



XCarbTM

Green steel certificates

Towards carbon-neutral steel

What is XCarb™?

XCarb™ is the new brand name for ArcelorMittal's ongoing global programme of steelmaking innovation targeted at carbon-neutral steel by 2050. The initiatives that are part of XCarb™ aim to reduce ArcelorMittal's carbon footprint.

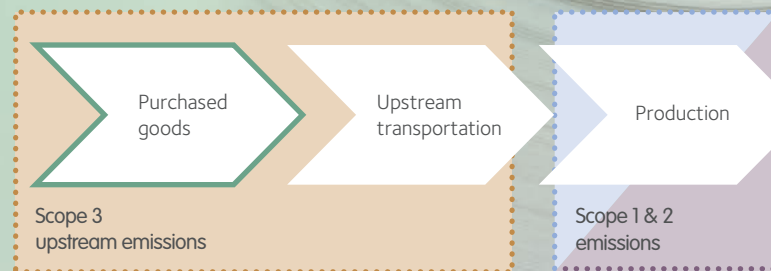
One of the first initiatives is XCarb™ green steel certificates from ArcelorMittal Europe – Flat Products. The certificates are issued by ArcelorMittal Europe – Flat Products and based on CO₂ savings which have been audited by DNV, an independent body. The savings are aligned with the appropriate greenhouse gas (GHG) accounting standard.

Scope 1

Direct emissions that result from activities within an organisation's control.

Scope 2

Indirect emissions from energy purchased by the organisation, for its own use.



What are XCarb™ green steel certificates?

ArcelorMittal Europe – Flat Products is investing in a broad range of initiatives to reduce carbon emissions from the blast furnace. These initiatives range from our flagship Smart Carbon projects, such as Torero and Carbalyst, to capturing hydrogen-rich waste gases from the steelmaking process and injecting them into the blast furnace to reduce our use of coal.

These first, effort-intensive investments on our journey to zero emission steels have resulted in considerable CO₂ savings. These savings are being aggregated, independently verified, and converted into XCarb™ green steel certificates.

The certificates can be used by customers to account for, and report, a reduction in their Scope 3 carbon emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

How can I get an XCarb™ green steel certificate?

XCarb™ green steel certificates can be purchased directly from ArcelorMittal Europe – Flat Products in conjunction with a corresponding steel order. The certificates can be offered with any of our steel solutions.

What are the advantages for ArcelorMittal's customers?

Purchasing XCarb™ green steel certificates officially passes the CO₂ savings achieved by ArcelorMittal Europe – Flat Products to our customer. That enables the customer to report a corresponding reduction in their Scope 3 CO₂ emissions (Category 1: Purchased Goods & Services) in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Following the Scope 3 accounting approach, this enables customers who purchase XCarb™ green steel certificates to pass the CO₂ savings onto their end customer.

Scope 3

Any other indirect emissions from sources outside an organisation's control, including emissions from purchased goods

..... Scope of CO₂ emissions

▶ Life cycle stages

▶ XCarb™ green steel certificates can be used to reduce this

Downstream transportation

Product use

End of life

Scope 3 downstream emissions

Contact your local
ArcelorMittal account
manager to discover more.

What it means for customers

"Ateliers 3S is proud to be the first customer to benefit from ArcelorMittal's XCarb™ green steel certificates. Design and innovation in building with steel have been the key pillars of the first decade of our business. Today, the environment and sustainable development are at the heart of Ateliers 3S' concerns. The XCarb™ green steel certificate allows us to report a reduction in our Scope 3 CO₂ emissions, something that has never been seen before in our sector. They represent an important step forward on Ateliers 3S' road to carbon neutrality."



*Julien Faisandier, CEO of Ateliers 3S (left) and
Jean Christophe Vigouroux, owner of Ateliers 3S (right)*

*The first ArcelorMittal Europe – Flat Products
green steel certificate was issued to Ateliers 3S.*

How is the XCarb™ green steel certificate volume calculated?

Firstly, we calculate the CO₂ savings from our investment projects. We do this by studying the CO₂ impact of different consumables in the blast furnace (for example, when we replace coal with an alternative reductant). This is done in accordance with the Greenhouse Gas Protocol for Project Accounting.

We then aggregate the total CO₂ savings at the ArcelorMittal Europe – Flat Products level and convert them into a volume of XCarb™ green steel certificates. The calculation uses a coefficient which represents the average Scope 1, 2, and 3 CO₂ intensity of blast furnace-based steelmaking.

$$\text{Volume of XCarb™ green steel certificates} = \frac{\text{Project based CO}_2 \text{ savings (tonnes of CO}_2\text{)}}{\text{Scope 1+2+3 CO}_2 \text{ coefficient (tonnes of CO}_2 \text{ per tonne steel)}}$$

Who verifies the CO₂ savings and certificates?

ArcelorMittal's project-based CO₂ savings, and the corresponding volume of XCarb™ green steel certificates, are assured by DNV, an independent expert in verification and assurance. Working with a respected and credible global assurance provider such as DNV is vital to ensure the validity of ArcelorMittal's XCarb™ green steel certificates.

DNV has performed a limited assurance engagement in accordance with the revised *International Standard on Assurance Engagements 3000*.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011.

How can I find out more about XCarb™ and green steel certificates?

ArcelorMittal customers can contact their local support team for more information about XCarb™ green steel certificates. You can also visit:

flateurope.arcelormittal.com/greensteelcertificates

At ArcelorMittal, sustainability is about more than carbon reduction...



In 2020, ArcelorMittal was recognised by CDP for our strong performance on **corporate transparency and action on climate change**. Once again, we maintained our A-score in the CDP's Climate Change assessment. This puts ArcelorMittal in the top 10 percent of the steel industry and within the top quartile of all metal smelting, refining, and forming companies.

More info: <https://www.cdp.net/en/companies/companies-scores>



The Initiative for Responsible Mining Assurance (IRMA) is the answer to a global demand for more **socially and environmentally responsible mining**.

IRMA offers independent third-party verification and certification against a comprehensive sustainability standard for mined materials. ArcelorMittal has served on the IRMA Steering Committee since 2016 and in this role we provide unique insights as a mining and steel production company.

More info: <https://responsiblemining.net/>



Steel has been recognised by the European Union as a **permanent material**. This designation recognises that steel can be infinitely recycled without loss of quality, no matter how many times it is recycled.



ArcelorMittal is a founding member of ResponsibleSteel™ – the steel industry's first global multi-stakeholder standard and certification initiative. The initiative includes members from every stage of the steel supply chain. ResponsibleSteel™ has developed an **independent certification standard and programme** via a process that aims to align with the ISEAL Codes of Good Practice.

More info: www.responsiblesteel.org

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Jeroen Op de Beeck, ArcelorMittal

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