



## ENVIRONMENTAL POLICY

**ALROSA** is a state-owned mining company, global leader in the diamond-mining sector.

ALROSA operates in nine countries and ten regions across Russia.<sup>1</sup>

Exploration complex, ore mining and processing, technological transport and developed supporting infrastructure, all have an impact on the environment in varying degrees.

**ALROSA** is committed to protect the environment in the regions where it operates, but the Company also recognizes the importance of contributing on an international level to ensuring the health of the environment. ALROSA efforts on the protection of the environment are also intended to protect people from the harsh environment. ALROSA conducts constant environmental monitoring, controlling of its production assets climate impact, and evaluation of how ALROSA's production activities impact climate change.

ALROSA's obligations require strict compliance to legal standards and regulations, while also taking into account international standards and guidelines and the implementation of global best practices in renewable sources of energy, resource efficiency and "green" technologies.

**ALROSA's strategy** for environmental safety and mitigation of environmental impact covers all production stages, from exploration to ore mining and processing, technological transport, development of supporting infrastructure, manufacturing, and marketing.

**ALROSA's key principles** for promoting environmental sustainability:

- integrated water resources management;
- improved energy efficiency;
- upgraded infrastructure and production facilities that use the clean technologies available;
- responsible consumption and use of natural resources;
- active responses to climate changes;
- preservation and regeneration of biological resources and biodiversity;

- creation of corporate culture based on each employee personal involvement and personal responsibility for the environment;
- informational transparency and improved disclosure of the environmental information, better targeting and distribution through various information resources;
- interaction with government authorities, international and public organizations, the academic community, local communities, and other stakeholders;
- a systemic approach to environmental risk management, including immediate responses in case of risk events, at all stages - exploration, project development, construction, operation, and closure of the asset;
- continuous improvement of the environmental management system.

ALROSA's management regularly monitors and assesses adherence to the principles of this policy and the Company's success at meeting these environmental goals.

**Environmental protection practices at ALROSA** include:

- development of an effective industrial waste treatment system through the creation of a recycling system, including reuse of waste as a secondary energy resource, raw products, materials, and semi-finished products;
- construction and modernization of waste treatment facilities;
- reduction of water consumption and wastewater disposal using circulating water supply systems and a tailings dewatering system;
- expansion of units for water re-injection into aquifers, development of hydrogeological monitoring to search for highly permeable reservoir beds;
- implementation of design and engineering solutions aimed to reduce air pollution and greenhouse gas emissions into the atmosphere;
- carrying out activities to artificially recreate aquatic biological resources, wildlife protection areas, and reforestation;
- mitigation of the risk of technological accidents at production facilities through effective production and environmental control systems;
- development of a geographic information environmental monitoring system;
- intensification of fundamental and applied scientific research in environmental protection and management, including clean technologies and global best practices;
- development of an environmental education and awareness system, staff training in environmental safety;
- enhanced international cooperation in environmental protection and management, taking into account the protection of national interests;
- regular publication of environmental reports.

ALROSA expects its counterparties, suppliers, contractors, and business partners to comply with its environmental policy.

It is recommended that affiliates and controlled companies (collectively referred to as ALROSA) implement this environmental policy and its provisions.

<sup>1</sup>Adherence to the commitments and measures set forth in ALROSA's Environmental Policy is guaranteed by PJSC ALROSA.