Fourth Quarter and Full Year 2020

Questions and Answers

Forward-Looking Statements

This document may contain forward-looking information and statements about ArcelorMittal and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe”, “expect”, “anticipate”, “target” or similar expressions. Although ArcelorMittal’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ArcelorMittal’s securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of ArcelorMittal, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the filings with the Luxembourg Stock Market Authority for the Financial Markets (*Commission de Surveillance du Secteur Financier*) and the United States Securities and Exchange Commission (the “SEC”) made or to be made by ArcelorMittal, including ArcelorMittal’s latest Annual Report on Form 20-F on file with the SEC. ArcelorMittal undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

Demand

1. How has COVID-19 impacted the business in the current quarter?

Protecting the health and wellbeing of employees remains the Company's overarching priority with ongoing strict adherence to the World Health Organisation guidelines and specific government guidelines have been followed and implemented. We continue to ensure extensive monitoring, introduced very strict sanitation practices, continue to enforce social distancing measures at all operations, have implemented remote working wherever possible and provided essential personal protective equipment to our people.

2. Have you seen any impacts from the second wave effect of COVID-19?

Economic activity has continued to improve, and the Company has begun to restart hot idled capacity on a region by region basis. The Company maintains its flexibility to quickly adapt production as demand conditions evolve. The impacts of the second wave have to date been limited on general manufacturing, construction and automotive industries and had a more profound impact on service industries.

3. How will you remain competitive in a post COVID-19 world?

The Company does not believe that the COVID-19 pandemic has structurally altered the long-term outlook of the business and over the long term we expect demand to return to normalised levels.

The Company has entrepreneurial, cost focussed culture with a strong track record of delivering sustainable cost savings in crisis conditions and has been successful in navigating its business through the challenging market conditions caused by COVID-19 pandemic. Our success to date in protecting our people, assets, profitability and cashflow throughout the crisis puts us in a good position to take advantage of further economic recovery.

A fundamental part of the Company's response at the onset of the COVID-19 pandemic was to align costs to the lower activity level. The comprehensive measures taken to "varaibilise" fixed costs, including the support provided by Governments, were critical to protecting profitability and cash flows.

Throughout this period, the Company sought to identify and develop options for structural cost improvements to appropriately position the fixed cost base for the post-COVID-19 operating environment. These savings are expected to limit the increase in fixed costs as activity and production levels recover, thus leading to lower fixed costs per-tonne. In total, $1.0 billion of structural cost improvements are identified within the program, (with majority of savings expected in FY 2021) and fully realized in FY 2022 relative to the scope-adjusted FY 2019 base level. These improvements will augment those achieved under the Action2020 program, which was superseded at the onset of the COVID-19 pandemic.

Highlights

4. What were the main highlights of the current quarter?

The key highlights from 4Q 2020 are as follows:

- EBITDA improved quarter-on-quarter primarily driven by the gradual recovery in steel demand resulting in higher steel shipments and positive price-cost effect as well as improved mining performance. 4Q 2020 EBITDA of $1.7 billion (almost double 4Q 2019 level), exiting the year with good momentum into 2021
- Net debt was reduced further to $6.4 billion (the lowest ever lever since the merger) largely due to a strong working capital performance (release of $0.9 billion)
- The Board recommends a $0.30/sh base dividend to be paid in June 2021, being subject to the approval of shareholders at the AGM in May 2021, and has approved a $570m share buyback program to be completed within the 2021 calendar year (representing ~40% of 2020 FCF post all dividends)
- A further $650 million to be returned via a share buyback (which will commence on February 15, 2021) following the partial sell-down of the Company's equity stake in Cleveland Cliffs announced on February 9, 2021
- Repositioned its North American footprint through the completed sale of ArcelorMittal USA to Cleveland Cliffs, unlocking value and significantly reducing liabilities
- Reinforced its European flat footprint through the agreed investment by the Italian government in ArcelorMittal Italia

5. What is the accounting treatment of the agreed sale of ArcelorMittal Italia assets?

As a result of the agreement, the carrying amount of assets and liabilities subject to the transaction were classified as held for sale as of December 31, 2020.

Upon completion of the first investment tranche of €400 million (expected in the second half of February 2021), Invitalia will have 50% voting rights that, along with governance rights, will provide it with joint control over ArcelorMittal Italia. Consequently, from this date ArcelorMittal's remaining investment in ArcelorMittal Italia will be accounted for under the equity method and ArcelorMittal's share of net results will be reflected in the line results from investments in associates, joint ventures and other investments within the consolidated statements of operations.

Guidance:

6. Can you provide an update on the FY 2020 capex spend and expectations for 2021?

Capex of $2.4 billion in FY 2020 (in line with previous guidance). Excluding the capex of ArcelorMittal USA and ArcelorMittal Italia, scope-adjusted capex in 2020 would have been $1.9 billion. As described previously, the Company expects demand conditions to improve in 2021 which is expected to result in a normalization of maintenance capex levels. In addition, the Company intends to spend on strategic projects to enhance future returns through investment in selective brownfield growth and product mix improvement projects, in Mexico and Brazil as well as developing the iron ore resource in Liberia.

Accordingly, the Company expects FY 2021 capex to increase to $2.8 billion (broadly in line with FY 2019 levels of $2.9 billion excluding the impact of ArcelorMittal USA and ArcelorMittal Italia deconsolidation).

Balance sheet and capital allocation:

7. Can you provide an update on your dividend distribution policy?

Following the achievement of the Group's net debt target, and in line with its previous statements, the Board has approved a new capital return policy. Going forward, the Company expects to pay a base annual dividend (to be progressively increased over time). After paying this base dividend, 50% of the surplus free cash flow (i.e., free cash flow after the payment of the base dividend) will be allocated to a share buyback program to be completed over the subsequent 12-month period. Should the ratio of net debt to EBITDA is greater than 1.5x then only the base dividend will be paid. According to this policy, the Board recommends a $0.30/share base dividend to be paid in June 2021, subject to the approval of shareholders at the AGM in May 2021, and has approved a $570 million share buyback program to be completed within the 2021 calendar year.

8. Can you provide details of the share buyback program?

The Company initiated its capital return to shareholders with a $500m share buyback in 2H 2020 matching the upfront cash to be received upon completion of the sale of ArcelorMittal USA to Cleveland Cliffs. This share buyback was completed by market close on October 30, 2020, with ArcelorMittal having repurchased 35,636,253 shares for a total value of approximately €424,927,793 (equivalent to $499,999,991) at an approximate average price per share of €11.92.

This process continues with a further $650 million share buyback program of ArcelorMittal common shares (which will commence on February 15, 2021) following the sale of 40 million Cleveland-Cliffs common shares, which crystallised additional proceeds from the transaction with Cleveland-Cliffs, announced on September 28, 2020 and completed on December 9, 2020.

Furthermore, as per its new capital return policy, the Company has today announced a further $570 million share buyback for the calendar year 2021, financed from surplus cash flow generated in 2020.

9. Why is $7 billion the right net debt level for ArcelorMittal?

ArcelorMittal believes that net debt of less than $7 billion is the right level for the Company considering the cyclicality of its business, supporting appropriately conservative leverage ratios and interest coverage, and investment credit metrics through the cycle.

Carbon / ESG

10. What CO_2 emissions targets does the group have in place?

On September 30, 2020, ArcelorMittal announced a group-wide target of being net zero by 2050, building on the commitment made in 2019 by its European business to reduce emissions by 30% by 2030, and be carbon neutral by 2050. The transition to net zero for steel is a significant challenge that will require not only extensive technology innovation, but new forms of policy and financial support.

ArcelorMittal has identified two low-emissions steelmaking routes, both of which have the potential to lead to carbon-neutral steelmaking, with the Smart Carbon looking more promising in the short to medium term:

- The Smart Carbon route is focused on modifying the blast furnace route to create carbon neutral steelmaking through a combination of circular carbon - in the form of sustainable biomass or carbon containing waste streams - carbon capture and use (CCU) and storage (CCS). It will also utilize hydrogen gas injection.
- The Hydrogen-DRI route, which essentially uses hydrogen as a reducing agent instead of fossil fuels. A demonstration plant in Hamburg, where ArcelorMittal owns Europe's only operational DRI-EAF plant, is currently planned with a targeted start-up in 2023-2025 (depending on funding).

ArcelorMittal will set out a new groupwide 2030 target and further details in support of its 2050 net zero target in its second Climate Action report. Publication is anticipated in early 2Q 2021.

Given the new low emissions technologies required cost much more than the technology used in steelmaking today, extensive new policy support will be required to make the transition to lower emission and ultimately net zero steel-making possible.

11. What policy response is required to enable the progress on decarbonization?

The Company has outlined the policy framework conditions it believes is required for net zero steelmaking to become a reality, which ensure:

- a fair and competitive global level playing field which avoids the risk of carbon leakage through mechanisms such as a carbon border adjustment;
- low emissions steelmaking is more cost competitive than steel which is not e.g. ETS or carbon tax
- access to abundant and affordable clean energy (e.g. bioenergy, CCS, green hydrogen) and policies which support the development of the necessary clean energy infrastructure;
- funding for innovation (e.g. public grants); and the significant additional costs of low-carbon technologies (e.g. contracts for difference), as well as fair criteria that encourage finance for transitional activities;
- policies which accelerate the adoption of circular economy practices; and
- incentives for consumers to adopt net zero steel in favour of business as usual.

12. What low carbon solutions are you offering to your customers?

A significant portion of the steel sector's CO_2 reductions by 2050 will come from circular economy innovations where more can be done with less since materials are reused and recycled, and 'waste' is converted into valuable co-products. ArcelorMittal is at the forefront of innovations that enable its customers to enhance their contribution to such a world. For example:

- **Steligence®** enables architects and engineers to design building solutions that minimize material use while maximizing space, flexibility and end of life recyclability
- The Company's new **S-in motion®** customizable chassis steel solutions enable carmakers to extend range and enhance safety at the most affordable cost
- **Magnelis®** offers enhanced corrosion resistance for solar projects in harsh conditions, even in deserts and on water
- A range of other solar-related products including ground mounting systems, and Exosun dynamic solar tracking photovoltaic arrays
- The Company partners with **EcoCem** to produce low-emissions cement from blast furnace slag
- To leverage its extensive CO_2 technology strategy in Europe, the Company is offering its customers certified green steel by way of a certification system linked to project based CO2 savings, achieved through investment in decarbonization technologies, starting in 2020, with plans to scale up this offer to 600kt by 2022. First sales on the order books were achieved in December 2020.

13. What investments are currently being made to enable this transition?

The Company currently has a €300 million low emissions innovation programme in Europe that covers its Carbalyst, Torero, IGAR and 3D projects. Additional to this, it is implementing a range of gas injection projects enabling greater use of hydrogen, and is in the process of arranging the finance for an industrial scale pilot of hydrogen use at its DRI plant in Hamburg. The Company recently announced a project to build the first dedicated industrial scale biogas plant for the steel industry at Rodange, Luxembourg, with the aim of starting production in 2022, to replace the use of natural gas at the plant's rolling mill reheating furnace. A number of further projects are planned.

Other topics:

14. Could you please provide us with an update on AMNS India, including its operating performance and any strategic developments?

On December 16, 2019, ArcelorMittal completed the acquisition of Essar Steel India Limited ("ESIL"), and simultaneously established a joint venture with Nippon Steel, called ArcelorMittal Nippon Steel India Limited ("AMNS India"), which will own and operate ESIL. ArcelorMittal holds 60% of AMNS India, with Nippon Steel holding the balance. The results of AMNS India are now accounted for as equity from joint ventures on the profit and loss account.

AMNS India has performed well in 2020 in a profitable and cash generating business. The Indian steel industry has benefited from a sharp V-shaped demand recovery post COVID-19 lockdowns earlier in the year. Since then lock down measures have been lifted, demand has improved, and the assets are currently running at higher utilization levels. 4Q 2020 crude steel production was 1.9Mt (vs 1.8Mt in 3Q 2020, and FY 2020 at 6.6Mt) and EBITDA was $274 million (with 12M 2020 EBITDA of $697 million).

In order to capture its share of the market growth in India, AMNS India also has medium term growth plans to firstly debottleneck existing operations to 8.5Mt, with further medium-term brownfield expansions plans to grow to 14Mt whilst assessing further growth options.

The Company expects to operate its newly acquired Thakurani mines at full 5.5Mtpa capacity by the end of 1Q 2021, and the second Odisha pellet plant is expected to be completed by the end of 1Q 2021, adding 6Mtpa for a total 20Mtpa of pellet capacity.