

■ Having responsibility in our

Since its foundation, the steelmaking plant in Košice has been one of the most important companies and employers in Eastern Slovakia, predetermined to be a leader of regional support and development. The U. S. Steel Corporation acquired the company in 2000, having 100 years of responsible business activity driven by the Gary Principles behind it in the USA, including corporate philanthropy. In Slovakia our key values have not changed; on the contrary, they are the guarantee of long-term success for all of us. Within the charity programs in Slovakia, we focus on supporting local programs that comply with our mission and values.

Best Quality and Service for our Customers

U. S. Steel Košice is a modern company combining the great technical skills and experience of Slovak steelmakers with western managerial procedures and a strong market orientation. Our operations are focused mostly on value-added rolled steel products for the automotive, packaging, electro-technical, appliance and construction industries. Implementation of programs focusing on production quality creates conditions for improving economic efficiency and increasing our ability to compete in domestic and foreign markets. USSK is certificated in accordance with the international standards EN ISO 9001 and ISO/TS 16949 for the automotive industry. In 2002 and 2010 we were winners of the National Quality Award of the Slovak Republic,

proving that our quality management system is highly developed and successful in the long term. In addition, our Research and Development unit contributes to perfect steelmaking technology and product characteristics. To maintain economic development, large sums of money are spent on upgrading equipment and building new capabilities. Our relationship with suppliers is considered to be crucial in these projects, as their products and services directly or indirectly affect the quality of our products and technical performance. Relationships with suppliers have been built and developed on the same values in the areas of safety, quality, customer service, productivity and ethics.

Safe Work for our Employees

Occupational safety and health

of our employees, contractors and partners working within the company premises is the No. 1 priority. The range of our personal protective equipment is improving, covering more areas of specific steelmaking activities. The Cardinal Rules hands-on training center is raising the safety awareness of our employees, where they can try out the application of these rules under controlled conditions. Safety culture is being expanded by more thorough prevention and a proactive approach by our employees in risk and hazard identification. Safety Conversations between managers and employees are considered as one of the most efficient tools for revealing unsafe actions and conditions, because these can be corrected immediately thus preventing potential incidents. Due to continuous efforts by all the employees, the injury frequency rate has been dropping for a long time. The total number of recordable injuries had dropped by 89.9 % as at December 31, 2010 compared to 2001, and the number of days away from work injuries had dropped by 92 %.

It is our top priority that everyone returns home from work safe and sound every day. We must never lose sight of our zero injuries

goal, and we must do everything possible to turn this goal into our reality.

Business Ethics

From the very beginning the principles of the Code of Ethical Business have been considered the foundation of the trust necessary for sustaining our company's success. The Code defines acceptable standards of employee conduct in areas like prevention of discrimination and sexual harassment, unauthorized and unethical practices, protection of economic competition, conflict of interests and political involvement, and all employees receive it when signing their employment contract. The company continuously provides a wide range of training courses for employees concerning ethical behavior such as fraud awareness, preventing discriminatory harassment, or rules of electronic communications, either in the form of presentations, on-line intranet courses, informational e-mails or campaigns in the corporate newspaper Ocel' Východu. They can also use the Ethics Line to report unethical behavior.

Diversity and Equal Opportunities

We consider support of talented employees from diverse backgrounds as one of the key principles for further workforce development. Open environment and communication, inclusion of different views, talents and potentials help to achieve goals in more effective ways. Because steelmaking is a traditionally male business and there is a proportion of about 17 percent of women in our company, in 2010 U. S. Steel Košice Women's Network was established to cultivate a supportive and inclusive environment that encourages all women to maximize their professional success through networking, skills development,



corporate DNA



knowledge sharing, and leadership opportunities.

The company also assists marginalized groups living in the vicinity of the steelworks in resolving their problems through the Equal Opportunities – Work for Roma project. Since 2002, U. S. Steel Košice has been offering a number of work places for long-term unemployed people in cooperation with the neighboring village councils of Velká Ida, the city ward of Šaca and Lunik IX, thus reducing high unemployment in these places.

We can only achieve great results as long as we also achieve the maximum satisfaction of our employees, customers, shareholders and all other parties.

Healthy Environment

Environmental protection is another of our principal strategic business drivers, and its main commitments are stated in the company's Environmental Policy drafted in compliance with the ISO 14001 standard. Since 2000 our company has invested more than USD 450 million into dozens of ecological projects. The construction of a cokery gas desulfurizing plant totaling approx. USD 100 million has been one of the largest ecological projects. This included the closure of the ammonia plant and the end of production of ammonium sulfate at the chemicals operation, together with the storage of sulfuric acid. By burning desulfurized cokery gas, which is used in many of the company's operations, much less sulfur oxide will be emitted into the atmosphere, leading to improvement in air quality and the working environment at the Cokery Division, in the steelworks area and its vicinity in general.

In addition to the protection of air and water, for many years we

have been taking care over separation of waste. Bins for paper, plastic bottles and single-cell batteries have been set up at many locations around the company. There are more than 310 bins of 240-liter volume and more than 130 containers with 1,100-liter volume for separated waste around our premises.

Open eyes for community need

The company has been interested in regional needs for a long time and is engaged in resolving them in compliance with its core values and business principles, either directly or through the U. S. Steel Košice Foundation. We mainly support educational and leisure activities intended for young people, projects for children in foster homes or crisis centers, or for disabled or socially-marginalized citizens, and we also focus on cultural and sporting events within the region. We have become a partner to many non-profit organizations, which are keen on solving problems and providing innovative solutions for community development. In addition to financial help we provide in-kind donations, organize charitable auctions and concerts, cooperate on their project development and help through various voluntary activities.

Investment in education always produce good returns

Qualified and skilled employees represent a valuable devise for any profitable company. Over the years we have developed active cooperation with technical high schools and universities in Košice. In addition to that we also support talented students from socially disadvantaged families within our scholarship program, and organize ecological education programs and competitions for students of elementary and

secondary schools, focused on occupational safety, driving and sport or leisure safety. We also support the talented children of our employees. Amongst university students who have been participants in our Summer Internship Program, who work and learn at our company during their summer vacation, we select our future potential employees.

Cultural Košice

The steelmaking company has also committed itself to working for the successful implementation of the European Capital of Culture Košice 2013 project. Together with several other commercial companies we have created the Coalition 2013+, which is intended to enable much wider partnership between the private and public sectors in this project, the sharing of financial and human resources, and the continuing sustainability of the project's outcomes beyond the year 2013. The Creative Factory, a new place for discovering science through playing, will be our contribution to the project.

Willingness to help is deeply rooted in many people - our employees are no exception.

Voluntary involvement

While the company applies its resources for active support in many fields, its employees themselves have also assisted voluntarily for many years as teachers in educational programs, active collectors and contributors in public fund-raising, clothing and toys donations, as well as organizers of community life in this region. Since 2007 our largest corporate

volunteer event has been the U. S. Steel Košice Volunteer Days, during which several hundred people help eight or nine local non-profit organizations. Many of our employees are also active in their own villages, and through our Together for the Region community program we provide small grants to support their efforts.

Taking a responsible approach to our employees, to all of our partners and the community we work in is a fundamental principle of our company. As U. S. Steel Corporation first chairman Judge Elbert Gary stressed one hundred years ago, only transparent and ethical business could ensure long-term sustainability.

Success in business depends on our doing what is right.

U. S. Steel Košice's year-round charity activity is now culminating in the Wishing Trees project, fulfilling the wishes of children from foster homes and families in social need. Christmas fund-raising for the Children's Hospital is also going on, and our Christmas Charity Hut is providing space for 18 different non-profit organizations to present their activities to the general public. Košice steelmakers have always been sure about the transparency and meaningful nature of corporate philanthropic activities, and they have never hesitated to demonstrate their solidarity and compassion.



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