

SUSTAINABILITY REPORT INSTEAD OF A MILLION WORDS 22

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IDEA FOR THE REPORT

MILLION REAL ACTIONS **INSTEAD OF MILLION WORDS!**

We didn't make a million promises, we didn't say a million words.

Our goal is to plant one million trees!

We have been planting the trees that will live for tens or even hundreds of years, create a living green organism that protects the city and its inhabitants from heat and winds, purifying the air from gases and dust, an organism that revives forests in the region.

We care not only about people and the earth now, but we care about the future, making it green and alive!



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About the Report

The sustainability report (the "Report") of ArcelorMittal Temirtau JSC ("AMT" or the "Company") presents information on the Company's activities in the area of sustainable development for the period from 1 January 2022 to 31 December 2022, which corresponds to the reporting period of the Company's financial statements. The Company has been publishing sustainability and corporate responsibility reports annually since 2010. This Report is the Company's 12th non-financial Report. To ensure comparison and comparability of data, the information is presented in dynamics for several years.

The Report was prepared for the first time in accordance with the principles and requirements of the Global Reporting Initiative (GRI) Universal Standards for 2021. Therefore, sections of the Report were supplemented in comparison with the Reports for prior periods. The data for the prior reporting period have not been changed. The Report has been prepared in Kazakh, Russian and English. In case of any inconsistencies, the Russian version shall prevail. The Report is brought to the attention of stakeholders being published on the AMT website and through distributing its printed version. Electronic versions of the Reports are publicly available on the Company's website:



Since the most significant impacts of the Company on natural, human and material resources are related to the activities of the Company's core assets, the boundaries of the Report cover the following divisions of ArcelorMittal Temirtau JSC:

External assurance 2-5

The Report for this reporting period was not subject to additional independent assurance by a third party. However, the most significant key indicators included in the Report are subject to external assurance. Thus, in the reporting period, data on greenhouse gas emissions were independently verified with due account for the requirements of international standards for the calculation, stock-taking, monitoring, reporting, and verification of greenhouse gas emissions ISO 14064 (Scope 1).



We publish the Report for a wide range of stakeholders and strive to reflect balanced information, in particular, disclosing both the positive and negative impact of the Company on all significant topics.



 Steel Division comprising a full cycle steel plant.

• Coal Division comprising eight coal mines and a coal washery.

Iron Ore Division (Orken LLP) • comprising four iron ore mines.



Supporting the objectives of the country's industrial policy in reducing import dependence and developing the export potential of domestic producers, in 2022 the Kazakhstani content in the total volume of purchased goods and services of the Company amounted to more than 70 %.



Chief Executive Officer of ArcelorMittal Temirtau JSC The Company creates workplaces, provides a competitive level of remuneration, provides its employees with social support and opportunities for development and proficiency enhancement. When interacting with its staff, ArcelorMittal Temirtau JSC complies with the obligation to respect human rights, ensures the principles of equal opportunities and recognises the rights of employees to collectively represent their interests in trade unions. In 2022, social investments in own personnel amounted to KZT 30.6 billion.

Message from CEO

Dear readers,

in 2022, ArcelorMittal Temirtau JSC continued its activities in accordance with 10 sustainable development outcomes of the ArcelorMittal Group, which are aligned with the UN Sustainable Development Goals. Accelerating our transformation into the steelmaking company of the future, we have maintained our pursuit of sustainable growth and creation of common values for all key stakeholders.

The Company creates workplaces, provides a competitive level of remuneration, provides its employees with social support and opportunities for development and proficiency enhancement. When interacting with its staff, ArcelorMittal Temirtau JSC complies with the obligation to respect human rights, ensures the principles of equal opportunities and recognises the rights of employees to collectively represent their interests in trade unions. In 2022, social investments in own personnel amounted to KZT 30.6 billion. In order to take care of employees, we provide vouchers for sanatoriums and rest houses, as well as organise holidays for children of employees in summer recreation camps on annual basis. We regularly hold activities to improve working conditions, provide health centres with the necessary facilities and equipment.

The introduction of training programs available to employees is an integral part of the Company's

policy. In 2022, an agreement was signed for longterm cooperation in the area of advanced training of repair service specialists with the International Institute of Technical Innovations. In cooperation with the Nazarbayev University's Graduate School of Business, we developed an educational leadership program for the Company's managers. To attract young specialists, we develop cooperation with universities, create opportunities for practical training and organise introductory tours for schoolchildren and students. In 2022, the Company invested more than KZT 120 million in STEM projects, including digital STEM laboratories for schoolchildren in Abay.

ArcelorMittal Temirtau JSC is interested in improving the standard of living of the population and maintaining social stability in the regions of its presence, provides financial support for infrastructure improvement and development projects, support for educational, medical, ArcelorMittal Temirtau JSC is the main supplier of hot and cold water, thermal and electric power for residents of Temirtau. In order to ensure stability for the long term and reduce the shortage of thermal energy, large-scale work on the construction and repair of boilers at Power Plants has been started in 2022.

The Company strives to ensure safe working conditions, life and health of its own employees and employees of contracted organisations. Improving safety indicators at the Company's production sites remains our all time priority.

In 2022, ArcelorMittal Group's Health and Safety Policy to employees and residents of the regions of its presence, was updated. All the main divisions of the Company have building trusting relationships with suppliers and other passed an audit of the occupational health and safety representatives of the business community. In the future, management system and confirmed compliance with the we will continue to implement equipment modernisation international standard ISO 45001. Work is being carried projects, as well as projects aimed at environmental out on constant basis to identify, assess and eliminate protection, and we will keep improving safe working risks at production sites: memos have been developed for conditions and creating conditions for self-development employees; unaccounted risks are being identified during of employees. audits of production sites. In 2022, the electronic Safety Management System was introduced, which makes it I would like to express my gratitude to the team for the possible to monitor and analyse data on occupational work and the contribution to the sustainable growth of the health and safety more effectively, as well as quickly Company's activities, as well as to the stakeholders for respond to different events taking place. In Steel Division their trust. of the Company, the process of implementation the Safety Management System is nearing completion, and a similar system will be implemented in Coal and Iron Ore Divisions by the end of next year. In 2022, the Ten Golden Rules



THE SUSTAINABILITY REPORT 2022

were updated, aimed at following the basic procedures when performing particularly dangerous work at height, in confined spaces, on mechanisms using lifting equipment and energy sources.

In mid-2022, more than 1,300 employees were trained under the STEP IOSH program to become better safety leaders. In order to improve the occupational safety culture and achieve the goal of zero injuries, the number of technical health and safety inspectors, heads of shops and sites has been increased.

One of the main priorities of the Company is to reduce and prevent negative impacts of production processes on the environment. During the reported year, the Company invested KZT 17.2 billion in environmental projects. Due to capital and current repairs, as well as general modernisation of equipment, an environmental effect

was achieved during the reported year in the form of an increase in the processing of metallurgical waste to 53.2 %, as well as a reduction in emissions by 1.8 % compared to 2021. In 2022, the implementation of a large-scale project on tree plantion within Temirtau and creating a "green belt" around it with a total area of 344 hectares was launched. The forest area of the green belt as a natural barrier will contribute to the active absorption of greenhouse gases, which will have a positive impact on climate chanae.

The results of 2022 showed that the Company continues to pursue sustainable development, fulfilling its obligations



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THE SUSTAINABILITY REPORT 2022







ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY CLIMATE CHANGE AND CREATE CONTROL AND SOCIAL ANNEXES CONTACTS







ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY CLIMATE CHANGE AND CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS



¹The number of employees reported here pertains to three core divisions of AMT. It is different from the Reports for prior periods which include employees of other subsidiaries and interims in addition to the employees of three core divisions.

vaccination campaign. ³Subsidy costs in 2022 are lower compared to 2021 due to low tariff rates.





ABOUT THE COMPANY

ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY CLIMATE CHANGE AND GREANHOUSE GAS EMISSIONS ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS

Specific name: Tatarian maple (A. tataricum)

A tree with a height of 10-12 m or a tall multistemmed shrub. It is usually found individually or in groups, and often forms brushwood in the flood plains of large rivers. When in the mountains, it grows in the lower part of the forest belt. The bark is smooth, dark-grey, almost black. The leaves are eggshaped, entire or slightly laciniate, 6-10 cm long, biserrate along the edge, pointed at the tip with a slightly heartshaped or rounded base. Tatarian maple stands the frosts of the Siberian climate, one of the most droughtenduring types of maple, is widely used in agricultural afforestation, even on saline soils.

It is resistant to industrial emissions and urban conditions. It is often bred in gardens and parks within and outside the natural habitat. The high GHG absorptivity of maples determined that ArcelorMittal Temirtau JSC chose this tree species for the project.

More than

saplings

were planted to create a sustainable woodland.



ABOUT ARCELORMITTAL GROUP



As of 31 December 2022, the number of employees worldwide

persons

totals approximately

including products for the automobile, building and construction industries, household appliances and packaging.

markets in about

the world

of crude steel of ArcelorMittal Group

amounted to

ArcelorMittal Group is the world's leading mining and metal corporation with major steelmaking enterprises in

ArcelorMittal Group invests in research and development of innovative technologies.

It has its own extensive raw material base and operates a network of global distribution of raw materials and products.

The Group's strategy

is aimed at long-term preservation of the position of the leading metal and mining company in the world, enabling us to deliver sustainable value for shareholders and stakeholders in a rapidly changing world.

Steel is more relevant than ever for the further successful development of our world. As one of the only materials to be completely reusable and recyclable, it will play a crucial role in building a circular economy in the future.

Steel will continue to evolve, becoming smarter, and increasingly sustainable.



ArcelorMittal Group is a leader in all major metal products markets,





The goal of ArcelorMittal Group

is to build a better world with smarter steel. Steels made using innovative processes which are more efficient, use less energy, and emit significantly less carbon.

This steel is cleaner, stronger and more suitable for repeated use.

ABOUT ARCELORMITTAL TEMIRTAU JSC 2-1 **GEOGRAPHIC REACH** 2-6 Stepnogorsk Lisakovsk 📄 Astana Temirtau Shakhtinsk Karaganda Saran Karkaralinsk Abay Karazhal 2

ArcelorMittal Temirtau JSC

ArcelorMittal Temirtau JSC ("AMT" or the "Company") is part of ArcelorMittal Group and is the largest enterprise in the mining and metal sector of the Republic of Kazakhstan.

AMT is an integrated mining and smelting complex with its own coal, iron ore and power facilities.

There are two thermal power plants under the management of the Company, namely PP-2, which is designed to provide heat and electric power to the full cycle steel plant of the Company and Temirtau, as well as the production of chemically demineralised water for the needs of production, and the PP-1, which supplies the plant with hot blast, technological steam, electric power, and chemically treated water.

regions.



rcelorMittal Temirtau ISC



The main assets of the Company are located

Karaganda, Ulytau, Kostanay and Akmola

The head office is located in Temirtau.

The Company also has representative offices in Astana and Almaty.

ArcelorMittal Temirtau JSC includes three main divisions:

Steel Division

Full cycle steel plant in Temirtau:

- Coke-chemical production (Coal Washery)
- Sinter-blast furnace production.
- Steelmaking.
- Rolling mills.
- PP-2.
- PP-1.

Products:

- Long products.
- Galvanised steel.
- Galvanised steel with polymer coating.
- Hot-rolled and cold-rolled steel.
- Slabs and billets
- Tin plate and black plate.
- Pipes.





Coal mines in the Karaganda region:

- Abayskaya mine.
- Saranskaya mine.
- Kazakhstanskaya mine.
- Shakhtinskaya mine.
- Tentekskaya mine.
- Mine named after I. A. Kostenko.
- Mine named after V. I. Lenin.
- Mine named after T. Kuzembayev.

Coal Washery "Vostochnaya"

Products:

• Hard coal of ranks KZh (common bituminous coal), K (coking coal) and KO (coking lean coal).



Iron Ore Division (Orken LLP)

- Kentobe mine (Karaganda region).
- Lisakovsk mine (Kostanay region).
- Atasu mine (Ulytau region).
- Atansor mine (Akmola region).

Products:

- Ore.
- Iron ore concentrate.







2. Rebar grade B500B for the

Electrolytic tinplate, hardness

AMT exports metallurgical products

and coking raw coal benefication

Most of the coal concentrate (98 %)

and industrial products (88 %) are

used for AMT's own needs for coke

boiler houses and thermal power

production and heat generation at

products (coal concentrate and

industrial products) mainly to

consumers in Kazakhstan and

neighbouring countries.

plants, respectively.

levels 55, 57, 59 for Indian

Czech Republic.

consumers.

3.

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THE MAIN TYPES OF PRODUCTS AND THEIR SALES

The main products of AMT are steel, from which flat stock and rolled steel with zinc, polymer and aluminium coating are made at the full cycle steel plant, as well as continuously cast slabs and square billets, strips, spar strip, electric-welded pipes and related products of blast-furnace and coke production (including coke and hot metal).

At the mines of the Coal Division of the AMT, stone coking coals are extracted, which are further processed at the Coal Washery "Vostochnaya".

The final products of enrichment are concentrates for coke chemical production, which are used as raw materials in the production of steel, hot metal and coke, as well as industrial products allocated to the production of thermal and electric power at PP-1 and PP-2, which provide the workshops of the plant and Temirtau with heat and electric power.

Iron ore concentrate, which is also the main raw material for steel smelting, is obtained by mining, processing and enrichment of iron ore deposits of the Iron Ore Division: Lisakovsk, Kentobe, Atasu, and Atansor.

The Company has received an international CE (Conformité Européenne) certificate, which now allows it to supply hot-rolled metal according to EN 10025 to the countries of the European Union.

In June 2022, ArcelorMittal Temirtau JSC expanded its sales geography of long products and received two certificates: accordina to the ST 009:2011 standard for the Romanian market and according to the STO 070–061387 standard for the Czech Republic.

Since August 2022, after confirming compliance with the BIS IS 1993:2018 standard, the plant's tinplate began to be supplied to India.

The following types of products have been mastered:

1. Galvanised steel grade DX51D according to EN 10346-2015 standard.

Sales of AMT products in 2022 by region

	TOTAL	3,092	100	57.5	2.2	124.1	11.7	
Other		242	7.8	-	-	-	_	
China		114	3.7	-	-	-	-	
Afghanistan		94	3.0	-	-	-	-	
Ukraine, Belarus		18	0.6	48 ⁴	1.8	-	-	
Caucasus		24	0.8	-	-	-	-	
Other Central Asian countries		520	16.8	-	-	-	-	
Russia		1,255	40.6	9.6	0.4	-	-	
Kazakhstan		824	26.7	-	-	124.1	11.7	
Region		thousand tons	%	thousand tons	%	thousand tons	%	
		Metallurgical products		Coal concentrate		Intermedi	Intermediate stocks	







VALUE CREATION 2-6



Outcomes

Financial capital

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KZT



Social and reputation capital

Costs under collective agreements



Purchased from Kazakhstani suppliers



Received and considered

305 grievances



CORPORATE GOVERNANCE

ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY



Specific name: Golden currant (Ribes aureum)

Golden currant is a deciduous shrub, 2-2.5 metres tall. Shoots are red, glabrous or puberulous, subramous, with annual growth of 30-40 cm. It has vigorous roots reaching into the soil to a depth of about 1.5 m. The plant is drought-enduring (unlike other types of currants). In the 1930s and 1940s, golden currant became quite widespread in the south and south-east of Russia, including the steppe regions of Siberia and the Altai Territory, as well as northern Kazakhstan.

High resistance and ability to create protection from aeolation of soil determined the interest of ArcelorMittal Temirtau JSC in these shrubs when implementing the landscaping project.

2,800 saplings

were planted from 2021 to 2022.



CORPORATE HEALTH AND SAFETY CLIMATE CHANGE AND ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS PRODUCT INNOVATION

CORPORATE GOVERNANCE

MANAGEMENT STRUCTURE

Transparent management is the basis of the ten outcomes of sustainable development of ArcelorMittal Group.

AMT improves the corporate governance system based on the world practice of transparent business conduct, standards of business conduct and principles of business ethics. The Company has built an effective management system in all areas of the entity's activities, providing indepth study of issues that form strategic decision-making.

The Company's corporate governance system is aimed at ensuring a balance of interests between the management and employees of the Company, as well as other stakeholders involved in the activities of AMT. The main objectives and competencies of the management bodies are fixed in the Charter of AMT.

The main principles of corporate governance of the Company are as follows:

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• Professional behaviour and leadership, involvement of independent directors to participate in the management of the Company.

• Implementation of strategic management, control over the activities of the Company's executive bodies.

• Effective and conscientious management of the Company's current activities by executive bodies.

- Corporate social responsibility.
- Reliability and timeliness of the provided information.
- Ensuring the efficiency of the internal control system, internal and external audit.

In accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies" and the Charter of AMT, the corporate governance structure of the Company consists of the following bodies:

The highest governance body

The Board of Directors, which carries out the general management of the Company's activities, with the exception of resolving issues referred by the current legislation and the Company's Charter to the exclusive competence of the shareholder. There are no committees within

the Board of Directors.

The sole executive body

The Company's governing body, which is directly subordinate to the CEO and consists of toplevel managers, i.e., Deputy CEO who carry out functional management of structural divisions.



The sole shareholder, ArcelorMittal Netherlands B.V., which has 100% of the voting shares.

The management

body

The CEO, who is subordinate to the Shareholder and the Board of Directors, controlled by them in their activities.

On **30 November 2022, Vladimir I. Yablonski** was appointed CEO of AMT. Biju Nair, who previously held the position of CEO, was appointed Advisor to Vijay Goyal, the Vice President of ArcelorMittal, CEO of ArcelorMittal CIS, to allow him to focus on investigating the causes of the tragedy at the mine named after V. I. Lenin.

The Management Committee The procedure for selection and terms of performance of powers to the Board of Directors are regulated by the legislation of the Republic of Kazakhstan and the Charter of AMT. The decision on nominating candidates and appointing them to the Board of Directors is made by the shareholder at the Group level. The term of office of the Chairman and members of the Board of Directors is 3 years.

The term of office of the Chairman and members of the Board of Directors is 3 years:

Vijay Goyal Chairman of the Board of Directors

Biju Nair Member of the Board of Directors

Rene Lopez Independent director

Performance evaluation and remuneration of the Board of Directors



Remuneration of members of the Board of Directors is determined by the Appointment, Remuneration and Corporate Governance Committee at the level of ArcelorMittal Group. In addition to financial indicators, remuneration also depends on the results of occupational health and safety at the end of the reporting period. The policy, principles and process of determining the remuneration of the Board of Directors are described in detail in the report of the Committee included in the Annual Report of ArcelorMittal Group for 2022, **available at**



Preventing conflicts of interest

OVERNANCE



The main documents regulating the processes of managing conflicts of interest in the Company are the Code of Business Conduct, as well as thethe Procedure for declaring a real or potential conflict of interest. This procedure regulates the process of identifying conflicts of interest among employees of AMT and its subsidiaries, in order to take timely and effective measures to eliminate such conflicts if they arise. The procedure has been developed in accordance with the legislation of the Republic of Kazakhstan, international corporate governance practices, the Code of Business Conduct of ArcelorMittal Group and is mandatory for use in all divisions of the Company and its subsidiaries.

ArcelorMittal Group has implemented an online tool for filing and monitoring declarations of the presence or absence of a conflict of interest. The tool allows to effectively monitor the submission of declarations of conflict of interest by employees belonging to certain categories, according to the Procedure for declaring a real or potential conflict of interest. When a conflict of interest is detected, this tool allows to transfer the declaration of a conflict of interest to the employee's direct supervisor in a short time and promptly make decisions regarding the conditions of his or her further work in AMT.

Standard categories of conflicts to be declared include: part-time work; membership in the board of directors of counterparties or competitors; contracts or other agreements with business partners of the Company other than labour agreements; financial investments of employees of business clients, competitors or commercial partners; transactions with related parties; acceptance of gifts and entertainment events from business partners.

In 2022, the Company identified 16 cases of conflict of interest. All cases were settled in a procedural manner.



The key measures to reduce risks due to the presence of a real or potential conflict of interest are:

• Mandatory declaration of a real or potential conflict of interest in accordance with the list of positions specified the Procedure for declaring a real or potential conflict of interest, as well as in the event of a conflict of interest, even if the position is not included in the list of mandatory declaration.

• Exclusion of actions that could result in a conflict of interest: employees should refrain from participating in transactions or arrangements involving persons and/or organisations where they or their family members have personal ties or financial interests.

• Distribution of job responsibilities in the event of a conflict of interest in such a way as to exclude mutual influence on decisions made by employees. • Assigning control over compliance with recommendations to the immediate supervisor of the employee who has declared a real or potential conflict of interest.

• Prohibition on the offer, transfer or receipt of any incentives or gifts that constitute a hidden reward, stimulating cooperation.

• Prohibition on the transfer of confidential information of the Company to third parties, which could be used by them to conclude commercial transactions contrary to the interests of the Company.

• Verification of the data provided in the submitted declaration of the presence/absence of a conflict of interest by the AMT security service.

THE SUSTAINABILITY REPORT 2022



SUSTAINABLE DEVELOPMENT MANAGEMENT

Our achievements in sustainable development

ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY



"Paryz" business social responsibility contest

Recognition letter for participation in the republican contest on business social responsibility "PARYZ 2022"

The strategy in the area of sustainable development of AMT is formed within each of the key areas: occupational safety and environment, development of human capital and local communities, and corporate governance. Approaches to managing our impact are reflected in a number of policies and regulations that are part of the corporate Compliance Program and are applied in ArcelorMittal divisions around the world. Our objectives in the area of sustainable development include ensuring safe working conditions, reducing the industrial impact on the environment, training, support and development of our employees, effective and open interaction with stakeholders, including government agencies, public organisations, etc.

In an effort to accelerate our transformation into the metal company of the future, in 2015 ArcelorMittal Group presented 10 outcomes of sustainable development that correspond to 17 UN Sustainable Development Goals. The 10 outcomes are the basis of a sustainable development strategy and serve as a guide for businesses in fulfilling long-term commitments to stakeholders, starting with how we produce steel and use resources, and ending with how we develop new products, support people and our communities.



ERG Supplier Award 2022

"Best supplier" nomination in the "Rolled steel" category



CORPORATE HEALTH AND SAFETY CLIMATE CHANGE AND CREENHOLISE GAS EMISSIONS ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS

2nd place in the nomination 'Project of the Year" -"Our response to COVID-19"

In 2018, in order to achieve more active. goal-oriented and reliable management of the principles of sustainable development, the Board of Directors of the Group formed the Appointments, Remuneration, Corporate Governance & Sustainability (ARCGS) Committee. In order to structure our approach to achieve the 10 outcomes, the ARCGS grouped the outcomes into five main areas:

Occupational health and safety

We are proactively rolling out proven safety training, tools and best practices from across the group to our most challenging areas.

Climate change

We are introducing breakthrough technologies for producing steel on industrial scale and are pioneering transparency by reporting on our environmental performance.

Environment

We are working towards comprehensive environmental SD plans for all our major sites, while continuing to develop and invest in innovative processes that improve the circularity of our operations and reduce local emissions.

Transparent governance underpins all the outcomes. 10 outcomes of sustainable development of ArcelorMittal Group are at the centre of our approach to sustainable development management:

- 1. People. Safe, healthy and high-quality working life of our employees.
- 2. Products. Products that promote a more sustainable lifestyle.
- 3. Infrastructure. Products that create a sustainable infrastructure.
- 4. Resources. Efficient use of resources and a high level of recycling.
- 5. Air, land and water. Responsible user of air, land and water.

- 6. Energy and carbon. A responsible energy consumer who helps create a low-carbon future.
- 7. Supply chains. Supply chains trusted by our customers.
- 8. Communities. An active and welcome member of the community.
- 9. Scientists and engineers. Talented scientists and engineers of tomorrow.
- 10. Impact. Our contribution to society is measured, shared and valued.





Customer reassurance

We are leading the steel industry's first global certification standard ResponsibleSteel™, to provide customers with reassurance on sustainability throughout the steel value chain.

Social

We are embracing stakeholder engagement through two-way dialogue and have implemented detailed reviewing and evaluation of community sentiment at all of our sites. We have also launched our new Employee Value Proposition to attract and retain the best talent from around the world.

• Product innovations

This is a separate theme that incorporates the two SD outcomes regarding product.

As product innovation is one of the main strategic priorities of our business, it is monitored separately.

Our SD strategy is designed to maintain our position as the world's leading steel and mining company for the long term, enabling us to deliver sustainable value to shareholders and stakeholders in a rapidly changing world.



ALIGNMENT OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS WITH OUR 10 SUSTAINABLE DEVELOPMENT OUTCOMES





ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY



THE SUSTAINABILITY REPORT 2022

RESPONSIBILITY FOR MANAGING ISSUES IN THE AREA OF SUSTAINABLE DEVELOPMENT

The relevant managers in the areas are responsible for reviewing and approving the information provided in this Report

In 2022, training on ESG aspects was conducted for all representatives of the Company's top management, including the CEO and its deputies.



Issues in the area of sustainable development are discussed by the Board of Directors once a year when drawing up a business plan, as well as quarterly when reviewing the implementation of the business plan.

Critical and urgent issues requiring strategic decisions at the corporate level are brought up for discussion by the Board of Directors, if necessary.

Informing the Company's management about critical issues is carried out by preparing regular reports and information certificates on key areas of the Company's activities, including labour protection, environmental protection, financial and economic activities, investment projects, key performance indicators of the Company, etc.

The Company plans to create a centralised body for discussion and decision-making on managing the Company's impact on the economy, the environment and the population.

Currently, various structural divisions are engaged in managing these aspects of AMT's activities.

- The Occupational Health and Safety Service is responsible for creating and maintaining safe and healthy working conditions for employees and contractors of the Company, carrying out rescue measures, developing measures to prevent, monitor and reduce general and occupational morbidity, disability and mortality among employees, providing first aid, primary pre-medical specialised and outpatient medical care to employees.
- 2. The Legal and Administrative Affairs Service is responsible for compliance with legal requirements, representation of the Company's interests in court proceedings, legal support, verification of counterparties, training in the Company's policies.
- The HR Department is responsible for 3. the selection and hiring of personnel, the implementation of training and development programs for AMT employees, the evaluation of employees' activities, and interaction with trade unions.

- 4. The Business Process Transformation and Supply Service is responsible for the implementation and operation of ERP processes, ensuring the uninterrupted operation of wired and radio communications, industrial television, fibre-optic communication lines, alarm systems and technological dispatching devices, the implementation of energy saving and energy efficiency programs, the organisation and monitoring of equipment supplies, procurement processes.
- 5. The Nature Protection Department is responsible for the phased implementation of the Environmental Policy in the Company's divisions, monitoring compliance in the AMT with the legislation of the Republic of Kazakhstan in the area of environmental protection, carrying out industrial environmental control of sources of anthropogenic impact.
- 6. The Corporate Social Responsibility Service is responsible for interaction with representatives of state bodies, NGOs, residents, and public organisations.
- 7. The Energy Service is responsible for providing high-quality production units and residents of Temirtau with all types of energy carriers in the required volumes, as well as for the development and implementation of energy conservation measures.



Policies, commitments and their implementation







Since 2005, AMT has been a party to the Memorandum of Understanding on the Implementation of the **International Extractive** Industries Transparency Initiative (EITI), supporting consistent and high-quality disclosure of information in order to strengthen the principles of accountability, fair competition and good governance.

In its activities, AMT is guided by corporate policies and regulations approved by the Chief Executive Officer of ArcelorMittal Group, including:

- Health and Safety Policy. 1.
- 2. Human Rights Policy aimed at protecting the rights of the Company's employees, suppliers, contractors and other business partners, as well as the local population in the regions where AMT operates.
- Code of Business Conduct. 3.
- Anti-Corruption Procedure. 4.
- Energy Policy. 5.
- 6. Tax Policy.
- Data Protection Policy. 7.
- **Economic Sanctions Procedure.** 8.
- Insider Dealing Regulations. 9.

On the basis of corporate policies and national legislation, AMT has also assumed obligations within the framework of its policies in the area of ecology, and charity and corporate social responsibility.

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These policies are approved by the CEO of AMT and publicly available on the Company's official website.

Detailed information on the implementation of these policies is provided in the relevant sections of the Report.

Material topics of the Report



In order to determine the most significant impacts of the Company on the environment, economy, society and human rights, an analysis of material topics was carried out, which included several stages:

- 1. Analysis of the list of material topics from the GRI Standards. Taking into account the Company's diversified business, which includes both coal mining and iron ore concentrate mining, both GRI 12 Coal Sector Standard and GRI 14 Mining Sector Standard Exposure Draft are applicable. Despite the fact that the GRI 12 Coal Sector Standard will become mandatory in 2024, and the approval of the final GRI 14 Mining Sector Standard is expected only in the fourth quarter of 2023, the Company analysed the relevance of the material topics given in both of these Standards to determine its significant impacts.
- 2. Analysis of reports on the sustainable development of peer companies operating in the coal and mining industry, recoanised by world industry leaders and noted by the World Steel Association and rating agencies as the best practices for reporting on sustainable development.
- 3. Analysis of the main risks and trends in the mining and metal sector by studying the publications of consulting and audit companies, rating agencies and industry associations.
- 4. Online survey of internal and external stakeholders. Each topic was asked to be evaluated according to the degree of importance on a three-point scale. The survey was attended by employees of structural divisions, senior managers, subsidiaries of the Company, trade union organisations, etc.





Based on the results of the analysis, as well as taking into account the 10 outcomes of sustainable development of ArcelorMittal Group, a list of material topics relevant to the activities of AMT was compiled. Topics identified as nonmaterial are presented in Annex 2 (GRI Content Index).

Stakeholder engagement



At the Group level, the Procedure for engagement with external stakeholders has been developed, which includes minimum requirements for engagement with external stakeholders for the entire Company and its divisions. It is mandatory and should be applied at the level of divisions and corporate level within the framework of the obligations of ArcelorMittal Group on transparent reporting.

The AMT's procedure for engagement with external stakeholders provides guidelines for establishing and maintaining good relationships with local stakeholders, including residents, non-governmental organisations, authorities, consumers, suppliers, scientific and other institutions in the regions of presence. This procedure does not apply to engaging with employees of the Company, contractors, subcontractors or trade unions, engaging with which is regulated by the Policy in the area of Labour relations.

One of the most important elements of the stakeholder engagement approach is the identification of stakeholders. AMT has identified the main stakeholders, who are generally representatives of groups that may be affected by our activities, or are interested in the Company's work, products or services related to the Company's activities.

AMT's internal stakeholders include its employees, shareholders, trade union organisations, as well as contractors.

The Company's external stakeholders include government authorities and regulators, local communities, customers, suppliers, the media and non-governmental organisations.



List of material topics

SD area Sustainable development outcom of ArcelorMittal Group		
Occupational health and safety	People	
Climate change Environment	Air, land and water	
Climate change	Resources Air, land and water	Er
Climate change	Air, land and water Carbon and energy	Clim
Environment	Resources Products	
Environment	Resources Air, land and water	Wate
Resources Air, land and wate		
Customer reassurance and product innovation	Supply chains Impact	
Social	People Community	
Social	Scientists and engineers People Community	
Social	People Community	
Social	Infrastructure People Community	[
Social	People Community Impact	
Social	People Community	



Material topics
Occupational health and safety
Emissions into the atmosphere
Energy consumption and energy efficiency
mate change and greenhouse gas emissions
Waste management
ater consumption and wastewater discharges
Biodiversity and land use
Responsible supply chain
Labour practices and ensuring decent working conditions
Training and education
Respect for human rights
Development of the regions of presence
Economic impact
Anti-corruption

CORPORATE HEALTH AND SAFETY CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS PRODUCT INNOVATION

Stakeholder engagement map

AMT is a member of the following associations:

- Council of Foreign Investors under the President of the Republic of Kazakhstan.
- National Chamber of Entrepreneurs of the Republic of Kazakhstan "Atameken".
- National ESG Club.
- Republican Association of Mining and Metallurgical Enterprises (AMME).
- American Chamber of Commerce AmCham.
- Benelux Chamber of Commerce.



Transparency is a fundamental principle in the engagement of our Company with all stakeholders.

We are constantly exchanging information with both internal and external stakeholders.

AMT annually draws up a Stakeholder engagement plan, which applies to the Steel, Coal and Iron Ore Divisions.



Key stakeholder groups	Information needs during engagement	Engagement methods
Shareholders and investors	 Transparent management Financial and economic activities Occupational health and safety Corporate responsibility 	Meetings of the Board of DirectorsVisits to the enterpriseAudits
Customers and consumers	 Product quality and competitiveness Ethical business practices Environmental friendliness of products 	 Meetings Visits to the enterprise Contractual activities Exhibitions
Business partners and suppliers	Transparent tender procedureEnsuring appropriate payment termsSafe working conditions	 Electronic procurement system Meetings Contractor training Joint meetings
Employees of the Company	 Safe working conditions Job security Decent pay Career development Respect for the rights of employees Environmental safety 	MeetingsSurveysHotlinesTraining programs
State authorities	 Compliance with legislation Environmental safety Industrial safety Power and energy conservation Social and economic development of the regions of presence Taxes, employment Human rights 	 Inspections Visits Consultations Meetings (offline/online) Memoranda/Agreements Conferences (offline/online)
Local communities	 Environmental impact Implementation of social projects Job security Infrastructure development 	MeetingsSocial projectsPublic hearings
Trade unions	 Implementation of the current collective agreement 	 Mitigation Committees on individual lal disputes Bilateral collective agreement committ Committees operating within the frame of the collective agreement execution
Media	 Company's activities Compliance with legislation Environmental safety Relations with authorities, regulatory bodies, and local communities Transparency 	 Press releases Press conferences Interviews Visits to the enterprise
NGOs	 Company's activities Environmental impact Human rights Safety precautions Support for social projects 	 Meetings Focus groups Appeals Joint projects







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HEALTH AND SAFETY

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Specific name: Pallas crab apple or Siberian crab (M. Pallasiana)

A tree grows up to 4-5 m tall with one or more trunks up to 10-15 cm in diameter. It is found in open forest and on the fringe, among brushwoods, nearby rivers, and brooks on wellwarmed soil. The bark is rimose, the branches are red-brown, and the shoots are glabrous. It is widely used for decoration and in the work of Siberian plant breeders. It prefers fertile brown forest soils of mild slopes that are also humid enough and well drained. It also grows on humous slough podzol soils of river valleys. It is reproduced by seeds, less often by root stalk. It easily acclimates (up to 90 %), and is drought-enduring. It is resistant to autumn-spring sunscald and painful checking of the bark.

High crop yield, high nectar-bearing and polliniferous qualities of apple trees make them extremely useful for local ecosystems.

During the implementation of the landscaping project, ArcelorMittal Temirtau JSC planted more than

saplings of this type of trees.



HEALTH AND SAFETY

OUR APPROACH



The main value of the Company is the health and life of its employees.

Our goal is to ensure that everyone always returns home healthy. We strive to achieve zero injuries at all production sites of the Company, both among AMT's own personnel and among employees of contracting entities performing work on our sites. It is important for us that everyone who works for the Company is provided with a safe workplace, high-quality workwear and decent medical care.

In its activities, AMT is guided by the Occupational Health and Safety Policy adopted at the level of the ArcelorMittal Group, which was updated in October 2022. Key changes in the Policy focus the Company's attention on the following areas of occupational health and safety:

- Occupational safety is a prerequisite when performing work.
- Managers should set the example and promote the safe performance of work and set high standards of safety at work.
- Managers should conduct checks on the availability and effectiveness of safety controls, conduct rounds of workshops and work sites, talk to work performers and assist in assessing hazards and taking preventive measures.
- Employees and contractors should actively participate in the improvement of occupational health and safety.
- It is necessary to report all potentially dangerous incidents, investigate their causes and apply the lessons learned in practice.
- Focus on resolving the organisational causes of serious and fatal injuries, increasing the level of instruction on safe working methods.
- Keep workplaces clean, and equipment and tools in working order.



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organisation.

In order to achieve our objectives, we constantly improving the safety mana system.

Thus, in 2022, the key priorities for occ health and safety issues in the Comp whole were:

Zero fatalities.

 Reduction of the Lost Time Accide Frequency Rate.

- Zero level of occupational disease
- Reduction of the absence rate for diseases.

 Identification of hazards and risk assessment for taking measures to re them, granting the right to refuse wo work in cases where the risk poses a the life of the employee or their colle

Monitoring the work of contractor

 Information exchange about accid the Company.

 A motivational program to encour individual employees who have distin themselves in the area of occupational health and safety and for using the right to suspend and refuse to perform unsafe work.



The Occupational Health and Safety Management System in AMT is regulated by the legislation of the Republic of Kazakhstan and the requirements of the international standard in the area of occupational health and safety

An audit of the Occupational Health and Safety Management System is conducted annually by an external accredited

At the end of 2022, and in the beginning of 2023, all the main divisions of the Company passed an inspection audit of the management system and confirmed compliance with ISO 45001.

e are agement	• Implementation of the Hygiene program to improve industrial sanitation, including the repair of showers, bathrooms and canteens.
cupational bany as a	 Implementation of the program of organisational and technical measures to improve working conditions.
ent	• Holding regular meetings of management with employees of enterprises on occupational health and safety issues.
es. general	 Search and testing of modern and convenient personal protective equipment, workwear, safety shoes.
educe ork or stop threat to eagues.	• Changing the safety culture and moving from a dependent level to an independent level of safety culture, where commitment to occupational health and safety, safe behaviour, self-care and exclusion of the fear of reporting incidents are developed.
s. dents in	In order to achieve these goals, action programs are developed annually for each division of the AMT, indicating the scope of work, frequency of monitoring, allocated
rage nguished	tinancial resources, deadlines and those responsible for the implementation of the tasks.

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The Company has implemented Ten Golden Rules aimed at following the basic procedures when performing particularly dangerous work at height, in a confined space, using lifting mechanisms, as well as on mechanisms with energy sources. The Golden Rules were updated in 2022 with the clarification of the height at which the use of a safety tether is mandatory.

TEN GOLDEN RULES

- I work in a "fit and able" condition.
- 2. I use fall prevention or protection when the risk of falling is beyond 1.3 m.
- **3** I follow the isolation procedure.
- 4 I follow the confined space procedure.
- 5. I respect all the rules of load handling and never stand under a suspended load.
- 6. I respect all the traffic and driving rules.
- 7. I respect rail priority and stay out of close clearance areas.
- 8. I respect the rules for entering and working in hazardous gas areas.
- 9 I never disable safety devices.
- 10. I respect all the H&S basic rules, standards and signals and I wear the required PPE.

The Occupational Health and Safety Management System during of the Company's divisions' activities covers all its own personnel and the personnel of contracting entities.

Audits of the production sites of the divisions are carried out daily, and the implementation of measures to eliminate inconsistencies is constantly monitored. When conducting audits, special attention is paid to the behaviour of employees and identification of risks.

Control is carried out over the performance of work by contractors and the use of means of protection, equipment, mechanisms, tools and personnel qualifications for compliance with the requirements of regulatory documents on labour protection.





In all divisions of the Company, there are occupational health and safety services. Their functions include:

• Organisation and coordination of occupational health and safety works.

- Organisation of monitoring of compliance with the requirements of occupational health and safety by employees.
- Organisation of preventive work to prevent work-related injuries and occupational morbidity.
- Organisation of investigations and accounting of accidents and occupational diseases.
- Interaction with regulatory authorities.
- Organisation of the provision of protective equipment.
- Document management for occupational health and safety.

The Company employs technical labour protection inspectors at all enterprises from among the employees, who help identify the most dangerous places in production, assess risks, and prevent dangerous actions of employees. Technical inspectors are selected from among experienced employees and are trained at the "Shakhter" training centre according to the program for technical inspectors.

The functional rights, responsibilities and types of encouragement of technical inspectors on labour protection are established by the Regulation "On the technical inspector on labour protection" of the Collective Agreement. Thus, the technical inspector has the right to:

- Carry out unhindered inspection of the conditions of safety and labour protection at the workplace, the fulfilment of the acts of the employer and the terms of the collective agreement on labour protection at the enterprise by employees and officials.
- Make proposals to eliminate the identified violations in accordance with the procedure established by the occupational safety management system in force in the organisation, taking into account the specifics

of production and the agreed procedure for admission to workplaces.

To ensure the participation of employees and their representatives in the improvement of the Occupational Health and Safety Management System and the Occupational Health and Safety Assessment System, the Steel and Coal Divisions have:

 The Production Council, which carries out joint actions of the employer and trade union organisations to improve the conditions of safety and labour protection, prevention of work-related injuries and work-related diseases, organisation of internal control over the state of safety and labour protection in the workplace. The decisions taken are formalised by the protocol and are carried out by both the employer and the trade union.The Council meets at least once a quarter.The order of work is regulated by the collective agreement.

The issues discussed at the meetings of the production council relate to various areas: provision of workers with PPE, the provision of milk, medicinal and prophylactic food, promotion of the best workers, labour discipline and other issues.



The Red Scorpions Project

The main task of the group is to ensure the safety of work performed by contractors in the AMT. The specialists of the Red Scorpions group provide control over the work of contractors at facilities, identify and register violations and inconsistencies, take measures to eliminate violations, develop and implement measures to ensure the safety of work at production sites, conduct training for managers and employees of contracting entities based on the analysis of work and identified bottlenecks.

2. The Labour Protection Committee, performs the following tasks:

• Consideration of current issues and proposals in occupational health and se

• Approval of goals and objectives in la protection, monitoring of their achievem adjustment of goals, where necessary.

Injury analysis.

• Development of joint measures to cre safe working conditions for employees.

In addition, the Coal Division has a Subcommittee on Investigation of Violand Incidents, which examines potential serious incidents, violations and reports of internal committees for investigation of incidents (accidents). Corrective actions developed by the committee appointed the order for the Coal Division. The subcommittee includes senior managers Division. Events are horizontally deployed enterprises.

The Steel Division has organised an internal committee to change procedure in the area of Occupational Health and Safety Management System, safety and labour protection regulations and other documentation to comply with the legisl requirements of the Republic of Kazakhs

The Day of Occupational Health and Scheld annually.

In 2022, a "Risk Hunt" competition, an anonymous questionnaire and a video on occupational health and safety were

To improve communications on labour protection among contractors, there is a website with the content of the necessor information on safety.





THE SUSTAINABILITY REPORT 2022

which	In order to involve employees in the Company's divisions (Steel and Coal Divisions), "Problem Solving Boards" have also been introduced.
afety.	I hey allow employees to contact management with an indication of the identified problem,
abour nent,	and the master or shift supervisor determines those responsible for the solution and sets deadlines. Such problems may relate to the following aspects:
	• Working and rest conditions of employees.
eate	 Operation, maintenance and repair of equipment.
lations	 Occupational health, safety and industrial safety.
ally	• Identification of potential accident risks.
of s are d by	AMT has also implemented programs to improve internal communication between divisions for the exchange of experience – the Dialogue project and team building.
rs of the ed at all res	The Coal Division issues monthly newsletters about incidents and major events. Round tables of managers with working collectives of enterprises are also held, and weekly conference calls on safety and mostings on safety at enterprises are held.
l	meetings on safety at enterprises are neia.
a r slative stan. afety is	The process of implementing the electronic information system for occupational health and safety "Safety Management System" is being completed in the Steel Division of the Company. A similar system will be implemented in the Coal and Iron Ore Divisions by the end of next year. This system allows to reduce risks and accidents at work, increasing safety for
contest	our employees and the environment, by:
e held. a	• Timely collection and registration of data on occupational health and safety in a single database for analysis and decision-making.
ary	• Automated data analysis tools to improve the quality of reporting and control on occupational health and safety, digitalisation of the incident investigation process, creation of tasks to eliminate violations and measures in the area of occupational health and safety, monitoring of labour protection inconsistencies and the progress of KPIs by divisions and subdivisions.
	Monitoring of compliance with the regulations of state bodies on industrial

regulations of state bodies on industrial safety, schedules of audits and inspections of production sites for compliance with the rules of occupational health and safety, accounting and investigation of accidents, etc.

• Creation of a unified database of

occupational health and safety documents, which allows to store and update regulatory documents in a timely manner.

With the help of digitalisation of the main processes in the area of occupational health and safety, employees of the Steel Division can use tablets and smartphones to access the Safety Management System application to conduct audits and inspections on occupational health and safety in workshops and on sites.

The introduction of such gadgets in the Coal Division is more difficult due to the need for their high explosion protection.

In the short term, it is planned to expand the Safety Management System with new modules for managing contractors, which will allow checking the completion of all necessary training courses by contractors and the availability of qualifications for their admission to the Company's territory, as well as a module for

Process outcomes in the area of occupational health and safety for 2022

Process	Steel Division	Coal Division	Iron Ore Division
Audits conducted by technical inspectors (in relation to their own personnel)	19,180	-	792
Submitted proposals	25,729	-	114
Audits at production sites (in relation to own personnel)	-	60,244	-
Audits at the workshop level (in relation to own personnel)	181,680	-	1,383
Inconsistencies identified	377,201	110,642	-
Multilevel audits (in relation to own personnel)	-	-	176
Internal audits of the occupational health and safety management system	_	14	-
Audits in contracting entities	12,622 (contractors)	-	777 (contractors)
Works stopped	275 (contractors)	-	-
Inconsistencies identified and eliminated	10,346 (contractors)	-	4,107 (personnel)
Identified and eliminated dangerous situations/actions (own personnel)	421	1,225	1 313
Works stopped	-	1,008 (personnel) 75 (contractors)	72 (personnel)
Dangerous situations prevented (own personnel)	375,662	50,616	1,254
Carried out technical measures on labour protection and improvement of working conditions in the units (own staff)	2,497	-	-

managing an admission order, which will allow monitoring the quality of registration and compliance with the rules for issuing admission orders.

Before launching such systems, IT department specialists conduct training for target groups of users, including representatives of occupational health and safety, heads of production services, so that the latter can train their subordinates in the skills of using the system.

Also, video tutorials and instructions have been developed for employees to learn how to work in the system.



Interactive innovations for safe work

Improving the culture of production and safety is a priority area of AMT's work. In order to inform the staff in the area of occupational health and safety, to demonstrate safety training videos, as well as to improve the presentation of information at meetings in order to make it more accessible, visual, and therefore more effective, it was decided to purchase and install high-quality TV screens in the workshops of the Steel Division; projectors and screens at enterprises of Coal and Iron Ore Divisions.

A total of 93 TV screens were installed in the Steel Division in 2022. Of these

are connected. The main places where screens are installed are the rooms where secondments are held, offices of shift-counter meetings, showers, canteens and foyers of the administrative and amenity building.





In total, more than 120 projectors and screens

were installed in the Coal and Iron Ore Divisions in 2022, one site at each mine of the Coal Division and one site at the enterprises of the Iron Ore Division.

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INDUSTRIAL INJURIES

The main causes of fatal injuries among the Company's own personnel and contractors are separation of rock mass, fall from a height, poisoning with colliery gas, clamping between mechanisms, fire, collision, electrical injuries.

To prevent repeated incidents, security improvement programs have been implemented.

Special attention is paid to the work on identifying hazards and assessing risks, conducting proactive work and prevention, conducting training and improving communication:

Indicators of work-related injuries among employees of the Company

Indicator	Division	2020	2021	2022
Total number of injuries, including	Total Steel Division Coal Division Iron Ore Division	35 14 18 3	49 20 26 3	51 25 23 3
lost time injuries	Total Steel Division Coal Division Iron Ore Division	32 13 18 1	38 18 18 2	40 19 18 3
fatal	Total Steel Division Coal Division Iron Ore Division	3 1 - 2	11 2 8 1	11 6 5 -
Actual number of man-hours worked, million man-hours	Total Steel Division Coal Division Iron Ore Division	45.71 23.17 18.45 4.08	45.02 23.27 17.67 4.08	48.87 25.16 19.54 4.16
Lost Time Injury Frequency Rate (LTIFR) per 1 million man-hours ⁵	Total Steel Division Coal Division Iron Ore Division	0.77 0.60 0.98 0.73	1.09 0.86 1.47 0.74	1.04 0.99 1.18 0.72
Fatal Injury Rate (FAR) per 1 million man- hours ⁵	Total Steel Division Coal Division Iron Ore Division	0.07 0.04 0.49	0.24 0.09 0.45 0.25	0.23 0.24 0.26

Indicators of work-related injuries among contractors of the Company

Indicator	Division	2020	2021	2022
Total number of injuries, including	Total	8	8	9
	Steel Division	6	5	6
	Coal Division	2	2	3
	Iron Ore Division	-	1	-
lost time injuries	Total	8	6	6
	Steel Division	6	4	5
	Coal Division	2	2	1
	Iron Ore Division	-	-	-
fatal	Total	-	2	3
	Steel Division	-	1	1
	Coal Division	-	-	2
	Iron Ore Division	-	1	-

actions, i.e., identification and elimination of potentially fatal accidents and risk management:

Focus on proactive

a. Practising skills and actions in an emergency situation.

b. Improving the level of technical knowledge among workers, engineering and technical personnel.

c. Hands-on trainings (behaviour-based safety).

d. Improving risk awareness.

e. Reducing risk tolerance.

Strengthening the quality of "golden tools":

a. Risk assessment before starting work.

b. Audits at the workshop level.

c. Shift and regular meetings.

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Improving/changing the safety culture towards a caring culture:

a. Exclusion of tolerance for risky behaviour, "Not a single violation, even a minor one, is ignored".

b. The use of visual means of informing about incidents for communication at the level of enterprises/workshops.



In 2022, two group incidents occurred in the Company, as a result of which 9 people died.

The first group accident occurred in June 2022, where during the dismantling of the blast-furnace brickwork by the crew of the metallurgical furnace repair shop, the furnace arch collapsed, resulting in four people were under rubble, one worker was seriously injured.

In November, there was a second incident at the mine named after V. I. Lenin mine of the Coal Division, where five people died and four were injured as a result of a gas-dynamic phenomenon.

To investigate these accidents, Government committees were established to investigate the causes and eliminate the consequences of the accident under the chairmanship of the Minister of Emergency Situations of the



Republic of Kazakhstan with the participation of representatives of state bodies and the top management of AMT.

Based on the results of the investigations, a set of measures has been developed with an indication of the timing and responsibility on the part of AMT.

The complex of implemented measures to eliminate the causes of the accident that occurred in June on the territory of the subsidiary of Kurylys-Met LLP with AMT employees includes, among others, the following actions:

• Work on repair and reconstruction of furnaces should be carried out after a technical inspection, followed by the development of recommendations for the replacement, strengthening and restoration of the bearing capacity of building structures.

- Before the construction, repair and reconstruction of industrial furnaces, work should be carried out in accordance with the project documentation, work execution plan (WEP) or flowcharts developed according to regulatory and technical acts that exclude the possibility of unacceptable risks from accidents, incidents and man-made cases.
- Proper registration of work permits in accordance with the rules prescribed by law.
- Extraordinary training on occupational health and safety, and recertification of the Company's employees and employees of Kurylys-Met LLP.
- Training of employees to act in emergency situations and during accidents.

In order to prevent incidents in the Coal Division related to the sudden release of colliery gas, measures are being implemented, among which the following can be distinguished:

• Installation of methane sensors during drilling of gas draining boreholes. Such a gas protection system, when the sensor is triggered, turns off the power supply to the drilling rig and sends a signal to the dispatcher's console about the immediate stop of work.

- Equipping employees engaged in drilling with video recorders, as well as the presence of engineering and technical personnel at the drilling site, depending on the types of wells.
- Implementation of the positioning system of workers in the mine workings at all mines of the Coal Division.
- Equipping of degassing pipelines with gas mixture control devices.
- Equipping mines with systems for hydrodynamic monitoring of the mountain range.

Identification of hazards and risk assessment



Work is being carried out on an ongoing basis to identify, assess and eliminate risks at production sites: memos have been developed; unaccounted risks are being identified during audits of production sites.

Unaccounted risks are identified during the revision of flowcharts and additions to flowcharts and safety and labour protection regulations.

Updating of flowcharts is performed once

a year, with a complete revision every three years, as well as ahead of schedule when changing technological processes, regulatory requirements, after accidents, etc., as part of corrective measures.

The investigation of incidents is carried out in accordance with the requirements of the ArcelorMittal Global Safety Standard, which describes the process of performing root cause analysis to prepare effective preventive and corrective measures and the process of analysing critical decisions to better understand the motives and reasons underlying the decisions and actions that led to the incident.

The Coal Division uses "5 steps" risk assessment notebooks for its own and contractor personnel, which serve as a tool for determining emerging risks directly at the workplace before starting work.Before implementation of notebooks, all personnel were trained in the correct filling of notebooks.

The filling of notebooks is checked by IT personnel during security audits with a discussion of the identified risks and control measures, and, if necessary, adjustments are made taking into account the additionally identified risks. Notebooks are not handed over and serve as a reminder of the process of performing a risk assessment for the contractor.

In other divisions there is a hazard identification card, which is filled out by the entire team performing the work and attached to the access card. Such a card is a list of hazards for each profession, for which the team performs a risk assessment and indicates risk mitigation measures. The list of hazards is created by a special committee consisting of a representative of the employee, a representative of the working profession and/or the head of the site.

The frequency of revision of the list of hazards by profession is performed at least once every 3 years, but updating and making changes (if necessary) is carried out annually.

The Company has a program for identification of potential serious injuries and fatalities (PSIF) aimed at the continuous identification, investigation and analysis of all situations and actions that could potentially result in serious injuries or deaths, and the development of measures to prevent similar cases in the future.

Any employee who has identified a PSIF reports this to their supervisor, after which the cases are reviewed by the committee. The committee identifies the causes and draws up measures, after which the report is sent to the global REX database, which receives information about

all incidents from all assets of the ArcelorMittal Group. Then, a weekly horizontal deployment is carried out for potential serious injuries and fatalities, i.e., a list of developed measures to prevent PSIF is sent to the heads of workshops and production facilities for execution. The best employees who have discovered potential serious injuries and fatalities are awarded.

Health care



The Company's medical service provides first aid and pre-medical care, conducts pre- and postshift medical check-ups and examinations.

In addition, medical assistance is provided by a mobile medical centre and physiotherapy assistance at health centres.

On the basis of the Department of Medical Affairs, annual preventive medical examinations are conducted, with the aim of early detection of occupational and general diseases, issues of rational employment and professional suitability are resolved.

The Department of Medical Affairs coordinates the work of health centres, mini clinics and dental clinics in the Steel Division.

At the mines and surface enterprises of the Coal Division there are 17 health centres, a polyclinic and a hospital for 200 beds: there are two accident wards, i.e., emergency and scheduled; there is a neurology department for 50 beds, 5 beds of general therapeutic profile, a stroke department for 40 beds, ENT specialist department for 5 beds, a rehabilitation centre for 45 beds, etc.; there is a beam-therapy department (CT, MRI and X-ray), laboratory, and ultrasound.

In the Iron Ore Division, an agreement is concluded annually with a third-party medical firm to provide medical services to employees of divisions (specialist consultations, diagnostic examinations, medical procedures: in-patient and surgical treatment).

Pre-shift examinations of employees for alcohol and other psychotropic substances are regularly carried out.

In the Steel and Coal Divisions, projects have been implemented to introduce an electronic medical examination system, which fully automates and accelerates the process

of passing a pre-shift (pre-trip) medical examination.

Taking into account the difficult working conditions, the Company's employees most often suffer from occupational diseases of the respiratory system and locomotorium. The most susceptible to the development of these diseases are employees of the Coal Division who work in conditions of high dustiness, requiring heavy physical exertion and prolonged stay in an uncomfortable position.

More than 60 % of the employees of the Coal Division are in the age group of 50 years and older, and therefore have been working at mines for 20-30 years, which explains the twofold increase in the number of occupational diseases from year to year.











In the period from 2020 to 2022, there were no fatal cases as a result of occupational diseases.

There is no accounting for occupational morbidity among employees of contracting organisations.

AMT keeps statistics on absenteeism, i.e., cases of absence of employees at the workplace, including due to deterioration of health and illness.

The number of employees who have been diagnosed with eccupational dise

ne number of employees who have been didgin	osed with occupational diseases		
Division	2020	2021	2022
Steel Division	-	1	2
Coal Division	49	107	213
ron Ore Division	-	1	1
Total in the Company	49	109	216

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bsenteeism rate among the Company's employees					
Indicator	Division	2020	2021	2022	
Total number of hours lost, million hours	Total	1.87	2.19	2.12	
	Steel Division	0.90	1.08	1.06	
	Coal Division	0.73	0.88	0.83	
	Iron Ore Division	0.24	0.23	0.23	
Total number of theoretically worked hours, million man-hours ⁶	Total	53.84	52.60	56.49	
	Steel Division	26.65	26.69	28.84	
	Coal Division	22.35	21.08	22.75	
	Iron Ore Division	4.84	4.82	4.90	
Absenteeism rate by the Company	Total	3.46	4.15	3.74	
	Steel Division	3.38	4.06	3.66	
	Coal Division	3.23	4.14	3.63	
	Iron Ore Division	4.96	4.70	4.68	

Payments related to the health status of the Company's employees for 2022

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Type of payment	Steel Division	Coal Division	Iron Ore Division
– Payments on sick leaves (KZT thousand)	1,210,706	1,452,438	249,056
Payments for occupational diseases (KZT thousand)	22,483	4,986,522	18,232
reatment at outpatient, inpatient, and anatorium levels (rehabilitation of employees on	diseases, the Company conducts certification of workplaces, adjustment and replacement of	 Plum Eye Wash st case of traumatic a 	ations for eye washing in nd chemical damage.

Health and safety protection programs are developed annually to prevent and reduce impacts on the health and safety of the Company's employees, including the "Health", "Hygiene", "Alcohol and Drugs" programs. These programs include:

• Provision of first aid (organisation of work of the mobile medical aid service and medical care in health centres).

- Improvement of working conditions.
- Certification of workplaces.

• Monitoring compliance with the level of permissible noise and vibration, permissible concentration of dust, gases, and aerosols.

- Monitoring the use and improvement of PPE.
- Analysis of general and occupational morbidity with analysis of the main causes.

 Conducting an annual preventive medical examination.

• Carrying out a complex of preventive

the basis of Samal health care centre).

• Conducting pre-shift (pre-trip) and post-shift (post-trip) medical examination.

• Participation in the committee on drawing up the act of examination of the workplace of an employee with suspected occupational disease (together with employees of the Department of State Sanitary and Epidemiological Supervision).

• Participation in engineering and medical teams working in workshops, accounting and maintaining statistics on the morbidity of workers (absenteeism rate).

In 2022, indoor air conditioning systems were installed to improve working conditions at the workplaces of enterprises of the Coal Division, and repairs were carried out under the "Hygiene" program. To order to facilitate the manual labour of miners, more than 80 types of labour-saving tools were purchased. In order to prevent the development of occupational

equipment and aspiration units.

The Steel and Coal Divisions have implemented projects to improve PPE and workwear. Thus, the staff of the mines of the Coal Division was equipped with head lamps with a built-in methane detector and a video recorder. Employees of the Steel Division at hot work sites were provided with aluminumbacked raincoats and neck curtains, electrical personnel with suits for protection against electric arc and voltage alarms. Employees of the blast-furnace and coke-chemical production were provided with heat-resistant shoes and PPE for respiratory protection. Within the framework of these projects, employees also received:

• PPE for hand protection: cutting resistant, fire-resistant,

- oil- and water-repellent agents.
- PPE for working at height.

ertheoretically worked hours mean the sum of the hours on the schedule for all active (working) employees, except for work injuries.



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- Eyeglass care station.
- Signs on electrical and gas safety.
- A sticker on a helmet bearing the legend "I have the right to stop dangerous work".
- 10 exosuits for oxygen converter shops in order to facilitate the physical work of employees.
- Shields when working with acids and alkalies.



Occupational health and safety training



The needs assessment and training plan for occupational health and safety are determined by examining applications from subdivisions, tracking the terms of mandatory training, as well as taking into account the planned recruitment of personnel. The training is conducted according to the approved programs, syllabus in Russian and Kazakh languages free of charge during a paid working day. The programs are developed on the basis of the requirements of the legislation of the Republic of Kazakhstan, regulations, production and technological instructions, etc. The training is conducted by qualified employees with work experience in the relevant area. Based on the results of the training, employees can evaluate the quality of training and give feedback.

> The Company complies with legal requirements within the framework of the organisation of compulsory training of employees with established frequency in the courses:

- Occupational health and safety at the enterprise.
- Industrial safety at hazardous production facilities.
- Basic fire safety.

In addition, supplementary trainings are conducted in occupational health and safety using the best world practices, simulators and training stands, involving professional instructors.

Employees of all divisions of AMT are trained under the program "5 steps of risk assessment", aimed at assessing risks before starting work.

In the middle of the reporting period, the STEP (Safety Training Enhancement Programme) program was launched, based on the standards of the British Institution of Occupational Safety and Health (IOSH) and adapted to the production features of AMT.

The main purpose of this course was to teach the masters and heads of the Coal and Steel Divisions to identify hazardous factors in production in a timely manner and to assess risks to improve the safety culture.

The training program was based on the acquisition of theoretical knowledge to build a risk matrix, as well as practical development of knowledge with exams at the end, and awarding certificates.

Next year, it is planned to continue studying under this program.

In 2022, a project was continued to train AMT managers in the course "Leadership in Safety" to develop involvement and leadership potential in occupational safety matters.

The goal of such programs as "Bold Leadership" and "Take care of your safety" was to prepare employees to teach their colleagues safe methods of work, teach them to identify unsafe behaviour and become an example for them.

Special attention is paid to safety training when performing work involving high risk.

Thus, during the reporting period, employees of all three divisions of the Company were trained to work at height using a special installation, and electrical personnel were trained in electrical safety.

Stationary anchor systems were installed at the mine named after I. A. Kostenko and employees were trained in the rules of their operation.

Production personnel are trained to act in emergency situations.

In the "Shakhter" training centre, 8 VR simulators were set up for employees of the Coal Division, which allow them to practice actions in emergency situations in virtual reality conditions. The miners also practice their skills during training alarms, and the Steel Division conducts joint trainings of the gas rescue and gas workshops on a weekly basis according to the developed schedule.

As one of the corrective measures to prevent a new tragedy that occurred at the mine named after V. I. Lenin, the Coal Division

conducted training on the course "Safe mining operations on formations dangerous for sudden emissions of coal and gas". The engineering and technical personnel was trained in the application of new methods of work production.

In 2022, a coaching project was launched in AMT, where external instructors from DSS+ (DuPont) at the mine named after T. Kuzembayev mine and ABIROY in the Steel Division work daily with craftsmen and heads of production units to support them in applying theoretical knowledge in practice.

They are directly involved during the issuance of assignments, the design of work permits, thereby helping and guiding employees in the process of discussing hazards and assessing risks before starting work.

In order to prevent accidents, unscheduled briefings are held monthly at workplaces, checks of relevant safety documentation, a random knowledge check on the topic of the month according to one of the corporate standards, for example, on standards for the prevention of fatal accidents, with the elaboration of its key requirements, followed by the introduction of corrective measures.

Employees of contractors and other subsidiaries of AMT also perform work on the Company's territory and must know and follow the same safety rules as AMT's own personnel.

In the Steel Division, the heads of contracting organisations participate in conducting audits of production sites.

Employees of third-party organisations undergo introductory instruction, training in global standards for occupational health and safety, and industrial safety.

They participate in the training on the rules of safe work at height with the development of practical skills on the simulator (68 students in 2022), the seminar "Requirements for the design and application of the work permit for work in high-risk conditions", along with employees of the Steel Division.

The main areas of study:

- Working at height.
- Actions in emergency situations and during accidents.
- Electrical safety.
- Leadership in security.
- Procedure for issuing a work permit.

The total number of employees of the Company who took part in trainings on occupational health and safety

Division -	2020	
	30,054	
Coal Division	12,537	
Iron Ore Division	5,984	
Total	48,575	

The total number of employees of third-party organisations of the Company who took part in trainings on occupational health and safety

lealth and safety			
Division	2020	2021	2022
Steel Division	4,792	7,537	8,262
Coal Division	1,008	1,970	2,192
Iron Ore Division	1,574	1,552	1,277
Total	7,374	11,059	11,731



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 Provision of pre-medical care.

- Risk assessment before starting work.
- Registration of work permits.

2022 2021 42,338 53,739 21,821 17,022 9.244 8,191 68,604 83,751



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CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY

Specific name: Pyramidal poplar (Populus pyramidalis)

A massive deciduous, canopy tree with a narrow-pyramidal crown growing up to 30 metres. This breed is irreplaceable in urban landscaping. Poplar stands out for fast growth, decorative value, wind resistance, drought resistance and low demand for soil conditions. Poplar prefers sunny places, stands dry air. This breed has a vigorous and branched root system; therefore, the tree can obtain water from the ground even in summer drought.

High resistance and ability to create protection from aeolation of soil determined the interest of ArcelorMittal Temirtau JSC in poplars when implementing the landscaping project.

20,500 saplings

were planted from 2021 to 2022.



ĈLIMATE CHANGE AND OUSE GAS EMISSIONS

CLIMATE CHANGE AND **GREENHOUSE GAS EMISSIONS**

OUR APPROACH

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Metal and mining industries are energy - intensive industries that make a significant contribution to the total amount of greenhouse gas emissions. Electric power, coal and iron ore are a significant part of the Company's multibillion-dollar annual costs at the regional and global levels. Thus, the Company is making efforts to improve the efficiency of using these resources and reduce the negative impact on climate change.

Greenhouse gas emissions



In accordance with the order of the Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan dated 11 July 2022 No. 525 "On approval of the national plan for carbon quotas", ArcelorMittal Temirtau was allocated the total amount of quotas for greenhouse gas emissions for 2022 in the amount of 15.7 million units for the Steel Division, and 0.98 million units for the Coal Division. Due to the extremely low greenhouse gas emissions in the Iron Ore Division, there are no quota requirements. During the reporting year, AMT did not exceed the allocated number of quotas for greenhouse gas emissions, the excess quotas are planned to be sold or transferred to the next year.

In accordance with the requirements of the updated Environmental Code of the Republic of Kazakhstan, in 2021, the Steel and Coal Divisions prepared installation passports and a plan for monitoring greenhouse gas emissions for 2022, which were verified, validated and confirmed by an independent accredited organisation.

18.5 million tons CO_2e

Total direct greenhouse gas emissions by AMT for the reporting year

In the Iron Ore Division, due to a decrease in the volume of concentrate for drying by 39 % compared to the prior year, greenhouse gas emissions decreased. In the Steel Division, the decrease was due to a decrease in the volume of mazut burning in the boilers of the PP-1, as well as the consumption of coke, mazut and blast-furnace gas during the production of sinter.

CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS



Direct greenhouse gas emissions, million tons CO₂e: ^{7,8}

•	-	2		
Division		2020	2021	2022
Steel Division				
Direct greenhouse gas emissions, including:		15.08	14.87	12.89
	CH ₄	0.004	0.004	0.011
	CO ₂	15.02	14.81	12.83
	N ₂ O	0.05	0.05	0.05
Coal Division				
Direct greenhouse gas emissions, including:		6.81	5.56	5.58
	CH ₄	6.29	5.09	5.07
	CO ₂	0.52	0.47	0.51
	N ₂ O	0.001	0.001	0.001
Iron Ore Division				
Direct greenhouse gas emissions, including:		0.02	0.02	0.01
	CH ₄	-	-	-
	CO ₂	0.02	0.02	0.01
	N ₂ O	-	-	-
Total in the Con	npany	21.91	20.45	18.49

There is also a trend to reduce the intensity of greenhouse gas emissions per ton of core products of the Company, per ton of liquid steel.

The intensity of greenhouse gas emissions, tons CO₂e per ton of products

Division	2020	2021	2022 ⁷
Steel Division per ton of liquid steel	4.56	4.24	3.65
Coal Division per ton of coal produced	0.72	0.67	0.79
Iron Ore Division per ton of iron ore concentrate	0.01	0.01	0.01
he reduction of greenhouse gas emissions by the Steel Division was 33.5 % in the reporting year compared to the base			

⁷ For the values for 2022, a new methodology for calculating greenhouse gas emissions and absorption was applied, approved by the Ministry of Ecology and Natural Resources No. 9 dated 17.01.2023
 ⁸ The values of CH₄, N₂O for the Iron Ore Division are insignificant.

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CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

MEASURES TO REDUCE GREENHOUSE GAS EMISSIONS

Reduction of greenhouse gas emissions by the Steel Division compared to the base year, million tons CO₂



In February 2023, the Strategy for Achieving Carbon Neutrality in the Republic of Kazakhstan until 2060 was approved, setting ambitious goals for zero carbon emissions to combat climate change. In Kazakhstan, a significant portion of emissions is accounted for metallurgical production and AMT, as one of the largest metal manufacturers in the country, can play an important role in the initiative to decarbonise the industry in the Republic of Kazakhstan.

Today, AMT is on its way to reducing its carbon footprint. Thus, in 2022, the Company implemented a number of projects contributing to the reduction of greenhouse gases, such as:

- 1. Installation of electric mules at sinter plant and PP-2.
- Reconstruction of the chimney No. 5 at the coke chemical production.
- 3. Repair of the chimney of the continuous furnace at HRM.
- Replacement of live steam heaters of boilers at the steam-power workshop boiler plant.
- 5. Reconstruction of the blast-furnace gas and coke-oven gas pipeline of boilers 1-8 at the PP-1.

In addition, construction of two new cokeoven batteries No. 8-9 started in 2022, where it is planned to install modern gas-handling equipment, which will ensure full control over emissions. At the moment, AMT has managed to achieve full involvement of blast-furnace and coke-oven gas in the production process, and the Company also plans to improve the efficiency of capturing converter gas with its subsequent use in the technological process. AMT is following the projects of ArcelorMittal Group on the use of the direct reduction of iron (DRI) method with the replacement of blast furnaces with electric-arc furnaces in order to further introduce the process into operation.

In 2022, the Company launched a large-scale project to green the territories of Temirtau and create a "Green Belt" with a total area of 344 hectares around the city. The forest area of the "Green Belt" as a natural barrier will contribute to the active absorption of greenhouse gases, which allows consideration of the project in terms of mitigation of climate change. Currently, AMT is working on the possibility of implementing a forest climate project based on the "Green Belt". Approved carbon offsets in case of a climate project implementation can be used to cover the carbon footprint of AMT. For more information about landscaping around the city, please see "Management of pollutant emissions" section.





The initiatives are part of the Group's commitment to switch to zero-carbon steel production by 2050.

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• Production of low-carbon XCarb[™] metal products through electric-arc production using energy from renewable sources.

• Opening of the XCarb[™] Innovation Fund. The Fund will annually invest up to USD 100 million in technologies for the transition to zero-carbon



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CLIMATE CHANGE AND REENHOUSE GAS EMISSIONS

ENERGY CONSUMPTION AND ENERGY EFFICIENCY

OUR APPROACH

Improving energy efficiency is one of the strategic tasks in AMT today, both at the state level and at the consumer level. The need to reduce the consumption of energy resources is due to the following reasons:

- Energy supply is associated with huge financial, material and labour costs.
- Production, extraction, transportation and consumption of fuel and energy services have a negative impact on the environment.

• An increase in the volume of energy consumption by an enterprise causes an increase in the cost of products, and, consequently, a decrease in its competitiveness in the market.

Naturally enough, in modern conditions energy conservation becomes one of the most important factors of economic growth and social development, allowing, at the same levels, to direct the released significant resources for other purposes.

The Company has an Energy Policy, which is responsible for the efficient use of energy and energy conservation, in order to strengthen the position of a leader and assume social obligations and responsibility for the environment. This policy indicates the main directions for drawing up successful and rational energy management programs to all employees.

The Company's activities in the area of energy conservation and energy efficiency improvement are based on the methodology of the international standard ISO 50001 "Energy Management Systems", which is the best generally recognised international practice for system management in this activity.



Energy consumption



Total energy consumption for 2022, 90.812.64 thousand GJ. %



Non-renewable fuels - 59,835.19 thousand GJ

- Electricity 16,733.31 thousand GJ
- Heat power 5,527.33 thousand GJ
- Steam 8,375.56 thousand GJ
- Electricity based on renewable energy sources - 341.35 thousand GJ

Total consumption of non-renewable fuels for 2022, 59.835.190 GJ. %





Due to the decrease in production volumes in the reporting year, there was a decrease in the consumption of purchased fuel, i.e., mazut, coal, liquefied gas, compared to 2021. Coke-oven gas and blast-furnace gas are produced and fully consumed inside AMT in coke and by-product process, in sintering machines, as well as in the production of hot metal in blast furnaces. The share of reused coke-oven gas and blast-furnace gas in 2022 amounted to about a third of the total energy consumption from non-renewable sources.

CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS

The Coal Division has demonstrated a 16 % increase in total fuel consumption over the past three years. This is caused by an increase in the consumption of liquefied gas due to an increase in the number of welding operations at the enterprises of the Coal Division, the transition from the equipment of kerosene cutters to gas cutters.

There was also an increase in coal consumption at its own boiler houses due to the additional purchase of coal by AngrensorEnergo LLP.

Due to a decrease in production volumes for the Iron Ore Division, there has been a decrease in fuel consumption over the past three years, mainly due to a decrease in the consumption of coal and natural gas.

Consumption of non-renewable fuel by divisions, thousand GJ



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Electric power consumption of own generation across AMT in 2022 is 15 % lower than in 2021 due to implementation of energy efficiency and energy conservation measures:

- 1. In the Steel Division, due to modernisation of engines.
- 2. In the Iron Ore Division, due to modernisation of the lighting system (replacement with LED and installation of a photorail), as well as the installation of frequency converters and softstart systems of engines.

The Steel Division includes PP-2, which releases thermal and electric power to the residents of Temirtau. The decrease in the sold steam was due to the reconstruction of the heat-exchange equipment of the Linde gas cold boxes and the termination of the steam supply by the Company. The percentage of energy sold during the reporting year amounted to 13 % of the total consumption of non-renewable sources.

Energy intensity of products 302-3

The specific energy intensity in AMT by product type is demonstrated in the graphs below. The increase in specific energy consumption per ton of coal produced is due to a decrease in coal production in the reporting period.

Consumption production and sale of electric power and heat across AMT thousand G L

GREENHOUSE GAS EMISSIONS

	2020			2021			2022		
	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division
eat energ	y of own generat	ion:							
	10,186.14	-	524.36	9,965.96	-	495.12	8,404.12	-	437.78
	1,886.47	3,009.55	334.54	2,220.31	3,172.73	333.72	1,981.95	3,229.17	316.21
	8,105.78	-	-	8,594.97	-	-	8,375.56	-	-
Total	20,178.40	3,009.55	858.90	20,781.24	3,172.73	828.84	18,761.63	3,229.17	753.99
ower:									
	4,686.52	2,362.57	-	4,814.78	2,245.84	-	6,034.80	2,197.87	-
s	237.89	-	-	351.81	-	-	341.25	-	-
Total	4,924.41	2,362.57	-	5,166.58	2,245.84	-	6,376.05	2,197.87	-
eat sold to	o third-party con	sumers:							
	2,111.97	-	-	2,172.25	-	-	2,240.94	-	-
	6,086.26	-	-	6,245.11	-	-	5,459.69	-	-
	3.23	-	-	0.84	-	-	0.72	-	-
Total	8,201.46	-	-	8,418.20	-	-	7,701.35	_	-
non-rene	wable fuel:								
Total	62,610.13	828.98	708.16	64,568.17	864.95	691.21	58,236.22	959.10	639.87
ption:									
Total	59,333.08	3,191.55	708.16	61,316.55	3,110.79	691.21	56,910.92	3,156.97	639.87
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ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS

Steel Division, GJ per ton of liquid steel



Coal Division, GJ per ton of coal produced



Iron Ore Division, GJ per ton of iron ore concentrate



Energy efficiency measures

Currently, AMT is implementing a number of measures to improve energy efficiency, such as replacing air heaters in blast furnaces for efficient fuel combustion, upgrading the engine system, upgrading the lighting system, and others.

In 2022, an energy audit was started in AMT. As part of this work, power supply and power consumption systems, fuel supply, compressed air and industrial gases generation and distribution systems, heat supply, water supply and other energy systems were examined.

In 2022, as part of the modernisation program, work continued on the installation of boiler No. 7 at PP-2. Introduction of a new boiler will solve the problem of interruptions in heat supply and create new reserves of electric power in Temirtau. Start-up works and commissioning are scheduled for November 2023.

Expected effect of the implementation of the event is an increase in thermal capacity by 80 Gcal and an increase in energy generation by 60 MW.





For additional generation of electric power from renewable sources. AMT is considering the possibility of installing windmills. Currently, work is underway to study the potential of wind speed in the planned area.

"Earth Hour" environmental campaign

"Earth Hour" is an annual international event held by the World Wildlife Fund.

The main idea of the event is to turn off the lights for one hour to stimulate interest in environmental problems around the world.

In 2022, AMT traditionally took part in the event. On 26 March, from 20:30 to 21:30, street lighting was off for exactly an hour on the square in front of the central entrance of the metallurgical combine and the plant management.





ENVIRONMENT
Specific name: Wild black cherry (Pádus virginiána)

A deciduous tree with a broad and branchy crown, growing up to 9 m, frost-resistant, decorative and useful fruit plant, blooms and bears fruit richly. It is widely used in landscaping gardens and parks.

It forms a lot of root shoots, which allows to create a sustainable and developing population when planting only a few saplings.

Its role is great in ecosystems, as a plant that creates forest understory, and a habitat for animals and birds.

During the implementation of the landscaping project, ArcelorMittal Temirtau JSC planted more than





ENVIRONMENT

OUR APPROACH

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AMT is the largest fully integrated ironworks in the Karaganda Industrial region and the Republic of Kazakhstan. The Company consistently strives to achieve the main goal of its Environmental Policy, i.e., the constant reduction and prevention of negative impacts of production processes on the environment.

The Steel and Iron Ore Divisions have implemented and operate an environmental management system in accordance with the requirements of ISO 14001-2015. Certification, recertification and inspection audits are conducted annually in order to verify the compliance of the Company's environmental management system with the requirements of the international standard ISO 14001-2015. Also, during the year, the specialists of the Nature Protection Department conduct internal audits of the environmental management system for compliance with the requirements of this standard.

The environmental management system in accordance with ISO 14001-2015 does not function in the Coal Division, but work is in progress to bring the environmental protection impact management system in line with the requirements of this standard.

On a quarterly basis, the specialists of the Nature Protection Department at the entrusted enterprises conduct internal inspections of compliance with environmental legislation, as well as an annual commission survey according to the schedule of visits to enterprises.

AMT makes the necessary efforts to reduce the negative impact on the environment by:

- 1. Allocation of necessary resources for environmental protection activities.
- Development and implementation of measures to reduce the specific consumption of energy resources, reduce emissions, discharges of pollutants, and increase the volume of waste disposal.
- 3. Continuous monitoring of the impact on the environmental protection.
- 4. Conducting an analysis of environmental risks for forecasting and managing the environmental safety of existing production.
- 5. The use of new available technologies, modern and highly efficient equipment for the purification of polluted air, wastewater and waste disposal during the implementation of new production projects, and the reconstruction of existing projects.
- 6. Improvement of the Company's environmental management system.
- 7. Improvement of ecological culture, professional development of employees and management of the enterprise to ensure their compliance with the requirements of the environmental legislation of the Republic of Kazakhstan and the Environmental Policy.



Activities within the Environmental Fund

In order to maintain environmental protection equipment in working condition, the Environmental Fund is formed annually in the Steel Division. Thus, during 2022:

- At the sinter plant, the sinter machine No. 7 was overhauled with the replacement of the linear cooler, the dust cleaning equipment was repaired with the cleaning of devices, revision of the traction devices in the amount of 124 pieces, the filter bags were replaced at AU-31, 39, in sintering bed at AU-5, in the cooling zone of sinter machines No. 5, 6, 7 of sinter shop.
- 2. In the blast furnace shop, a complete replacement of the bag filters of exhaust fans was performed, the power control module of the exhaust fan drive was replaced at BF 3, the current repair of exhaust fans of the central exhaust system BF 2 was carried out, the overhaul of BF 3 with gunniting of the furnace shaft was carried out, the hot stove No. 9 was put into operation.
- 3. In the converter shop, the current repair of gashandling equipment behind converters No. 1, 2, 3, power equipment of the main building of the converter department (pipelines, steam pipes, shut-off valves, boilers of water pumps) was carried out; fans were replaced at AU-5, 38, 41 of the main building; the electric motor of dust cleaning of LF-1, 2, bag filters of secondary gashandling and dust cleaning of LF-1, 2; failed sensors in the AG-prescrubber of converters No. 1, 2, 3, vacuum switches of drives of exhaust fans No. 1-3 of secondary gashandling.
- 4. Major repairs of coke batteries No. 1-5 have been completed in coke shops; work is in progress annually to purchase and replace frames and covers of loading chutes, doors of coke ovens, gas exhaust risers of coke ovens, covers of risers and contact surfaces, cranes for charging emission control of the furnace burden; installation of nitrogen pipe at COB No. 7 for nitrogen injection has been completed.
- 5. A new pitch grain mill has been put into operation in the tar processing shop.
- 6. At HRM-1 and Tin Plate Shop-3, the dismantling of sovtol transformers and the installation of dry-type transformers were carried out.
- 7. At Tin Plate Shop-3, six settling tanks of cutting coolants and two settling tanks of oil waste incineration buildings were cleaned.
- 8. Two branches of cutting ditch, oil coolers, shut-off valves, oil station filter systems in the combined tunnel were replaced in the long product rolling mill.
- 9. Repairs of boiler units No. 2, 3 and gas-handling equipment were carried out at PP-2. Repairs of boiler unit No. 3 and gas-handling equipment were carried out at pp-1, ongoing repairs of boiler units No. 2, 4, 5, 8 were carried out, as well as ongoing repairs of auxiliary equipment of boiler units (gas-handling systems, dust preparation, traction devices, sealing works, fuel supply equipment).

- Six condensate drains were manufactured and installed in the gas shop, the irrigation water pipe of the gas-handling prescrubber No. 3 was replaced, the section of the gas-handling tin dish No. 2 was repaired.
- 11. In the workshop of the treatment facilities, current repairs of the secondary settling tanks No. 1, 2, primary settling tanks No. 1, 4, sand traps No. 1-3, pumping unit No. 2 for pumping raw sediment at the pumping station of raw sediment No. 1, pumping unit No. 1 for pumping raw sediment at the pumping station for pumping fermented sludge were carried out; replacement of flue dampers 1-3 in the screen chamber compartment of the pumping station for collection and pumping of waste water, repair of raking devices No. 2, restoration of the air cutting system on the middle sludge channel, cleaning of oxidation ponds from accumulations of activated sludge, cleaning of the sand site No. 2, repair of the return sludge supply system to the air tank unit at the "Samal" treatment plant.
- 12. In the hydroengineering facilities and hydrotransport shop, the cutting ditch No. 1 was replaced: 200 m from the pumping station of Tin Plate Shop-3 to the central sludge station; the cutting ditch No. 1 was replaced: 400 m from the pumping station of the sludge pumping station to the central sludge pumping plant; the cutting ditches No. 1, 2, 3, 4 were replaced: 300 m sections from the central sludge pumping plant No. 1 to the ash pond; the clarified water conduit was installed on recycled water pumping stations-4, 5 and steel foundry shop.
- 13. In the Vehicle Transportation Shop, a sewage disposal machine for pumping coke chemical production waste and a snow melting machine were purchased.

Progress on implementation of the Roadmap for the comprehensive solution of environmental problems of the Karaganda region for 2020-2024

In 2020, AMT adopted a Roadmap for the comprehensive solution of environmental problems of the Karaganda region for 2020-2024, approved by the akim of the Karaganda region and the Minister of Ecology, Geology and Natural Resources of the Republic of Kazakhstan.

When drafting the Roadmap, the measures of the Comprehensive Plan to improve the environmental situation in Temirtau were updated, taking into account the commitments made to reduce the actual emissions by 30 % within the framework of the Memorandum on the Use of Natural Gas as Fuel and the replacement of mazut and solid fuel. The Roadmap provides for implementation of 23 environmental projects by AMT Steel Division, the main of which are measures to protect atmospheric air, land resources and industrial waste management.

Checklist on ecology

In order to improve the environmental situation and comply with environmental legislation in the subdivisions of the Iron Ore Division, the Checklist on Ecology program was introduced and implemented in the 3rd quarter of 2022. The purpose of the work is to cover all areas of environmental impact during inspections by the chief specialists of representative offices and branches. This program makes it possible to strengthen the impact of environmental safety in production and involve the maximum number of employees in environmental protection. For 6 months, the chief specialists conducted 489 inspections, 477 comments were identified, 467 of which were eliminated, 10 in the process of elimination with a deadline of elimination in January 2023.

> As part of the World Environment Day, various events were organised in the Company:

1. Contests of children's drawings on environmental topics among the children of the Company's employees.

2. "Eco-lesson for students of school No. 10 of Abay city" on the rational use of paper and plastic.

3. Environmental events for employees of the Coal Division aimed at improving the environmental literacy of employees, such as: a challenge to clean the forest belt of Shakhtinsk, mini-football field events, eco-flash mob, a mini-video contest on the "Eco footprint" topic, the "Good Lid" project to collect plastic lids, etc.

In addition, the Company held such events as:

1. Awarding of workshops and subdivisions of the Steel Division for active environmental work in eco-projects aimed at preserving the environment and improving the environmental situation. For the award ceremony, a special award was intentionally established: the "Rolling Cup", which will be annually transferred from shop to shop according to the results and results of the work of divisions with the least violations in terms of ecology.

2. Environmental events for employees of the Iron Ore Division aimed at improving the environmental literacy of employees, such as: various competitions among employees, planting saplings, environmental quizzes "EcoProsvet" and "Caring for the environment", newsletter "About the work of the enterprise in environmental protection" in the Lisakovsky branch, etc.

Implementation of the measures of the "Roadmap for the comprehensive solution of environmental problems of the Karaganda region for 2020-2024" for 2022

Group	Events	Expected effect/outcome
	Reconstruction of the electric filter behind the rotating furnace No. 2 of the limestone burning department with the installation of automatic monitoring devices (gas analyser, dust meter)	Reduction of dust emissions into the atmosphere by 120 tons per annum
	Reconstruction of dust cleaning equipment of sinter bunkers and limestone crushing buildings of the sinter shop with installation of bag filters	Reduction of dust emissions into the atmosphere by 480 tons per annum
	Reconstruction of aspiration units of coke screening station No. 2 of the coke shop (5 units);	Reduction of dust emissions into the atmosphere by 100 tons per annum
	Capital and current repairs of circular and battery emulsifiers,	Compliance with emission standards
	electric filters of boiler shops of PP-1 and PP-2	Reduction of dust emissions by 20 tons per an
	Repair of coke oven batteries No. 1-4	Reduction of fugitive emissions
Reduction of air pollutant emissions	Dismantling and installation of the flue gas duct for exhaust gases of coke oven battery No. 5	Elimination of underburning in the heating chambers by ensuring the design thrust and st heating of the coking chambers
	Reconstruction of the gas exhaust duct of the sintering zone of sinter machines No. 5-7 with the installation of electric filters	Reduction of dust emissions into the atmosphere by 2,100 tons per annum
	Construction of boiler No. 1 with installation of a new exhaust gas treatment system	Reduction of inorganic dust emissions by 600 ⁻ SO _x , by 300 tons per annum
A	Dismantling and installation of the flue gas duct for exhaust gases of the PP-1	Twofold reduction of fugitive emissions into the atmosphere (10 tons) due to increased pipe dr
	Design and reconstruction of dust cleaning equipment of car dumpers No. 1,2 of the coal preparation shop	Reduction of dust emissions into the atmosphere by 12 tons per annum
	Overhaul (reconstruction) of coke-oven gas purification from hydrogen sulphide in the gas shop	Compliance with the maximum permissible concentration of hydrogen sulphide at the bor of the sanitary protection zone of the enterpris (0.008 mg/m ³)
Reducing the negative impact of production	Ash pond elevation	Prevention of soil pollution
waste		

Recycling, disposal and sale of waste according to the AMT Production and Consumption Waste Management Program

Decrease in storage volumes by 1.3 million tons per annum





Environmental costs and payments



The total costs of AMT for environmental protection in 2022 amounted to KZT 17.2 billion. The costs include funds for implementation of the environmental protection plan, the activities of the Environmental Fund and investments in environmental protection.

In the reporting year 2021, there was a significant decrease (50.2 %) in environmental protection costs compared to 2020 due to the delay in the supply of equipment during the COVID-19 pandemic.

In 2022, due to the development of additional technical solutions for the implementation of projects, the costs of environmental protection measures decreased by 37.1 % compared to 2021.

Due to the development and implementation of the Roadmap for the comprehensive solution of environmental problems of the Karaganda region for 2020-2024, in 2021-2022, in contrast to 2020, there is a significant increase in investments in environmental protection projects.

Payments for the negative impact on the environment by AMT for 2022 amounted to KZT 5.05 billion. 63 % of payments relate

to emissions from stationary sources and amounted to KZT 3.2 billion, the share of payments from the placement of industrial waste amounted to 31 % or KZT 1.58 billion.

AMT costs for environmental protection. KZT billion

	2020				2021			2022		
	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	
Costs of environmental protection measures	15.20	1.00	0.10	7.20	0.57	0.32	4.30	0.56	0.24	
Investments in environmental protection	0.02	0.50	0.11	9.16	0.09	0.04	11.58	0.45	0.08	
Total	15.22	1.50	0.21	16.36	0.66	0.36	15.88	1.01	0.32	

Payments for negative impact on the environment, KZT billion

	2020			2021			2022		
	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division
Emissions from stationary sources	2.52	0.22	0.04	2.89	0.24	0.03	2.91	0.27	0.03
Discharges	0.15	0.01	0.02	0.17	0.02	0.02	0.16	0.01	0.02
Waste placement	1.27	0.17	0.14	1.49	0.19	0.14	1.21	0.21	0.15
Emissions from mobile sources	0.03	0.02	0.01	0.03	0.02	0.02	0.03	0.02	0.02
Total	3.96	0.42	0.21	4.57	0.47	0.21	4.31	0.51	0.23

Charged and paid fines for violation of environmental legislation by AMT

Indicator	2020	2021	2022
Total number of fines paid in the reporting period	15	33	55
Monetary value of fines charged and paid in the reporting period, KZT billion	0.01	1.38	0.06
The total number of fines charged for the prior reporting period, which were paid in the reporting period	-	1	1
Monetary value of fines issued for the prior reporting period, which were paid in the reporting period, KZT billion	-	1.88	0.001

During the reporting year,



with a monetary value of

were paid for cases of non-compliance with laws and regulations of environmental legislation.

AMT costs for environmental protection for 2022, %



Environmental investments

Environmental protection costs

Payments for the negative impact on the



on 03

22 15 02



Discharge – KZT 0.19 billion Waste placement – KZT 1.58 billion Emissions from mobile sources – KZT 0.08 billion

Emissions of pollutants

OUR APPROACH

AMT manages the issues of pollutant emissions in accordance with the environmental legislation of the Republic of Kazakhstan, as well as the Company's Environmental Policy.

Aware of all the responsibility for the negative impact on the atmospheric air that the Company exerts, measures are being taken to reduce the environmental burden, both in the city and in the region as a whole.

In March 2020, a Memorandum on cooperation in the area of environmental protection in the event of adverse meteorological conditions was signed with the akimat of Temirtau, the Department of Ecology of the Karaganda region and the branch of "Kazhydromet" RSE.

The Action Plan aimed at reducing emissions into the atmosphere from the technological equipment of the workshops and productions of the combine in the event of adverse meteorological conditions has been revised.

The Company monitors the implementation of measures developed for the period of adverse meteorological conditions, and keeps a log of the control of technological parameters.

Measures to reduce emissions of pollutants

Steel Division

As part of reducing emissions of pollutants into the atmosphere, the following activities are carried out in the Steel Division:

1. Modernisation of PP-1

The Company's management decided to modernise both technological and environmental equipment in the shop, since the boiler shop of the PP-1 is one of the main sources of emissions. Since 2021, the workshop has been working on a project for the construction of a new boiler No. 1.

The new boiler outperforms its predecessor in many ways:

- Better gas density.
- Better characteristics.
- A more extensive functional range.
- Work on both solid and gaseous fuels.

According to the production capacity, the outdated boiler could produce 220 tons of steam per hour, the improved one will produce 250 tons during the same time. The new boiler is capable of operating on five types of fuel: coal, mazut, coke, blast-furnace and natural gases. Therefore, boiler No. 1 with its capabilities is a good investment both in the present and in the future of the workshop.

A two-stage gas purification system will be installed on the new boiler, which will minimise the level of dust and sulphur dioxide emissions of exhaust gases into the atmosphere. The two-stage installation of circular emulsifiers provides for the passage of gases and dust through lime milk. In terms of sulphur dioxide and dust emissions, it is planned to reach European standards, which will reduce emissions. The boiler of this design will be the first in Kazakhstan.



2. Construction of boiler No. 7 at PP-2

lus	is part of the construction of boiler No. 7, modern lust cleaning equipment will be installed at PP-2.					
lso of f	lso, the new boiler is able to work on different types of fuel, which will reduce emissions of pollutants into					
ne	atmosphere.	8.				
'ne	e following works have been performed:	9.				
	Repair and restoration works of the main building of the axis 36-48 – 95 %.	10				
	Glazing of the main building – 80 %.	11.				
	Installation of the roof of the main building – 75 %.	12.				
The conveyor is mounted, dust and raw coal bunkers are installed – 100 %.						

3-3

305-7







- The boiler frame is mounted¹ 75 %. Installation of draught equipment – 67 %. Installation of flue gas ducts – 30 %. Installation of lifting mechanisms – 80 %. Installation of lime farming – 100 %. Installation of service platforms – 80 %.
- Installation of the first stage of emulsifiers 30 %.
- Installation of foundations for equipment 100 %.

3. #GreenAMTeam

AMT is implementing an environmental project to green the territories around Temirtau and within the city, which will help reduce the amount of dust in the air. The project is fully funded by the Company.

As part of this project, the following activities have been **Carried out:**

· In August 2022, as part of the landscaping project of Temirtau, AMT signed a cooperation agreement with the Bukeikhan Kazakh Research Institute of Forestry and Agroforestry ("A.N. Bukeikhan KazRIFA") and the Karaganda Economy for the Protection of Forests and Wildlife.

· As part of the Working Project on the creation of a "Green Belt" around Temirtau in the period from 2022 to 2026, developed by "A.N. Bukeikhan KazRIFA", a soil survey of 688 hectares of land allocated for planting green spaces was conducted. According to the results of the survey, forest-suitable plots of category II and III with an area of 344 hectares were identified.

• In 2022, the Company planted 100,000 saplings on 16 hectares (5 plots) in Temirtau. The types of saplings planted include: ash-leaved maple, pyramidal poplar, silver poplar, Siberian crab, golden currant, Siberian pea shrub, wild black cherry, Siberian elm, willow tree.

• In 2022, seedlings of Pinnately branched elm and ash-leaved maple were planted on the developed 102 hectares around Temirtau.





As part of this project, the following activities have been planned:

• In 2023, landscaping of the remaining 242 hectares of the "Green Belt" (approximately 525,000 seedlings) is planned.

• Planting works will be completed in the fall of 2023, maintenance work will continue over the next 3 years (until 2026).

• The total area of planting within the framework of the landscaping project is 360 hectares, of which 344 hectares are around Temirtau and 16 hectares are within the city limits.

The total amount of planting material is

1,056,000 200,0 units units

Not only the employees of the contracting organisation were engaged in landscaping, many employees of the Company, as well as representatives of the public association and schoolchildren took part in planting saplings.

A green square emerged behind the "Metallurg" stadium in the city. A special feature of this place were customengraved alleys. Plots were allocated in the park to create special alleys, each of which is marked with a sign indicating the subdivision, public association or subsidiary company, the representatives of which planted trees. Over time, those involved in the establishment of these alleys will be able to come and admire the results of their labour.

In addition, the Company carries out actions to distribute saplings to residents of Temirtau and greens the sanitary protection zone of the territories of AMT. It is worth noting that the residents of the city undertake to take care of the saplings after planting them.

In order to green the territory of the sanitary protection zone in 2021-2022, more than 8,400 hardwood saplings were planted, and the Company provided more than 14,000 saplings of deciduous and shrubby species for landscaping the city.

THE SUSTAINABILITY REPORT 2022

Including about

of additional planting material

Coal Division

In the Coal Division of AMT, the following measures of the environmental protection plan for the protection of the air basin were carried out during the reporting period:

> Dust suppression, (irrigation) of technological highways of the industrial site, roads of quarries and dumps, the territory of the motor transport workshop.

- Carrying out timely maintenance, repair of dust collecting equipment.
- Carrying out measurements and monitoring of the toxic level of motor vehicle engines.

 Carrying out works on the equipment of the coal warehouse of the boiler mine with fencing.

 Carrying out instrumental measurements at organised sources and at the border of the sanitary protection zone.

Every year, the mine named after V. I. Lenin uses coal mine methane to generate heat in the boiler room and electric power in the gas generator to reduce emissions into the atmosphere.

In 2022, the total volume of methane gas used was 3.437 thousand m^3 (in 2021 – 9.345 thousand m³). This ensured a reduction in greenhouse gas emissions into the atmosphere due to savings in coal consumption.

Every year the enterprises of the Coal Division submit an updated register of PCB-containing equipment accounting to the Department of Ecology.

As of 2022, based on the results of laboratory tests of power oil-filled equipment, the presence of PCBs in the equipment was confirmed at the mine named after I. A. Kostenko and PU "Energougol".

As of 31 December 2022, according to the contractual obligations of the contracting organisation by the mine named after I. A. Kostenko transferred 61 condensers containing PCBs, and 96 condensers to PU "Energougol". During the year, inventory numbers and labels on the absence of PCBs in the equipment were updated.

Iron Ore Division

In order to comply with emission standards, environmental protection measures are carried out annually.

In 2022, in the Lisakovsky branch, the repair of the dust extraction systems No. 1 and No. 2 was completed at the gravity-magnetic concentration factory crushing site.

We performed a complete replacement of Venturi pipes, SIOT scrubbers, exhaust fans, and air ducts. Commissioning works were carried out, instrumental measurements of the efficiency of the equipment were put into operation. The work performed allows not to violate the established limits on emissions of pollutants into the atmosphere.

The rest of the mines were not left without attention, a purifier for cleaning dusty air from a grinding machine was purchased at the Orken - Atasu Representative Office of Orken LLP, and the implemented dust and gas cleaning equipment cyclones TsN-15 in the boiler room is fully operated at the Orken – Kentobe Representative Office of Orken LLP to capture fine dry dust (ash) from two boilers, a new cyclone-type aspiration unit for cleaning dusty air was put into operation at the Orken - Atansor Representative Office of Orken LLP at the crushing and processing plant.

Total emissions of pollutants by type, 219.62 thousand tons, %



Others – 0.62 thousand tons

Carbon monoxide CO (55.8 %), SO, (23.2 %), dust (13.6 %) and NO_v (6.9 %) made the largest contribution to the Company's emissions of pollutants into the atmosphere in 2022, while the least contribution was made by volatile organic compounds (VOC) (0.2 %), particulate matter (PM) (0.005 %) and others (0.3 %).

Emissions of AMT pollutants into the atmospheric air, thousand tons per annum

Indicator	2020	2021	2022	Change in 2022 compared to 2021, %
Dust	30.88	28.38	29.87	5.3%
NO _x	14.60	13.98	15.12	8.1%
SO _x	49.49	52.29	51.02	-2.4%
СО	130.30	128.03	122.54	-4.3%
Other	0.70	0.54	0.62	15.0%
Particulate matter (PM)	0.01	0.01	0.01	-2.5%
Volatile organic compounds (VOC)	0.33	0.38	0.44	16.4%
Total	226.27	223.60	219.62	-1.8%

The main sources of emissions are:

• by dust - sinter workshops, PP-1 and PP-2 - they account for 77 % of the total AMT dust emissions. Dust emissions depend on the quality of mineral raw materials, fuel (ash content) and the efficiency of dust cleaning equipment.

 for sulphur dioxide – sinter shop, PP-1 and PP-2 - 94 % of all sulphur dioxide emissions of the plant. Sulphur dioxide emissions depend on the sulphur content in the composition of

In 2022, there is a general decrease in emissions of pollutants by AMT by 1.8 % compared to the prior year, in particular, emissions of CO decreased by 4.3 %, SO, by 2.4 % and particulate matter (PM) – by 2.5 %, with the exception of volatile organic compounds (VOC), the increase in emissions of which is due to an increase in consumption paints and varnishes and electrodes (see Annex 1).

In the Steel Division, compared with 2021, emissions of pollutants into the atmosphere were reduced by 2.6 % or 5 thousand tons, which is primarily due to a decrease in the production of agglomerate, hot metal and steel. In general, the plant's specific emissions of pollutants decreased from 60.1 to 59.8 kg per ton of steel, specific dust emissions increased from 6.1 to 6.6 compared to the prior year.

Gross emissions of pollutants from the Iron Ore Division in 2022 decreased by 11.8 % compared to 2021. This is due to a decrease in production and processing volumes and the absence of stripping operations (Lisakovsky branch), the commissioning of a new aspiration unit at the crushing and processing plant (Atansor representative office).

Specific emissions of pollutants in kg per ton of products for 2022

Indicator	Liquid steel	Coal produced	Iron ore concentrate
Dust	6.63	0.94	0.31
NO _x	4.14	0.17	0.01
SO _x	14.37	0.40	0.02

the ore mixture during sintering (mainly Kentobe ore), mazut, solid fuels and industrial products.

for carbon monoxide –

agglomeration and converter shops - 89 % of total carbon monoxide emissions. Carbon monoxide emissions are caused by incomplete combustion of fuel during sintering and carbon oxidation of hot metal in the converter shop.

In particular, the Iron Ore Division has seen a significant reduction in emissions of volatile organic compounds (VOC) by 85.4 % due to changes in the qualitative and quantitative characteristics of emission sources.

Emissions from the Coal Division are increasing by 13.2%, which is explained by the use of imported low-quality coal with high ash content in 2022.



WASTE MANAGEMENT

OUR APPROACH

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In taking care of natural resources, it is important to create a waste-free production, getting the most out of production with a minimum amount of waste.

The Company processes scrap metal at its plants, as well as steel production waste for further use (own or third-party enterprises).

Such a policy makes it possible to use the resources available to the Company reasonably and earn additional profit.

AMT manages waste in accordance with the environmental legislation of the Republic of Kazakhstan, as well as the Company's Environmental Policy.

Collection and monitoring of waste data in the Company is carried out through an automated system of weight accounting and dosimetric control, contributing to the accurate accounting of volumes of exported and imported waste.

In addition, each workshop provides monthly reports containing information about the waste removed during this period, which is compared quarterly with the information in the database..

Waste processing and disposal is carried out both within the Company and outside, by transferring to a third-party organisation on a contractual basis.

Representatives of AMT, before concluding an agreement with a third-party organisation for waste processing, conduct an audit in order to verify compliance with regulatory documents, confirm the availability of appropriate equipment for waste processing or disposal.

A repeated inspection audit of a third-party organisation with which a contract has been concluded is carried out in the process of fulfilling its contractual obligations for recycling or waste disposal.

This practice is mainly applied to hazardous waste. To date, the frequency of such field audits is not regulated, and the AMT plans to introduce regular inspections of contractors.

During the reporting period, according to the Roadmap for the comprehensive solution of environmental problems of the Karaganda region for 2020-2024, AMT Steel Division carried out work on ash pond elevation in order to prevent contamination of the soil cover and eliminate the need to build a new waste storage facility, as well as recycling, disposal and sale of waste in accordance with the AMT Production and Consumption Waste Management Program in order to reduce storage volumes.

Eco-challenge #temirTAuZA_QALA

On 29 July, employees of the Steel Division took part in #temirTAuZA_QALA eco-challenge. The participants cleared one of the shores of the Samarkand reservoir of garbage and household waste.

The purpose of the campaign is to clean the shore of the reservoir from garbage and to form a careful attitude of people to nature, in particular to water resources.

Waste generation



During the reporting period

million tons of waste

were generated in the AMT, while the volume of hazardous waste aeneration amounted

to 2.99 million tons which is 8.7% less than in 2021



Waste generation in AMT, million tons



The total volume of AMT waste by the method of treatment, million tons



Steel Division

Due to the consumption of large volumes of mineral raw materials and fuel for the production of steel, the AMT Metallurgical Plant is the leader in the volume of waste generated among other divisions of the Company. In the Steel Division, the intensity of waste generation during the reporting period amounted to 1.98 tons of waste generated per ton of steel (2021 - 1.95 tons per ton of steel, in 2020 - 2.06 tons per ton of steel).

The increase in intensity is associated with an increase in the formation of non-hazardous production waste mainly:

 Coal enrichment rocks - due to an increase in the volume of processing of extracted coal due to its high ash content of ordinary coal.

 Construction waste – generated due to dismantling of buildings and structures.

From non-hazardous waste during the reporting year, there was a decrease in the formation of coal enrichment tailings (by 15.1%) due to a decrease in the yield of concentrate from jigging machines, as well as undersized coke (by 17.7 %) due to a decrease in hot metal production.



Volumes of waste generation by the Company and methods of management, million tons⁹

)21			2022	
Coal	Iron Ore	Steel	Coal	Iron Ore
ivision	Division	Division	Division	Division
0.10	-	2.87	0.12	-
0.02	-	2.34	0.03	-
0.08	-	0.52	0.10	-
3.14	11.20	3.94	2.80	13.04
0.27	0.32	1.14	0.17	0.28
2.53	10.79	2.80	2.28	12.56
3.24	11.20	6.81	2.92	13.04
0.29	0.32	3.48	0.20	0.28
2.61	10.79	3.32	2.38	12.56







Despite the general decrease in hazardous waste generation in the Steel Division, gas condensate waste increased by 15.8 % during the reporting year, which is due to an increase in coke production.

The share of waste directly related to metallurgical production is 35.2 %, while the main amount is formed at the stages of preparation of raw materials and fuel for metallurgical conversion and in the production of energy sources.

Coal Division

At the enterprises of the Coal Division, the specifics and activities of which vary greatly, more than 45 types of production and consumption waste are generated.

The main contribution to the amount of waste generated is made by: mine rock, flotation slurry and ash slag, which are placed in their own storage facilities (rock dumps, tailing ponds).

Hazardous waste includes ash slag, spent mine self-rescuer, spent oils, spent filters, spent batteries, oiled rags, oiled sawdust, oiled sand, spent mercury-containing lamps, capacitive fuel equipment, capacitive PWM equipment. aspiration fines, and non-hazardous waste includes flotation slurry, rock, scrap metal, scrap abrasive products, aspiration coal dust, abrasive dust, Rubber Technical Products waste, mine water treatment sludge, construction waste, solid waste.

At the enterprises of the Coal Division, Action Plans have been formed aimed at reducing rock dumps.

Iron Ore Division

At the mines of the Iron Ore Division, overburden rocks, enrichment tailings, host rock, sludge, ash and slag waste, ash of ash catcher systems, construction waste are formed.

During the reporting year, the volume of waste generation in the Division amounted to 13.04 million tons, of which 86 % is accounted for overburden.

The volume of formation of waste rocks increased by 23.2 % compared to the previous one due to an increase in stripping operations according to the plan. The reduction in the formation of aspiration fines is due to a 50 % decrease in ore processing and concentrate production (see Annex 1).

According to the draft standards for waste disposal, at all offices of the Iron Ore Division, production and consumption waste that is not suitable for placement at storage landfills is transferred on a contractual basis to a thirdparty organisation.

Waste is temporarily stored in containers or on equipped sites and, as it accumulates, is transferred to licensed companies at least once every six months.

The Company is switching to an electronic document management system. Through the use of electronic documents, AMT reduces paper waste and the number of spent cartridges.

Recycling and reuse



The share of recovered waste in AMT



The share of recycling of generated AMT waste in 2022 decreased and amounted to 17.4 %.

The decrease was due to the level of waste processing in the Steel Division - by reducing the extraction of scrap from the steelmaking slag dump; and in the Coal Division - by reducing the volume of waste generation.

Steel Division

In total, according to the results of 2022, 3.5 million tons of waste were recovered by the Steel Division (in 2021 – 3.7 million tons, in 2020 – 4.3 million tons), of which 98.3 % of the Steel Division recycles or reuses within the enterprise, the rest (1.7 %) transfers to third-party organisations for disposal.

The slag processing shop is engaged in processing the entire volume of fire-liquid slag into products, which include granular slag, crushed stone, and screening, for further sale.

Over 0.45 million tons were sold to third-party organisations as marketable products.

In 2022, blast-furnace slags with a volume of 0.16 million tons were additionally lifted from the pond, which were used for their own needs in the workshop of hydraulic structures, the workshop of water supply and the department of motor transport.

In 2022, contractors applied magnetic separation from steelmaking slags dump to extract and send scrap and scale as secondary material resources for the production of sinter, hot metal and steel over 0.24 million tons (in 2021 – 0.30 million tons, in 2020 - 0.60 million tons), which is 20.0 % lower than in 2021.

A significant decrease in the processing of steelmaking slag in 2021 and 2022 compared to 2020 is associated with a decrease in the extraction of scrap from the steelmaking slags dump.

During the reporting period, the entire formed screening of sinter and coke, aspiration fines, blast-furnace dust, scale, sinter sludge and coke sludge with a total volume of 0.85 million tons was used in the production of sinter (in 2021 – 0.97 million tons, in 2020 – 1.09 million tons).

The increase in the reuse of gas condensate by 15.8 % from 0.13 million tons to 0.15 million tons (in 2020 – 0.12 million tons) in 2022 compared to 2021 was due to an increase in coke production.

The chemical plant unit is designed for regeneration of spent pickling solution to obtain regenerated acid and iron oxide, with subsequent use in production.

In 2022, more than 0.04 million tons of acid were returned to production and processed, 0.007 million tons of iron oxide – 100 % of the amount of waste generated.

Waste oils and oil sludge after the treatment of technological waste water are transferred to a third-party organisation for further processing and obtaining lubricants.

In 2022, 0.004 million tons or 100% of waste oil and sludge from oil-containing rolling mills, oil sludge (bottom settlings) were processed.

Since 2012, tar decanter sludge, and since 2015 – acid tar, hazardous liquid waste from coke production, previously exported and placed in chemical waste dumps, are returned to production in 100 % volume. In 2022, 0.0004 million tons of tar decanter sludge and 0.0004 million tons of acid tar were disposed of.

In the workshop of reinforced concrete products and metal structures, the processing of waste from the workshops of the enterprise is organised: refractory bricks, waste from washing mixers, *** aluminogel from naphthalene cleaning, spent solvent.

At the tailing pond No. 3, work is being carried out on deepening, excavation of sludge and tailings to obtain concentrate from coal flotation waste for further use at the PP-1 as a partial replacement for solid fuel.

The main part of the removed sludge and tailings is transported to the tailing pond No. 2 (in accordance with the conclusion of the state expertise, rehabilitation of the tailing pond No. 2 should be carried out using tailings from the pond No. 3).

As a result of the processing of hard zinc, pure, free from contamination zinc is returned to production, while the melting waste is transferred to organisations for the processing and production of zinc whitewash and fertilizers. In 2022, more than 0.002 million tons of hard zinc were processed.

In accordance with the requirements of environmental legislation regarding the ban from 1 January 2019 on the placement of paper and plastic waste at landfills in the workshops and divisions of AMT, work has been organised on the separate collection of waste of used paper and plastic bottles for the purpose of their further transfer to thirdparty organisations for disposal.

In 2022, more than 0.0001 million tons of waste paper and plastic were collected and transferred for recycling.

Coal Division

The Coal Division recovered 0.2 million tons of waste during the reporting year (0.3 million tons in 2021, 0.3 million tons in 2020), of which 98.1% is reused by the Coal Division for its own needs, the remaining 1.9 % (scrap and chips of ferrous and non-ferrous metals) is transferred to the Steel Division for processing.

Mine rock and ash slag are partially used for filling access roads, to prevent flooding and water logging of access roads, for rehabilitation.

In addition, the following types of waste are partially used at the enterprises of the Coal Division: oil sludge formed during tank cleaning, waste oils, spent quartz sand, woodworking waste, crop production waste, rubber waste, thermal insulation waste, paint and varnish storage equipment, fuel storage equipment, out-of-use workwear.



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Iron Ore Division

In 2022, in the Iron Ore Division, the volume of waste reused for its own needs is 0.28 million tons (in 2021 - 0.32 million tons, in 2020 - 0.15 million tons), which amounted to 2.2 % of the total volume of waste generated.

In the Iron Ore Division, the enrichment tailings formed during magnetic separation at the crushing and processing plant are accumulated in a warehouse and are fully used for their own needs, including for filling and forming roads.



Waste placement



Steel Division

In the reporting year, the implementation of an important environmental and social project was completed – strengthening the body of the ash pond dam with its elevation.

This project made it possible not only to strengthen the body of the dam, but also eliminated the need to build a new storage facility for industrial waste, which means it prevented the contamination of additional land resources.

When strengthening the body of the dam, blast-furnace slag was used as a material, which made it possible to reduce the volume of accumulated man-made mineral formation (blast-furnace slag) and prevent flooding of the adjacent territory with sludge and ash, and slag waste.



According to the project of strengthening and elevating the body of the dam, the ash pond is divided into western and eastern sections.

In 2022, work on the western section was completed. As a result of the reconstruction work, the storage capacity increased to 18 million m³ with the expansion of the dam to 101.3 m, which in turn will increase the life of the ash pond by 14 years. Similar work is planned for the eastern section.

Since 2022, the contractor has been installing an automated system for monitoring the integrity and stability of the ash pond dam as part of a build-up project using pressure gauges for filtration studies and inclinometers to determine the stability of the dam wall position with a quantitative assessment of the magnitude, speed and direction of inclination.

In addition, the international Company conducts satellite monitoring of all AMT facilities. Monitoring data is stored in an automated accounting system.

A step-by-step project has been developed for the recultivation of the ash pond with a preliminary date for the start of the first stage in 2045.

Coal Division

In 2022, only 2.4 million tons of waste were removed (in 2021 – 2.6 million tons, in 2020 – 2.6 million tons), of which almost the entire volume (99.9 %) was placed and disposed of on the Company's territory, the remaining 0.1 % was transferred to a third-party organisation for disposal.

The main part of the waste being disposed of is rocks that are by-products of coal mining.

Iron Ore Division

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In 2022, 11.6 million tons were placed in the Iron Ore Division (in 2021 – 9.98 million tons, in 2020 – 9.16 million tons) waste and 0.93 million tons of overburden and enrichment tailings were used for rehabilitation within the Company.

The decrease in the placement of tailings of the Iron Ore Division in 2022 compared to the prior year by 47 % (see Annex 1) is due to a decrease in the volume of ore extraction and processing.

Tailing ponds

The Company, in its activities for the management of the safety of tailing ponds, is guided by the relevant legislation, production and technical instructions, an accident response plan, and the Global Industry Standard on Tailings Management (GISTM) and international standards.

On the territory of the Steel Division there is a tailing pond No. 2 with a capacity of 23.8 million m³, which is currently not in operation, and an operating tailing pond No. 3 with a capacity of 18 million m³. Work on recultivation and conservation of the tailing pond No. 2 is planned to be completed by 2030.

It is worth noting that the Steel Division has developed a project for the transition to dry storage and in the future, they plan to use paste storage after the launch of thickeners. This will reduce the burden on the environment and increase economic benefits by reducing capital investments.

Since 1972, the Iron Ore Division has operated the main tailing pond with a design capacity of 212 million m³ and a total tailings weight of 91.5 million tons (with a design capacity of 340 million tons). In addition, an emergency tailing pond with a design capacity of 1.5 million m³ is being operated. In 2022, the contractor carried out topographic surveys of the dam, the thrust prism, the beach of the bottom of the emergency and main tailing pond (determination of the volume of tailings deposits, the volume of accumulated water, determination of the capacity of the pond) and surveys of four main and diluting pulp pipelines.

The AMT Coal Division operates new tailing pond No. 2 in Abay, the Karaganda region. The tailing pond is 10.2 million m³ with a total tailings weight of 1.6 million tons. Old tailing pond with a capacity of 8.2 million m³ with a total volume of 6.9 million tons of tailings dump has been decommissioned.



WATER RESOURCES MANAGEMENT



AMT, realising the importance of compliance with obligations on responsible water use, pays great attention to ensuring the rational use of water resources and improving the quality of wastewater. The Company's environmental policy provides for the reduction and prevention of negative impacts on water resources, including the reduction of discharges of pollutants. AMT provides residents of Temirtau with heating, hot water supply and is engaged in sewage treatment.

The use of water resources is carried out by the Company at all stages of the production cycle. Water supply for industrial needs is carried out by means of withdrawal from surface water bodies, underground sources, and urban water supply systems. According to the Aqueduct platform, the main part of AMT's production sites is in an area with a moderate shortage of water resources, except foone site (the Atasu mine in the Ulytau region), which is in an area with an extremely high level of water scarcity.

Location of AMT production sites on the water shortage risk level map¹⁰ according to the Aqueduct platform







There is a circulating water supply system in all three divisions of the AMT. The reuse of purified water for technological purposes reduces water consumption and reduces the burden on the environment. To improve the efficiency of the circulating water supply system, a Water Management Strategy is being developed in AMT, in 2022 work was carried out on the survey of the Company's water management, which is scheduled to be completed in the first quarter of 2023.

To develop a project for creating a closed recycling cycle, the Steel Division has begun research work on drainage into a cooling pond.

At the enterprises of the Coal Division, it is planned to implement measures to increase the efficiency

of small reserve tanks as part of local treatment facilities (cleaning, flushing, repair of receiving wells of sedimentation tanks based on mine water).

The Iron Ore Division carries out production operations considering the results of studies conducted earlier in order to determine the impact of the enterprise on water resources, as well as taking into account the requirements of environmental legislation, such as monitoring of water resources within the framework of the industrial environmental control program, keeping records of water consumption and sanitation, compliance with the rules of operation of treatment facilities.



The total volume of AMT water withdrawal for the reporting year amounted to 240.82 million m³. The Company records water consumption according to the rules of "Primary water accounting" approved by the Order of the Minister of Agriculture of the Republic of Kazakhstan dated 30 March 2015 No. 19/1-274. In the Steel Division, water withdrawal is carried out mainly from surface water bodies, while in the Iron Ore Division, the main source of water is mine waters, accompanying technological processes - up to 94 %.

Water withdrawal by AMT, million m³





AMT water withdrawal sources for 2022

There is a decrease in the share of the Company's circulating water supply due to a decrease in the volume of reused water in the Iron Ore and Coal Divisions.





Steel Division

Fresh water withdrawal in the Steel Division is carried out from the Samarkand reservoir for cooling the equipment of the PP-1 and the Satpayev canal for technological needs (preparation of chemically purified and desalinated water).

Water from the cooling pond is used to cool the equipment of the PP-2 and replenish the losses of the circulating cvcles.

The recycled water of the ash pond, tailing pond No. 3. pumping and gas-cleaning stations, workshops of the metallurgical combine is used for ash dewatering and

Consumption of fresh water by AMT for production needs



Specific consumption of fresh water for production needs, m³ per ton of steel

Coal Division

Water supply for household, technological and auxiliary needs of the Coal Division is carried out from underground water deposits. For technological needs, purified mine water is used, which is formed as a result of drainage of mine fields.

Despite the decrease in coal production in 2022, the total volume of water withdrawal in the Coal Division increased by 20 %, which is explained by an increase in the volume of coal enrichment.

Iron Ore Division

The economic and drinking, technical and auxiliary water supply of the objects of the Iron Ore Division is carried out from wells of underground water deposits, as well as from the city water supply. Water withdrawal is carried out on the basis of received permits for special water use.

The process of iron ore mining is accompanied by the accumulation of water coming to the surface from the aquifer during the formation of mine workings and open pits.



transfer, on gas-cleaning equipment, for cooling the strip in rolling shops. Drinking water from underground wells of the headwater of the Sergiopol water withdrawal is used for technological and household purposes.

The specific consumption of fresh water for production needs for the reporting year amounted to 62.7 m³ per ton of steel produced.



Water withdrawal and discharge intensity, m³ per ton of steel

The mines of the Division are equipped with pumping stations that allow pumping out these waters and using them for the technological needs of the Iron Ore Division.

Mine waters are used for technical and production needs (operation of drilling rigs, tunnelling drills, irrigation of ore during mining and crushing) and at the processing plant.

Open-pit mine water in the Division is used in the circulating water supply of the factory during ore processing, as well as for irrigation and dust suppression of technological roads of the open-pit mine and dumps.

Due to the small amount of atmospheric precipitation, the supply of the aquifer decreased, which resulted in a decrease in the volume of open-pit mine waters to recharge the circulating water supply of the Iron Ore Division.

During the reporting year, the Division's circulating water supply decreased by 46 % and amounted to 28.14 million m³.

Water discharge



Wastewater discharge in AMT is carried out in accordance with the requirements of the current legislation of the Republic of Kazakhstan, established by the standards of the MPD, on the basis of issued emission permits.

To control the quality and quantity of wastewater at AMT enterprises, the volumes of wastewater and pollutants in the waste water outlets are monitored.

Wastewater analysis in the outlets of the Steel Division is carried out weekly by the laboratory for the protection of reservoirs of the Nature Protection Department, in Coal and Iron Ore Divisions quarterly by an independent accredited laboratory. To control the volume of discharged water, water metering devices are used, which allows accurate accounting of discharged water.

The quality of surface waters of watercourses and reservoirs is monitored annually, the quality of groundwater in the area of the enterprise location is monitored.

The total volume of waste water disposal by AMT for the reporting period amounted to 197.67 million m³, while the Steel Division accounts for 98 % of the waste water discharged. The discharge of treated waste water is mainly carried out into surface reservoirs and only a small part (less than 1%) of the waste water is transferred to third parties.

Total discharge of water by AMT to all districts by types of receiving water bodies for 2022, million m³

Total	193.62	4.01	0.04	
Transfer to a third-party organisation	-	-	0.01	
Municipal waste water treatment plants	-	0.43	0.03	
Water discharge to third parties, including:	-	0.43	0.04	
Surface water	193.62	3.58	-	
	Steel Division	Coal Division	Iron Ore Division	
	2022			

Volume of water disposal in AMT, %



Steel Division

Industrial polluted wastewater is formed mainly as a result of cooling and purging cycles of technological equipment, as well as a result of hydraulic cleaning of cokeoven gas and capture of blast-furnace gas condensate. These waters are sent to the treatment plant workshop for full biological treatment.

In addition, household wastewater from all workshops of AMT, household wastewater of the city and polluted waste water of urban industrial enterprises are received. After the treatment plant workshop, the treated wastewater is discharged into the Nura River.

Technological effluents are discharged into circulating cycles, into an ash pond, into a tailing pond. Production process water from cooling equipment is discharged through the storm sewer system into the water outlets and then into the cooling pond. Excess water from the cooling pond is discharged into the Samarkand reservoir through a culvert.

The amount of pollutants discharged into the surface reservoirs of the Samarkand reservoir and the Nura River in 2022 amounted to 108.3 thousand tons (in 2021 - 121.4 thousand tons, 2020 – 116.2 thousand tons), which is

10.6 % less than in 2021.

The decrease in the amount of pollutants discharge is explained by the low volume of flood waters entering the cooling pond.

The intensity of pollutants discharge in 2022 also decreased by

5.8%

Coal Division

Discharge of domestic wastewater is carried out mainly in urban collectors-receivers of wastewater, also on land and in the evaporation pond. Only at the Saranskaya mine, household water mixed with mine water is discharged into the Sokyr River after purification.

In 2022, at the Kazakhstanskaya, Abayskaya, Shakhtinskaya, Tentekskaya, and the mine named after V. I. Lenin, major repairs were carried out on the treatment facilities of mine, household water and sewage pumping station.

Iron Ore Division

Water discharge in the household direction of the Lisakovsky branch is carried out in the city sewer networks. The wellbore water used for the drinking needs of the Atasu mine enters its own treatment facilities and returns to the processing plant's turnaround cycle. At the Kentobe mine, the Alta Air Master Pro domestic wastewater treatment facilities are operated, commissioned in 2021, the discharge of treated wastewater takes place in a specially equipped evaporation pond of the mine. Water discharge of the Atansor mine is carried out in septic tanks with subsequent removal by vacuum tankers of a third-party licensed company for cleaning.

The remaining unclaimed volume of mine and open-pit mine waters generated during the production activities of the division is diverted to a specially equipped evaporation pond.

At the Atasu mine, the discharge of pollutants into the mine water storage and evaporation pond in 2022 amounted to 6.1 thousand tons, which is 30.6 % more than in 2021. The increase was due to a decrease in water consumption at the processing plant, as well as due to an increase in mine water inflow. At the Kentobe mine, the discharge of pollutants into the evaporation pond of open-pit mine waters in 2022 amounted to 63 tons, which is 50 % less than in 2021. The decrease occurred as a result of an increase in the use of water volume for irrigation, as well as due to a decrease in open-pit mine water inflow.

Wastewater analysis is carried out by an accredited laboratory using state standards for identification of pollutants. The following types of pollutants predominate in the waste water of the Iron Ore and Steel Divisions: suspended substances, ammonium nitrogen, phenols, petroleum products, total ferrum, anionic surface-active compounds, BOD,

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COD, sulphates, chlorides, manganese, barium and polyphosphates.

During the reporting year, according to the results of an inspection by the Department of Ecology of the Karaganda region, the Iron Ore Division recorded high discharge of pollutants of treated domestic wastewater into the evaporation pond that exceeded emissions standards. Exceeding the limits is associated with power outages and, accordingly, unstable operation of treatment facilities. Excess amounts of iron, sulphates, and chlorides were recorded in the wastewater of the Steel Division during the reporting year. The Company promptly paid a fine for excessive discharge of pollutants.



Water consumption



The volume of consumptive water use, million m³

	2020			2021			2022		
-	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division
Total water consumption from natural sources	227.44	6.72	5.42	220.11	6.93	4.37	228.33	8.37	4.13
Water discharge to a natural source	193.94	3.87	-	205.00	3.88	-	193.62	4.01	-
Water consumption	33.51	2.85	5.42	15.11	3.05	4.37	34.70	4.36	4.13
Total across AMT		41.78			22.52			43.19	

The Iron Ore Division does not discharge water into natural sources. All wastewater circulates in a closed system, is discharged into evaporation ponds after purification or without purification or is transferred to licensed companies for purification. The volume of consumptive water use of the Coal Division includes water disposed on land, to artificial receivers (filtration fields, an evaporation pond), the Steel Division – to an ash pond, to a tailing pond.

Biodiversity and land use

OUR APPROACH





• AMT is implementing an environmental project for landscaping the territories around Temirtau and within the city. As part of the project ash-leaved maple, pyramidal poplar, silver poplar, golden currant, Siberian pea shrub, wild black cherry, Siberian elm, and willow tree were planted. In 2022, 226 thousand seedlings were planted in the green zone around Temirtau on 102 hectares of forestsuitable plots out of the planned 344 hectares of territory. The total area of planting is 360 hectares, of which 344 hectares are around Temirtau and 16 hectares are within the city (for more information, please see "Management of pollutant emissions" section).

• Planting and care of saplings is carried out annually on the territories of industrial sites and on the borders of the sanitary protection zone of enterprises of the Coal Division. In 2022, 880 saplings of birch, common pine, pyramidal poplar, and silver poplar were planted. 4,153 saplings were also planted in parks, schools, and on the streets of Shakhtinsk and Abay.

• Landscaping of the territories of the mines of the Iron Ore Division is carried out annually. 250 saplings of coniferous and broadleaved species were planted in the reporting year. With the support of the akimat of Lisakovsk, 150 pine saplings were planted in the industrial zone.

Impacts on biodiversity



AMT's production areas are located remotely from protected areas and areas of high value for biodiversity. The nearest specially protected natural areas include:

• Karkaraly National Park, 45 km from the Kentobe mine in the Karaganda region.

 Naurzum State Nature Reserve at a distance of 330 km from the mine in Lisakovsk, Kostanay region.

• Altyn Dala Natural Reserve at a distance of 512 km from the mine in Lisakovsk, Kostanay region.

The biodiversity of industrial sites occupied by the Steel, Coal and Iron Ore Divisions is 100 % covered by the EIA or a similar document.

Animals and plants that have been significantly affected during the Company's activities have not been identified. The species composition of the territory is typical for the natural zone of the regions where AMT is present, the state of plant formation is baseline, the suppression of vegetation cover has not been revealed. There are no species listed in the IUCN Red List and the national list of threatened species of the Red Book of the Republic of Kazakhstan in the regions of the AMT presence.

Restored habitats



AMT continues to work on rehabilitation of mining with production waste generated during the production activities of the crushing and processing plant and the "Zapadny Karazhal" mine. After the revision of the project, work on the complete rehabilitation of the site is scheduled to be completed by 2098.

The plot is located in the Ulytau region with an area of 136 hectares. The involvement of production waste in the rehabilitation of mining allows to get away from the need for land acquisition for the placement of storage dumps, and reduce the time of liquidation of the deposit at the time of closure of the mine.

Guided by the environmental legislation of the Republic of Kazakhstan, as well as the Company's Environmental Policy, regulatory documents, internal standards, orders and instructions, AMT manages issues of biodiversity and land use.

In order to detain dust, as well as to maintain biodiversity in the regions of presence, AMT is actively engaged in landscaping, which represents the potential for creating ecological corridors. The Company is engaged in the following landscaping activities:



THE SUSTAINABILITY REPORT 2022

To date, 5 types of waste are involved in the rehabilitation process: enclosing rocks, ore mill tailings, sludge, ash and slag waste, and construction waste. In 2022, over 708 thousand tons of production waste were used for the rehabilitation of the open-pit mine.

In addition, work has begun on the recultivation of the Togai-1 deposit in the Karaganda region with an area of 11.7 hectares. The work involves open pit backfilling, dump wall flattening, applying a fertile layer of soil and sowing perennial grasses. Work on sowing perennial grasses is planned for 2023.

In the Kostanay region, biological rehabilitation was carried out on the surface of 1 ha of the main tailings dam slope (Lisakovsky branch), which will reduce the emission of inorganic SiO₂ dust 20-70 % by 0.223 tons per annum.

The ecosystems of the regions where AMT is present belong to the steppe and dry steppe zones, and are in satisfactory condition. During the activity of the Abayskaya mine, as a result of the subsidence of the soil, water logging of the land area and the formation of small lakes nourished by surface and groundwater occurred.

Fish and a variety of waterfowl (ducks, cormorants, herons, swans) are found in this ecosystem.





CUSTOMER REASSURANCE **AND PRODUCT** INNOVATION

Specific name: Siberian elm (Ulmus pumila)

The tree is about 25 m tall. It grows in the form of low trees in dry regions of its natural habitat. The bark of the shoots is smooth, brownish-grey or bright grey, but can become rough, dark-grey and sometimes irregularly longitudinally fissured. The leaf blade is elliptic-ovate to elliptic-lanceolate, 2-8 by 1.2-3.5 centimetres, with a pointed tip and a symmetrical base. It is lowmaintenance in terms of fertility and moisture of the soil, tolerates its weak salinity. It's a fast-growing tree. It is light-demanding and winter-resistant. The roots are long and cord-shaped.

The high ability of the elm to grow rapidly determined that ArcelorMittal Temirtau JSC chose this tree species for the project.

Planting more than

701,800 saplings and seedlings

between 2022 and 2023 to create a sustainable green area.



ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS ENVIRONMENT CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS PRODUCT INNOVATION

CUSTOMER REASSURANCE AND **PRODUCT INNOVATION**



In its activities, the Company cooperates with many suppliers of goods, works and services that contribute to the production of the main finished product, i.e., steel. The strength, durability and recyclability of steel are vital to the development of innovative solutions for sustainable development and make steel an important material for an eco-friendly lifestyle. The key consumers of our products are the branches of mechanical engineering and construction, the electrical industry and the automotive industry.



Being certified for compliance with the international standard in the area of auality management system 9001, AMT's approach to supply chain management is aimed at maintaining high standards of quality, ethical behaviour, environmental and social standards by its suppliers.

The Company undertakes to produce first-class products, and for this purpose a whole system of measures developed by the Company's specialists based on new world technologies is being implemented.

AMT strives to respect and promote human rights when interacting with contractors, suppliers, buyers, joint ventures and other partners. AMT adheres to the highest ethical and legal standards when doing business and does not accept any manifestations of corruption and abuse. The Company's relationships with suppliers are based on the principles of honesty, fairness, openness and mutual respect. These principles are reflected in the Legislative Compliance Program, which includes, among others, such policies and regulations as the Code of Business Conduct and the Anti-Corruption Procedure.

The Code for Responsible Sourcing, adopted at the level of the ArcelorMittal Group, defines the process of interaction of the Company with suppliers, as well as the requirements within the framework of responsible sourcing.

The Code complements and supports ArcelorMittal's corporate policies

and principles, including the Code of Business Conduct, as well as Human Rights Policy, Health and Safety Policy, Environmental Policy and Anti-Corruption Procedure.

We invite suppliers to cooperate with us for continuous improvements and development of the responsible sourcing program. The anti-corruption statement is aimed at strict compliance and zero tolerance of AMT to corrupt activities and transactions between the Company and its counterparties.

In August 2022, a new Supplier Management and Development department was established in the Company, which is fully responsible for managing, conducting pre-tender market research, pregualification and evaluation of suppliers, their subsequent registration, as well as checking subcontractors and evaluating existing suppliers.

This initiative on the part of the Company's management is caused by the need to ensure an appropriate level of selection of goods, contract works and services in terms of quality, price, production efficiency and compliance with Health, Safety and Environment standards.

Currently, the activities and responsibilities of the department are included in the standard procurement operating procedure, which includes:

Supplier search enquiry form.

• The questionnaire for assessing the capabilities of a first-level supplier is a document, which is aimed at obtaining more complete and specific information about a potential supplier. The questionnaire makes it possible to immediately evaluate the portfolio, the form of activity (manufacturer, seller/distributor, etc.) of a potential supplier, check their technical and financial capabilities, eliminating the need for a second-level assessment, which includes a more specific and detailed assessment in the premises and on the supplier's production site.

• Templates for justifying the registration of a new supplier, etc.



THE SUSTAINABILITY REPORT 2022

Before the conclusion of the contract, information about the supplier is collected and a comprehensive check of the counterparty is carried out for business reputation, financial condition and practical feasibility of work. Our suppliers are also required to undertake obligations to comply with the Code for Responsible Sourcing, Human Rights Policy and Anti-Corruption Procedure.

AMT cares not only about its own employees, but also about contract workers.

A clear desire to ensure the safety of employees is also spelled out in the Standard Agreement that is concluded between AMT and contractors before starting work.

As part of this Agreement, contractors must familiarise themselves with the current hazards, risks and environmental aspects of the Company, use the appropriate PPE, and strictly comply with safety, fire safety and environmental protection rules in order to avoid accidents. In case of violation of safety and industrial safety by the contractor, AMT has the right to terminate the contract unilaterally immediately from the moment of detection of any violation.

Over the past three years, there has been a steady increase in the volume of purchases in each of the Company's divisions.

Thus, in 2022, the volume of purchases amounted to

к**z**т **798.8** billion

which is 21 % more than in the prior reporting period (2021 - KZT 660.4 billion, 2020 -KZT 453.1 billion).

of purchases

are accounted for the Steel Division, which is due to the scale of production of the metallurgical plant, which requires more spare parts, consumables and contractors to perform work on dismantling buildings and structures, repair and construction work.

Total number of suppliers in the Company

Total volume of purchases, KZT billion





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DEVELOPMENT OF IN-COUNTRY VALUE



204-1

- An increase in the share of in-country value in goods, works and services. Localisation (development of small and 2. medium-sized businesses in the regions where AMT operates) - support for local
 - producers to create new production facilities.
 - 3. Release of new types of products.
 - 4. Training of Kazakhstani specialists.
 - Expansion of the product sales network 5. in the regions and in the Republic of Kazakhstan as a whole.
 - 6. Social development of the region.

By purchasing goods from domestic producers, AMT makes a significant contribution to business development in the regions of the Company's presence and in the Republic of Kazakhstan as a whole. According to the results of 12 months for 2022, the total amount of purchases of goods, works and services from Kazakhstani suppliers in the Company amounted to KZT 607.3 billion (in 2021 – KZT 568.3 billion, in 2020 – KZT 375.5 billion). The actual share of in-country value for all departments exceeds the planned indicators for the country.

Purchases from local suppliers for 2022, KZT 607.3 billion, %



Planned and actual share of in-country value in AMT for 2022, %

Total	Steel D	ivision	Coal D	ivision	Iron Ore	Division
purchase, including:	% of local content according to the government plan	Actual % of local content	% of local content according to the government plan	Actual % of local content	% of local content according to the government plan	Actual % of local content
Goods	70	71.58	16	25.17	21.5	25.35
Works	90	94.01	85	95.63	85	99.83
Services	95	97.01	85	98.93	85	98.78

According to the Law of the **Republic of Kazakhstan** "On Industrial Policy" adopted in 2021, the term "Kazakhstani content" was rebranded to "in-country value" due to the end of the transition period after joining the WTO.

To increase the production of competitive and export-oriented products, AMT has declared the increase in domestic value as one of its main priorities.

In order to support and develop small and medium-sized businesses, the Company has established a program for the development of incountry value for 5-10 years.

In order to replace imports, the Company has developed a plan for the medium term that will allow the Company to multiply the percentage of domestic value by purchasing goods of domestic origin. According to the localisation program, the Company promotes the creation of new and modernisation of existing small and medium-sized businesses by purchasing goods from manufacturers of the Karaganda region. The 2023 plan includes a project to launch a factory to produce of nonwoven fabric in Temirtau. After confirming all the technical characteristics, AMT will consider the possibility of concluding a trial contract.

In order to develop regional retail trade, in addition to the existing trading houses in Temirtau and Astana, AMT additionally opened sales service centres in Almaty, Uralsk and Aktau.

The "Metallurgy and Metal Working" cluster was established to support domestic producers of the Karaganda region. Companies are given discounts when buying rolled steel. Small and medium-sized businesses use AMT products to produce goods with high added value, such as bathtubs, sinks, radiators, crown stoppers, profiles, buckets, etc.

As part of the support and strengthening of relations with the domestic producer of the Karaganda region, the Company annually signs intent statements and memoranda of understanding.

Thus, at the beginning of 2022, a memorandum of understanding on the development of incountry value was signed between the akimat of the Karaganda region and AMT in the amount of KZT 85 billion. The actual execution for 12 months of 2022 amounted to KZT 135 billion. The Company intends to further develop its domestic value by supporting domestic producers of the Karaganda region and Kazakhstan.

> Execution of the memorandum of understanding on the development of in-country value, KZT billion

	2021 Plan / Fact	2022 Plan / Fact
Memorandum	80 / 142	85 / 135
Non-primary goods	26 / 34.2	35 / 50.3
Commodities	54 / 107.9	50 / 84.7

Anti-corruption

OUR APPROACH 3-3

AMT's risk management system is based on the corporate policy of ArcelorMittal Group. Risk management is an integral part of the Company's strategic development and successful business, helping to anticipate negative events in advance and create a plan of measures to eliminate or mitigate their consequences. For the successful implementation of these actions, the Company has established two groups: Risk Management of fixed assets and Financial Risk Management. The Compliance Service has identified the following main risks in 2022: non-compliance with applicable international sanctions regimes, noncompliance with anti-corruption legislation.

The anti-corruption policy of ArcelorMittal Group, its subsidiaries and branches, is aimed at compliance with the requirements of anticorruption legislation wherever it operates, including the Anti-Bribery Convention of the Organisation for Economic Cooperation and Development (OECD Convention), the Council of Europe Criminal Law Convention on Corruption (January 1999) and the anti-corruption laws of the countries in which it operates, including the US Foreign Corrupt Practices Act (FCPA).

Based on the Anti-Corruption Procedure, current legislation and internal policies of the ArcelorMittal Group, all cases of fraud and bribery committed by AMT employees are punishable and entail the application of sanctions, up to the termination of the employment contract. The Anti-Corruption Procedure is available at:



Assessment of corruption risks and measures taken



Corruption risks are assessed annually in all divisions of the Company and preventive measures are developed. Thus, in 2022, the Company identified the following corruption risks and identified appropriate response measures.

One of the main anti-corruption measures is training and informing own and contractor personnel on anti-corruption practices and procedures.

employees

In 2022

of the Company, including 15 % of managers and 85 % of specialists, were trained, which is almost 5 times more than in each of the prior periods (in 2021 -121 persons, in 2020 - 126 persons).

Risk

Involvement of business partners in corrupt activities through Verification of the implementation of corrupt payments or otherwise business part

Corruption in procurement and bidding	 Procedure Verification the busine Interaction participati Giving Gift
Payment by a third party	Third party ve Receivables
Cifta business bespitality trips	Anti-Corruptic employees
Girts, business hospitality, trips	A register of g by the Compo
Charitable contributions / corporate responsibility contributions	Verification of verification of
Use of false documents and invoices	Anti-Corruptic employees

CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS PRODUCT INNOVATION





(in 2021 – 1,137, in 2020 - 697) were informed about the existing anticorruption policies and methods adopted by the Company.

Response measures

f business partners' integrity according to the ners' integrity procedure
e for filing a declaration of a conflict of interest.
on of business partners' integrity according to ess partners' integrity procedure.
n with government officials or other persons ting in the tender, guided by the Receiving and t and Entertainment Procedure.
erification according to Memo 3 rd Party
on Procedure training of the Company's
gifts and entertainment is provided for filling in any's employees
f integrity of the charity organisation and the personal data of its leaders
on Procedure training of the Company's

T CUSTOMER REASSURANCE AND SOCIAL ANNEXES CONTACTS PRODUCT INNOVATION

Employees who have been trained in anticorruption practices and procedures by divisions, persons



ArcelorMittal participates in international trade, in this regard, its activities are regulated by various regulatory legal acts on economic sanctions, as well as the Economic Sanctions Procedure adopted at the level of the ArcelorMittal Group and available at



In order to minimise the risk of cooperation with counterparties included in the sanctions lists, money laundering, complicity in corruption, the compliance service conducts a comprehensive audit of counterparties. Audit is carried out using reliable databases, including the DowJones platform, as well as open sources.

Employees who have been trained in anti-corruption practices and procedures by categories, persons



The DowJones platform performs an automatic risk assessment when entering full information about the counterparty, and also allows to identify inconsistencies in the following categories: close partners/related businesses; watch list; negative news; belonging to the public sector.

If there is a possibility of violation, in order to complete the transaction, it is necessary to obtain approval from the Compliance department.

The main advantage of the DowJones platform is that it allows automatic monitoring of the counterparties in real time and timely detection of new sanctions and any negative news in terms of violations of the law in relation to the partners of the ArcelorMittal Group.



Product innovations

In 2022, KZT 1.2 billion was allocated for R&D. In the reporting period, AMT mastered the production of hot-rolled rolled products made of steel grades S355JR, S355J0, S355J2, S355K2 according to EN 10025-2019 and of steel grade 17G1C-U according to ST RK 3120 and GOST 19281-2014, cold-rolled rolled products of steel grade 08kp for the manufacture of radiators, galvanised rolled products according to GOST 14918-2020 and EN 10346-2015, production of heat-strengthened reinforcing bar made of steel grade B500C according to ST 009:2011 (Romania).

In 2022, 12 R&D projects were implemented in the Steel Division. Among these projects are recycling of refractory masonry waste for the purpose of using coke batteries to increase the wear resistance of the lining, pilot tests of technological lubricants, the introduction of the Parsytec flaw detection system for hot-rolled products, the development of production technology for galvanised rolled products with increased requirements for mechanical properties.

AMT continues the work of the System for submitting proposals for innovation. A methodology for the reuse of chemical waste of coke chemical



production has been developed in this area to reduce the costs of disposal and purchase of granulated slag.

In the reporting period, research and development aimed at stabilising the mechanical properties of rolled steel, geodynamic analysis and modelling of coal bed were carried out. The exploration campaign continued in order to confirm the iron ore reserves for the subsequent expansion of the mines.

THE SUSTAINABILITY REPORT 2022







SOCIAL

Specific name: Snap willow (S. fragilis)

A tree up to 15 m tall. The branches are fragile in joints, easily broken off by a strong wind, hence the name of this willow. In spring, it leaves earlier than other willows, and is one of the last to complete the vegetation. It is light-demanding and frost-resistant, moderately fastidious about soil fertility and moisture.

Life expectancy is up to 80 years. It's a fast-growing tree. It is root-sprouting and easily propagated by rods. It grows along the shores of reservoirs, ditches, on muddy meadows, sands, among shrubs. Snap willow is widely bred in sparsely forested areas, used for planting as shelterbelts, on rivers and reservoirs, used in landscaping. The high ability to grow rapidly determined that ArcelorMittal Temirtau JSC chose this tree species for the project.

More than

3,200 saplings

were planted to create a sustainable woodland.



SOCIAL

OUR APPROACH TO PERSONNEL MANAGEMENT



AMT undertakes to respect the human rights of its employees. We are developing our employment policy to achieve a unified application of the relevant aspects of the International Declarations of Human Rights on a global scale. We are committed to educating our employees to know and respect human rights in the workplace and in local communities that are directly affected by the Company's activities.

In its work with its own staff and employees who are not employees of AMT, the Company is guided by the Labour Code of the Republic of Kazakhstan, corporate Human Rights Policy, as well as internal regulations, rules, instructions on hiring, remuneration, bonus accruals, etc. There have been no strikes of own or contractor personnel in the last 3 years.

Remuneration policies are established to ensure that remuneration mechanisms help to hire, motivate, and retain senior managers and other employees. The remuneration policy additionally supports the organisation's strategy and contribution to sustainable development and is in line with the interests of stakeholders.

Remuneration of the highest governing body is represented by a fixed salary. Remuneration of senior managers includes a permanent portion, i.e., a fixed portion of the salary, and a variable portion, i.e., bonuses based on the results of the established KPIs.

A fixed salary is set based on the functional responsibilities of the employee, using a multi-level form of remuneration. KPI includes production, economic, and financial indicators, as well as indicators for improving occupational health and safety at production sites.

Each senior employee of the Company is assigned a category when applying for a job, which may change in accordance with the Company's policy, depending on the level in the organisation and on the functions and responsibility (Personal Designation):

- VP.
- GM.
- M.
- Exempt.



The highest governing body participates in the process of determining the amount of remuneratio using a "Salary Review" of consultants to determine the remuneration of independent organisations, as well as taking into account the opinion of the stakeholder regarding the amount of remuneration

Annual review of the amount of remuneration after receiving the results of the entity's work and evaluation for the employee's current activities (Performance rating) according to the corporate GEDP program.

According to corporate policy, the annual bonus to the highest governing body and senior managers



AMT, being a large enterprise, provides employment to more than 31 thousand people¹² in the country, providing not only stable wages, but also social support to employees and their families. The number of employees of the Company as of 31 December 2022 amounted to **31,042 persons.**

Personnel structure by divisions in 2022, 31,042 persons, %







THE SUSTAINABILITY REPORT 2022

	is paid after receiving the results of the entity's
on	work and approving the estimates according to
ne	the GEDP program. The annual bonus is calculated
	considering the coefficients:
n.	
	• The target percentage of the bonus, for various categories (Personal Designation).
	• The entity's performance coefficient.
	• Individual coefficient based on the assessment
	for the current activity of the employee
0	(Performance rating) according to the GEDP
-	corporate program.



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Actual number of employees at the end of the reporting period, by gender

Division			2020			2021			2022	
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Steel Division		9,174	3,960	13,134	9,590	4,136	13,726	10,287	4,502	14,789
Coal Division		10,763	2,091	12,854	10,755	2,251	13,006	11,189	2,474	13,663
Iron Ore Division		1,836	636	2,472	1,841	655	2,496	1,927	663	2,590
To	otal	21,773	6,687	28,460	22,186	7,042	29,228	23,403	7,639	31,042

Actual number of employees at the end of the reporting period, by categories of the employment contract

Indicator	2020		20	21	202	22
	Men	Women	Men	Women	Men	Women
Total number of permanent employees	17,220	5,207	16,156	4,964	15,308	4,819
Total number of temporary employees	4,553	1,480	6,029	2,079	8,095	2,820
Total number of non-guaranteed hours employees	-	-	-	-	-	-
Total number of full-time employees	21,766	6,679	22,184	7,033	23,403	7,632
Total number of part-time employees	7	8	1	10	-	7

Total number of workers who are not employees at the end of the reporting period

		2020			2021		2022			
Indicator	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	Steel Division	Coal Division	Iron Ore Division	
Interims	371	988	8	282	739	10	357	683	15	
Contractors	2,390	842	462	2,700	900	563	3,692	921	504	
Subsidiaries	650	1,108	13	653	1,049	4	714	983	9	
Total	3,411	2,938	483	3,635	2,688	577	4,763	2,587	528	













THE SUSTAINABILITY REPORT 2022



In the 2022 reporting year, the Company employed

mainly aged from 30 to 50: 3,227 (75 %) men and 1,050 (25 %) women.

Total number of new employee hires by gender

Division	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Steel Division	488	210	1,196	427	1,616	625
Coal Division	127	33	738	282	1,270	352
Iron Ore Division	213	55	271	88	341	73
Total in the Company	828	298	2,205	797	3,227	1,050

Total number of new employee hires in the reporting period by age

Division	2020				2021			2022		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50	
Steel Division	220	387	91	549	903	171	747	1,296	198	
Coal Division	68	86	6	356	555	109	605	916	101	
Iron Ore Division	105	125	38	121	177	61	133	219	62	
Total in the Company	393	598	135	1,026	1,635	341	1,485	2,431	361	

Employee turnover rate by gender in 2022, 2,463 persons, %



Women - 451 persons

Employee turnover rate by age groups in 2022, 2,463 persons, %



The number of employees with whom employment relations were terminated in the reporting period amounted to 2,463 persons (in 2021 – 2,234 persons, in 2020 - 2,175 persons). In 2022, the employee turnover rate increased to 8.1 % from 7.8 % in 2021 (7.5 % in 2020). The main reasons for employee turnover are migration flows from Temirtau.

Employee turnover rate by regions in 2022, 2,463 persons, %



Employee turnover in the reporting period by gender

	1 31	, ,						
Division	202	20	20)21	202	2022		
Division	Men	Women	Men	Women	Men	Women		
Steel Division	634	241	780	251	920	258		
Coal Division	832	136	747	121	837	128		
Iron Ore Division	279	53	266	69	255	65		
Total in the Company	1,745	430	1,793	441	2,012	451		

Employee turnove	r in the repo	rting perio	od by age							
		2020			2021			2022		
Division	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50	
Steel Division	94	313	468	168	398	465	202	532	444	
Coal Division	65	246	657	89	306	473	107	395	463	
Iron Ore Division	66	140	126	74	162	99	78	139	103	
Total in the Company	225	699	1,251	331	866	1,037	387	1,066	1,010	

F

				2021				202	22			
Region	Steel Division	Coal Division	Iron Ore Division	Total in the Company	Steel Division	Coal Division	Iron Ore Division	Total in the Company	Steel Division	Coal Division	Iron Ore Division	Total in the Company
Karaganda region	875	968	146	1,989	1,031	868	143	2,042	1,178	965	57	2,200
Akmola region	-	-	62	62	-	-	57	57	-	-	52	52
Kostanay region	-	-	124	124	-	-	135	135	-	-	129	129
Ulytau region	-	-	-	-	-	-	-	-	-	-	82	82

In the reporting period, 4 % of all employees were entitled to parental leave for three years, 26 % of women took leave. In the 2022 reporting year employee retention¹³ rate was 96 %.

Total number of employees entitled to parental leave by gender

	2020)	20	21	202	2022		
	Men	Women	Men	Women	Men	Women		
Steel Division	1,231	260	1,366	291	1,510	339		
Coal Division	1,707	135	1,694	155	1,804	176		
Iron Ore Division	378	83	374	84	388	78		
Total in the Company	3,316	478	3,434	530	3,702	593		



¹³It is calculated using the GRI 401-3 formula as the ratio of the number of employees who continued to work for 12 months after returning to work from parental leave to the number of employees who returned from parental leave in the prior reporting period.



THE SUSTAINABILITY REPORT 2022



Total number of employees that took parental leave by gender

Division	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Steel Division	3	75	6	90	3	111
Coal Division	6	38	4	35	3	37
Iron Ore Division	-	1	-	6	-	4
Total in the Company	9	114	10	131	6	152

Total number of employees that returned to work after parental leave ended

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Steel Division	7	60	3	76	3	84
Coal Division	10	102	17	121	11	140
Iron Ore Division	1	18	-	18	1	13
Total in the Company	18	180	20	215	15	237

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender

Division	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Steel Division	5	53	2	63	1	71
Coal Division	10	102	14	116	10	131
Iron Ore Division	-	16	-	17	1	12
Total in the Company	15	171	16	196	12	214

Diversity and equal opportunity 202-1 202-2 405-1 405-2



AMT tries to ensure decent remuneration for its employees, regardless of gender and position. Thus, over the past 3 years, the minimum wage in the Company is 55 % higher than the minimum wage in the Republic of Kazakhstan. The average salary of men and women in 2022 increased by 20-30 %.

The ratio of the average salary of women to men by category of employees across the Company

Categories	2020	2021	2022
Managers	0.8	0.8	0.8
Specialists	0.7	0.7	0.7
Administrative and other technical specialists	3.6	1.7	2.1

The ratio of the average amount of remuneration of women to men by category of employees across the Company

Categories	2020	2021	2022
Managers	0.7	0.7	0.7
Specialists	0.7	0.7	0.7
Administrative and other technical specialists	2.3	1.1	1

The Company maintains a policy of intolerance to discriminatory practices on any grounds, including race, nationality, gender, age, religious beliefs, political views, physical disability, or any other differences. The Company strives to provide every employee with equal opportunities for career growth without discrimination. No cases of discrimination were registered in the reporting period.

Among the top-ranking managers¹⁴, there is an increase in those hired from among the local population. Thus, at the end of the reporting period, 67 % of the top management consisted of regional representatives, among whom the proportion of women was 8 % compared to the prior year, when the local population and women were not represented in the top management.

Social support of employees



Social support of personnel includes a set

of measures to provide staff with social guarantees provided for by the labour legislation of the Republic of Kazakhstan, as well as additional social benefits and guarantees for employees and their family members within the framework of collective agreements in force at the Company's enterprises.

Taking care of employees helps to increase the level of staff loyalty to the Company, increases motivation and reduces staff turnover, which has a positive effect on the work of the enterprise, and ultimately contributes to the competitiveness of the Company.

In order to take care of employees, AMT offers staff social benefits in the form of medical insurance, parental leave, transportation of staff, pension coverage, assistance in case of temporary disability, as well as financially stimulates employees and encourages them by paying annual bonuses.



Women

Men

Over 50

30-50

Under 30





Employees by gender and categories for 2022, %



Types of social support for employees in 2022, KZT 42.80 billion, %



Freedom of association and collective agreements



The Company's Human Rights Policy provides for the principle of freedom of association in trade unions. AMT fully supports the right of employees to freedom of association and collective bargaining and implements the provisions of collective agreements, as well as interacts with trade union representatives. At the same time, one of the basic principles is non-interference in the affairs of trade unions, respect for their rights and interests.

We strive to create transparent relationships between the employer of the enterprise and trade unions. Trade unions have equal rights regarding representation, protection of the rights and interests of trade union members working at the enterprise. We recognise the elected bodies of the primary trade unions of AMT as authorised bodies representing the interests of our employees in the negotiation, conclusion, and execution of a collective agreement.

The interests of workers in the Steel and Coal Divisions are represented by two trade unions, namely, the Trade union of metallurgists Zhaktau of ArcelorMittal Temirtau JSC and PA Trade union of miners Korgau.

The interests of workers in the Iron Ore Division are represented by four trade unions, namely: the primary trade union organisation of the Kentobe mine of Orken LLP - the branch of Local Industrial Union of Workers of the Mining and Metallurgical Industry of Karaganda Region PA Orken-Atasu trade union organisation – the branch of PA "OGMPS "Kazprofmetall", and the organisation of the trade union Atansor-Orken trade union – a branch of PA "OGMPS "Kazprofmetall".

Meetings of HR directors with trade union representatives are held on a regular basis.

The practice of meetings of top management with employees of the Company at production sites in the form of "open dialogues" has also been introduced. The Company monitors complaints and suggestions from employees.

In order to effectively manage the social and labour relations between the employer and employees, there is a bilateral commission that deals with the issues of amendments and additions to the Collective Agreement, as well as a Mitigation Committee for the consideration of individual labour disputes.

In 2022, 31 meetings of the Mitigation Committee were held in the Steel Division, where 48 applications of employees of the Steel Division were considered; 32 applications of employees of the Coal Division were considered at 28 meetings of the Mitigation Committee.

Social support for employees, KZT billion



In 2022, in the Iron Ore Division the Mitigation Committee held 4 meetings, during which 5 applications of employees were reviewed.

It should be noted that all members of the Mitigation Committee are required to undergo annual training on the application of labour legislation of the Republic of Kazakhstan, the development of negotiation skills and consensus building in labour disputes.

This is necessary, first of all, for the effective work of the committee itself. Realising the importance of teamwork and constructive dialogue, the Company finances the training of all members of the Mitigation Committee, both on the part of the employer and on the part of employee representatives.

At the end of the reporting period,

of employees

were covered by collective agreements.



Number of employees covered by collective agreements and total costs under collective agreements K7T billion

agreemento, n2						
	202	0	202	21	202	22
Division	Employees covered by collective agreements	Costs under the collective agreement	Employees covered by collective agreements	Costs under the collective agreement	Employees covered by collective agreements	Costs under the collective agreement
AMT (Steel and Coal Divisions)	25,272	14.0	25,600	25.2	27,771	29.0
Orken LLP (Iron Ore Division)	2,243	0.7	2,323	1.5	2,358	1.6
Total	27,515	14.7	27,923	26.7	30,129	30.6

In accordance with the provisions of the collective agreement, in December 2022, employees were paid a one-time annual bonus at the end of the year (13-month salary).

As part of medical care and rehabilitation, according to the collective agreement, the Company provides A single collective agreement for employees of the employees with vouchers to sanatoriums and rest Steel and Coal Divisions of AMT concluded between houses, as well as annually organises holidays for AMT and the Trade union of metallurgists Zhaktau of ArcelorMittal Temirtau JSC and PA Trade union children of employees in summer recreation camps. The Company's balance sheet currently includes of miners Korgau, as well as a separate collective Shakhter rest house, Samal sanatorium, Zhartas agreement of Orken LLP were signed by representatives sanatorium, Fakel and Romantic children's recreation of the parties in December 2021, entered into force camps. on 1 January 2022 for a period of 3 years. Collective agreements apply to employees who are members In addition, AMT creates conditions for its employees of trade unions, as well as employees who are not to develop healthy lifestyle skills - social facilities of members of a trade union but have joined a collective the Mittal sports complex, the Shakhter tennis centre, agreement.



Total costs under the collective agreement in 2022 increased by



2020 - KZT 14.7 billion).



creates a socio-cultural environment for education and creative growth - the children's and youth centre, the Assembly of Peoples of AMT, the Kazakh cultural centre. The total cost of maintaining social facilities in 2022 amounted to KZT 1.2 billion.

At that, the AMT collective agreement contains a list of benefits and guarantees that apply only to members of trade unions. In respect of employees who are not covered by collective agreements, certain benefits and guarantees of collective agreements may be provided for by acts of the employer and/or an employment contract by the employer's decision.

The collective agreement is designed to regulate labour relations and socio-economic issues, establish additional benefits, and guarantees, differentiate rights and obligations, respect the interests of the employer and employees, ensure the efficiency and operation of the enterprise.

The contract consists of a general part and 32 annexes, it includes the following main sections:

- Rights and obligations of the parties.
- Labour relations.
- Working hours and rest time.
- Vocational training and retraining.
- Remuneration.
- Additional social benefits and payments.
- Medical care and rehabilitation.
- Occupational health and safety.
- Status of trade unions and their members.

Training and education



3-3 404-3

AMT is a dynamic and fast-growing company. In the search for innovative solutions for its continuous development, we face many challenges every day, which create new opportunities for employees to show initiative and leadership qualities in achieving their goals. Determination and talent have helped many to succeed in this challenging work environment, expanding their career horizons. To support the fulfillment of the potential of such employees in ArcelorMittal University Campus Kazakhstan there are various development projects, the list of which is updated depending on the priorities in the Company.

The introduction of training programs for our employees is an integral part of the Company's policy in order to allow AMT employees to be more effective in their positions, improve their expertise and gain new knowledge. Educational resources are available to all employees of the Company.

The AMT subdivisions in Kazakhstan have a corporate program on performance management, personnel efficiency management, tracking goals and employee development. This program is aimed at the management of the Company and applies to all divisions and subdivisions of the Company in Kazakhstan, i.e., Steel, Coal Divisions, Orken LLP, etc.

The main goal of GEDP, the Global Employee Development Programme, is to increase the level of competence in the organisation and provide a reserve of promising young talents ready to take key leadership positions in the Company. This is achieved mainly by evaluating the performance and potential of employees.

This program is mandatory for the entire management team of the Company. Managers participating in this program annually fill out the goals (KPIs), which are evaluated and revised twice a year.

These goals can be discussed, revised, and cancelled by the employee's manager, depending on their relevance. To effectively set and evaluate goals, there is a system of constant feedback between the employee and the immediate supervisor.

Organisation development

Annual GEDP analysis and moderation related to other HR processes: incentive, reserve,

HiPO



Stage 4

Step 1

Annual assessment

Step 2

Assessment discussion





GEDP PROCESS

Initial stage

Setting organisational objectives



Stage 1

Individual planning of current activities

Stage 2

Feedback and mentorship

Stage 3 Midyear review

The system is fully digitised and the interface allows to have access to data on a permanent basis, as well as to communicate between the employee and the manager at any time.

No one except the employee, manager and HR employees involved in this process have access to this information – that is, this is a confidential process.

Based on the results of the work for the year, employees initially independently evaluate their activities by providing the actual results of the work for the year, after which, the immediate supervisor also coordinates and approves the goals and results.

At the end of the year, after the approval of the goals, based on the results of the work done, employees receive ratings. There are 2 rating scales: rating for work and rating for employee potential. The job rating evaluates the actual work done by the employee.

The rating for potential makes it possible to assess the employee's potential for development, the employee's ability to develop horizontally and vertically within the Company.

These ratings form the basis for calculating the annual remuneration for labour. Validation of ratings takes place at the highest levels of the Company's management.

After the final ratings are approved, annual bonuses are paid within the existing bonus calculation system. The results of the annual staff assessment, as well as the amount of annual remuneration are strictly confidential information.

Also, within the framework of this program, namely the management development zones, each employee fills out an individual development plan, which in turn is monitored by the personnel service. In accordance with the needs of employees, targeted training is carried out to improve the skills of these employees.

Thus, in 2022, with the cooperation of AMT and the Nazarbayev University's Graduate School of Business, a new 3-day educational program on leadership was developed, which covered all the leaders of the organisation. Within the framework of this program, 9 groups with a total number of more than 300 people will be trained.

During the program, participants have the opportunity to study leadership concepts in more detail, gain academic knowledge and practical strategies for managing teams, consider examples of crisis management, as well as evaluate their individual qualities for their further improvement and development of emotional intelligence.



Thus, the GEDP corporate program covers the key areas of evaluation of the activities and potential of the Company's senior management, which allow the Company to improve and develop.

Employees who have been evaluated for performance and career development in 2022, 407 persons, %

development, persons



Employees who have been evaluated for performance and career development, persons



In 2022 407

persons passed the performance assessment, which is more

than in the prior year (in 2021 - 362 persons, in 2020 - 274 persons), of which 18 % are women. About 85 % of the administrative and managerial staff underwent performance evaluation in the reporting period.



VP



Men and women who have been evaluated for performance and career development, persons



Employees who have been evaluated for performance and career



Personnel development 404-1

ArcelorMittal University Campus Kazakhstan includes two modern training centres equipped with all the necessary technical training facilities:

A training centre based on the Department of Personnel Training and **Development** in the Steel Division (an area of more than 3.000 m²).

Shakhter training centre (an area of 2,075.5 m²) in the Coal Division.

Campus Kazakhstan for 2022

Name

Occupational Health

Academy of

Academy

The structure of ArcelorMittal University Campus Kazakhstan training programs is presented in six Academies, combining existing local and corporate training and staff development programs.

The main areas of training: vocational training; training in the area of occupational health and safety, industrial safety; functional training.

In 2022, 49,192 employees of the Company

in various courses. The average number of

8.4 hours

12,327 employees of third-party organisations

Coal Division, persons Iron Ore Division, persons

9,742

and individuals also received vocational and

(2021 - 13.12 hours, 2020 - 8.63 hours).

safety training at AMT training centres.

three divisions in 2022 was

completed theoretical and practical training

hours of training per annum per employee in

CUSTOMER REASSURANCE AND PRODUCT INNOVATION

In 2022, the training room of metallurgical crane operators was restored in the personnel training and development department with the possibility of practicing skills. A multimedia office and several training rooms were opened.

In-house training is conducted in more than 400 professions in the Company's training centres, as well as in external training centres.

Thus, in 2022, about 200 employees of the Steel Division and 63 employees of the Coal Division were trained in external training centres for advanced training and certification in Kazakhstan and neighbouring countries. More than 900 employees of the Company have been trained in full-time, online and corporate formats with the involvement of an external service provider.

A significant event was the conclusion of a contract for long-term cooperation in the area of advanced training of repair service specialists with the International Institute of Technical Innovations, Yekaterinburg. During 2022, 114 employees of the Company were trained.

The main areas of study:

4,202

957

- Fundamentals of complex diagnostics and repair of mechanical gears.
- From repair to maintenance. Failure analysis and search for solutions.
- Maintenance, diagnostics, troubleshooting of hydraulic systems.
- Technical diagnostics of equipment. Predictive methods for ensuring reliable operation of equipment.
- Repair and maintenance of industrial refrigerators and installations.
- Electric motors (types, methods of speed regulation, control methods, maintenance, main malfunctions).



TRAINING PROGRAMS



STEM PROJECTS

In 2022, the amount of more than

KZT120 million

was invested in STEM projects, the number of beneficiaries amounted to more than 4,600 persons (including STEM laboratories for schoolchildren in Abay).

As part of the implementation of STEM corporate responsibility program in 2022 students of universities, professional and technical colleges completed practical training in AMT divisions: 881 students in the Steel Division, 400 students in the Coal Division, 139 students in the Iron Ore Division, including more than 400 students from 7 colleges in the dual form of education.



and Safety Vocational Training 1,136

Steel Division, persons

Data on personnel training and development in Academies at ArcelorMittal University

26,746

6,409

The number of trained employees of the Company, persons



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Skills related to activities in the area of science and technology are critical for sustainable development, therefore, the following projects were implemented in 2022 as part of the support of young specialists and graduates of technical universities.



In May 2022, the Karaganda Industrial University held two-week master classes for students from leading technical experts of AMT, where more than 200 students took part in the following areas:

- Coke-chemical production.
- Project management.
- Processes of production of hot metal and steel
- Steel smelting in the oxygen-converter plant.

The Company regularly participates in the Foundation Boards of regional colleges to provide support within the framework of cooperation.

In December 2022, 701 students from 10 colleges from among socially vulnerable categories were supported in the form of food packages for the celebration of the New Year.



AMT provides educational grants for the training and development of potential employees of the Company. In 2022, 32 educational grants were allocated to the Company's employees. In December 2022, the collection of applications from students as part of the second wave of educational grants from the Company ended. More than 100 people have applied for participation. The selection of applicants is scheduled for February 2023.

In 2022, as part of the Memorandum of Cooperation between the Company, Karaganda Technical University NJSC and Karaganda Industrial University NJSC, 50 educational grants from the Company were allocated to students of the Karaganda Industrial University (13 grants) and the Karaganda Technical University (37 grants).

As part of familiarisation with the production, environmental education of the younger generation, excursions to AMT were organised in June 2022. In total, 97 people from among schoolchildren and students visited the Steel, Coal and Iron Ore Divisions.



LEADERSHIP EDUCATION PROGRAM FOR COMPANY EXECUTIVES

In 2022, with the cooperation of AMT and the Nazarbayev University's Graduate School of Business, a new educational program on leadership for the Company's executives was developed.

79 heads

of the Steel and Coal Divisions of AMT, Orken LLP and other subsidiaries took part in the pilot groups in November.

In 2023, about 300 more top managers of the Company will be trained. Directly during the program, participants were able to study in more detail the concepts of successful leadership in an ever-changing world, gain academic knowledge and practical strategies for building and developing high-performance teams, consider examples of crisis management, as well as evaluate their individual qualities for their further improvement through introspection and diagnostics of emotional intelligence.

Participants were also given the opportunity to participate in an event aimed not only at team building, which allowed participants to get to know each other better durina the program, but also aimed to help establish contacts within the team and build more effective work outside the program. The program implies an integrated approach, and therefore is not limited to classroom studies with the course teachers, and participants will be able to continue their studies for several months on an online learning platform, where they will be able to hone their skills through practical exercises, and will also have a unique opportunity to work out professional issues with an individual coach. The effect of this program has yet to be evaluated after a while, but it is already bearing fruit according to the numerous enthusiastic reviews of the Company's employees who have already been able to take advantage of this opportunity, and the increased demand and applications for enrolment in the project from employees of the Company at different levels of management.



"TOP 100 ENGINEERS"

At AMT, we strive to create favourable conditions for new young professionals. Ambitious, flexible and result-oriented employees get unlimited opportunities to master new skills and learn from the best industry experts, and can also realise their abilities in large-scale innovative projects.

Thanks to one of these development projects, the "TOP 100 engineers" program, more than

230 promising graduates

of higher and secondary technical educational institutions have taken advantage of this opportunity since 2012.

In October 2022, 7 graduates of the eighth wave of the project completed their studies, having defended individual projects to improve various business processes in the Company and received diplomas. Setting the goal of the project to employ graduates mainly in working positions and their development to engineering and technical staff, by the end of 2022, 68 % of participants who completed training under the program have already achieved this goal, continuing to work in the positions of engineering and technical personnel, and managers.

The 8th wave was the final one for this project, as in 2023 the program will undergo a transformation and will be updated to the modern needs of the Company and the requirements of the labour market. The project, which will replace the "TOP 100 engineers", has been named "Career Track" and will offer new participants more competitive conditions for the employment of young promising graduates at the enterprise, their support and the empowerment of talents in the organisation.

In total, in 2022, development projects in traditional full-time and online formats within the framework of the Language Academy, Management and Leadership Academies, various Functional Academies of the Campus in Kazakhstan covered 1,125 persons in all divisions of AMT, including 26 persons who had the opportunity to develop their managerial and leadership skills in corporate university programs at the level of the ArcelorMittal Group of Enterprises having gained an unforgettable experience from interacting with colleagues from all over the world and learning from trainers of leading business schools.

KNOWLEDGE WEEK

Sustainable development is a direction that in 2022 was reflected and supported by the annual corporate initiative "Knowledge Week", which was held under its auspices. Pursuing the mission of continuous enhancement of professional knowledge, we decided to look at this trend through the prism of "art" and how a corporate university can be useful to the Company's employees in its development. Art is mastery and a skill, and at the same time the creative realisation of human skills.

This year, the following 4 priority areas of sustainable development were selected, within which we talked about the arts:

1. Teamwork

The ability to work in a team implies that a specialist has a number of qualities that allow them to interact effectively with colleagues and apply their own abilities to achieve a common goal. Therefore, this skill has been the most in demand in the workplace for many years. Participants figured out how to get to know their nature and the nature of their states better, improve their understanding of personal motives and the motives of others, how to increase personal effectiveness by managing expectations and achieving goals, learned to interact with representatives of different cultures, trained communication skills, conflict resolution and teamwork in general.





2. Safe thinking and well-being

Focusing on personal troubles, burnout, an imbalance between work and life, a high level of stress, which almost any job cannot do without: all this negatively affects both a person's health, as well as their efficiency and involvement in organisations. The well-being of employees is one of the priorities of our corporate culture.

Therefore, we have taken care to provide opportunities and resources to improve psychological, physical health and energy filling, so that each of our employees can thrive and reach their full potential.



3. Search and creation of innovations

Innovation is what we call "making the world a better place". It is also an actual skill for specialists in any area, because it is based on critical thinking and problem solving. We paid special attention to the system of innovation proposals and shared the success stories of colleagues, shared practices and methods of finding areas for improvement, talked about how to protect ourselves from possible external threats that come with new technologies, and the children of employees took part in entertaining virtual reality lessons, developing creative imagination.

4. Reasonable use of resources

Rational use of natural resources, what role garbage sorting plays in the life of the planet, how "green energy" can clean up our cities, how the world is changing in an era of crisis and what each of us can do right now, as well as how ideas about ecology have changed and how brands form a false idea about ecology have become the main topics for discussion at training sites of the "Knowledge Week".

Art formed the basis of the teaching methods themselves, therefore the 4 main trends of this year were also revealed to the participants in a new format through art workshops, transformational games and micro-training, which helped them expand the boundaries of their consciousness and look at many issues through new prisms. This was also made possible due to the fact that for the first time in a long time after the guarantine this year, the doors of the Campus were again opened to the Company's employees in full-time format. Thus, 68 % of these events were held in the classrooms of the corporate university, where participants could meet with colleagues from different divisions of the enterprise, get to know internal and external experts personally and establish a more productive knowledge exchange during nonstandard practical sessions. For those who, due to operational need, remoteness of location and other circumstances, could not attend classes on Campus, similar topical webinars, trainings and information sessions were provided in remote and online format using modern tools that allow creating an equally effective learning environment and interaction of participants in virtual space.

In total

more than 100 events 2,28

were held in the period from 6 June to 14 July 2022, where 61 internal experts and 26 external trainers took part in the development and implementation. It is noteworthy that among the total number of experts involved

were managers 420 people

who are committed to preserving, disseminating and developing the continuity of knowledge in the Company.



During the Knowledge Weeks

took part in training events, and



received memorable and valuable gifts from the corporate university for participating or winning conferences, quizzes, professional skill contests and prize draws.

Development of the regions where the Company operates

OUR APPROACH 3-3

International business is always expected to show high civic responsibility. A global company like AMT cannot but influence the life and economy of the regions in which it operates, and this influence is very significant. Accordingly, society influences the work of the enterprise, and therefore it is very important to interact with it. It is necessary to understand and accept the expectations of the local community, while doing everything to ensure that the Company's expectations are met.

AMT strives to respect the rights of the local population and develop an understanding of the cultures, customs and values prevailing in local communities through a comprehensive and open dialogue with the population that our activities influence. The ArcelorMittal Group's procedure for interacting with external stakeholders requires us to conduct an open and comprehensive dialogue with local communities, including interaction with often underrepresented groups such as women and children.

AMT actively cooperates with government authorities, the business community, public organisations and other stakeholders. The Company is focused on dialogue, interaction and cooperation. The Company's management wants to understand what issues concern the public in order to work on them and periodically report on the progress made in solving these issues.

Thus, the Chairman of the Management Board of the ArcelorMittal Group, held several meetings with the President of the Republic of Kazakhstan, where they discussed investment issues for the sustainable operation of the steel and mining industries in the Republic of Kazakhstan, as well as a long-term strategy of cooperation within the framework of the Green Steel initiative, fulfilment of social obligations within the framework of further partnership. In 2022, the Minister of Energy of the Republic of Kazakhstan visited the construction site of PP-2 to get acquainted with the progress of the construction of boiler No. 7.

EDUCATIONAL PROGRAM FOR EMPLOYEES

In November, students of the general education school No. 16 MPI with an environmental bias, together with the head of the Otrazheniye private association and a deputy of the maslikhat of Temirtau, conducted an educational program for sinter plant workers of AMT on environmental protection.

The event featured environmental projects of schoolchildren to reduce the amount of household waste, practical exercises on sorting garbage and composting process, as well as a project on the use of alternative energy sources and much more.

In addition, various workshops aimed at taking care of the environment were held.

During the reporting period

25 public hearings and 19 meetings with the public and representatives of non-governmental organisations were held

In February 2022, the deputies of the city maslikhat visited the metallurgical plant, where the deputies learned about the progress of AMT's environmental projects. During the year, several meetings were held with representatives of the public and eco-activists, where they got acquainted with production facilities, the production automation system, as well as the work of primary and secondary gas cleaners, the progress of environmental projects and the progress of work on the construction of a new boiler at PP-2. Representatives of the Department of Ecology of the Karaganda region of the Committee for Environmental Regulation and Control of the Ministries of Ecology, Geology and Natural Resources of the Republic of Kazakhstan, as well as representatives of the public, deputies of the Amanat Party and the media were familiarised with the results of environmental activities of AMT.

Community investments



13-2

On the balance sheet of the Company there are rest houses, sanatoriums, children's summer recreation camps, sports complexes and medical institutions. AMT is a provider of public utilities (hot and cold water, heating, electricity) to residents of Temirtau.

When planning and implementing social projects, the Company focuses on the needs and demands of local communities. The needs are determined during meetings with representatives of local executive authorities and non-governmental organisations. In addition, the Company receives letters of appeal from internal/external stakeholders with requests for any kind of assistance.

The Company provides financial support for projects for the improvement and development of infrastructure in the regions where it operates, support for educational, medical, cultural and sports institutions, as well as provides charitable and sponsorship assistance in cash or in-kind to war and labour veterans, people with



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disabilities, orphanages and socially vulnerable groups of the population.

AMT supports local communities through various programs and projects:

• Memorandum of understanding.

- Projects for local communities on its own initiative.
- Projects based on requests from external stakeholders in accordance with the requirements of the "Policy on Charity and Other Contributions within the Framework of AMT Corporate Social Responsibility".
- Subsidising the costs of heating and electricity for residents of Temirtau (KZT 8.4 billion in 2022).
- Socio-economic development of regions.



The amount of KZT **2.6** billion



Within the framework of the memorandum understanding in 2022, AMT carried out the reconstruction of the recreation park in Shakhtinsk with subsequent landscaping of the territory in the amount of

KZT **811** million

The funds were also allocated for medical equipment (two anti-burn beds, a mobile X-ray machine, centralised oxygen supply to the department) and an ambulance for the Central Hospital of Temirtau in the amount of

KZT 204 million





Funds for sports and entertainment grounds for the Alyi Parus children's camp in Lisakovsk amounted to

KZT 50 million



RECONSTRUCTION AND IMPROVEMENT OF THE RECREATION PARK IN SHAKHTINSK

In 2022, a large-scale project of complex improvement of the Central Park of Shakhtinsk was completed. In total, the Company invested KZT 811 million for the implementation of this initiative.

On 30 June 2021, a memorandum was signed between the leadership of the Karaganda region and AMT on financial support for the project to improve the recreation park in Shakhtinsk. Pre-project work began immediately after the signing. Special attention was paid to the preparation of the project, since Central Park is primarily about the safety of children.

As part of the comprehensive park improvement, all foundation works were completed for playgrounds and attractions, pedestrian paths were paved with paving stones, while taking into account that the territory where the park is located is a swampy area, therefore an additional underlying layer was made under the paving stones and an increase in the structural layer to 40-50 cm to avoid further deformation and subsidence of coatings, as well as two seepage collection channels were also organised.

The entrance arch was restored in the park, 15 additional lighting poles were installed with the restoration of existing pillars, photo zones were organised. Two gazebos and 89 benches of three types with due account for the age were installed for the recreation of citizens. Five attractions, including Ermak, Karusel, Gusenitsa, Avtodrom and Tir swing sets. Four sports grounds were organised for active leisure: for workout, streetball, basketball, as well as a skate park.

The Company paid special attention to the restoration of the Miner's Family monument installed in the Shakhtinsk city park in 2009 and landscaping of the park.

More than **3,000** saplings

were planted in the park by miners in 2022, including elm, lilac, apple, bird cherry, tatarian maple, silver poplar, and pyramidal poplar. Together with the park administration, follow-up care will be organised for the green spaces. In 2023, the Company will continue landscaping the park. There are plans to complete the work on planting a green fence and fill in the existing vacant lots so that the park truly becomes an ornament of Shakhtinsk.

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Every year, AMT actively participates in the organisation and holding of festive events. The Company pays special attention to professional holidays, i.e., Metallurgist's Day and Miner's Day.

Traditionally, on the last Friday on the eve of the Metallurgist's Day, the Company honours the leaders of production and opens an updated Honour Board on the Walk of Fame. Photos of 60 leading metallurgists of AMT production will decorate the Honour Board on the Walk of Fame throughout the year.

In honour of the professional holiday of the Metallurgist's Day in the Company, the best workers of the metallurgical combine were awarded with state awards, i.e., Enbek Danky badges. The production leaders were awarded with certificates of honour from the Republican Association of Mining and Metallurgical Enterprises (AMME) and Enbek Danky badges of the II and III degrees. For the mining cities in Karaganda, Shakhtinsk, Sarani, Abay and Karazhal, akimats and the Coal Division of AMT have prepared a rich program of the main holiday of the Karaganda region, i.e., the Miner's Day.

In all cities, the program included a variety of festive cultural events, such as concert programs of creative teams, creative contests, entertainment programs for children, exhibitions, fairs, master classes, sports events and much more.



As part of the **Victory Day** celebration, the Company provided charitable assistance in the form of money transfers to GPW veterans, survivors of siege and prisoners, workers and awardees in Temirtau and Karaganda.

Veterans of the Great Patriotic War were congratulated at home with gifts and flowers, and also organised a festive lunch for participants of the Great Patriotic War in Karaganda and Temirtau.

The total amount is



Coverage 1,375 persons









As part of the celebration of the **International Children's Day**, AMT purchased two wheelchairs for children, sweet gifts for special children in Abay and children from large low-income families in Karaganda, as well as food packages for large low-income families of the Bakhtin rural district.

The Company equipped the rooms with Montessori training material for the Regional Rehabilitation Center in Temirtau and provided material support to the regional society of "Deti za zhizn" (Children for Life) public association.

The total amount is KZT **5.7**million

Coverage **1,533** persons

As part of the celebration of the International Knowledge Day, AMT purchased stationery for four orphanages and a nongovernmental organisation in Karaganda, Osakarovsky district and Temirtau.

Children from 51 low-income families in Shakhtinsk, Abay, Saran, Temirtau and the settlements of the mines of Orken LLP received gift certificates for the purchase of stationery and clothing.

The Company also sponsored the purchase of specialised equipment for the "Office of psychological and pedagogical correction No. 3" MPI in Karaganda and sports equipment for the "Regional Children's Sanatorium" in Temirtau.

> The total amount is KZT 8.3 million

Coverage 1,167 persons





As part of the celebration of the International Day of Older Persons, the Company purchased computer and household appliances for the "Organisation of Veterans" public association in Karaganda, as well as multifunctional beds for the "Center for the provision of Special Social Services No. 1, which houses single people, disabled people who have reached retirement age" in Abay.

Gazebos, benches and swings were purchased for the Dobro recreation center in Karaaanda.

> The total amount is KZT 8.5 million

Coverage 178 persons

As part of the celebration of the New Year, AMT bought sweet gifts for lowincome families, orphans, and people with disabilities.

> The total amount is KZT 5.5 million

Coverage 1,027 persons

STEM labs

The Company presented STEM laboratories to students of Lyceum School No. 14 and Gymnasium No. 10 in Abay. Thanks to modern complexes, children will be able to learn the basics of logic, educational robotics, the beginning of design and programming, learn about the world around them, get acquainted with the laws of physics, gain knowledge about chemistry, ecology, biology and physiology.

Digital STEM labs are a unique innovative educational complex that includes more than 165 tasks aimed at both the creative development of students and laying the foundations of engineering thinking. They include 3D printers, robot and subject kits for studying biology, chemistry, physics and mathematics, as well as graphic calculators and CoolTool educational kits that allow to assemble up to four machines, such as a jigsaw, a weather station, and virtual reality glasses. Laboratories were installed in classrooms with comfortable furniture and LED screens. Children age 12 up will be able to study in these classrooms.

In the future, they will be able to assemble a laptop on their own, learn programming languages, develop logical and engineering thinking.

> The total amount is KZT **19** million

Coverage 2,040 persons







Modular type pavilions

With the financing by AMT, three new modular pavilions were installed on the section along the Astana-Temirtau highway of republican significance in 2022.

This roadside service facility is covered by a well-maintained sanitary and hygienic hub, where conditions are created for low-mobility groups of the population.

There is a trading platform in the modular pavilion, as well as a recreation area for all road users nearby. In addition, the company has assumed obligations to connect electricity and water to the pavilions.

The total cost of the project will be





Human rights



As a leading metallurgical and mining company, AMT is obliged to regulate the Company's activities in accordance with the requirements of legislative, ethical and social norms. The Company has implemented a Compliance Program to prevent the appearance of obvious risks and to identify hidden violations at the enterprise.

One of the most important tasks of the compliance department is regular training of employees in the policies and procedures of the Compliance Program, conducting training seminars, developing manuals and informational messages.

In this regard, the following corporate policies have been developed:

The Human Rights Policy applies to all contractors of the ArcelorMittal Group. The standard contract templates of AMT and Orken LLP contain a section on the counterparty's compliance with ArcelorMittal policies and legislation, including the human rights policy.

Link to the Human Rights Policy:

- Human Rights Policy.
- Code of Business Conduct.
- Anti-Corruption Procedure.
- Data Protection Policy.
- Economic Sanctions Procedure.
- Insider Dealing Regulations.
- Guidance on company compliance with the requirements of competition law.

ArcelorMittal Group's Human Rights Policy sets out the principles of our actions and behaviour in relation to human rights.

The Company undertakes to respect and promote the rights of employees, contractors, suppliers, buyers, local communities and other partners.



The policy was developed on the basis of:

- The United Nations Universal Declaration of Human Rights and the two International Covenants that make up the International Bill of Human Rights.
- International Labor Organization Declaration on Fundamental Principles and Rights at Work.
- The UN Global Compact.

In 2022, 588 employees of the Steel, Coal and Iron Ore Divisions and subsidiaries received appropriate training.

100 % of security service employees have also been trained in human rights (in 2021: 92 %, in 2020: 76 %).

Non-discrimination



There are no identified cases of discrimination, the use of child and forced labour in the Company. Nevertheless, in order to prevent such cases, AMT complies with the following principles:

- Strive to ensure fair and decent treatment of every employee and potential candidate for employees.
- 2. Prevent any unlawful discrimination based on race, skin colour, gender, sexual orientation, age, religion, ethnicity, national or social origin, property status, political or other beliefs, disability, birth or any other grounds.
- 3. Implement and adhere to nondiscriminatory working methods of employees and internationally recognised work standards.
- Eliminate discriminatory behaviour at 4 every stage of work and at every level of the hierarchy.

To reduce the number of complaints and cases of discrimination in the Company, employees are provided with training in the Code of Business Conduct¹⁵ and Human **Rights Policy.**

In 2022

34,095 employees

of the Steel, Coal and Iron Ore Divisions and subsidiaries were familiarised with the Code of Business Conduct through an online tool and during seminars.

In order to avoid the fact of indirect promotion of such illegal practices as discrimination, the use of child or forced labour, or obtaining benefits from them, AMT conducts a business partner's trustworthiness check in this direction.

Grievance mechanism

The mechanism for filing and reviewing employee complaints is provided in the Whistleblower Policy, which is designed to inform about serious concerns related to possible violations or misconduct, including violations of the Code of Business Conduct, legal or regulatory requirements, fraud, noncompliance with accounting rules, auditing, banking or cases of bribery in the ordinary course of business of the Company and its subsidiaries. This Policy has been adopted at the level of the ArcelorMittal Group and is available at:

In addition, the Company's interaction with the public is carried out through complaints and appeals received from stakeholders. A procedure for dealing with complaints received by AMT has been developed, which is published on the Company's Kazakhstan website

following channels:

Postal address On paper to the p address

Email

Hotlines by catead

Financial Miscond Investigation Department Hotlin

Problem solving b

QR-code





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Stakeholders can file a complaint or appeal in any convenient way through the

ostal	ArcelorMittal Temirtau JSC, 1 Republic Ave., Temirtau, 101 407, Republic of Kazakhstan
	General.mst@arcelormittal.com
ories	On the Company's website: https://www.arcelormittal.kz/ Global Hotline: www.arcelormittal.ethicspoint.com 8 800 080 55 32
uct ne	Local hotline: HotlineTemirtau@arcelormittal.com +7 (7213) 96-09-09
oards	These are located in coal mines and workshops of the metallurgical plant
	The above-mentioned channels for filing complaints allow to quickly resolve issues of a different nature. Appeals related to combating corruption and fraud, violations in the area of labour protection, industrial and environmental safety, business behaviour and discrimination, abuse of official powers, as well as social orientation are processed.
ii ii	In 2022, 280 complaints and appeals were submitted to



25 complaints were received by the Iron Ore Division. Appropriate work has been carried out on all complaints and appeals

The Company is responsible for:

enterprises.

• Developing, implementing

and maintaining an effective and reliable internal control system at all

• Accounting in a form that allows

as well as providing information on

the consolidated financial position of

the Group with a sufficient degree of accuracy at any date and ensuring

compliance of the consolidated

• Accounting in accordance with

the legislation of the Republic of

• Taking all reasonably possible

measures to ensure the safety of

Identification and prevention of

financial and other abuses.

financial statements with the

requirements of IFRS.

Kazakhstan and IFRS.

assets.

disclosing and explaining transactions,

Economic impact



The Company is responsible for preparing consolidated financial statements that fairly reflect the financial position of AMT and its subsidiaries, as well as the financial results of its operations, cash flows and changes in equity for the year.

The Company's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are independently audited by a third-party organisation that has the appropriate license.

The Company has an accounting policy that reflects the types of accounting estimates used, the accounting chart of the organisation, the forms of primary documents used, as well as the tax policy-establishes the procedure for tax accounting in compliance with the Tax Code.

Accounting is based on primary documents that are approved by the Ministry of Finance of the Republic of Kazakhstan and have legal force.

By preparing and updating forecast indicators for the next 6 months (changes in prices on the raw materials market, changes in world indices, production volumes taking into account planned repairs and equipment condition, the political picture, etc.), comparing planned, expected and actual data, the Company evaluates the effectiveness of AMT's approach to managing economic indicators.

Key indicators of economic performance¹⁶, KZT billion

Name	2020	2021	2022
Total assets	941	1,028	1,084
Income from sales	720	1,289	1,114
Free cash flow	58	167	52
EBITDA	71	414	152
Net debt	124	113	136
Created economic value			
Net profit	-28	213	41
Distributed economic value			
Salary and other payments to employees	118	145	183
Social investments, including charity and social activities	16.3	41.1	34.5
Capital expenditures of the Company	95	97	140
Payments to suppliers and contractors	570	900	971



Capital expenditures. Major projects in 2022.

AMT strives to invest in its fixed assets through capital investments, which allows to expand the capabilities of our facilities and extend their service life.

	Steel Division		Coal Division		Iron Ore Division
1.	New coke oven batteries No. 8-9.	1.	New cage shaft construction.	1.	Fleet replacement.
2.	Repair of coke oven battery No. 7.		Phase 2.	2.	Lisakovsk. Site 5. Construction of
3.	Replacement of the boiler unit No. 1 at PP-1.	2.	Rehabilitation of remote ventilation shaft at the mine named after		power transmission line 110 kv and substation 110/6 kv.
4.	Construction of boiler No. 7 at PP-2.		T. Kuzembayev. Phase 2.	7	Atapsar Durchass of a crane with
5.	Erection of 150 m chimney at PP-1.	3.	Purchase of modern tunnelling	з.	50 tons load-carrying ability.
6.	Coke oven gas recovery unit.		machines.		
7.	Ash pond. Phase 3.		Purchase of a modern safe	4.	Kentobe. Purchase of a crane with
8.	PP-1 – replacement of the turbo- compressor No. 4.		mechanical complex.	5.	Purchase of buses for the Atasu
9.	Electrostatic precipitator for lime furnace No. 2.	5.	Purchase of medium and high capacity buses.		mines (2 buses) and the Lisakovsky branch.
10.	Modernisation of BF No. 3, air heater 8 and 10.	6.	Purchase of underground drilling machines.	6.	Atasu. Construction of an explosives preparation point.
11.	Replacement of shell of converters 1-2.	7.	Purchase of underground mobile	7.	Atasu. Purchase of the tunelling
12.	Replacement of the cooler for converter 1.	•	substations.		equipment.
13.	Replacement of 9 cranes.	8.	with protection against rope entry	8.	conveving pipes.
14.	Capital repair of unsafe buildings (sinter plant and CRM-2).		into the trunk.	9.	Geological exploration at the Atasu
15.	A new machine for texturing rolls with electric discharge (EDT) for CRM-2 and hot galvanising and	9.	Purchase of outboard diesel locomotives.		and Atansor mines.

- 15. aluminising plant.
- 16. Major overhaul of the plant chimney of sinter machine No. 7.
- 17. Linear cooler for sinter machine No. 7.

Taxes and mandatory payments



The Company manages taxation in accordance with the tax legislation of the Republic of Kazakhstan. AMT Tax Accounting and Planning Service team calculates taxes, monitors changes in tax legislation, and assesses tax risks.

For these purposes, the team annually undergoes training on changes in tax legislation and other relevant issues, mutual learning and transfer of experience is carried out within the team, continuity is planned and implemented. As part of tax reviews by third parties in order to obtain an independent risk assessment, advice on controversial issues, clarification and provision of recommendations are also provided.

Identification of tax risks is carried out by the Company both independently and with the help of tax consultants. Tax risks are constantly monitored within the Company at the level of the AMT enterprise itself, and at the level of the head office through the TRQ risk control system.

The identified risks are described, calculated in material terms, possible optimisation/ minimisation options are calculated, the risk position is updated on a regular basis. Additionally, the Company has a SOx department, which periodically monitors all the Company's procedures, including the procedures of the Tax Accounting and Planning Service.

The governing body responsible for compliance with the Company's tax strategy is the Tax and Public Relations Service. In its work, AMT strives to ensure the highest level of compliance with tax legislation, and thereby create value for its stakeholders.

Timely submission of tax reports, payment of taxes, compliance with tax legislation, openness and transparency are the fundamental principles of the Company in its approach to taxation.



The Tax and Public Relations Service is responsible for compliance with the tax strategy. The main documents regulating the activities of AMT in the area of taxes are:

• The Tax Code of the Republic of Kazakhstan.

• Legislative acts and various legal documents.

• The Company's tax policy:



The Company has a tax service with such responsibilities as:

- Timely preparation and submission of tax reports.
- Timely payment of taxes.
- Planning of tax liabilities for future periods.

• Conducting various analyses of tax liabilities for past periods.

• Processing of the acts of tax audits (focused, complex, in-house audit) conducted in the Company.

• Interaction with government agencies (upon request).

The Company strives for open, accurate and timely cooperation with tax authorities, and also strives to participate in a broader dialogue with stakeholders on tax issues.

AMT follows the principle of transparency and is aimed at constructive and effective cooperation with authorities, local communities and tax authorities.

The Company also pays special attention to the activities in the expert councils of local authorities of the territories of operational activity, participating in expert and working groups created by public authorities with the participation of the business community for the implementation of socially significant projects.

The Company has a risk management s including tax risks, which allows to preve the occurrence of risk events affecting the achievement of strategic goals.

The Company faces various tax risks in work, such as:

- 1. Ambiguous interpretation of the Tax
- 2. Risks associated with transfer pricin
 - Taxation of non-residents. 3.

Payments of taxes and fees, KZT billion

Item	2020	2021	2022
Payments of taxes and fees, including	50	132	140
corporate income tax	14	85	68
taxes withheld from salary	14	25	34
other taxes and fees	22	22	38





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system, ent	In o follo	rder to prevent and reduce tax risks, the owing work is carried out on a regular basis:
he	1.	Monitoring of changes in tax legislation.
its	2.	Participation of employees in seminars and forums.
x Code.	3.	Reconciliation with tax authorities.
ng.		



ANNEXES

Specific name: Ash-leaved maple (Ácer negúndo)

Deciduous trees and shrubs of the maple family. This is the most common, fast-growing, and pollution-resistant breed that is low-maintenance in terms of composition of the soil. Maple is resistant to droughts and smoke, able to grow on various types of soil. Due to the high rate of photosynthesis, maple cleans the air effectively from carbon dioxide and intensively produces oxygen. Maple has a high ability to restore standing population in case of damage, is resistant to pests. It is very active and mobile, has a high growth rate and is resistant to air pollution. It is most aggressive in the first stages of invasion, expressing this by intensive spontaneous seed propagation.

The high GHG absorptivity of maples determined that ArcelorMittal Temirtau JSC chose this tree species for the project.

Planting more than

325,500 saplings and seedlings

between 2022 and 2023 to create a sustainable green area.








ANNEX 1. SUSTAINABILITY DATA

In order to compare quantitative data, the values were rounded to the nearest tenths or hundredths, but the values contain decimal places.

Energy consumption



Consumption of energy resources from non-renewable sources, thousand GJ

Type of fuel		2020			2021			2022	
	SD17	CD	IOD	SD17	CD	IOD	SD17	CD	IOD
Mazut	12,915.00	-	-	14,462.00	-	-	12,958.20	-	-
Coal	47,657.82	-	140.69	47,460.95	-	135.16	42,836.29	-	110.00
Liquefied gas	1,321.10	0.03	0.14	1,975.40	0.03	0.15	1,737.00	0.03	0.15
Coke-oven gas	12,106.10	-	-	10,583.10	-	-	11,853.90	-	-
Blast-furnace gas	13,957.00	-	-	12,893.10	-	-	11,145.00	-	-
Natural gas	-	-	131.18	-	-	100.76	-	-	65.24
Gasoline	55.08	0.26	16.37	53.48	0.24	17.39	56.37	0.25	17.23
Diesel fuel	659.61	3.62	419.29	614.61	4.13	437.29	646.79	3.79	446.81
Kerosene	1.52	0.01	0.49	1.74	0.01	0.46	1.58	0.01	0.44
Oil and lubricants	-	1.90	-	-	1.98	-	-	1.76	-
Process service coal (own boiler houses)	-	823.16	-	-	858.56	-	-	953.25	-
Total	88,673.23	828.98	708.16	88,044.37	864.95	691.21	81,235.12	959.10	639.87
Total, excl reusable resources	62,610.13	828.98	708.16	64,568.17	864.95	691.21	58,236.22	959.10	639.87

Emissions of pollutants



Emissions of pollutants into the atmosphere, thousand tons per annum

Type of pollutants		2020			2021			2022	
	SD	CD	IOD	SD	CD	IOD	SD	CD	IOD
– Dust	23.6	6.0	1.2	21.2	5.9	1.2	22.2	6.7	1.0
NOx	13.4	1.1	0.0	13.1	0.8	0.0	13.9	1.2	0.0
SOx	46.7	2.7	0.1	49.7	2.6	0.1	48.1	2.8	0.1
СО	127.7	2.4	0.1	125.2	2.7	0.1	119.5	2.9	0.1
Other	0.5	0.0	0.1	0.5	0.0	0.0	0.5	0.0	0.1
Particulate matter (PM)	-	-	0.0	-	-	0.0	-	-	0.0
Volatile organic compounds (VOC)	0.3	-	0.0	0.3	-	0.0	0.4	-	0.0
Total	212.4	12.2	1.6	210.1	12.0	1.5	204.7	13.6	1.3

Waste management



The volume of accumulated hazardous and non-ho

	2020			2021			2022		
	SD	CD	IOD	SD	CD	IOD	SD	CD	IOD
Total accumulated hazardous waste, of which:	3.19	0.10	0	3.16	0.10	0	2.87	0.12	0
Blast-furnace slag	1.87	-	-	1.89	-	-	1.64	-	-
Steelmaking slag	0.78	-	-	0.71	-	-	0.66	-	-
Aspiration fines (SD)	0.12	-	-	0.14	-	-	0.14	-	-
Gas condensate	0.12	-	-	0.13	-	-	0.15	-	-
Scale	0.08	-	-	0.08	-	-	0.07	-	-
Other	0.22	0.00	-	0.22	0.00	-	0.20	0.00	-
Ash slag	-	0.01	-	-	0.10	-	-	0,12	-
Total accumulated non-hazardous waste, of which:	3.63	3.13	10.02	3.64	3.14	11.20	3.94	2.80	13.04
Coal preparation rock	0.91	2.91	-	0.82	2.79	-	1.32	2.45	-
Coal preparation tailings	0.10	-	-	0.30	-	-	0.26	-	-
Ash and slag waste	1.20	-	-	1.23	-	-	1.13	-	-
Sinter screening	0.65	-	-	0.56	-	-	0.49	-	-
Coke screening	0.18	-	-	0.16	-	-	0.13	-	-
Ferrous steel scrap	0.47	-	-	0.42	-	-	0.44	-	-
Other	0.13	0.00	-	0.16	0.00	-	0.17	0.00	-
Flotation slurry	-	0.21	-	-	0.34	-	-	0.35	-
Overburden rocks	-	-	8.09	-	-	9.05	-	-	11.15
Dry magnetic separation tailings, dry gravity tailings	-	-	1.87	-	-	1.91	-	-	1.66
Aspiration fines (waste code N 01 03 08)	-	-	0.00	-	-	0.00	-	-	0.00
Sludge	-	-	0.06	-	-	0.23	-	-	0.23
Total waste accumulated:	6.82	3.23	10.02	6.80	3.24	11.20	6.81	2.92	13.04

Recovered waste



Volume of recycled and reused hazardous and non-hazardous waste in the Steel Division, million tons

Type of waste	Waste recovery site	2020	2021	2022
Total hazardous waste recovered, of	Within the Company:	1.04	2.03	2.34
which:	Transfer to a licensed company:	1.88	0.50	0.01
	Within the Company:	-	1.27	1.64
Blast-Turnace slag	Transfer to a licensed company:	1.87	0.49	-
Steelmaking slag	Within the Company:	0.60	0.30	0.24
Aspiration fines	Within the Company:	0.12	0.14	0.14
•••••••••••••••••••••••••••••••••••••••		••••••••••••••••••••••••••••••••	••••••	••••••

azardous	waste	in AMT	, million	tons
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Volume of recycled and reused hazardous and non-hazardous waste in the Steel Division, million tons

Type of waste	Waste recovery site	2020	2021	2022
Gas condensate	Within the Company:	0.12	0.13	0.15
Scale	Within the Company:	0.08	0.08	0.07
	Within the Company:	0.13	0.12	0.09
Other	Transfer to a licensed company:	0.00	0.00	0.01
Total non-hazardous waste recovered, of which:	Within the Company:	1.32	1.16	1.09
	Transfer to a licensed company:	0.03	0.03	0.05
Coal preparation tailings	Transfer to a licensed company:	0.02	0.03	0.03
Ash and slag waste	Transfer to a licensed company:	-	0.00	-
Sinter screening	Within the Company:	0.65	0.56	0.49
Coke screening	Within the Company:	0.18	0.16	0.13
Ferrous steel scrap	Within the Company:	0.47	0.42	0.44
Other	Within the Company:	0.03	0.02	0.03
Other	Transfer to a licensed company:	0.00	0.00	0.02

The volume of recovered hazardous and non-hazardous waste within the Company in the Coal Division, million tons

Type of waste	Type of waste recovery	2020	2021	2022
Total hazardous waste recovered, of which:	Reuse	0.03	0.02	0.03
Ash slag	Reuse	0.03	0.02	0.03
Other	Reuse	0.00	0.00	0.00
Total non-hazardous waste recovered, of	Reuse	0.29	0.27	0.17
which:	Transfer to SD	0.01	0.00	0.00
Rock	Reuse	0.29	0.27	0.17
Other	Reuse	0.00	0.00	0.00
Other	Transfer to SD	0.01	0.00	0.00

The volume of recycled and reused waste in the Iron Ore Division, million tons

Type of waste	Waste recovery site	2020	2021	2022
Total non-hazardous waste recovered, of	Within the Company:	0.16	0.32	0.28
which:	Transfer to a licensed company:	-	0.01	-
Overburden rocks	Within the Company:	0.00	0.01	0.02
	Transfer to a licensed company:	-	0.01	-
Dry magnetic separation tailings, dry	Within the Company:	0.09	0.16	0.11
gravity tailings	Transfer to a licensed company:	-	0.00	-
Aspiration fines	Within the Company:	0.00	0.00	0.00
Sludge	Within the Company:	0.06	0.15	0.15
		••••••••••••••••••••••••••••••••••••		

Waste disposed



The volume of hazardous and non-hazardous waste disposed within the Company in the Steel Division, million tons

lype of waste	lype of waste disposal	2020	2021	2022
Total hazardous waste disposed, including:	Placement	0.27	0.63	0.52
Blast-furnace slag	Placement	-	0.13	-
Steelmaking slag	Placement	0.18	0.41	0.43
Blast-furnace gas treatment sludge	Placement	0.04	0.04	0.04
Converted waste gas purification sludge	Placement	0.05	0.05	0.04
Other	Placement	0.01	0.01	0.01
Total non-hazardous waste disposed, of	Placement	2.28	2.43	2.56
which:	Temporary accumulation	-	0.02	0.25
	Placement	0.91	0.82	1.24
Coal preparation rock	Temporary accumulation	-	-	0.09
Ash and slag waste	Placement	1.20	1.23	1.13
	Placement	0.07	0.27	0.07
Coal preparation tailings	Temporary accumulation	-	-	0.16
Other	Placement	0.09	0.09	0.12
•••••••••••••••••••••••••••••••••••••••		••••••••••••••••••••••••••••••••••	•••••••	•••••

The volume of hazardous and non-hazardous waste disposed in the Coal Division, million tons

Type of waste	Waste disposal site	Type of waste disposal	2020	2021	2022
		Waste-to-energy	0.00	0.00	0.00
Total hazardous waste	Within the Company:	Non-energy waste disposal	0.00	0.00	0.00
disposed, including:		Placement	0.07	0.08	0.10
	Transfer to a licensed company:	Non-energy waste disposal	0.00	0.00	0.00
Aspiration fines	Within the Company:	Non-energy waste disposal (sale with coal)	0.00	0.00	0.00
Ash slag	Within the Company:	Placement	0.07	0.08	0.09
	•	Waste-to-energy	0.00	0.00	0.00
Other	Within the Company:	Non-energy waste disposal	0.00	0.00	-
Other		Placement	0.00	0.00	0.00
	Transfer to a licensed company:	Non-energy waste disposal	0.00	0.00	0.00
Total, non-hazardous	Within the Company:	Placement	2.55	2.53	2.28
waste disposed, of which:	Transfer to a licensed company:	Non-energy waste disposal	0.00	0.00	0.00
Rock	Within the Company:	Placement	2.55	2.53	2.28
Other	Transfer to a licensed company:	Non-energy waste disposal	0.00	0.00	0.00
	••••••		•••••••••	••••••	





ABOUT THE REPORT MESSAGE FROM CEO KEY INDICATORS ABOUT THE COMPANY CORPORATE GOVERNANCE HEALTH AND SAFETY CLIMATE CHANGE AND CUSTOMER REASSURANCE AND SOCIAL





The volume of waste disposed within the Company in the Iron Ore Division, million tons

Type of waste	Type of waste disposal	2020	2021	2022
Total, non-hazardous waste disposed,	Placement	9.16	9.98	11.63
of which:	Other (recultivation)	0.69	0.81	0.93
Overburden rocks	Placement	8.08	9.03	11.13
Overburden rocks	Other (recultivation)	0.01	0.02	0.01
Dry magnetic separation tailings, dry	Placement	1.08	0.95	0.50
gravity tailings	Other (recultivation)	0.69	0.72	0.84
Aspiration fines	Placement	0.00	0.00	0.00
Sludge	Other (recultivation)	-	0.08	0.08

Water resources management

Water withdrawal



Total water withdrawal in AMT from all sites by sources, million m³

		2020			2021			2022	
	SD	CD	IOD	SD	CD	IOD	SD	CD	IOD
Surface water, including:	213.37	-	-	206.48	-	-	214.69	-	-
for production needs	213.37	-	-	206.48	-	-	214.69	_	-
for domestic, household and practical needs	-	-	-	-	-	-	-	-	-
Ground water, including:	14.08	4.18	0.15	13.62	4.48	0.18	13.63	4.74	0.20
for production needs	-	3.07	0.05	_	3.34	0.09	-	3.66	0.10
for domestic, household and practical needs	14.08	1.12	0.10	13.62	1.13	0.10	13.63	1.08	0.10
Mine waters	-	2.41	5.24	-	2.35	4.15	-	3.52	3.88
for production needs	-	2.41	0.25	-	2.35	0.29	-	3.52	0.25
Municipal water service companies	-	0.13	0.03	_	0.10	0.04	-	0.11	0.04
for production needs	-	0.09	-		0.09	-	-	0.07	-
for domestic, household and practical needs		0.04	0.03		0.01	0.04		0.03	0.04
Total	227.44	6.72	5.42	220.11	6.93	4.37	228.32	8.37	4,13
Reverse water supply	873.36	32.56	43.96	820.46	32.64	37.74	817.46	28.14	20.43
Total (including reverse water supply)	1,100.80	39.28	49.38	1,040.56	39.57	42.11	1,045.78	36.50	24.56
Share of reverse water supply, %	79 %	83 %	89 %	79 %	82 %	90 %	78 %	77 %	83 %

Waste water discharge



Total water discharge by AMT to all districts by types of receiving water bodies, million m³

		2020			2021		:	2022	
	SD	CD	IOD	SD	CD	IOD	SD	CD	IOD
Surface water	193.94	3.49	-	205.00	3.49	-	193.62	3.58	-
Water discharge to third parties, including:	-	0.38	0.04	-	0.39	0.04	-	0.43	0.04
Municipal waste water treatment plants	-	0.38	0.03	-	0.39	0.03	-	0.43	0.03
Transfer to a third-party organisation	-	-	0.01	-	-	0.01	-	-	0.01
Total	193.94	3.87	0.04	205.00	3.88	0.04	193.62	4.01	0.04

Personnel management



The composition of employees by age and categor

		20)20		2021				2022			
Category	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total
Managers ¹⁸												
Steel Division	70	843	397	1,310	71	869	393	1,333	87	939	428	1,454
Coal Division	115	944	510	1,569	117	976	520	1,613	159	1,006	520	1,685
Iron Ore Division	23	141	81	245	20	128	89	237	16	167	95	278
Total in the Company	208	1,928	988	3,124	208	1,973	1,002	3,183	262	2,112	1,043	3,417
Specialists												
Steel Division	236	715	326	1,277	274	762	342	1,378	378	840	388	1,606
Coal Division	107	458	228	793	119	431	238	788	142	461	249	852
Iron Ore Division	45	106	53	204	49	117	56	222	58	124	51	233
Total in the Company	388	1,189	607	2,274	442	1,310	636	2,388	578	1,425	688	2,691
Workers												
Steel Division	1,244	5,705	3,586	10,517	1,418	5,880	3,677	10,975	1,616	6,204	3,862	11,682
Coal Division	1,458	5,211	3,681	10,350	1,479	5,311	3,664	10,454	1,686	5,675	3,600	10,961
Iron Ore Division	347	1,064	607	2,018	351	1,071	610	2,032	354	1,071	647	2,072
Total in the Company	3,049	11,980	7,874	22,885	3,248	12,262	7,951	23,461	3,656	12,950	8,109	24,715

¹⁸Managers include all employees of the "manager" category according to the Qualification Directory of Positions of Managers, Specialists and Other Employees of the Republic of Kazakhstan.

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The composition of employees by age and category

Category		20	020			20)21			20)22	
	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total
Administrative and other technical spe	ecialists	5										
Steel Division	4	20	6	30	5	21	14	40	7	24	16	47
Coal Division	6	75	61	142	11	81	59	151	18	84	63	165
Iron Ore Division	1	3	1	5	2	3	-	5	2	4	1	7
Total in the Company	11	98	68	177	18	105	73	196	27	112	80	219

Actual number of employees at the end of the reporting period, by categories of the employment contract

Indicator	By AMT and divisions	d	2020	C	20	21	20	22
			Men	Women	Men	Women	Men	Women
		Total	17,220	5,207	16,156	4,964	15,308	4,819
The number of employees	SD		6,718	2,920	6,267	2,767	5,911	2,675
contract	CD		8,915	1,729	8,319	1,650	7,818	1,593
	IOD		1,587	558	1,570	547	1,579	579 551 195 2,820 376 1,827
		Total	4,553	1,480	6,029	2,079	8,095	2,820
The number of employees	SD		2,456	1,040	3,323	1,369	4,376	1,827
employment contract	CD		1,848	362	2,435	602	3,371	881
	IOD		249	78	271	108	348	112
Non-guaranteed hours employees		Total	-	-	-	-	-	-
		Total	21,766	6,679	22,184	7,033	23,403	7,632
Number of full-time	SD		9,167	3,952	9,589	4,126	10,287	4,495
employees	CD		10,763	2,091	10,754	2,252	11,189	2,474
	IOD		1,836	636	1,841	655	1,927	663
		Total	7	8	1	10	-	7
Number of part-time	SD		7	8	1	10	-	7
employees	CD		-	-	-	-	-	1,579 551 1,579 551 3,095 2,820 4,376 1,827 3,371 881 348 112 - - 3,403 7,632 0,287 4,495 11,189 2,474 1,927 663 - 7 - 7
	IOD		-	-	-	-	-	-

Total number of employees hired in the reporting period by region

Region		2	2020		2021			2022				
5	SD	CD	IOD	Total	SD	CD	IOD	Total	SD	CD	IOD	Total
Karaganda	698	160	130	988	1,623	1,020	159	2,802	2,241	1,622	108	3,971
Akmola	-	-	46	46	-	-	49	49	-	-	50	50
Kostanay	-	-	92	92	-	-	151	151	-	-	132	132
Ulytau	-	-	-	-	-	-	-	-	-	-	124	124

The composition of employees by category

Division	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Managers						
Steel Division	1,085	225	1,108	225	1,202	252
Coal Division	1,481	88	1,519	94	1,593	92
Iron Ore Division	197	48	190	47	228	50
Total in the Company	2,763	361	2,817	366	3,023	394
Specialists						
Steel Division	362	915	373	1,005	454	1,152
Coal Division	491	302	483	305	521	331
Iron Ore Division	69	135	78	144	91	142
Total in the Company	922	1,352	934	1,454	1,066	1,625
Workers						
Steel Division	7,727	2,790	8,108	2,867	8,630	3,052
Coal Division	8,785	1,565	8,747	1,707	9,067	1,894
Iron Ore Division	1,570	448	1,573	459	1,608	464
Total in the Company	18,082	4,803	18,428	5,033	19,305	5,410
Administrative and other technical spe	cialists					
Steel Division	-	30	1	39	1	46
Coal Division	6	136	6	145	8	157
Iron Ore Division	-	5	-	5	-	7
Total in the Company	6	171	7	189	9	210









ANNEX 2. GRI CONTENT INDEX

Statement of use	The Report of Arcelor with the Sustainabilit Initiative (GRI) for the 2022
Application of GRI 1 standard	GRI 1: Foundation
Applicable GRI sector standards	GRI 12: Coal Sector 20 Draft GRI sector stan Mining sector (approv
GRI Standard Disclosure	Page in the Omission and Report/ the reason for

		Comments	omission
Disclosure of ge	eneral information		
GRI 2: General Disclosures 2021	2-1 Organisational details	4, 16, 18	
	2-2 Entities included in the organisation's sustainability reporting	5	
	2-3 Reporting period, frequency and contact point	4, 170	
	2-4 Restatements of information	4	



ty Reporting Standards of the Global Reporting e reporting period from 1 January to 31 December

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ndard for the mining sector – Draft GRI 14 standard: oval of the standard is expected in December 2023)

d or	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
	N/A	N/A	N/A

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 2: General Disclosures 2021	<mark>2-5</mark> External assurance	5		N/A	N/A	N/A
	2-6 Activities, value chain and other business relationships	8, 18, 22, 24		N/A	N/A	N/A
	<mark>2-7</mark> Employees	12, 109, 150		N/A	N/A	N/A
	2-8 Workers who are not employees	108, 150		N/A	N/A	N/A
	2-9 Governance structure and composition	29		N/A	N/A	N/A
	2-10 Nomination and selection of the highest governance body	29		N/A	N/A	N/A
	<mark>2-11</mark> Chair of the highest governance body	29		N/A	N/A	N/A
	2-12 Role of the highest governance body in overseeing the management of impacts	36		N/A	N/A	N/A
	2-13 Delegation of responsibility for managing impacts	36		N/A	N/A	N/A
	2-14 Role of the highest governance body in sustainability reporting	36		N/A	N/A	N/A
	2-15 Conflicts of interest	30		N/A	N/A	N/A

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	36		N/A	N/A	N/A
	2-17 Collective knowledge of the highest governance body	36		N/A	N/A	N/A
	2-18 Evaluation of the performance of the highest governance body	30		N/A	N/A	N/A
	2-19 Remuneration policies	30		N/A	N/A	N/A
	2-20 Process to determine remuneration	30		N/A	N/A	N/A
	2-21 Annual total compensation ratio		Not disclosed for personal information pro- tection	N/A	N/A	N/A
	2-22 Statement on sustainable development strategy	6, 32		N/A	N/A	N/A
	2-23 Policy commitments	37, 38, 98, 108, 136		N/A	N/A	N/A
	2-24 Embedding policy commitments	37, 136		N/A	N/A	N/A
	2-25 Processes to remediate negative impacts	137		N/A	N/A	N/A



		Page in the	Omission and	No of the CPI	Relation to SD	Relation to the
GRI Standard	Disclosure	Report/ Comments	the reason for omission	sector standard	outcomes of the ArcelorMittal Group	SDGs
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	137		N/A	N/A	N/A
	2-27 Compliance with laws and regulations	76		N/A	N/A	N/A
	2-28 Membership associations	38		N/A	N/A	N/A
	2-29 Approach to stakeholder engagement	38		N/A	N/A	N/A
	2-30 Collective bargaining agreements	116		N/A	N/A	N/A
Material topics	i					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	37		N/A	N/A	N/A
	3-2 List of material topics	37		N/A	N/A	N/A
Occupational I	: nealth and safety		<u>.</u>	<u>.</u>	<u>.</u>	<u>.</u>
GRI 3: Material Topics 2021	3-3 Management of material topics	44		12.14.1 14.16.1	People	SDG 3
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	44		12.14.2 14.16.2	People	SDG 3
	403-2 Hazard identification, risk assessment, and incident investigation	54		12.14.3 14.16.3	People	SDG 3
	403-3 Occupational health services	55		12.14.4 14.16.4	People	SDG 3

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication onoccupational health and safety	44, 54		12.14.5 14.16.5	People	SDG 3
	403-5 Worker training on occupational health and safety	58		12.14.6 14.16.6	People	SDG 3
	403-6 Promotion of worker health	55		12.14.7 14.16.7	People	SDG 3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44, 54, 58		12.14.8 14.16.8	People	SDG 3
	403-8 Workers covered by an occupational health and safety management system	44		12.14.9 14.16.9	People	SDG 3
	403-9 Work-related injuries	52	LTIFR for contractors is not disclosed, as there is no accounting for actually worked man- hours.	12.14.10 14.16.10	People	SDG 3
	403-10 Work-related ill health	54	It is not disclosed for contractors, as there is no accounting	12.14.11 14.16.11	People	SDG 3
Labour practic	es and ensuring dece	ent working c	conditions			
GRI 3: Material Topics 2021	3-3 Management of material topics	108		12.15.1 14.17.1	People	SDG 8

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	109, 111		12.15.2 14.17.3	People	SDG 8
	401-2 Benefits provided to full-time employees that are not provided to temporary or part- time employees	111, 115		12.15.3 14.17.4	People	SDG 8
	401-3 Parental leave	111		12.15.4 14.17.5	People	SDG 3 SDG 5
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	114		12.19.2 14.17.2	People	SDG 5 SDG 8
	202-2 Proportion of senior management hired from the local community	114		12.19.3 14.21.2	People Community	SDG 8 SDG 5
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	116		12.18.2 14.20.2	People	SDG 8
Training and e	ducation		•	•		
GRI 3: Material Topics 2021	3-3 Management of material topics	118		12.19.1	People Scientists and engineers	SDG 4 SDG 8

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	122		12.19.5	People Scientists and engineers	SDG 4 SDG 8
	404-2 Programs for upgrading employee skills and transition assistance programs	123		12.3.3 14.17.8	People Scientists and engineers	SDG 8 SDG 4
	404-3 Percentage of employees receiving regular performance and career development reviews	118			People	SDG 8
Emissions into	: the atmosphere	:	:	:	:	:
GRI 3: Material Topics 2021	3-3 Management of material topics	72, 78			Air, land and water	SDG 11
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)		Not applicable as the Company has no emissions of ozone- depleting substances		Air, land and water	SDG 11
	305-7 Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	78, 145		12.14.2 14.3.2	Air, land and water	SDG 11
Waste manag	ement				•	
GRI 3: Material Topics 2021	3-3 Management of material topics	84		12.6.1 14.5.1	Resources Products	SDG 12 SDG 9
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	84		12.6.2 14.5.2 14.6.1 14.6.2 14.6.3	Resources	SDG 12



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GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 306: Waste 2020	306-2 Management of significant waste- related impacts	84		12.6.3, 14.5.3	Resources	SDG 12
	306-3 Waste generated	84, 146		12.6.4, 14.5.4	Resources	SDG 12
	306-4 Waste diverted from disposal	10, 86, 146		12.6.5, 14.5.5	Resources Products	SDG 12 SDG 9
	306-5 Waste directed to disposal	87, 148		12.6.6, 12.13.1, 12.13.3, 12.13.4, 14.5.6, 14.6.1, 14.6.2, 14.6.3, 14.15.1, 14.15.3, 14.15.4	Resources	SDG 12
GRI 306: Effluents and Waste 2016	306-3 Significant spills	There were no significant spills into the environment in the reporting period		14.15.2 12.13.2	Air, land and water	SDG 15
Water consum	ption and wastewate	r discharges	•	•	•	•
GRI 3: Material Topics 2021	3-3 Management of material topics	89		12.7.1 14.7.1	Air, land and water	SDG 6
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	89		12.7.2 14.7.2	Air, land and water	SDG 6
	303-2 Management of water discharge- related impacts	92		12.7.3 14.7.3	Air, land and water	SDG 6
	303-3 Water withdrawal	90, 149	303-3-b Information on mineralisation of the withdrawn water is not available due to the lack of accounting in Steel and Coal Divisions	12.7.4, 14.7.4	Air, land and water	SDG 6
	303-4 Water discharge	92	303-4-b, c Information on mineralisation of the discharged water is not available due to the lack of accounting in Steel and Coal Divisions	12.7.5, 14.7.5	Air, land and water	SDG 6

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs			
GRI 303: Water and Effluents 2018	303-5 Water consumption	94		12.7.6, 14.7.6	Air, land and water	SDG 6			
Energy consumption and energy efficiency									
GRI 3: Material Topics 2021	3-3 Management of material topics	66		12.1.1 14.1.1	Carbon and energy	SDG 7			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	66, 144		12.1.2 14.1.2	Carbon and energy	SDG 7			
	302-2 Energy consumption outside of the organisation		The Company does not keep records of energy consumption outside of the organisation	12.1.3 14.1.3	Carbon and energy	SDG 7			
	302-3 Energy intensity	68		12.1.4 14.1.4	Carbon and energy	SDG 7			
	302-4 Reduction of energy consumption	69	The information is incomplete due to the lack of data on reduction of energy consumption as a result of en- ergy efficiency measures		Carbon and energy	SDG 7			
	302-5 Reductions in energy requirements of products and services		Not applicable as the Company does not make products with reduced energy demands		Carbon and energy	SDG 7			
Climate chang	: le and greenhouse go	: as emissions	:		:				
GRI 3: Material Topics 2021	3-3 Management of material topics	62		12.1.1	Carbon and energy	SDG 13			



GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	62		12.1.5 14.1.5	Carbon and energy	SDG 13
	305-2 Energy indirect (Scope 2) GHG emissions		Information is not available. Indirect energy emissions are not accounted for	12.1.6 14.1.6	Carbon and energy	SDG 13
	305-3 Other indirect (Scope 3) GHG emissions		Information is not available. Other indirect GHG emissions are not accounted for	12.1.7 14.1.7	Carbon and energy	SDG 13
305- GHC inter	305-4 GHG emissions intensity	62		12.1.8 14.1.8	Carbon and energy	SDG 13
	305-5 Reduction of GHG emissions	10, 62	The information is incomplete, as the base year for the Coal Division has not been provided. There is no base year set for the Iron Ore Division	12.2.3 14.1.9	Carbon and energy	SDG 13
Human rights	:				:	<u>. </u>
GRI 3: Material Topics 2021	3-3 Management of material topics	136		12.19.1 14.21.1	Supply chains People	SDG 5 SDG 8
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	12, 114, 150		12.19.6 14.21.5	People	SDG 5 SDG 8
	405-2 Ratio of basic salary and remuneration of women to men	114		12.19.7 14.21.6	People	SDG 5

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	137		12.19.8 14.21.7	People	SDG 5 SDG 8
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	137		12.6.2 14.18.2	Supply chains People	SDG 8
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	137		12.17.2 14.19.2	Supply chains People	SDG 8
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	136		12.12.2 14.14.2	People	SDG 8
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples		Not applicable to the Company, since indigenous and small- numbered peoples do not live in the regions of the Company's presence	12.11.2 14.11.2	Community	SDG 8
Responsible su	pply chain	•	•	•	•	•
GRI 3: : Material Topics 2021	3-3 Management of material topics	98		12.8.1 14.9.1	Supply chains	SDG 8
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	12, 100		12.8.6 14.9.5	Supply chains	SDG 8



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GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	98		12.15.8 14.17.9	Supply chains	SDG 8
	414-2 Negative social impacts in the supply chain and actions taken	98		12.15.9 14.17.10	Supply chains	SDG 8
Development	of the regions of prese	ence	•	·	•	•
GRI 3: Material Topics 2021	3-3 Management of material topics	128		12.8.1 14.9.1	Community	SDG 8 SDG 3 SDG 4 SDG 16
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	12, 129		12.8.4 14.9.3	Community	SDG 8, SDG 3, SDG 4
	203-2 Significant indirect economic impacts	129		12.8.5 14.9.4	Community	SDG 8
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	129		12.9.2 14.10.2	Community	SDG 16
	413-2 Operations with significant actual and potential negative impacts on local communities	129		12.9.3 14.10.3	Community	SDG 16

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs		
Economic impact								
GRI 3: Material Topics 2021	3-3 Management of material topics	138		14.9.1 12.21.1	Impact	SDG 8		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	12, 138		12.21.2 14.9.2	Impact	SDG 8		
	201-2 Financial implications and other risks and opportunities due to climate change		The information is not disclosed as the Company does not assess the risks and financial aspects related to climate change	12.2.2 14.2.2	Impact	SDG 8		
	201-3 Defined benefit plan obligations and other retirement plans	115			Impact	SDG 8		
	201-4 Financial assistance received from government	The Company does not receive financial aid from the government		12.21.3 14.23.3	Impact	SDG 8		
GRI 207: Tax 2019	207-1 Approach to tax	140		12.21.4 14.23.4	Impact	SDG 8		
	207-2 Tax governance, control, and risk management	140		12.21.5 14.23.5	Impact	SDG 8		
	207-3 Stakeholder engagement and management of concerns related to tax	140		12.21.6 14.23.6	Impact	SDG 8		



GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason for omission	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs
Biodiversity ar	nd land use					
GRI 3: Material Topics 2021	3-3 Management of material topics	94		12.5.1 14.4.1	Air, land and water	SDG 15
GRI 304 304-1 Biodiversity Operc 2016 owned mana or adj protec and a biodiv outsic areas	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	95		12.5.2 14.4.2	Air, land and water	SDG 15
	304-2 Significant impacts of activities, products and services on biodiversity	95		12.5.3 14.4.3	Air, land and water	SDG 15
	304-3 Habitats protected or restored	95		12.5.4 14.4.4	Air, land and water	SDG 15
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	95		12.5.5 14.4.5	Air, land and water	SDG 15
Anti-corruptio	: n	<u>.</u>	:	:	:	:
GRI 3: Material	3-3 Management of					

12.20.1

14.22.1

SDG 16

Community

GRI Standard	Disclosure	Page in the Report/ Comments	Omission and the reason fo omission	
GRI 205:	205-1			
Anti-	Operations			
corruption	assessed for			
2016	risks related to	107		
	corruption	103		
	205-2			
	Communication			
	and training about	107		
	anti-corruption	103		
	policies and			
	procedures			
	205-3		Not disclose	
	Confirmed		for privacy	
	incidents of		Teasons	
	corruption and			
	actions taken			
State policy	-	-	-	
GRI 415:	415-1	The		
Public Policy	Political	Company does not		
2016	contributions	make		
		contributions		
Topics in GRI	sector standards	defined as	non-mate	
Торіс			E	
GRI 12: Coal S	ector 2022			
			Т	
12 7 Closuro an	drobabilitation		a	
12.3 Closure and rehabilitation			þ	
			n	
			Т	
12.10 Land and resource rights				
			IC	
12 12 Conflict of	nd accurity		Т	
12.12 Connet di	nd security		n	
Draft GRI 14 s	tandard: Minina Sea	ctor		
			Т	
1/ 0 0			C	
14.8 Closure ar	a renabilitation		p	
14.12 Land and resource rights				

14.13 Artisanal and small-scale mining

14.25 Conflict-affected and high-risk areas

Topics 2021

material topics

102



ind for	No. of the GRI sector standard	Relation to SD outcomes of the ArcelorMittal Group	Relation to the SDGs		
	12.20.2 14.22.2	Community	SDG 16		
	12.20.3 14.22.3	Community	SDG 16		
ed	12.20.4 14.22.4	Community	SDG 16		
	12.22.1 12.22.2	Community	SDG 16		
:erial					
Exp	lanation				
There were no closures of shafts, mines or other operating assets during the reporting period. Recultivation of tailing ponds is carried out according to recultivation projects developed in accordance with the requirements of national legislation. The Company's activities do not result in forced relocation of the local population and do not restrict the rights of local communities to use land resources.					
The of th locc	Company's activiti ne local population al communities to us	es do not result in forc and do not restrict the se land resources.	ed relocation e rights of		
The of th locc The milit	Company's activiti ne local population al communities to us Company does no ary or other types o	es do not result in forc and do not restrict the se land resources. t operate in areas affe of conflicts.	ed relocation e rights of ected by		
The of the locco The milit The asse pon dev nati The of the locco	Company's activiti ne local population al communities to us Company does no ary or other types of re were no closures ets during the repo ids is carried out ac eloped in accordan onal legislation. Company's activiti ne local population al communities to u	es do not result in forc and do not restrict the se land resources. t operate in areas affe of conflicts. of shafts, mines or oth rting period. Recultivation cording to recultivation nce with the requirement es do not result in forc and do not restrict the se land resources.	ed relocation e rights of ected by her operating tion of tailing on projects ents of ed relocation e rights of		
The of the locc The milit The asse pon dev nati The of the locc	Company's activiti ne local population al communities to us Company does no ary or other types of re were no closures ets during the repo ids is carried out ac eloped in accordan onal legislation. Company's activiti ne local population al communities to u Company does no sanal or small-scale	es do not result in forc and do not restrict the se land resources. t operate in areas affe of conflicts. of shafts, mines or oth rting period. Recultivation cording to recultivation nce with the requirement es do not result in forc and do not restrict the se land resources. t interact with operato e mining.	ed relocation e rights of ected by her operating tion of tailing on projects ents of ed relocation e rights of prs of		

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ACRONYMS AND ABBREVIATIONS

AMME	Republican Association of Mining and Metallurgical Enterprises
AMT	ArcelorMittal Temirtau JSC
ARCGS	Appointments, Remuneration, Corporate Governance & Sustainability Committee
AU	Dust extraction system
BAT	Best available technology
BOD	Biochemical oxygen demand
CC machine	Continuous-casting machine
CD	Coal Division
CEO	Chief Executive Officer
COD	Chemical oxygen demand
CRM	Cold rolling mill
DRI	Direct Reduced Iron
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EIA	Environmental Impact Assessment
EITI	The Extractive Industries Transparency Initiative
ERG	Eurasian Resources Group
ESG	Environmental, Social, and Governance
FAR	Fatal Accident Rate
FCPA	Foreign Corrupt Practices Act
GEDP	Global employee development programme
GISTM	The Global Industry Standard on Tailings Management
GJ	Gigajoule
GRI	Global Reporting Initiative
HiPo	High Potential
HRM	Hot rolling mill
IOD	Iron Ore Division
IOSH	Institution of Occupational Safety and Health
IUCN	International Union for Conservation of Nature and Natural Resources

***************************************	***************************************
KazRIFA	Bukeikhan Kazakh Research Institute
KZh, K, and KO	Hard coal ranks: common bituminous
KPI	Key performance indicators
LTIFR	Lost Time Injury Frequency Rate
MCL	Maximum concentration limit
MPD	Maximum permissible discharge
MSW	Municipal solid waste
NGO	Non-governmental organisation
OTD	On-time delivery
РСВ	Polychlorinated biphenyls
PLC	Programmable logic controller
PM	Particulate matter
PP-1	Power plant No. 1
PPE	Personal protective equipment
PSIF	Potential Serious Injury or Fatality
PWM	Paintwork material
REX	Return of Experience
SD	Sustainable development
SD (in Annex 1)	Steel Division
SDG	Sustainable Development Goals
SPS	Sewerage pump station
STEM	Science, Technology, Engineering an
STEP	Safety Training Enhancement Progra
R&D	Research and development
UN	United Nations
VOC	Volatile organic compounds
WEP	Work execution plan
WTO	World Trade Organisation



of Forestry and Agroforestry
s coal, coking coal, and coking lean coal
d Mathematics
mme



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trees on the pages of the Report. There are more than









Now imagine a milion of real huge and strong trees.