



ArcelorMittal

ANTI-CORRUPTION GUIDELINES

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As an international company listed on several stock exchanges, ArcelorMittal wishes to ensure that in the course of its work its employees and any third parties acting on its behalf observe the highest standards of integrity. These Anti-Corruption Guidelines establish procedures for handling corruption concerns.

THE ARCELORMITTAL CODE OF BUSINESS CONDUCT

ArcelorMittal has a reputation for honesty and integrity in its management practices and in its business transactions that it wishes to maintain. It is therefore vital for the ArcelorMittal group to fight and prevent corruption in all its forms.

It is the policy of ArcelorMittal and its subsidiaries and affiliates to comply with anti-corruption laws wherever it does business, including the anti-corruption convention of the Organisation for Economic Co-operation and Development (OECD Convention)¹, the European Council's Penal Convention on Corruption of January 1999, and the anti-corruption laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act (FCPA)².

The obligation to comply with local, national and international laws and regulations applicable to its business, including anti-corruption laws, is also contained in the ArcelorMittal Code of Business Conduct.

It is the responsibility of each and every director, officer and employee in the ArcelorMittal group, and any third party acting on behalf of the ArcelorMittal group, to understand the Code of Business Conduct and these Anti-Corruption Guidelines and to seek help from the Legal Department if and when there is any question or doubt as to how these rules apply in a given situation.

LEGAL ENVIRONMENT

In 1999, the OECD (defined above) adopted the Convention on Combating Bribery of Foreign Officials in International Business Transactions

(the "OECD Convention"), which concluded that bribery in business transactions:

- raises serious moral and political concerns,
- undermines good governance and economic development, and
- distorts international competitive conditions.

All countries that are members of the OECD have adopted legislation which criminalises the bribery of government officials, including foreign government officials. Similar conventions have been adopted by other international bodies, including the United Nations Convention Against Corruption, the African Union's Convention on Preventing and Combating Corruption and the Criminal Law Convention on Corruption of the Council of Europe.

The FCPA (defined above) applies to the ArcelorMittal group primarily as a result of the listing of ArcelorMittal's shares on the New York Stock Exchange.

In addition to the above conventions and the FCPA, nearly all countries outlaw the bribing of their own government officials. Although a particular action or payment might be lawful under legislation implementing a convention or the FCPA, it might not be lawful under local law.

WHAT IS CORRUPTION?

In practice, the words "bribery" and "corruption" are generally used interchangeably.

Corruption is defined as the misuse of power by someone to whom it has been entrusted, for his own private gain. The most common form of corruption is bribery, which is the giving or receiving money, a gift or other advantage as an inducement to do something that is dishonest, illegal

or a breach of trust in the course of doing business.

The anti-corruption laws prohibit an offer, payment, promise to pay or authorisation of payment of any money, gift, or anything of value to any government official for purposes of:

- influencing any act or decision of the government official,
- inducing him or her to do any act in violation of his or her lawful duties,
- securing an improper advantage, or
- inducing him or her to use his or her influence with a governmental agency,

in order to assist in obtaining or retaining business or to direct business to anyone.

The "obtaining or retaining business" element is interpreted broadly to include business advantages, such as obtaining a permit or a tax break.

In addition, according to the laws applicable in some countries such as those that have ratified the Criminal Law Convention on Corruption of the Council of Europe, corruption is considered a criminal offence even in the event that the payment of a bribe would not be made in order to assist in obtaining or retaining business. In other words, the act of corrupting someone in order to induce him or her to act or refrain from acting in the exercise of his or her functions is considered a criminal offence.

This means that unlike the US FCPA, the law of those countries (which include Luxembourg, where ArcelorMittal is incorporated, as well as the UK and France, where ArcelorMittal has corporate offices), makes no exemption for the so-called facilitation payments.

¹ <http://www.oecd.org/>

² <http://www.usdoj.gov/criminal/fraud/fcpa/>

Facilitation payments are a form of bribery where (i) the sum involved is minor and paid to a low level official and (ii) the payment is made to secure an action or service to which an individual or company is routinely and legally entitled (e.g. routine processing of government papers such as a visa).

Consequently, it is possible that ArcelorMittal could face liability if any part of the Group were to contravene those laws.

It is the policy of ArcelorMittal to refrain from making any corrupt payments, including facilitation payments.

ArcelorMittal employees asked to make facilitation payments should report such incidents to the local Legal Department.

WHO IS A GOVERNMENT OFFICIAL?

A “government official” is:

- an officer or employee of a government (holding an administrative, judicial or legislative mandate) or of a department, agency or instrumentality thereof or any person acting in an official capacity for or on behalf of such government (e.g. an entity hired to review bids on behalf of a government agency or to collect custom duties);
- an officer or employee of a “public international organisation” or any person acting in an official capacity for or on behalf of such public international organisation (Public international organisations include, for example, the United Nations, the World Bank, the European Commission, etc.);
- an employee of a company or other business entity in which a governmental body has an ownership interest and/or over which such governmental body may, directly or indirectly, exercise a dominant influence (such employee can qualify as a government official even if he

or she is engaged in commercial, rather than governmental, activities); and

- a political party (see Section “Political Contributions” below) or a member of a political party or a candidate for political office.
- Additional caution should be applied in respect of persons who are known or suspected to be family members of government officials or in respect of companies who are controlled by family members of government officials so as to avoid that these persons serve as a conduit for an illegal payment to a government official.

PRIVATE-TO-PRIVATE CORRUPTION

“Private-to-private” corruption acts are acts that do not involve government officials. Although neither the OECD Convention nor the FCPA (defined above) address the issue of private corruption/bribery, such acts are strictly prohibited under the ArcelorMittal Code of Business Conduct and these Anti-Corruption Guidelines. Private corruption also constitutes a criminal offence in many countries, such as the countries which have ratified the Criminal Law Convention on Corruption of the Council of Europe.

PROCUREMENT AND BIDDING PROCEDURES

Corruption is more widespread in some countries than in others. Operating in some of these high risk countries requires ArcelorMittal to apply greater precaution. It is important that ArcelorMittal be able to demonstrate that local procurement decisions are taken based on merit and not by exerting improper influence on government officials.

Procurement regulations usually include specific rules about the timing of, and process for, securing bid information and documents and you should ensure that you act in conformance with those rules. You

should never seek non-public inside information in violation of such regulations.

During the tender process, strict regulations usually exist concerning conflicts of interest and interactions and communications with officials involved in the tender process. During the tender process, you should not engage in any entertainment, gift-giving, or similar exercise with any official or other person involved in the tender process.

You should locate and review relevant local procurement guidelines and regulations and, if necessary, consult with the local Legal Department or the Regional General Counsel to avoid any violations of such laws.

BUSINESS PARTNERS, AGENTS, CONTRACTORS AND OTHER THIRD PARTIES

It is prohibited (i) to make any corrupt payments through intermediaries and (ii) to make a payment to a third party, while knowing that all or a portion of the payment will go directly or indirectly to a government official. The term “knowing” includes conscious disregard and deliberate ignorance.

All business decisions involving ArcelorMittal should be based on merit. No ArcelorMittal employee or third-party acting on behalf of ArcelorMittal should exert improper influence on government officials.

ArcelorMittal’s policy is that the joint ventures in which it participates adopt and enforce anti-bribery policies.

ArcelorMittal must undertake due diligence on its business partners (whether they are agents, consultants, suppliers, other intermediaries, consortium or joint venture partners, contractors or major sub-contractors, distributors, etc.) with a view to assessing the corruption risk before engaging in business with them. For example, before engaging an agent, you should be comfortable that he/she will not be used as a conduit for the payment of a bribe.

After conducting due diligence on the agent, you should refrain from engaging in business with them if the due diligence findings are not satisfactory.

The due diligence must be conducted in accordance with the principles set out in these Guidelines and any other policies tailored to specific business/risk areas.

ArcelorMittal must establish whether any of its business partners have a reputation for corruption (even though they may not have been convicted for corruption yet) or if any of its business partners are being investigated or prosecuted, or have been convicted or (in the case of lawyers) debarred, for corruption. If so, ArcelorMittal should ascertain as far as possible the facts of the case and make a determination on that basis, keeping in mind the risk of reputational damage to ArcelorMittal.

Records of each due diligence check must be kept for a period of at least eight (8) years.

In addition, depending on the results of the background check and the sensitivity of the matter, ArcelorMittal may use external providers to perform additional or more in-depth due diligence on individuals or corporate entities.

The following principles should be applied in respect of the use and remuneration of all third-parties:

1. Payments to third-parties must be reasonable and rationally reflect the value of the services provided;
2. Third-parties should have a proven track record in the industry concerned;
3. Third-parties should not be referred by government officials;
4. The services to be rendered must be legitimate and the nature of the services as well as the price must be described in the relevant contract; and
5. Third-parties may not get paid offshore unless there are genuine

and legitimate business reasons for doing so and the payment process is approved in writing in advance by the local Legal Department, the Regional General Counsel and the local head of Business Unit. Tax avoidance is not a proper purpose in such cases.

Each third-party agreement must include clauses that address corruption concerns.

These Anti-Corruption Guidelines apply to agents and business partners when they do business with us and if they do business with a third party on our behalf.

ANTI-CORRUPTION CLAUSES

The inclusion of the anti-corruption model clause provided under Appendix A of these Guidelines or a similar clause developed with the assistance of the Legal Department is required in each type of contract referred to in these Guidelines.

MERGERS AND ACQUISITIONS

Companies in the ArcelorMittal group which merge with or acquire other companies run the risk of inheriting successor liability for any violations of anti-corruption laws committed by the acquired or merged company. This may entail significant reputational damage for ArcelorMittal and business disruption as well as sanctions if at a later stage such violations come to light. Therefore, it is essential to perform thorough anti-corruption due diligence and to include in the acquisition contract appropriate anti-corruption provisions as well as to consider other available options to avoid successor liability prior to the closing of the transaction. While acquisitions solely of assets theoretically do not trigger successor liability, it is nonetheless important to perform thorough anti-corruption due diligence and tailor the acquisition contract in such a way that it excludes liability for anti-corruption laws violations from the

scope of the asset acquisition. If an ongoing business is acquired as part of an asset acquisition, such a transaction must be treated as if it were a stock acquisition. You should raise any anti-corruption issues that arise in due diligence with the Group General Counsel.

ARCELORMITTAL EMPLOYEES

The integrity of ArcelorMittal employees must be preserved by applying the following principles:

1. Only appoint an employee to a key position if the integrity of that employee is documented or has not been challenged.
2. Where a new employee is to be appointed, comply with the ArcelorMittal Corporate Resourcing Pre-employment Vetting (Background Checks) procedure implemented by ArcelorMittal's Human Resources department and provide appropriate compliance training.
3. Additional attention should be paid by management and human resources and anti-corruption training provided to employees who are operating in high risk countries where they may be exposed to corrupt pressures, particularly if they interact with government employees.

GIFTS, ENTERTAINMENT, TRAVEL

Gifts

ArcelorMittal is under the legal obligation to comply with the anti-corruption laws of the countries where it does business. Therefore, gifts should not be given without the prior review of the local anti-corruption law and these Anti-Corruption Guidelines.

No gifts and gratuities should be offered to government officials except for promotional items of little value, such as inexpensive pens, mugs, T-shirts, calendars, etc., that

bear the company's name and/or logo, provided that this is not prohibited by local law and that it is not made with a corrupt purpose (see definition of "Corruption" above under "What is Corruption?").

The ArcelorMittal Code of Business Conduct also prohibits offering gifts or granting favours outside the ordinary course of business to current or prospective customers, their employees or agents, or any person (including but not limited to "government officials") with whom the relevant group company has a contractual relationship or intends to negotiate an agreement.

ArcelorMittal's employees must also refuse gifts and gratuities from persons who deal or seek to deal with ArcelorMittal such as suppliers or potential suppliers, with the exception of promotional items of little value.

Cash gifts to anyone are prohibited and, if offered to you, must be refused.

Entertainment & Travel

All business entertainment and travel given or received by ArcelorMittal employees must be moderately scaled and clearly intended to facilitate business discussions. As a general guideline, business entertainment in the form of meals and beverages is acceptable as long as it is in line with local law, the Group's SG&A policy, reasonably infrequent, and as far as possible on a reciprocal basis.

More restrictive rules apply with respect to business entertainment and travel provided by ArcelorMittal employees or third parties acting on behalf of ArcelorMittal to government officials (see Section "Who is a Government Official" above).

ArcelorMittal may pay or reimburse government officials for reasonable travel and lodging-related expenses or costs directly related to:

- a) the promotion, demonstration, or explanation of ArcelorMittal products or services; or

- b) the execution or performance of a contract between a company in the ArcelorMittal Group and the government which the government official represents.

provided, that the payment or reimbursement of travel, entertainment and lodging expenses is permitted under local law and any other applicable laws and subject to the prior written authorisation of the local Legal Department, the Regional General Counsel and the head of the local Business Unit.

In each case, the purpose of the trip must be defined and approved in advance and reimbursement is subject to "bona fide" supporting documentation and correspondence which must be kept on file.

Cash payments or per diems should be avoided and reimbursements for travel and lodging-related expenses should be paid to the government entity or agency rather than to the government official directly. Any exception to this rule can be made only with the prior written authorisation of the local Legal Department, the Regional General Counsel and the head of the local Business Unit.

Family members of government officials may not be invited to such trips or events. If a family member nevertheless accompanies the relevant person to the trip or the event, ArcelorMittal will not pay or reimburse any expenses of such family member.

POLITICAL CONTRIBUTIONS

Contributions of money or services on behalf of ArcelorMittal to any political parties or individual politicians in any country may only be made in accordance with applicable law and all requirements for public disclosure must be fully complied with.

Such contributions are subject to the prior written approval of the local Legal Department, the Regional

General Counsel and the local head of Business Unit.

If a contribution of money or services to a political party or individual politician in any country is being contemplated, the rules on conflicts of interest contained in the ArcelorMittal Code of Business Conduct must be observed. This means that any person who has any kind of affiliation with the individual politician or political party should abstain from any involvement in the decision-making process regarding the contribution.

Be mindful that contributions to political parties or to individual politicians may be interpreted as a bribe. For example, if your company is in negotiation for a government contract or a licence, or if you have a sensitive issue which the government is reviewing, such contributions are likely to be interpreted as a bribe.

As set out under the Section "WHO IS A GOVERNMENT OFFICIAL?" above, political parties, members of political parties and candidates for a public office do fall within the scope of the "government official" definition.

CONTRIBUTIONS TO TRADE UNIONS

Contributions of money or services on behalf of ArcelorMittal to any trade union or union member or to any entity controlled by a trade union in any country may only be made in accordance with applicable law and all requirements for public disclosure must be fully complied with.

Such contributions are subject to the prior written approval of the local Legal Department, the Regional General Counsel and the local head of Business Unit.

If a contribution of money or services to a trade union or a union member or to an entity controlled by a trade union in any country is being contemplated, the rules on conflicts of interest contained in the ArcelorMittal Code of Business Conduct must be observed. This means that any person

who has any kind of affiliation with the trade union or the member of the trade union or the entity controlled by the trade union should abstain from any involvement in the decision-making process regarding the contribution.

Be mindful that trade unions, union members or entities controlled by a trade union may serve as a conduit for bribes to government officials and that contributions to trade unions, union members or entities controlled by a trade union may consequently be interpreted as a bribe.

CHARITABLE / CORPORATE RESPONSIBILITY CONTRIBUTIONS

There is a risk that bribes take the form of charitable contributions or sponsorships. Make sure that money paid to a charity is not dependent on, nor made to win, a business deal. Money must always be given to a charitable organisation and not to an individual. The contributions should be subject to adequate monitoring and compliance with key performance indicators.

Only make charitable contributions to charities that are registered under the local country's laws. Be careful who the charity officials are and perform a background check on the charity itself and on its managers. Check if you can to find out to whom the money will go and for what purpose. If you are in negotiation for a government contract or a licence, or you have a sensitive issue which the government is reviewing, be mindful that contributions to a charity affiliated with a government official is likely to be interpreted as a bribe.

You should subject cases in which a customer or government official recommends or refers a charitable organization to you to heightened scrutiny. In such cases, the charity may be a conduit for improper payments to the customer or government official.

Charitable and any other Corporate Responsibility contributions should be in line with the Corporate Responsibility strategy of the ArcelorMittal group, about which information is available on www.arcelormittal.com under "Corporate Responsibility", and the Group Corporate Responsibility department must be consulted prior to engaging in any such type of contribution.

In addition, significant charitable contributions and Corporate Responsibility contributions involving government entities, as defined in ArcelorMittal's Corporate Responsibility policies, are subject to the prior written approval of the local Legal Department, the Regional General Counsel and the local head of Business Unit.

ACCOUNTING REQUIREMENTS

ArcelorMittal is under the legal obligation to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of ArcelorMittal.

The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments.

INTERNAL CONTROLS

ArcelorMittal is also under the legal obligation to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that

- (i) transactions are executed in accordance with management's general or specific authorization;
- (ii) transactions are recorded as necessary (I) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements,

and (II) to maintain accountability for assets;

- (iii) access to assets is permitted only in accordance with management's general or specific authorization; and
- (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

All business units within the ArcelorMittal group should have in place internal controls and procedures that fit these criteria and enhance compliance with these Anti-Corruption Guidelines.

One element of an effective internal controls system is for business and finance personnel to review transactions and expense/payment requests for warning signs that signal an inadequate commercial basis or excessive risks. Below is a list of common warning signs.

- o Transaction party has current business, family, or some other close personal relationship with a customer or government official, has recently itself been a customer or government official, or is qualified only on the basis of its influence over a customer or government official.
- o A customer or government official recommends or insists on the use of the transaction party.
- o Transaction party refuses to agree to anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information.
- o Transaction party has a poor business reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references.

- o Transaction party does not have office, staff, or qualifications adequate to perform the required services.
- o Expense/payment request is unusual, is not supported by adequate documentation, is unusually large or disproportionate to services to be rendered, does not match the terms of a governing agreement, or involves the use of cash or bearer instrument.
- o Expense/payment request involves an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws.
- o Expense/payment request is described as required to “get the business” or “make the necessary arrangements.”

This list is not exhaustive and warning signs will vary by the nature of the transaction or expense/payment request and by the geographical market or business line. Personnel should constantly assess whether additional common warning signs are present in their specific situation.

AUDITS

ArcelorMittal is committed to conducting audits to ensure compliance with the anti-corruption laws.

WHISTLEBLOWER POLICY

Any concern that an ArcelorMittal employee, officer or director has about a possible bribery or corruption case should be reported immediately in accordance with the ArcelorMittal Whistleblower Policies.

ANTI-CORRUPTION SANCTIONS

Criminal liability and civil penalties

In most jurisdictions, both companies and individuals can be liable for a criminal offence. The exact extent of criminal liability will depend on the law of a particular country.

Generally speaking, criminal liability entails fines and prison terms which can be severe. For example, under the FCPA (as defined on page 1), business entities are subject to a fine of up to USD 2 million per violation. Officers, directors, shareholders, employees and agents are subject to a fine of up to USD 250,000 per violation and imprisonment of up to five years. Alternatively, the fine may be up to twice the benefit that the defendant sought to obtain by making the corrupt payment.

Further, criminal penalties for companies like ArcelorMittal accused of violating the Books and Records (i.e. accounting – see “Accounting Requirements”, above) provisions of the FCPA can reach up to USD 25 million and up to twice the benefit the entity sought to obtain through the violation. Individuals convicted of such a violation will be fined up to USD 5 million or imprisoned for up to 20 years.

In addition, disgorgements of profits associated with improper payments are likely to be imposed under the FCPA.

Companies and individuals may be prosecuted for corruption in their home countries, in the country where the corruption took place, and in other countries, including the United States of America. Extradition of individuals to another country is also a risk, depending on the country where the actions took place.

Fines imposed on individuals may not be paid by their employer.

Civil liability and damages

In addition to criminal liability, both individuals and companies involved in corruption are at risk of being sued and being found liable to compensate those other individuals or companies who may have suffered losses as a result of the corrupt act.

This may occur where, for example, an unsuccessful bid participant sues a successful bid participant who has been corruptly awarded a contract in

order to recover lost tender costs and lost profit.

Suspension or Debarment

In addition to direct sanctions for corruption, companies involved in enforcement proceedings may be prohibited from making sales to government customers or organizations. Loss of such sales opportunities in many cases can have a greater financial impact on a company than the direct sanctions of the enforcement proceeding.

Sanctions taken by ArcelorMittal

Based on these Anti-Corruption Guidelines, applicable law and ArcelorMittal internal policies, instances of fraud or bribery by an ArcelorMittal employee are punishable and will result in sanctions that may include the termination of the employment contract.

GENERAL GUIDANCE AND CONTACTS

As these Anti-Corruption Guidelines cannot cover every eventuality, ArcelorMittal employees are encouraged to use their good judgement and apply common sense. In case of doubt, please contact your local Legal Department, your local Business Unit head or the persons referred to in these Anti-Corruption Guidelines with any questions.

If your local Legal Department or local Business Unit head require guidance on these Anti-Corruption Guidelines, they may contact any of the following persons:

- the Group General Counsel,
- the Regional General Counsels,
- the General Counsel Luxembourg / Group Compliance Officer.

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www.arcelormittal.com