

GUIDELINES

Industrial safety

Original enactment

MANAGEMENT OF USED WATER RESOURCES

Approved and brought into force by AO Severstal Management HSE director's order dd. 19.01.2021 No.П-ОД-722-00-21-000001

Date of introduction 01.02.2021

1. Goal

Severstal's main goal in the field of water protection is to achieve a technically acceptable and economically feasible level of reducing the impact of the company's facilities on water bodies.

These Guidelines have been developed for the purpose of rational management of water resources used and the implementation of uniform water protection requirements at Severstal facilities.

2. Scope of application

2.1 The Guidelines apply to all Severstal BUs of I-III categories that have a negative impact on the environment and that consume and discharge water directly from/into water bodies. Does not apply when disposing through CWDS.

2.2 These Guidelines are intended for:

- heads of the Company's BUs;
- employees of the Company's BUs who are responsible for the environmental protection;
- employees of the Company's BUs who are responsible for water consumption and wastewater disposal.

2.3 Criteria of accessibility of water bodies for water withdrawal, wastewater and pollutants discharge are determined by the specially authorized state bodies and taken into account when issuing permits for water use, wastewater and pollutants discharge.

3 Normative references

These Guidelines have been developed in accordance with the following requirements:

- 3.1 Federal Law of 10.01.2002 N 7-FZ "On Environmental Protection".
- 3.2 Water Code of the Russian Federation of 03.06.2006 N 74-FZ.

3.3 Environmental protection policy of PAO Severstal and related entities.

4 Terms and definitions

Rational water use is a set of measures to reduce water consumption and increase the efficiency of wastewater treatment in order to conserve resources, protect nature and improve economic efficiency in industrial sector.

Permit documents for water use and discharge of wastewater / pollutants:

- water use agreement (contract);
- decision on granting a water body for use;
- permission to discharge substances (except for radioactive ones) and microorganisms into water bodies.

Water resources are surface and ground waters that are in water bodies and are used or can be used.

Local water cycle – a system of industrial water supply and disposal, with multiple uses of water in the same production cycle, without discharge of waste and other water into natural water bodies, or with a minimum discharge of water that meets regulatory requirements.

5 Designations and abbreviations

BU – business unit

NEI – negative environmental impact

CWDS – Centralized Wastewater Disposal System

6 Main goals achieved by rational water use measures:

- **Renewability** - ensuring the availability of water resources for future generations, fresh water withdrawal should not exceed the natural water replacement rate.
- **Conservation of natural habitat** - reducing water consumption to preserve the natural aquatic environment.

7 Obligations

7.1 Apply effective and transparent corporate water use rules:

- Publicly disclose the company's approach to rational water use.
- Clearly allocate responsibilities and duties for water use both at the level of corporate management and at the level of a specific enterprise, subdivision.

- Integrate water use aspects into business planning, including company strategy and investment planning.
- Provide public reports on water use indicators, significant risks, opportunities, and measures taken by the management, using a consistent system of technological indicators and generally recognized approaches.

7.2 Ensure efficient water use in production:

- Provide for regular recordkeeping of water consumption, water discharge, water losses in production with drawing up balance schemes of water consumption, water discharge at least twice (2) a year.
 - Maintain optimal water balance.
 - Establish technically acceptable and economically feasible goals and objectives for water use on water bodies.
 - Provide for regular monitoring of pollutants' discharge with wastewater, natural waters at background section, monitoring section and wastewater discharge sections.
 - Proactively manage water volumes and quality to reduce the potential impact on society and the environment.
 - Implement innovative wastewater treatment technologies.
 - Develop and implement low-water and no-water technologies.
 - Eliminate water leaks.
 - Create local closed-loop cycles and unified water supply systems.
 - Ensure that water treatment equipment is maintained in good technical condition (operation of treatment facilities in accordance with design parameters and performance requirements). Maintenance and inspection procedures should include:
 - ✓ Routine inspection of equipment;
 - ✓ Periodic calibration and adjustment;
 - ✓ Timely repair or replacement of failed equipment / parts;
 - ✓ Keeping the records of maintenance and inspections;
 - ✓ Performing inspection and maintenance work in a safe manner;
 - ✓ Training of personnel;
 - ✓ Prompt procurement of spare parts and availability of maintenance contracts;
 - ✓ Water treatment equipment monitoring programs.
- Ensure availability of permit documents for water use, wastewater and pollutant discharge.

- Ensuring compliance with established standards / limits for discharge of pollutants into water bodies.
- Ensuring compliance with permitted amounts of water withdrawal from surface water bodies and wastewater discharged into surface water bodies.
- Developing a Water Management Action Plan.

7.3 Cooperate for responsible and environmentally sustainable use of water resources

- Identify, assess and respond to risks and opportunities associated with water use.
- Identify, proactively and fully cooperate with the parties of interest, who may impact or be impacted by a facility with respect to water use and/or wastewater discharge.
- Actively collaborate on water regulatory issues with governments, local governments, and other parties of interest to support predictable, consistent, and effective legislation that should be based on an integrated approach to water resources management.
- Support rational water use initiatives that focus on more efficient use of water resources as well as those that improve the technical safety of the water supply.

8 Responsibility

Heads of the Company's BUs are responsible for meeting the following requirements:

- 8.1 Availability of permit documents for water use and discharge of wastewater / pollutants.
- 8.2 Compliance with established limits of water consumption, water disposal, standards / limits on the discharge of pollutants.
- 8.3 Implementation of action plans to reduce water consumption and pollutant discharges into water bodies.