

## Severstal Board of Directors approves key long-term ESG objectives

The Board of Directors of PAO Severstal, one of the world's leading steel and steel-related mining companies, has approved the Company's long-term occupational and industrial safety and environmental protection objectives.

### **Occupational and industrial safety**

Severstal is dedicated to consistently improving safety for all of its employees. The Company has set an objective to achieve zero fatalities and reduce the current Lost Time Injury Frequency Rate (LTIFR) by 50% by 2025. Severstal's primary occupational and industrial safety projects in 2018 relate to the development of an audit system within the Accident Prevention System (APS), an assessment of HSE knowledge within the Company and line manager training, the implementation of a corporate certification procedure for contractors, promoting colleague awareness and involvement [in HSE initiatives], and implementing a multifunctional security system Strata (aerogas atmosphere monitoring, dust-explosion protection, employees positioning, etc.) at Vorkutaugol.

### **Environmental protection**

The Company has pledged to reduce the levels of pollution discharged in wastewaters, as well as to significantly decrease air pollution. Furthermore, Severstal has updated its existing Environmental Protection Policy to reflect the Company's strategic commitment to continuously improving its sustainability practices. The Company is implementing a number of ecological projects, in particular the modernization of wastewater treatment facilities, retooling and reclamation. In addition, the Board of Directors has approved the adoption of the Company's Human Rights Policy, defining Severstal's approaches and principles in respect of the observance, support and promotion of human rights as part of the Company's long term strategic objectives, and updated Code of Business Conduct. A key focus for the Company remains its employees, the environment they work in and their professional development. In 2018 Severstal introduced new approaches to education and training, which offer a new format for providing feedback, and introduced new social support programmes.

Alexander Shevelev, CEO of Severstal Management, said:

"Severstal is implementing comprehensive programmes aimed at reducing environmental impact, improving working conditions and cutting injury rate. This important work is closely supervised by the Company's Board of Directors. In line with global best-in-class practices, we are focused on improving transparency in our reporting year after year, and I am pleased to note that at the beginning of this year we started disclosing information on Severstal's greenhouse gas emissions. In addition, as part of our half year and full year operational results reporting, we now present progress on our ESG objectives, including environmental, occupational and industrial safety performance. Approved long-term objectives in the field of safety and ecological impact indicate our next steps in improving our ESG performance".

### **Objectives of the Severstal Group of Companies on Environment, Health and Safety by 2025**

