Sustainability approach Employees HEALTH, SAFETY AND ENVIRONMENT Community relations Supply chain Appendices



FRESH WATER WITHDRAWAL INTENSITY, m3/

US\$ revenue

2018

2017

2016



Surface water sources

Ground water

Public network

- 17 64

- 29.5

42.47

Over 86% of total fresh water is used by EVRAZ NTMK, EVRAZ KGOK, and EVRAZ ZSMK. 91% of their needs are covered by surface

WASTE STEWARDSHIP

EVRAZ operations inevitably entail the generation of waste, such as barren rock, spent ore, and tailings left over from the processing of ore and concentrates. Our ultimate goal is to reduce the amount of waste we produce and to manage it in a rational and non-hazardous way. We first seek to minimise waste at source by improving technological processes and enhancing the quality of our products. Alternatively, we can reuse some waste types in further operations, e.g. steelmaking, land rehabilitation, road or dam constructions, and heating. Waste that was not utilised in current operations is being safely stored to become a production site later. Under no circumstances do we incinerate or store waste outside of special facilities, in line with applicable legislation and the EVRAZ Fundamental Environmental Requirements. water, including water from rivers, lakes, and reservoirs. Total water consumption at these sites stood at 201.08 million m³, with fresh water making up 97% of this demand.

A large share (92.8%) of water used for our production is formed by a circulating water supply. This method allows us to reduce the annual fresh water intake and to use water sources in a more rational way. In addition, the Group's sites implement initiatives to boost the efficiency of water use.

Case study

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EVRAZ ZSMK MEASURES TO BOOST WATER USE EFFICIENCY



In 2018, EVRAZ ZSMK (the Group's largest water consumer: nearly 47% of fresh water consumption) installed new equipment, which led to a drop in annual wastewater discharges and water intake of around 3 million m³. A new slurry thickening facility for gas cleaners replaced the plant's slurry storage facility that collected water which was used to purify blast furnace gases. Now water is separated from slurry and used in production processes.

Following the installation of new equipment, a 3 million m³ reduction in annual water intake is expected.



Total non-mining waste and by-product generated by EVRAZ companies¹ in 2018 amounted to 7.95 million tonnes.

Under EVRAZ five-year environmental goals we are required to recycle 95% of non-mining waste and by-products each year. In 2018 this rate amounted to 111.3%, as waste was recycled from old waste dumps, which is 6.6% more than in 2017 due to the increasing volumes of waste recycling at EVRAZ NTMK. In 2016, waste recycling rate was 120.1% and its visible drop in the next years was caused by reduction in the processing of previously disposed waste at EVRAZ ZSMK. The sale of the old heap, where the previously formed and disposed wastes were located. has curtailed the historical ecological footprint of EVRAZ. However, this makes it impossible for EVRAZ companies to reuse the recyclable wastes stored there. The recycling of previously disposed of metallurgical slag and materials allows EVRAZ to maintain the recycling rate at higher than 100%.

The Group uses non-hazardous mining waste for the purposes of land rehabilitation and to build dams and roads; in 2018, 26.7% (62 million tonnes) of waste was reused in these ways.

WASTE MANAGEMENT STRATEGY



WASTE RECYCLING RATE, 2016-2018, %1



Minimising at sources	Improving technological processes in order to boost the product yield and recover by-products without waste generation
Reuse	The reuse of main waste types related to steelmaking production: slag, scale, and sludge, incl. stockpiles
Recycle	Developing new products made with some waste content; using inert waste for land rehabilitation or to build dams and roads
Using waste as fuel	The utilisation of heat from the hot slag using waste for heating (local boilers)
Disposal The facil	safe storage of waste, with the option to use waste disposal ties as technogenic deposits in the future
Incineration Prohibition Special f	on against the incineration of production waste outside of acilities and waste dumping outside of prescribed areas

Case study

EVRAZ RECYCLING

EVRAZ Recycling operates in western Canada (with 13 facilities it is the largest metal scrap recycler in the area) and in the USA (three facilities in North Dakota and Colorado). EVRAZ Recycling buys, processes, and sells ferrous and non-ferrous materials and provides end-of-life automobile recycling services.

Mercury switch recovery programme

EVRAZ Canadian recycling facilities have operated a mercury switch removal programme since 2003, and our US recycling sites participate in the End-of-Life Vehicle Solutions (ELVS) mercury switch programme, which promotes proper waste management and the management of substances of concern and recyclability. EVRAZ North America steel mills specify 100% provided with recycled, mercury-free material for input to melt.

EVRAZ Regina surpasses the 40 millionth tonne of scrap steel recycled

The Regina Steel mill has been in operation for over 58 years and has been producing steel since 1960. Since the Regina Steel mill's inception, the facility has melted over 40 million tonnes of scrap. As for the steel, EVRAZ Regina managed to recycle 97.2% of both post-consumer and post-industrial steel, showing the highest recycling rate for the last 14 years.

of EVRAZ North America steel mills' output is recycled, containing more than 87% postconsumer recycled material

¹ The figure comprises data on EVRAZ ZSMK (incl. Evrazruda), EVRAZ NTMK, EVRAZ KGOK, Raspadskaya Coal Company, Mezhegeyugol Coal Company, Evraz Caspian Steel, Evraz Palini e Bertoli, EVRAZ Vanady Tula, Evraz Stratcor, Inc., EVRAZ Nikom, a.s, EVRAZ Inc. NA, EVRAZ Inc. NA Canada.