



SOLIKAMSK MAGNESIUM WORKS OAO

INTEGRATED MANAGEMENT SYSTEM

Solikamsk Magnesium Works OAO – hereinafter Solikamsk, SMW or the Company - keeps leading positions in the magnesium and rare metals industries of the Russian Federation, is an internationally recognized and responsible company, and should be assured that its activities and managing system are in line with the best international business practices.

SMW developed and implemented Integrated Management System (IMS) compliant to ISO 9001 and ISO 14001 international standards, the UN Conflict Free Smelter Due Diligence Guidelines, International Codes of Conduct for industries where the Company operates, norms of Industrial Safety, and certain other issues related with the Company's activities.

In 1999, Solikamsk developed its first Quality Policy and built Quality Management System that was then certified on compliance with ISO 9001 international standard in 2000.

In 2008, Solikamsk developed its first Environmental Policy and designed Environmental Management System that was embedded into existing Quality Management System as integral part, and built Integrated Management System meeting requirements of the both, ISO 9001 and ISO 14001, that was then certified on compliance with the both international standards in 2010 .

In 2011, IMS was amended with the UN Conflict Free Smelter Due Diligence Guidelines and Solikamsk did make self-assessment on compliance with International Codes of Conduct for industries where company mainly operates

In 2014, SMW developed Policy In Industrial Safety, and implemented integrated sub-system of labor, work's and industrial safety.

The main goal of Integrated Management System developed by Solikamsk Magnesium Works OAO and the main issues of concerns in building of the Company's policies in areas covered by this System is long-term sustainable development of the Company through client-oriented approach built on the ground of reciprocal relationships with partners, maintenance and improvement of safe works and operations, occupational health and safety, environmental conditions for population and wildlife, protection of natural resources from pollution and depletion, welfare of employees and social responsibility before residential, avoidance of support to illegal actions and conflicts on each level of the Company's activities, other issues of concerns conforming to the best business practices.