



JSC SOLIKAMSK MAGNESIUM WORKS

ENVIRONMENTAL POLICY

JSC Solikamsk Magnesium Works (SMW) is a largest, modern, dynamically developing Company - leader of Magnesium and Rare Metals Industries in Russia.

Strategic Goal and Context

Strategic environmental goal of SMW is a reduction of negative impact of the Company on environment, compliance with interests and requirements (of employees; customers and suppliers of products, energy sources and services; shareholders; government and supervision agencies; community and other parties) within production of pure & alloy magnesium metal, fluxes, fertilizers, titanium sponge, compounds of niobium, tantalum, rare earths, and chemical products.

General Director of the Company is personally responsible for efficiency of Environmental Management System (EMS) and assumes the following personal obligations:

- maintain Environmental Policy in a modern state, implement and promote the Policy among the Company's employees and arrange access of stakeholders to this Policy;
- comply with mandatory requirements, arrange conditions and provide appropriate resources for protection of environment;
- comply with the following principles:

1 Planning

Establish environmental objectives taking into account significant environmental aspects, risks and opportunities, mandatory requirements applicable to the activities of the Company

Apply technical solutions to prevent environmental pollution and to use natural resources on the efficient way when making changes to the system

Identify non-compliance with environmental requirements and solve the reasons of inconsistency

2 Competence, awareness and informing

Ensure the proper competence of employees whose job may affect environmental parameters and efficiency of the system.

Provide timely information concerning applicable mandatory environmental requirements and consequences of its violation, environmental aspects and the Company's results to employees and interested parties.

3 Integration of requirements into business processes

Ensure the functioning of business processes in accordance with the requirements of the EMS, taking into account management of operations connected with essential environmental aspects, and readiness to react on emergency.

4 Performance assessment

Provide monitoring and regular measuring, analysis and evaluation of environmental parameters using results of environmental production control, audits, inspections of supervisory agencies, stakeholders' appeals

5 Continuous improvement

Set up priorities and make decisions with respect to improvement of environmental parameters and results of activity where it is possible and economically viable.

General Director

Dmitriy L. Melnikov 29.01.2018