



Guide
for Service
Suppliers

GUIDELINES)) POLICIES)) VALUES)) PROCEDURES))

) Presentation

ArcelorMittal Tubarão operates in the steel industry sector of the Brazilian economy and currently produces slabs and hot rolled steel coils. As such, it has been ranked at maximum risk level 4 (four) by the Ministry of Labor and Employment, which subjects the company to the compliance of standards and regulations specific to the laws in force and requires special care and attention from all the persons involved in any activity carried out within its premises.

The ArcelorMittal Tubarão Management Model is decentralized, each Unit (production, maintenance, support, administration) being responsible for the administration of its own resources. The Management Model for Contracted Services optimizes decentralization and offers a broad view for the Performance of Suppliers.

The present Guide has the purpose of informing Services Suppliers of ArcelorMittal Tubarão of the Company's guidelines and regulations regarding the hiring of services by offering, in anticipation, an overview of the Values that are to be shared with the Company and the main requirements that are to be met.

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)) Social responsibility

The work of ArcelorMittal Tubarão is based on the principles of Sustainable Development. Thus, ArcelorMittal Tubarão understands that social responsibility should be included in the company's daily activities and strategies, in an atmosphere of cooperation and partnership with all those who are part of it. With that in mind, it also tries to promote the alignment of its partners' management to its practices and values.

These are the strategic lines which guide social responsibility at ArcelorMittal Tubarão:

- Prioritize the support and the development of educational activities which promote social inclusion, citizenship, respect for the environment and the local culture.
- Promote the company's sustainability through the promotion and dissemination of not only the principles but also the company's activities involving our community, collaborators and partners.

Therefore, ArcelorMittal Tubarão encourages practices which involve social responsibility and expects its Suppliers to adopt the following basic principles in order to share its vision of a sustainable society:

- **Say No to Child Work**
Neither employing nor supporting child labor.
- **Say No to Slave Work**
Neither getting involved nor supporting slave work under any circumstances.

- **Say Yes to Health and Safety**
Creating an environment where work is safe and healthy to all its employees.
- **Say Yes to Freedom of Association and the Right to Collective Negotiation**
Respecting the right of all employees to gather in associations and acknowledging collective negotiation as a legitimate tool for the improvement of work relationships.
- **Say No to Discrimination**
Neither getting involved nor supporting any kind of discrimination when hiring, dismissing or promoting an employee.
- **Say No to Abuse and/or Disrespect**
Neither getting involved nor supporting the employment of physical or verbal punishment.
- **Working Hours**
Complying with the laws regarding working hours.
- **Remuneration**
Making sure that the salary paid is sufficient to provide for the basic needs of the employees.

)) Policies

In order to standardize its practices, results and performances, ArcelorMittal Tubarão relies on its Policies of Quality, Safety and Health at Work, and Environment. Such policies should be known and agreed upon by all its Suppliers by the time the Contract of Rendering Services is signed so that these values are shared and practiced by all.

Quality

The Management of Quality for ArcelorMittal Tubarão has a strategic relevance. Besides certifying the Quality Management System of its main products (slabs and coils), it maintains a policy of external certifications, aiming at attaining excellence also at the internal production of services (Workshops and Utilities) and intermediary products in each of their processes. Proud of that quality, the Company expects its Suppliers to align to its work system and Quality Policy.

QUALITY POLICY*

To continuously develop activities which lead to the enlargement of its leadership as the preferential supplier of semi-finished steel products for the world market and to the attainment of the leadership as the preferential supplier of flat rolled products for the regional market, thus contributing to the increase of competitiveness of its customers, attuned to the interests of our shareholders, employees, suppliers, financial investors, and the community.

* Illustrative extract. ArcelorMittal Tubarão's Quality Policy, including its principles, can be found on the Company's website at www.arcelormittal.com/br/tubarao.

In order to comply with the Quality Policy, it is the responsibility of the Supplier:

- a) To ensure that the processes meet the minimum quality requirements provided in the contract for rendering services and the legislation in force;
- b) To maintain a Quality Management System certified by Certification Bodies accredited by Official Certification Systems. (For Suppliers in Espírito Santo, the PRODFOR Certificate – Supplier’s Development Program Certificate – is considered valid). If the Supplier does not have any certification, the company reserves the right to exempt it or not from having one;
- c) To know about and meet the main ArcelorMittal Tubarão’s Quality Requirements, such as:
 - Quality Policy;
 - Quality Objectives (general and specific to the contracting area);
 - Control over ArcelorMittal Tubarão’s standards and the Supplier’s own standards;
 - Records of Training taken by the participating employee;
 - Internal and External Quality Audits.

Occupational Health and Safety

Safety at the Workplace is part of the planning, organization, control, and execution of the activities and involves the participation of all the employees and Suppliers of the company with the aim of reducing, permanently, the chances of work losses and accidents. In order to coordinate such efforts, ArcelorMittal Tubarão has its own policy, which should be known to all.

OCCUPATIONAL HEALTH AND SAFETY POLICY*

To strengthen operational and technological excellence through the stability of production and reduction of the variability of processes, ensuring the incorporation of values such as Safety and Health not only for its own employees but also for the employees of partner companies by eliminating and minimizing safety, health, and environmental risks, keeping the quality of the products and services required by internal clients, and consolidating the routine management model.

* Illustrative extract. ArcelorMittal Tubarão's Occupational Health and Safety Policy, including its principles, can be found on the Company's website at www.arcelormittal.com/br/tubarao.

As to Occupational Health and Safety, the Supplier is responsible for:

- a) Having his employees undergo psychological and medical examinations and keeping the medical reports at his working site at the Company's disposal for verification, as well as complying with what is provided by the applicable legislation regarding occupational safety and health;
- b) Meeting the requirements of safety and health regarding materials, equipment, products and services provided or used by ArcelorMittal Tubarão, besides incorporating the prevention elements of the Company;
- c) Providing his employees at the very beginning of their activities with Individual and Collective Protection Equipment, which shall vary according to the nature of the work, be similar to that used by ArcelorMittal Tubarão's employees and meet the requirements of the legislation in force;

- d) Applying methods for assessing risks before initiating any activity and interrupting its execution whenever there is serious and imminent risk;
- e) Identifying continuously the potential of loss of his activities and assessing the respective risks;
- f) For each identified risk, establishing and implementing control actions, and establishing a plan for monitoring risks;
- g) Promoting among his employees the prompt and accurate communication of any anomaly which might be identified during the execution of his activities;
- h) Reporting immediately to the Department managing the contract on any work accident or incident which involves harm to people, potential risks and losses, as well as the measures adopted in each case;
- i) Ensuring that everyone knows of and follows the rules controlling his activities and which can be found in the Operation Standards and Preliminary Risk Analysis manuals of the Company;
- j) Keeping people trained and able to provide first-aid care and a first-aid kit ready for use;
- k) Developing, in his working plan, the Environmental Risk Prevention Program (PPRA), and the Occupational Health Medical Control Program (PCMSO);
- l) Organizing and maintaining an Internal Commission for Accident Prevention (CIPA);

- m) Maintaining the workplace clean and organized so as to provide comfort and safety for the execution of activities;
- n) Complying with all legal requirements applicable to the execution of his activities;
- o) Ensuring the management of Safety and Health documentation.

It is important to note that whenever the Supplier's personnel in activity in the Company's premises is made up of 50 (fifty) employees or more, the fulfillment of the responsibilities attributed to him shall have the technical support of ArcelorMittal Tubarão's Medicine and Engineering Team for Safety at Work.

Environment

ArcelorMittal Tubarão carries out its activities taking into consideration the principle of sustainable development and aiming at the continuous improvement of its environmental performance according to its objectives, policies, environmental goals, and pursuant to the requirements of Standard NBR ISO 14001 – Environmental Management System – Specification and guidelines for use.

In order to implement and maintain the Environmental Policy of the Company and, as a result of that, ArcelorMittal Tubarão's Environmental Management System, any material and service Supplier whose performance in the industrial process might interfere and/or threaten the integrity of the environment shall be subject to the adaptation of his processes to such values.

ENVIRONMENTAL POLICY*

The Companhia Siderúrgica de Tubarão – CST – has among its business priorities the sustainable development of society and the respect for the environment. Therefore, it considers as a priority of its business policy the existence of an Environmental Management System, so that, by taking into consideration the technological development and the expectations of the interested parties, improvements that reduce adverse impacts and result in benefit to society are achieved.

* Illustrative extract. ArcelorMittal Tubarão's Environmental Policy, including its principles, can be found on the Company's website at www.arcelormittal.com/br/tubarao.

In order to comply with the Environmental Policy of the Company, it is the responsibility of the Supplier:

- a) To know about and inform of ArcelorMittal Tubarão's Environmental Policy to his employees;
- b) To comply with the environmental laws, standards and requirements applicable to his activities;
- c) To identify and control the environmental aspects related to his activities, products or services, especially the ones that follow:
 - emissions of gas into the atmosphere;
 - discharge of effluents;
 - generation of residual waste;
 - use of natural resources; or other specific environmental aspects.
- d) To report immediately to the Department managing the contract any environmental incident or accident occurring during his activities, as well as the measures adopted in each case;

- e) To dispose of each and every environmental waste derived from his services;
- f) To promote training regarding environmental issues, as well as record and keep records;
- g) To take responsibility over any damage caused to the environment by his activities, products and services and fix the damage;
- h) To provide opportunity for a professional designated by the Company to give training on environmental issues to new employees;
- i) To devise and implement an Environmental Control Plan or an Environmental Management System for the management of his activities with the support of the Managing Department;
- j) To allow and facilitate any environmental inspection or audit by ArcelorMittal Tubarão at his working site at any time;
- k) To devise and implement action plans for the elimination of causes of non-compliance which might be identified in his area of business;
- l) To remove, at the end of each activity and at the end of the contract, all residual waste and by-products derived from his services, including the ones generated by his demobilization, and provide adequate disposal for them;
- m) To implement selective collection of administrative and industrial residual waste and provide adequate disposal for it;

- n) To enforce prohibition of burning of any material, residual waste or garbage in the open air within the Company's premises;
- o) To see and ensure that material transported by trucks within the Company is appropriately covered so as to prevent emissions and spilling;
- p) To follow the rules regarding the classification and transportation of hazardous products, and exercise the control over the chemical products which are under his responsibility as provided by the legislation in force.

) Safety of information

The information resources provided by ArcelorMittal Tubarão belong solely and exclusively to the Company. The Information Safety Policy applies to all users who use or access any information resource offered by the corporate network.

Only authorized and qualified users are allowed to access and use the information resources, and for that it is necessary for them to sign a Commitment Term, which shows acceptance and commitment to the Company's directives and recommendations.

The use of information resources is limited to matters of interest of ArcelorMittal Tubarão, and must aim at increasing productivity and quality at work. All such resources are submitted to monitoring and audit processes for verification as for the adherence to the Safety Policy and the user's behavior regarding their use.

The information flow between the company and the internet is monitored in the same way. Utilization reports are made available from time to time to managers by the Information Department/Technical Support Division. The Company recommends using common sense when accessing or receiving any internet information which is not relevant to the Company. Access to inappropriate information may result in disciplinary measures.

As to the provisions listed in the Rights over Intellectual Property, ArcelorMittal Tubarão determines, among other things, that drawings, models, or any other kind of technical data provided by the Company for the execution of the service cannot be used by the Supplier for any other purpose than that and shall remain, at any time, as exclusive ownership of ArcelorMittal Tubarão.

)) Behavioral ethics

Aiming at the well-being of all and the promotion of good personal conduct, it is forbidden to all employees of ArcelorMittal Tubarão and its Suppliers:

- a) To bill posters inside ArcelorMittal Tubarão;
- b) To carry personal belongings with you when entering ArcelorMittal Tubarão (unless you have been previously authorized to do so);
- c) To enter ArcelorMittal Tubarão wearing T-shirts, shorts and/or flip-flop sandals;

- d) To enter ArcelorMittal Tubarão before or after working hours without being duly authorized;
- e) To enter ArcelorMittal Tubarão carrying a gun on you;
- f) To exercise any activity for which it is necessary to wear specific IPE (Individual protection Equipment) if you are not wearing it;
- g) To engage in political activity in the premises of the Company;
- h) To take out of the Company any document or object without previous authorization;
- i) To smoke in closed areas inside ArcelorMittal Tubarão or in places where smoking is forbidden by the Safety at Work Policy;
- j) To make films or take photos inside ArcelorMittal Tubarão without prior authorization;
- k) To make improper use of ArcelorMittal Tubarão's telephone;
- l) To make improper use of ArcelorMittal Tubarão's equipment/material which is under your responsibility;
- m) To exercise fund raising activities, regardless of the purpose, inside ArcelorMittal Tubarão;
- n) To make use or work under the effect of drugs;
- o) To drink alcoholic beverage during work inside ArcelorMittal Tubarão or come to work in a state of drunkenness;

- p) To make improper use of your identification badge, free transit seal, access card to canteens/controlled units, and uniform or allow other people than yourself to use them;
- q) To disclose or comment on confidential matters, facts or information related to ArcelorMittal Tubarão which you might know of due to the position you hold in the Company;
- r) To publish or collaborate with any publication of articles related to ArcelorMittal Tubarão without prior authorization of the Company's Communication Department;
- s) To practice acts which violate the standards of moral conduct;
- t) To practice usury of any kind inside the Company;
- u) To engage in any kind of commercial activity inside the Company;
- v) To play games of chance;
- w) To practice any act of discrimination.

) Guidelines for the enrollment of suppliers

The ArcelorMittal Tubarão keeps a File of Suppliers of Material and Services which has been designed to keep Suppliers' data recorded, classified and updated. It allows the Company to follow the relationship of the Supplier with the Company regarding the line of products, commercial status, competitiveness, compliance to deadlines, reliability, conformity of the services rendered, and guarantee of quality, among others.

The Company reserves the right to include new Suppliers to this File when convenient, and to remove Suppliers who fail to meet the requirements established.

When enrolling a new Supplier, the Company shall classify the nature of the service rendered and the hazardousness of such service based on internal criteria. Suppliers of hazardous services, that is, those services which are related to the industrial process of ArcelorMittal Tubarão and which might threaten the quality of the subsequent and/or final product, and put in risk the continuity of processes and the safety of people, installations, equipment and/or the environment, shall present certification which meet the minimum requirements of ISO 9001/2000, be accredited by a legal institution and authorized to work in the scope of the service being hired.

Also, an economic and financial analysis of the Supplier shall be carried out prior to the enrollment in the File. Legal, fiscal, commercial,

socioeconomic, technical, and labor restrictions and/or those related to the principles of social responsibilities practiced by ArcelorMittal Tubarão may obstruct the continuity of the hiring process.

Documents Necessary for Enrollment

The following basic documentation is necessary for the enrollment of a new Supplier:

- company name;
- federal identification number (FEI);
- state enrollment number;
- full address, telephone, fax, e-mail;
- bank current account;
- economic and financial information;
- contact person;
- line of products and/or services.

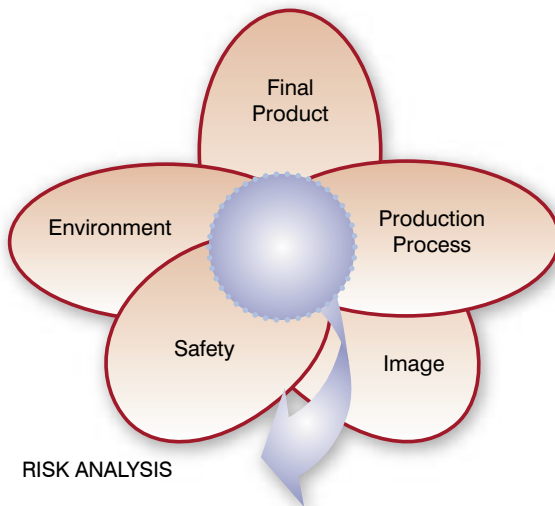
Additional documentation shall be necessary depending on the hazardousness of the service or services rendered and shall be defined and enclosed in the Invitation Letter. It is the responsibility of the Supplier to keep ArcelorMittal Tubarão informed of any change in his data.

)) Categorization

ArcelorMittal Tubarão's Management Model for Contracted Services has as one of its basic guidelines the Categorization of Services, which foresees: the Analysis of Hazardousness, the Duration and the Place of the execution of the Service in question.

Hazardousness is determined according to the five items that follow:

Determinant factors for the Analysis of Hazardousness



The Analysis of Hazardousness assesses the impact of the service hired:

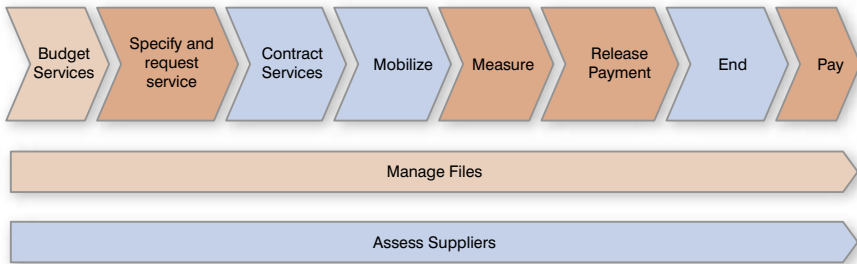
- on the **Quality** of ArcelorMittal Tubarão's final product;
- on the Stability of ArcelorMittal Tubarão's **Production Process**;
- on the **Safety** of people and/or areas;
- on the **Environment**;
- on the **Image** of ArcelorMittal Tubarão before government, community, clients, and employees.

As for the Duration and Place aspects, categorization is made as follows:

- **Temporary Services:** the ones that have a discontinuous execution (occasional, cyclical, and/or seasonal), or a duration of six months or less;
- **Permanent Services:** the ones that have continuous execution and give the necessary assistance to the production, support, and administrative processes of the Company;
- **Internal Services:** the ones that are executed within the geographical area of the Company;
- **External Services:** the ones that are executed out of the geographical area of the Company.

Hiring

The Employment Process Chain



The Employment Process is made up of the following steps:

Pre-qualification and Selection of Suppliers

Pre-qualification is the process which selects Suppliers capable of meeting the requirements for the supplying of a given service. Two aspects are considered: the history of the Supplier's Assessment with ArcelorMittal Tubarão, and his qualification (certification of quality). Based on that analysis, Suppliers who will be invited to present Proposals to the Company are short-listed.

When ArcelorMittal Tubarão chooses to invite new Suppliers, the pre-qualification stage takes into consideration criteria such as: Supplier's Certification, Market References, Specialization, Experience, and Reliability.

During the pre-qualification stage (or at any time during the employment process), ArcelorMittal Tubarão may request a Technical Visit to the Supplier's premises to ensure his technical capacity.

Issuance and Sending of the Invitation Letter by ArcelorMittal Tubarão

The Invitation Letter is the document base for the elaboration the Technical/Commercial Proposal by the Supplier. It contains essential information such as instructions to applicants, determinations as to Assessment, a Model for the Technical/Commercial Proposal, and a Model for the Contract proposed for such service.

Technical Visits and Clarification Requests

Technical Visits for verification of the reality of the service execution (when necessary) shall be previously scheduled, preferably carried out individually (thus avoiding visits to groups of Suppliers), and accompanied by a Company's representative.

Clarification Requests must be made formally and in writing. When considered essential for the elaboration of the Proposal, the Company shall forward explanations to all the Suppliers invited, regardless of who has made the question, thus ensuring the transparency and equity of the competitive bidding process.

Elaboration of the Technical/Commercial Proposal

At first only the Proposals handed over by the deadline specified in the Invitation Letter shall be accepted. When those are deemed insufficient for a reasonable cost-effectiveness analysis, then the Proposals received after the deadline might be considered. However, if the latter present the same conditions as the former, the latter shall be dismissed. ArcelorMittal Tubarão reserves the right to disqualify any proposal which does not meet the requirements stated in the Invitation Letter.

The proposal must clearly contain information related to sub-contracting, such as: a justification, suggestion of a company, financial condition, etc. It is important to note that only with the prior and written authorization of the Company will it be possible for the Supplier to sub-contract, totally or partially, the services hired. The sub-contacted company shall be evaluated by the Company as to its specialization, market references, reference letters, commercial registration, commercial history, etc.

Evaluation of the Technical/Commercial Proposal

Whenever possible, basic items shall be evaluated, such as equipment specification, material and manpower, organization chart, work and safety plan, hygiene and health at the workplace. As to the Commercial aspect, the following criteria shall be taken into consideration: the consistency of values, coefficients and data presented, fiscal aspects and calculations related to the composition of Benefits and Indirect Expenses rates and its relationship with profit, among others.

Following the evaluation of the Proposals, negotiations for the agreement and clarification of the conditions of the contract shall be carried out, if necessary.

Signing of the Contract

At this stage, the formalization of the Employment and the signing of the Contract by legal representatives of both parties shall take place. All rights regarding Contracts are exclusive of ArcelorMittal Tubarão and Supplier, and no interference in the process by third parties shall be allowed.

)) Mobilization

Only Suppliers whose proposals have been selected shall initiate the Mobilization Process, which shall differ according to the nature of the service being hired.

For Suppliers of External Services relatively simple procedures shall be adopted since there is no need to structure the installations in the areas belonging to ArcelorMittal Tubarão. For those, the following measures must be taken:

- Medical Examinations (admission, periodical, dismissal);
- Identification Badge;
- Incoming and Outgoing transit of material and equipment;
- Incoming and Outgoing transit of personnel, including visitors;
- Internal transit;
- Assessment.

As for Suppliers of Internal Services who need mobilization, besides the measures established above, more comprehensive ones shall be necessary:

- Guidelines for Quality;
- Guidelines for the Environment;
- Guidelines for Occupational Safety and Health;
- Behavioral, safety and hygiene conditions at work (risk analysis, list of Equipment for Individual Protection, report of accidents);
- Conditions of conservation/operation of ArcelorMittal Tubarão's equipment which is used by the Supplier;
- Initial inspection of the working site.

In that case, for the Supplier to begin the execution of the service, a Mobilization Meeting shall be held. The purpose of such Meeting shall be the presentation of the requirements listed above and the clarification of some facts to ArcelorMittal Tubarão by the Supplier. Also in this Meeting, the signing of the Mobilization Minute and the Comodato Contract (whenever there is free lease of ArcelorMittal Tubarão's areas and/or equipment) shall take place.

The Mobilization Minute is the document that clarifies some factors already mentioned in the contract and focuses on technical and administrative aspects which must be pointed out due to their relevance for the mobilization/beginning of the services, as well as for the good performance of the entire Contract. It highlights the reference points that must guide the Supplier, such as the search for excellence through the setting of goals, aiming at quality, safety, cost, and term.

The Supplier that needs, upon agreement between the parties, to sub-contract services must hold a Mobilization Meeting with his sub-contracted companies in the same way as the ones held by ArcelorMittal Tubarão, and also provide them with the necessary support.

In case the hired company should have more than one contract in the Company's area, the management of people's transfer between the contracts shall be of sole responsibility of the hired company in all aspects, regarding mainly safety at work, health, environment, etc.

Items related to access to the Company's canteens and the availability of transport for employees shall also be dealt with during mobilization, if they have been stated in the contract.

)) Incoming and outgoing transit of personnel

The Company keeps control of the incoming and outgoing transit of personnel through the enrollment and identification of all those who circulate inside its premises. It is obligatory to wear the identification badge inside the Company and to present it whenever requested. It should be worn in a visible place, preferably, at chest height.

In order to have their identification badges made, all Suppliers' employees must be enrolled in the Company's Hired Suppliers System within 24 (twenty-four) hours prior to the beginning of their activities in the Company's area. An employee whose medical examination has expired and /or whose file information differs from the information of the document presented shall not have an authorized badge.

As for access to the Company, the following instructions must be observed:

- Show your identification badge at ArcelorMittal Tubarão's entrance gates even when you are not asked for;
- Do not enter ArcelorMittal Tubarão wearing shorts, sleeveless shirts, flip-flop sandals or any piece of clothing advertising any political party or candidate;
- Do not bring in any camcorders or cameras, except when authorized by the Department Manager of the Operational Unit which is going to be filmed/photographed;
- It is the Supplier's responsibility to report any loss of an Identification Badge to the Corporate Asset Protection Section as soon as it occurs and pay to obtain a new one.

)) Incoming and outgoing transit of material and equipment

Material and equipment purchased by the Company shall be inspected by the Corporate Asset Protection Section which, after making the necessary contacts and registrations, shall allow the entrance of the cargo so that it gets to its destination inside the Company.

Supplier shall be liable for any expenses and risks incurred with the return, replacement, substitution or repair of the material/equipment received which is in disagreement with the specifications made by ArcelorMittal Tubarão or with the respective technical Standards, such as freight, packaging, insurance, among others.

As for the incoming and outgoing transit of Supplier's material and equipment, those must be accompanied by the required registration documents, registered at the Material In and Out System, and then controlled and checked by the Corporate Asset Protection Section at the Company's entrance gates. Only material and equipment that had been registered when coming in shall be allowed to be taken out.

Supplier's employees who need to circulate within the Company with portable computers (notebooks and/or palm-tops) must have their equipment data registered in their visitor's badges (if that is the case) or in the reverse of their identification badges issued by the Corporate Asset Protection Section.

Besides the Commercial Invoice, the necessary documentation for bringing in and taking out material and equipment is described in the table below:

Basic Documentation for bringing in and taking out material and equipment

MATERIAL	COMING IN	GOING OUT
Material and equipment purchased by the Company	Supplier's invoice or the Company's invoice for bringing material in	= =
Supplier's material and equipment which will later be taken out of the Company	Authorization for bringing material in from the Material In and Out System	Authorization for taking material out from the Material In and Out System
Supplier's material for consumption	Supplier's invoice	Form approved by the Contract Manager and the Manager of the Operational Support Department
Notebook/palm-top of Supplier who needs to carry it around daily	Equipment data included in the equipment holder's badge	Equipment data included in the equipment holder's badge

All equipment and tools used by Supplier must meet the safety/quality standards regulated by the norms in effect. Those which are subject to calibration must be traced by the Brazilian Calibration Network.

Material, if any, made available to Supplier by ArcelorMittal Tubarão for the execution of contracted services shall be received by the Supplier pursuant to article 627 and subsequent articles of the Brazilian Civil Code, the Supplier's legal representative or representatives being invested as fiduciary and made responsible for the return of all equipment and material to ArcelorMittal Tubarão, as soon as ArcelorMittal Tubarão requires, in case of not being used in the execution of the services, or the return of the material that remains after the execution of the services, under penalty of article 652 of the Brazilian Civil Code.

)) Demobilization

During the demobilization stage, the Company verifies the existence of any pending matters of the contract related to technical, commercial, legal, corporate asset protection, and economic/financial aspect.

In possession of all the necessary information and proofs of acquittal, and if there are no pending matters, ArcelorMittal Tubarão formalizes, together with the Supplier, the termination of the Contract for Rendering Services through the signing of the Termination Term, according to the norms established by ArcelorMittal Tubarão.

In case there is any equipment or installation belonging to the Company which during the term of the contract had been operated or used by the Supplier, that equipment or installation must be returned to the Company with its physical and functional integrity preserved.

) Assessment

The Assessment Process has the purpose of allowing the Company to develop relationships with Suppliers whose performance is guaranteed and who share ArcelorMittal Tubarão's values.

The Model for Assessment of Suppliers comprises four main dimensions:

The Economic/Financial and Audit dimension focuses on the Supplier and assesses the risk of relationship between him and the Company.

- **Economic and Financial Assessment:** consists in the periodical monitoring of Suppliers through a classification of risk provided by credit protection agencies. Items concerning the Supplier's financial health are analyzed with the aim of maintaining a safe and stable relationship.
- **Audit:** is the assessment of the possible risks brought about by the Supplier in view of fiscal, corporate, labor, social and entrepreneurial aspects. Whenever required by the Company, audits of Suppliers are performed by qualified professionals who assess several factors such as official registrations, corporate documents, calculation base for main taxes and social contributions incurring over the company's activities, confirmation of the effective collection of taxes and contributions, legal status of employees, among others.

The Result Performance and Performance of ArcelorMittal Tubarão's Values dimensions focus on the Supplier's performance in the execution of the Contracted Service.

- **Result performance:** is the assessment of the technical quality of the service executed within the duration agreed. This objective assessment verifies the Supplier's level of commitment in relation to the execution of the activities. In this sense, the evaluated criteria are basically related to quality and duration.
- **Performance of ArcelorMittal Tubarão's Values:** is the verification of the Supplier's alignment to the Values of ArcelorMittal Tubarão. The Procedures used for the performance of the activities foreseen in the contract must be in conformity with the standards, practices, and guidelines of the Company regarding Work Health and Safety, Corporate Asset Protection, and the Environment, as well as other aspects related to infrastructure, climate indicators, and employees' qualification.

Due to the diversity of services rendered to ArcelorMittal Tubarão, it is possible to carry out an assessment with the objective of analyzing the criteria specific to each service. This assessment is called 'Operational Assessment'.

The periodicity of the Assessments shall be defined for each contract individually, based on the categorization of the service rendered.

All results obtained from the evaluation process support the Company on understanding the alignment of suppliers with its values and guidelines and on determining the continuation of its suppliers as service providers in ArcelorMittal Tubarão.

)) Conclusion

The good operational performance of ArcelorMittal Tubarão is based on principles which are constantly improved inside the Company's culture and supported by a Decentralized Management Model. Among those are continual certification, personnel qualification, constant technological updating, as well as complete integration between all areas, committed to doing their best, and valuing responsibility, safety, and respect for the environment.

Another very important factor for the operational success of ArcelorMittal Tubarão has been the maintenance of a solid relationship with its Suppliers, based on mutual trust, transparency and commitment with results.

An important premise for the Company's practices is the construction of a close partnership with its Suppliers, always aiming at a constant evolution, strategically based on the exercise of Sustainable Development. We hope that relevant items concerning our Values, Directives, and Culture have been appreciated and understood through this Guide and that they are progressively embraced by our Partners.

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