



Together for safety

Global Scope – Local Impact

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Joint Global Health and Safety Committee Review Report

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June 2011



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Special thanks to Michael Briedbach (IG-Metal) for providing the images used in the report.

Disclaimer

Although a lot of care has been given to describing the actual situation at the time of the visit to the sites, as well as to any evolution on each of the sites visited since then, further evolution may have occurred and thus the Review Report is only giving a valid status at time of writing

Introduction

The intention of this publication is to review the work of the ArcelorMittal Joint Global Health and Safety Committee (JGHSC). Also, to provide some analysis of the JGHSC as to why the number of fatalities in the company remains unacceptable high and what measures that can be taken to improve the current situation.

The JGHSC was formed as result of an agreement signed by management and unions on 3rd June 2008. The agreement set out the terms of reference for a JGHSC and also the minimum requirements for local JHSC. Trade union committee members include 1 participant from International Metalworkers' Federation, 4 participants from the European Metalworkers' Federation, 3 participants from the United Steelworkers, 1 participant from Latin America (CNM-CUT), 1 participant from Mining area. From management side 6 members are present, including Corporate Health and Safety, Employee Relations and Business Unit H&S representatives.

To date the JGHSC agreement still remains the only one of its kind in the steel industry.

Prior to signing the agreement the company had faced its worst year for fatalities and both unions and management identified safety as their number one priority. Despite some differing views amongst unions and management the committee has been able to put these aside and work in a very practical and pragmatic way. Over the last two years 77 workers have lost their lives (36 in 2009, 41 in 2010); the number of fatalities remains unacceptable high for both unions and management alike. Although since signing the agreement the total number of fatal incidents has come down by about one third.

The JGHSC agreement was a shared recognition that the most effective tool in ensuring good health and safety in the workplace is cooperation between trade unions and management. The spirit of the agreement is that by identifying common ground between workers, unions and management on health and safety issues it's possible to make a positive impact on the number of accidents in the workplace and to significantly reduce the risk faced by workers. Following the signing of the agreement the JGHSC undertook a survey of national unions and management to check implementation; in 94% of replies a JGHSC had already been established.

The main functions of the JGHSC has been check, follow-up and guide the implementation of the local JHSC, as well as to identify areas for improvement in the company and to act as a facilitator in harmonizing safety performance across the group. The committee only deals with issues related to health and safety and it does not act as a negotiating committee on behalf of unions or management; its function is solely to offer guidance. Since signing the agreement the JGHSC has visited 9 countries (Mexico, Brazil, Kazakhstan, Ukraine, Romania, Czech Republic, Argentina, South-Africa, USA) in order to help them further improve health and safety performance. Visits have included both mining operations and steel plants, and follow a set format.

Normally, a plenary meeting is held in the presence of local unions and management, then a breakout session of the local union and JGHSC union members resp. local management and JGHSC management. During the breakout implementation and the work of the local JHSC is discussed. Local unions help select which areas of the plant should be visited especially if there are areas in need of attention; the areas to visit are then agreed between both sides of the JGHSC. Following the site visit another plenary session is held in order for local management and unions to hear the recommendations of the JGHSC and after the visit an action plan is developed by the site. Following the site visit, the sites provide an update to the JGHSC each time it meets and in some cases a follow up visit will be arranged for a (few) member(s) of the JGHSC to check and report on progress.

A special word of thanks must be given to the members of the JGHSC who have put a lot of time and effort not only into the visits but also in this review and the day to day work that goes on behind the scenes. Many of the committee members have experienced fatalities on their own sites or visited the sites of fatalities and it is never easy to see a colleague lose his / her live.

The main message from the JGHSC is

**“If the job is not safe,
then don't do it!”**

Executive summary

The work of the JGHSC demonstrates that it is meeting most of the objectives set out for it in the Terms of Reference. The Committee's work has had a positive impact on the number of accidents in the workplace, especially fatalities, and helped to reduce the risk faced by workers. The JGHSC has also helped to improve communication, collaboration and coordination between unions and management, locally as well as globally. These achievements have occurred through the Committee's working method, especially its site visits to Top Priority Sites where the visits are a benchmark example of joint labour-management activity and through the visits the Committee acts as a catalyst to local joint safety dialogue and follow-on improvements.

There are a number of areas where the JGHSC believes it is falling short of mutual expectations, however. The increase in fatalities in 2010 as compared to 2009 is cause for

concern. Response to requests for training have been inconsistent. The parties to date have failed to harmonize their differences on penalties for violations of Golden Rules. Joint dialogue on H&S is not uniformly excellent at every business unit and work site.

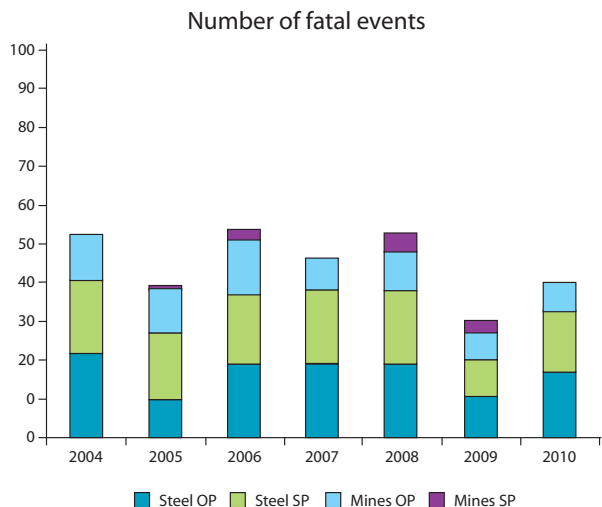
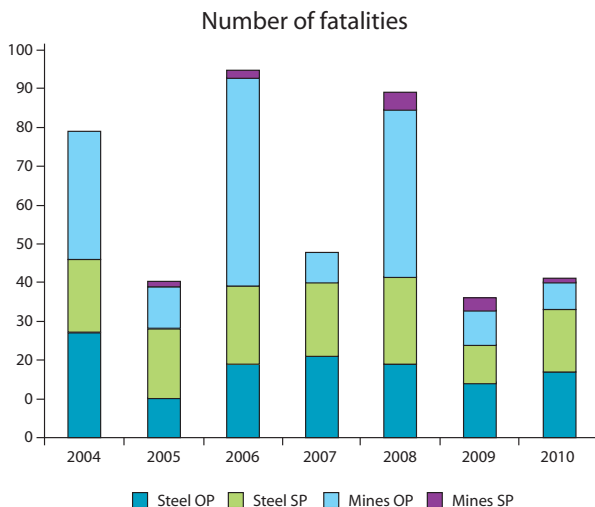
The JGHSC will focus its future efforts on identifying ways that local JHSC can become more effective, developing leading indicators of success, and identifying ways to be more effective with contractor H&S efforts. Also continue to push for a joint approach to health and safety at local level which includes management and unions equally.

The parties remain committed to the JGHSC effort, and see this Joint Report, and separate management and union statements, as evidence of robust and principled dialogue that are hallmarks of building a positive workplace culture.

What went well

The number of fatalities incidents experienced in the Group has come down by about 30 % in 2009 and 2010 as compared to 2008. This is a positive development, especially as it occurred during a time of extraordinary turmoil in the economy with the worst recession in the developed world since the 1930's. A number of actions

contributed to this encouraging result, and the JGHSC played a principal role, communicating to all of the Group's 280,000 employees and contractors that effective dialogue with trade unions was a good way forward to reduce hazards and increase safety.



An informal 2010 survey indicated that local JHSC had been established in virtually all units of the Group. The JGHSC has begun to move toward fostering an improvement in how site committees operate, through examination of minutes kept by local JHSC when the JGHSC has visited a location. The JGHSC was especially impressed with the quality of the participation and effectiveness at the Acindar location in Argentina, as a potential benchmark of working method and participation. The JGHSC will further lead in this direction by surveying the effectiveness of site joint committees and encouraging follow-on improvements.

The JGHSC site visits to various locations have helped stimulate improvement. The additional focus brought to bear on targeted locations has been largely positive, and the local

parties' observation of how a local JHSC operates has been a positive leadership initiative for those sites with less developed cultures of cooperation by management and union groups. The combination of plenary meetings, union-only and management-only sessions, joint inspections and group restitution seems to have been an effective method of operation.

Typically the local parties agree a follow up plan of action after joint inspections, and group conference calls are regularly held between JGHSC and local parties to assess progress. Positive attitudes on the follow up work has helped to build stronger safety efforts at the sites and improved communication.

What has not gone well

Everyone shares a sense of concern that, after good improvement in reducing fatalities, 2010 saw a small reversal of trend, fully due to steel business (since Mining showed a further improvement in 2010 as compared to 2009). We all hope and expect that this was an aberration, but a disappointment nevertheless.

Senior management participation in the JGHSC has not been consistent. This makes it more difficult for the JGHSC to function smoothly and efficiently, and some may view lack of consistent participation as an indicator that safety takes a lower level of importance. This would be a perception issue only, as no one doubts individual member commitment. A perception problem also occurred as an unintended consequence of the Hamilton Summit – although management is convinced the conclusions of this summit will elevate attention to improving safety, union members of the JGHSC felt the effort did not sufficiently involve local JHSC in follow on work so far.

Administration of the JGHSC could be improved. That's why calendars are now set for the year; while to some may seem minor, it improves Committee functioning by minimizing travel expenses and fostering improved communication and follow up.

The Group's desire to reduce accidents through publication of Golden Rules and associated actions, including penalties for violations of same, has not been without controversy. There is consensus support for the Golden Rules themselves, and in most countries trade union representatives were involved with preparation and communication of the Rules. Although there is quite some common ground, union members of the JGHSC have reservations about changes in company rules to punish

those employees—including managers—for violations of the Golden Rules. Readers are directed to separate statements on this subject in the attachments.

Training is an important tool in identifying hazards and reducing risk as well as in fostering safe work practices. Progress has been slow in certain perimeters — like Kazakhstan — where employee groups and unions sought JGHSC assistance in improving training in a number of areas, including training of local union leaders in how to both lead and to serve effectively in local JHSC activities.



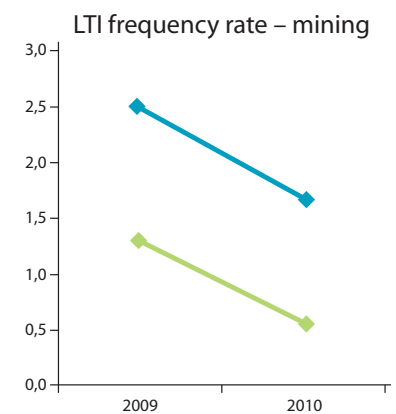
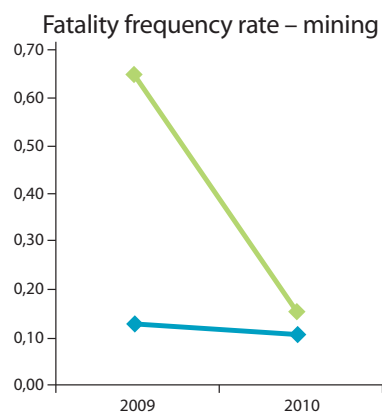
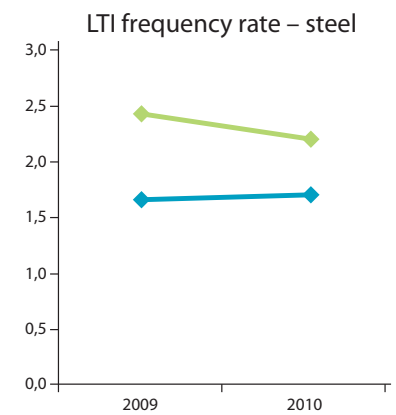
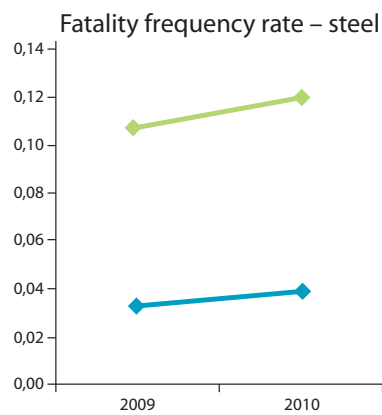


Analysis of the challenges

1) Contractors

The JGHSC Committee believes that contractor safety performance should be a high priority. Results show that contractors do not perform to the same level as ArcelorMittal's own employees. The experience of the JGHSC site visits is that poor contractor performance undermines safety standards and greater attention needs

to be given to the implementation of the existing corporate guidelines. The local JHSC can play a vital role in achieving compliance and higher standards by working together on this issue. Greater attention must be given to the enforcement of ArcelorMittal's internal standards and ensuring that all contractor companies comply with them.



For example In Mexico in 2008 we saw contractor management in its worst form:

Managers had no idea how many contractors were on site at any time, they paid for a particular function to be carried out for a certain price with no knowledge of how many were employed to do the job. The contractors had their own gate to access and leave the plant with no check on their coming and going.

The contract price included the provision of PPE which was in almost all cases not provided, the contractors had to scavenge PPE from bins when the core workers threw them away. We witnessed examples of individual cutting and welding in sandals and shorts with neither gloves nor masks.

They were allowed to manufacture or adapt their own tools with no interest in H&S concerns from either their own management or the ArcelorMittal management.

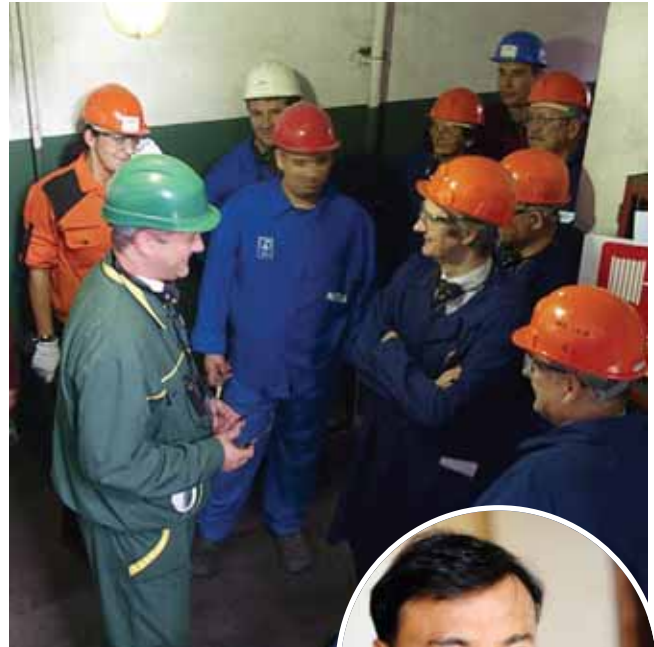
As far as we could determine injuries were not reported, the individual hurt was just replaced; this of course reflects badly on the reported figures for accidents etc.

There was also an issue raised by the local union over freedom of association for contractors where the numbers joining the union was limited to a small percentage of the total.

To date this was the worst experience of the JGHSC but similar examples exist. Since 2008 a program of improvement has been in place in Mexico (see report below) but the underlying problem of contractor performance across sites still exists.

Recommendations:

There are clear corporate guidelines for contractors but training on these does not often include union safety representatives or shop floor workers. Training members of the local JHSC, including union reps would help to improve the implementation of corporate standards.



“This agreement, with which we hoped to set a new benchmark in the industry, and the Joint Global Health and Safety Committee that was created as a consequence of it, over the 3 years of their existence, have improved cooperation with Unions and helped us to make progress on our Journey to Zero in Health and Safety, as the evolution of the results shows. I count on this committee to further boost progress in health and safety to reach the challenging objectives the company has set for itself, since health and safety remains the top priority. Innovation and not being afraid to make bold decisions have been at the heart of our success.”

Mr Mittal, Chairman and Chief Executive Officer, ArcelorMittal

2) Personal Protective Equipment (PPE)



“Signing this agreement should act as a signal to other companies in the industry that unions are the solution to health and safety concerns, not the cause. Health and safety is the single most important issue for workers. It is satisfying that we have delivered this approach in the world’s number 1 steel company”

Leo Gerard, International President of the United Steelworkers

The experience of the JGHSC has shown mixed results in both the standard of PPE and also its implementation. Often the standard complies with the standard set by the local competent authority, or recognized national body but not always the highest standard within the company. Implementation and the use of PPE also vary from site to site with many examples of situations in which workers or managers have not complied with internal governance. In particular the experience of the JGHSC from its site visits has been that contractors there were less likely to comply with guidelines and therefore that could undermine standards.

This undermines the credibility of the management’s safety approach.

More attention is being given to standardizing PPE and rolling out best practice from within the company; more attention to be given to speeding up this process, allowing time for proper shop floor testing of any change. This would ensure that a worker from an ArcelorMittal plant in one country could walk into another plant and recognize the similar standard.

The best practice in the company should be to involve the local JHSC in the testing and implementation of suitable PPE. The input from the local JHSC is important taking into account that:

1. Proper maintenance and use of PPE, including appropriate training of the user, are essential for providing the protection for which it is designed
2. PPE itself may produce uncomfortable, unhealthy or unsafe working conditions or additional hazards,
3. PPE can provide a false sense of security, in particular when it is not properly used or has lost its effectiveness as a result of improper storage or maintenance

Recommendations:

- Standardization of PPE to the best practice available
- Use the local JHSC as an advisory body on PPE decisions





3) Safety Rule Violation Policy

Training of people to do their job safely is the starting point.

We believe that workers involvement, in a positive environment created by committed leaders (union and management), is the solution to the problem. There is no one better way to identify the hazards on a job, or come up with ideas to eliminate or reduce those hazards, than including the workers doing the job.

The common ground of the JGHSC is that rather than just blame workers for bad or unsafe behaviours such as not wearing PPE or not following procedures, is that we also ask the question WHY. The fact is, good occupational safety and health practices are based on the understanding that all work-related injuries and illnesses can be prevented. The goal of workplace health and safety efforts, then is to jointly find and correct all hazards and to understand and change systems of work. Supervision and crew members should be actively working together to eliminate workers exposures to

hazards, provide good PPE, have good procedures and follow these procedures.

In order to do this we jointly (union-management) encourage you to report injuries and near misses to local management. ArcelorMittal will neither establish any program, policy nor accept any practice that might discourage employees from reporting accidents, injuries or illnesses; it could in fact be deadly.

Every worker also has the obligation to follow the rules, since everyone has a role to play in obtaining good safety results, we also agree that discipline may be necessary in cases of wilful defiance and outright recklessness, in which employees can endanger themselves and / or colleagues. As foreseen in the policy, sanction will only be taken after considering all circumstances.

The JGHSC will follow the implementation of Golden Rules and Safety Violation Policy on an ongoing basis.

Union statement

Although the JGHSC agree on the statement above the union side also have severe reservations about the intention behind the Golden Rules and Violations Policy. In many other companies behaviour based systems have been tried and tested and failed often to the detriment of the workforce and safety.

Most ArcelorMittal unions and union members of the JGHSC do not object to the concepts expressed in the rules themselves. All of them are common sense measures that should guide any worker in any workplace. However the unions are concerned about basing ArcelorMittal's overall safety system on disciplining workers for rules violations. The unions believe this violations policy is based on a flawed analysis of past accidents. We believe that there is a danger that it will impede safety by driving down the reporting of minor accidents and near misses, and by creating a lazy safety management culture. The unions do not believe that ArcelorMittal can discipline its way to a safer workplace nor should it try.

The concern is that the violations policy as it is currently written allows discipline in the case of honest mistakes or momentary lapses caused by fatigue or distraction. The unions recognize that rigorous hazard identification, workplace safety audits, and root cause incident investigation are time consuming and hard. Punishing workers for alleged rules violations is easy. Given a choice, the suspicion is that many managers may choose the easy way. Sadly the company's violations policy empowers them to do this and examples already exist.

The possible harm that results from a policy focused on discipline is illustrated by an incident at Indiana Harbour. On July 4, 2010, three workers voluntarily reported a near miss accident, and suggested that steps be taken to prevent a reoccurrence. All three were blamed for the incident and given 5 day suspensions. The discipline was later rescinded, but the damage has been done, and workers are reluctant to report minor accidents and near-misses if they think they will be blamed. This is just one example but if replicated across the whole company then sadly the potential for fatal accidents will increase. The union side recommend that the JGHSC closely monitors and is informed of any cases in which workers or management are dismissed due to Golden Rules and Violations policy in order to monitor the situation and implementation.



“We have worked hard to ensure the implementation of this agreement, during the visits of the JGHSC we have found examples of best practice for the industry but also areas to improve”

Luis Colunga,
European Metalworkers Federation,
coordinator ArcelorMittal EWC.

Management statement

The area of disagreement on the “Violations Policy” is relatively small. Consistent with scientific learning, we all accept that a safe workplace is the result of the totality of behaviour by all participants in the system, and that potential adverse consequences can influence the behaviour of those participants. Our trade union colleagues acknowledge that there is a set of unsafe behaviours that could warrant adverse workplace consequences for employees, supervisors and contractors—known as discipline—those being gross negligence or reckless disregard. Management believes this is too narrow a standard, however, and discipline may be appropriate for additional unsafe behaviours depending upon the circumstances,

ArcelorMittal is certainly not ‘basing ArcelorMittal’s overall safety system on disciplining workers for rules violations’. The Group has defined from the start and is continuously working towards all principles embedded in the ArcelorMittal Health and Safety Policy.

There is no disagreement that the main responsibility for a safe workplace lies with management. The first intent of the policy is to gain compliance with the rules to promote safer workplaces. Unfortunately our experiences of severe injuries teaches us that often times the potential for an accident alone isn’t sufficient for some people to follow the rules and do what is right. As a consequence, as in any system (as it is in public life) people who would really not want to abide by the rules do face consequences. Consequences, as described in the policy, are proportional to the deviation. The policy clearly states the different steps and takes into account the situation in which the deviation is detected.

We do not agree with the union comment about “punishing workers for alleged rules violations being easy”. The majority of supervisors choose not to discipline, but rather work with their crews to find better and safer ways to do the work. They work with their crews day in and day out and many are friends having worked together for years. And secondly, if sanction would be considered appropriate, this will only be applied after investigation, taking into account the substitution principle, and giving the person the chance to defend him/herself, a decision will be taken.

This system is not different from what exists in other companies. In fact in other companies the rules are sometimes even more severe

There is no evidence that the potential for discipline discourages reporting of hazards. If that were the case, there would be no history of incident reporting at all because discipline for rule violation has been part of the employee relations system for decades; the GR violations policy merely highlights those instances where experience teaches us serious injury or death could result. ArcelorMittal wants all incidents (the consequence being mild or severe), near hits, unsafe situations and unsafe acts to be reported, since reporting is the basis for improvement before repetition that may lead to (more harm). In this respect a rigorous follow-up of the shape of the safety pyramid has been started as well as of its evolution over time and a motivation campaign on reporting all starts in June 2011.

All levels of management have made it clear in more than one occasion that a job that can not be done safely, it must not be done. This is also part of the principle that everyone has a role to play in safety.

Therefore, management intends to continue the process with trade unions of jointly identifying hazards and eliminating them. Management firmly agrees with the union that the best approach here is a joint one. Since the inception of the GR policy, this has been going on in greater measure. This has been the greatest benefit to the implementation of the policy. Hazards are being identified and corrected so persons won’t be exposed to hazards or discipline. The result has been greater awareness, many improvements in engineering controls, and better adherence to work practices. Correcting hazards associated with these rules has been the overriding concern and will be so going forward.

ArcelorMittal is deeply committed to health and safety and finding ways to eliminate hazards including requiring adherence to life threatening standards. Discipline has been and will continue to be administered in a fair and equitable manner as it relates to this policy and dictated by circumstances. The critical work of involving the workforce to identify and eliminate hazardous situations will relentlessly continue.

Overview of the situation in the different countries & outstanding issues

1) Kazakhstan (September 2008)

The first meeting of the ArcelorMittal Joint Global Health and Safety Committee took place in Kazakhstan between September 30th – Oct 1st, 2008. The committee visited both the steel plant in Temirtau and the mines at Kostenko and Abayskaya where 31 miners had been killed in January that year.

Plant and mine visits were conducted in both the Steel and Coal Divisions and meetings held with both management and trade union representatives.

Temirtau

A number of issues were raised during Union and Management meetings as well as during the visit to the steel plant and mines including the following:

- PPE needed improving
- Occupation health prevention program was required
- There was a need to provide training to site JHSC representatives
- There was a need to improve the contractor selection and H&S auditing process.
- Washrooms, showers and eating areas all needed much improvement
- General site housekeeping needed working on

It was also reported that employees felt frightened to stop machinery or report hazards to local management due to production pressures or fear of being disciplined. This issue was taken up immediately by both the unions and management of the global committee and clear instructions given that health and safety is the number priority for the company in all of its operations

Kostenko and Abayskaya Mines

The need for investment of a long period is clear, with walkways, lighting, communication, gas removal and detection systems are all in need of improvement. Improvements will take place once the new equipment starts to arrive and is installed.

The two main issues raised were the arrival and installation of the new equipment, also production pressures and a fear of the workers to raise health and safety issues with local management. Both of these issues were addressed directly with senior local management.

The JGH&SC decided to send a small delegation to Kazakhstan to determine what changes took place and what recommendations had been implemented since the initial visit. This took place in April 2009. An 18 month programme to complete major investment and implement the necessary standards had been embarked upon.

The consensus view is that definite improvements had been made since the visit of the JGH&SC in September 2008, but that a long road lays ahead. The management and unions agreed that the following improvements had occurred:

- A positive change in worker and management attitude towards safety
- Employee involvement in H&S decision-making
- Improvement of PPE quality
- Health monitoring and prevention
- Improved washroom, showers and eating areas
- Union delivered training for representatives

Mining Division

Investment had been approved and various projects are being implemented. Some new equipment had been installed to date. Additional installation was subject to manufacturer delivery schedules over the next 18 months



2) Brazil: Timóteo (November 2008) and Tubarão (March 2011)

Since the visit of the JGHSC to Timoteo, many of the practical issues raised have been followed up. However the underlying issue of relations between management and unions remains an ongoing concern. In principle the Brazilian management complies with the global agreement by having local CIPA committees, in practice the spirit of building cooperation between local unions and management is not effective.

Although Timoteo has taken some steps towards better participation from both sides (union and management) there is still some way to go. Building transparency by giving access to information, reports etc is an important first step, building mutual respect is another. The visit of the JGHSC has helped by identifying information exchange as one of its recommendations; this has started to happen but still needs to be improved.

One positive action from the visit has been the creation of a local joint union and management safety committee. This innovation underlined the importance of the JGHSC and should have helped to address the weakness between union and managements relationship. Although this committee has met, meetings appear to be infrequent and both parties question each other's commitment. Since the visit of the JGHSC, two fatalities have occurred on site and to the JGHSC it remains unclear if both parties have really cooperated with each other during the investigation process.

Many of the recommendations made by the JGHSC about improving union management relations also reoccur in the visit to Tubarão, Brazil. And most likely exists in the some other sites in Brazil. Although Employee Relations is not within the scope of the JGHSC, better cooperation between both parties would certainly strengthen the health and safety approach. This issue can only be dealt with at the country level, but best practice examples elsewhere in the company can also assist.

In Tubarao the JGHSC got to see first- hand the problems of cooperation between management and union, during the plenary session not one representative from the local union was present. However following an intervention

from the JGHSC the local unions were later invited to attend. The site itself had good standards and it was clear that a lot of attention was given to housekeeping issues. Contractor safety standards were not as good as ArcelorMittal own employees and this is a priority area for the site. Building an inclusive approach between union and management on safety issues could help to build understanding and therefore cooperation.

However, the model of creating a truly local JHSC is a benchmark in the Brazilian context and if it proves successful in the longterm could lead the way. Unions, management and CIPA should all be working towards the same goal 0 fatalities, building greater transparency will be an essential part of achieving that aim.

In almost every meeting on the JGHSC to date the challenge of the situation in Brazil has been raised especially given the high number of recent fatalities that have occurred. The recommendation of the Joint Chair's of the JGHSC is that the ongoing situation be dealt with at country level and both corporate management and the International Metalworkers' Federation are willing to act as facilitators in trying to develop a strategy which local unions and management can agree too.



“The most positive fact of the visit in Timóteo was the creation of a local joint committee. This innovation unveiled the importance of the JGHSC visit and helped on what the AM national workers network points out as the worst difficulty for the unions: the dialog with the management about health and security”

Jose Wagner CNM-CUT

3) Mexico (March 2009)

México revisit follow-up

The first visit of Tom Hargrove to Lazaro Cardenas was April 2007, prior to our Joint Global Health and Safety Agreement. Steelworkers and Los Mineros have had a relationship for many years.

On our JGHSC visit in March 2009, we found many issues in the plant, and around the plant. Contractors, lack of fall protection, lack of equipment, lack of training. Also, no knowledge of how many contractors was in the plant at any given time. Homemade tools are used throughout the plant. There was a lack of concern about wearing PPE, or absence of PPE. We found stairways in bad disrepair that needed to be condemned. Electrical fixtures and connections were haphazard, to say the least.

On the return visit in 2009, we found many of the issues still unresolved. The participants took pictures of those situations and had discussions with the Mineros (local union) about the safety issues. They forwarded the pictures and issues raised by the JHSC to Frank Haers, and the JGHSC.

Mario Garcia, delegate to the National Committee of the Mineros, visited the Indiana Harbor works in 2009. He also toured the plant and saw all of the work and training our advocates and safety people do. This was a very good experience for Mario.

The next follow-up visit to Lazaro Cardenas was April 2010. Mario Garcia and the Safety Committee for the Mineros attended this meeting, along with the new Plant Manager, Bill Chisholm, and José Fernandez at the company's office.

The issues discussed were:

- Working with the Union
- Monthly meetings with Union Safety Representatives
- Monthly Joint Safety Inspections
- Assess the local JHSC performance in the Health and Safety Steering Committee Meetings
- Accidents and significant near misses investigations
- Response to problems raised by Employees
- Identified needs of training and close the gaps
- Training for Union Leaders, Course Safety Tools of the Safety Management System
- Improved communications
- Working with Contractors

In 2009 all contractors' workers received a Safety Training Course prior to coming to work

Consolidate Health and Safety Contractors Management System

- Develop a contractor certification System
- Contractor Training;
 - All contractors have a safety induction prior to work, and undergo refresher training
- Contractor Audits;
 - Conduct audits of contractor's performance to evaluate compliance with the safety plan
 - Housekeeping is part of the audit and evaluation requirements

Progress is really being made. The union and company are working together for the safety of all the workers.

Update April 18th 2011

The latest visit found that progress has continued and the plant is a lot better organized and cleaner, An immediately noticeable improvement was a new cafeteria across from the Coke Plant with hot food. The cafeteria was very clean with new tables and a wash up area outside. The return visit to the Electric Arc Furnace was delayed by management and the suspicion is that during this delay handrails were painted and new fire hoses installed. The paint on the handrails was wet and the hoses completely white also almost all of the workers had new respirators. One concern was the lack of flame retardant clothing and very little use of sliver coats, these concerns were communicated to local management.

Overall each revisit has shown significant progress and both management and the local union can take credit for that.



4) Czech Republic: Ostrava (June 2009)

Ostrava is a good example for the successful activities of the Global Join Committee.

Our first visit in Ostrava shows a lot of critical points. We saw elevators out of function. We saw perforated roofs, unacceptable washrooms, showers and eating areas in some places but there are a lot of very clean and uncluttered areas. But never the less we announced a lot of improvement points.

A very active Join Health and Safety Committee exists. We saw that the Trade union is strongly involved in the safety activities.

The site announced that the visit got a lot of value for them :

- Reinforcement of communication on H&S agenda
- Reiterated involvement of TU into the H&S process
- External evaluation & identification of the gaps and benchmarking of the practices in place
- Focus on housekeeping practices and implementation of 5S method

- Stopped cost saving measures that were jeopardizing safety
- Focus not only on Safety issues but also on Health & Hygiene

When we made the follow up visit with Ludek Lucan, Hendrik Botha and Michael Breidbach, we saw all points we announced are in progress or done already.

Washrooms, showers and eating areas were very well revamped and a system is in place to continuously monitor and address new priorities as identified. The most critical points, especially the walkways stairs and ladders were brought in a safe state. Also improvements were made in lighting, operating elevators, renovated roofs, good housekeeping. We are very glad to see this success.

Ostrava is also implementing the Fatality Prevention Standards and progress is systematically under Local JHSC review.

5) Romania: Galati (September 2009)

The JGHSC visited Galati in Sept 2009. During the journey to the steel plant the JGHSC got to see the difficulties facing the plant. Transportation on public roads to the plant was difficult due to poor infrastructure and neglect due to a lack of investment over a long period of time. This gave the JGHSC an insight into the challenges facing the company, as ArcelorMittal had already made major investments into the plant but would need to continue to significantly raise standards.

The JGHSC identified a number of areas for improvement during the visit and these included working towards closer cooperation between unions and management, improving how the local JHSC functioned. Working together to reduce the time to solve safety issues. Also to provide joint safety training for management and unions.

The JGHSC has not yet made a follow-up visit but the local union leadership plays an active role in the European Works Council and regularly meets with members of the JGHSC. Also a regular update is provided to the JGHSC. Progress has been made and a lot of the original recommendations have already been implemented such

as; JHSC meetings now take place on a monthly basis, Joint training (60 participants) has taken place. There are also many other recommendations that have been implemented.

Achieving the highest safety standards remains a challenge and will take a dedicated effort over a long period of time given the lack of investment during its public ownership. The process has started and the JGHSC will continue to assist when needed.

Recommendation:

- A return visit should be carried out.

6) South Africa: Vanderbijlpark (January 2010)

The JGHSC visited the Vanderbijlpark Steel Plant In Jan 2010. The visit to the site showed that high levels of cleanliness existed, that direct employees used PPE and also some areas that capital expenditure would improve conditions such as the coke batteries.

Areas that needed improvement included developing greater cooperation between local unions and management to improve transparency and communication. The site also had a high level of contractors (40 per cent) and greater attention needed to be given to ensure compliance with safety rules.

In one example the JGHSC during the site visit discovered a team of contractors and supervisor working without PPE.

The local union also highlighted an example in which the disciplinary process had been unfairly applied, however this was addressed afterwards.

Since the visit of the JGHSC committee a number of improvements took place. Such as an invitation to the local unions to attend national level meetings on safety. However it appears that contractor management continues to be an ongoing problem from management. In addition there is still an ongoing discussion about the provision for full time safety representatives. Access to training for union representatives is also an area which could be improved on.

Just prior to the visit of the JGHSC a multiple fatality occurred at the Newcastle plant and a small delegation visited to see what lessons could be learnt to prevent a similar occurrence elsewhere. Since the visit it has also been brought to the attention of the JGHSC that there are concerns related to the random alcohol testing practices. The JGHSC is in the process of review this claim.

Recommendations:

- A return visit of a smaller team to review progress
- Investigation into the question of random alcohol testing practices
- Joint training of union and management into corporate standards on the use of contractors.



“This review demonstrates our commitment to improve health and safety in ArcelorMittal. The Joint Global Health and Safety Committee has carried out a lot of good work, but achieving zero fatalities must remain our highest priority”

Jyrki Raina General Secretary,
International Metalworkers Federation.



7) USA: Indiana Harbor and Burns Harbor (April 2010)

Joint Global Health and Safety Committee visit to Indiana Harbor April 2010

Indiana Harbor was on the Top Priority Sites list. A lot of attention was paid by the committee to the July 2009 fatality of Angela Smith in the 80" hot strip slab yard. An enormous amount of work has already been done to prevent this from happening again.

Number 2 Steel Plant was the site of one of the committee visits. A lot of work was going on because of a downturn. We saw no life-threatening issues. Housekeeping has improved, but still has a long way to go.

Indiana Harbor West 84 inch mill was also a site of the committee visit. Numerous issues were raised, but, overall the visit was very good. Housekeeping remains to be an issue, not only at the 84 inch, but throughout the plant.

One of the major issues on both East and West side are the locker room facilities, the toilets not being cleaned and maintained on a regular basis. An issue with the ambulance situation on the West side was brought up by the West side committee. The situation has been corrected.

There were many comments on the lack of continuity in the companies Safety Department. We have had a number of turnovers of Safety Professionals, and also a Safety Manager. A new Manager was hired in July 2010 and the operation seems to be stabilizing. More work needs to be done on joint cooperation. The site is working towards that goal. Communications have improved, and many activities are in progress working together on key issues such as lockout, confined space, rail safety, arc flash prevention, incident investigations and hazard recognition.

Part of the visit was the JGHSC attendance at the Union Workers Memorial Day Remembrance. This day is celebrated around the world in honour of those who have lost their lives on the job. The ceremony is held at USW Local 1010 Union Hall. The names of all the workers who have lost their lives on the job at the Indiana Harbor East site since 1903 are engraved in granite on the wall. There are 389 names on that wall. Our goal is to never add another name.

The committee also attended ArcelorMittal Health and Safety Day activities at Indiana Harbor, Burns Harbor and Riverdale.

8) Argentina: Villa Constitución (March 2011)

Two years after establishing a local JHSC, ASIMRA and UOM have established an excellent joint approach to health and safety with ArcelorMittal management at the Acindar Steel Plant in Argentina, setting a benchmark for other facilities in Latin America.

The ArcelorMittal Joint Global Health and Safety Committee (JGHSC) met on March 1 to 3 at the Acindar Steel Plant. The plant produces 90 per cent of Argentina's long product consumption and has 2675 direct employees. There are two unions present ASIMRA and UOM and between them the union density is 85 per cent of the workforce. The purpose of the visit was to see how the local joint health and safety committee functions and also to see safety standards during a site visit.

The impression of the JGHSC was that the both unions and management had taken the commitment to health and safety issues very seriously and that a good dialogue

existed with issues being raised and dealt with by the local JHSC.

Local union representatives explained that in the two years that the committee has existed they have been able to build mutual respect with management and a joint approach to safety. The local unions took pride in the fact that shortly after the local JHSC was formed in ArcelorMittal Acindar the Sante Fe state government also passed legislation for other companies to follow suit.

During the site visit it was clear that the standard was high but that some capital expenditure was needed in particular in the steel plant. This investment would help tackle pollution in the plant and also build on the good work already carried out. Another area for improvement included the length of time union representatives can serve on the local JGHSC, currently each representative has a one year term.

9) Ukraine: Kryviy Rih (August 2010)

The JGHSC visited Kryviy Rih in August 2010, sadly during the visit a worker suffered a fatal accident. The safety conditions in the plant were found to be unsatisfactory and, despite ongoing improvements prior to the visit, a major overhaul of safety standards was still needed.

Major investments have taken place in the plant in order to improve working conditions, such as investments in changing facilities, locker rooms. However items such as PPE (which can be governed by local legislation) still fall well below the average standard in the company despite the fact it complies with national law.

The JGHSC and local union and management leadership identified 18 initial actions for improvement.

These actions included a wide range of issues some of which are contained within the companies Golden Rules. Of the 18 actions, seven are still pending implementation (at time of writing) and 2 have been partially implemented. In order to build the capacity of the local JHSC the JGHSC has also proposed some union to union training on auditing, risk assessment and hazard prevention. This training should take place in 2011.

The seven action points that are still outstanding (as of April 2011) include:

Item 1.3, use of cell phones by vehicle drivers whilst driving on the enterprise is forbidden

Item 1.4, Movement of vehicles inside the factory area must now be with lights on. Special places for parking of automobile transport were designed

and constructed in all structural subdivisions of the enterprise, including personal transport of enterprise employees. Permits to enter the premises of the enterprise are issued according to availability of space at the parking places of structural subdivisions.

Item 1.5, Both OP and SP of the enterprise are forbidden to work at height without using of strapped safety harnesses. Managers and specialists of the enterprise execute continuous control for operating of contractors at height using strapped safety harness.

Item 1.7, on eliminating negligence in storing and operating removable hauling devices; work on equipping of stands for keeping of removable hoisting devices is being carried out at the enterprise.

Item 1.11, on marking pointers (boundaries) of safe paths in workshops : special oriented inspections for existing of safe travel routes in the territory of shops are annually carried out in structural subdivisions of the enterprise. The corresponding actions are initiated if the violations are identified.

Item 1.13, on timely and regular cleaning and disinfection of areas used by personnel. Cleaning and disinfection of ablutions and public spaces at the enterprise is executing based on agreement with contractors. Continuous control for condition of ablutions with regard to sanitary norms requirements is executed.





A follow up visit will take place to see what improvements have taken place and also what additional support can be given in order to continue to improve conditions.

The following items of the Order have not been implemented:

- Item 1.1,** Providing of employees with required PPE and control for their use is the duty of each manager of the enterprise. Up-to-date PPE are purchased. Currently the commercial proposals are under examination.
- Item 1.6,** on elimination of negligence in cable laying and inscribing functional legends and signs on electric equipment. Special oriented inspections of electrical equipment, laying of cable products, availability of functional labels

and electrical safety signs on electrical equipment in accordance with requirements of Rules. In progress.

- Item 1.8,** on organizing and providing free and safe movement of the personnel in the working areas. Special oriented inspections of technical conditions of floorings, platforms, coverings of production facilities and constructions for safe and free moving of personnel were carried out at the enterprise. In progress.
- Item 1.10,** on lighting the personnel movement paths. Special monitoring of lighting at the working places and in the areas of employees' movement is executed at the enterprise by Research Working Conditions Laboratory. Problem areas are tackled. In progress.



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