

# PROTECTING OUR NATURAL ENVIRONMENT

## 2021 HIGHLIGHTS

2.9%

reduction of total air emissions  
from steel production

105%

non-mining waste recycling  
and reuse rate

### Key events 2021

- HSE Policy was expanded in line with the environmental challenges
- Corporate rules on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) were updated
- The biodiversity roadmap was developed
- The water treatment facilities were upgraded at Alardinskaya mine
- Several significant initiatives within the Clean Air federal programme were enacted
- A dust suppression programme in coal storages at Rapsadskaya washing plant was piloted



# GLOBAL ENVIRONMENT

## Material topics



**Environmental management**



**Biodiversity**



**Water**



**Waste stewardship**



**Air quality**

## Sustainable development goals (the Global Goals)



# ENVIRONMENTAL MANAGEMENT

GRI 103-2

One of the Group's strategic goals is to ensure sustainable business activities. Our environmental work includes, among other activities, protecting the biodiversity in our regions of operation, optimising our water use, mitigating waste-related risks, and reducing air emissions in line with our approach to environmental management as defined in the EVRAZ Business Strategy and HSE Policy (see the Health, Safety and Environmental Governance section, [page 70](#)). In 2021, we revised our current HSE Policy to expand on current issues and commitments that match our 2030 Environmental Strategy. The new policy introduces the following crucial aspects: favourable living conditions for future generations; contribution to global efforts to achieve the goals of the Paris Agreement by decarbonising our emissions; minimising the impact on the environment through energy and resource efficiency; increasing recycling and reuse share of waste, and biodiversity protection. All our enterprises use an environmental management system (EMS) based on the plan-do-check-act

model. The EMS is a framework that facilitates the minimisation of environmental risks and coordination of the Group's environmental compliance.

## GRI 307-1

Compliance with the applicable environmental requirements is a priority for EVRAZ. As part of our internal audits, we conduct risk assessments and evaluations of our HSE management systems. Our facilities are regularly audited by state and third-party agencies to ensure that we adhere to the environmental requirements.

No significant environmental incidents or claims were made against the Group's assets over the period covered by this report. The Group was fined and penalised for a total of US\$3.1 million in 2021, which is lower than US\$5.8 million in 2020.

The Group strives to ensure compliance with all relevant environmental requirements. In 2021, we completed updating our corporate rules

on the registration, evaluation, authorisation and restriction of chemicals (REACH) to ensure that the Group's assets strictly comply with REACH for products supplied from or manufactured in the European Economic Area by the Group's assets.

When developing new projects and operations, we perform special environmental and social impact assessments (ESIA) that evaluate possible indirect and direct effects of our activities on the local environment and communities. We are also developing plans to reduce these impacts and manage them through engagement with local stakeholders, including regional authorities, enterprises and host communities.

To maintain a high level of environmental awareness and competence among our employees, we provide training on waste management approaches, HSE practices and other relevant topics.

## EVRAZ FUNDAMENTAL ENVIRONMENTAL REQUIREMENTS



It is forbidden to shut down environmental control systems without proper authorisation and notification.



It is forbidden to discharge any chemical products (oil, acids, alkali, and other liquid products, which are prohibited to be discharged under our technological requirements), both into sewage systems and on the ground.



It is forbidden to burn or dump production and consumption waste outside designated areas.



In 2021, EVRAZ invested US\$71.2 million in respective projects to improve the Company's environmental performance, and US\$30.5 million — to support

environmental compliance procedures. The Group is expected to conduct a variety of environmental protection initiatives between 2021 and 2026. The estimated

costs associated with implementing these initiatives totalled to US\$197.5million by 31 December 2021, down from US\$226.2 million as of 31 December 2020.

## CASE STUDY

# ENVIRONMENTAL STRATEGY

EVRAZ developed an environmental strategy based on sustainable business and environmental protection principles are integrated into all stages of our value chain.

In 2021, the Group clarified its new goal for the period up to 2030 (with 2019 as the baseline year), covering the air emissions aspect. We underlined that the indicator for dust emissions from coal mining applies to social dust only (dust that affects local population during coal transportation and storage near by the residential areas).

The following key indicators were achieved in 2021:

AREA	GOAL (2019–2030)	2021 STATUS
Water	Zero wastewater <sup>1</sup> discharges from steel production	63.5 million m <sup>3</sup>
Waste	Utilise 95% of waste from metal production and general waste	105% <sup>2</sup>
	Recycle 50% of mining waste	30.9%
Air pollutant emissions	Reduce total atmospheric emissions from steel production by 33%	2.9% reduction year-on-year
	Reduce dust emissions from coal mining by 1.5 times	10.8% increase due to higher production volumes

1. For the purpose of disclosing wastewater discharge the Steel segment is represented by EVRAZ ENA, EVRAZ ZSMK and EVRAZ NTMK only, while other environmental indicators include also EVRAZ KGOK, Evrazruda, EVRAZ Vanady Tula, EVRAZ Nikom and EVRAZ Caspian Steel. Mining assets are not included in Steel segment as they produce effluents of quarry and mine water, that EVRAZ cannot reduce due to their natural origin factors.

2. Above 100% due to the processing of old dumps owned by enterprises.