ArcelorMittal – Uniquely positioned to create value through high quality growth and returns

November 2024

Disclaimer

Forward-Looking Statements

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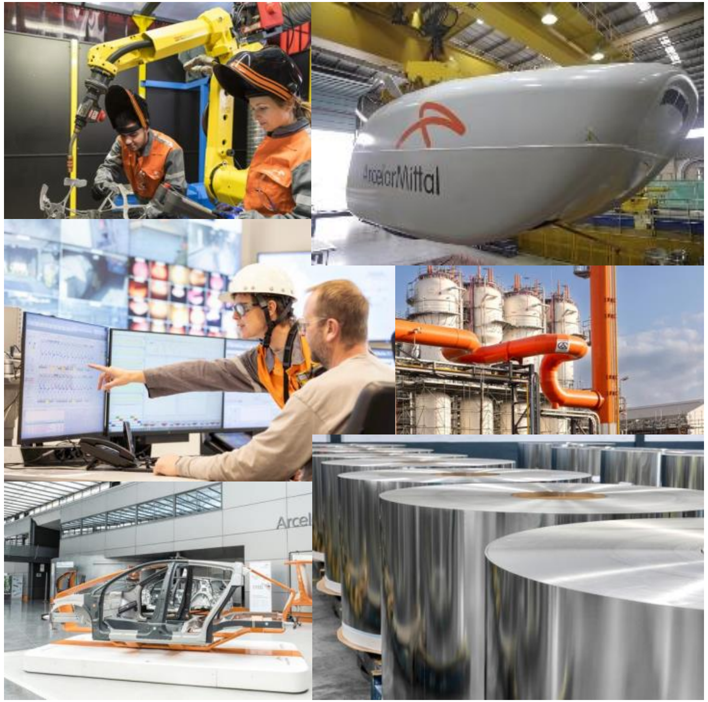
Non-GAAP/Alternative Performance Measures

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.

ArcelorMittal - The premier global steel producer

World leading integrated steel and mining company

- Unmatched geographical reach: ~127,000 employees; operations in 15 countries on 4 continents including 37 integrated and mini-mill facilities
- Pioneering R&D and technology capabilities: supports market leading position in high-added value customer segments, including automotive
- Exposed to the full value chain, including significant vertical integration into high quality raw materials
- US / North America represents the largest contributor to EBITDA → significant plans in place to further increase our exposure to this region
- Unique exposure to the world's fastest growing major economy, India → currently doubling capacity with further growth planned

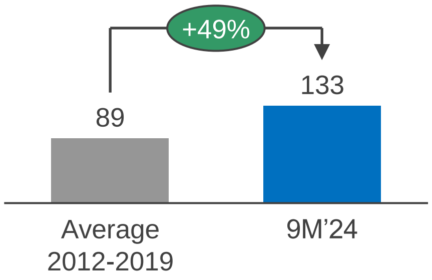


A structurally improved business with an investment grade balance sheet

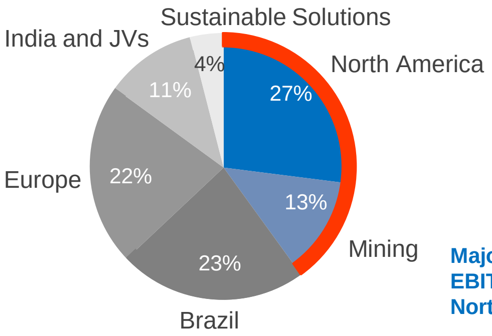
Over the past 4 years, ArcelorMittal has high graded its asset portfolio

- Exited high cost/strategically challenged assets in the US, Italy and Kazakhstan
- Acquired low-cost/highest quality assets:
  - highest quality, lowest cost steel capacity – **Pecem in Brazil**
  - strategic, scalable, low-cost metallics – **HBI in Texas**
  - a minority investment in **Vallourec;** leading brand in premium connections (seamless pipes/tubes) with operations centred in the Americas
- Since 2021, the cash flow from operations[1] has exceeded normative capital expenditure by **$19.8bn[2]**

Structurally higher margins and greater resilience to challenging market environments…. EBITDA/t (US$/t)

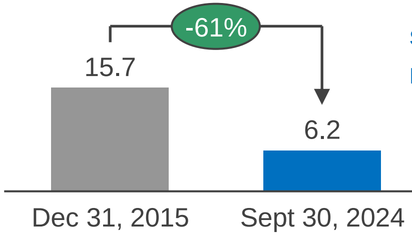


EBITDA split by segment (9M'24)[1]



Majority of Mining EBITDA is generated in North America (Canada)

Lower cost balance sheet supports strong investible cash flow generation….. Net debt ($bn)



S&P: BBB- (+ve outlook)

Moody's: Baa3 (+ve outlook)

1. Cash flow from operations refers to net cash provided by operating activities, 2. Maintenance/normative capex of $10.3bn from January 1, 2021, to September 30, 2024

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Backed by unrivalled global R&D and innovation capabilities

- Leading R&D capabilities; maintain this by responding to major technological changes, sustainability and social trends
- ~1,700 engineers globally across 14 research sites in 9 countries
- Relentless focus on manufacturing digitalization (production, quality and maintenance); and business digitalization (procurement, commercial, supply chain, strategy, finance)
- 12,870 patents and patents applications
- 103 new inventions protected and 38 new products/solutions launched in 2023
- 100+ ongoing R&D programs
- ~$300m R&D investment in 2023

ArcelorMittal's quality, technology and innovation particularly recognised by the most demanding customers:

- #1 in technology at 17 automotive OEMs in North America and Europe
- #1 in quality at 19 OEMs in North America and Europe
- 2023 & 2024 Toyota Partnership Award in North America
- 2024 Toyota Quality Excellence Award in North America

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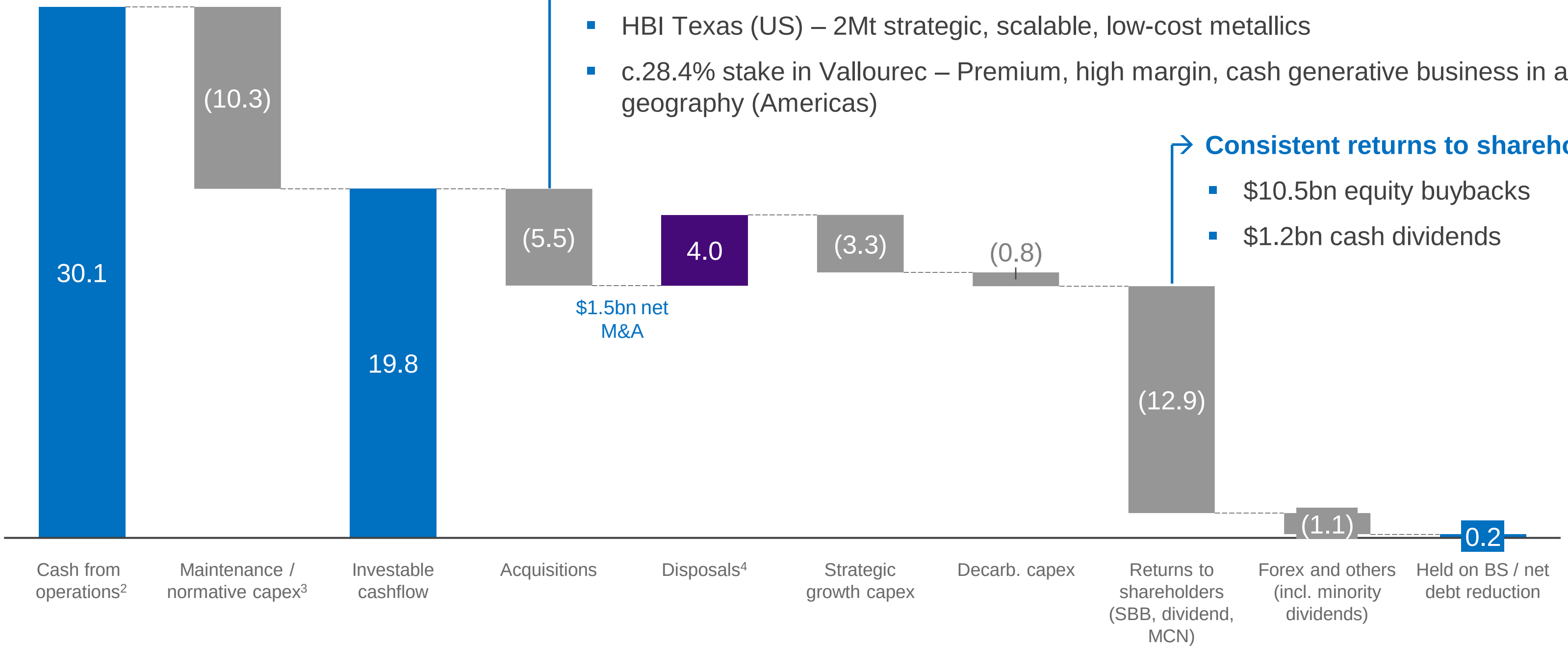
$19.8bn in investable cashflow [1] generated since 2021 allocated to growth and shareholders return



Acquired low-cost/highest quality assets:

- Pecem (Brazil) – 3Mt highest quality, lowest cost steel capacity
- HBI Texas (US) – 2Mt strategic, scalable, low-cost metallics
- c.28.4% stake in Vallourec – Premium, high margin, cash generative business in a focus geography (Americas)

Consistent returns to shareholders:

- $10.5bn equity buybacks
- $1.2bn cash dividends

1. Investable cashflow is net cash provided by operating activities less maintenance/normative capital expenditure; 2. Cash from operations refers to net cash provided by operating activities; 3. Base maintenance/normative capex refers to capital expenditures outside of strategic capital expenditures and decarbonization projects (and includes cost reduction plans and environment projects as well as general maintenance capital expenditures); 4. Primarily includes proceeds from ArcelorMittal USA disposal, sale of Kazakhstan operations (4Q'23) and receipt of the first of four instalments related to the Kazakhstan sale (2Q'24), sale of stake in Erdemir and sale of other tangible/intangible assets; Note: periods shown on chart are from January 1, 2021 to September 30, 2024.

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Well positioned to deliver transformational growth

What is driving ArcelorMittal's future growth?

Population growth

Driven by emerging markets

Improving living standards

Driven by emerging markets

New mobility systems

Driven by all markets

300Mt (+35%)

Ex-China steel demand growth over next decade

- +100Mt (100%) India
- 30% growth in Brazil demand
- 20% growth in the US

Energy transition

Steel is a vital enabler

Supply chain security

Driven by all markets

Circular economy

Steel is recycled many times over

Note: Energy transition (steel demand from solar, wind, CCS etc) but also in mobility (electrification of vehicles); Circular economy (steel demand from developing sustainable solutions for key customer segments e.g. construction); Source: ArcelorMittal strategy analysis. CCS = Carbon Capture & Storage

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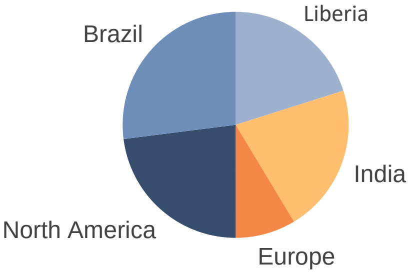
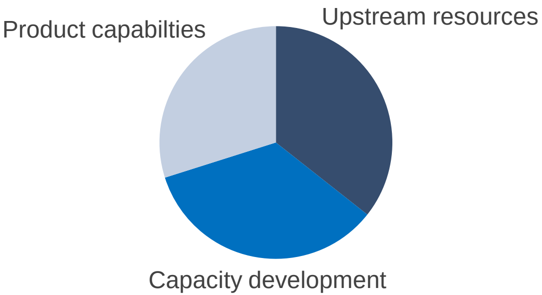
Transformational growth through investment in high quality organic projects → to support $1.8bn structural EBITDA[1] growth over next 3 years

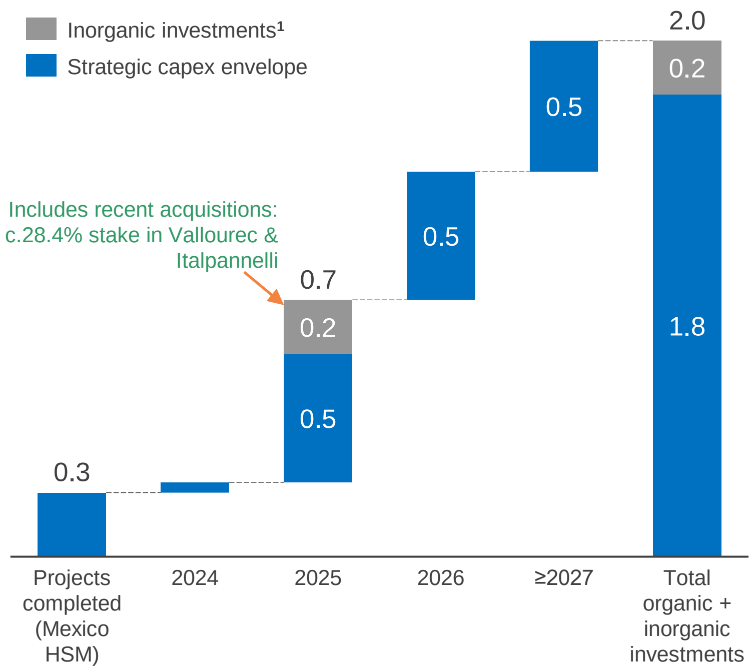
Strategic projects EBITDA split by geography[2]



Strategic projects EBITDA split by type



Cadence of EBITDA[2] benefit from projects ($bn)



1. Inorganic investments in the chart include Vallourec and Italpannelli; Vallourec FY 2025 net income consensus (based on consensus figures from a panel of independent analysts); 2. Estimate of additional contribution to EBITDA, based on assumptions once ramped up to full capacity and assuming prices/spreads generally in line with the averages of 2015-2020. Following the completion of detailed engineering, the Monlevade expansion project in Brazil has been put "on hold" (seeking lower capex intensive options). The Company anticipates approving projects of a similar scale (capex and EBITDA impact) during its forthcoming strategic planning cycle, hence no change to the expected $1.8bn impact on EBITDA from strategic growth investments. For illustrative purposed Monlevade still shown in Brazil segment

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Recently completed strategic projects performing well

Brazil: Vega CMC: Increase galvanized and cold rolled coil capacity through a new 700kt continuous annealing and continuous galvanizing combiline

- Capex \$0.4bn; estimated to add >\$0.1bn EBITDA post ramp up
- Key milestones during the ramp up:
  - 1st continuous annealed commercial coil delivered in Jun’24
  - 1st coated coil produced in Jul’24 and Magnelis coil produced in Sept’24

Jun’24: 1st Annealed Coil

Jul’24: 1st Coated Coil

Sept’ 24: 1st Magnelis Coil

India: Renewables project started commissioning; \$0.7bn investment combining solar/wind power (1GW)

- With ground-breaking starting in Apr’23 and commissioning initiated in Jun’24 – this was the fastest 1GW capacity ramp in India
- Project provides cost competitive renewables for AMNS India vs. accessing through grid → Project has obtained the requisite grid connectivity approvals and commenced supply of power to AMNS India as of Sept’24
- Estimated to add \$0.1bn to ArcelorMittal EBITDA

Solar project

Wind project

Pumped hydrostorage project

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Further organic growth plans under development in the US, Liberia and India

US: ArcelorMittal Texas – plans to double capacity

- 2Mt HBI capacity connected to low cost natural gas
- Plant hit production records in 2023
- Plans under development to double capacity and add CCS capability → low cost, ultra-low carbon metallics

US: Calvert plans to double EAF capacity

- 50% JV with Nippon Steel Corporation
- State of the art 5.3Mt finishing facility
- 1.5Mt EAF under construction, due for completion 2H’24
- Option to add a second 1.5Mt EAF at lower capex intensity

US: Electrical steel in Alabama

- Build a 150kt Non-Grain Oriented Electrical Steels line at Calvert
- This would be an ArcelorMittal investment

Liberia: Optimize ore body to support future expansion options

- Large resource supports a potential future increase in capacity
- A plan for the phased development of up to 30Mtpa capacity is being studied (including part or full DRI quality concentrate)

India: Options to grow capacity to >40Mt

- 60% JV with Nippon Steel Corporation
- Plans to grow to 18Mt by 2028; 24Mt by 2030
- Greenfield options under consideration to take capacity to 40Mt in the long run

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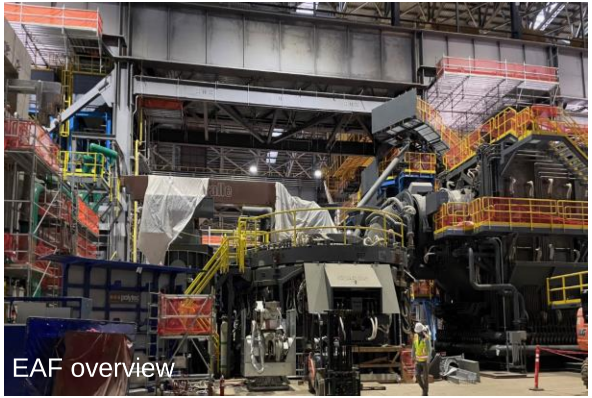
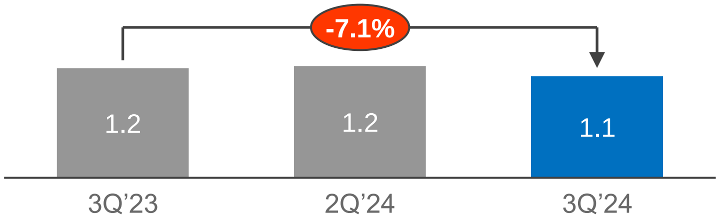
Calvert: 1.5Mt EAF project progressing and near completion

Construction of new 1.5Mt EAF & caster

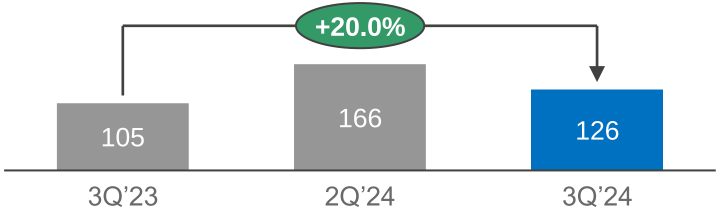
- JV to invest for an on-site steelmaking facility (produce slabs for the existing operations, replacing part of purchased slabs)
- Secures a reliable slab supply (USMCA compliant) → On-demand casting to meet customer orders within competitive lead times
- Plan includes option to add further capacity at lower capex intensity



Hot strip mill production (Mt)



EBITDA (100% basis) ($ Millions)



Upon completion, the enhanced steelmaking facility will boast the capacity to produce 1.5Mt of steel slabs for the Hot Strip Mill alongside a wide range of steel grades tailored for Calvert's diverse end-user markets.

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Agreement to acquire Nippon 50% stake in AMNS Calvert[1]

- On October 11, 2024, ArcelorMittal agreed with Nippon Steel Corporation ("NSC") to purchase NSC's 50% equity interest in the AMNS Calvert JV
- Transaction is subject to NSC completing its pending acquisition of US Steel[1]. ArcelorMittal will pay $1 consideration for the AMNS Calvert JV; further, NSC will inject cash and forgive partner loans of ~$0.9bn
- Should NSC not complete its acquisition of US Steel, then the agreement will not come into effect and the AMNS Calvert JV will continue

Current expansion and future development plans at Calvert

- Calvert is the most capable finishing facility in North America, supplying the highest quality steel solutions to the most demanding customers in the region
- The new 1.5Mtpa EAF currently under construction, integrated with ArcelorMittal's HBI facility in Texas, will enable Calvert to supply automotive customers with lower CO_2 embodied steel, melted and poured in the US

Hot Strip Mill (HSM)
State-of-the-art HSM designed to roll AHSS, Line Pipe, & Stainless products

Continuous Pickling Line (CPL), Pickling Line and Tandem Cold Mill (PLTCM)
Pickling & Cold Rolling facilities optimized for auto production (incl exposed)

Hot Dip Galvanizing Lines (HDGL)
Finishing facilities can supply advanced auto grades such as Gen3 AHSS & PHS

1. Transaction subject to various other regulatory requirements

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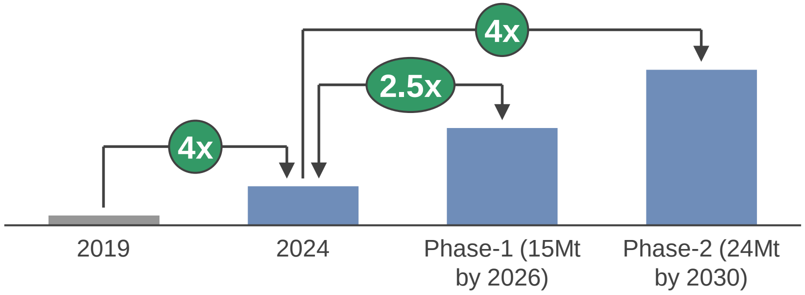
And a unique growth vector in India → tripling capacity by end of the decade

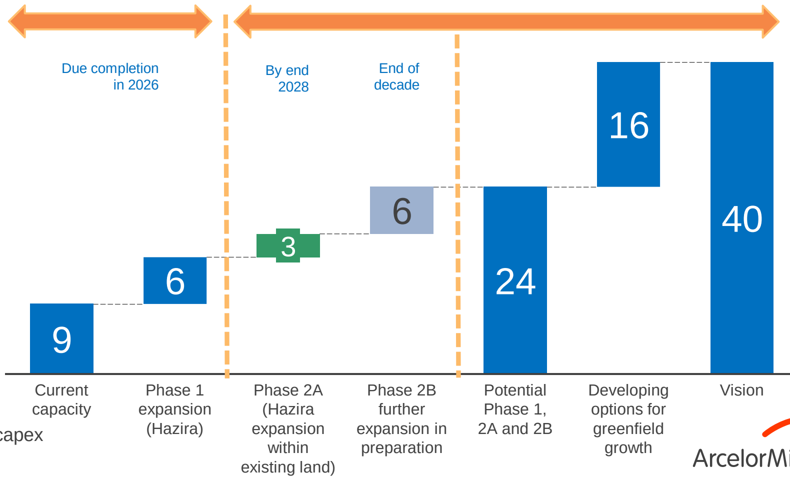
- AMNS India (60% owned) plans to double capacity to 15Mt by 2026 and triple capacity to 24Mt by end of the decade
- Strategically located assets with scale, vertical integration and highly motivated workforce
- Assets substantially turned around since acquisition in 2019 → **closed EBITDA margin gap vs. peers and outperformed in 1H'24**
- Expansion to 15Mt is expected to **increase EBITDA and investible cash flow[1] by 2.5x** to $2.5bn and $1.7bn, respectively

- Strong JV balance sheet given low funding costs and cash needs
- Net debt stable since acquisition in 2019 despite spending $5.8bn on growth and M&A
- Future growth to be **self-funded** → tripling capacity will increase EBITDA and investible cash flow by 4x
- Greenfield options under consideration to take capacity to 40Mt in the long run

Growth plans to drive a four-fold increase in EBITDA and Investible Cash flow[1] capacity



AMNS India growth plans with further optionality (Mt)



1. Investible cash flow defined as net cash provided by operating activities less maintenance capex

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Building a global renewable energy portfolio

Securing and decarbonising future electricity needs

India

1GW

- ArcelorMittal owned project started commissioning ($0.7bn investment)
- Solar/wind project is expected to provide >20% of AMNS India's Hazira plant electricity requirements reducing carbon emissions by ~1.5Mt per year
- Estimated to add $0.1bn to ArcelorMittal EBITDA

Brazil

1GW

- 3 renewable projects; a 754MW wind/solar project JV partnership with Casa dos Ventos & a 265MW solar project JV partnership with Atlas Renewable Energy ($0.2bn total AM investment)
- Commissioning expected to start in 2H'25
- Estimated to add ~$0.1bn to ArcelorMittal EBITDA

Argentina

130MW

- JV partnership with PCR (ArcelorMittal investment of $0.1bn)
- 112.5MW wind farm commissioned Dec'23; 18MW solar project under development
- Cost competitive renewables vs. market price (>30% of Acindar's electricity requirements)

2.1GW Group renewable portfolio (including India and investments in Brazil and Argentina)

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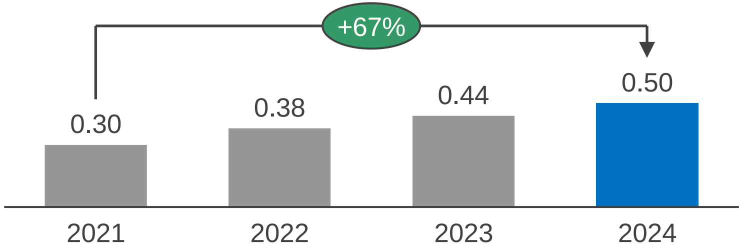
Strong balance sheet and high-graded portfolio supports consistent shareholder returns; valuations yet to reflect

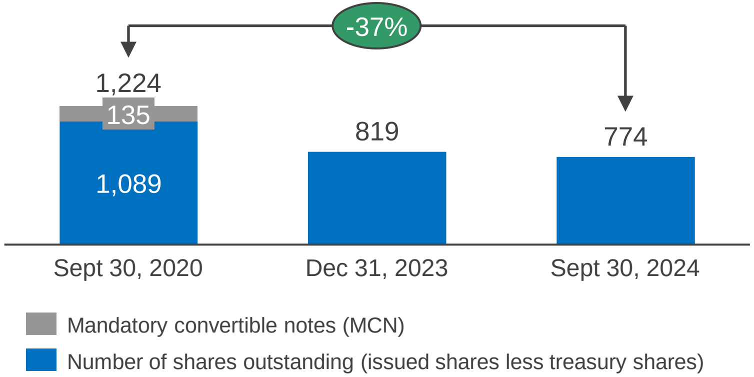
Clearly defined capital returns policy provides visibility for consistent shareholder returns

- Company's capital return policy defines that a minimum 50% of post-dividend annual FCF is returned to shareholders through buybacks
- First $0.25/sh instalment of $0.50/share base dividend paid in Jun'24 (second instalment due in Dec'24)
- On top of the dividends, the Company bought back 37%[1] of equity since September 2020

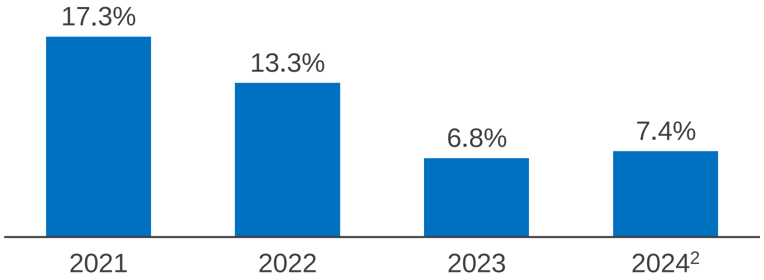
MT dividends have progressively increased ($/sh)



Diluted no. of shares (outstanding[1] & MCN) (millions)



Strong all-in cash yield[2] (dividend + buyback)



1. Up to September 30, 2024; 2. Based on cash dividends and buybacks divided by average market cap for respective years. 2024 figure is calculated as share buyback data for 9M'24 plus dividends paid in June 2024 and includes dividend payment due in Dec'24.

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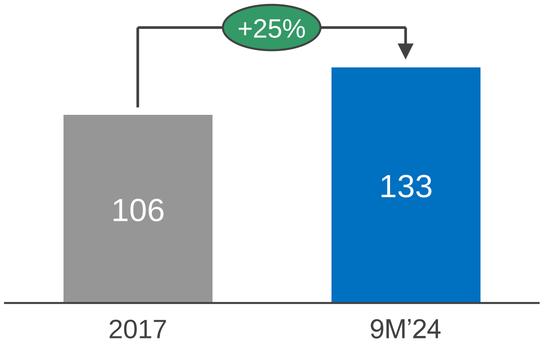
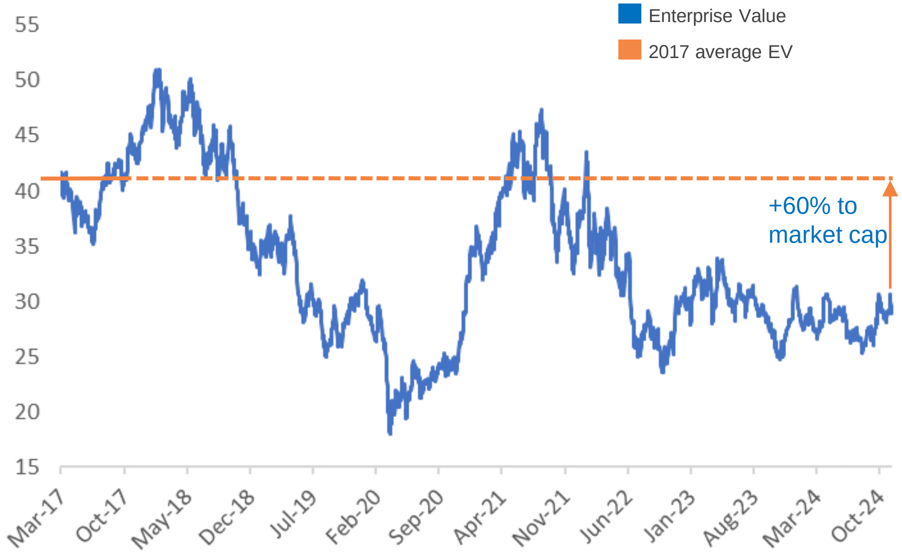
Structural business improvements and growth not yet reflected in valuation

- Despite challenging market conditions, profitability remains robust driven by portfolio reshaping, high grading, mix improvements and cost control measures
- Transformational growth through investment in high quality organic projects to support $1.8bn structural EBITDA growth over next 3 years
- MT consensus EBITDA forecast for 2025 is ~$7.7bn[1]
- Current enterprise value is ~30% lower than average of 2017

EBITDA/t has improved markedly



Enterprise value ($bn)



Current enterprise value is ~30% below the average of 2017, despite structurally improved profitability, growth and lower cost balance sheet

1. Visible Alpha consensus as on November 12, 2024; Enterprise value is calculated as market cap plus net debt minus minority interest (sourced from Bloomberg)

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Conclusions

- ArcelorMittal offers a unique and growing exposure to forecast growth in steel demand in the US, Americas and India
- ArcelorMittal is recognised by the most demanding customers for its benchmark for quality and innovation
- ArcelorMittal is undertaking significant investments in high-quality organic growth projects, to support a $1.8bn structural uplift to EBITDA
- Improvements made to the business are delivering structurally higher profitability
- And together with a lower cost balance sheet, supporting strong, consistent, sector-leading cash generation
- Which through a defined capital return policy, this is enabling significant capital return to shareholders (all in cash yield of ~8%[1] on current market capitalisation)

Fundamentally undervalued

- ~$23bn market capitalization[2]
- $19.8bn in investable cashflow generated since 2021 allocated to growth and shareholders return
- US/North America largest contributor to EBITDA
- >$12bn returned to shareholders; 37% of equity bought back in 4 years[4]
- Enterprise value today is ~30% below the average of 2017, despite significant business and balance sheet improvement

1. Based on 2024 dividends and buybacks, including Q4 dividend payment of $200m, excluding 12m shares pending from the existing buyback program; 2. As of November 07, 2024; 3. FCF is defined as net cash provided by operating activities minus capex (purchase of property, plant and equipment and intangibles) and dividends paid to minorities; 4. Between September 2020 to September 30, 2024

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Appendix

Journey to zero fatalities: Company-wide safety audit by dss+ is complete

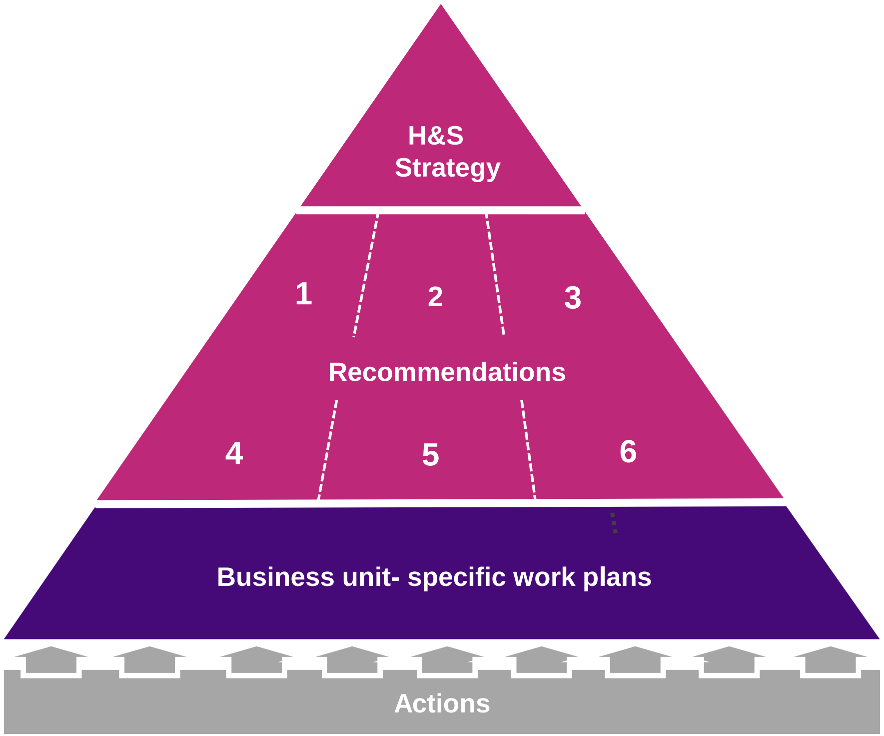
Health and safety performance

- Protecting employee health and safety remains the overarching priority of the Company. LTIF[1] rate of 0.68x in 9M’24

The Company-wide independent safety audit by dss+ is complete

- The audit provided ArcelorMittal with a clear set of six recommendations which the Company is committed to implement
- The audit identified that while there are areas of excellence in the Group, **variability in performance exists which must be addressed by initiatives that fast-track the strengthening of “one safety culture**,” underpinned by enhanced governance and assurance across all operations
- The Company is now defining the **most effective ways to implement these recommendations in an accelerated manner:**
  - First phase includes taking these recommendations to build customized, business unit-specific work plans, to be incorporated into their five-year planning cycle

See website for further details: dss+ safety audit recommendations



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

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Continued strategic progress despite challenging market conditions

Key 9M'24 figures:

- $5.4bn EBITDA[1]
- EBITDA/t of $133/t
- $1.9bn adjusted net income[2]
- $6.2bn debt
- $10.6bn liquidity
- $2.42 adjusted EPS[2]
- 5.7% of shares repurchased

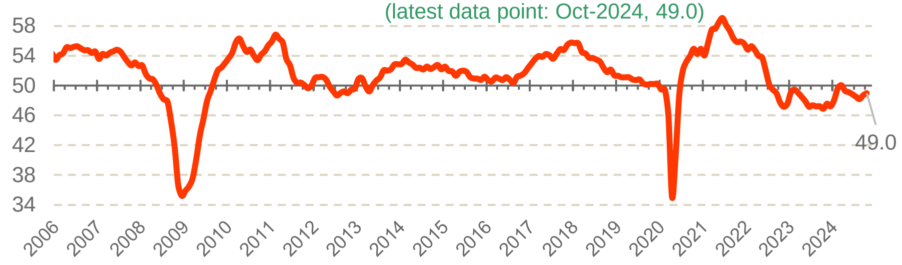
- **ArcelorMittal continues to deliver higher margins and resilient operating results despite challenging market conditions** → EBITDA/t in 3Q'24 and 9M'24 remains consistently above historical average levels reflecting structural improvements
- **Positive FCF outlook in 2024 and beyond** → Over the past 12 months, the Company has generated investable cash flow of $2.8bn with a net $0.6bn allocated to M&A, $1.5bn invested on strategic growth capex and $2.0bn returned to shareholders all whilst maintaining net debt to trailing twelve months EBITDA below 1x
- **Company remains focussed on delivering its $1.8bn[3] strategic EBITDA growth** → Recently commissioned projects (Vega, India renewables and Mexico HSM) are performing well
- **Capital-efficient decarbonization strategy** → Company continues to optimize its decarbonization pathway to ensure that the Company can remain competitive and achieve an appropriate return on investment
- **Ongoing share buybacks capitalizing on valuation disconnect** → The Company repurchased 1.5% of its outstanding shares during 3Q'24 (5.7% during the 9M'24); 37% of equity repurchased since September 2020. For 2024 the all-in cash yield (dividend and share buybacks) is estimated at 7.4%[4]

1. EBITDA is defined as operating result plus depreciation, impairment items and exceptional items and result from associates, joint ventures and other investments (excluding impairments and exceptional items if any); 2. Adjusted for impairments of $36m related to the closure of the coke oven battery in Krakow (Poland), exceptional items of $74m related to restructuring costs at the same location and MTM loss on purchase of c.28.4% Vallourec shares ($83m); 3. Estimate of additional contribution to EBITDA, based on assumptions once ramped up to full capacity and assuming prices/spreads generally in line with the averages of 2015-2020. Following the completion of detailed engineering, the Monlevade expansion project in Brazil has been put "on hold" (seeking lower capex intensive options). The Company anticipates approving projects of a similar scale (capex and EBITDA impact) during its forthcoming strategic planning cycle, hence no change to the expected $1.8bn impact on EBITDA from strategic growth investments. 4. 2024 figure is calculated as share buyback data for 9M'24 plus dividends paid in June 2024 and includes dividend payment due in Dec'24.

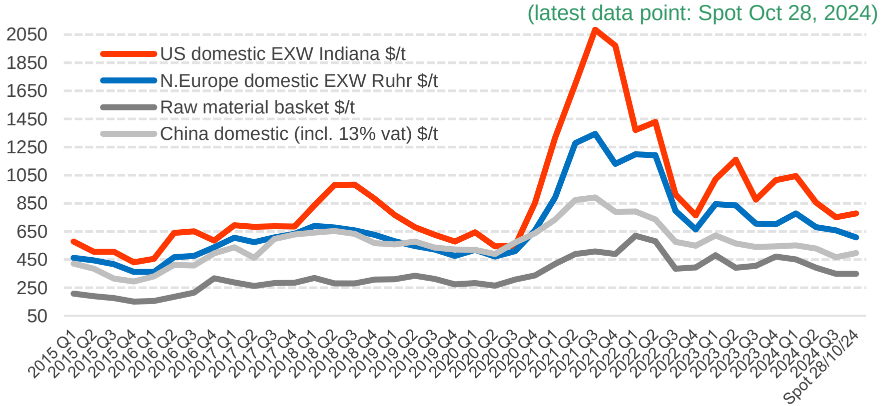
We are at a cyclical low – current market conditions are unsustainable

- Overall demand remains subdued, with no signs of restocking activity as customers maintain a "wait and see" approach
- Nevertheless, apparent demand in our aggregate markets is expected to be higher in 2H'24 vs. 2H'23 (reflecting destocking in Europe in 2H'23 and YoY demand growth in India and Brazil)
- China's excess production relative to demand is resulting in very low domestic steel spreads and leading to a majority of China's steel producers making losses → this impact is then transmitted to other regions via aggressive exports
- Signs of stabilisation/ early recovery:
  - US prices have moved up from the recent lows
  - EU prices stabilising, but remain well below marginal cost
  - Raw materials prices providing cost support
- Absolute inventory levels remain low, particularly in Europe → Company remains optimistic that restocking activity will occur once real demand begins to recover

ArcelorMittal weighted PMI[1] chart



US, Euro and Chinese HRC prices and the RM basket $/t



1. ArcelorMittal weighted PMI (purchase managers index) is an aggregation of individual country's PMI, weighted by ArcelorMittal's deliveries of finished steel each year; Note: YoY refers to 2024F v 2023

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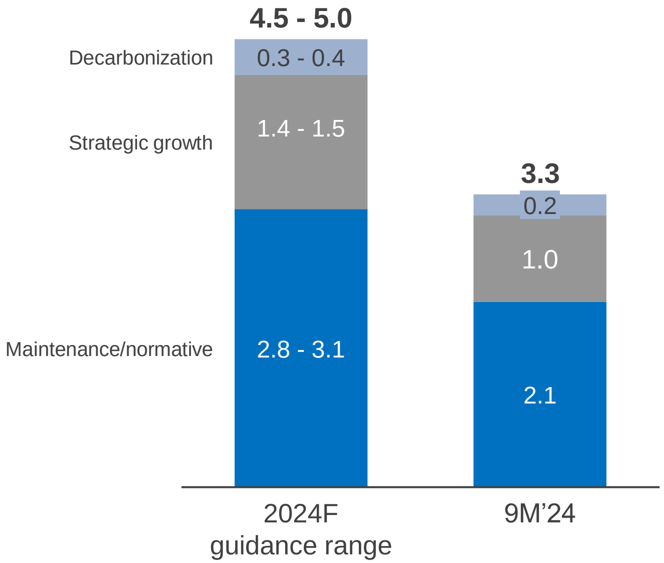
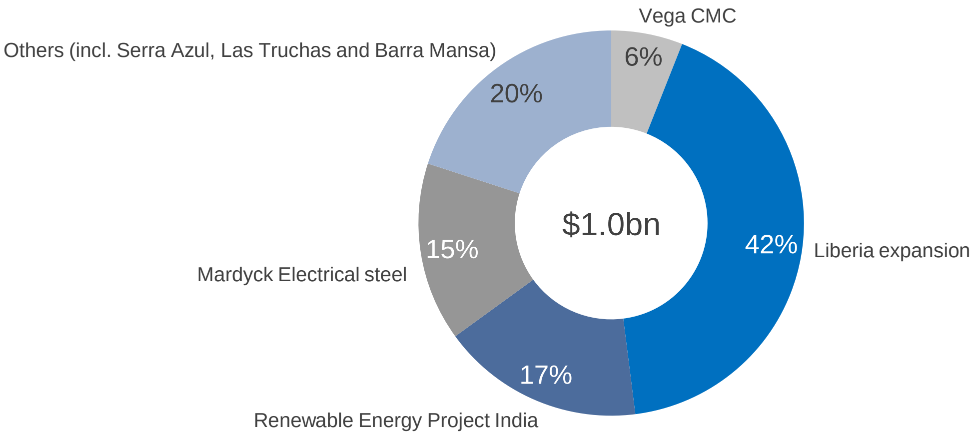
Capex[1] in 2024 to continue to fund strategic growth and decarbonization

- 9M'24 capex of 3.3bn (>30% of capex is being spent on strategic growth projects)
- FY 2024 capex is expected to be within the guidance range ($4.5bn-$5.0bn)

Capex[1] ($bn)



Strategic growth capex envelope 9M'24[2]



1. For further disclosure on the Companies alignment on EU Taxonomy please review the Integrated annual review published on the group website: https://annualreview2023.arcelormittal.com; Capex refers to purchase of property, plant and equipment and intangibles; 2. Pie chart excludes growth capex at AMNS India and Calvert.

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

Strengths & advantages:

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

Securing resources:

- Group renewable portfolio of 2.1GW (including India and investments in Brazil and Argentina)
- Three scrap recycling businesses acquired in UK/Europe with combined collection capacity of ~1.0Mt
- Accessing high quality DRI through acquisition of Texas HBI and organic investments (Canada DRI pellet conversion project, Serra Azul pellet feed)

Broadening our offering of low carbon emissions products:

- Increasing our low-carbon emission steel offerings through our XCarb® branded products in response to demand for low-carbon solutions from major sectors such as automotive and construction
- XCarb® products have a carbon footprint of as low as 300kg CO2/t

Decarbonization projects progressing:

- ArcelorMittal is progressing the engineering of its decarbonization projects globally to ensure that it delivers economic decarbonization
- The Company is engaging with the European Commission and member states on the measures required to support a low carbon competitive steel sector in Europe including more robust trade defences and an effective carbon border adjustment mechanism

ArcelorMittal continues to optimize its decarbonization pathway to ensure the Company can remain competitive and achieve an appropriate return on investment

ArcelorMittal

A competitive European steel industry

Decarbonization in Europe should not lead to de-industrialisation

Measures that we see as fundamental to ensuring a growing and competitive clean steel sector:

- **More robust trade defences to support the European steel industry to invest and grow.** Near term, an immediate review of existing measures including the safeguards and longer term, a new tool to address global overcapacity and increasing imports replacing the safeguards
- **An effective Carbon Border Adjustment Mechanism** (CBAM) which needs to include a solution to maintain EU exports, reducing the risk of circumvention and resource shuffling, and including all steel-intensive finished products
- Europe needs to **invest in energy** (renewables and hydrogen) to provide industry access to the capacity and price needed for industry to decarbonize
- Establishing lead markets to **create market demand for green steel** outside of just government procurement contracts

EUROFER
THE EUROPEAN STEEL ASSOCIATION
The President and Vice-Presidents

Open Letter

Call for urgent action to save the European steel industry and the livelihood of our workers

Your Excellencies,

The European steel industry is an indispensable part of many key EU manufacturing value chains and stands for innovation, desired product solutions and high-quality jobs in Europe. We are committed to contribute to the EU's ambitious decarbonisation and global climate protection objectives, securing a just transition and quality jobs.

However, we are at a crossroad: our industry is in its worst crisis since the financial and economic crisis in 2009. This is driven by the impact of global steel overcapacity and unfair trade, which exacerbates the impact of low steel demand and high energy prices in the EU. Without urgent measures, it will make it difficult in most of the EU member states to preserve a resilient and sustainable steel industry that can invest in our ambitious decarbonisation projects by 2030 and beyond.

Steel production in the EU has been shrinking by 30% since 2008 to 126 million tonnes in 2023. Restructuring and capacity reduction processes have led to a loss of almost 100,000 jobs in the last 15 years. Capacity utilisation has recently dropped to the lowest, unviable levels of around 60%. A trend that continues in 2024.

The Ministerial Meeting of the Global Forum on Steel Excess Capacity (GFSEC) has just confirmed that global steel excess capacity (551 million tonnes in 2023) continues to be a rapidly growing structural problem. According to the OECD, additional 157 million tonnes of capacity are in progress by 2026, mainly using very carbon intensive conventional steelmaking technology.

A Steel Action Plan as part of the Clean Industrial Deal must include both, emergency measures and a structural solution to the disastrous impact of global overcapacity and unfair trade on the EU steel market, putting jobs and the clean transition at risk. Further undermining the EU's competitiveness as well as our resilience and strategic autonomy would be a toxic option.

In line with the recommendations of the Draghi report, we therefore call upon you – the heads of state and government of the EU Member States – to support and endorse as a matter of urgency:

- Measures to strengthen and ensure assertive enforcement of the EU Trade Defense Instruments to stop unfair trade practices and circumvention, and a structural solution to comprehensively stop the spill-over impact of persisting and worsening global excess capacity. The current steel safeguards must be replaced by a more robust tariffication regime.
- Improvements to the Carbon Border Adjustment Measure (CBAM) to prevent circumvention, resource shuffling and delocalisation of downstream sectors, and to preserve EU steel exports.
- Action throughout the EU to reduce energy costs for energy intensive industries exposed to significant global competition, and to secure access to raw materials while retaining steel scrap within the EU.
- Establishment of lead markets to drive the demand for green steel in Europe.

We call upon the European Council to consider the above in its conclusions on 17/18 October 2024 and EU policy priorities.

The European Steel Association (EUROFER) AISBL | Avenue de Cortenbergh, 172, 1000 Brussels, Belgium
+32 3 738 79 20 | mail@eurofer.eu | www.eurofer.eu | EU Transparency Register: ID 93038071152-83

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Swift & effective responses to market disruption can support domestic industry recovery

EU safeguards

- Effective July 1, 2024, the EU extended steel safeguards for another two-years but import penetration is worse than 6 years ago when safeguard process was initiated
- The launch of anti-dumping investigations into HRC from Egypt, Japan, India and Vietnam could lend support (these 4 countries accounted for 46% of HRC imports in 1H'24)
- Eurofer calling for urgent action to save the EU Steel industry, highlighting the need for heightened Trade Defense instruments both in the near and medium term

Europe carbon border adjustment mechanism (CBAM)

- CBAM will play an important role to ensure a level playing field on carbon - to equalise the cost of carbon between domestic products and imports (improvements still needed to achieve this)
- Current transitional phase last between 2023 and 2025
- We remain optimistic that the Commission will strengthen and address current weaknesses ahead of the payment obligations that will be effective Jan 1, 2026

Brazil quotas

- In June 2024, Brazil authorities set a 25% tariff on imported volumes that exceed new quotas
- Brazil to double import tariffs to 25% on some steel wires and ropes to strengthen the domestic industry

U.S. tariffs

- U.S. applied section 232 25% tariff on steel processed in Mexico from substrate melted and poured outside of North America (preventing circumvention of the 232 tariffs/quotas through Mexico)

Effective and swift trade actions crucial to achieving level playing fields and addressing the market distorting effects of imports

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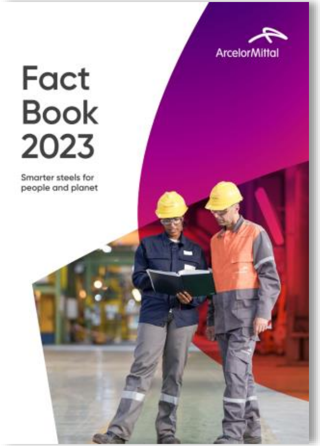

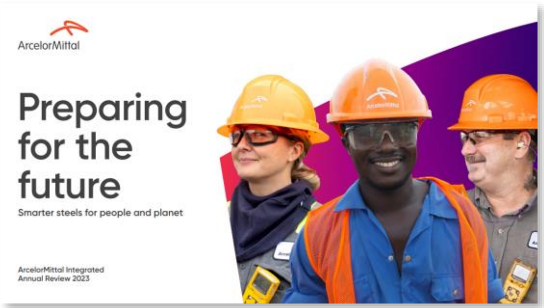

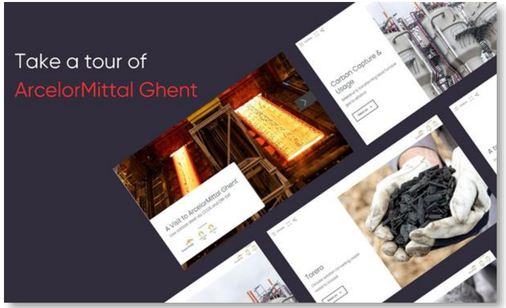

Daniel Fairclough – Global Head Investor Relations
daniel.fairclough@arcelormittal.com +44 207 543 1105

Hetal Patel – General Manager Investor Relations
hetal.patel@arcelormittal.com +44 207 543 1128

Srivathsan Manoharan – Manager Investor Relations
srivathsan.manoharan@arcelormittal.com +44 7920 439 760

Maureen Baker – Fixed Income/Debt Investor Relations
maureen.baker@arcelormittal.com +33 1 57 95 50 35

Benoit Cuisiniere – Manager Investor Relations (France)
benoit.cuisiniere@arcelormittal.com +33 1 57 95 50 38

Victoria Irving – Manager Investor Relations (ESG)
victoria.irving@arcelormittal.com +44 7435 192 206

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