ArcelorMittal

Sustainability Report 2023

ArcelorMittal Tailored Blanks North America

ArcelorMittal Tailored Blanks North America

ArcelorMittal Tailored Blanks North America co-engineers and manufactures high-strength, precision-engineered automotive parts that enhance vehicle safety, reduce weight, and improve fuel efficiency. Our products, including laser-welded blanks and custom steel solutions, are developed to support the automotive industry's evolving demands for durability, sustainability, and cost efficiency. We work closely with automotive manufacturers to design parts that meet stringent safety standards while minimizing environmental impact, contributing to lighter and more energy-efficient vehicles. Our commitment to responsible innovation and sustainable practices is central to our mission, as we actively address key ESG goals to support a greener, safer future in transportation. ArcelorMittal Tailored Blanks North America has over 600 employees in 4 manufacturing locations across Canada, the United States and Mexico.

ArcelorMittal Tailored Blanks Americas Limited

CANADA

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ArcelorMittal Tailored Blanks Americas Corporation

UNITED STATES

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DETROIT, MICHIGAN
48211

ArcelorMittal Tailored Blanks Silao S. de R.L. de C.V

MEXICO

PASEO DE LOS INDUSTRIALES PONIENTE LOTES 15 19
PARQUE INDUSTRIAL FIPASI
SILAO, GUANAJUATO
C.P. 3600

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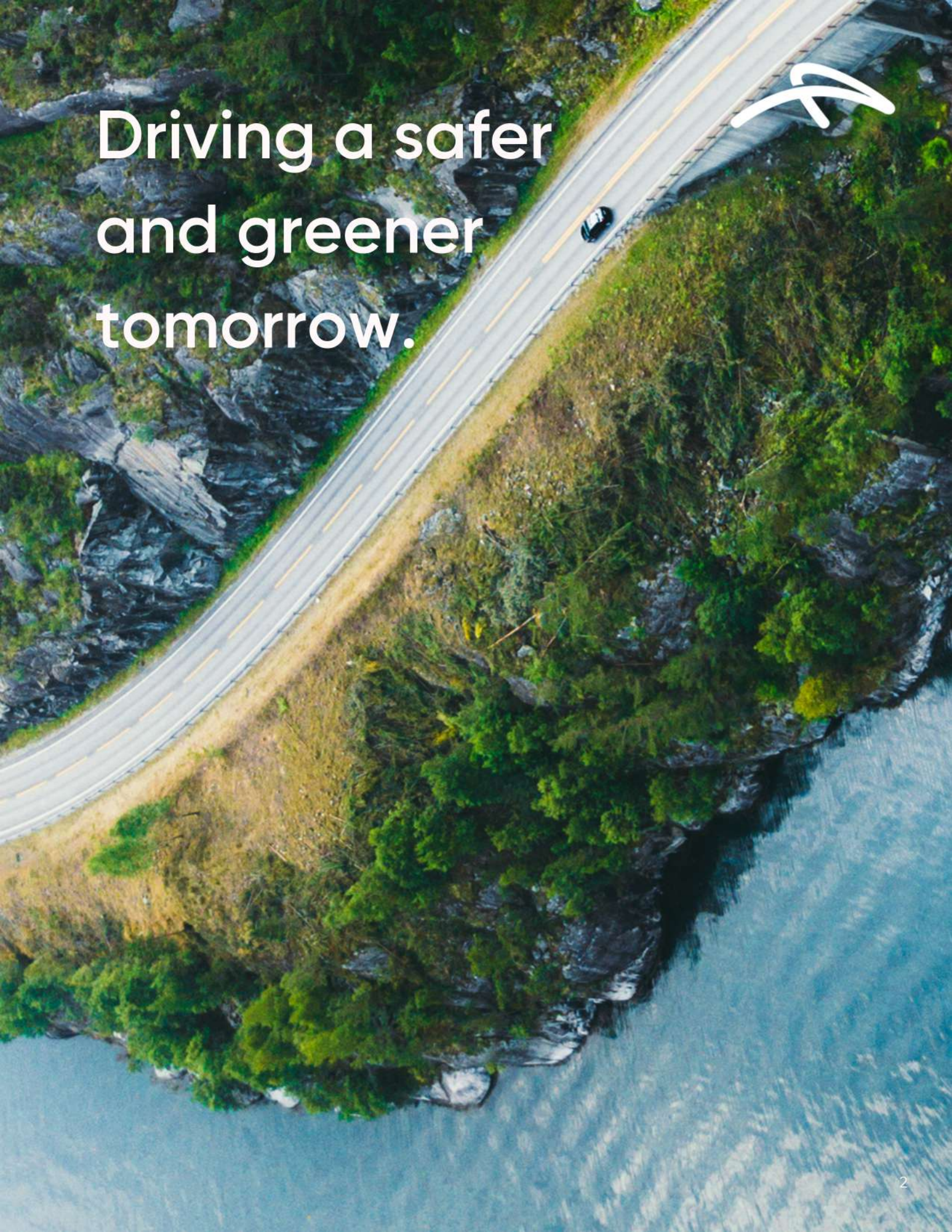

Driving a safer
and greener
tomorrow.

Section 1: Introduction

1a. Sustainability at ArcelorMittal Tailored Blanks North America

Sustainability is at the heart of ArcelorMittal Tailored Blanks North America's core purpose. For over 25 years, we have pioneered technologies that reduce vehicle weight, enhance fuel efficiency, and lower emissions. This commitment to environmental stewardship drives our R&D and business practices. Rooted in our core values, we promote responsible practices across our facilities and partnerships, led by a skilled and dedicated workforce.

While we take pride in our progress, we continuously seek new ways to minimize our environmental impact. ArcelorMittal Tailored Blanks North America also supports programs that build inclusive, healthy communities, contributing to a sustainable future for all.

1b. Our Purpose and Values

We are committed to driving a safer and greener tomorrow. Our dedication to advancing the automotive industry through innovative technologies and sustainable solutions enables us to enhance vehicle safety and reduce environmental impact. This purpose is the cornerstone of our business, shaping every aspect of our operations, decisions, and partnerships.

Our core values underpin our culture and guide our actions.


ArcelorMittal
SAFETY IN EVERYTHING WE DO
ArcelorMittal
WE OPERATE WITH RESPECT
ArcelorMittal
WE DO WHAT WE SAY WE WILL DO
ArcelorMittal
WE WIN TOGETHER AND WE LOSE TOGETHER
ArcelorMittal
WE FIND A BETTER WAY
ArcelorMittal
WE CHALLENGE OURSELVES AND EACH OTHER

CEO Message

"Sustainability has been the backbone of our technological innovations."
– Todd Baker, CEO

Sustainability has been the driving force behind our technological innovations. Our commitment to decarbonization and achieving net-zero carbon emissions is deeply embedded in the use of laser-welded steel for automotive design and production. ArcelorMittal Tailored Blanks North America plays a critical role in ArcelorMittal's global mission to combat climate change. By combining state-of-the-art steel and laser welding technologies, and through ongoing collaboration with our research and development teams and the global automotive industry, we deliver sustainable automotive solutions. These solutions contribute to the production of lighter, safer vehicles with enhanced fuel efficiency and range. Through close partnerships with our stakeholders, we provide manufacturing solutions aligned with our decarbonization goals.

ArcelorMittal Tailored Blanks North America is committed to continuous learning and innovation. Our foundation in engineering and laser physics has cultivated a culture of entrepreneurship and adaptability across our teams in the Americas. Together, we work toward ensuring a safer and greener tomorrow for future generations.

Our People

"The value of "safety in everything we do" is about producing products that make cars safer, and also building that product safely. Being safe is fundamental to everything we do and everything that matters to us, it goes beyond rules, policies and procedures. It's about building and promoting a genuine culture of care. Our core safety value puts people first. This view is embraced by our leadership and drives our corporate culture."

– Shayne May, Director, Safety and Sustainability

"At AMTB the value of "We win together, and we lose together" is put into practice every day. All plants meet to share best practices in safety, quality, environment, and efficiency. We send our most highly skilled people to train new employees to the AMTB standards. We realize that we are stronger as a unified team. There is a culture of support in all areas of the business."

– Genevieve Wilbur, Senior Manager, WCM & Quality Systems

"The value of: we challenge ourselves and each other, is exemplified by working collaboratively on innovative designs and technology to solve complex solutions for our customers and stakeholders. Our successes in implementing laser welded door rings is a great example of our success in living by this core value."

– Gagan Tandon, VP Product Development

Section 2: Sustainability Reporting

Sustainability Reporting

This Sustainability Report outlines our approach to sustainability, covering environmental, social, and governance (ESG) factors. We are committed to addressing key challenges such as climate change, inequality, and economic growth, guided by the United Nations Sustainable Development Goals (SDGs). The SDGs most relevant to our business and sustainability efforts are outlined below:

2a. SASB Statement

The report has been structured to align with the Task Force on Climate-Related Financial Disclosures (TCFD) framework and the Sustainability Accounting Standards Board's (SASB) accounting standard, where feasible.
Management views the SASB Auto Part sector standard for Sustainability metrics as appropriate for the company to report against. Currently, not all recommended metrics are tracked, however, the company will disclose more over time as the required data gathering and verification systems are implemented and improved upon on a global basis.

"Driving a safer and greener tomorrow"

2b. Sustainability Metrics

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Environment	Energy Management	TR-AP-130a.1	Total Energy Consumed (fuel and electricity)	MegaWatt Hours (MWh)	20,711	20,014
			% Grid Electricity	Percentage (%)	67%	63%
			% Renewable	Percentage (%)	36%	26%
	GHG Emissions		Scope 1 & 2 Emissions	Metric tons of CO2 (mtCO2eq)	5,690	5,327
			Carbon Intensity	mtCO2/million of weld length inch	14.55	14.84
	Environmental Management		Number of facilities ISO 14001 Certified	Percentage (%)	100%	100%
			Environmental Remediation Expenses	Reporting Currency (USD)	NIL	NIL
	Waste Management	TR-AP-150a.1	Total amount of waste from manufacturing	Metric Tons (t)	11,511	12,388
			Percentage recycled	Percentage (%)	98.33%	98.93%
Human Capital	Employee Health & Safety		Incident Rate	For every 1 million hours worked	4.81	2.61
			Number of facilities ISO 45001 Certified	Percentage (%)	75%	75%
			Lost Time Injuries	-	0	0
	Employee Engagement, Diversity & Inclusion		% of women employees	Percentage (%)	23%	22%
			% women in critical/leadership roles	Percentage (%)	25%	19%
Leadership & Governance		TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting Currency (USD)	NIL	NIL
Business Model & Innovation	Product Design and Lifecycle Management	TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	Percentage (%)	100%	100%


391,032,000
TOTAL INCHES WELDED IN 2023
9932 KMS
OF BLANKS WELDED IN 2023
2.6 X
2.6 ROUND TRIPS BETWEEN EACH OF OUR 4 FACILITIES IN CANADA, US AND MEXICO
CONCORD, ON
WOODSTOCK, ON
DETROIT, MI
SILAO, MX

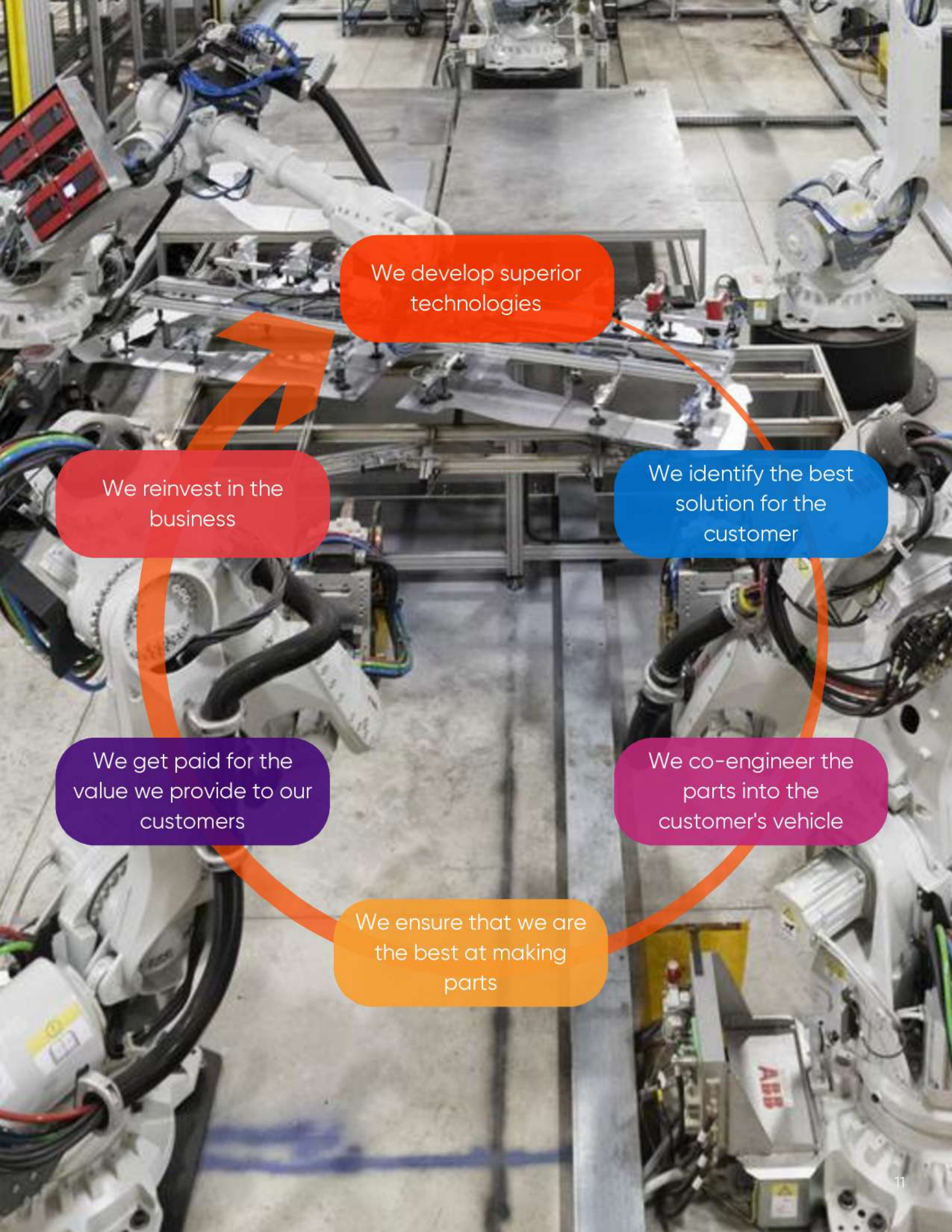
2c. Stakeholder Engagement

Our corporate responsibility efforts are most impactful when we focus on the issues that matter most to our business and stakeholders. We refine our approach and strategy by regularly engaging with various internal and external stakeholder groups, including our employees, customers and investors, and our communities. To do this, we use a variety of engagement methods, including conversations, forums, surveys, and community outreach.

Customer:
To be the Supplier of Choice for our customers. We place a strong focus on meeting or exceeding the Original Equipment Manufacturer's ("OEM's") environmental and social standards. We design and implement strategies that allow us to focus on what matters most to customers – creating high-quality products that result in lower carbon emissions, through lighter and safer vehicles. Focusing on ways to help customers make safer and greener vehicles helps us to win more business. By doing so, we can bolster our market penetration while working to further expand our product portfolio, allowing us to offer our products to more customers for the expansive applications our industries demand.

Employee:
To be the Employer of Choice for our current and prospective employees. We take pride in engaging a diverse group of motivated, enthusiastic people to help us accomplish our growth goals. We believe that healthy and safe workplace environments are critical to our people and to our performance. Our commitment to improving the world around us matters to our people as well. They want to know they are making a difference, that what we make, and how we make it, are doing something positive for the world. A part of being the Great Place to Work certified and Living Wage Employer means giving back to the communities we operate in.

Financial:
Being the Investment of Choice means a consistent and sustainable return on investment to our shareholders and investors. Sustainability and return work in lock step. Developing products that reduce environmental impact wins business and also drives returns. We know sustainability matters to our shareholders and investors; it matters to us too. We are proud of what we are doing in our business for our people, our environment and our communities; we are thrilled our shareholders and investors want that too!


We develop superior technologies
We identify the best solution for the customer
We co-engineer the parts into the customer's vehicle
We ensure that we are the best at making parts
We get paid for the value we provide to our customers
We reinvest in the business

Section 3: Climate related risks and opportunities

Climate related risks and opportunities

At ArcelorMittal Tailored Blanks North America, sustainability involves creating positive economic, environmental, and social impacts for our stakeholders, including customers, employees, investors, business partners, and society at large. Sustainable development is a core principle that guides our actions and interactions with customers, ensuring that sustainability is not an add-on, but an integral part of our business strategies.

In financial planning, we evaluate risks and opportunities over a period of up to five years, with climate-related risks and opportunities being a key focus within our risk management process. These include physical risks, market dynamics related to the adoption of electric vehicles, and legal and political frameworks aimed at reducing emissions and consumption levels.

Physical risks:
Automotive suppliers may face physical risks associated with climate change, such as extreme weather events, floods, and droughts. These events can disrupt supply chains and production processes, resulting in financial losses.

General market risks and opportunities:
The risks and opportunities for the economic development of automotive markets are strongly affected by the cyclical nature of the global economy. The assessment of market risks and opportunities is linked to assumptions and forecasts about the overall development of markets in North America. The development of markets, sales and inventories is continually analyzed and monitored by the management; and if necessary, specific negotiations and targets are implemented. Volatilities with regard to market developments can also lead to business opportunities if the overall market for the automotive industry is developing better than the internal forecasts and premises. Opportunities may also arise from an improvement in the competitive situation or a positive development of demand. The utilization of opportunities is supported by commercial discussions.

Risks related to the legal and political framework:
The automotive industry is subject to extensive governmental regulation in North America. Risks and opportunities from the legal and political framework have a considerable influence ArcelorMittal Tailored Blanks North America's future business success. Regulations concerning vehicles' emissions, fuel consumption, safety and certification, as well as tariff aspects and taxes in connection with the sale or purchase of vehicles or vehicle parts, play an important role. ArcelorMittal Tailored Blanks North America constantly monitors the development of the legal and political framework and attempts to anticipate foreseeable requirements and long-term objectives at an early stage in the product development process. Changes in the legal and political framework at short notice can be associated with additional costs or higher investments.

Risks and opportunities from research and development:
Technical developments and innovations are of key importance for the safe and sustainable mobility of the future. The transformation towards electric mobility and comprehensive digitization have resulted in ambitious development targets and the market launch of new technologies. In addition to the resulting opportunities, decisions in favor of certain technologies and the continuously growing scope of emission, consumption and safety requirements to be met are associated with risks and opportunities from research and development.

Risks and opportunities from purchasing and logistics:
Interruptions in global supply chains, especially caused by bottlenecks for electronic components and other important parts, as well as possible failures in supply from energy providers, can cause bottlenecks in automotive production and can affect the growth of our business. To avoid such bottleneck situations we place importance on being able to offset capacity bottlenecks through forward-looking planning.

Legal risks:
The automotive industry is subject to extensive governmental regulations worldwide. Laws in various jurisdictions govern occupant safety and the environmental impact of vehicles, including emissions levels, fuel economy, noise, as well as the emissions of the factories where vehicles and parts are produced. Non-compliance regulations in different regions could result in significant penalties and reputational harm.

We believe that it is our mission to contribute to CO^2 - neutral mobility around the world. ArcelorMittal Tailored Blanks North America realizes that achieving this target will require a high level of investment. In order to finance it, we intend to increasingly use new tools such as Green Bonds in the future.

Green bonds offer environment-oriented investors the opportunity to directly participate in the implementation of our technological strategy. However, the broad-based success of low-emission mobility requires not only sustainable investment but also the corresponding framework conditions. In order to achieve its long-term climate-protection goal of becoming CO^2-neutral, ArcelorMittal Tailored Blanks North America will grow its business further towards electric vehicles. Our capital allocation is moving accordingly from providing parts for internal combustion to electric-only. Investments into combustion engines and plug-in hybrid technologies will drop by 80% between 2023 and 2026.

In 2021, we developed requirements and guidelines for the calculation of CO^2 emissions. ArcelorMittal Tailored Blanks North America has committed itself to consistently reducing CO^2 emissions caused by part production and energy supply at its plants, or to eliminate them completely wherever possible. The procurement of green electricity plays a key role in these efforts. Beginning in 2025, one of ArcelorMittal Tailored Blanks North America's production plants will only procure electric power from renewable sources. Similar efforts for other plants are underway.


AHSS ≥ 750 Mpa
AHSS ≥ 980 Mpa
AHSS ≥ 1180 Mpa
PHS ≥ 1500 Mpa
AHSS ≥ 1500 Mpa

Section 4: What we do - Products, Innovation and Technology

4a. Products

Laser Welded Blanks

ArcelorMittal Tailored Blanks North America is a leader in laser-welded blank ("LWB") production, with design and manufacturing facilities across North America. An LWB is a sheet of steel made of different steel grades welded together. Each blank can have different grades, thicknesses and/or coatings. ArcelorMittal Tailored Blanks North America utilizes ArcelorMittal's ultra-high strength cold stamping steels and hot stamping Press Hardenable Steels (PHS), Usibor® and Ductibor® for our LWBs. These steels make ideal LWBs for the hot stamping processes and enable OEMs to achieve excellent weight reductions across the vehicle.

By welding steel sheets together into LWBs, we produce materials that fit the needs of our customers

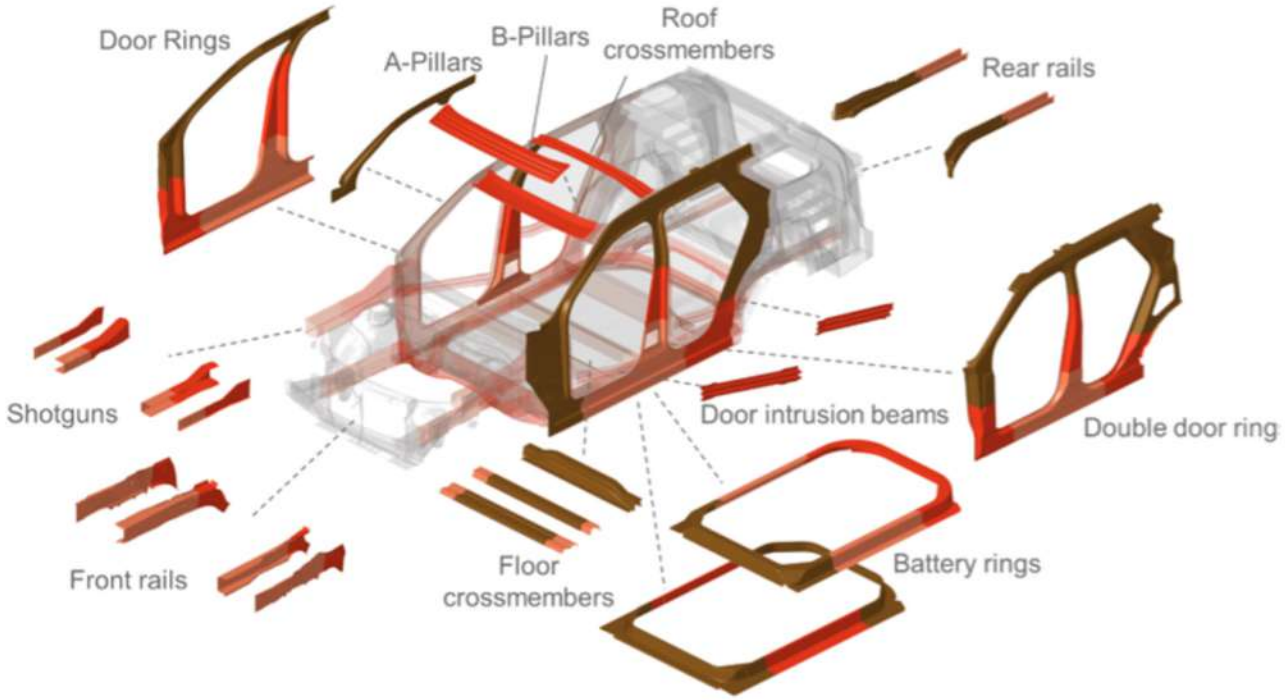
- Strength is concentrated where it is most needed for crash resistance.
- Overall material thickness is reduced, decreasing weight and the materials required to make the part, including set emissions and increasing performance.
- Manufacturing, material and transport costs are reduced, adding to customer's profits or consumers' demand for affordable cars.
- Allows for Multi-Part Integration, thereby reducing assembly costs, and the overall manufacturing footprint for our customers.

LWBs offer the following benefits:

- Lower CO^2 footprint of all parts as steel usage is reduced through improved material utilization, light weighting of design and lower footprint joining process
- Laser energy sources are much more efficient than competing solutions such as spot welding operations
- The CO^2 footprint of logistics and part assembly is reduced through consolidation of parts at the blank level

A broad catalogue of LWB's has been developed to offer solutions for numerous different applications. These applications can be found throughout the vehicle, from Door Rings in the side structure, to rails and battery rings in the underbody. Each of these parts can be tailored to the requirements of the specific application to provide the greatest benefit.

Examples of LWB applications:



Patched blanks:
A patch is a piece of steel which is welded directly to a 'mother' blank before stamping. The steel grade and/or the thickness of the patch can differ from that of the mother blank.

Using a patch enables OEMs to tailor a specific area of a final component. For example, a patched blank can cost-effectively improve a vehicle's crash performance. Patched blanks are ideal for managing energy absorption and are already helping automakers to meet crash test requirements.

An example of a patched blank before stamping

Advantages of patched blanks:

Patched blanks provide a localized solution to improve the behavior of a part and avoid the risk of failure. By using a patch made from a different grade or thickness to the mother blank, the properties of the final assembly can be tailored very precisely.

Patched blanks give OEMs a high degree of flexibility. For example, patches of different grades or thicknesses can be used for different versions of a vehicle. In this way, OEMs can use the same part design for a battery electric version and a plug-in hybrid version of the same vehicle.

Using patches also enables OEMs to reduce the number of tools required. The nesting of blanks for different vehicle models can be optimized using the same cutting die.
The total cost of the part is reduced significantly due to these advantages. As the stamping operation is done in just one stroke for both the part and reinforcement, cycle time is also reduced. Patched blanks provide flexible solutions for all types of vehicles, particularly when they are combined with LWBs.

4b. Innovation and Technology

The automotive industry faces two key challenges: emissions reduction and improving safety standards. Using lighter materials to reduce vehicle weight is a proven way to cut emissions, while steel provides unmatched crash protection. To support OEMs in meeting these challenges, ArcelorMittal Tailored Blanks North America offers innovative solutions for both hot and cold stamping processes. Our laser-welded blanks (LWBs) combine advanced automotive steels with cutting-edge laser welding and blanking technology.

The combined offerings of ArcelorMittal and ArcelorMittal Tailored Blanks North America provide automotive partners with the following advantages:

- Concentrated strength in vehicle parts where it is most needed for crash resistance
- Reduced overall material thickness, which decreases vehicle weight and emissions and increases its performance
- Reduced manufacturing, material and transport costs

1. **Better together with solutions for automotive industry transformation challenges**

Automakers rely on us to help create safer, lighter, and cleaner vehicles worldwide. As global technical leaders and innovators, we collaborate closely with customers from the outset. Our technical services span all stages of a vehicle's lifecycle, including:

- Supporting carmakers in vehicle development up to six years before market launch
- Assisting with vehicle industrialization through early vendor involvement (EVI)
- Proactively managing quality and cost reduction by optimizing products and processes for current production vehicles

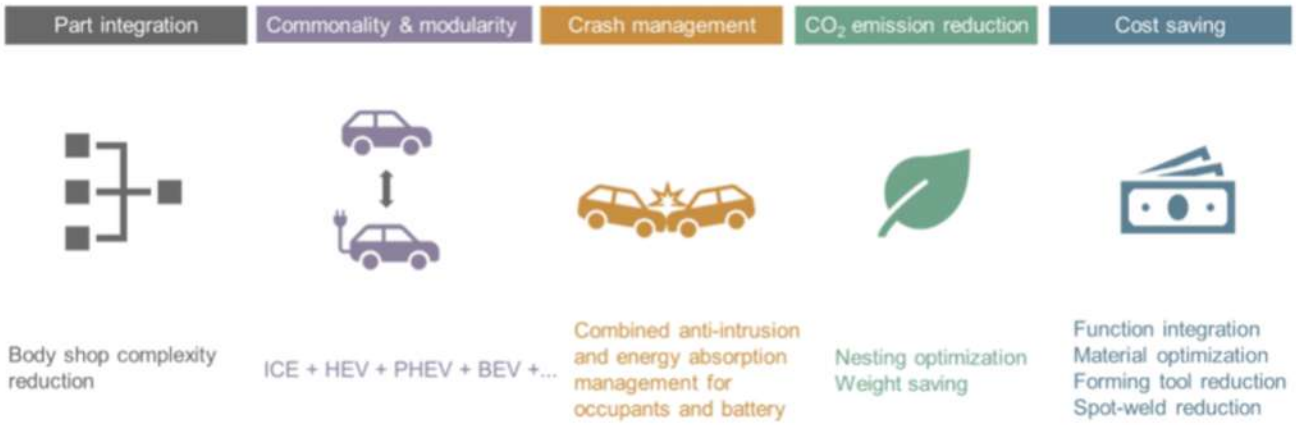
Automotive manufacturing is evolving rapidly, with new powertrains challenging the dominance of the internal combustion engine (ICE) and opening up vast opportunities to transform vehicle design. As the industry adapts, ArcelorMittal Tailored Blanks North America continues to evolve in support of these advancements. Battery Electric Vehicles (BEVs) represent the future, and key priorities for their success include extending range, simplifying vehicle construction, enhancing safety, and reducing emissions and costs.

ArcelorMittal Tailored Blanks North America's lightweighting solutions help OEMs reduce vehicle weight, improving range per charge. Beyond optimizing weight, cost, and performance, our laser-welded blank (LWB) solutions offer significant sustainability benefits by minimizing material usage and utilizing renewable energy in our manufacturing plants.

Leveraging ArcelorMittal's smart steel products and solutions, along with ArcelorMittal Tailored Blank's expertise and world-class R&D team, provides proven strategies to help automakers meet both business and climate objectives.

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Busines Model & Innovation		TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	Percentage (%)	100%	100%

LWB's offers carmakers the optimal balance of strength, performance, and mass reduction with the least impact on the environment. We're proud to be a part of the solution- together with our customers and suppliers- to achieve a sustainable, net-zero future.



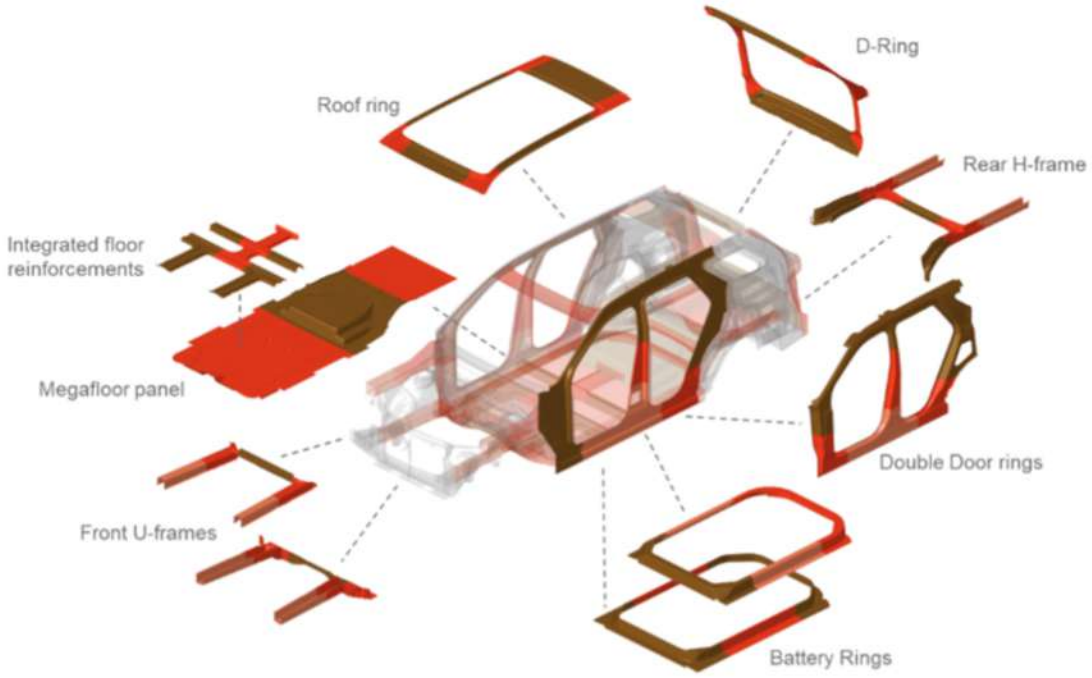
2. Lightening the load with a modular solution for multiple powertrains

OEMs worldwide (existing and new) have launched numerous electrification and sustainability initiatives. Existing assembly lines are being retooled and brand-new assembly lines are being installed at a hectic pace to produce and integrate the new powertrains. Multi-powertrain solutions (ICE, Hybrid, PHEV, BEV) coupled with modular platforms and sustainability initiatives requires re-imagining and rethinking the car body structures and assembly process.

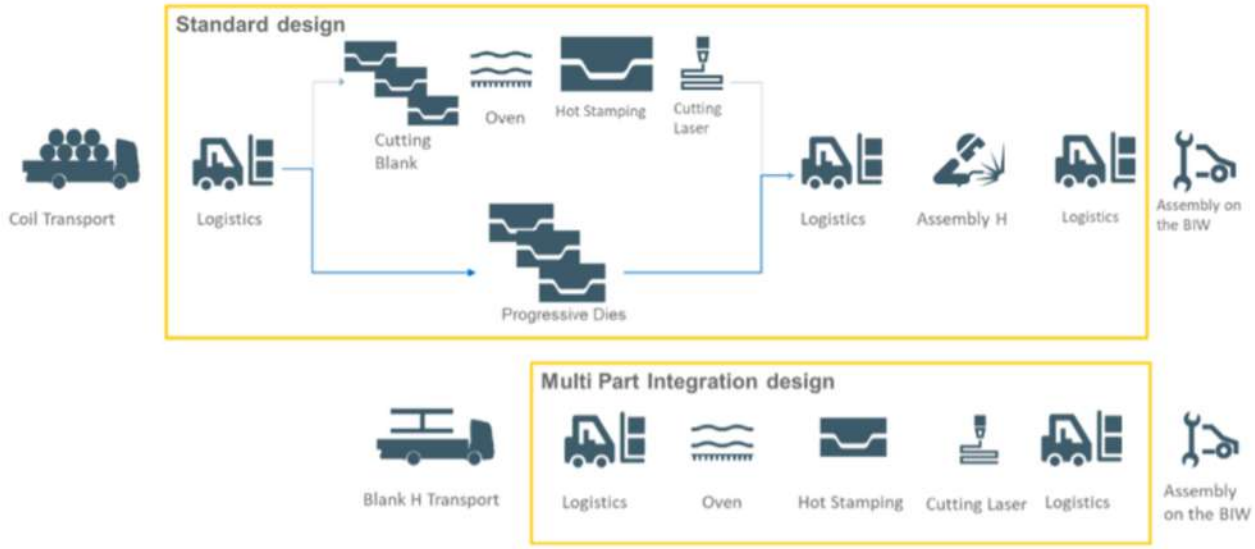
ArcelorMittal Tailored Blanks North America in collaboration with ArcelorMittal Global R&D has developed the Multi Part Integration (MPI) concept designed to incorporate many parts stamped from one LWB, thereby reducing body assembly complexity.

With the goal of simplifying production for automakers, MPI uses PHS and patented laser-welding technology to create the single part, which can be further enhanced with varying patches to meet different crash requirements that adapt for different powertrains.

AMTB NA's MPI Solutions



Standard Design vs. MPI Design



In addition to simplifying the vehicle production process, the Multi Part Integration (MPI) concept offers crash optimization and increased sustainability due to a lighter finished vehicle through material usage optimization. It reduces carbon emissions in a way only steel can. ArcelorMittal MPI may also offer customer cost savings of up to 10 percent.

3. Advanced nesting can lead to lower waste and costs

Advanced nesting can lead to lower waste and costs. Many manufacturers are using more steel than they need to obtain the parts required. A study from AMTB NA has demonstrated that much higher yields can be obtained from a single coil. By optimizing the number of blanks used to form a part, and designing a better layout of the blanks on a sheet of automotive steel, wastage can be reduced dramatically. Using advanced nesting in this way, OEMs can create a more sustainable and cost-efficient production process for vehicle parts.

Optimizing steel usage with advanced nesting opens the door to significant cost reductions for OEMs without affecting the part's mechanical properties. And it significantly reduces scrap which increases sustainability.

Nesting is commonly used to produce blanks. However, there is room to make this process more efficient and more sustainable for some specific parts using LWBs. ArcelorMittal has completed a study into an A-pillar to showcase the potential benefits of combining LWB technology and nesting optimization.

Common nesting configuration has been observed at OEMs who produce A-pillar blanks. The configuration places the monolithic blanks face-to-face on the line. The net weight of each monolithic blank is 5.6 kilograms. But due to wastage, 10.6 kg of steel is required to produce each part. Effectively, 48 percent of the steel in the coil is scrapped and recycled. This considerable volume of scrap must be handled and transported for recycling.

Monolithic A Pillar

Standard nesting of monolithic A-pillar blanks: 48% material lost

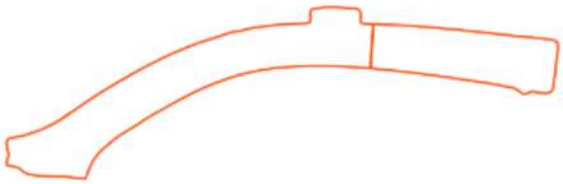
Advanced nesting optimization: a smarter way to produce blanks

Using advanced nesting, OEMs can create two sub-blanks instead of a single monolithic blank. That enables the position of the blanks to be optimized on the sheet and reduces the amount of steel required.

Laser Welded A Pillar

The process requires 7.3 kg of instead of 10.6 kg – reducing the scrap rate to just 23 percent

After blanking, the sub blanks are laser welded together to form one part. The position of the weld can be varied, depending on the part's design. The mechanical properties of the part remain unchanged compared to those of a monolithic blank. The net final weight of the part also remains unchanged.



Joining both sub-blanks using laser welding to form the A-pillar blank

The advanced nesting optimization process provides a range of benefits. For the A-pillar alone, material usage is reduced by almost 30 percent. Cost is also reduced by around $1.00 per car due to the material savings.

If the volume of steel utilized can be reduced by 30%, the nested LWB solution provides a corresponding 30 percent reduction in CO^2 emissions. That emissions reduction is accessible immediately.

4. Collaboration and Innovation pushes sustainability ahead

ArcelorMittal Tailored Blanks North America collaborates closely with OEMs to develop advanced LWB solutions tailored to meet weight, cost, and performance targets. Our co-engineers work with OEM teams to optimize these solutions through material nesting, ensuring efficient utilization, manufacturing feasibility, and performance improvements via Computer Aided Engineering (CAE).

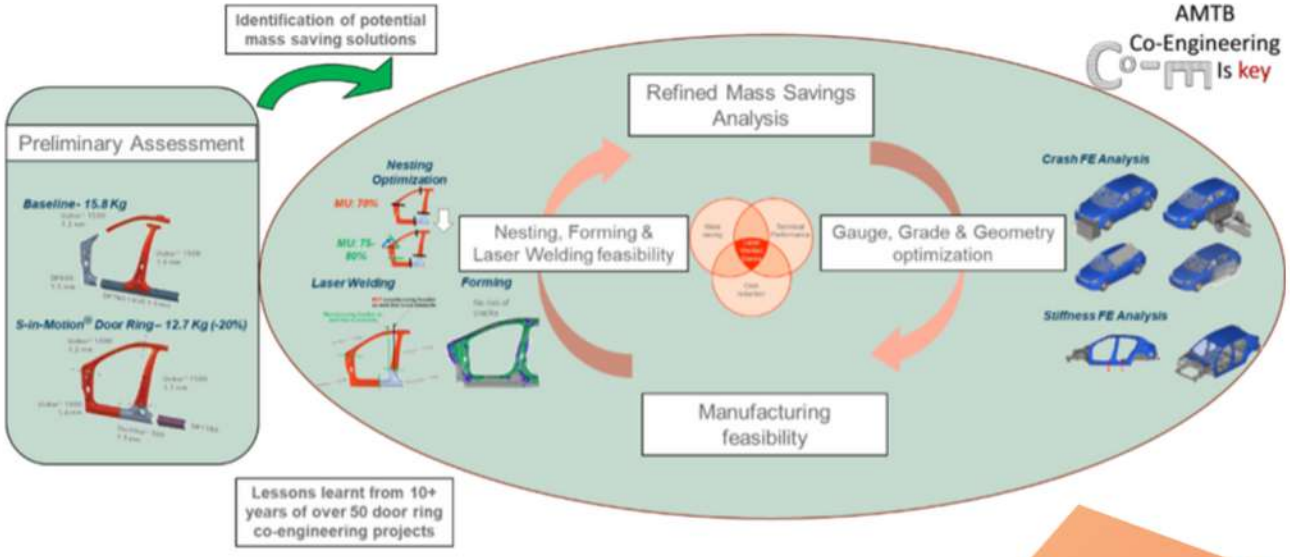
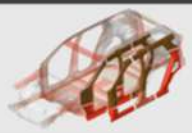


Figure: AMTB NA's Co-Engineering Concept

A double door ring inner outer system is a best-in-class side structure solution that consolidates the A, B and C-Pillars of the vehicle with the roof rail and the sills into just 4 stampings on a vehicle that would typically be almost 28 separate parts on a vehicle. This enables assembly floor space savings of almost 28% and an investment reduction of up to 55% for the automotive OEM. Through improved material utilization and reduced gross mass of almost 40kgs per vehicle, the laser welded double door ring system is able to reduce the production phase emissions by 25%. Through optimization for reducing part weight for equivalent crash performance, we expect the Use phase emissions of a vehicle with a double door ring system to reduce by 20% versus a classic multipart construction.

The evolution to a double door ring system has already started with the first Double Door Ring Inner and Outer being welded at AMTB, Silao, supplying to an EV OEM

Multi Part Integration™ (MPI) using PHS LWBs
Double Door Ring Inner & Outer

Design	Multipart* Baseline	AMTB LWB Proposal
PHS 2000 PHS 1000 PHS 1500 AHSS 980 AHSS 600 HSS 350 		
Part weight (kg/vehicle) (Δ)	112.70	90.44 (-22.26)
Gross mass (kg/vehicle) (Δ)	170.74	129.14 (-40.16)
Part consolidation (# parts in assembly/vehicle) (Δ)	28	4 (-24)
Sustainability Production (kg CO_2eq/vehicle) (Δ%)	243.80	182.50 (-25%)
Sustainability In Use Phase (kg CO_2eq/vehicle) (Δ%)	623.10	500.00 (-20%)
Part in Assembly Cost ($/vehicle) (Δ)	REF	-8%
Assembly Investment reduction (Δ%)	REF	54%
Assembly Floor Space reduction (Δ%)	REF	28%

Section 5: Environment

5a. Environmental Resources & Corporate Responsibility

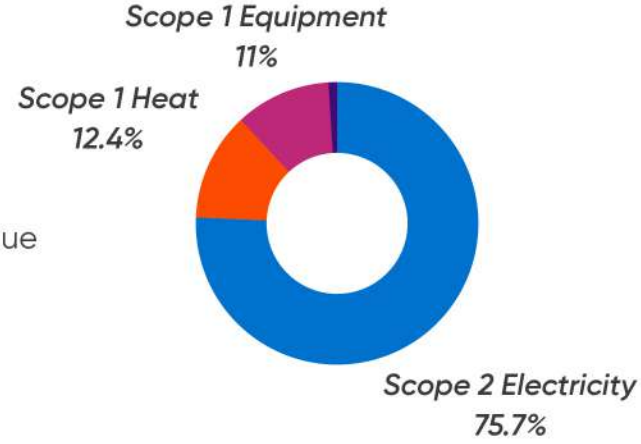
Our entire business is centered on providing sustainable business choices to our customers. Through collaborative product design, we have designed and developed unique vehicle parts that utilize multiple innovative new grades of advanced high strength steels with a revolutionary laser-welding technology that reduces the overall weight of the vehicle. These design improvements are critical parts of a vehicle's safety cage and have inherently made vehicles even safer while making them more sustainable. These innovative product designs have had a positive net social and environmental impact- looking not only at a product's use phase, but also at their end-of-life and recycling phase.

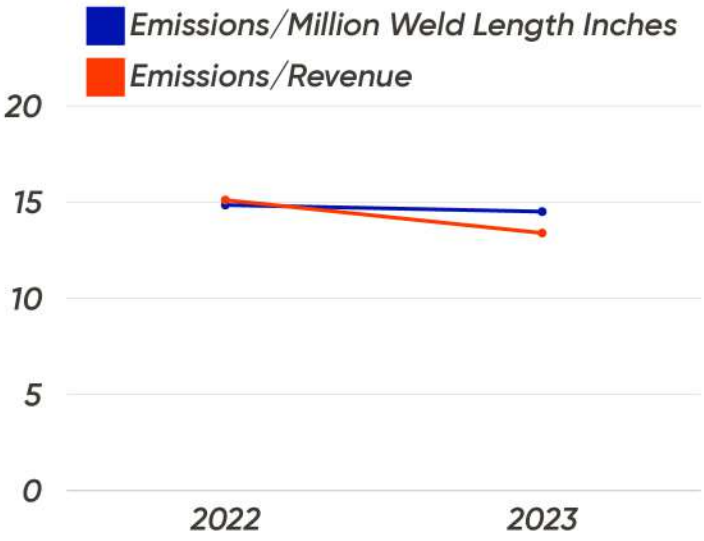
ArcelorMittal Tailored Blanks North America aims to gain the trust of all our various stakeholders that we are good stewards of air, land and water resources. Our stakeholders trust us to share these vital resources responsibly. We continue to underpin this trust by operating responsibly and transparently, demonstrating that we want to reduce negative environmental impacts, and by working in collaboration with partners and local communities to enhance the natural resources we all rely on. This is key to our environmental stewardship. As part of being a leading auto solutions company, ArcelorMittal Tailored Blanks North America is committed to leading our industry's efforts to decarbonize, and to be part of the solution to the world reaching net-zero by 2050. ArcelorMittal Tailored Blanks North America's current generated CO^2 emissions from its manufacturing processes are mainly driven from electricity provided for the LWB process. Approximate annual CO^2 emissions for 2023 (Scope1 – natural gas & propane, and Scope 2 - electricity) from all ArcelorMittal Tailored Blanks fully owned facilities is 5,690 tones of CO^2. As part of the ArcelorMittal group of companies, ArcelorMittal Tailored Blanks North America 's operating emissions goal is to be carbon neutral by 2050. We plan to accomplish this goal by 1) using greener steel in our manufacturing process; 2) sourcing clean electricity and 3) offsetting residual emissions. We have made progress towards this goal by signing an agreement with DTE, our electricity provider in Michigan to provide ArcelorMittal Tailored Blanks Detroit with 100% renewable electricity starting in 2025.

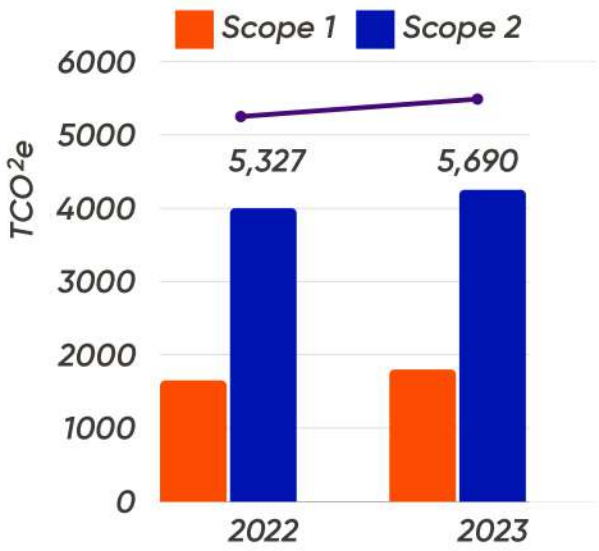
Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Environment	Energy Management	TR-AP-130a.1	Total Energy Consumed (fuel and electricity)	MegaWatt Hours (MWh)	20,711	20,014
			% Grid Electricity	Percentage (%)	67%	63%
			% Renewable	Percentage (%)	36%	26%
	GHG Emissions		Scope 1 & 2 Emissions	Metric tons of CO2 (mtCO2eq)	5,690	5,327
			Carbon Intensity	mtCO2/million of weld length inch	14.55	14.84

Total GHG Emissions for the 2023 Calendar Year - 5690 tCO^2e

ArcelorMittal's GHG emissions for the 2023 Calendar Year is 5690 tCO^2e and this has increased from its 2022 baseline year by 6.8% - due to expansion of the Company's operations.







5b. Low Emission Technologies - Working Towards Zero Waste & A Circular Economy

ArcelorMittal Tailored Blanks North America continues to identify opportunities for implementation of flexible, low emissions technologies in its operations and the elimination of all unnecessary landfilling of any residues coming from our operations through the efficient use of resources and high recycling rates.

Once such integration was to reduce our helium usage when the world was facing a global shortage of helium by moving from CO^2lasers to fiber lasers. Our goal is to ensure that our products and facilities are contributing to a circular economy and recycling is an integral part of that mission to ensure we do not have a negative environmental impact. We continue to look for opportunities to improve our manufacturing processes to get to our goal of zero waste. We are doing this by working with our partners up and down the supply chain.

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Environment	Waste Management	TR-AP-150a.1	Total amount of waste from manufacturing	Metric Tons (t)	11,511	12,388
			Percentage recycled	Percentage (%)	98.33%	98.93%

5c. Environmental Management System

ArcelorMittal Tailored Blanks North America has a global environmental compliance program, which requires its manufacturing facilities to be ISO 14001 or functionally equivalent environmental certification. ISO 14001 specifies requirements of an environmental management system and is a systematic approach to handling environmental issues within an organization. Third party and internal audits or inspections are conducted regularly across our plants. The Company is also subject to environmental regulation by governmental authorities in the jurisdictions where it operates. Our operations produce various wastes, which must be handled, stored, transported and disposed of in accordance with applicable environmental laws and regulations. We have a strong track record in complying with environmental laws and regulations. We are proud to say that 100% of ArcelorMittal Tailored Blanks North America's manufacturing facilities are ISO 14001 certified

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Environment	Environmental Management		Number of facilities ISO 14001 Certified	Percentage (%)	100%	100%
			Environmental Remediation Expenses	Reporting Currency (USD)	NIL	NIL

Section 6: Social

6a. Health & Safety

Safety is a core value. "Safety in Everything We Do" reflects our commitment to protecting our people and ensuring a safe workplace for all.
To achieve world-class safety, we foster a culture of ownership and continuous improvement. Leadership consistently reinforces safety as a core value, empowering employees to identify and address unsafe acts or conditions, preventing accidents, and promoting a safer work environment.

Risk Management, Audits and Inspections

ArcelorMittal Tailored Blanks North America's Health, Safety and Environmental Management System is based on a number of standards, these standards are founded on regulatory compliance requirements, best management practices, ISO 14001, ISO 45001 and other recognized industry standards. Each facility is audited and inspected regularly by ArcelorMittal Tailored Blanks North America's corporate staff, ensuring each facility is meeting and complying with our HSE Standards. Changes to legislation, industry standards and accident trends are incorporated into ArcelorMittal Tailored Blanks North America's annual program review.

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Human Capital	Employee Health & Safety		Incident Rate	For every 1 million hours worked	4.81	2.61
			Number of facilities ISO 45001 Certified	Percentage (%)	75%	75%
			Lost Time Injuries	-	0	0

6b. Our People

Living Wage

We have been recognized as a Living Wage Employer in Canada, underscoring our commitment to fair compensation and ethical business practices.
This certification ensures our employees earn a wage that covers essential living costs, promoting dignity and well-being. It reflects our ongoing investment in our workforce and the communities where we operate, while reinforcing our dedication to responsible business practices and social justice

Employee Development & Training

ArcelorMittal Tailored Blanks North America prioritizes employee development as a key element of our ESG commitment. Our continuous learning culture supports both individual and organizational growth, ensuring we adapt to industry changes responsibly.

We invest in technical training, leadership development, and coaching to build an inclusive culture and strengthen execution skills. By empowering our employees, we invest in the future of our company and the communities we serve.

Great Place to Work Certified

We have earned the Great Place to Work certification across all its Americas facilities, reflecting our commitment to a positive and supportive work culture.

This recognition highlights our dedication to creating an environment where employees feel valued and engaged. We prioritize diversity, inclusion, innovation, and collaboration, fostering a dynamic and high-performing workplace.

Health & Wellness Days

We offer up to three flexible days off for employees to focus on their physical and mental health. This policy demonstrates our commitment to a supportive and healthy work environment.
By promoting well-being, the initiative helps improve work-life balance, reduce absenteeism, and supports overall wellness, recognizing the link between employee health and business success. We encourage employees to take full advantage of this benefit.

School & Youth Hiring

ArcelorMittal Tailored Blanks North America offers co-op opportunities across various departments, with potential for full-time employment after completion.
Our program provides students and recent graduates with hands-on experience in automotive manufacturing, working alongside skilled professionals. Open to those pursuing degrees in engineering, business, finance, IT, and related fields, it offers competitive compensation, flexible schedules, and a supportive environment that encourages creativity and learning.

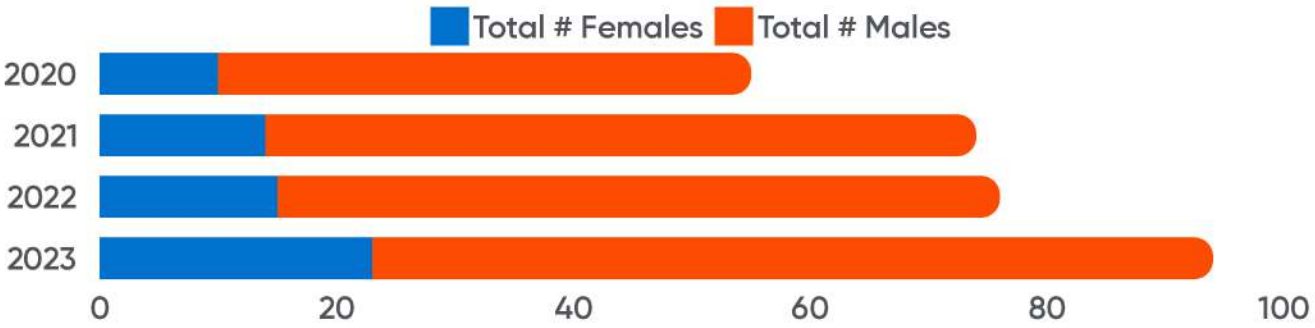
Equity, Diversity & Inclusion

We are committed to advancing Equity, Diversity, and Inclusion (ED&I) across our organization. Through education, training, and open dialogue, we ensure every employee is heard, valued, and empowered. We believe a diverse workforce drives innovation and creates an environment where all employees can thrive.

Our ED&I initiatives are central to our ESG strategy, with targeted actions and measurable goals. Key initiatives include the Women in Automotive campaign, which focuses on recruiting women and supporting workplace flexibility, and a comprehensive Gender Gap analysis with Hay KornFerry to identify areas for improvement.

Currently, 25% of our leadership roles are held by women, with a goal to reach 30% by 2030, aligning with the automotive industry's target of 25%. This commitment reinforces our dedication to building an inclusive, diverse workforce that drives sustainable growth.

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2023 Data	2022 Data
Human Capital	Employee Engagement, Diversity & Inclusion		% of women employees	Percentage (%)	23%	22%
			% women in critical/leadership roles	Percentage (%)	25%	19%



6c. Community Engagement – Alliance & Partnership with Key Councils/Organizations

ArcelorMittal Tailored Blanks North America is a leader in automotive manufacturing and innovation, dedicated to corporate social responsibility (CSR). We recognize that our success is closely linked to the well-being of both the planet and its people. Guided by our core purpose of Driving a Safer and Greener Tomorrow, we are committed to operating ethically, sustainably, and responsibly in all aspects of our business.

Community Engagement and Youth Support

A proud to partner with the Detroit Police Department's 11th Precinct through B.U.O.Y.11 (Business United with Officers for Youth). Together, we contributed gift cards and in-kind donations to support community events and holiday celebrations for local children. This partnership also ensures the safety of our facilities and staff through close collaboration with the Neighborhood Police Officer, who provides essential safety training, including workplace violence awareness and active shooter response.

In addition, ArcelorMittal Tailored Blanks North America sponsored five youth to attend the Detroit Public Safety Foundation's Future Leaders Camp, further demonstrating our commitment to developing future leaders and strengthening community relationships.

Commitment to Sustainability and Biodiversity

Across all facilities, ArcelorMittal Tailored Blanks North America has established a strong partnership with the Wildlife Habitat Council (WHC), reinforcing our commitment to sustainability. We have launched community programs focused on STEM education and biodiversity, raising environmental awareness and providing employees with opportunities to participate in conservation efforts.

Key initiatives include habitat restoration, pollinator garden creation, and water quality improvement. These efforts have not only minimized our environmental impact but also fostered a culture of environmental stewardship among our employees, strengthening their pride and engagement in our corporate social responsibility initiatives.

Section 7: Governance

Compliance with regulations is a core responsibility, but this alone is not enough. Organizations today must strive to create a positive culture in which everyone wants and knows how to do the right thing. At AMTB NA we embody this daily, in our culture through our core value of: "We Operate With Respect".

We regard integrity and reputation as key assets that must be preserved at all times and aim to comply fully with our obligations. Demonstrating responsibility and respect for our colleagues and all stakeholders, and actively listening and responding to their concerns, is central to our business. Our code of business conduct sets out the standards of behavior we expect from our directors, officers, and employees, and anyone who acts on our behalf.

Compliance is becoming more demanding, and the voluntary codes driven by stakeholders or regulated by law are broadening the scope of what governance covers. For example, disclosure of how we implement human rights and environmental standards, and how we plan to align with the Paris agreement on climate change, are all now part of good corporate governance.

So, while compliance with regulations is a core responsibility, this alone is not enough. Organizations today must strive to create a positive culture in which everyone wants and knows how to do the right thing.

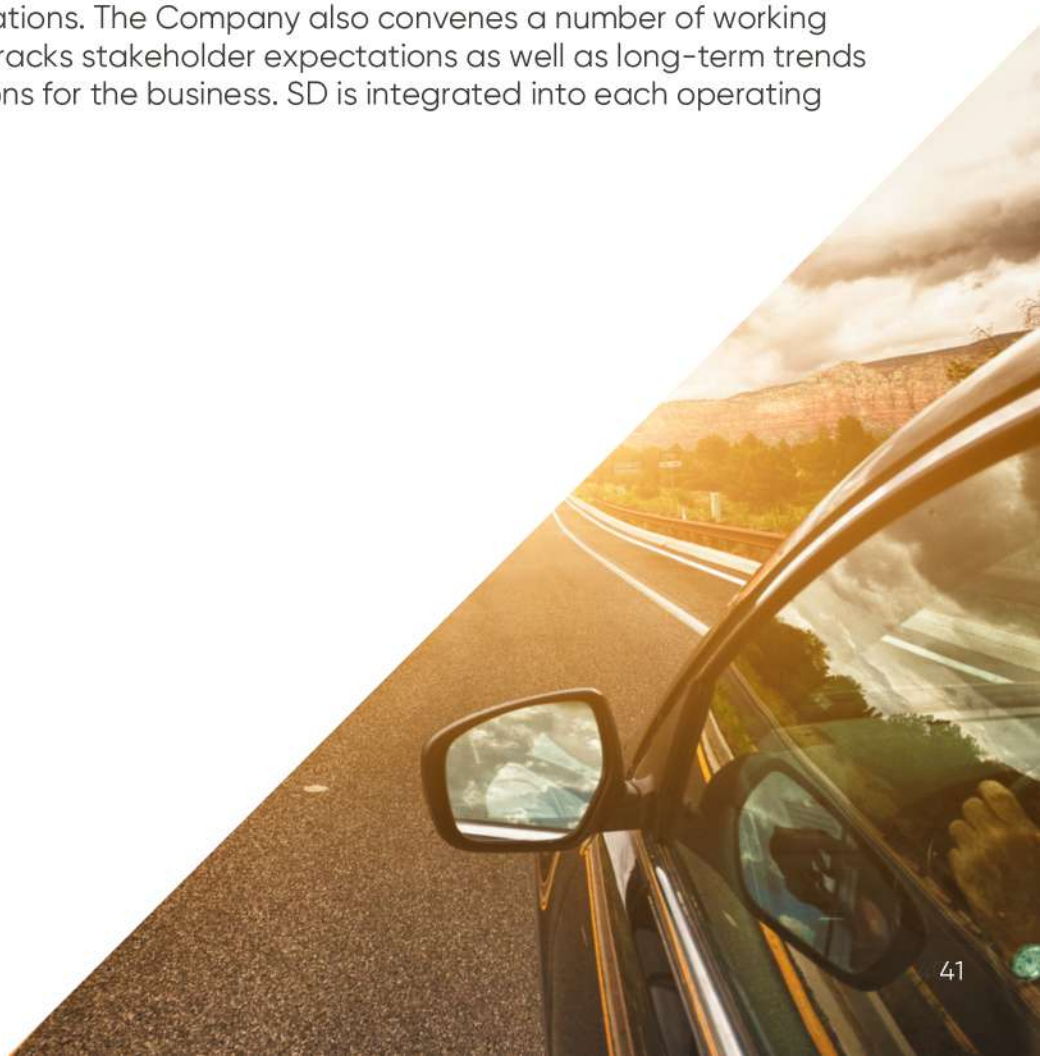
Sustainable development governance

We understand that fully integrating sustainable development (SD) into the business is essential to creating long-term value for our shareholders and other stakeholders, while maintaining a profitable market share.

Our progress on the ground in our business units, at individual sites and on specific projects is overseen by management and the Board. The Board of Directors is ultimately accountable for our sustainable development performance and strategic direction.

The Sustainability Committee (SC) oversees sustainability issues under six management themes: i) product innovation, ii) health and safety, iii) environment, iv) climate change, v) customer reassurance and vi) community relations

Management has nominated senior leadership teams to take responsibility for each of the six themes, who report on progress against plans and targets and are supported by corporate functions covering strategy, technology, R&D, government affairs, corporate responsibility and communications. The Company also convenes a number of working groups on particular topics, tracks stakeholder expectations as well as long-term trends and considers their implications for the business. SD is integrated into each operating plant's reporting.



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