



Solikamsk Magnesium Works OAO

POLICY IN INDUSTRIAL SAFETY

We recognize our responsibility for lives and health of our employees, citizens and guests of our city. We assume that safe operations of our facilities is unavoidable part of the Company's activities and obligatory rules for sustainable development of our Company.

Our goal is to minimize risks of accidents at our productions facilities that operate with hazardous substances and improve safety of equipment, buildings and structures exploited by our Company.

In order to achieve this goal, top management of Solikamsk Magnesium Works OAO assumes the following obligations:

- minimize risks of accidents at production facilities that operate with hazardous substances;
- prevent injury and ill health of persons at our premises;
- guarantee compliance of our activities with statutory requirements, norms and regulations for managing of industrial and labor safety and health protection;
- involve personnel employed by our company in the process of development and maintenance of industrial safety at the object that operate with hazardous substances;
- improve managing system of industrial safety.

Managing principles of industrial safety are as follows:

1. Priority of humans' life and health

Work's safety of employees is a direct responsibility of managing persons at each level of the Company's management.

2. Preventive approach

Safety of production is a key criteria in the process of making decisions in designs and operations. Each case of injury, accident and extraordinary situation has its own reason and avoidance of these reasons can help to prevent such cases.

3. Openness and interaction

All actions those can affect health and safety should be discussed with employees and external interested parties.

4. Formation and development of safe behavior

Systematic training and education of employees and personnel of entities employed by the Company, is a key factor of work's safety. Each employee brings personal responsibility to meet all appropriate norms of work's safety.

5. Monitoring and measuring of results

Regular assessment of results in managing of industrial safety and its compliance with statutory and other regulatory requirements build a ground for further improvements of our activities.

6. Integration of managing of industrial safety with production activities

Development of efficient system of managing of industrial safety is dedicated to continuous improvement of processes and results of our activities where it is possible and economically viable.

Active General Director

Chairman of Trade Union Committee
Of Solikamsk Magnesium Works OAO

Dmitriy L. Melnikov

Alexander V. Maltzev

06 February 2014