

## METINVEST GROUP's Health, Safety and Environment Policy

Metinvest incorporates enterprises of three branches of the mining and metals industry: coal mining and coke making, mining and production of iron ore and flux raw materials, steel and metal products.

Metinvest operates and builds its strategy based on the principles of sustainable development and social responsibility. The Company pays special attention to occupational safety, health and environment. In our daily performance, as well as during the strategic planning, these issues will always have the priority equal to the other business aspects or higher. The Company's management has consistently demonstrated the importance of this area, setting even higher standards.

We affirm that the work cannot be considered completed successfully if people were injured while doing it. Therefore, every emergency situation is considered by us as an opportunity to improve the management system. At the same time, the work to improve protection of people and environment is a continuous process for us, and we will make every effort to improve protection, with an emphasis on timely risk assessment and preventive measures. We strive not only to comply with legal requirements, but also to take additional measures necessary to reduce risks.

We are ready to share experience with other companies. We will actively monitor and as and when necessary, implement the best world practices in this area, modernize our production and management systems to achieve world-class performance and continuous improvement. We stand for open interaction with the public in occupational health, safety and environment and are always ready for a constructive dialogue.

We will fulfil the set tasks in strict compliance with the "Principles of Metinvest group in HSE area"

General Director LLC "Metinvest Holding" _	[signature]	Yuriy Ryzhenkov
"7" <u>June</u> 20 <u>16</u>		
3rd Edition		

## **METINVEST GROUP'S PRINCIPLES** in Health, Safety and Environment area

- 1. All injuries, emergencies and environmental incidents can be prevented. That is why the special attention is to be paid to forecasting and determination of the sources of hazards and preventive measures.
- 2. The managers play a leading role in HSE area. The managers are fully responsible for effective performance in this area.
- 3. A manager is to establish the clear standards of safe performance and communicate them to each employee. An employee of must know the sources of hazards and protective measures. Responsibility for training and knowledge and skills checks shall be borne by a manager.
- 4. Health, safety and environment areas are the everyone's business. Each employee must comply with the rules of safe performance. Compliance with the rules is a compulsory of employment by Metinvest Group enterprises.
- 5. An employee is entitled to safe working conditions. Responsibility for ensuring safe working conditions shall be borne by a manager. An employee is entitled to refuse doing the job if he/she believes his\her life and health are threatened.
- 6. It is necessary to define the sources of hazards, evaluate the risks before permitting an employee to perform the production task. According to the results of evaluation and analysis, performance of the measures reducing the risk level to the acceptable one is mandatory.
- 7. Analysis of each incident is, first of all, a possibility to improve protection of people and environment. All incidents must be recorded, their root causes must be identified and adequate measures must be taken to prevent recurrence.
- 8. Each employee shall timely communicate all incidents to his/her immediate supervisor. Each case of intentional suppression of an incident will be considered a gross violation of production discipline.
- 9. It is necessary to maintain a high level of responsiveness to emergency situations. An enterprise shall be provided with the equipment and actions plans to be followed in case of emergency. All employees shall be made aware of the actions plans to be followed in case of emergency and be regularly tested to check their knowledge.
- 10. It is necessary to perform the efficient environmental monitoring and strive for prevention and constant reduction of the environmental impact of each enterprise's activities.
- 11. During production, it is necessary to strive for conservation and optimum use of raw materials and energy resources.
- 12. When planning the enterprise's activities and making the investment decisions, it is necessary to provide for compulsory evaluation of the potential impact upon people's and environment safety. Such evaluation shall be regularly performed at all project stages.
- 13. To reduce the impact on the employees' health, it is necessary to improve continuously the working conditions, provide for regular preventive medical examinations and implement more ergonomic ways of works performance. It is necessary to pay special attention to health life-style promotion.
- 14. Efficient cooperation with the community is an integral part of conducting the business. When making the management decisions concerning the current and investment performance, as well as during the strategic planning, it is necessary to communicate openly and take into account the interests of residents, non-governmental organizations and local authorities.
- 15. Safety of work performed by contractors in our enterprises is an important condition for safety and sustainability of our business. Therefore, we have the same requirements for contractors' safety as for our own employees. The initiative to organize efficient interaction with contractors in this matter comes from the management of enterprises.