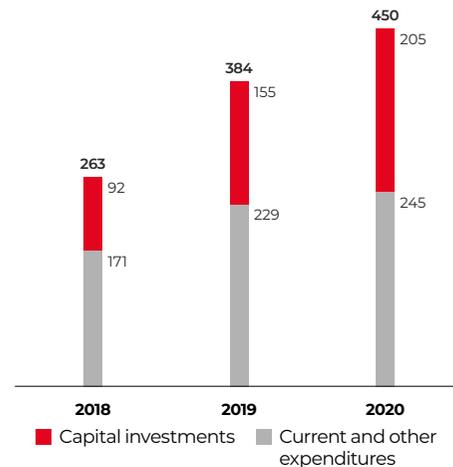


# Environmental Modernisation



In 2020, Metinvest spent US\$450 million on environmental protection measures, including modernising production processes to reduce emissions, conserve resources and increase energy efficiency. Of the total amount, US\$205 million was allocated for capital investments, an increase of 32% year-on-year.

Total environmental spending, US\$ million



## Implementing the Environmental Programme

In 2020, representatives of Ilyich Steel and Azovstal presented a report on the fulfilment of the environmental modernisation projects under the “Programme to Protect and Enhance the Natural Environment of Mariupol 2012-20”. During this nine-year period, the metallurgical assets of Mariupol implemented more than 40 major environmental projects.

- Azovstal decommissioned a sinter plant, coke batteries nos. 5, 6 and 7, and blast furnaces nos. 5 and 6, modernised blast furnace no. 3, and overhauled blast furnace no. 4. It also replaced the electrostatic cleaning plant and modernised the aspiration system of mixers nos. 1 and 2 and the dust-cleaning unit.
- Ilyich Steel decommissioned the soaking pits at its hot strip mill 1700 and assembled and put into operation a nitrogen dust suppression system at its blast furnaces. It also completed the initial scope of the environmental modernisation of the sinter plant, constructed an aspiration system in the casthouse of blast furnace no. 3 and modernised the gas treatment systems of BOFs nos. 1, 2 and 3.

In addition, both assets stopped using obsolete open-hearth furnaces, which had a significant negative environmental impact.

In Kryvyi Rih, the Group’s iron ore assets continued the systematic implementation of the programme to protect air quality, preserve water and land resources, and make rational use of production waste. The key initiatives include: using trinitrotoluene (TNT) free explosives and peat-hydroxide reagents in open-pit mines; systematically irrigating open-pit mine faces, haul and municipal roads; renovating and performing capital overhauls of gas treatment equipment; and applying

innovative polymeric material-based substances to bind the loose sand in tailings storage facilities

Separately, in 2020, Zaporizhstal, a joint venture received an award “For Consistency in Applying Environmental Modernisation under Sustainable Development Principles” at an event organised by the Ukrainian expert organisation Ecobusiness Group as part of the ECO Transformation Project. Ecobusiness Group recognised the entity’s comprehensive approach to green production as enabling the best major industrial transformation in the industry. It included projects aimed at improving the air quality and reducing the load on water and soil resources; modernising and constructing new aspiration systems in sinter and blast furnace shops; building a new pickling line with a dipping solution recovery unit; and introducing units for processing metallurgical production waste.

**“Metinvest applies a deliberate, systematic approach to the environmental initiatives that it implements at its operations. We are confident that Metinvest’s environmental programme will generate new possibilities for our city and create more comfortable living conditions for the residents of Mariupol.”**

Serhiy Zakharov, Deputy Mayor of Mariupol

