

## Competency Framework

Because the Competency Framework reflects the business challenges and needs it can also help bring about a culture of change, improve performance of individuals and support the company's business priorities and values (sustainability, quality and leadership). It helps develop the crucial leadership competencies we need for our people to face the challenges of transforming tomorrow.

*"The new period of stability the industry has entered into calls for a new area of focus. That focus I believe should be on quality and sustainability – two of our three values. And what will take us there? Leadership"*

Lakshmi N. Mittal, ArcelorMittal Steel Success Strategies Conference 2007

**ArcelorMittal competencies are defined as critical behaviours that characterise desirable performance of ArcelorMittal people. The 5 key competencies are:**

Competencies	Definition	Basic	Intermediate	Proficient	Advanced
<b>Change Management</b>	<ul style="list-style-type: none"> <li>Consistently understands need for change</li> <li>Encourage self and others to be open to change</li> <li>Adapt to the changing environment, pro-actively support and implement changes</li> <li>Recognise continuous improvement is at the heart of organization success</li> <li>Deal effectively with pressure; remain optimistic and persistent, even under adversity; recover quickly from setbacks</li> <li>Respond &amp; adapt to changing circumstances and manage, solve problems and provide solutions in a climate of ambiguity</li> </ul>	<ul style="list-style-type: none"> <li>Understands and considers the effect change has on own and other's work</li> <li>Searches and finds new effective ways to improve work processes</li> <li>Suggests ways to make new changes work (demonstrates positive outlook)</li> <li>Accepts and applies new priorities, tools and processes</li> <li>Helps others deal positively with change</li> <li>Projects credibility and poise under difficult or adverse conditions</li> </ul>	<ul style="list-style-type: none"> <li>Effectively leads and manages change efforts on a local level</li> <li>Prepares team and organization to deal with change</li> <li>Sets expectations to continually find ways of working more effectively</li> <li>Finds ways of working more effectively</li> <li>Takes conscious steps to manage own emotions and pressure when necessary</li> <li>Maintains progress (while maintaining quality) when handling multiple tasks and projects, even under stressful situations or when faced with competing deadlines</li> <li>Sets a personal example for change</li> </ul>	<ul style="list-style-type: none"> <li>Removes barriers that inhibit change</li> <li>Encourages and creates a climate for action and mobilizes people for the move between the old and the new paradigm</li> <li>Manages and measures the impact of change on stakeholders</li> <li>Integrates change efforts to maximize effectiveness and speed of change</li> <li>Recognises others' anxieties and problems, and encourages them to find ways of dealing constructively with their stress</li> <li>Quickly responds to unforeseen changes in the business</li> <li>Takes effective action without having all the facts at hand; readily and easily changes plans in response to unpredictable or unexpected events</li> </ul>	<ul style="list-style-type: none"> <li>Guides the evolution of the industry by identifying opportunities for change to "transform tomorrow"</li> <li>Creates and builds the context for change</li> <li>Establishes and sponsors the Group change agenda</li> <li>Evaluates the impact of change on stakeholders</li> <li>Performs consistently in a range of situations under extreme pressure and adapts behaviour appropriately.</li> <li>Retains focus on course of action in the face of personal challenge or criticism</li> <li>Effectively adjusts plans, goals, actions, or priorities to deal with changing situations; imposing structure for self and others that provide as much focus as possible in dynamic situations</li> </ul>
<b>Golden Rule of ArcelorMittal Leader: Constantly benchmarks his/her activities, challenges the norm, learns and anticipates change</b>					
<b>Decision Making</b>	<ul style="list-style-type: none"> <li>Understand problem quickly</li> <li>Make appropriate analysis before taking decision</li> <li>Check assumption against facts</li> <li>Make decision when it is necessary between urgency and importance</li> <li>Make tough decision when necessary</li> <li>Make well-informed, effective and timely decisions, even when data are limited or solutions produce unpleasant consequences; perceive the impact and implications of decisions</li> </ul>	<ul style="list-style-type: none"> <li>Seeks advice when necessary to keep work process flowing</li> <li>Makes appropriate, clear decisions and recommendations based on a review of facts, priorities, resources, constraints and alternatives</li> <li>Contributes to problem solving by submitting and testing ideas for solutions</li> <li>Exercises good judgment in situations where there are clear and straightforward answers</li> <li>Understands when it is appropriate to make decisions independently versus when it is appropriate to seek advice from manager</li> </ul>	<ul style="list-style-type: none"> <li>Takes responsibility for making team and local decisions based on organisational implications</li> <li>Delegates appropriate decision making authority</li> <li>Takes steps to ensure problems do not recur</li> <li>Provides information and guidelines for making decisions and follows it up</li> <li>Demonstrates the ability to make firm decisions in most cases, only seeking guidance from higher level leaders in cases of unusually difficult decisions</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrates good judgment in determining which ideas and suggestions will work in a broader context</li> <li>Can project how potential ideas will play out</li> <li>Accepts responsibility for making key regional decisions</li> <li>Removes barriers that inhibit effective decision making</li> <li>Exercises sound judgment in situations where solutions are unclear</li> <li>Consciously incorporates ArcelorMittal values in decision making</li> </ul>	<ul style="list-style-type: none"> <li>Integrates ArcelorMittal values into the strategy of the organisation and reinforces their importance in decision making</li> <li>Rapidly assimilates and synthesizes information and interprets trends even when information is incomplete to establish the context for decision making based on the strategic direction and goals</li> <li>Accepts responsibility for making key decisions and does not blame others for set-backs</li> <li>Leads others by setting guidelines on how to weigh factors and make decisions in cases of adversity or demanding situations</li> <li>Consistently takes appropriate risks in decision making while keeping the best interests of the organisation in mind</li> <li>Takes unpopular positions when necessary, communicating reasons and provides direction in a crisis and faces adversity head on</li> </ul>
<b>Golden Rule of ArcelorMittal Leader: Considers the risks and takes swift and sound decisions</b>					
<b>Results Orientation</b>	<ul style="list-style-type: none"> <li>Focus efforts and prioritise work to deliver business value (low cost, high value)</li> <li>Take responsibility for achieving challenging goals</li> <li>Proactively overcome obstacles and adapt approach to achieve results</li> <li>Consistently operate in ways that achieve sustainable results (high performance)</li> </ul>	<ul style="list-style-type: none"> <li>Meets deadlines using good time management and allocation of priorities respecting ArcelorMittal's Health &amp; Safety and Environment standards</li> <li>Accepts accountability for improving own performance</li> <li>Anticipates and overcomes problems effectively</li> <li>Pursues individual goals with energy and persistence, setting high personal standards of performance</li> </ul>	<ul style="list-style-type: none"> <li>Sets SMART team goals that support Business Unit and Segment strategies and Key Performance Indicators (KPI's)</li> <li>Keeps team focused on short and long term action plans</li> <li>Effectively manages team performance to achieve results</li> <li>Measures to what extent targets have been achieved</li> </ul>	<ul style="list-style-type: none"> <li>Promotes focus and a sense of urgency</li> <li>Removes barriers that prevent high performance</li> <li>Analyses and uses results of measurement for goal setting</li> <li>Sets clear targets and takes responsibility for all outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Creates performance culture and outlines the structure to support achievement of goals</li> <li>Holds people accountable for achieving standards and results for the organisation in line with company values</li> <li>Sets high performance goals and Key Performance Indicators (KPI's)</li> <li>Acts quickly, especially in crisis situations and ensures organisation is aligned with requirements</li> <li>Displays drive and energy in tackling challenging situations</li> </ul>
<b>Golden Rule of ArcelorMittal Leader: Is Health &amp; Safety driven and puts Health &amp; Safety first in all circumstances</b>					
<b>Golden Rule of ArcelorMittal Leader: Performance driven and capable of fast deployment</b>					
<b>Strategic Thinking</b>	<ul style="list-style-type: none"> <li>Analyse problem from different angles to generate strategic insight</li> <li>Apply broader context into job, link day to day activity with the organisational development and inspire commitment to a vision of success</li> <li>Gain insight and analyse problems from different points of view, ensuring alignment with organisation's vision and values</li> <li>Apply understanding of customer information and needs in ArcelorMittal's strategic planning to create a unified and customer focussed organisation</li> </ul>	<ul style="list-style-type: none"> <li>Connect broad concerns with day-to-day activities with organisation's vision and values</li> <li>Continually evaluates personal progress and actions to ensure alignment with organisational vision and operational goals</li> <li>Stays on top of emerging trends in field of expertise in an entrepreneurial and innovative way</li> <li>Understands and applies basic business principles to inform good customer service.</li> </ul>	<ul style="list-style-type: none"> <li>Maintains the commitment of others by connecting local objectives to regional and global strategies</li> <li>Fosters a culture within the department that supports exploration of new ideas and creative solutions to broader challenges (entrepreneurship, innovation)</li> <li>Demonstrates ability to operationalize strategic decisions through systems thinking, planning and measuring progress</li> <li>Aligns current business processes and practices to customer requirements</li> </ul>	<ul style="list-style-type: none"> <li>Supports taking calculated entrepreneurial risks and challenges assumptions</li> <li>Adopts a long term view of organizational issues consistent with time frames appropriate to the business</li> <li>Considers complex strategic, business and competitive implications when approaching problems or issues</li> <li>Challenges assumptions</li> <li>Translates strategies into business plans and tactics and modifies the plan based on changing condition</li> <li>Understands and optimises the customer's value chain and can illustrate how ArcelorMittal can contribute to that</li> </ul>	<ul style="list-style-type: none"> <li>Identifies, conceptualises and synthesizes new trends and connections between organisational issues and translates them into priorities</li> <li>Assimilates and integrates information to determine global threats and opportunities</li> <li>Creates and translates the organisation's vision into clear strategic plans</li> <li>Translates the brand and customer value proposition in such a way that the correct customers are targeted in an appropriate way</li> <li>Anticipates potential objectives by preparing, modifying and reviewing contingency strategies</li> </ul>
<b>Golden Rule of ArcelorMittal Leader: Thinks strategically, has an entrepreneurship spirit, is dynamic and challenges assumptions</b>					

Competencies	Definition	Basic	Intermediate	Proficient	Advanced
<b>Teamwork</b>	<ul style="list-style-type: none"> <li>Know what one can contribute to the team</li> <li>Work collaboratively with others</li> <li>Appreciate others skills and views to achieve common goals and positive results</li> <li>Find win-win solutions (reciprocity)</li> <li>Utilise teams intentionally, appropriately and positively to affect the behaviour of others by motivating them to achieve personal satisfaction and high performance through a sense of purpose and spirit of cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Works effectively with others in a group setting</li> <li>Shares information and resources in the team</li> <li>Works with others to reach common goals</li> <li>Aligns personal objectives with team objectives</li> <li>Deals honestly and fairly with others, showing consideration and respect</li> <li>Expresses positive expectations of what can be achieved in order to generate energy, enthusiasm and confidence in own team.</li> </ul>	<ul style="list-style-type: none"> <li>Manages team dynamics for overall success</li> <li>Leads by example and communicates information and events about ArcelorMittal in a way that inspires, motivates and energises people</li> <li>Supports team outcomes (sets expectations for team outcomes and recognises them)</li> <li>Maximizes the contribution of others</li> <li>Promotes and reinforces people for teamwork behaviors</li> <li>Develops cooperative links with other teams</li> </ul>	<ul style="list-style-type: none"> <li>Breaks down barriers (structural, functional, cultural) between teams, facilitating the sharing of expertise and resources</li> <li>Builds strong teams that capitalize on differences in expertise, competencies and background</li> <li>Ensures consistent application of rewarding practices in the scope of responsibility</li> <li>Supports and aligns group work efforts to maximize organizational gains</li> <li>Manages the needs and contributions of a diverse workforce</li> <li>Actively inspires and motivates people to take ownership of the overall ArcelorMittal vision and values</li> </ul>	<ul style="list-style-type: none"> <li>Sets context and culture for teamwork</li> <li>Promotes a favourable environment for teamwork to achieve business results</li> <li>Leverages the benefits of diverse teams for the achievement of business results</li> <li>Is a role model; shows strong example of cooperation in the organisation</li> <li>Expresses positive expectations of what can be achieved in order to generate energy, enthusiasm and confidence in the industry and the organisation</li> </ul>
<p><b>Golden Rule of ArcelorMittal Leader: Leads by example and is a role model regarding ethics and transparency</b>  <b>Golden Rule of ArcelorMittal Leader: Appreciates the importance of and values the role of his colleagues in delivering performance</b></p>					

ArcelorMittal competencies are defined as critical behaviours that characterise desirable performance of ArcelorMittal people. The 3 additional competencies are:

Competencies	Definition	Basic	Intermediate	Proficient	Advanced
<b>Stakeholder Orientation</b>	<ul style="list-style-type: none"> <li>Understand own stakeholders</li> <li>Build and actively maintain stakeholder* relationships to achieve the organizational goals</li> <li>Help stakeholders to achieve results</li> <li>Achieve win-win scenarios, contributing to sustainable development</li> </ul> <p>* A stakeholder is a party who affects, or can be affected by the company's actions (e.g. employees, customers, suppliers, competitors, unions, shareholders, communities, environment, government, NGO's etc.)</p>	<ul style="list-style-type: none"> <li>Seeks to understand who ArcelorMittal stakeholders are and what their needs are</li> <li>Demonstrates the ability to consider all stakeholder points of view when analysing problems and opportunities</li> <li>Seeks solutions that balance the needs of various stakeholders and where possible looks for win-win solutions</li> </ul>	<ul style="list-style-type: none"> <li>Ensures regular communication with stakeholders to ensure their needs are heard and addressed</li> <li>Ensures team objectives reflect a strong stakeholder orientation</li> <li>Provides an understanding of stakeholders and their needs</li> <li>Uses appropriate methods and analyses consequences (positive and negative) to reinforce stakeholder orientation</li> <li>Builds and manages relationships with local stakeholders to ensure sustainability of ArcelorMittal stakeholder strategies</li> </ul>	<ul style="list-style-type: none"> <li>Facilitates an environment where win-win solutions can be achieved</li> <li>Ensures team strategies reflect a strong stakeholder orientation</li> <li>Ensures leadership teams demonstrate stakeholder orientation</li> <li>Removes barriers inhibiting successful stakeholder outcomes</li> <li>Develops and leverages strategic stakeholder relationships</li> </ul>	<ul style="list-style-type: none"> <li>Ensures global strategies reflect strong stakeholder orientation</li> <li>Determines and prioritises strategic stakeholder relationships</li> <li>Holds leadership teams accountable for demonstrating stakeholder orientation</li> </ul>
<p><b>Golden Rule of ArcelorMittal Leader: Demonstrates a passion for the Customer and strives to exceed expectations in terms of delivery, quality and service levels</b></p>					
<b>Effective Communication</b>	<ul style="list-style-type: none"> <li>Understand the audience and adapt message accordingly</li> <li>Use appropriate channel to communicate</li> <li>Communicate accurately, clearly and in a timely manner</li> <li>Hold accountability for understanding</li> <li>Be willing to give and receive feedback</li> </ul>	<ul style="list-style-type: none"> <li>Clearly communicates ideas. Able to give ideas and listen actively in a variety of both oral and written situations; speak and write clearly, logically and concisely with an effective flow of ideas</li> <li>Ensures that 2-way dialogue takes place in order to achieve high levels of understanding (give and receive feedback)</li> <li>Adapts message according to audience, uses right channel to communicate</li> <li>Chooses right moment and place to communicate</li> </ul>	<ul style="list-style-type: none"> <li>Maintains an approachable presence when communicating</li> <li>Promotes the flow of communication in all directions</li> <li>Maintains integrity of the message when relating to different people and teams</li> <li>Takes responsibility for accurate and successful communication</li> </ul>	<ul style="list-style-type: none"> <li>Creates a structure that encourages a flow of communication</li> <li>Ensures that communication reflects the needs of the respective audience and cultures</li> <li>Honours and promotes consistent messages around ArcelorMittal values, objectives, and image</li> <li>Articulates a compelling vision of the future, instilling pride and gaining respect and trust</li> </ul>	<ul style="list-style-type: none"> <li>Creates and champions an open and honest environment for communication</li> <li>Readily deals with and manages controversial issues both inside and outside the organization</li> <li>Honours and creates consistent message around ArcelorMittal values, strategy, and image</li> </ul>
<p><b>Golden Rule of ArcelorMittal Leader: Inspires trust in his/her Direct Reports and all stakeholders</b></p>					
<b>Learning &amp; Development</b>	<ul style="list-style-type: none"> <li>Continuously learn and grow in a variety of ways</li> <li>Leverage organizational information and knowledge</li> <li>Actively seek and give feedback regarding competence/ skills and capability</li> <li>Be accountable for self development and support other's development where possible</li> </ul>	<ul style="list-style-type: none"> <li>Pursues learning opportunities and ongoing development</li> <li>Aligns development with organizational needs</li> <li>Shares knowledge to improve skills of others</li> <li>Asks for and offers feedback in support of (or to accelerate/advance) learning initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Prioritizes and ensures that learning and development needs are addressed</li> <li>Promotes environment which facilitates group and individual learning processes</li> <li>Recognizes and nurtures potential within the workforce</li> <li>Encourages opportunities for development such as cross-functional assignments, job rotations, stretch assignments and mobility to new roles and positions</li> <li>Advices, guides and coaches others by sharing experiences</li> </ul>	<ul style="list-style-type: none"> <li>Fosters a learning &amp; development environment</li> <li>Removes barriers that inhibit a positive learning environment</li> <li>Manages diversity and prioritizes context for learning in the region</li> <li>Promotes sharing of expertise and a free flow of learning across the organization</li> <li>Establishes and implements a succession planning process</li> </ul>	<ul style="list-style-type: none"> <li>Sets up global context for learning &amp; development based on business objectives</li> <li>Takes ownership of development of senior leaders</li> <li>Identifies future competencies and expertise required by the organization and develops and pursues learning plans accordingly</li> </ul>
<p><b>Golden Rule of ArcelorMittal Leader: Inspires trust in his/her Direct Reports and all stakeholders</b></p>					