

ENVIRONMENTAL ACTION

PROTECTING WATER RESOURCES



GRI 303-1; 303-2

Metinvest seeks to improve its water management practices by completing environmental projects. We strive to uphold high national standards for water usage and discharge, as water is an integral part of our production processes. The Group consumes fresh water from surface water sources (including the Azov Sea), ground water wells, and public water networks based on special water permits and maximum permissible dump specifications, in addition to reusing processed water. Our assets regularly conduct instrumental and laboratory studies of surface and wastewater to track their impact and control their compliance with environmental standards.

To ensure that we use water as responsibly as possible, we are launching new projects to modernise wastewater treatment equipment, recycle water used in technological processes, as well as reuse mining and wastewater. At our mining assets, water circulates in a closed cycle between tailings storage and plants.

Azovstal has repaired a block of air heaters and transitioned to a new closed-type cooling system for blast furnace no. 3. Moreover, the plant has stopped using sea water for cooling one of its blast furnaces in favour of a closed-loop water system. This was made possible by replacing cast-iron thermal protection elements and installing a new evaporative cooling system.

Avdiivka Coke has completed a major overhaul of its fan-cooling tower to make its water recycling systems more effective. Inkor Chemicals has replaced the cooling towers used for recycling water supply and installed a new pumping module in its heat-power unit. These measures will increase the rational use of water in production systems.

Central GOK has regularly worked to improve the water quality of the Ingulets River and Karachunovskoye reservoir by using the water supply of the Dnipro-Ingulets canal to backwash the Ingulets River, which is subject to mine water impact.

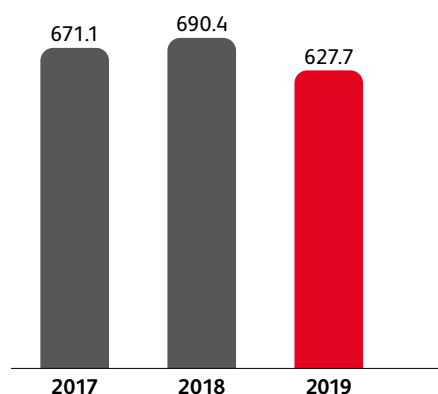
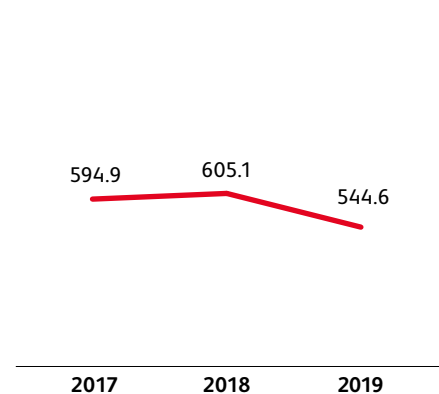
The Zaporizhstal JV launched its second modern filter press on the reverse cycle of water supply for gas treatment of open-hearth furnaces, which allowed it to increase shipment of iron-containing sludge used in production and eliminate the risk of polluting the Dnipro River with industrial wastewater.

GRI 303-4; 303-5

Water consumption⁵, million m³

Year	Total volume	Surface water	Ground water	Utilities	Other sources
2017	653.2	602.1	3.1	42.6	5.4
2018	671.8	617.2	3.2	43.6	7.8
2019	614.0	555.1	3.2	43.7	12.0

Note: Quarry water is the largest source of water in the "other" category, accounting for 2% of the overall volume of water consumed by Metinvest.

Total volume of water intake⁶ by the Group's assets, million m³Total volume of wastewater discharge at the Group's assets, million m³

5 Water consumption – the use of water withdrawn from water bodies in production operations and for household purposes.

6 Water intake – water withdrawal from water bodies for consumption or storage.