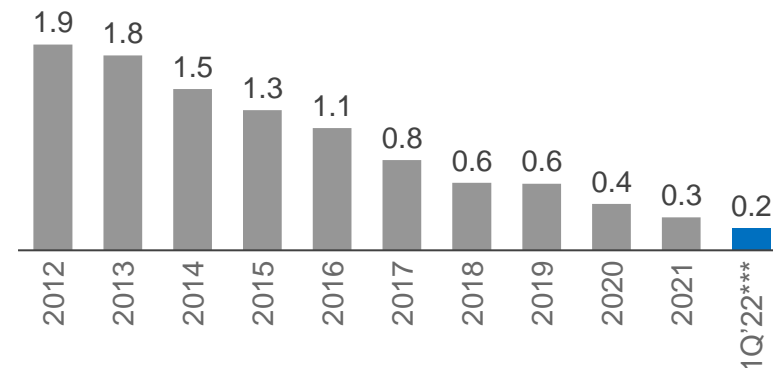
# Strong balance sheet supports consistent returns and strategic optionality

## Net debt (\$bn)



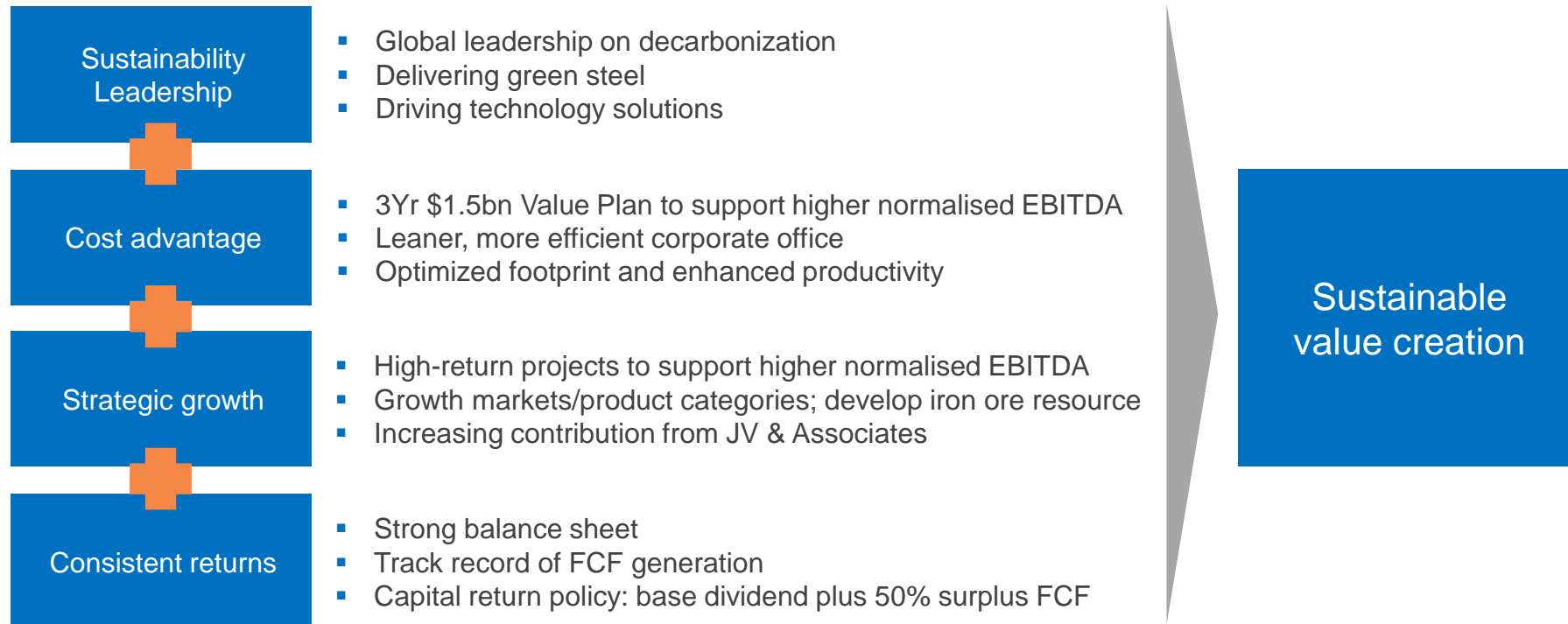
- Investment grade rated credit
- \$5.5bn RCF (undrawn, covenant free)

## Interest cost (\$bn)



- Supports structurally higher FCF\* (and therefore returns to shareholders) and ROE\*\*

# Focussed on sustainable value creation



# 1Q'22 Appendix

**SUSTAINABLE DEVELOPMENT** | page 18

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**MACRO HIGHLIGHTS** | page 50

**STEEL AND MINING INVESTMENTS** | page 53

**JV INVESTMENTS** | page 61

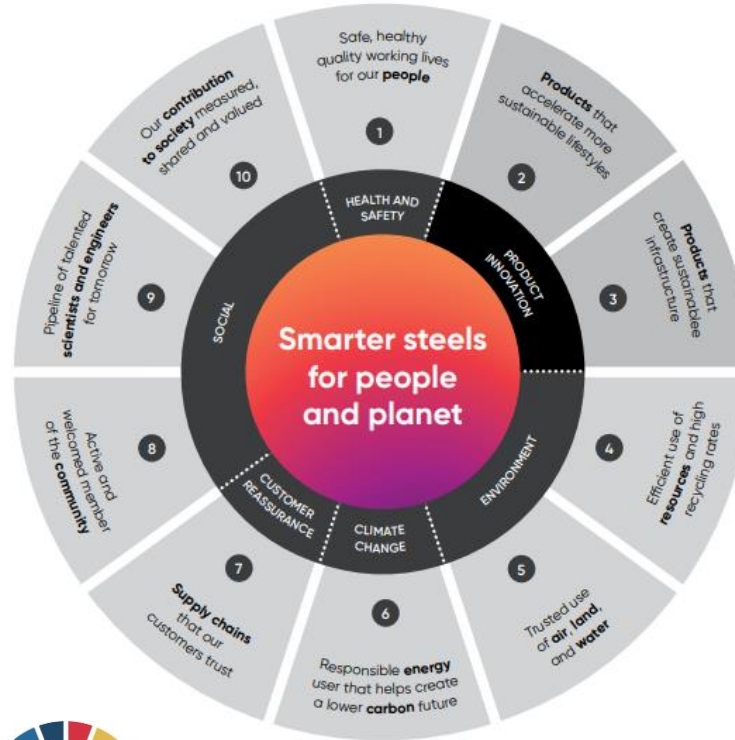
# Sustainable Development

The background of the slide features a smooth gradient transitioning from a deep purple on the left to a bright orange on the right. A large, white, angular geometric shape, resembling a stylized 'V' or a folded corner, is positioned on the right side, pointing towards the bottom right corner.

# Sustainability governance

## Sustainable development underpins ArcelorMittal's purpose

- **Board oversight** of SD progress each quarter by New Board Sustainability Committee → three independent directors, chaired by Clarissa Lins
- **Five sustainability themes** used to ensure Board focus on all key aspects of sustainability over the year, via dashboards, progress reports
- **10 SD outcomes** provide framework for SD planning by business operations
- Accountability for SD is led by the Executive Officer, Business Optimisation, reporting directly to the **Executive Office**
- **ResponsibleSteel and IRMA certification** program to drive strong, consistent ESG management systems across business



### Our 10 SD outcomes

1. Safe, healthy, quality working lives for our people
2. Products that accelerate more sustainable lifestyles
3. Products that create sustainable infrastructure
4. Efficient use of resources and high recycling rates
5. Trusted user of air, land and water
6. Responsible energy user that helps create a lower carbon future
7. Supply chains that our customers trust
8. Active and welcomed member of the community
9. Pipeline of talented scientists and engineers for tomorrow
10. Our contribution to society measured, shared and valued

Underpinned by transparent good governance



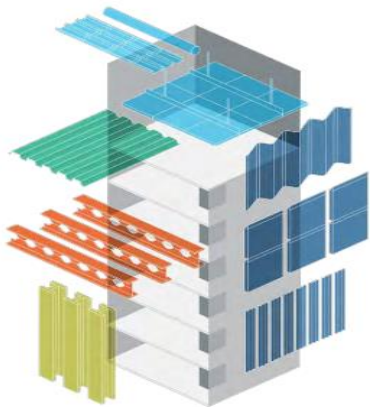
10 SD outcomes = ArcelorMittal's equivalent of 17 UN SDGs



# Building a better world with smarter steels

ArcelorMittal's solutions enable customers to enhance their contribution to low carbon circular economy

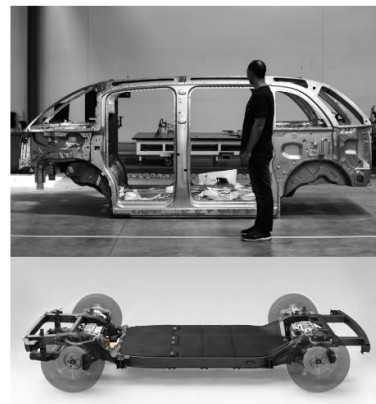
- Steel is as relevant as ever to the future success of our world: reusable, recyclable, strong and durable.
- We are evolving the contribution steel can make, innovating to make our solutions smarter and increasingly sustainable.



**Steligence®** enables architects and engineers to design building solutions that minimise material use while maximising space, flexibility and end of life recyclability



**Magnelis®** enhanced corrosion resistance for solar projects in harsh conditions, even in deserts and on water. Projects globally including PV and CSP structures



**S-in motion®** offers solutions for electric vehicles including body-in-white, chassis and battery pack, enabling carmakers to extend drive range and enhance safety at the most affordable cost.

# Climate Leadership: Successful first year for initial two XCarb™ offers



Two XCarb that respond to customer demand for low carbon steel, covering both primary and secondary steelmaking

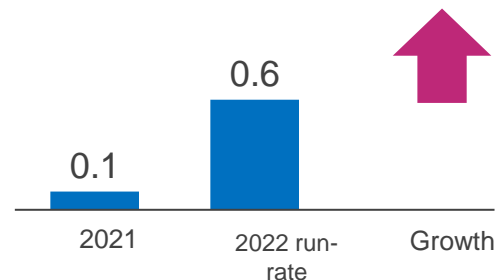


XCarb green steel certificates enable customers to reduce their Scope 3 emissions'



XCarb recycled and renewably produced offers customers steel with an extremely low CO2 footprint

Growth of XCarb® green steel certificates (Mt)



# Clear sustainability commitments

Our sustainability targets cover material sustainability issues

## Safety

- Journey to Zero
- 15% short term incentive plan on safety; 10% on long term incentive plan

## Climate

- Group 2030 target of 25% reduction in CO<sub>2</sub>e per tonne steel; 35% in Europe\*

## Gender

- Double women in management to 25% by 2030

## ESG - steel

- ResponsibleSteel™ certification for ArcelorMittal steelmaking sites in 50% countries by 2025

## ESG - mines

- AMMC iron ore mine to be IRMA certified by 2025

# First global ResponsibleSteel site certification 2021 and in 2022 in the Americas

Reduces our SD risk, improves our SD performance and meets our stakeholders' rising SD requirements



- ArcelorMittal Tubarao, March 2022: first site in the Americas to receive certification against the ResponsibleSteel™ site standard
- Nine of ArcelorMittal's European steelmaking sites were the first steel plants globally to be certified against ResponsibleSteel in July 2021:
  - ArcelorMittal Belgium (Geel, Genk, Gent, Liège)
  - Luxembourg (Belval, Differdange and Rodange)
  - Germany (Bremen and Eisenhüttenstadt)
- Further sites in Europe, Brazil and N America have commenced the rigorous independent audit process. Goal is to see steelmaking sites in 50% ArcelorMittal operating countries to be certified by 2025.

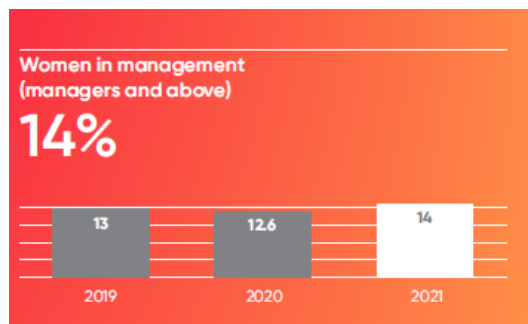
- Unique multistakeholder ESG standard for steel industry
- Value to customers, investors and steelmakers
- **Site certification** requires independent assurance of management systems, governance and disclosure across broad range of ESG aspects:
  - human rights and labour rights
  - water stewardship and biodiversity
  - climate change and greenhouse gas emission
  - community relations and business integrity
- **Steel certification** standard planned 2022 drives demanding performance requirements on GHG performance levels and responsible sourcing conditions

# Gender diversity:

Target to double women in management to 25% by 2030

## Strategy

- Women make up higher % of our workforce vs industry peers
- Target to **double % of women** in our leadership positions
- Launch of new diversity strategy designed to:
  - Raise awareness of the **importance** of greater diversity
  - Strengthen **inclusive culture**
  - Increase focus on female talent in **recruitment**
  - Increase focus on gender balance in **leadership** positions



Four of our eleven Board members are women, including a female sustainability expert who was appointed in 2021.

4

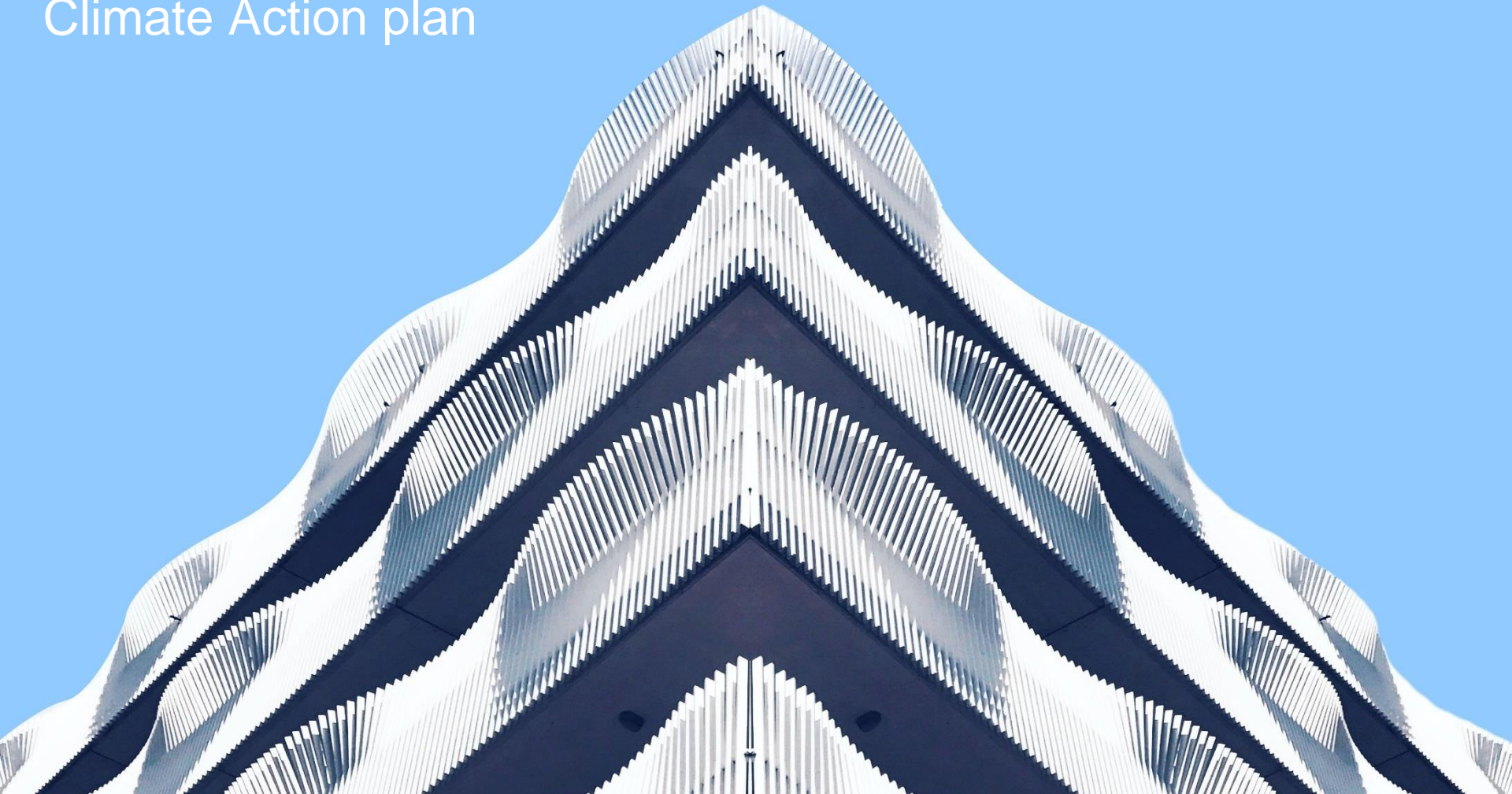
Two of our Group Management Committee members are women.

2

## Actions underway

- Strengthen diversity and inclusion governance via global **Diversity Council**
- Track **gender KPIs** covering % women in management; % women recruited; % women in succession plans
- Active support for **career paths** of female high potentials into leadership positions
- $\geq 1$  woman in **succession plans** for all leadership positions: 56% in 2021
- Tackle **unconscious bias** through training: 1,100 employees Q4 '21
- Gender diversity target in our **executive remuneration** scheme
- Active promotion of **STEM\*** studies for young women; creation of entry opportunities for young women with STEM background

# Climate Action plan



# Global strategic leadership on decarbonization

## Plans

- Plans aligned with company 2030 CO<sub>2</sub>e targets + net zero by 2050\*
- Ambitious plans where policy is supportive: Spain, Canada, Belgium and France
- Broad innovation portfolio of smart carbon and hydrogen-DRI technologies

## Progress

- 80% acquisition of Corpus Christi HBI plant, Texas
- \$0.6bn investment in renewable energy project in India
- 1st Smart Carbon projects to start production in Ghent (Belgium) end-22
- 1st Hydrogen reduction project in Hamburg to start production 2024-2025

## XCarb™

- XCarb® GSC\*\* sales reached 0.1Mt in 2021; targeting 0.6Mt run-rate end-22
- Demand across all segments shows customer appetite for green solutions
- XCarb™ Innovation Fund investments in five technology partnerships

## Policy

- Continued advocacy on state aid approvals and design of EU Fit for 55 package  
→ competitive landscape for European steel
- SBTi steel sector project ongoing with multi-stakeholder input

# Sustainable development (SD) progress in our Integrated Annual Review & Factbook

Published April 2022, covering:

- Driving a relentless focus on safety
- Transforming for long-term growth – strategic growth and new products
- Our Roadmap to Net Zero
- Sustainability leadership
- Strong governance

Supporting our colleagues and communities in Ukraine

Fact Book  
2021

Smarter steels for  
people and planet

Smarter steels  
for people  
and planet

ArcelorMittal Integrated  
Annual Review 2021

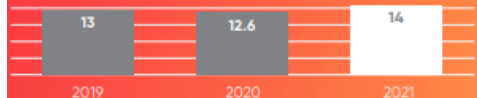
#smartersteels

**True leadership carries deep responsibility**

Aditya Mittal, CEO

Women in management  
(managers and above)

14%



Dust intensity  
(ducted kg per tonne of steel)

0.62



In 2021, ArcelorMittal's IAC has approved  
expected capital expenditures totaling

**\$565 million**

for 40 projects with environmental benefits

# Policy conditions needed to make low-CO2 steel as cost-competitive as high-CO2 steel

Policy support and rising carbon prices need to work in tandem for ArcelorMittal to accelerate its decarbonisation to 1.5C alignment

1



Measures to incentivise production of low- and near zero carbon emissions steel (e.g. ETS, carbon tax)

2



A fair competitive landscape to create a level playing field (e.g. CBAM)

3



Public funding support to help innovation and long-term investments (e.g. Carbon contracts for difference).

4



Access to sufficient amounts of clean energy and infrastructure at affordable prices: clean electricity, green hydrogen, sustainable biomass, CCS.

5



Market drivers for consumption of low- and near zero carbon emissions steel (e.g. public procurement standard, buyer commitments)



Mapping ArcelorMittal's advocacy alignment with the goal of net zero by 2050

January 2022

# Zero carbon-emissions steel needs policy support to be competitive

Different regions of the world are moving at different paces, affecting the conditions for decarbonisation

Jurisdiction	CO <sub>2</sub> e price risk	Confidence that policy conditions will materialise within 5 years					ArcelorMittal's expected response			Resultant risk
		Condition 1 Measures to incentivise production of zero carbon-emissions steel	Condition 2 Fair competitive landscape	Condition 3 Financial support to make long-term investments	Condition 4 Access to sufficient, affordable clean energy	Condition 5 Incentivised consumption of zero carbon-emissions steel	2021-25	2026-30	2031-35	
EU*	↑						Accelerate	Accelerate	Accelerate	Mitigating
Canada**	↑						Accelerate	Accelerate	Accelerate	Mitigating
USA	N/A						Move	Accelerate	Accelerate	Low
Mexico	↑						Move	Move	Accelerate	Mitigating
Kazakhstan	→						Move	Move	Accelerate	Low
Ukraine	↑						Move	Move	Accelerate	Low
Brazil	→						Move	Accelerate	Accelerate	High
South Africa	↑						Move	Accelerate	Accelerate	Mitigating

- Different regions of the world will continue to move at very different paces and the level of climate ambition will differ between jurisdictions.
- Where these conditions are anticipated in next five years, ArcelorMittal has plans to accelerate its decarbonisation projects (EU and Canada)
- The introduction of climate-friendly policies in other regions could be 5-10 years behind Europe.

**Green** – policy exists; high confidence in its effectiveness;  
**Amber/Green** – policy exists; medium confidence in its effectiveness;  
**Amber** – policy is in development;  
**Red** – no policy is currently planned

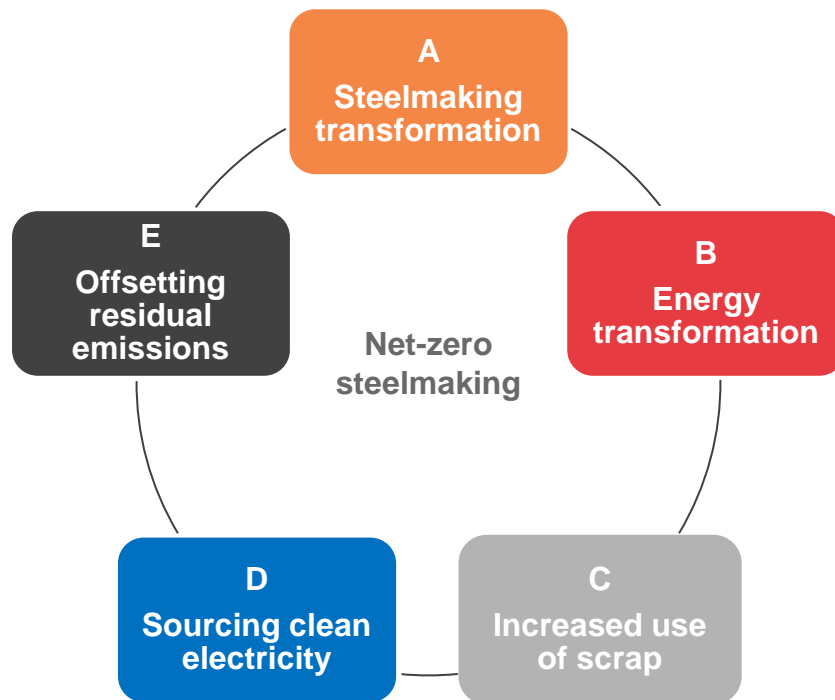
\* Will be impacted by final design of ETS allocation system and CBAM, and assumes additional support from individual member states is forthcoming.

\*\* Federal + Ontario, Quebec.

# Our decarbonisation strategy: ArcelorMittal's net-zero roadmap

For the first time, we have disclosed a roadmap that shows our journey to net-zero

Our roadmap features five groupings of actions and initiatives ('**levers**') that act as stepping stones to achieving carbon-neutrality by 2050:



# Climate leadership: Transformation plan

A  
Steelmaking  
transformation

## Developing zero emissions plans at integrated sites:

### Spain

- MoU signed with govt for €1.0bn investment > Build ~2Mt new green Hydrogen DRI plant and hybrid-EAF (Gijón)
- Transfer DRI feedstock from Gijón to Sestao (to use in its 2 EAFs) > enables 1.6Mt zero emissions steel to be produced by 2025

### NAFTA

- Plans for a 2.9Mt CO<sub>2</sub> reduction at Dofasco; C\$1.8bn investment (50% support provided by local/provincial govts). To be built by 2028
- AMMC to invest CAD\$205m at Port-Cartier pellet plant, to convert its entire 10Mtpa annual pellet production to DRI pellets by end of 2025, reducing plant CO<sub>2</sub> emissions by 20%. Quebec province financial support secured
- Advancing DRI-EAF position with plans to increase DR pellet-feed capacity in Brazil and Mexico

### Belgium

- Carbalyst & Torero smart carbon technologies (Ghent) expected completion in 2022 (0.9Mt of CO<sub>2</sub> emissions reduction each year)
- €1.1bn project at Gent. New 2.5Mt DRI plant and 2 new electric furnaces. Gradual transition from BF to the DRI & EF (replacing one BF reaching end of life by 2030) > 3.0Mt of CO<sub>2</sub> emissions reduction each year

### Germany

- Hamburg: German Federal Government commits its intention to provide €55m (50%) of funding for ArcelorMittal's Hydrogen DRI plant

### France

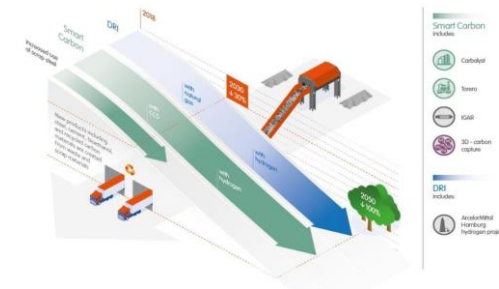
- Pilot project in Dunkirk aims to capture CO<sub>2</sub> off-gases at a rate of 0.5t of CO<sub>2</sub> per hour for transport and storage
- €1.7bn investment project in Fos-sur-Mer & Dunkirk to build DRI/EAF + partnership with Air Liquide to supply hydrogen and CCS
- Target reduction of ~40% or 7.8Mtpa CO<sub>2</sub> emissions by 2030

# \$300m decarbonisation capex in 2022 (net of government funding support)\*

- Europe decarbonization underway:
  - Adapting existing tools to **increase use of scrap** and enable gas injection
  - Targeted completion of 2 **smart carbon** initiatives in Gent by end 2022
  - **DRI-EAF** footprint transformation initiated:
    - ✓ Start of detailed engineering and site preparation work (demolition, power network)
    - ✓ Ordering of long lead time equipment expected for 2 locations (subject to government funding)
    - ✓ New project announced: €1.7bn investment in Fos-sur-Mer & Dunkirk (France), enabling a reduction of ~40% or 7.8Mtpa CO<sub>2</sub> emissions in France by 2030
- Feasibility and basic engineering for Canada DRI-EAF project initiated

A  
Steelmaking  
transformation

C  
Increased use  
of scrap



# Climate Leadership: clean energy technology and infrastructure

**B**  
Energy  
transformation

**D**  
Sourcing clean  
electricity



- Torero
- Carbalyst
- 3D
- CarbHFlex



- Hydeal España
- Breakthrough Energy Catalyst
- H2Pro
- PPAs ...

# Climate Leadership: XCarb™ innovation funding

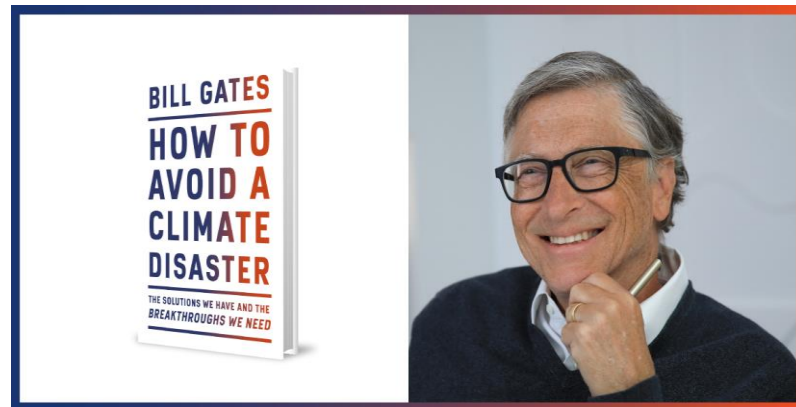
**XCarb™**

Towards carbon neutral steel

**B**  
Energy  
transformation

Investment	XCarb™ Innovation Fund – investments to date	Amount
Heliogen	Technology company focusing on 'unlocking the power of sunlight to replace fossil fuels'	\$20m
Form Energy	Technology company developing a breakthrough low-cost iron-air battery storage technology	\$25m
Breakthrough Energy Catalyst	Breakthrough Energy's Catalyst program: an initiative Bill Gates founded to scale the technologies the world needs to reach net-zero emissions by 2050, including green hydrogen, direct air capture, energy storage + sustainable aviation fuels	\$100m over five years
LanzaTech	Technology company developing carbon recycling technologies including conversion of carbon waste gases to ethanol and textiles	\$30m
H2Pro	Technology company developing innovative H2 electrolysis using thermally activated electro-chemistry	\$5m

## Breakthrough Energy Catalyst:



  
ArcelorMittal

 BCG

American Airlines 

 Microsoft



**BlackRock**

BANK OF AMERICA 

  
ArcelorMittal

# Carbalyst and Torero projects to complete by end 2022

**Carbalyst:** Technologies involving gas-fermentation using microbes to convert waste gases into advanced bioethanol for use in transport and to make plastics

- Continued progress in plant installation
- Construction started on mechanical erection of combustion chamber: Completion expected 1H 2022
- Training of project staff underway
- Gross investment ~€180m → Ready for initial operations by end 2022

**Torero:** 2 reactors will each produce 40,000t bio-coal per year for use in the BF as a substitute for coal

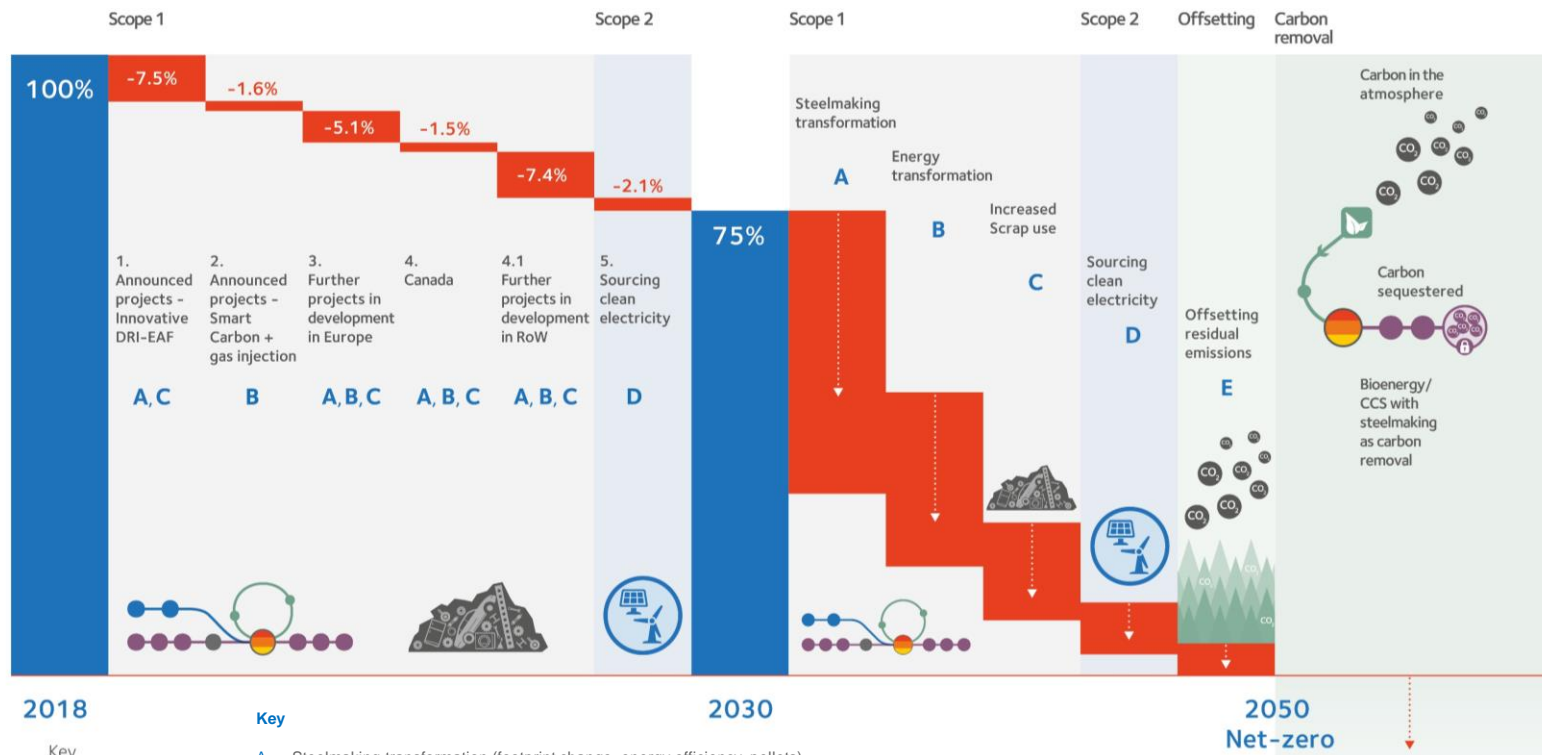
- Gross investment €55m → expected completion of reactor 1 in 2022 and reactor 2 in 2024

**Combined EBITDA contribution from both projects estimated to generate €40m a year (from the sale of bioethanol fuels)**



# Net-zero roadmap

Updated to show announced projects in Europe and Canada



2018

2030

2050  
Net-zero

# Climate Leadership: ArcelorMittal role in multiple initiatives to define carbon standards for the steel industry

<p>ResponsibleSteel</p> <p>Multi stakeholder initiative aiming to maximise the contribution of steel to a sustainable society via the uptake of GHG and ESG standards.</p>	<p>SBTI</p> <p>Providing methodology for SBTs and net zero targets. Currently identifying GHG budget and methodology for steel sector companies.</p>	<p>Mission Possible Partnership</p> <p>Net Zero steel transition scenarios built with input from steelmakers, related projects. Key partners are ETC, RMI, WEF.</p>
<p>CEM IDDI</p> <p>Working on a standard and data collection process to underpin a green public procurement campaign for low embodied CO2 steel and cement.</p>	<p>Centre for Climate-Aligned Finance</p> <p>Led by Rocky Mountain Institute devising an approach for banks to assess Paris alignment of their portfolios. Adopted NZSPMP system boundary + primary/scrap GHG budget split.</p>	<p>IEA</p> <p>Commissioned by COP26 to track steel sector progress against UN Steel Breakthroughs: a) production of near zero steel and near zero steel standard.</p>
<p>PEF</p> <p>European Union initiative to develop product category standards for product environmental footprints.</p>	<p>Climate Bonds Initiative</p> <p>Establishing the eligibility criteria for all types of climate bonds for The Climate Bond Standard &amp; Certification Scheme. . Adopted NZSPMP system boundary.</p>	<p>NZSPMP</p> <p>Steel sector recommendations on methodology for steel CO2 budgets and assessing alignment of net zero targets.</p>
<p>CDP</p> <p>Sector specific steel survey – working to ensure decarbonisation efforts are rewarded.</p>	<p>Climate Action 100 Net Zero Benchmark</p> <p>Disclosure framework against 10 indicators covering targets, strategy, capex, policy alignment, governance, Just Transition, TCFD. Now incorporating Paris aligned accounting.</p>	<p>WBCSD Carbon Transparency Initiative</p> <p>Creating consistent methodology and open tech infrastructure to enable exchange of primary carbon data across value chain. Deep dive on automotive and logistics.</p>

**We aim to drive alignment as far as possible between different initiatives**

# Spain: the world's first full-scale zero carbon-emissions steel plant\* at Sestao

New DRI installation in Gijón coupled with EAF in Sestao will allow the plant to become carbon-neutral by 2025

## Project summary

ArcelorMittal's Sestao plant in Spain will become the world's first full-scale zero carbon-emissions steel plant. Central to this development will be the construction of a 2.3Mt green hydrogen DRI unit in Gijón. Around 1Mt of DRI will be transported to Sestao to be used as a feedstock for its two EAFs.

## Funding

ArcelorMittal signed a memorandum of understanding (MoU) with the Spanish Government in July 2021 that will see a €1bn investment in decarbonisation technologies at ArcelorMittal Asturias' plant in Gijón, including a 2.3Mt green hydrogen DRI plant and hybrid EAF.

## Asset plan and strategy

- ✓ Metallic input into EAFs from zero carbon emission sources\*
- ✓ Increased % of circular, recycled scrap
- ✓ Green hydrogen-produced DRI from Gijón in Sestao's two existing EAFs
- ✓ Powering all steelmaking assets (EAFs, rolling mill, finishing lines) with renewable electricity, either by establishing a renewable energy power purchase agreement (PPA) or buying renewable energy guarantees of origin certificates (GOOs)
- ✓ Several key emerging technologies to replace the remaining use of fossil fuel with carbon-neutral energy inputs, e.g. sustainable biomass or green hydrogen



Cost

€1bn

Annual emission savings  
by 2025

4.8Mt CO<sub>2</sub>eq

# Hamburg: Europe's only EAF-DRI facility with ambitions to produce zero carbon emissions

## Commitment of €55 million from Federal Government brings Hamburg closer to zero carbon-emissions steel production

### Project summary

Europe's only DRI-EAF plant where the switch to using hydrogen instead of natural gas in the iron ore reduction process is being prepared. Further project underway to test the ability of hydrogen to reduce iron ore and form DRI on an industrial scale, as well as testing carbon-free DRI in the EAF steelmaking process. Aiming to reach industrial commercial maturity by 2025, initially producing 100,000 tonnes of DRI/year.

### Funding

The Federal Government has expressed its intention to provide €55 million of funding support towards the construction of the plant, which is half of the €110 million total capital expenditure required.

### Asset plan and strategy

- ✓ Collaborating with Shell, Mitsubishi and other cross-industry companies to form the Hamburg Green Hydrogen Hub, with the goal of generating energy from renewable sources.
- ✓ The process of reducing iron ore with hydrogen will first be tested using grey hydrogen generated from gas separation.
- ✓ In the future, the plant should also be able to run on green hydrogen when it is available in sufficient quantities at affordable prices, with the clean energy for hydrogen production potentially coming from wind farms off the coast of Northern Germany



# Canada: ArcelorMittal's first major decarbonization announcement outside of Europe

## CAD\$1.8 billion investment at site in Hamilton will reduce 2.9Mt CO2 within the next seven years

### Project summary

ArcelorMittal Dofasco to reduce annual CO2 emissions at ArcelorMittal's Hamilton, Ontario operations by approximately 3Mt, within the next seven years. July 2021 the Government of Canada announced it would invest CAD\$400m in the project and on Feb 15, 2022, the Government of Ontario announced it would invest CAD\$500m in the project. This secured project funding and enabled ArcelorMittal to firm up the investment.

### Funding

Low emissions steelmaking in Canada;  
finalizing Government of Canada support and  
in discussions with Government of Ontario

### Employment

- ✓ Sustaining well-paying skilled positions in advanced manufacturing
- ✓ Approximately 160,000 training hours required to transition our workforce to the new footprint.
- ✓ Up to 2,500 jobs during the engineering + construction phases

### Asset Plan

- ✓ New 2Mt DRI plant and 2.4Mt EAF
- ✓ Modification of existing EAF and continuous casters to align productivity, quality and energy capabilities of all assets
- ✓ New DRI and EAF will be in production before the end of 2028
- ✓ High-quality steel products for automotive and packaging



Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance, Government of Canada at the Dofasco announcement

Cost (CAD\$bn)

**CAD\$1.8bn**

Annual emission  
savings by 2028

**2.9Mt CO2eq**

# Canada: ArcelorMittal Mines Canada to produce 10Mtpa DRI pellets by end 2025

Announcement of a CAD\$205m investment with the government of Quebec to create one of world's largest DRI pellet plants

## Project summary

ArcelorMittal Mines Canada (AMMC) to invest CAD\$205m in its Port-Cartier pellet plant, enabling this facility to convert its entire 10Mtpa annual pellet production to direct reduced iron (DRI) pellets by the end of 2025, delivering 200,000t direct CO<sub>2</sub> savings for AMMC → , important role in ArcelorMittal's efforts to reduce our group's CO<sub>2</sub>e emissions intensity by 25% by 2030

## Funding

The Government of Quebec will contribute through an electricity rebate of up to CAD\$80m

## Employment

~250 jobs are expected to be created during the construction phase, from mid-2023 - end 2025

## Asset Plan

- ✓ expands ArcelorMittal's ability to produce high-quality DRI-ready pellets
- ✓ shift from current mix of 7Mtpa blast furnace pellets / 3Mtpa DRI-ready pellets to 10Mtpa DRI-ready pellets annually
- ✓ will feed significant demand for DRI pellets in ArcelorMittal's planned DRI-EAF steelmaking plants in Canada and Europe

## Carbon reduction

- ✓ direct annual CO<sub>2</sub>e reduction of ~200,000 tonnes at Port-Cartier pellet plant via reduction in the energy required during the pelletizing process
- ✓ equivalent to >20% of the plant's total annual CO<sub>2</sub>e



Cost	CAD\$205m
Annual emission savings by 2028 (tCO <sub>2</sub> eq)	200,000

# Belgium: €1.1bn project for decarbonisation technologies at Gent

ArcelorMittal Belgium to reduce CO2 emissions by c.3.9Mtpa by 2030\*

## Project summary

ArcelorMittal Belgium will reduce CO2 emissions by 3.9Mtpa by 2030, by building a 2.5Mt direct reduced iron (DRI) plant and two electric furnaces at its Gent site, to operate alongside its state-of-the-art blast furnace that is ready to take waste wood and plastics as a substitute for fossil carbon.

## Funding

ArcelorMittal has signed a letter of intent with the Governments of Belgium and Flanders, supporting a €1.1bn project (EC approval still required).

## Asset Plan

- ✓ New 2.5Mt DRI plant and 2 new electric furnaces (EF)
- ✓ Gradual transition from BF to the DRI & EF (replacing one BF reaching end of life by 2030) resulting in 3Mt of CO2 emissions reduction each year
- ✓ New capacity to operate alongside Gents state-of-the-art BF B (restarted Mar'2021 with €195m investment). BF B ready to take waste wood and plastics as a substitute for fossil carbon
- ✓ DRI plant to operate alongside various decarbonisation projects including Gent's Steelanol/Carbalyst and Torero projects (commissioned in 2022) – annual CO2 emissions reduction of ~900Kt by 2030
- ✓ Hybrid model of Smart Carbon and Innovative DRI steelmaking in Gent fits into ArcelorMittal Belgium's CO2 roadmap



Cost of DRI/EAF shift

€1.1bn

Annual emission savings by 2030 for DRI/EAF

3.0Mt CO2eq

# Belgium: using innovative technology to leverage circular carbon and achieve net-zero steel

## Transforming waste into energy and off-gases into renewable fuels and chemicals

### Carbalyst

A family of technologies involving gas-fermentation technology using microbes to convert waste gases into advanced bioethanol for use in transport and to make plastics.

### CarbHFlex – bioplastics

A technology that uses microbes to produce from its waste carbon acetone and isopropanol, both basic chemicals used to make plastics.

**Status** Shortlisted for IPCEI funding in 2021

### Bioethanol

**Status** Industrial scale demonstration plant

**Cost** ~€180m gross investment

**Capacity** 80 million litres of bioethanol

**Expected completion** 2022

Combined EBITDA contribution from both projects to generate €40m a year (from the sale of bioethanol fuels)



### Torero

The pyrolysis of biomass and waste at low temperature (2-300°C) to produce renewable energy in form of biocoal, biofuels, biogases.

This source of waste wood is considered hazardous material if burnt in an incinerator as it emits harmful gases. However, in a blast furnace no such pollutants can be formed.

**Status** Industrial scale demonstration plant

**Cost** €55m gross investment

**Capacity** 2 reactors will each produce 40,000t bio-coal pa for use in the blast furnace as a substitute for coal

**Expected completion** 2022 (reactor 1) & 2024 (reactor 2)

Total cost Carbalyst/Torero	€235m
Annual emission savings	Up to 350kt CO <sub>2</sub> eq

# Financial performance

# Focussed on achieving full potential of refocussed asset base

## Cost focus:

Refocussed asset base

Streamlined corporate office

8% improvement in productivity achieved in 2021

Structurally lower net interest and pension expenses

New \$1.5bn "Value Plan"

## Strategic growth:

Current strategic envelope of projects estimated to add \$1.2bn to EBITDA\*

Targeting higher growth markets / product categories

Leveraging infrastructure to develop iron ore resource

Growing contribution to net income from JV & Associates

## Structurally improved market:

China VAT rebate removal

Jurisdictions addressing unfair trade

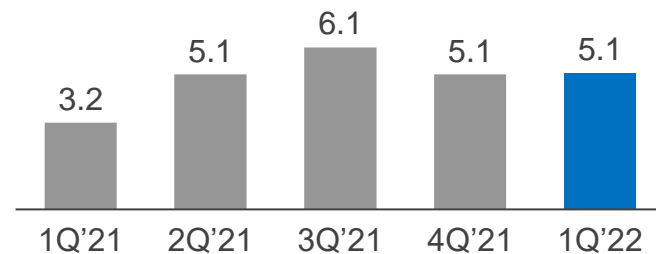
Greater accountability for carbon emissions

Sustainably higher profitability vs. previous cycles

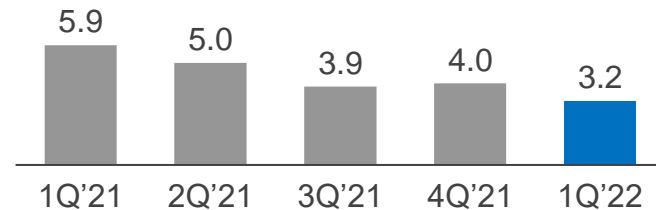
# 1Q 2022: A strong start to the year

- **\$5.1bn** EBITDA, a solid start to the year
- **\$4.1bn** of net income includes **\$0.6bn** share of JV and associates income reflecting strong performance at AMNS Calvert and includes Erdemir annual dividend (\$0.1bn)
- Basic EPS increased +9.0% QoQ to **\$4.28/sh**; an annualised ROE\* of 36% on the BV per share of \$57
- **\$1.5bn** of FCF\* delivered despite \$2.0bn investment in working capital, reflecting seasonal as well as market factors (higher selling and raw material prices)
- **\$3.2bn** net debt → declined to lowest level since the merger
- + Balance sheet headroom provides strategic optionality to support strategic targets → Renewables investment in Greenko (India); increased metallica with scrap purchase (UK); HBI plant in Texas (US)
- + Consistent returns to shareholders: Company's 2022 share buyback program increased to \$2bn (of which \$1bn has been completed) in addition to the \$0.38/share base dividend which will be paid in June 2022

EBITDA (\$bn)

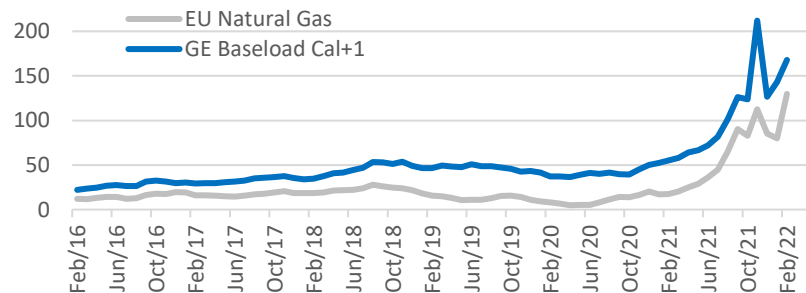


Net debt (\$bn)



# Mitigating the impact of inflationary cost pressures in the steel industry

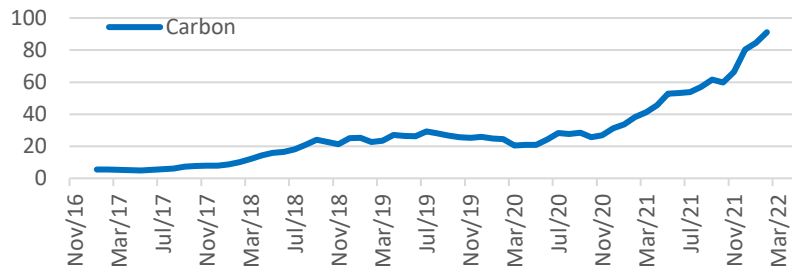
## EU natural gas (€/Mwh) and GE baseload (€/Mwh)



ArcelorMittal is relatively well placed vs. competition

- Portfolio: 80% integrated capacity (off gases can be recycled)
- Partially hedged: additional strategic long-term hedges in place
- Certain jurisdictions are less impacted: e.g. Canada more nuclear and hydro power; US lower cost

## Carbon price (€/t)



ArcelorMittal is partially hedged through the 1H of phase 4 of ETS system

- Hedged position at prices significantly below 2021 average levels
- No hedges were utilised in 2021

**Trade**

The background of the slide is an abstract graphic featuring a diagonal gradient. The top-left corner is a deep purple, which transitions through magenta and red to a bright orange at the top-right corner. The bottom of the slide is white, creating a sharp diagonal line that separates the colored area from the white space.

# Trade policy in core markets EU/NA to provide protection

ArcelorMittal continues to support action to address unfair trade

## Europe:

- Anti-dumping (AD) duties in place since 2017 → HRC against China, Brazil, Russia, Iran, Ukraine and anti-subsidy (AS) duties against China. [The AD measures against China are currently the subject of an expiry review initiated by the Commission on April 6, 2022.](#)
- On Jan 9, 2021, Turkey's MoT announced the initiation of an AD investigation into HRC imports from the EU & S. Korea. [This is a political reaction to the EU's AD case and safeguard. We wait Turkish authorities to announce definitive duties.](#)
- [EU anti-dumping vs Chinese Graphite Electrodes \(AM as user\): Provisional measures in force since 16 October 2021. Definitive measures are now in place imposing duties of between 25.5%-74.9% on GES larger than 350mm in diameter.](#)
- On June 24, 2021, the EU commission initiated an interim investigation into Turkish and Russian HDG coils (non-auto). Investigation expected to completed within 12-15mths from publication date (by Autumn 2022). Dumping level investigation covers 2020. [\[Non auto\]](#)
- On August 3, 2021, a review investigation into CRC from Russia & China was opened
- On September 24, 2021, the European Commission initiated an AD investigation into ECCS from China and Brazil. The investigation should be completed within 12-15 months
- On December 15, 2021, the European Commission initiated a new review into the functioning of the safeguard measures. The Result should be known in 2Q 2022
- [On February 25, 2022 the Commission opened an expiry review into Chinese Heavy Plate imports.](#)

## United States:

- All key flat rolled steel products AD/CVD measures have been implemented; 5-year reviews began in 2H/2021 [and will be decided in 2H 2022](#)
- Section 232 implemented Mar 23, 2018; 25% tariffs [and/or quotas/tariff-rate quotas](#) on all steel product categories on most countries [\(except Canada, Mexico, Australia\)](#)
  - [On Jan. 1, 2022](#), the US replaced the existing Section 232 tariffs on EU steel with a Tariff-rate Quota (TRQ.) The total annual import volume under the TRQ is set at 3.3Mt allocated by product category and on an EU member state basis. Only steel "melted and poured" in the EU is eligible for duty-free treatment. Imports above the TRQ volumes will continue to be subject to the 25% tariff. [An additional 1.1Mt of products previously excluded from Section 232 tariffs will also be allowed to continue duty-free.](#)
  - [Tariff-rate quotas arrangements were also agreed in Q1 2022 with Japan and the UK.](#)

## Canada:

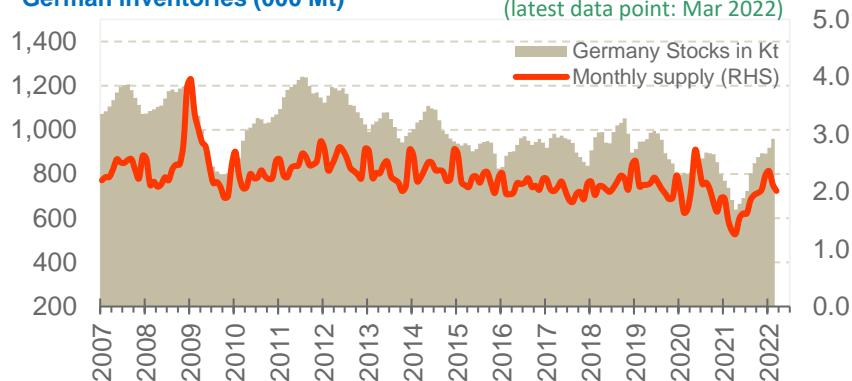
- Thirteen cold-rolled and corrosion-resistant AD/CVD measures implemented 2018-2020
- Hot-rolled AD/CVD 5-year review initiated in 2H 2021 (China, Brazil, Ukraine, India) [and expected in 2Q 2022](#)

# Macro highlights

# Regional inventory

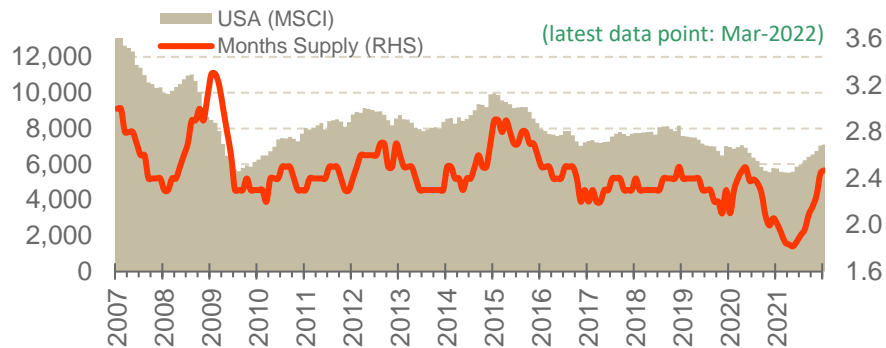
German inventories (000 Mt)\*

(latest data point: Mar 2022)



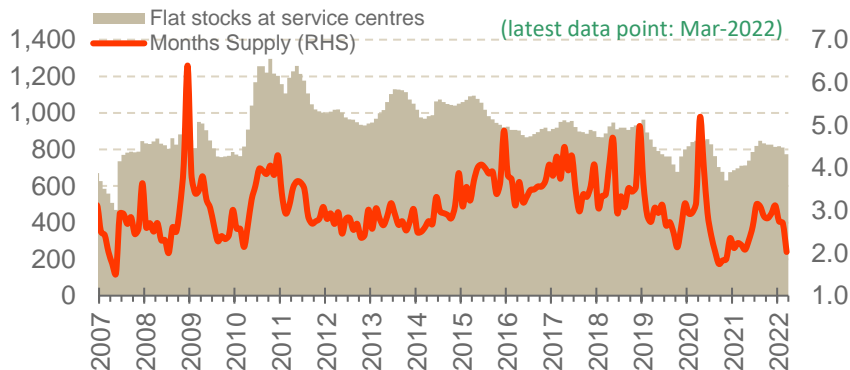
US service centre steel inventories (000 Mt)

(latest data point: Mar-2022)



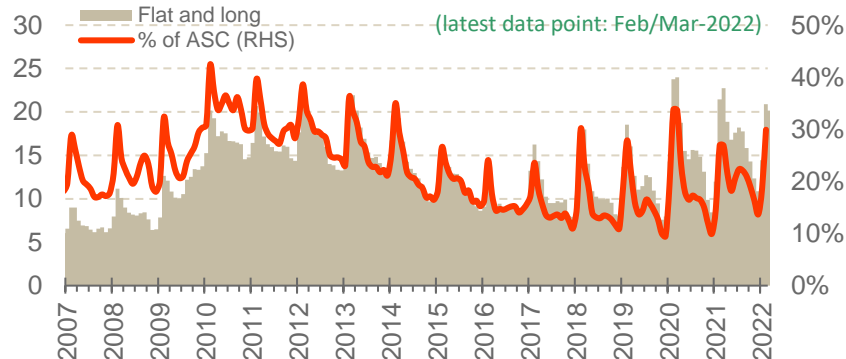
Brazil service centre inventories (000 Mt)

(latest data point: Mar-2022)



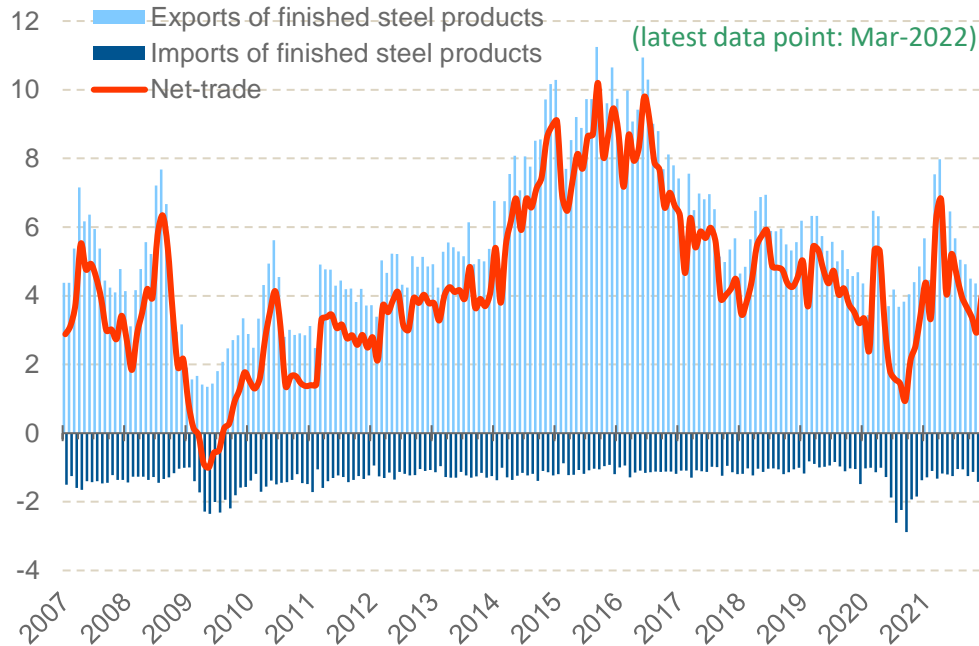
China steel inventories (warehouse)\*\* (Mt/mth) with ASC%

(latest data point: Feb/Mar-2022)



# China net exports

## China net trade exports\* million Mt



- Mar'22 finished steel net exports of 3.9Mt vs. 2.7Mt Feb'22 (+44.4% MoM)
- Mar'22 finished steel net exports of 3.9Mt vs. 6.2Mt Mar'21 (-37.1% YoY)
- Q1'22 finished steel net exports of 10Mt vs. 14Mt in Q1'21 (-28.6% YoY)

### Policy:

- China has cancelled the 13% export tax rebate on commodity grades of steel (HRC, rebar) as of May 1, 2021 → less incentive to export

# Steel and mining investments

# Barra Mansa (Brazil) - New sections mill #2 to capture share of HAV products

## Additional 0.4Mtpy capacity of Special Bar Quality (SBQ), Merchant Bar Quality (MBQ) and Sections

- Improve productivity and reduce cost by updating the steelmaking and rolling mill processes
- Increase shipments of HAV products to capture growth of Brazilian demand
- Increase production capacity and enrich product range to include Black Bar SBQ quality, Flat Spring Bar Parabolic and Structural Sections
- Project capex estimated at \$250m and completion expected in 1Q 2024
- Estimated to add ~\$70m pa EBITDA on full completion and post ramp up



# Brazil: Monlevade expansion to increase capacity to gain share in HAV products

**ArcelorMittal has a leading position in the Brazil longs market with 5.1Mt of crude steel capacity following its acquisition of Votorantim's 1.7Mt finished product capacity in 2018**

- Monlevade expansion to increase its wire rod capacity by 1Mtpa to 2.25Mtpa
- Highly competitive, vertically integrated asset with iron ore at cost from captive mine (located 11km from site)
- Production of high-quality wire rod for special applications such as tire cord and suspension springs
- Improve productivity and reduce cost by updating the steelmaking and rolling mill processes
- Increased shipments of HAV products to capture growth of Brazilian demand; preserve capacity to export wire rod with high margins
- Detailed engineering is ongoing. Piling and civil works under negotiation. Technical discussions started with erection companies
- \$0.5bn of capex required; project completion estimated in 2H 2024
- Estimated >\$200 million in EBITDA on full completion and post ramp up



# Brazil: Vega high added value capacity expansion

## HAV expansion project to improve mix. High return mix improvement in one of the most promising developing markets

- Completion estimated for 4Q 2023 with total capex of ~\$0.35bn
  - Increase Galv/CRC capacity through construction of 700kt continuous annealing and continuous galvanising combiline
  - Optimization of current facilities; maximize site capacity and competitiveness; utilizing comprehensive digital technology
  - Enhance 3rd gen. AHSS capabilities & support our growth in automotive market and value-added products to construction
- ArcelorMittal Vega highly competitive on quality and cost, with strategic location and synergies with ArcelorMittal Tubarão
- Investment to sustain ArcelorMittal Brazil growth strategy in CR & coated products; serve domestic and broader Latin American markets
- Strengthening ArcelorMittal's position in key markets such as automotive and construction through value added products
- First equipment arriving on site and progressing in accordance with plan. Civil works and erection of acid regeneration plant and repair and inspection line is well advanced
- Estimated to add >\$100 million in EBITDA



CGLCAL – Combiline civil works



ARP#2 – Acid Regeneration Plant civil works

# Brazil: Serra Azul mine production capacity increase to 4.5Mtpa

## Construct facilities to produce 4.5Mtpa DRI quality pellet feed (itabirite mining currently 1.6Mtpa capacity)

- Supply ArcelorMittal Mexico steel operations with high quality feed and reduce reliance on 3rd party suppliers
- Capex: ~\$0.35bn to enable pellet feed concentrate production up to 4.5Mtpa
- Detailed engineering is ongoing, hiring of drilling, earthworks and civil and procurement of main equipment ongoing. Auxiliary buildings civil works initiated
- Production start up is estimated in 2H'23; estimated EBITDA of \$100m
- Potential to add ~\$100m EBITDA\*

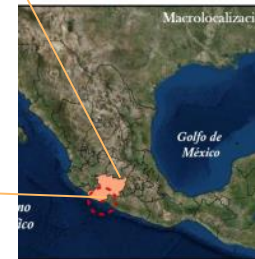
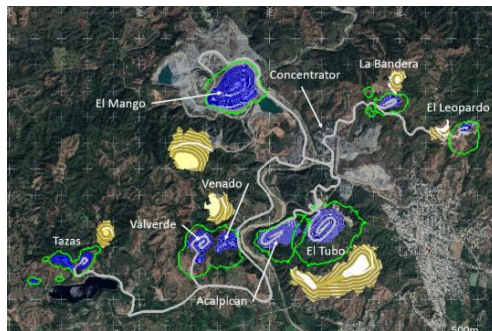


# Mexico: Las Truchas expansion project

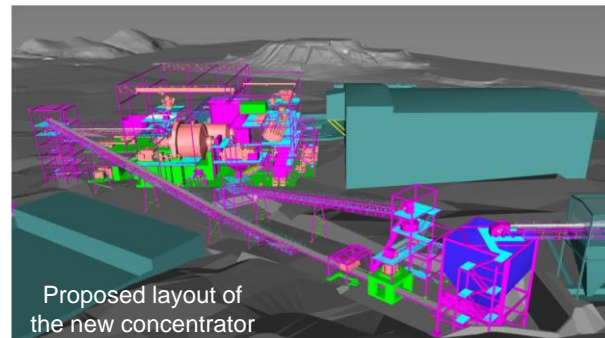
Investment to increase pellet feed production from 1.3Mtpa to 2.3Mtpa and improve concentrate grade

**Primary target: to supply ArcelorMittal Mexico steel operations with high quality feed and reduce reliance on third party suppliers**

- Capex: ~\$150m will enable concentrate production for the BF route (2.0 Mtpa) and DRI route (0.3Mtpa) for a total of 2.3Mtpa
- Procurement of long lead time items (mills and pumps) and equipment in progress. Detailed engineering is ongoing
- Production start up estimated in 2H'23
- Estimated to add ~\$50m EBITDA\* on full completion and ramp up



*The Las Truchas mine is located in the State of Michoacán, Mexico, near the Pacific Ocean coast, within the municipality of Lázaro Cárdenas, at about 2.5 km west of the city of La Mira*



# Dofasco: Hot strip mill modernization

Investments to modernize strip cooling & coiling - flexibility to produce full range of target products

Replace existing three end of life coilers with two state of the art coilers, new coil inspection, new coil evacuation and replace runout tables and strip cooling

## Project benefits:

- Increased product capability to produce higher value products
- Improved safety
- Cost savings through improvements to coil quality, unplanned delay rates, yield and efficiency
- Full project completion expected in 1H 2022
- Estimated EBITDA benefit of >\$25m

## Project status:

- 1st & 2nd of 3 runout table & strip cooling system construction shutdowns were successfully completed in Oct'20 and Oct'21. Final shutdown scheduled to be completed in early 2Q'22
- First coil produced with new coilers on December 11, 2020



# Dofasco: #5 CGL Conversion to AluSi

Investments to replace Galvanneal coating capability with AluSi coating

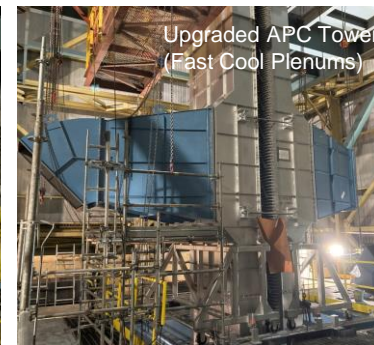
Investments to replace Galvanneal coating capability with AluSi coating → upgrades to furnace, snout chute, coating pot (including installation of premelter), pot equipment, wiping equipment & APC tower

## Project benefits:

- 2nd facility in North America capable of producing AluSi
- Freight savings related to product supply from Dofasco's natural shipping market
- Net mix enrichment for NAFTA segment

## Current project status:

- Equipment procurement is 90% complete
- Phase 1 of construction/commissioning completed in Dec'21, work included upgrade of furnace, snout and partial APC scope
- Phase 2 of construction/commissioning is in progress for balance of activities with the aim to produce first prime coil in 2H'22
- Estimated EBITDA benefit of ~\$40m EBITDA



# JV investments



# AM/NS India strategically located in high growth market

## Modern integrated steel making facilities

- 1 Access to high quality iron ore fines and proximity to large quantities of low grade fines



- 2 Raw material security with largest pellet capacity in India



- Access to port infrastructure enabling ease of movement for raw material and finished goods



### India

**Fastest growing large economy; second-largest steel producer**

**India's per capita consumption of steel is about one-third of the global average**

## 300m

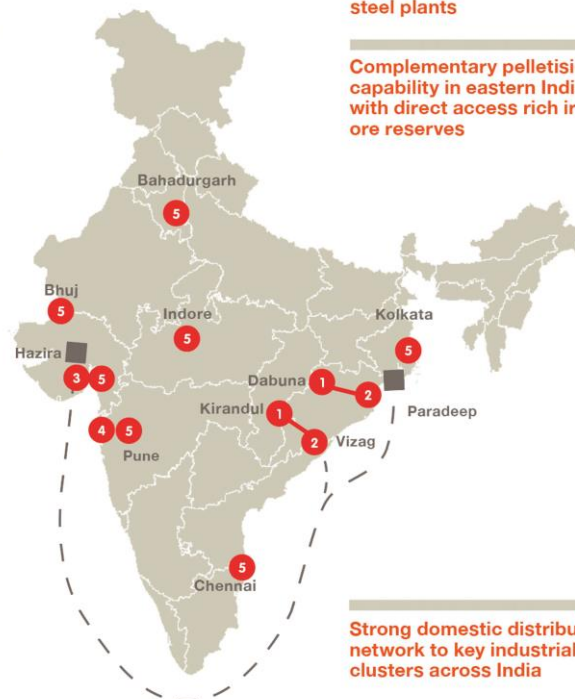
**India targeting three-fold increase in crude steel output to 300 million tonnes per annum by 2030**

- 1 Beneficiation plant
- 2 Slurry pipeline
- 3 Pellet plant
- 4 Hazira steel facility
- 5 Pune downstream facility
- 6 Service center

### AM/NS India

**Hazira is one of the world's largest single-location flat steel plants**

**Complementary pelletising capability in eastern India with direct access rich iron ore reserves**



**Strong domestic distribution network to key industrial clusters across India**

- 3 Among India's largest single location flat steel producer



- 4 Complete basket of flat steel products



- 5 Service centers situated in steel intensive competitive locations



# AMNS India debottlenecking underway; further expansion planned

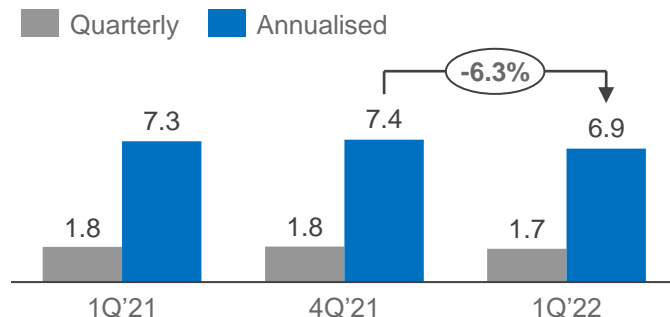
**Solid EBITDA performance in 1Q'22 with contribution from sale of pellets from newly commissioned pellet plant 2 offset in part by a negative price cost impact**

- Lower steel production due to planned maintenance
- Strongly cash generative asset (cash needs of \$0.3bn excl. growth capex)
- Long term NG hedges à provides cost and operating certainty
- 1Q'22 pellet production 4.1Mt (EBITDA contribution from export sales ~30%)

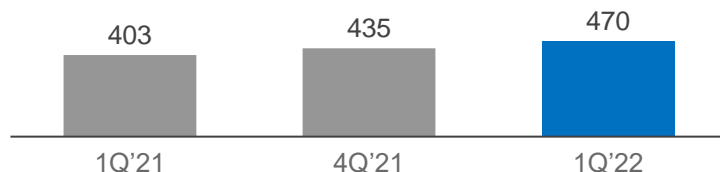
## **Growth: Business to fund its own growth plans in steel & mining**

- Plans to debottleneck existing operations (steel shop & rolling parts) and achieve 8.8Mt capacity by end of 2023 underway
- AMNS Hazira facility expansion to at least 14.4Mt in advance preparation:
- Downstream: Ground breaking CRM2 complex (2 Mt PLTCM, 0.5Mt galvanizing line, 1Mt - Galvanizing and Annealing line - March 2022)
- Upstream: advanced discussions with vendors to close, engineering and design work to start soon; awaiting final environmental clearance

## **Crude steel production (Mt)**



## **EBITDA performance (\$m)**



# Calvert: 1.5Mt EAF on track for 1H'23

## Construction of new 1.5Mt EAF & caster on track for 1H'23

- JV to invest \$775m for an on-site steelmaking facility (produce slabs for the existing operations, replacing part of purchased slabs)
- Secures a reliable slab supply (USMCA compliant) → On-demand casting to meet customer orders within competitive lead times
- Enhanced mill performance: hot charging of steel slabs into HSM
- Plan includes option to add further capacity at lower capex intensity

## Profitability

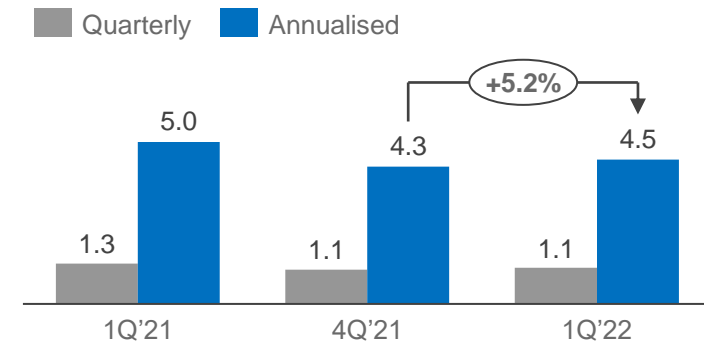
- Improved profitability QoQ; business generating healthy FCF
- New EAF to structurally reduce working capital needs

## Growth: EAF project progress

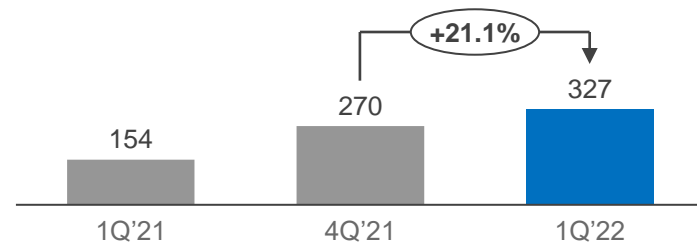
- ✓ Building piling complete, Over 1,000 equipment piles have also been installed
- ✓ Structural steel erection has commenced on two work fronts
- ✓ Key equipment is starting to be delivered to site



## Hot strip mill production (Mt)



## EBITDA\* performance (\$m)

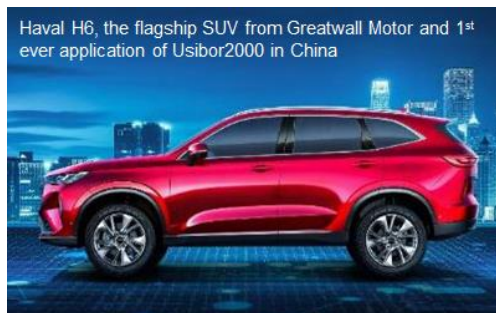


# AM China automotive JVs

Best in class solutions into China, with many breakthroughs and innovations

## ArcelorMittal's high end and lightweight steel solutions are widely welcomed by major carmakers in China

- First ever delivery of Usibor®2000 in China market – Door Ring supplied for Haval H6 model, the most popular SUV model in China
- 15% of automotive supply are for NEV in 2020, and expect to reach >50% by year 2025
- Exposed steels delivery to traditional OEMs and new start up auto OEMs such as Innovate
- AHSS delivery to Japanese OEMs
- Development of Ultragal® surface quality, which is an improved exposed surface quality



# Growth through JV: China

## VAMA (50%): Produces steel for high-end applications in the automobile industry

- State-of-the-art facility; 1.5Mt capacity serving growing auto market (running at designed capacity)
- Vama Phase 2 project ongoing which would increase capacity by 40% to 2 mtpa by 2023; expansion capex of \$195m (self funded)
- Broaden product portfolio, enhance competitiveness, further enable VAMA to meet growing demand of high value add solutions from the Chinese automotive / new energy vehicle market and propel it to be among the top 3 automotive steel players in China by 2025

## China Oriental (37%): One of the largest H Beam producers in China

- 10Mtpa capacity benefiting from recent portfolio upgrade
- Profitable, cash generative and dividend paying asset
- Low debt operation able to fund expansion



PLTCM (rolling forces of 3500t)



CAL (capable of producing USIBOR)



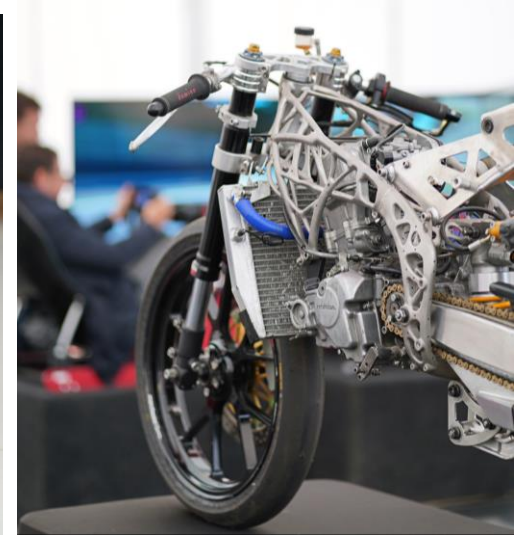
CGL (capable of producing UHSS)



# Revolutionary lightweight steel motorbike chassis with 3D printing technology

ArcelorMittal partners with Nebrija University, Spain, to develop disruptive application of 3D printing

- 3D printing expertise used to produce new steel motorbike chassis set to revolutionise the market.
- Weighing just 3.8kg, compared with 5kg or more of a typical chassis
- Combines mechanical properties of steel with lightweight characteristics more typically associated with aluminium or titanium
- Made possible by designing hollow geometrical skeleton and using additive layer technology
- “seems simple but is enormously complex”
- opens the way to development of similar solutions in range of manufacturing applications



**Using 3D printing technology to make motorbike chassis**

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