

# Press Release

*Paris, Fos-sur-Mer, 23 may 2018*

An innovative partnership between Veolia and ArcelorMittal to modernize energy production at Fos-sur-Mer



**ArcelorMittal Méditerranée and Veolia, through its subsidiary Veolia Industries Global Solutions, have announced the creation of a joint venture to modernize the energy production plant at Fos-sur-Mer and to increase the site's environmental performance by optimizing the recovery of energy from steelmaking gases and reducing CO 2 emissions**

The Fos-sur-Mer site, which has an annual production capacity of 4.6 million metric tons of steel and specializes in the production of hot-rolled coils, is one of the largest ArcelorMittal sites in Europe. Veolia Industries Global Solutions has been developing integrated solutions for industrial companies for more than 20 years, providing them with its know-how in all the Group's businesses (water, energy and waste) and helping its customers throughout the process of setting up major projects that also require its technical, financial engineering and social expertise.

In this innovative partnership, the investments required to renovate the energy installations will be made by a joint venture owned 50/50 by ArcelorMittal Méditerranée and Veolia Industries Global Solutions, and will represent about €190 million over a period of 3 years. These investments mainly relate to the furnaces, rotating machinery and auxiliary equipment and aim to improve the recovery of the steelmaking gases resulting from the manufacturing process, in the form of steam, electricity and compressed air, intended to supply the blast furnaces and all the steel production installations. The operation and maintenance of this plant will be entrusted to Veolia Industries Global Solutions for a period of 15 years, and will generate revenue of about €450 million over that period. All the

plant's operational personnel, consisting of about 105 people, will join Veolia Industries Global Solutions in the context of the joint venture.

ArcelorMittal Méditerranée selected Veolia Industries Global Solutions after a long period of consultation with technical staff aimed at optimizing the operation of the production assets and thus contributing to the improvement of the Fos-sur-Mer site's competitiveness. The agreement also aims to enhance the site's environmental performance by optimizing the recovery of energy from the steelmaking gases and reducing CO 2 emissions.

*"This is a project of vital importance for the future of the site," explains François Sgro, Arcelor-Mittal Méditerranée's Industrial Director. "The objective of this partnership is to achieve an average electricity production capacity of 700 GWh per year, which represents half of the total consumption of the plant and is equal to the electricity consumption of a city with 100,000 inhabitants."*

*"In order to respond to the priorities of ArcelorMittal Méditerranée, we have proposed an economic and contractual model that will enable us to take new initiatives to ensure the reliability of the installations, thus contributing to improving the availability of production capacity at the Fos-sur-Mer site," adds Pierre Rellet, Chief Executive Officer of Veolia Industries Global Solutions. "In the context of this partnership, we are very pleased to be welcoming staff with a high level of professionalism whose areas of expertise completely match those of Veolia Industries Global Solutions."*

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### **About ArcelorMittal**

ArcelorMittal is the world's leading steel and mining company, with 199,000 employees, a presence in 60 countries and an industrial footprint in 18 countries. Guided by a philosophy to produce safe, sustainable steel, we are the leading supplier of quality steel in the major global steel markets including automotive, construction, household appliances and packaging, with world-class research and development and outstanding distribution networks. In 2017, ArcelorMittal had revenues of \$68.7 billion and crude steel production of 93.1 million metric tonnes, while own iron ore production reached 57.4 million metric tonnes. In France, ArcelorMittal has 15,840 employees, including nearly 800 researchers, at 40 production sites, distribution and service centers and four R&D centers. In 2017, ArcelorMittal produced 11 million metric tonnes of liquid steel in France, which also represents 32% of ArcelorMittal's flat steel production in Europe.

ArcelorMittal Méditerranée has two production sites: Fos-sur-Mer, an integrated site with 2,500 employees and 1,500 co-contractors producing nearly 200 grades of steel, and Saint-Chély d'Apcher, a site employing 200 people and specializing in the production of high-end electrical steels.

[www.corporate.arcelormittal.com](http://www.corporate.arcelormittal.com)

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### **About Veolia**

Veolia group is the global leader in optimized resource management. With nearly 169 000 employees worldwide, the Group designs and provides water, waste and energy management solutions which contribute to the sustainable development of communities and industries. Through its three complementary business

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activities, Veolia helps to develop access to resources, preserve available resources, and to replenish them. In 2017, the Veolia group supplied 96 million people with drinking water and 62 million people with wastewater service, produced nearly 55 million megawatt hours of energy and converted 47 million metric tons of waste into new materials and energy. Veolia Environnement (*listed on Paris Euronext: VIE*) recorded consolidated revenue of €25.12 billion in 2017 (USD 30.1 billion). [www.veolia.com](http://www.veolia.com)

As a subsidiary of Veolia's Group, Veolia Industries Global Solutions is a leader in integrated solutions for industry which provides tailored outsourcing support to manage facilities services, utilities, energy, water and waste. [www.industries.veolia.com](http://www.industries.veolia.com)

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