

U. S. Steel Košice Governmental & EU Affairs Office, Bratislava

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Bratislava, March 7, 2018

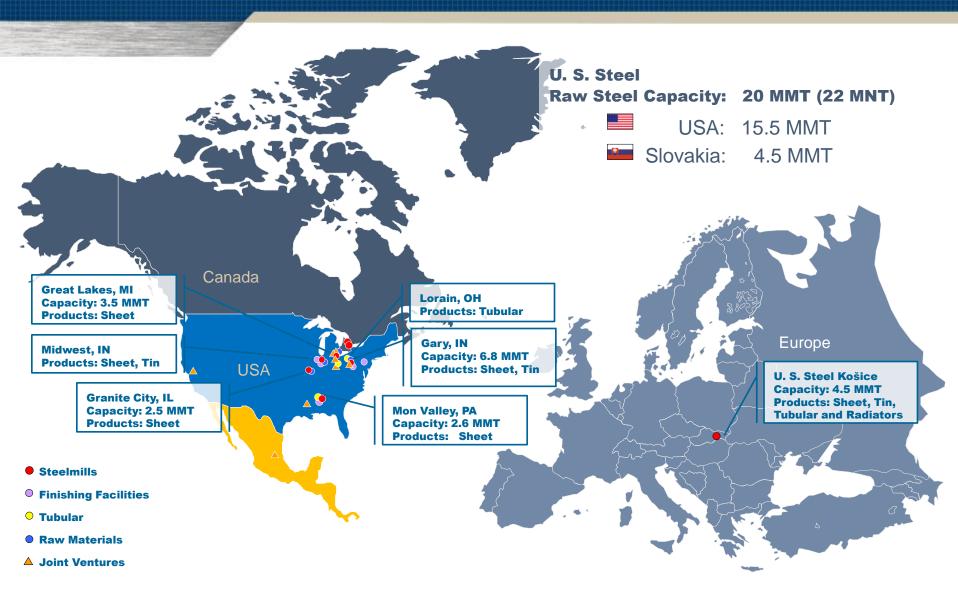




- One of the largest private employers in Slovakia and the largest employer in the East Slovakian region
- Our parent organization is a leading world-class steel producer - <u>United States Steel Corporation</u>
- Our production capacity is 4.5 million metric tons of steel per year

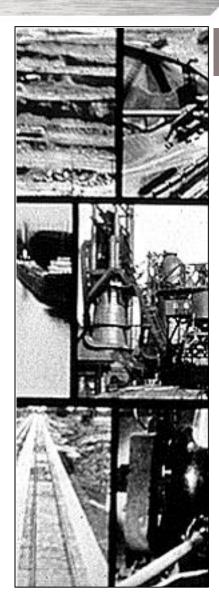


Corporation Integrated Steelmaking Operating Facilities

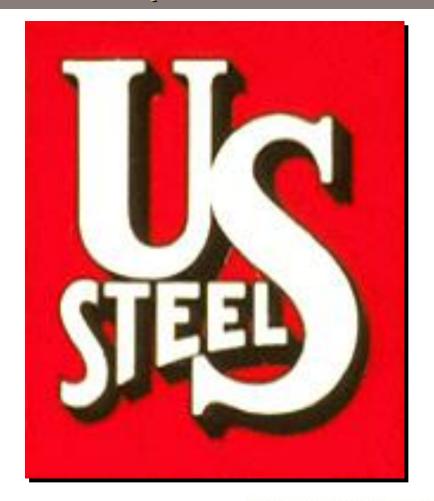




U. S. Steel in History

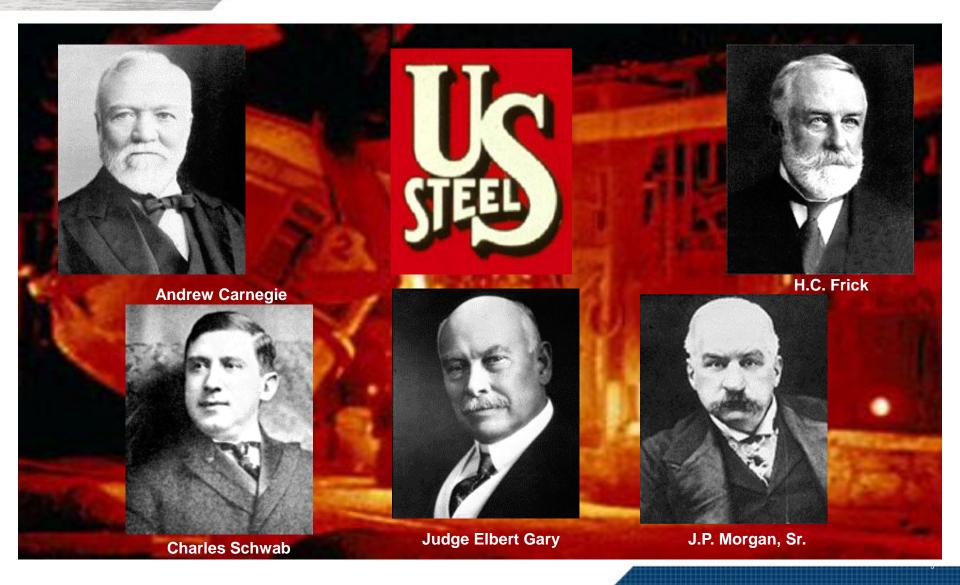


World's First Billion Dollar Corporation





United States Steel Corporation The Architects





U. S. Steel in History

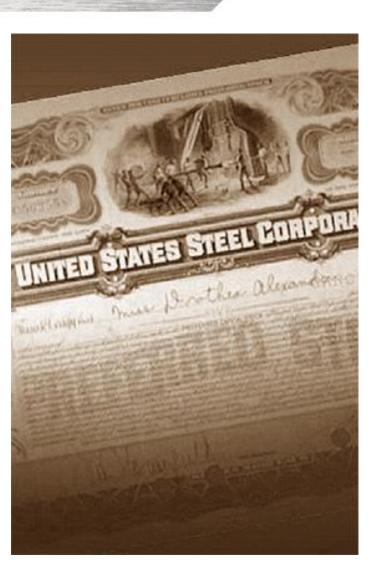


The Gary Principles

- Honest and proper practices
- Competition
- Equitable and humane treatment
- Public access
- Ethics beyond the law
- Public welfare



U. S. Steel in History



World's Most Progressive Corporation

Company Innovations:

- Shareholder meetings
- Corporate annual report
- Employee stock plans
- Industrial safety program
- Code of business ethics
- Employee benefits
- 8-hour work day



U. S. Steel Kosice - Milestones



1959	Eastern Slovak Steelworks (VSZ) - construction begun
1963	VSZ begins operation
1969	All facilities fully operational
1995	VSZ privatized (Govt subsequently repurchased 52% of shares)
1998	Joint Venture U. S. Steel and VSZ (Tin Mill)
November 2000	Acquisition of VSZ and formation of U. S. Steel Kosice



U.S. Steel Kosice

Integrated Metallurgical Company in Central Europe

Primary Operations

Cokery









Blast Furnaces

Steel Shops



U. S. Steel Kosice

Integrated Metallurgical Company in Central Europe

Rolling Mills

Hot Rolling Mill





Radiators and Pipes

Cold Rolling Mill







U.S. Steel Kosice

Integrated Metallurgical Company in Central Europe

Finishing

Dynamo Lines





Hot Dip Galvanizing Lines

Tinning Lines





Color Coating Line



U. S. Steel Kosice
Integrated Metallurgical Company in Central Europe

Production support

Power Engineering













Maintenance



Market, utilization of products



Market targets



Appliances

Automotive industry

Building industry



Doing Business in Central Europe

U. S. Steel's Operating Philosophy



Commit to setting the example

- **≻**Safety
- **Environmental**
- >Ethical behavior
- ➤ Market-based principles
- >Customer service
- ➤ Sharing rewards

Commit to the culture

- ➤Do not stereotype
- Cultivate cultural respect
- Research cultural perspectives
- **►** Value diversity

Commit to the community

- **≻**Leadership
- Economic development
- **≻**Social development
- **≻**Civic participation
- **≻**Charitable activities



Core Values



Safety



Diversity and Inclusion



Environmental Stewardship



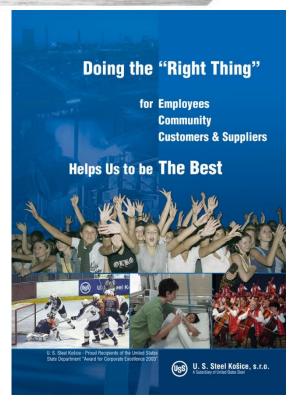


Results and Accountability



Cost, Quality and Customer









Social Area-EMPLOYEES

COMMUNITY & the Region

CUSTOMERS & SUPPLIERS





The Code of Ethical Business Conduct of USSK

"7 principles"

EMPLOYEES

Principle 1: Take responsibility for the safety of yourself and others

Principle 2: Treat others with dignity and respect

Principle 3: **Protect the Environment**

Principle 4: Conduct business with the utmost integrity for the benefit of company

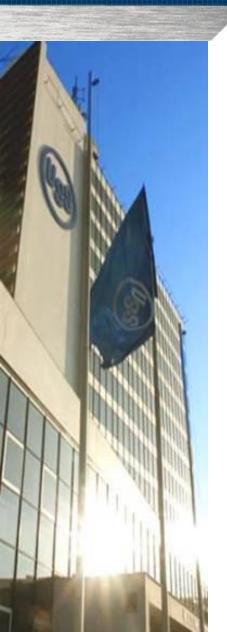
Principle 5: Assure that financial reports are accurate and public disclosures proper

Principle 6: Protect and Properly use company assets

Principle 7: Conduct business fairly



Impact of the Company in the Social Area – EMPLOYEES



- 1. Occupational Safety & Health Protection
- 2. Education & Human Resources
- 3. Employee Social Program & Cooperation with Labour Unions
- 4. Diversity and Equal Opportunities



Occupational Safety & Health Protection

Family Safety Day



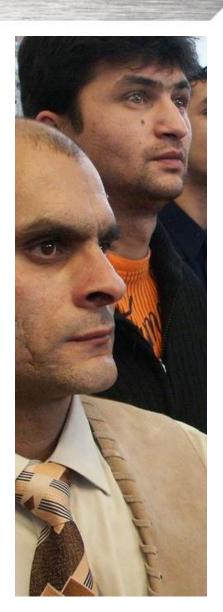


Comparing the years 2001 through 2016, USSK has achieved:

- A **94%** reduction in OSHA Occupational Safety and Health Administration
- A **98%** reduction in DAFW Days Away From Work Frequency Rate



Diversity and Equal Opportunities



"Equal Opportunities" Project

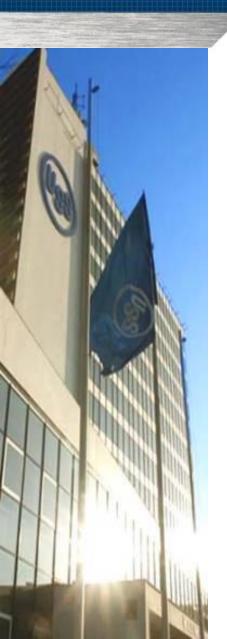
- Jobs for Roma population
- Launched in 2002
- Agreements about the temporary leasing of employees to other employer

Employee could be the one who:

- Is willing to work and to change the style of living
- Supports the education of kids and has the interest in increasing own qualification
- Fulfils the requirements of the specific position



Impact on COMMUNITY & Region





Community & Region

- 1. Education
- 2. Health Care
- 3. Social Care
- 4. Culture & Sport

Education

Scholarship Programme

- Since 2004, support for talented university students from socially deprived backgrounds
- Since 2007 onwards, suport for talented children of our employees as well
- 280 scholarships (2016/2017- 18 scholarships (20,800 eur))

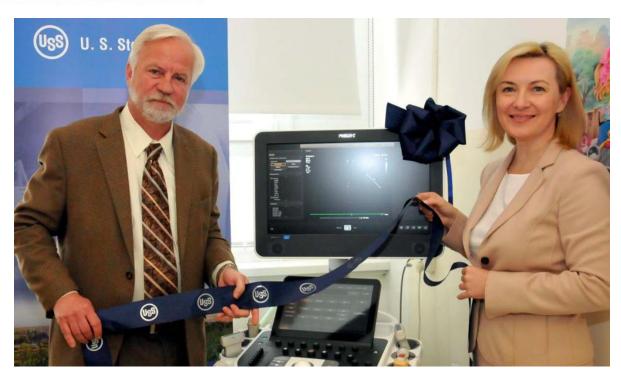
Summer Internship Programme







Health Care & Social Care





More than 1 257 000 eur donated by employees together with the company and the Company Foundation for the improvement of health care

- Company Ball Charity Auction
- League Against Cancer-Daffodil Day
- "We are with you at the right time"
- Christmas Wishing Trees
- Christmas Charity Hut



Culture & Sport



Kosice Peace Marathon

HC Kosice Ice-hockey club



Equal Opportunities: "Your Chance to Play"

- *2006
- support of talented sportsmen
- both girls and boys 5,5-13 years old
- from socially disadvantaged families
- ice-hockey, basketball and soccer
- co-operation with sport clubs and NGOs



Volunteering

Blood dontion
Zoo and Botanic gardens
Dog shelter
Revitalisation of children's
historical railway
Cycle path
Crooss-country and ski trails





"I am always impressed when I see people willing to do more and bring benefits for their community. Such enthusiastic and attentive people are of enormous value to every employer and also for society as such, as they seek to improve things and move forward. I am pleased that many of them are employees of U. S. Steel Košice. Although our company is here to produce steel, we appreciate the partnership with all active people, organizations or municipalities, as we feel jointly responsible for our region and we want a better life here," (President of U. S. Steel Košice, Mr. Scott Buckiso)



CERTIFICAT

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ZERTIFIKAT

QMS Certifications EN ISO 9001; ISO/TS 16949 and API Spec. Q1

Quality Management System Certification **According to EN ISO 9001**

Quality Management System Certification according to ISO/TS 16949





CERTIFICATE

TÜV SÜD Slovakia s.r.o. **Certification Body for Management Systems**

Accredited by SNAS Certificate on accreditation No. Q-011 certifies that



U. S. Steel Košice, s.r.o. Vstupný areál U. S. Steel SK - 044 54 Košice IČO: 36 199 222

has established and applies a Quality Management System for

Development and production of steel slabs, hot rolled and cold rolled steel sheets and strips, cold rolled coated steel sheets and strips, pipes and radiators.

An audit was performed, Report No. 0977/40/15/Q/AS/R2 Proof has been furnished that the requirements according to

EN ISO 9001:2008

are fulfilled. The certificate is valid until 2018-06-11 Certificate Registration No. Q 0977-2

Bratislava, 2015-06-12



TÜV SÜD Slovakia s.r.ı Certification Body for Management Systems

F-Q-019/2/5

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The Certification Body of TÜV SÜD Management Service GmbH certifies that

U. S. Steel Košice, s.r.o. (DP Steelworks; DP Hot Rolling Mill; DP Cold Rolling Mill; DP Coated Products and Tin Mill; DP Shipment) Vstupný areál U. S. Steel 044 54 Košice

Slovak Republic has established and applies a Quality Management System for

Production of steel slabs, hot and cold rolled steel sheets and strips. coated cold rolled sheets and strips (without Product Design as per Chapter 7.3)

An audit was performed, Report No. 70794277. Proof has been furnished that the requirements according to

ISO/TS 16949:2009

Third Edition 2009-06-15

are fulfilled Issue date: 2014-08-06

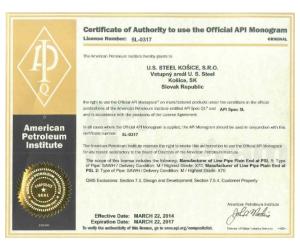
Expiry date: 2017-08-05

Certificate Registration No.: 12 111 43522 TMS IATE Certificate No.: 0189974

TÜV SÜD Management Service GmbH • Zertifizierungsstelle • Ridlerstraße 65 • 60339 München • Germany TUV⁶



Certification according to API Spec. Q1



Internal Certification Body of USSK for the Quality, Environmental and Occupational Safety and Health Management Systems

Internal Certification Body of USSK



for the Quality, Environmental and Occupational, Safety and Health Management Systems



U. S. Steel Kosice - Corporate Social Responsibility



Education

Summer Internship Program
Scholarship Program
Junior Achievement Slovakia
Technical schools and Universities

Support for Sport and Talents

Your Chance to Play
HC Kosice (ice-hockey)
MMM (Kosice Peace Marathon)
Balloon Cup Kosice

Help for Region and Community

USSK Volunteer Days
Together for the Region
Daffodil Day

Safety and Family

Family Safety Day
Families Do Sport

Social and health services

Christmas Wishing Trees
Christmas fund-raising
Christmas Charity Hut
We Are With You at the Right Time

Culture

Košice – ECCC 2013 (Steel Park)
Košice City Days
Metal Inspirations
Steelmakers paint with Artists
State Theater Kosice
State Philharmonia Kosice



Impact in the ENVIRONMENTAL sphere





2000 - 2006 Sinter Plant Dedusting System (Sinter Strands)



2000 - 2006 and 2008 - 2009 Primary and Secondary Steel Shop's Dedusting



2000 - 2015 Hazardous Landfill Non Hazardous Landfill



2000 - 2015
Isolation and Dry Dedusting of Coke Ovens
Coke Oven Gas Desulphurization, Door Cleaning



2011 - 2015 WWTP Sokolany Upgrade BF#2, BF#3 Casthouse Emissions Efficiency

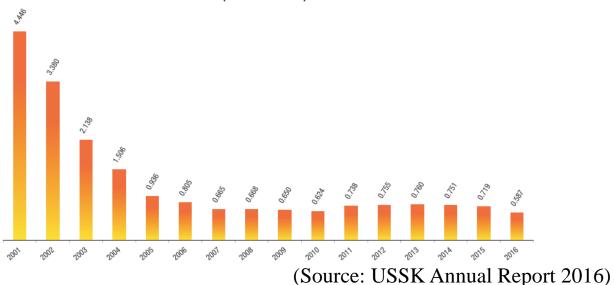


Impact in the Environmental Sphere



Specific emissions of solid pollutants (2001 - 2016)

Specific emissions of solid pollutants (t/1000 t steel)



Compared to the previous year, the overall amount of emissions in 2016 fell by 3.5 %.

Specific emissions, i.e. the amount of emissions per ton of steel produced, dropped by 10.5 %.

Specific emissions of solid pollutants dropped to a historical minimum of 0.587 ton per thousand tons of steel produced.



EMS and EnMS Certifications EN ISO 14001 and EN ISO 50001

Environmental Management System Certification according to ISO 14001

♥ SNASReg. No. 153/R-006

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TÜV SÜD Slovakia s.r.o.
Certification Body for Management Systems

Accredited by SNAS Certificate on accreditation No. R-006 certifies that



U. S. Steel Košice, s.r.o. Vstupný areál U. S. Steel SK – 044 54 Košice IČO: 36 199 222

has established and applies an Environmental Management System for

Development and production of hot and cold rolled steel sheets, and strips, cold rolled coated steel sheets and strips, pipes and radiators.

An audit was performed, Report No. 0977/20/15/E/AS/R2

Proof has been furnished that the requirements according to

EN ISO 14001:2004

are fulfilled. The certificate is valid until 2018-09-14
Certificate Registration No. E 0977-2





F-Q-019/3/4

Energy Management System
Certification according to EN ISO 50001

SNAS Reg. No. 153/R-097

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Accredited by SNAS Certificate on accreditation No. R-097

certifies that



U. S. Steel Košice, s.r.o. Vstupný areál U. S. Steel SK – 044 54 Košice IČO: 36 199 222

has established and applies an Energy Management System for

Development and production of steel slabs, hot rolled and cold rolled steel sheets and strips, galvanized, organic coated steel sheets and strips and steel sheets and strips for packaging, steel sheets and strips for e

An audit was performed, Report No. 0977/30/16/EG/AS/R1

Proof has been furnished that the requirements according to

EN ISO 50001:2011

are fulfilled. The certificate is valid until 2019-03-27

Certificate Registration No. EG 0977-2

Bratislava, 2016-04-21

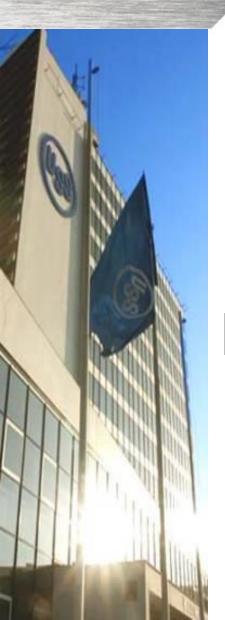


TÜV SÜD Slovakia s.r.o.
Certification Body for Management Systems
Member of Group TÜV SÜD
Jalikipus 6 821 90 Bratislave

F-Q-019/3/4



U. S. Steel Kosice



2003 Corporate Excellence Award

- Largest Integrated Flat Rolled Producer in Central Europe
- 4.5 Million MT / Year
- **ISO** Certified

2006 Dupont Safety Award

For improvements in Safety and the reduction of incidents and injuries



Other awards

- National Award for Quality (2002, 2010)
- Via Bona Awards for Community Support (2002, 2003, 2009)
- Grand Prix Slovak Gold for KORAD radiators (2006)
- Volkswagen Group Supplier Award (2009)
- Gypsy Spirit (2009, 2011)
- Ford Q1 Certificate (2010)
- National Business Award for Environment for the year 2015 in Category Enterprise and Biodiversity (1st place)





U. S. Steel Kosice - Corporate Social Responsibility



- Safety and Environment
- Health Service
- Educational Projects and Science
- Charity and Social Programs
- Sport and Culture
- Voluntary activities

