



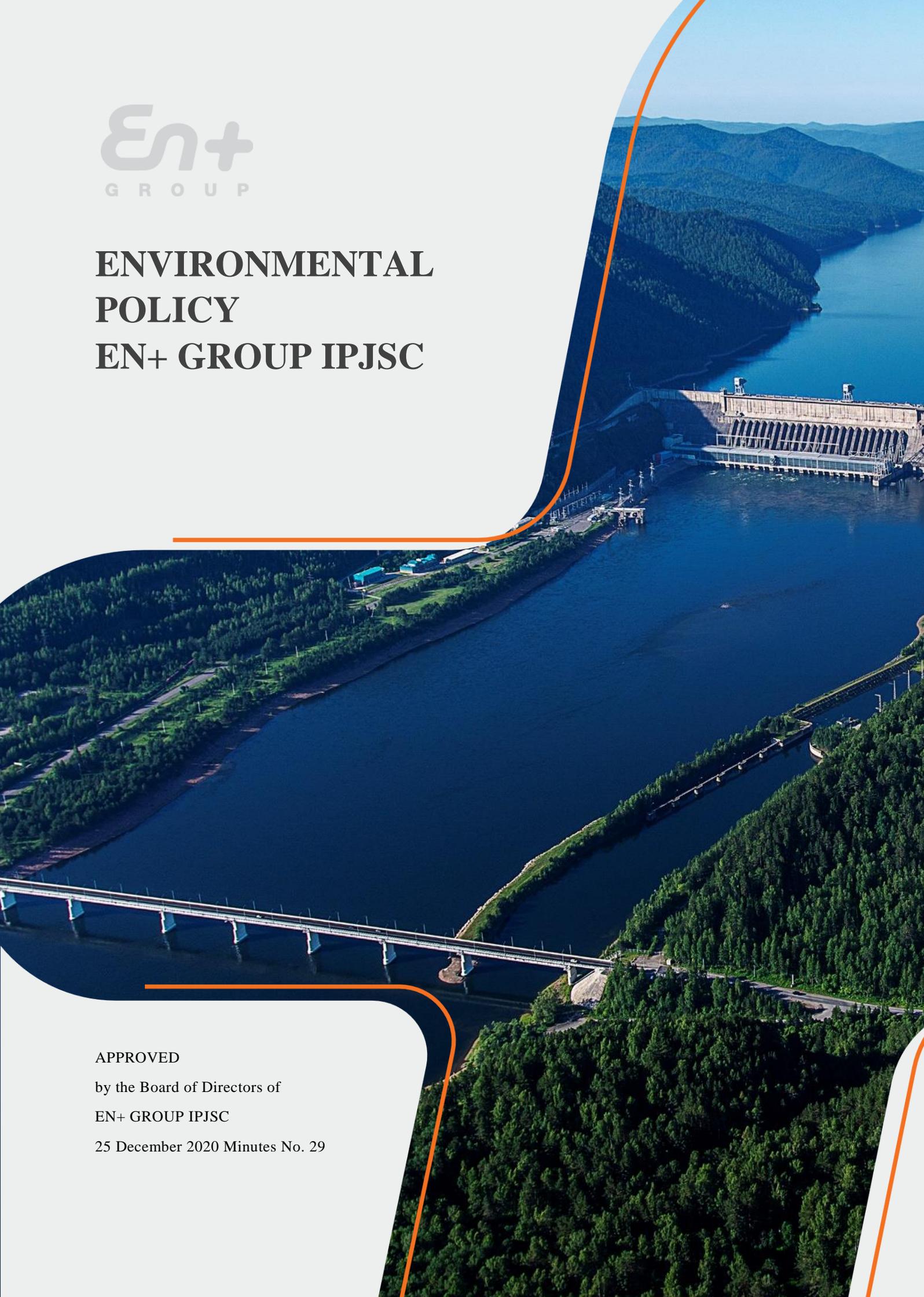
ENVIRONMENTAL POLICY EN+ GROUP IPJSC

APPROVED

by the Board of Directors of

EN+ GROUP IPJSC

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1. Objectives and Scope of the Policy

- 1.1 Care for the environment and its protection are an integral part of the IPJSC EN+ GROUP's (the "Company", and together with its subsidiaries other than UC RUSAL, IPJSC and its subsidiaries, the "Group") and the Group's activities. The Group's management recognizes its responsibility for mitigating the environmental impact on a local and global scale from all the main and auxiliary processes of production of electricity and thermal energy and from mining processes.
- 1.2 The Group's main strategic environmental and climate change mitigation goal is the continual reduction of environmental and climate impacts, as well as risks relating thereto, taking into consideration technical capabilities, socio-economic factors, and support of a number of important global international initiatives in the matters of environment and climate change, including the prevention of global temperature rise above 1.5 °C.
- 1.3 The Environmental Policy (hereinafter – the "Policy") is a set of principles in the field of environmental protection and climate, as well as directions for implementation of the Group's strategic initiatives in this area.
- 1.4 The Policy is intended to be applied by:
 - + all corporate governance bodies of the Company, including the Board of Directors and its committees, as well as the corporate governance bodies of other Group companies;
 - + all structural divisions of the Company and other Group companies.
- 1.5 The Group also expects independent, third-party manufacturers and suppliers to adhere to the principles of this Policy and encourages them to adopt a similar environmental policy throughout their businesses.

2. Environmental Protection and Climate Change Mitigation Principles of the Group

When making decisions in the field of environmental protection and climate change mitigation, the Group's employees and management at all levels is guided by the following principles:

- 2.1 *Risk Management, Proactive Approach*
 - + proactively identify, rank and regularly update the status of environmental risks, as well as identify and analyse all risks arising from emergencies and incidents;
 - + when making operational and strategic decisions related to the activities of the Group and its assets, be guided by the results of environmental risk assessments, and plan and take measures to eliminate or minimise their adverse impact on the environment and climate;
 - + improve the risks management system to ensure that the decision-making process focuses on preventing adverse environmental or climate impacts before they occur;
 - + improve the management system of corrective and preventive actions to avoid potential

negative environmental and climate impacts. If an impact has not been initially prevented, it is necessary to eliminate or minimise its consequences and prevent it from re-occurring.

2.2 *Requirements and Regulations Compliance:*

- + comply with the environmental protection and climate change mitigation requirements of the existing regulations of the Russian Federation;
- + monitor and ensure compliance with the best international environmental protection and climate change practices where that is practically and economically feasible;
- + when making management decisions, take into account new environmental protection and climate change regulatory requirements planned for introduction;
- + fulfil all voluntary commitments taken by the Group upon itself, including those arising from joining national and international initiatives, associations, coalitions, and other environmental and climate change organisations;
- + if the laws do not impose on the Group any environmental protection and climate change obligations, the Group is guided by considerations of minimising the impact on the environment and climate and applies internal standards that include the fundamental requirements of the Group for management of its environmental and climate risks, even in cases where the legislation does not directly prescribe it.

2.3 *Long-Term Environmental Protection and Climate Change Mitigation Objectives Setting*

- + establish long-term environmental protection and climate change strategic objectives and guarantee their implementation;
- + revise existing strategic goals only in case of the goals' achievement, lack of technologies necessary to achieve the goal, changes of external conditions and circumstances or to be more ambitious as technology, or resources permit or as an evolving understanding of the risks requires.

2.4 *Continuous Improvement*

- + continuously monitor the Group's performance in the field of environmental protection and mitigation of climate change;
- + continue to improve the efficiency and effectiveness of environmental protection and climate change mitigation practices;
- + develop and apply new best practices, approaches and processes in the field of environmental protection and climate change, where it is practically and economically feasible;
- + research, identify and apply advanced scientific achievements and innovative technical solutions when reducing environmental and climate change impacts of the Group.

2.5 *Experts' Support:*

- + engage the scientific and expert communities in formulation of supportive information and substantiations for environmental and climate change related decision-making;
- + make management decisions based on a comprehensive analysis and consideration of modern scientific approaches and advanced technical solutions, in order to minimise the negative environmental impact of the Group's production activities.

2.6 *Interaction and Openness*

- + actively cooperate and establish mutual understanding with all stakeholders, including local communities and non-governmental organisations on all of the Group's environmental protection and climate change initiatives;
- + provide objective information on the environmental protection and climate change mitigation activities of the Group to stakeholders in the manner and to the extent stipulated by law;
- + regularly disclose key environmental protection and climate change information of the Group, including emerging problems and their solutions, in accordance with regulatory requirements, voluntary commitments and international reporting standards.

2.7 *Employee and Management Involvement*

- + establish personal responsibility of heads and line managers of Group, operating companies and operating sites for environmental and climate change indicators by setting key performance indicators and associated compensation arrangements;
- + regularly train and actively involve the Group's employees in environmental protection and climate change mitigation activities, taking into account the extent to which their decisions and actions have a potential impact on the environment and climate change.

2.8 *Participation in Local and Global Initiatives*

- + participate in and support local and global environmental protection and climate change mitigation initiatives, working groups, business councils and organisations that deal with environmental protection and climate change mitigation issues;
- + evaluate joining new initiatives based on the Group's key strategic development direction in the field of global environmental protection and climate change mitigation, taking into consideration the specifics of the Group's production activities.

3. Areas of the Policy's Implementation

In order to ensure environmental protection and prevent climate change, the Group implements a number of short- and long-term programmes and strategies aimed at addressing the following tasks:

- + Minimise air pollutant emissions;
- + Reduce negative impact on climate through the reduction of direct and indirect greenhouse gas emissions, the increase of their absorption, and the increase in energy efficiency, in order to minimise the carbon footprint of products;
- + Minimise water consumption and contaminated wastewater discharge;
- + Increase the share of waste processing and recycling, as well as safe waste storage, accumulation and utilisation;
- + Use natural and energy resources more efficiently;
- + Decommission equipment with polychlorinated biphenyls and assure their safe disposal;
- + Restore disturbed lands taking into account technical possibilities, economic factors and terms of land rehabilitation works according to the design documentation;

- + Minimise adverse impacts on biodiversity and promote biodiversity conservation in the regions of the Group's production facilities presence;
- + Continual improvement of the Group's environmental management system;
- + Active participation and leadership in international, national and local environmental and climate change initiatives;
- + Enhance the level of knowledge and awareness of employees about their role in environmental protection and climate change;
- + Increase involvement of management and employees, as well as of suppliers and consumers in environmental protection and climate change mitigation.

4. General Director's Commitment

The General Director of the Company undertakes to adhere to this Policy and:

- + to require that the managers at all levels strictly comply with the principles and obligations stipulated herein and take decisions based on them;
- + to demonstrate his/her personal commitment to the objectives and principles set out herein;
- + to provide utmost support in implementing this Policy.