

Open joint-stock company
«BYELORUSSIAN STEEL WORKS
— management company of
«Byelorussian metallurgical company» holding»

PROGRESS REPORT
on social
responsibility
and corporate
sustainability

2015

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OPEN JOINT-STOCK COMPANY
«BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF
«BYELORUSSIAN METALLURGICAL COMPANY» HOLDING»

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on social responsibility and
corporate sustainability for 2015

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Preface to the Report

THIS REPORT ON THE PLANT'S ACTIVITY IN THE AREA OF SUSTAINABLE DEVELOPMENT FOR 2015 (HEREINAFTER REFERRED TO AS «THE REPORT») PREPARED BY OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BELORUSSIAN METALLURGICAL COMPANY» HOLDING IS THE EIGHTH REPORT OF THE ENTERPRISE. MAINTAINING THE TRADITION OF SUSTAINABILITY REPORTING, THE ENTERPRISE CONFIRMS ITS READINESS FOR AN OPEN DIALOGUE WITH THE STAKEHOLDERS. BSW IMPLEMENTS THE OBLIGATIONS UNDERTAKEN AND FOLLOWS THE CHOSEN COURSE OF IMPROVEMENT AND REORGANIZATION IN ALL DIRECTIONS: MANAGEMENT OF SUSTAINABLE DEVELOPMENT, ECONOMIC ACTIVITY, WORK WITH THE STAFF IN THE AREA OF SOCIAL ACTIVITY OF THE ENTERPRISE IN THE REGION AND COOPERATION WITH SUPPLIERS AND CUSTOMERS, AND POLICY OF ENVIRONMENTAL AND INDUSTRIAL SAFETY.

THE REPORT DISCLOSES THE PLANT'S ACHIEVEMENTS IN THE AREA OF SUSTAINABLE DEVELOPMENT. ITS PRIORITY ISSUE IS BSW ACTIVITY DIRECTED TOWARDS PRODUCTION OF QUALITY GOODS, PROVISION OF SAFE AND ADEQUATE LABOUR CONDITIONS FOR THE EMPLOYEES, DECREASE OF THE ECOLOGICAL IMPACT AND PROMOTION OF HEALTHY WAY OF LIVING.

SCOPE OF THE REPORT

THE ENTERPRISE ADOPTED AN ANNUAL REPORT CYCLE. THIS RE[PORT REFLECTS THE RESULTS OF BSW ACTIVITY IN THE PERIOD FROM JANUARY 1, 2015 TILL DECEMBER 31, 2015 INCLUDING MAIN APPROACHES TO ACHIEVEMENT OF THE GOALS AND TASK FULFILLMENT AS WELL AS PLANS AND GOALS OF THE ORGANIZATION. ELECTRONIC VERSIONS OF THE REPORTS CAN BE FOUND ON OUR CORPORATE WEB-SITE BELSTEEL.COM. THE REPORT DOES NOT CONTAIN INFORMATION REGARDING JOINT-VENTURES AND THE ENTERPRISES LOCATED OUTSIDE THE REPUBLIC OF BELARUS.

ESSENTIAL CHANGES IN THE REPORT

THE KEY MEASURES REALIZED AND PERMITTING TO IMPROVE THE ENTERPRISE'S IMAGE WERE EVENTS MARKED WITH A «NOVELTY» SIGN IN THE REPORT.

NOVELTY

THIS REPORT CONTAINS ESSENTIAL CHANGES OF THE INFORMATION DISCLOSED IN THE PREVIOUS REPORTS OF THE PLANT. ECONOMIC INDICATORS

ARE GIVEN IN US DOLLARS CORRESPONDING TO THE AVERAGE ANNUAL RATE OF THE NATIONAL BANK OF THE REPUBLIC OF BELARUS EXISTING IN 2015 EQUALED TO Br15 864,62.

THE REPORT IS PREPARED IN CONFORMITY WITH THE GENERAL VERSION OF REPORTING ACCORDING TO GRI G4 GUIDANCE.

CONTENT AND SIGNIFICANCE OF THE REPORT

TAKING INTO CONSIDERATION THE APPROACH RECOMMENDED BY GRI G4, THE PROCESS OF DETERMINATION OF THE REPORT CONTENT WAS CARRIED OUT IN COMPLIANCE WITH THE PRINCIPLES OF SIGNIFICANCE, COVERAGE OF THE STAKEHOLDERS, DEVELOPMENT SUSTAINABILITY CONTEXT AND COMPLETENESS OF THE INFORMATION DISCLOSURE. TO DETERMINE THE REPORT CONTEXT AND TO FORM ITS CONTENT, THE ENTERPRISE CARRIED OUT ASSESSMENT OF IMPORTANT TOPICS IN CORRESPONDENCE WITH THE REQUIREMENTS OF GRI GUIDELINES. TOPICS AND QUESTIONS DISCLOSED IN THE REPORT ARE CONSIDERED SIGNIFICANT IN TERMS OF THEIR INFLUENCE UPON BSW ACTIVITY AND INTERESTS OF THE KEY STAKEHOLDERS: CUSTOMERS, SUPPLIERS, EMPLOYEES, AUTHORITIES AND LOCAL COMMUNITIES. SPECIAL ATTENTION IS PAID TO DEVELOPMENT OF THE PROJECTS OF THE NATIONAL AND REGIONAL LEVEL IN THE REPORT; COMPLEX INFORMATION ABOUT IMPLEMENTED INITIATIVES AIMED AT IMPROVEMENT OF ECOLOGICAL EFFICIENCY OF THE PRODUCTION IS PRESENTED, LABOUR PROTECTION AND INDUSTRIAL SAFETY ISSUES ARE DISCLOSED IN DETAIL AS WELL AS PERSONNEL AND SOCIAL POLICY AND INTERACTION WITH LOCAL COMMUNITIES AND SUPPLIERS OF THE PLANT.

SO AS TO MAINTAIN A CONSTRUCTIVE DIALOGUE WITH ALL INTERESTED PARTIES, THE PLANT VALUES EVERY OPINION ABOUT ITS ACTIVITY IN THE AREA OF SUSTAINABLE DEVELOPMENT. THAT IS WHY CONTACT INFORMATION AND A FEEDBACK FORM ARE GIVEN IN THE REPORT.

YOUR OPINIONS AND PROPOSALS REGARDING THE FORM AND CONTENT OF THE REPORT AS WELL AS QUESTIONS MAY BE SENT TO: SECR.DPIR@BMZ.GOMEL.BY OR TO THE POSTAL ADDRESS: OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BELORUSSIAN METALLURGICAL COMPANY» HOLDING (OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING), 37 PROMYSHLENNAYA STR., ZHLOBIN, GOMEL REGION, 247210, REPUBLIC OF BELARUS.

IN THE REPORTING YEAR THE ENTERPRISE STARTED TO USE GRI, VERSION G4 TO REPORT ON SUSTAINABLE DEVELOPMENT.

General Director' message



DEAR FRIENDS!

I'M GLAD TO ACQUAINT YOU WITH THE REPORT OF OJSC «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF THE «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING IN THE AREA OF SUSTAINABLE DEVELOPMENT FOR 2015. THIS DOCUMENT CONTAINS INFORMATION ABOUT ALL DIRECTIONS OF THE ENTERPRISE'S ACTIVITY IN THE REPORTING PERIOD AND THE OUTLOOK OF ITS DEVELOPMENT.

THE YEAR 2015 UNLIKE ANY OTHER PERIOD PUT BSW TEAM FOR TEST. DROP OF STEEL PRICES AND OTHER EXTERNAL ECONOMIC FACTORS MADE SERIOUS CORRECTIONS OF THE USUAL RHYTHM OF THE ENTERPRISE'S OPERATION. OCCURRING DIFFICULTIES MADE US SEARCH FOR EXTRA RESERVES FOR PLANT'S OPERATION EFFICIENCY GROWTH, DECREASE OF ITS PRODUCT COST. OPERATIVE MEASURES TAKEN BY THE PLANT MADE IT POSSIBLE FOR US TO ACHIEVE A VERY SIGNIFICANT GOAL: WITHSTAND AND RETAIN OUR PRESENCE ON GLOBAL MARKETS. THIS IS ONE OF THE MOST IMPORTANT VICTORIES OF OUR TEAM IN 2015. THUS, DURING 12 MONTHS OF 2015 THE ENTERPRISE DELIVERED ITS PRODUCTS TO 56 COUNTRIES INCLUDING BELARUS. THIS

RESULT WAS ACHIEVED DUE TO THE PROFESSIONALISM, DILIGENCE AND UNDERSTANDING OF THE SITUATION BY OUR SPECIALISTS.

TAKING INTO CONSIDERATION CHANGING CONDITIONS, WE CONTINUED TO FOLLOW THE ESTABLISHED CONCEPT OF THE PLANT'S DEVELOPMENT DIRECTED TOWARDS STRENGTHENING OF OUR TECHNICAL POTENTIAL AND INCREASE OF ITS OPERATION EFFECTIVENESS. THE MAIN ACHIEVEMENT OF BYELORUSSIAN STEEL WORKS IS A FORMAL COMMISSIONING OF SECTION PRODUCING SHOP No. 2. THIS IS ONE OF THE LARGE-SCALE INVESTMENT PROJECTS IMPLEMENTED BY OUR PLANT IN ITS HISTORY. ITS SIGNIFICANCE FOR BELARUSIAN ECONOMY WAS UNDERLINED BY THE VISIT OF PRESIDENT ALEXANDER LUKASHENKO WHO PARTICIPATED IN THE SOLEMN CEREMONY OF THE PLANT STARTUP. THIS PROJECT, IMPRESSIVE DUE TO ITS SCALE AND THE LEVEL OF THE TECHNOLOGIES USED, REPRESENTS HIGH EXPECTATIONS AND PROSPECTS OF THE PLANT CONFIRMED BY SUCCESSFUL CUSTOMER AUDITS HELD AND CONTRACTS SIGNED. THE NEW SHOP ALLOWS BSW TO INCREASE ITS PRESENCE ON TRADITIONAL STEEL MARKETS AND OCCUPY NEW NICHES THANKS TO MANUFACTURE OF NEW TYPES OF PRODUCTS. THIS DOCUMENT REFLECTS INFORMATION ABOUT ALL DIRECTIONS OF THE ENTERPRISE'S ACTIVITY.

SPEAKING ABOUT MODERNIZATION, IT IS NECESSARY TO UNDERLINE THAT IT WAS DIRECTED NOT ONLY TOWARDS GROWTH OF VOLUMES OF THE PRODUCT OUTPUT AND EXPANSION OF ITS RANGE BUT TO IMPROVEMENT OF EMPLOYEES WORKING CONDITIONS AND MINIMIZATION OF THE NEGATIVE IMPACT ON THE ENVIRONMENT. GROSS EMISSION OF CONTAMINANTS IN THE AIR IN 2015 THAT FELL BY 12% AS COMPARED TO 2014 SERVES THE BEST EVIDENCE OF THE ABOVE STATEMENT. IT BECAME POSSIBLE DUE TO INSTALLATION OF BAG FILTERS MADE OF SPARK-PROOF CLOTH ON GAS CLEANING PLANTS OF THE ELECTRIC-ARC FURNACES (MAIN SOURCES OF EMISSIONS) ENSURING STABLE AND SUSTAINABLE OPERATION OF ENVIRONMENT CONSERVATIVE EQUIPMENT. A CONSIDERABLE CONTRIBUTION TO THE ENVIRONMENTAL ACTIVITY OF BSW IS MADE BY THE USE OF RECLAIMED WATER AND PRODUCTION WASTE HANDLING AS WELL AS IMPROVEMENT OF THE ECOLOGICAL CULTURE OF THE EMPLOYEES. WE REALIZE THAT OUR PRODUCTION IS CONNECTED WITH A NEGATIVE ENVIRONMENTAL IMPACT OF THE REGION OF OPERATION AND PURPOSEFULLY CONTINUE IMPROVEMENT OF OUR PRODUCTION PROCESS SO AS TO



DECREASE ITS INFLUENCE ON THE ENVIRONMENT OF OUR NATIVE LAND TO THE MINIMUM LEVEL.

THE YEAR 2015 WAS ANNOUNCED A YEAR OF YOUTH IN BELARUS. IT IS SYMBOLIC THAT AN UNPRECEDENTED NUMBER OF YOUNG EMPLOYEES WERE HIRED BY THE PLANT THIS YEAR: 338 INITIATIVE YOUNG PEOPLE JOINED OUR PLANT TEAM. THESE ARE SPECIALISTS WHO WILL BUILD OUR PLANT'S FUTURE DUE TO THEIR UP-TO-DATE KNOWLEDGE AND BASED ON TRADITIONS LAID DOWN BY OUR VETERANS. THAT IS WHY THE PERSONNEL POLICY OF THE PLANT SUPPOSES A COMPREHENSIVE SUPPORT OF YOUNG EMPLOYEES: THE PLANT PROVIDES CONDITIONS FOR THE DEVELOPMENT OF THEIR PROFESSIONAL AND PERSONAL QUALITIES. WE DO OUR BEST TO MAKE OUR PLANT NOT ONLY THEIR FIRST WORK PLACE, BUT MAKE IT BECAME AN ORGANIZATION WHERE THEY CAN OBTAIN QUICK PROMOTION. THIS IS THE ONLY WAY TO PROVIDE FOR SUCCESSION OF WORKING GENERATIONS, TRANSITION OF EXPERIENCE AND BRINGING UP OF THE STAFF REQUIRED FOR BSW EFFECTIVE OPERATION

AND CORRESPONDENCE TO THE HIGHEST RESPONSIBILITY TO ITS PARTNERS, EMPLOYEES AND THE STATE.

WE ARRANGE OUR WORK SO AS NOT SIMPLY TO PRODUCE MORE TONS OF STEEL AND EFFECTIVELY SELL THEM TO OUR CUSTOMERS BUT TO CREATE ADEQUATE LABOUR CONDITIONS AND ENSURE A DECENT LEVEL OF LIVING OF OUR EMPLOYEES, ACTIVELY PARTICIPATE IN THE DEVELOPMENT OF THE REGION OF OPERATION AND STRENGTHENING OF BELARUSIAN ECONOMY. I HOPE THAT OUR REPORT ON THE PLANT'S ACTIVITY IN THE AREA OF SUSTAINABLE DEVELOPMENT FOR 2015 WILL SERVE YOU AS A CONFIRMATION OF THE ABOVE.

BEST REGARDS,
A.N. SAVIANOK,
GENERAL DIRECTOR

Plant's Profile

BYELORUSSIAN STEEL WORKS IS THE LARGEST ENTERPRISE NOT ONLY IN THE REPUBLIC OF BELARUS, BUT ALSO IN EUROPE, AND IS A BASIC ENTERPRISE FOR THE NATIONAL STEELMAKING. IT HAS BEEN AMONG COMPETENT STEELMAKERS FOR ALMOST THREE DECADES ALREADY.

ADHERENCE TO THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT AND IMPLEMENTATION OF THE STRATEGY FOCUSED ON CUSTOMERS HELPS THE ENTERPRISE TO DISCLOSE NEW POSSIBILITIES AND PROSPECTS FOR FURTHER DEVELOPMENT IN THE CONDITIONS OF THE UNSTABLE ECONOMIC SITUATION.

GENERAL INFORMATION

IN TERMS OF MARKETABLE PRODUCTS, BSW IS AMONG FIVE LARGEST ENTERPRISES OF THE COUNTRY.

THE CONTRACT FOR THE DESIGN AND ERECTION OF THE PLANT AND ALL REQUIRED INFRASTRUCTURE WAS SIGNED ON MARCH 19, 1982 BY AUSTRIAN COMPANY VOEST-ALPINE AG AND ITALIAN DANIELI. PROJECT DEVELOPMENT, SUPPLY OF EQUIPMENT AND DEVELOPMENT OF TECHNOLOGY WAS FULFILLED WITH PARTICIPATION OF 30 COMPANIES FROM GERMANY, ITALY, SWEDEN, HUNGARY AND OTHER COUNTRIES WITH CONSIDERATION OF THE LATEST GLOBAL ACHIEVEMENTS OF SCIENCE AND TECHNOLOGY. OCTOBER 15, 1984 IS CONSIDERED THE BIRTHDAY OF THE PLANT.

245

BSW
AREA (HA)

AT THE END OF AUGUST 2012 OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS» WAS RENAMED IN OPEN JOINT-STOCK COMPANY BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BYELORUSSIAN METALLURGICAL COMPANY HOLDING (HEREINAFTER BSW) WHICH REFERS TO THE CLASS OF MINI-PLANTS. BSW IS A COMPACT ENTERPRISE IN TERMS OF ITS TERRITORY LOCATED ON ONE INDUSTRIAL SITE (245,0165 HA) IN THE TOWN OF ZHLOBIN WITH THE POPULATION 75 956 PEOPLE (AS OF DECEMBER 31, 2015) IN 220 KM FROM MINSK, THE CAPITAL OF THE REPUBLIC OF BELARUS.

LEGAL ADDRESS OF THE PLANT (MAILING ADDRESS), HEAD-QUARTERS ADDRESS: 37 PROMYSHLENNAYA STR., ZHLOBIN, GOMEL REGION, 247197, REPUBLIC OF BELARUS.

100% BSW SHARES BELONG TO THE STATE, NAMELY TO

THE MINISTRY OF INDUSTRY (MINPROM) OF THE REPUBLIC OF BELARUS WHICH DETERMINES A SET OF ANNUAL TARGETS, OBLIGATORY INDIVIDUAL DECISIONS, COORDINATES STRATEGY OF THE PLANT'S DEVELOPMENT AND INVESTMENT PROJECTS. THE PLANT DETERMINES STRATEGIC DIRECTIONS OF DEVELOPMENT AND APPROACHES FOR ACHIEVEMENT OF THE TARGETS SET, MAKES DECISIONS OF OPERATIVE NATURE, FORM FINANCIAL BUDGET ON ITS OWN.

DESCRIPTION OF THE KEY STRUCTURAL SUBDIVISIONS

THE WHOLE PRODUCTION IS CARRIED OUT ON A SINGLE PRODUCTION SITE IN THE REPUBLIC OF BELARUS THAT ALLOWS THE PLANT TO SAVE DUE TO THE SCALE AND MANUFACTURE PRODUCTS WITH LOW EXPENSES. A WIDE SET OF PRODUCTION FACILITIES MAKES IT POSSIBLE TO FLEXIBLY FORM PRODUCTION STREAMS CONSIDERING MARKET CONDITIONS AND MAINTAIN STABLE SALES VOLUMES DURING A LONG PERIOD OF TIME.

FROM THE STRUCTURAL POINT OF VIEW, THE PLAN CONSISTS OF TWO MAIN PRODUCTIONS -METALLURGICAL (STEELMAKING AND ROLLING) AND HARDWARE PRODUCTION, INFRASTRUCTURAL SHOPS AND DIVISIONS CONTROLLING VITAL ACTIVITY OF THE ENTERPRISE. STEELMAKING INCLUDES A SCRAP YARD, TWO ELECTRIC MELT SHOPS, AND A TECHNOLOGICAL TRANSPORT SHOP. THE ROLLING PRODUCTION CONSISTS OF ROLLING SHOP No.1 INCLUDING THREE ROLLING MILLS PRODUCING DIFFERENT SECTIONS, SECTION ROLLING SHOP No.2 AND A PIPE MILL. A SOLEMN CEREMONY OF COMMISSIONING OF ROLLING SHOP No.2 TOOK PLACE AT BSW ON 25.09.2015. PRESIDENT ALEXANDER LUKASHENKO TOOK PART IN IT. HARDWARE PRODUCTION INCLUDES THREE STEEL WIRE SHOPS AND A TARE AND DIE SHOP. CONFIGURATION OF THE PLANT INFRASTRUCTURE IS REPRESENTED BY SHOPS REPAIRING STEELMAKING, POWER AND MECHANICAL EQUIPMENT, SHOPS PROVIDING THE PRODUCTION PROCESS WITH MEDIA AND ELECTRIC POWER AND OTHER DIVISIONS. PLANT PRODUCTION CATALOGUE INCLUDES: CONCAST AND HOT-ROLLED BILLET, SHAPED ROLLED PRODUCTS, ROLLED SECTIONS, REINFORCING MATERIAL FOR CONCRETE STRUCTURES, PIPE BILLET, WIRE ROD, TIRE CORD, HOT-DEFORMED SEAMLESS PIPE, STEEL ANCHOR AND WAVY FIBER, MICROFIBER AND STEEL WIRE FOR VARIOUS APPLICATIONS.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC»



11 944

TOTAL NUMBER OF BSW EMPLOYEES

HOLDING IS A HIGHLY TECHNOLOGICAL STEELMAKING FACILITY WITH A COMPLETE PRODUCTION CYCLE. TOTAL PRODUCTION IS CARRIED OUT ON A SINGLE PRODUCTION SITE IN THE REPUBLIC OF BELARUS WHICH ALLOWS SAVING DUE TO THE SCALE OF PRODUCTION AND MANUFACTURE PRODUCTS WITH LOW EXPENSES. A LARGE SET OF PRODUCTION FACILITIES MAKES IT POSSIBLE TO FORM FLEXIBLE PRODUCTION FLOWS TAKING INTO CONSIDERATION MARKET CONDITIONS AND MAINTAIN STABLE AMOUNT OF SALES DURING A LONG PERIOD OF TIME.

«BYELORUSSIAN METALLURGICAL COMPANY» HOLDING

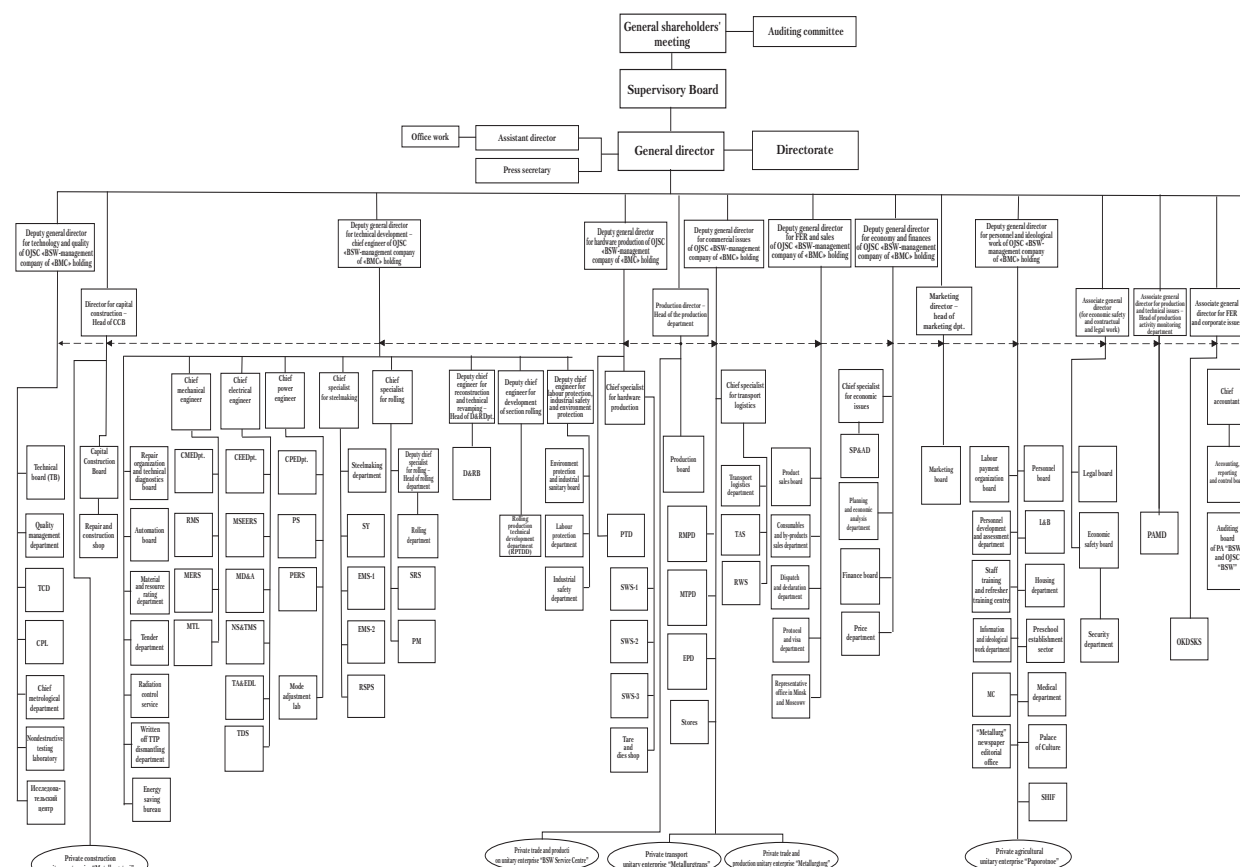
MINPROM DETERMINES BSW AS THE PARENT COMPANY OF «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING. THE HOLDING COMPRISES 22 ENTERPRISES (STEEL-MAKING, ENGINEERING, AGRICULTURAL PRODUCTIONS, ETC.). TOTAL NUMBER OF EMPLOYEES IS OVER 24 000 PEOPLE. MAIN AIMS OF ITS ESTABLISHMENT ARE: USE OF BSW POSSIBILITIES FOR DEVELOPMENT OF LAGGING ENTERPRISES INCLUDED IN THE HOLDING, FORMATION

OF A COMPETITIVE INNOVATIVE

PRODUCTION, STRENGTHENING OF FINANCIAL AND ECONOMIC CONDITION, IMPROVEMENT OF MANAGEMENT STRUCTURE OF THE ENTERPRISES IN THE HOLDING, REDUCTION OF NON-PRODUCTION EXPENDITURES, MODERNIZATION AND TECHNICAL REVAMPING OF THE EXISTING PRODUCTIONS OF THE HOLDING (INVESTMENT VOLUME: APPROXIMATELY \$3330 MILLION DURING 2012-2020), GROWTH OF EXPORT POTENTIAL AND INCREASE OF ASSET CAPITALIZATION.

ORGANIZATIONAL STRUCTURE OF MANAGEMENT

THE ORGANIZATIONAL STRUCTURE IS BASED ON A HIERARCHICAL PRINCIPLE. THE PLANT IS HEADED BY THE GENERAL DIRECTOR WHO ACTS IN ACCORDANCE WITH THE NATIONAL LAW AND ARTICLES OF ASSOCIATION OF THE ORGANIZATION, DETERMINES POLICY AND OBJECTIVES, DISTRIBUTES RESPONSIBILITIES AND AUTHORITY AMONG THE HEADS OF THE PLANT DIVISIONS. AS OF DECEMBER 31, 2015 TOTAL NUMBER OF EMPLOYEES EQUALED TO 11 944 PEOPLE.



Plant's Profile



GEOGRAPHY AND ACTIVITY SCALE

IN 2015 MAIN EXPORT REGIONS WERE EUROPEAN MARKETS AND RUSSIAN MARKETS. 77,3% OF THE TOTAL EXPORTS FALL ON THESE REGIONS. DURING 12 MONTHS OF 2015 OUR PRODUCTS WERE DELIVERED TO 56 COUNTRIES,

56

NUMBER OF COUNTRIES
EXPORTING BSW
PRODUCTS IN 2015

BELARUS INCLUDED. DURING THE WHOLE PERIOD OF OPERATION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING, IT HAS SUPPLIED PRODUCTS TO 117 COUNTRIES. GROWTH RATE IN NATURAL TERMS MADE UP 104,1%, AND 76,4% IN VALUE TERMS.

DUE TO COMMISSIONING OF A NEW SMALL-SECTION MILL (SECTION ROLLING SHOP No.2) A PLANNED REDUCTION OF SALES OF SUCH SEMIS AS CAST BILLET/BLOOM TAKES PLACE AT BSW WITH SUBSEQUENT EXPANSION OF THE ROLLED PRODUCT RANGE. THE LARGEST IMPORTING COUNTRIES IN 2015 WERE: RUSSIA, GERMANY, POLAND, EGYPT, LITHUANIA, TURKEY, LATVIA, THE USA, THE NETHERLANDS, AND ITALY. AT PRESENT, AN ACTIVE WORK DIRECTED TO MAINTAINING AND GROWTH OF PRESENCE OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ON THE EXISTING OUTLETS IS CARRIED OUT AS WELL AS SEARCH FOR NEW ECONOMICALLY PROFITABLE REGIONS.

DETAILED SUPPLY DISTRIBUTION IN 2015

EUROPEAN MARKET. IN 2015 MAIN EXPORT SHARE OF BSW STEEL BELONGED TO THE EUROPEAN MARKET. THE PLANT SUPPLIED ITS PRODUCTS TO 31 COUNTRIES OF THIS MARKET (29 COUNTRIES IN 2014). THE MAIN VOL-

UME OF SUPPLIES (71,9%) FALLS ON SUCH COUNTRIES AS GERMANY, POLAND, LITHUANIA, LATVIA, ITALY, AND THE NETHERLANDS; THEIR SHARE IN VALUE TERMS EQUALED TO 59,8%. GROWTH RATE OF STEEL SUPPLIES IN NATURAL TERMS WAS 154,9%, IN VALUE TERMS – 103,7%. IRELAND APPEARED IN THE LIST OF EUROPEAN SUPPLIES (SUPPLIES OF REBAR), BUT THE MARKET OF CYPRUS DISAPPEARED FROM THE LIST (IN 2014 2660 TONS OF REINFORCING BARS WERE SUPPLIED THERE). BESIDES, SUPPLIES OF SOME ROLLED METAL WERE RESTORED (AFTER A THREE-YEAR BREAK) TO A NUMBER OF EUROPEAN COUNTRIES: BOSNIA AND HERZEGOVINA (PIPE), HUNGARY (REBAR, WIRE ROD, FIBER), GREAT BRITAIN (REBAR), GERMANY (REBAR), SPAIN (ROUNDS) LATVIA (WIRE ROD), THE NETHERLANDS (REBAR), POLAND (WIRE ROD), SLOVAKIA (STEEL WIRE), FINLAND (BBW), SWITZERLAND (ROUNDS).

INCREASE OF THE EUROPEAN MARKET IN VALUE TERMS BY 15,8 % IS CAUSED BY TWO MAIN REASONS:

- REORIENTATION OF SALES OF REINFORCING MATERIAL FROM THE MARKET OF RUSSIAN FEDERATION TO THIS MARKET
- COMMISSIONING OF A NEW SMALL-SECTION WIRE MILL WHICH MAIN PRODUCT MARKET IS THE EUROPEAN REGION (GROWTH OF WIRE ROD AND ROUND COILS SALES).

CIS MARKET, INCLUDING THE REPUBLIC OF BELARUS. THE MARKET OF CIS COUNTRIES IS THE SECOND IN SIZE MARKET FROM THE POINT OF VIEW OF SALES OF PRODUCTS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. THE KEY ROLE AMONG CIS COUNTRIES IS PLAYED BY THE MARKET OF THE RUSSIAN FED-

DESTINATION	2015	RATING	2014	RATING
EUROPE	59,8	1	44,0	1
MIDDLE EAST	7,9	4	10,3	3
AFRICA	9,9	3	10,0	4
SOUTH-EAST ASIA	0,2	7	0,4	8
AMERICA	4,1	5	4,9	5
RUSSIAN FEDERATION	17,5	2	26,9	2
UKRAINE	0,6	6	2,2	6
MOLDOVA, ARMENIA	0,1	8	1,3	7

Table: Shipment of products for export, USD thou., %

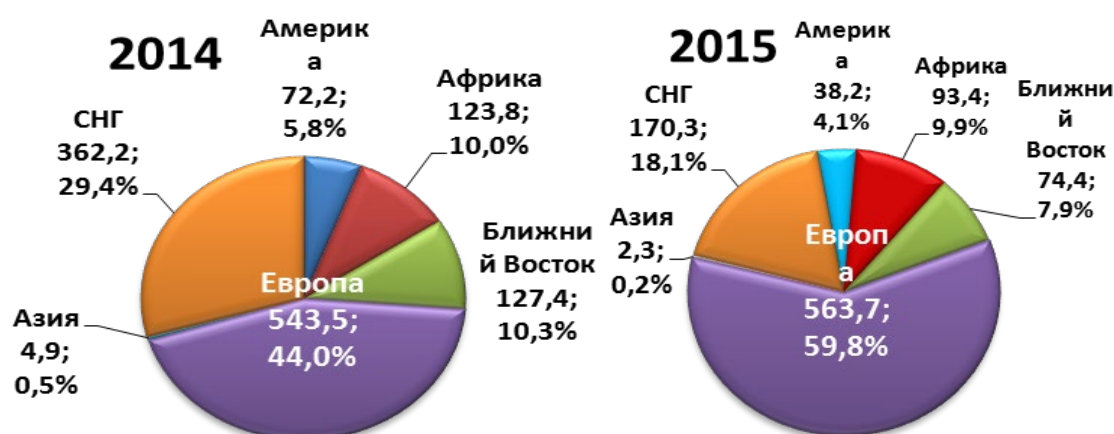


ERATION. THE ENTERPRISE SUPPLIES THE ENTIRE RANGE OF ITS PRODUCTS TO THIS MARKET. TOTALLY, SUPPLIES WERE PERFORMED TO 4 COUNTRIES OF THIS REGION (IN 2014 - 5 COUNTRIES): THE RUSSIAN FEDERATION, ARMENIA, THE UKRAINE, AND TAJIKISTAN. EXPORT TO THE RUSSIAN FEDERATION MAKES UP 96,7% OF THE TOTAL EXPORT TO CIS.

DOMESTIC MARKET IN THE RB IS ONE OF THE LARGEST MARKETS IN TERMS OF VOLUME OF BSW PRODUCT SALES. IT IS ASSESSED THAT BSW OCCUPIES 100% OF THE DOMESTIC MARKET SALES OF STEEL CORD AND BRONZE-PLATED BEAD WIRE, 84% — OF WIRE ROD SALES, 39% — OF REBAR SALES, 25% — OF ROUNDS FROM MILL 850 AND 6% — OF SEAMLESS PIPES.

AMOUNT OF PRODUCT - 83,1% - WAS SHIPPED TO EGYPT. IN 2015 THIS MARKET WAS THE MAIN ONE IN TERMS OF SALES OF SEMIS. EXPORT SHARE EQUALED TO 9,9 %; IN 2014 IT WAS 10,1%. DECREASE OF THE SHARE OF THE AFRICAN MARKET IN THE TOTAL EXPORT AMOUNT IS RELATED TO ITS CHANGED STRUCTURE. THE STRATEGY OF SALES OF THE PRODUCTS OF THE NEW SMALL SECTION MILL IS DIRECTED FIRST OF ALL TOWARDS REORIENTATION OF SALES FROM THE SEMIS MARKET IN THE MIDDLE EAST AND NORTH AFRICA TO MORE EXPENSIVE MARKETS OF HIGH-TECH METALLURGICAL PRODUCTS OF THE EUROPEAN UNION WITH A HIGH SHARE OF ADDED VALUE.

MARKET OF MIDDLE EAST ASIA. THE ENTERPRISE SUPPLIED ITS PRODUCTS TO 6 COUNTRIES OF MIDDLE



География экспорта и доли крупнейших стран – импортеров продукции за 12 мес. 2014-2015 гг., в стоимостном выражении, %

MIDDLE EAST AND AFRICAN MARKET. THE ENTERPRISE SUPPLIED ITS PRODUCTS TO 4 COUNTRIES OF THE MARKET (IN 2014 - 6 COUNTRIES): TURKEY, JORDAN, SYRIA, AND ISRAEL. THE MAIN AMOUNT - 86,7% - WAS SHIPPED TO TURKEY. THE EXPORT SHARE OF THE MIDDLE EAST COUNTRIES MADE UP 7,9 %; IN 2014 IT WAS 10,3%.

DROP OF THE SALES MARKET IN THE MIDDLE EAST BY 2,4 % WAS CAUSED BY AN AGGRAVATION OF COMPETITION WITH CHINESE PRODUCERS WHICH LEAD TO A SHARP DECREASE OF THE REGIONAL PRICES.

THE ORGANIZATION SUPPLIED ITS PRODUCTS TO 5 AFRICAN COUNTRIES (IN 2014 - 9 COUNTRIES): GHANA, EGYPT, TUNISIA, SENEGAL, AND MOROCCO. THE MAIN

EAST ASIA (IN 2014 - 5 COUNTRIES): VIETNAM, INDIA, JAPAN, SINGAPORE, THAILAND, AND KOREA.

AMERICAN MARKET. DROP OF OIL PRICES LEAD TO DECREASE OF OIL PRODUCTION IN THE USA AND PIPE ORDER IN Q4 2015 FROM AMERICAN OIL PRODUCERS. THE PLANT SUPPLIED STEEL PRODUCTS TO 5 COUNTRIES (IN 2014 - 3 COUNTRIES): ECUADOR, MEXICO, THE USA, BRAZIL, AND COLUMBIA. THE MAIN PRODUCTS SUPPLIED TO THIS MARKET ARE SEAMLESS PIPES AND STEEL CORD. THE EXPORT SHARE IS INSIGNIFICANT AND IT MADE UP ONLY 4,1% IN VALUE TERMS IN 2015. THE MAIN OUTLET IN THIS MARKET IN 2015 WERE THE USA WITH 93,2% OF THE AMERICAN MARKET AND 6,8% ARE MADE UP BY SOUTH AMERICAN COUNTRIES: COLUMBIA, ECUADOR AND MEXICO. IN 2015, GROWTH RATE OF SHIPMENTS



Plant's Profile



TO AMERICAN COUNTRIES EQUALED TO 76,0%, WHICH CONDITIONED BY A CONSIDERABLE (ALMOST 3 TIMES) DECREASE OF SEAMLESS PIPE SUPPLIES TO THE USA. BUT, THERE WERE DIVERSIFIED SUPPLIES OF WIRE ROD TO THE US MARKET (IN 2015 THERE VOLUME WAS A LITTLE HIGHER THAN 26 187 THOUSAND TONS). THERE IS ONE MORE NEW COUNTRY IN THE EXPORT GEOGRAPHY: COLUMBIA. THE PLANT SUPPLIED 1 033 TONS OF SEAMLESS PIPES THERE.

COMPETITIVE ADVANTAGES OF OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING»:

- A STRONG POSITION ON GLOBAL STEEL MARKETS;
- A COMPLETE METALLURGICAL CYCLE AIMING AT PRODUCTION OF GOODS WITH THE HIGHEST ADDED VALUE;
- COOPERATION WITH THE LARGEST TIRE PRODUCING CONCERNS;
- DIVERSIFIED COMMODITY DISTRIBUTION NETWORK WORLDWIDE;
- OWN TRAINING CENTRE;
- INNOVATIVE ACTIVITY,
- INVESTMENT IN RESEARCH AND DEVELOPMENT ACTIVITY;
- OWN METALLURGICAL RESEARCH CENTRE;
- THE ENTERPRISE IS ONE OF THE TEN GLOBAL TIRE CORD PRODUCERS;
- LEADER IN HOSE WIRE PRODUCTION;
- THE LARGEST EUROPEAN PRODUCER OF BEAD WIRE, A MONOPOLIST IN THE CIS MARKET;
- FAVORABLE GEOGRAPHIC POSITION OF THE PLANT;
- EMPLOYEES' PROFESSIONALISM;
- HIGH COMPETITIVENESS OF PRODUCTS;
- TIMELY INVESTMENT PROGRAM;
- HIGH REPUTATION AMONG CUSTOMERS DUE TO PRODUCT QUALITY LEVEL.

BUSINESS APPROACH

AT PRESENT, THE MACROECONOMY OF BELARUS GOES

THROUGH DIFFICULT TIMES, INTEGRITY OF STRATEGY, ITS REALIZATION EFFICIENCY AND UNITY OF THE TEAM PLAY A VERY IMPORTANT ROLE IN THE PLANT'S ACHIEVEMENT OF POSITIVE RESULTS OF ITS ACTIVITY AND BUSINESS GROWTH. SO AS TO DETERMINE BOTTLENECKS AND TO OVERCOME THEM, THE PLANT CARRIES OUT REGULAR ASSESSMENT OF ITS ACTIVITY AND EFFECTIVENESS OF ACHIEVEMENT OF FINANCIAL AND NON-FINANCIAL TARGETS.

VALUES AND STRATEGIC PRINCIPLES OF THE ENTERPRISE

OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING IS A STABLY DEVELOPING AND CONTINUOUSLY RENEWING ORGANIZATION CONSIDERING CHANGES, TENDENCIES AND RISKS OF THE EXTERNAL ENVIRONMENT.

MISSION — PRODUCTION OF HIGH-TECH STEEL PRODUCTS (INCLUDING PRODUCTS FOR AUTOMOTIVE INDUSTRY) TO IMPROVE PRODUCTIVITY OF THE ENTERPRISE TAKING INTO CONSIDERATION ENVIRONMENT AND EMPLOYEES' HEALTH SAFETY, PROVISION OF A HIGH LIVING LEVEL OF THE STAFF AND STAKEHOLDERS SATISFACTION.

VISION — BE THE BEST SUPPLIER OF STEEL PRODUCTS (INCLUDING PRODUCTS FOR AUTOMOTIVE INDUSTRY) MEETING REQUIREMENTS OF NATIONAL AND FOREIGN CUSTOMERS ON ALL DEVELOPED SEGMENTS OF THE STEEL MARKET DUE TO USE OF UP-TO-DATE AND ENVIRONMENT-FRIENDLY SAFE TECHNOLOGIES, EFFECTIVE USE OF RESOURCES AND OPTIMAL ORGANIZATION OF PRODUCTION PROCESSES AND MANAGEMENT.

VALUES — EMPLOYEES; ENVIRONMENT, NATURAL AND OTHER TYPES OF RESOURCES; PARTNERS, QUALITY, KNOWLEDGE AND COMMUNITY.

STRATEGY OF THE ENTERPRISE IS DIRECTED TOWARDS SATISFACTION OF INTERESTS OF ALL STAKEHOLDERS IN:

- OUTPUT OF PRODUCTS OF REQUIRED QUALITY AND RANGE;
- PROVISION OF SUSTAINABLE DEVELOPMENT, PERSONNEL INCLUDED;
- RETENTION AND STRENGTHENING OF ITS POSITION ON THE DEVELOPED MARKETS;
- IMPROVEMENT OF THE EMPLOYEES WELFARE;



- PRESERVATION OF HEALTH AND LIFE OF EVERY MEMBER OF THE EMPLOYEES TEAM;
- CONTINUOUS DECREASE OF ENVIRONMENTAL IMPACT OF THE PRODUCTION ACTIVITY;
- RETENTION AND FURTHER DEVELOPMENT OF CORPORATE MANAGEMENT STANDARDS.

IMPLEMENTATION OF THE STRATEGY AND MISSION SUPPOSES:

- ACHIEVEMENT OF THE TARGETS SET FOR THE PLANT;
- TIMELY RESPOND TO CONTINUOUSLY CHANGING EXTERNAL CONDITIONS WITH THE USE OF P-D-C-A CYCLE (PLAN – DO – CHECK – ACT);
- INTRODUCTION OF PROGRESSIVE TECHNOLOGIES DURING DESIGN, AND DEVELOPMENT OF PRODUCTION PROCESSES OF NEW COMPETITIVE TYPES OF PRODUCTS, REDUCTION OF DANGERS AND RISKS OF THE PRODUCTION PROCESSES, PREVENTION OF HARMFUL IMPACT OF THE PRODUCTION FACTORS ON THE EMPLOYEES, DECREASE OF CONTAMINANT EMISSION IN THE AIR, DISCHARGES INTO WATER BASIN, WASTE GENERATION, USE OF NATURAL AND ENERGY RESOURCES;
- CONTINUOUS IMPROVEMENT OF THE EFFECTIVENESS OF THE MANAGEMENT SYSTEM FUNCTIONING IN CORRESPONDENCE WITH THE REQUIREMENTS OF INTERNATIONAL STANDARDS ISO 9001, ISO 14001, OHSAS 18001, 26000 AND INDUSTRIAL REQUIREMENTS OF THE AUTOMOTIVE AND OIL INDUSTRY ISO/TS 16949, API SPEC Q1; DEVELOPMENT AND INCLUSION OF SUBSECTIONS «ENERGY SAVING MANAGEMENT» ACCORDING TO ISO 50001, «FINANCIAL MANAGEMENT» ACCORDING TO ISO 10014, «INFORMATION PROTECTION MANAGEMENT SYSTEM» ACCORDING TO ISO 27001 INTO THE MANAGEMENT SYSTEM;
- FORECAST OF RISKS RELATED TO THE ENTERPRISE'S ACTIVITY;
- FULFILLMENT OF CONTINUOUS CONTROL OF THE RISKS RELATED TO THE PRODUCTION PROCESSES, IMPLEMENTA-

TION OF CORRECTIVE AND PREVENTIVE MEASURES DIRECTED TOWARDS PREVENTION OF OCCUPATIONAL DISEASES AND ACCIDENTS IN THE PRODUCTION;

- PREVENTION OF ENVIRONMENT CONTAMINATION, INJURIES AND WORSENING OF THE EMPLOYEES' HEALTH DURING THEIR PRODUCTION ACTIVITY;
- ACTIVITY IN THE AREA OF QUALITY, SOCIAL RESPONSIBILITY, PROTECTION OF INFORMATION, FINANCES, ENERGY SAVING, LABOUR PROTECTION AND INDUSTRIAL SAFETY, ENVIRONMENT IN ACCORDANCE WITH THE REQUIREMENTS OF INTERNATIONAL STANDARDS, EXISTING LAW AND OTHER REQUIREMENTS, INCLUDING THOSE RELATED TO ECOLOGICAL ASPECTS OF ACTIVITY, PRODUCTION OR SERVICES, DANGERS IN THE AREA OF OCCUPATIONAL HEALTH AND LABOUR SAFETY;
- FULFILLMENT OF REGULAR MONITORING OF THE PRODUCTION PROCESSES AND MANAGEMENT;
- IMPROVEMENT OF PRODUCT QUALITY, PROVISION OF LABOUR SAFETY AND HEALTH PROTECTION, ENVIRONMENT PROTECTION, ENERGY SAVING INCLUDING SUPPLIERS, SUBCONTRACTORS AND CUSTOMERS OF THE ENTERPRISE;
- IMPLEMENTATION OF PURPOSEFUL TRAINING OF THE STAFF, ARRANGEMENT OF CONDITIONS FOR HIGH-QUALITY LABOUR, DEMONSTRATION OF PERSONAL ABILITIES AND INITIATIVE BY EACH EMPLOYEE AND THE STAFF INTEREST IN PROVISION OF HIGH PRODUCT QUALITY LEVEL, EFFICIENT USE OF RAW MATERIALS, AUXILIARY MATERIALS AND ENERGY RESOURCES;
- IMPROVEMENT OF PRODUCTION CULTURE AND ENSURING OF PERSONAL MORAL AND MATERIAL RESPONSIBILITY FOR THE QUALITY OF WORK DONE.

MANAGEMENT OF THE ORGANIZATION IS INTERESTED IN FULFILLMENT OF THE CORPORATE POLICY AND WILL ARRANGE CONDITIONS REQUIRED FOR THAT SO AS TO PROVIDE FOR AN ADEQUATE LEVEL OF LIVING OF THE EMPLOYEES AND THEIR CONFIDENCE IN THE FUTURE.

Strategy and management approach to sustainable development

ENTERPRISE'S APPROACH TO SUSTAINABLE DEVELOPMENT

BYELORUSSIAN STEEL WORKS ACTIVELY INTRODUCES PRINCIPLES OF SUSTAINABLE DEVELOPMENT INTO ITS BUSINESS ACTIVITY. THE MAIN AIM OF THE PLANT DEVELOPMENT IS DEVELOPMENT OF ECONOMY OF THE ENTERPRISE BASED ON INNOVATIVE RENEWAL, INCREASE OF ECONOMIC EFFECTIVENESS, ENVIRONMENTAL SAFETY, RESOURCE SAVING AND IMPROVEMENT OF PRODUCT COMPETITIVENESS, ACHIEVEMENT OF AN ADEQUATE LEVEL OF LIVING OF BSW EMPLOYEES. MANAGEMENT AND EMPLOYEES OF THE PLANT CARRY OUT THEIR ACTIVITY IN ACCORDANCE WITH THE CODE OF ETHICS WHICH IS BROUGHT TO THE NOTICE OF THE STAFF AND EXTERNAL PARTNERS. THE CODE OF ETHICS OF BSW IS DEVELOPED CONSIDERING KEY VALUES SUCH AS TRUTHFULNESS, SINCERITY AND RESPECT FOR MUTUAL INTERESTS, AND THEIR OBLIGATORY FULFILLMENT LEADS TO MUTUAL CONFIDENCE, OPENNESS AND TRANSPARENCY OF RELATIONS. STAKEHOLDERS' CONFIDENCE IS ONE OF THE KEY VALUES FOR OUR PLANT.

TAKING INTO CONSIDERATION THE SPECIFIC CHARACTER OF PRODUCTION, THE PRIORITY DIRECTIONS OF THE ENTERPRISE IN THE AREA OF SUSTAINABLE DEVELOPMENT INCLUDE:

- INCREASE OF THE TECHNICAL AND ECONOMIC LEVEL OF PRODUCTION DUE TO RECONSTRUCTION, MODERNIZATION AND NEW CONSTRUCTION, FURTHER DECREASE OF SPECIFIC CONSUMPTION OF RAW MATERIAL, FUEL, ENERGY, AND LABOUR RESOURCES FOR STEEL PRODUCT MANUFACTURING;
- INTRODUCTION OF PROGRESSIVE TECHNOLOGIES ENSURING ENERGY AND MATERIAL RESOURCE SAVING;
- EXPANSION OF PRODUCTION OF STEEL WITH A HIGH ADDED VALUE;
- IMPROVEMENT OF THE EXPORT SUPPLIES STRUCTURE IN THE DIRECTION OF GROWTH OF THE SHARE OF PRODUCTS OF DOWNSTREAM PROCESSING;
- IMPROVEMENT OF ENVIRONMENTAL CHARACTERISTICS OF THE EXISTING PRODUCTIONS (INTRODUCTION OF ENVIRONMENT-FRIENDLY TECHNOLOGIES, REDUCTION OF WASTE GENERATION AND SPECIFIC EMISSION OF CONTAMINANTS INTO THE AIR AND WATER BASINS, INCREASE OF VOLUMES AND IMPROVEMENT OF EFFECTIVENESS OF PRODUCTION WASTE PROCESSING).

AT PRESENT, THE EXISTING PRODUCTION CAPACITIES OF THE PLANT ARE FULLY LOADED. GROWTH OF PRODUCTION VOLUMES IS POSSIBLE ONLY IN THE RESULT OF THE CONTINUED LARGE-SCALE MODERNIZATION OF STEEL MELTING, ROLLING AND STEEL CORD AND STEEL WIRE PRODUCTION BY WAY OF INTRODUCTION OF STATE-OF-THE-ART TECHNOLOGIES AND EQUIPMENT, COMMISSIONING OF NEW PRODUCTION FACILITIES. THIS WORK IS PLANNED UP TO 2015 WITHIN THE FRAMEWORK OF THE PROGRAM «INNOVATIVE DEVELOPMENT OF «BYELORUSSIAN STEEL WORKS» FOR 2010-2015». BSW DEVELOPMENT PROGRAM FOR 2011-2015 DETERMINES GOALS AND TASKS. PRIORITIES AND THE MOST SIGNIFICANT PARAMETERS OF SOCIAL AND ECONOMIC DEVELOPMENT OF THE ENTERPRISE, A SYSTEM OF MEASURES OF PRODUCTION, ORGANIZATIONAL, ECONOMIC AND ECOLOGICAL NATURE ARE SUBSTANTIATED. PROPOSALS FOR IMPROVEMENT OF THE MECHANISM OF THEIR REALIZATION ARE DETERMINED. THE REQUIRED RESOURCES AND MEASURES ENSURING ACHIEVEMENT OF THE DEVELOPMENT PARAMETERS IN THE MEDIUM-TERM PERIOD ARE DETERMINED.

A PECULIAR FEATURE OF THE INVESTMENT PROJECTS IMPLEMENTED IN COMPLIANCE WITH THE BSW DEVELOPMENT PROGRAM IS THEIR DIRECTION TOWARDS STEPWISE FULFILLMENT OF A COMPLEX FULL-SCALE RECONSTRUCTION AND MODERNIZATION OF ALL STAGES OF THE PRODUCTION. THE PROGRAM PROVIDES FOR INTRODUCTION OF TECHNOLOGIES AND EQUIPMENT CONSIDERING THE LATEST TECHNICAL AND TECHNOLOGICAL ACHIEVEMENTS IN STEELMAKING IMPLEMENTED WITH PARTICIPATION OF LEADING COMPANIES FROM AUSTRIA, ITALY, GERMANY, AND THE USA. BESIDES, A TRANSITION TO OUTPUT OF PRODUCTS OF A PRINCIPALLY NEW QUALITY AND CONSUMER PROPERTIES IN COMPLIANCE WITH THE BEST WORLD SIMILAR PRODUCTS, DECREASE OF SPECIFIC POWER CONSUMPTION OF THE PRODUCTION AND ECOLOGICAL PURITY OF TECHNOLOGY AND PRODUCTION IN GENERAL IS IMPROVED.

DIRECTIONS OF THE PLANT DEVELOPMENT STRATEGY SUPPOSE ACHIEVEMENT OF AN ADEQUATE LEVEL OF LIVING OF BSW EMPLOYEES, ENSURE GROWTH OF THE OUTPUT VOLUME OF INDUSTRIAL PRODUCTS AND DETERMINE KEY PARAMETERS OF SOCIAL AND ECONOMIC DEVELOPMENT.

INCREASE OF INDUSTRIAL PRODUCTION, AS IN PREVIOUS YEARS, IS SUPPOSED TO BE CARRIED OUT WITH A RELATIVE



September 25 – a symbolic event took place at BSW which was also important for the country and global steelmaking: commissioning of section rolling mill No.2. President Lukashenko participated in this solemn arrangement. The head of the state launched the small-section wire rolling mill into operation.

REDUCTION OF THE VOLUME OF MATERIAL AND FUEL AND POWER RESOURCES CONSUMPTION BASED ON THE USAGE OF RESOURCE- AND ENERGY-SAVING TECHNOLOGIES AS WELL AS STRUCTURAL SHIFTS IN PRODUCTION. ALONG WITH REALIZATION OF INVESTMENT PROJECTS, A COMPLEX SOLVING OF QUESTIONS OF SELECTION, TRAINING AND RETRAINING OF EMPLOYEES IS FORESEEN.

TO STRENGTHEN THE POSITION OF THE PLANT ON THE EXISTING MARKETS AND DEVELOP NEW MARKETS IN 2012-2016, WE PLAN TO FULFILL THE FOLLOWING MEASURES: CONFIRMATION OF THE EXISTING CONFORMITY CERTIFICATES FOR THE SYSTEM OF QUALITY MANAGEMENT AND MANUFACTURE OF PRODUCTS; HOMOLOGATION (APPROVAL OF CUSTOMERS) OF THE HARDWARE PRODUCTS; OBTAINING NEW CERTIFICATES FOR THE PLANT PRODUCTS AT THE PROPOSAL OF THE MD (JUDGING FROM THE REVIEW AND ANALYSIS OF THE MARKET SITUATION AND PRICES) AND TRADERS.

DIRECTIONS OF THE STRATEGY IMPLEMENTATION

DIRECTIONS OF REALIZATION OF THE PLANT DEVELOPMENT

STRATEGY SUPPOSE ACHIEVEMENT OF AN ADEQUATE LEVEL OF LIVING OF BSW EMPLOYEES, SET CONDITIONS FOR THE GROWTH OF INDUSTRIAL PRODUCT OUTPUT AND DETERMINE KEY PARAMETERS OF SOCIAL AND ECONOMIC DEVELOPMENT.

SIMILAR TO PREVIOUS YEARS, INDUSTRIAL PRODUCTION GROWTH IS SUPPOSED TO BE FULFILLED WITH A RELATIVE DECREASE OF CONSUMPTION VOLUME OF MATERIAL, FUEL, AND ENERGY RESOURCES BASED ON USAGE OF RESOURCE-SAVING TECHNOLOGIES AND STRUCTURAL IMPROVEMENT IN THE PRODUCTION.

ALONG WITH IMPLEMENTATION OF INVESTMENT PROJECTS, A COMPLEX RESOLVING OF THE ISSUES OF SELECTION, TRAINING, AND RETRAINING OF THE STAFF IS FORESEEN.

TO STRENGTHEN THE PLANT'S POSITION ON THE EXISTING MARKETS AND DEVELOP NEW OUTLETS IN 2015 THE FOLLOWING MEASURES WERE TAKEN:

— 4 EXISTING CONFORMITY CERTIFICATES FOR THE PRODUCTION OF REINFORCING MATERIAL, SEAMLESS PIPES, AND



Strategy and management approach to sustainable development



HOT-ROLLED SECTIONS, COLD-DEFORMED REINFORCING WIRE, FINER (ANCHOR, WAVY, MICROBIFBER) WERE CONFIRMED;

— SCOPE OF THE LICENSE FOR THE RIGHT TO APPLY API SPEC 5CT MONOGRAM FOR PIPE BILLET FOR COUPLINGS WAS EXPANDED AS WELL AS THE SCOPE OF THE CERTIFICATE FOR PRODUCTION OF ROLLED SECTIONS AND STEEL HOT-ROLLED PIPES;

— 3 NEW CERTIFICATES FOR THE PLANT PRODUCTS (REINFORCING ROLLED METAL CLASS B500B, RIBBED COILS AND BARS CLASS B500A, NONPRESTRESSED REINFORCING COILS CLASS S500) WERE OBTAINED;

— CUSTOMERS' APPROVAL FOR HARDWARE PRODUCTS.

PARTICIPATION OF THE PLANT IN QUALITY CONTESTS CONTRIBUTES TO IMPROVEMENT OF THE PLANT'S IMAGE AND COMPETITIVENESS OF THE PRODUCT MANUFACTURED AND ALLOWS ASSESSMENT OF THE ENTERPRISE'S ACTIVITY AND MAKING COMPARISON TO THE BEST ENTERPRISES OF DIFFERENT COUNTRIES FOR FURTHER IMPROVEMENT. BSW PARTICIPATES AND PLANS TO CONTINUE PARTICIPATION IN NATIONAL COMPETITIONS IN THE AREA OF QUALITY, IN THE CONTEST FOR THE CIS AWARD IN THE AREA OF PRODUCT

AND SERVICES QUALITY, FOR THE EFQM EXCELLENCE AWARD, ETC.

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

IN ACCORDANCE WITH THE CORPORATE POLICY, THE PLANT MANAGEMENT ENSURES DEVELOPMENT AND REALIZATION OF TECHNICAL, PRODUCTION, AND INVESTMENT PROGRAMS DIRECTED TOWARDS IMPROVEMENT OF PRODUCT QUALITY AND MAKING AN ACTUAL CONTRIBUTION TO SUSTAINABLE DEVELOPMENT OF THE PLANT.

A SET OF MEASURES AIMED AT PROVISION OF HIGH CONSUMER CHARACTERISTICS OF THE PRODUCT MANUFACTURED IS INCLUDED IN A BUSINESS-PAN WHICH DEVELOPMENT PROCEDURE IS REGULATED BY STP 840-SMK-4.1.2.

TO IMPROVE PRODUCT QUALITY AND ENSURE ITS COMPETITIVENESS, THE PLANT DEVELOPS A LONG-TERM PROGRAM OF BSW DEVELOPMENT FOR 2011-2015; PLANS OF RESEARCH WORK, DEVELOPMENT (TECHNOLOGICAL) KACTIVITY ARE APPROVED AND FULFILLED BY THE PLANT'S OWN FORCE.

MAIN MEASURES FOR PRODUCT QUALITY IMPROVEMENT AND PRODUCTION EFFECTIVENESS GROWTH ARE INCLUDED IN ANNUAL SPECIAL-PURPOSE ORDERS APPROVED BY THE

MINISTRY OF INDUSTRY	I LEVEL
↓	
GENERAL DIRECTOR	II LEVEL
↓	
DEPUTIES GENERAL DIRECTOR, MAIN SPECIALISTS	III LEVEL
↓	
PRODUCTION SHOP HEADS, HEADS OF STRUCTURAL SUBDIVISIONS	IV LEVEL
↓	
HEADS OF SHIFTS / DEPARTMENTS FOREMEN OF SHIFTS / DEPARTMENTS	V LEVEL
↓	
SHIFT PERSONNEL	VI LEVEL

Organizational structure of sustainable development management



GENERAL DIRECTOR AND SPECIFYING THE TIMEFRAME AND RESPONSIBLE PERSONS:

- № 1 «ABOUT IMPROVEMENT OF BUSINESS ACTIVITY AND INVESTMENT PROGRAMS»;
- № 2 «ABOUT MEASURES FOR IMPROVEMENT OF QUALITY AND COMPETITIVENESS OF MARKETABLE PRODUCTS»;
- № 3 «ABOUT MEASURES INSURING SAFE LABOUR CONDITIONS»;
- № 4 «ABOUT MEASURES ENSURING FIRE SAFETY OF THE PLANT'S FACILITIES»;
- № 5 «ABOUT PERSONNEL DEVELOPMENT»;
- № 6 «ABOUT PROGRESSIVE TECHNOLOGIES, MASTERING OF NEW TYPES OF PRODUCTS, RATIONALIZATION AND INVENTIVE WORK»;
- № 7 «ABOUT MEASURES FOR ENVIRONMENTAL PROTECTION»;
- № 8 «ABOUT MEASURES TO DECREASE PRODUCTION COSTS».

IN 2008 BSW JOINED THE LOCAL NETWORK OF THE UN GLOBAL COMPACT WHICH IS BASED ON THE PRINCIPLES OF ETHIC AND FAIR BUSINESS. SUCH PRINCIPLES INCLUDE RESPECT FOR THE EMPLOYEE'S RIGHT TO JOIN TRADE UNIONS AND INADMISSIBILITY OF DISCRIMINATION OF THE EMPLOYEES, STRUGGLE AGAINST CORRUPTION IN ANY OCCURRENCE.

THE ENTERPRISE DOES NOT ADMIT CORRUPTION ACTIVITY, BRIBERY, AND FRAUD. TO ENSURE ECONOMIC SAFETY AND PREVENT CORRUPTION OCCURRENCE, THE PLANT CARRIES OUT ITS PRODUCTION AND ECONOMIC ACTIVITY OPENLY AND RESPONSIBLY.

ACCORDING TO THE GENERALLY ACCEPTED INTERNATIONAL PRINCIPLES OF A FREE ECONOMIC ACTIVITY SPECIFIED IN THE UN GLOBAL COMPACT, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CONSIDERS FAIR COMPETITION TO BE A GUARANTEE OF REALIZATION OF THE RIGHT TO FREE BUSINESS ACTIVITY. NO LEGAL ACTIONS WERE UNDERTAKEN REGARDING THE ORGANIZATION IN CONNECTION WITH RESISTANCE TO COMPETITION.

IN 2015 THE PLANT CONTINUED TO IMPLEMENT THE REQUIREMENTS OF DIRECTIVE No.1 DD. 11.03.2004 «ABOUT MEASURES OF STRENGTHENING OF PUBLIC SAFETY AND DISCIPLINE». MANY TIMES QUESTIONS OF LABOUR DISCIPLINE, IMPLEMENTATION STANDARD, AND LABOUR PROTECTION HAVE BEEN CONSIDERED AT THE MEETINGS OF EXECUTIVE ORGANS OF THE COMMUNITY, AND PERSONNEL MEETINGS; REPORTS OF THE SUBDIVISION HEADS WERE HEARD. 12 SUCH ISSUES WERE EXAMINED DURING 2015. TO MEET THE REQUIREMENTS OF DIRECTIVE No. 1, INDICATORS OF LABOUR DISCIPLINE AND IMPLEMENTATION STANDARDS, PROVISION OF LABOUR PROTECTION AND INDUSTRIAL SAFETY ARE INCLUDED IN THE LIST OF CRITERIA OF MANAGER WORK ASSESSMENT; CONTRACT TERMINATION IS FORESEEN IN CASE OF THEIR BREACH.

FOLLOWING THE DIRECTIVE «ABOUT MEASURES FOR STRENGTHENING OF PUBLIC SAFETY AND DISCIPLINE», THE LAW OF THE REPUBLIC OF BELARUS «ABOUT STRUGGLE AGAINST CORRUPTION» AND SUPPORTING THE PRINCIPLES OF THE UN GLOBAL COMPACT, THE PLANT ESTABLISHED A SERVICE RESPONSIBLE FOR PREVENTION OF CORRUPTION DISPLAY AND ABUSE IN THIS AREA, OPTIMIZATION OF RISKS WHEN SELECTING RAW MATERIAL SUPPLIERS AND USERS OF THE PRODUCT MANUFACTURED IN THE CONDITIONS OF A STRONG MARKET COMPETITION, PROVISION OF SAFETY OF THE STATE PROPERTY MANAGED BY THE ENTERPRISE.

LEGAL SUPPORT AND ECONOMIC SAFETY BOARD EXCLUDES ANY POSSIBILITY OF UNLAWFUL ACTS OCCURRENCE AT THE ENTERPRISE INCLUDING ACTS OF CORRUPTION IN RESPECT OF NEW EMPLOYEES AND THOSE WORKING AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. ALL EMPLOYEES OF THE SECURITY SERVICE HAVE SPECIAL HIGHER EDUCATION. IN 2015 THE EMPLOYEES OF THE SERVICE WERE TRAINED IN THE POLICIES AND PROCEDURES RELATED TO HUMAN RIGHTS.

BSW HAS DEVELOPED AND IMPLEMENTED THE PLAN OF ANTI-CORRUPTION MEASURES IN ACCORDANCE WITH WHICH CONTINUOUS MONITORING OF THE RESULTS OF FINANCIAL AND ECONOMIC ACTIVITY OF THE ORGANIZA-

2008
THE YEAR OF BSW JOINING THE
LOCAL NETWORK OF THE UN
GLOBAL COMPACT

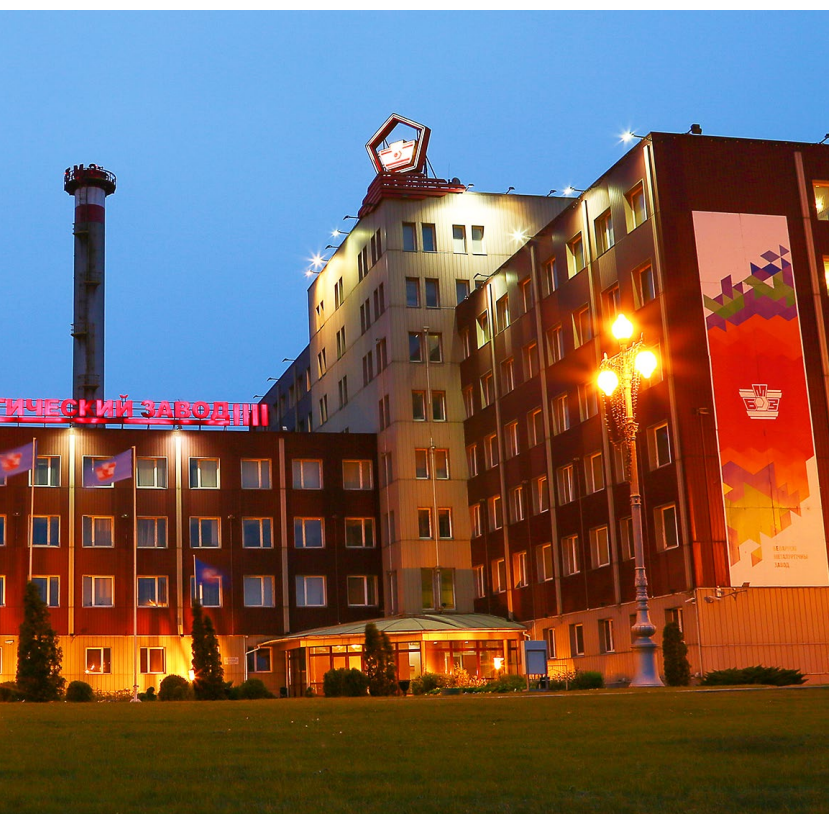


Strategy and management approach to sustainable development



TION IS CARRIED OUT AND NORMATIVE ACTS REGULATING THE ORDER OF PREPARATION AND EXECUTION OF TENDER DOCUMENTS AND SUPPLIER SELECTION ARE UPDATED. TO MINIMIZE BUSINESS RISKS AND TO FULFILL FUNCTIONS OF THE ECONOMIC SAFETY CONTROL, A PRE-CONTRACT CHECK IS PERFORMED TO CONTROL LEGITIMACY OF POTENTIAL COUNTERAGENTS AND AGREEMENTS SUPPLIED FOR EXAMINATION FROM STRUCTURAL SUBDIVISIONS OF THE ENTERPRISE. ALL STRUCTURAL SUBDIVISIONS IMPLEMENT A NUMBER OF MEASURES TO PREVENT CORRUPTION AND LAW INFRINGEMENT: CONTROL OF PURPOSEFUL AND RATIONAL CONSUMPTION OF TANGIBLE PROPERTY IS STRENGTHENED, UNPLANNED RANDOM CHECK OF ASSETS IS CARRIED OUT, ROTATION OF THE EMPLOYEES OF COMMERCIAL SERVICES OF THE ORGANIZATION IS FULFILLED, PRESENTATIONS OF THE ORGANS OF INTERNAL AFFAIRS AND COMMITTEE OF INQUIRY OF THE REPUBLIC OF BELARUS REGARDING THE FACTS OF CORRUPTION CRIMES COMMITTED BY THE EMPLOYEES OF THE ORGANIZATIONS UNDER THE MINISTRY OF INDUSTRY, FINANCIAL INVESTIGATIONS ARE STUDIED.

THE PROGRESS OF THE ANTICORRUPTION PLAN IMPLEMENTATION IS CONTROLLED BY THE ANTICORRUPTION COMMISSION WHICH HELD 4 MEETINGS IN 2015.



DUE TO OPENNESS, TRANSPARENCY, PARTNERSHIP, MUTUAL RESPECT OF INTERESTS OF ALL STAKEHOLDERS AND ACCORDING TO THE INFORMATION OF THE LAW MACHINERY OF THE REPUBLIC OF BELARUS, NO CORRUPTION CRIMES COMMITTED BY EMPLOYEES OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INSIDE THE ORGANIZATION WERE REGISTERED IN 2015.

THE ORGANIZATION TAKES UNPRECEDENTED MEASURES TO PREVENT CORRUPTION CRIMES AND UNLAWFUL ACTIONS. ALL EMPLOYEES OF THE ENTERPRISE ARE ACQUAINTED WITH THE CONTENT OF THE ARTICLES OF THE LAW OF THE REPUBLIC OF BELARUS «ABOUT STRUGGLE AGAINST CORRUPTION» AND CORRESPONDING ARTICLES OF THE CRIMINAL CODE OF THE REPUBLIC OF BELARUS RELATED TO THEM AND MANAGERS BEAR PERSONAL RESPONSIBILITY FOR THAT. A COMMEMORATIVE BOOKLET CONTAINING MAIN CONCEPTS AND ARTICLES OF THE ANTICORRUPTION LAW IS PLACED ON THE INTERNAL SITE «INFO-BMZ» CONTINUOUS ACCESS TO WHICH HAVE MORE THAN 3500 EMPLOYEES; 85 EXECUTIVES AND SPECIALISTS WERE TRAINED IN LEGAL AND ORGANIZATIONAL ASPECTS OF THE STRUGGLE AGAINST CORRUPTION DELINQUENCY AT SPECIAL COURSES ON THE BASIS OF DIFFERENT EDUCATIONAL ESTABLISHMENTS IN 2015. DURING TRAINING OF FOREMEN AND THEIR RESERVE AT THE COURSE «LINEAR MANAGER» STUDYING OF LEGAL AND ORGANIZATIONAL ASPECTS OF STRUGGLE AGAINST CORRUPTION DELINQUENCY IS ORGANIZED; 47 PEOPLE STUDIED AT THE COURSE IN 2015.

WHEN HUMAN RESOURCE DECISIONS ARE TAKEN REGARDING PERSONS OCCUPYING LEADING POSITIONS IN THE ORGANIZATION, AN OBLIGATORY ASSESSMENT OF EFFECTIVENESS OF THE MEASURES TAKEN BY THEM TO ENSURE ADHERENCE TO THE ANTICORRUPTION LAW IS CARRIED OUT.

NO PENALTIES AND FINES WERE APPLIED TO THE ORGANIZATION FOR BREACH OF THE LAW AND ORDER IN 2015.

FULFILLING ITS OBLIGATIONS TO INVESTORS, EMPLOYEES, BUSINESS PARTNERS, AND COMMUNITY IN GENERAL, BYELORUSSIAN STEEL WORKS STRICTLY FOLLOWS THE EXISTING LAW, CIVIL LIABILITY NORMS, THE CODE OF ETHICS OF BUSINESS ACTIVITY AND IS GUIDED BY THE PRINCIPLES OF EFFECTIVE MANAGEMENT, INFORMATION OPENNESS, FINANCIAL DISCIPLINE, LAWFULNESS, AND ETHICS.



DATES AND EVENTS

MARCH 19, 1982 — SIGNING OF THE CONTRACT FOR THE PLANT ERECTION.

OCTOBER 15, 1984 — START OF THE ELECTRIC MELT SHOP OPERATION, PRODUCTION OF THE FIRST HEAT OF STEEL.

NOVEMBER 4, 1984 — START OF THE ROLLING PRODUCTION OPERATION — FIRST SHIPMENT OF SECTION METAL PRODUCED IN ROLLING MILL 320/150.

NOVEMBER 21, 1987 — START OF OPERATION OF THE SECONDARY METALLURGY UNIT AND CONTINUOUS CASTING MACHINE No.3 (CCM-3) IN ELECTRIC MELT SHOP No.2 (EMS-2); LARGE SECTION MILL 850 IN SECTION ROLLING SHOP; PRODUCTION FACILITIES OF STEEL WIRE SHOP No.1 (SWS-1) AND PRODUCTION OF THE FIRST SHIPMENT OF BELARUSIAN STEEL CORD.

MARCH 1, 1991 — START OF OPERATION OF STEEL WIRE SHOP No. 2, LIME KILN No. 2, EAF-3 AND A LADLE VACUUM DEGASSER IN THE ELECTRIC MELT SHOP.

AUGUST 1, 1996 — OPENING OF ZHLOBIN METALLURGICAL TECHNICAL SCHOOL.

SEPTEMBER 15, 2000 — COMMISSIONING OF A NEW WIRE ROLLING MILL 150, VISIT OF PRESIDENT A.G. LUKASHENKO.

NOVEMBER 30, 2000 — START OF OPERATION OF STEEL WIRE SHOP No. 3 (SWS-3).

MAY 19, 2002 — START OF OPERATION OF THE 2ND STAGE OF THE OXYGEN PLANT.

MAY 24, 2005 — START OF ERECTION OF THE PIPE MILL.

FEBRUARY 24, 2006 — COMMISSIONING OF BRASS PLATING LINE No.6 AFTER RECONSTRUCTION IN SWS-2.

OCTOBER 2006 — NEW SIX-BLOCK AND TEN-BLOCK DRAWING MACHINES WERE INSTALLED IN SWS-3 WITHIN THE FRAMEWORK OF THE DNEPR PROJECT.

DECEMBER 28, 2006 — COMMISSIONING OF A NEW BEAD BRONZING LINE No.2 AT SWS-1.

DECEMBER 30, 2006 — COMMISSIONING OF A NEW ION-EXCHANGE UNIT AT SWS-1.

JULY 13, 2007 — COMMISSIONING OF THE PIPE MILL IN THE PRESENCE OF PRESIDENT A.G. LUKASHENKO.

JANUARY 17, 2008 — INAUGURATION OF A WATER BLOCK FOR HEALTH IMPROVEMENT AT THE HOCKEY AND SWIMMING CENTRE OF THE OLYMPIC RESERVE. IT INCLUDES MODERN WATER ATTRACTIONS, SAUNAS, A SOLARIUM, A CAFÉ, AND OTHER FACILITIES. A.S. YAKOBSON, CHAIRMAN OF GOMEL REGIONAL EXECUTIVE COMMITTEE, L.N. OPANASYUK, CHAIRMAN OF ZHLOBIN DISTRICT EXECUTIVE COMMITTEE, AND N.V. ANDRIANOV, GENERAL DIRECTOR OF BSW, A.M. RYABKOV, DIRECTOR OF CONSTRUCTION AND ERECTION ORGANIZATION No.27, HAD THE HONOR TO CUT THE RED RIBBON.

MARCH 6, 2008 — 62ND MEETING OF THE BOARD OF PRODUCERS AND EXPORTERS OF FERROUS MATERIALS OF CIS COUNTRIES WAS HELD AT BSW. MEMBERS OF THE BOARD DISCUSSED THE SITUATION OF THE FERROUS MATERIALS MARKET, MADE ASSESSMENT OF THE PROSPECTS OF ITS DEVELOPMENT, AND WORKED OUT AN OUTLOOK FOR EXPORT PRICE AVERAGE LEVEL FOR KEY TYPES OF FERROUS MATERIALS.

JUNE 18, 2008 — BELARUSIAN METALLURGICAL FORUM «INTEGRATION OF SCIENCE, PRODUCTION AND EDUCATION IN DEVELOPMENT OF METALLURGY IN THE REPUBLIC OF BELARUS UP TO 2020» WAS HELD AT BSW. THE EVENT ALLOWED US TO DETERMINE A CONCEPT OF THE NATIONAL METALLURGY DEVELOPMENT IN THE NEAREST FUTURE.

JUNE 30, 2008 — RECONSTRUCTION OF THE SULFURIC ACID REGENERATION UNIT OF THE CHEMICAL PLANT OF SWS-2.

AUGUST 8, 2008 — MODERNIZATION OF DUST REMOVING UNITS OF ELECTRIC-ARC FURNACE No.2 (EAF-2) OF EMS-1.

DECEMBER 2008 — THE PIPE MILL REACHED ITS DESIGNED CAPACITY.

MARCH 2009 — MODERNIZATION OF THE FINISHING LINE OF ROLLING MILL 320.

JULY 9, 2009 — PRESENTATION OF A NEW TYPE OF BSW PRODUCT — STEEL FIBER.

OCTOBER 9, 2009 — COUNTRY FIRST PUBLIC HEARING OF THE CORPORATE SOCIAL REPORT OF THE ENTERPRISE PRESENTED TO PARTICIPANTS OF THE UN GLOBAL COMPACT.



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DECEMBER 6, 2009 – COMPLETION OF A LARGE INVESTMENT PROJECT – RECONSTRUCTION OF CONTINUOUS CASTING MACHINE No. 3 (CCM-3).

DECEMBER 14, 2009 – A.N. SAVIANOK, GENERAL DIRECTOR OF BSW, WAS APPOINTED TO THE POSITION OF THE VICE-PRESIDENT OF THE INTERNATIONAL UNION OF METALLURGISTS.

2009 – THIS CRISIS YEAR THE PLANT EXPANDED ITS EXPORT DELIVERIES BY 17 COUNTRIES.

FEBRUARY 2010 – START OF OPERATION OF THE DEPARTMENT OF MANDREL AND DISC SAW PREPARATION AT THE PIPE MILL. THE DEPARTMENT IS EQUIPPED WITH THE EQUIPMENT WHICH IS UNIQUE FOR OUR COUNTRY.

MARCH 2010 – METHODS OF PRODUCTION OF SECTIONAL (SQUARE) WIRE FOR HIGH-PRESSURE HOSES MASTERED AT STEEL WIRE SHOP No.2.

APRIL 2010 – MASTERING OF PIPE ROLLING FROM ROUND BILLET DIAMETER 200MM CAST IN CCM-3 STARTED AT THE PIPE MILL.

MARCH 29, 2010 – CONTRACT FOR ERECTION OF THE THIRD LIME KILN SIGNED WITH TECHCOM (GERMANY).

JUNE 2010 – IMPLEMENTATION OF ONE OF THE 11 PROJECTS FOR EXPANSION OF THE ROUGH AND MEDIUM DRAWING DEPARTMENTS OF SWS-1. TWO NEW ROUGH DRAWING MACHINES INSTALLED.

JULY 2010 – A CONTRACT FOR DELIVERY OF EQUIPMENT FOR THE LIME KILN SIGNED WITH MAERZ (AUSTRIA) IN THE RESULT OF NEGOTIATIONS BETWEEN BSW AND TECHCOM.

JULY 2010 – 10TH INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE «METAL-2010» HELD AT BSW; IT UNITED 80 EMPLOYEES OF THE PLANT AND 45 REPRESENTATIVES OF THE ENTERPRISES AND EDUCATIONAL ESTABLISHMENTS OF BELARUS, RUSSIA, THE UKRAINE, LITHUANIA, AND KAZAKHSTAN.

AUGUST 2010 – A NEW METHOD OF FLAT WIRE PRODUCTION FOR HIGH-PRESSURE HOSES MASTERED.

SEPTEMBER 2010 – A CONTRACT FOR RECONSTRUCTION OF THE UNIT FOR CLEANING OF GASES DISCHARGED FROM EAF

No.1 AND No.3 SIGNED WITH WATER GROUP. THE PROJECT WAS DEVELOPED EXCLUSIVELY FOR STEEL FURNACES OPERATING AT BSW.

OCTOBER 2010 – MEMBERS OF TEAM No. 4 OF ROLLING MILL 150 SET UP A NEW RECORD – 1200 TONS OF WIRE ROD PRODUCED DURING ONE SHIFT. PREVIOUSLY, MAXIMUM PERFORMANCE RAISED ONLY UP TO THE MARK OF 1070 TONS.

NOVEMBER 2010 – 20 YEARS AGO THE FIRST TONS OF STEEL WERE PRODUCED IN ELECTRIC-ARC FURNACE No.3. NOW EAF-3 PRODUCES 12 HEATS PER SHIFT, NOT 4 AS BEFORE.

NOVEMBER 2010 – A JUBILEE TON OF STEEL CORD – THE 500TH ONE! – WAS PRODUCED IN SWS-2.

DECEMBER 2010 – SWS-2 CROSSED THE BOUNDARY OF ONE MILLION TONS. THIS IS THE AMOUNT OF GOODS PRODUCED BY THE SHOP FROM 1991 TILL 2010 INCLUDED.

DECEMBER 2010 – THE TEAM OF ROLLING MILL 320 PRODUCED ONE MILLIONTH TON OF REINFORCEMENT IN 2010.

FROM FEBRUARY 1 TILL MARCH 7, 2011 80 SPECIALISTS FROM SLOVAK REPUBLIC WERE TRAINED IN THE SECTION ROLLING AND ELECTRIC STEEL-MAKING SHOPS WITHIN THE FRAMEWORK OF INTERNATIONAL COOPERATION OF STEELMAKERS.

FEBRUARY 2011 – TWO UNIVERSAL MACHINES FOR WIRE REWINDING FOR FIBER PRODUCTION MANUFACTURED BY GCR EURODRAW, ITALY, WERE INSTALLED AT THERMAL ETCHING-GALVANIC DEPARTMENT OF SWS-1.

MARCH 17, 2011 – THE 1ST INTERNATIONAL CONFERENCE OF SUPPLIERS WAS HELD WITH 90 REPRESENTATIVES OF DIFFERENT COMPANIES COOPERATING WITH BSW IN THE AREA OF SUPPLIES OF MATERIALS, RAW MATERIALS, AND EQUIPMENT.

MARCH 23, 2011 – TEAM OF ROLLING MILL 320 OF THE SECTION ROLLING PRODUCTION STARTED TO ROLL REBAR No.14 WITH THE HELP OF A 4-STRAND SLITTING PROCESS. THE ROLLERS NEEDED A LITTLE MORE THAN A MONTH TO START COMMERCIAL PRODUCTION OF THE MATERIAL.

MARCH 24, 2011 – IXTH MEETING OF THE MEMBERS OF



In commemoration of the 70th anniversary of the victory of the soviet people in the Great Patriotic war and in memory of those heroic days a Peace Alley was planted near engineering building No. 1 of the plant's headquarters as a tribute paid to all veterans who struggled for the Great Victory and who made possible present labour achievements of Byelorussian Steel Works. April 16, first seventeen spherical maples were planted by the plant's employees headed by General Director A.N. Savianok and employees of BSW commodity distribution network representing the plant all over the world.

THE CLUB OF QUALITY LEADERS OF CENTRAL AND EAST EUROPEAN COUNTRIES. REPRESENTATIVES OF MORE THAN 10 ENTERPRISES OF DIFFERENT COUNTRIES PARTICIPATED IN THE MEETING.

APRIL 6, 2011 – 1ST SIGNIFICANT MILESTONE IN THE HISTORY OF THE PIPE MILL: A 250 THOUSANDTH TON OF PRODUCTS WAS MANUFACTURED.

APRIL 2011 – A MACHINE FOR FLAME PROCESSING OF STEEL WAS INSTALLED AT THE MECHANICAL REPAIR SHOP. THE NEW EQUIPMENT PRODUCED BY TURKISH AKYAPAK OPENS NEW POSSIBILITIES FOR MAINTENANCE PERSONNEL IN TERMS OF RECOVERY AND PRODUCTION OF LARGE- SIZE PARTS.

APRIL 21, 2011 – 10-MILLIONTH TON OF STEEL WAS CAST IN ELECTRIC MELT SHOP No.2 SINCE COMMISSIONING OF CCM-3.

JUNE 2011 – THE PLANT BOUGHT BY AUCTION THE TER-

RITORY OF TOTAL AREA OF 11 HECTARES PREVIOUSLY BELONGING TO AGROTECHSERVICE FOR THE EXPANSION OF THE SCRAP YARD. THIS ADDITIONAL AREA ALLOWED THE PLANT TO INCREASE THE STORAGE AREA OF THE WINTER STOCK OF SCRAP.

JUNE 20, 2011 – 35-MILLIONTH TON OF STEEL WAS PRODUCED BY THE PLANT.

JULY 2, 2011 – THE FIRST IN THE PLANT'S HISTORY OPEN DAY WAS HELD.

JULY 7, 2011 – THE 11TH INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE OF YOUNG EMPLOYEES «METAL-2011» WAS HELD AT ZHLOBIN METALLURGICAL TECHNICAL SCHOOL. APART FROM BELARUSIAN REPRESENTATIVES, YOUNG SPECIALISTS FROM RUSSIA, THE UKRAINE, LATVIA, GREAT BRITAIN, AND AUSTRIA PARTICIPATED IN THE CONFERENCE.



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JULY 2011 – NEW EQUIPMENT FOR AIR DRYING PRODUCED BY ATLAS COPCO, BELGIUM, WAS COMMISSIONED AT THE COMPRESSOR STATION OF THE REPAIR SHOP BLOCK.

AUGUST 18, 2011 – MINISTRY OF INDUSTRY SIGNED AN ORDER ON JOINING OF GO «BELVTORMET» COMPRISING SIX REGIONAL PLANTS PROCURING AND PROCESSING FERROUS SCRAP AND UE «BELTSVETMET» WITH THE DAUGHTER COMPANY «TSVETMET» (THE TOWN OF ZHODINO) TO THE PA «BSW». DURING LAST YEARS, THREE MORE ENTERPRISES JOINED «BELVTORMET»: OJSC «TECHNOPRIBOR» (MOGILYOV), OJSC «POLESIEELECTROMASH» (THE TOWN OF LUNINETS), OJSC «KOBINSKY TOOL PLANT» «SITOMO».

AUGUST 26, 2011 – SWS-3 CROSSED THE BORDER OF 1 MILLION TON OF PRODUCE.

AUGUST 31, 2011 – A CONTRACT FOR ERECTION OF A NEW SECTION ROLLING MILL WITH THE DESIGNED CAPACITY 700 THOUSAND TONS PER YEAR WITH AN OUTLOOK TO PRODUCE 1 MILLION TPY WAS SIGNED WITH DANIELI, ITALY.

SEPTEMBER 22, 2011 – ELECTRIC MELT SHOP No.2 HAD PRODUCED 10 000 000 TONS OF STEEL SINCE ITS COMMISSIONING.

OCTOBER 20, 2011 – THE 1ST SCIENTIFIC-PRACTICAL SEMINAR «MAIN DIRECTIONS OF INNOVATIVE-TECHNOLOGICAL DEVELOPMENT OF THE PRODUCTION ASSOCIATION «BYELORUSSIAN STEEL WORKS» WITH PARTICIPATION OF RECTORS OF THE LEADING HIGHER INSTITUTES OF GOMEL REGION.

OCTOBER 2011 – LABOUR TEAMS OF ELECTRIC MELT SHOPS No. 1 AND No. 2 ESTABLISHED A RECORD IN PRODUCTION OF CONCAST BILLET: 229 673 TONS.

NOVEMBER 28, 2011 – A DECISION WAS MADE TO REORGANIZE THE REPUBLICAN UNITARY ENTERPRISE IN AN OPEN JOINT-STOCK COMPANY AT THE CONFERENCE OF THE PLANT'S EMPLOYEES.

DECEMBER 2011 – ROLLING MILL 850: 9 MILLIONTH TON OF CAST BILLET ROLLED IN IT.

DECEMBER 8, 2011 – ROLLING MILL 320 CROSSED THE BOUNDARY OF 1 MILLION TONS.

DECEMBER 2011 – FIRST SQUARE BILLETS 140x140MM

CAST IN MACHINE No.2 OF EMS -1 AFTER THE MACHINE RECONSTRUCTION.

DECEMBER 20, 2011 – A CONSTITUENT ASSEMBLY WAS HELD BY BYELORUSSIAN STEEL WORKS, DUFERCO S.A. (SWITZERLAND), PISEC GROUP GMBH (AUSTRIA) TO ESTABLISH A JOINT-VENTURE FOR OSTG PIPE PROCESSING AS A LIMITED COMPANY NAMED BMZ TUBULARS.

JANUARY 1, 2012 – THE TARE AND PACKING SHOP AND THE POWDER METALLURGY SHOP MERGED INTO ONE TARE AND DIES SHOP (T&DS).

JANUARY 2, 2012 – OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS (OJSC «BSW»» WAS REGISTERED IN THE UNIFIED STATE REGISTRY OF LEGAL ENTITIES AND INDIVIDUAL ENTREPRENEURS WITH THE REGISTRATION No. 400074854.

MARCH 7, 2012 – THE FIRST FOUNDATION WITH A CAPSULE CONTAINING A MESSAGE TO OUR DESCENDANTS WAS LAID FOR CONSTRUCTION OF LIME KILN No.3 BY A.B. SAVIANOK, DIRECTOR GENERAL.

MARCH 11, 2012 – THE FIRST BELARUSIAN MUSEUM OF STEELMAKING FOR CHILDREN WAS OPENED IN KINDERGARTEN No. 34 OF BYELORUSSIAN STEEL WORKS.

MARCH 2012 – BASED ON MARCH RESULTS, ELECTRIC MELT SHOPS ACHIEVED THE BEST IN THE PLANT'S HISTORY STEEL OUTPUT - 233 THOUSAND 880 TONS, IT IS AN INCREASE BY OVER 4 THOUSAND TONS OF THE RECORD ESTABLISHED IN OCTOBER 2011.

APRIL 1, 2012 – METALLURG HOCKEY TEAM BECAME THE CHAMPION WINNING THE MATCH WITH NEMAN TEAM FROM THE CITY OF GRODNO IN THE EXTRA-LEAGUE FINAL SERIES TOURNAMENT OF PLAY-OFF OF THE OPEN CHAMPIONSHIP OF BELARUS.

APRIL 4-5, 2012 – THE SECOND INTERNATIONAL CONFERENCE OF SUPPLIERS WAS HELD AT THE PLANT.

APRIL 22, 2012 – AWARDING OF METALLURG HOCKEY TEAM - CHAMPIONS OF BELARUS, WINNERS OF THE 20TH OPEN CHAMPIONSHIP OF THE REPUBLIC OF BELARUS 2011/2012.

MAY 15, 2012 – A CAPSULE CONTAINING A MESSAGE TO



OUR DESCENDANTS WAS LAID IN THE FOUNDATION OF THE NEW SMALL-SECTION ROLLING MILL FOR WIRE PRODUCTION.

MAY 16, 2012 – A VISIT OF B.B. MAKEY, HEAD OF THE PRESIDENT'S ADMINISTRATION, TO BSW.

MAY 17, 2012 – BUSINESS CONFERENCE «BELARUS - RUSSIA: COOPERATION OF STEEL MARKET PLAYERS». OVER 50 LEADERS OF METALLURGICAL ENTERPRISES MET AT BSW.

MAY 24-25, 2012 – SCIENTIFIC AND TECHNICAL CONFERENCE OF YOUNG SPECIALISTS OF OJSC «BSW» «METAL-2012» WAS HELD AT THE PLANT.

MAY 25, 2012 – 20 YEARS SINCE COMMISSIONING OF THE SHOP OF NETWORKS, SUBSTATIONS AND TECHNICAL MAINTENANCE (NST&MS).

JUNE 11, 2012 – OJSC «BSW» TOOK THE FIRST PLACE IN THE NOMINATION «EXPORT SALES LEADER» AMONG CLIENTS OF OJSC «PRIORBANK». IT WAS A HIGH APPRAISAL OF OUR WORK BY THE BOARD OF EXPERTS OF ONE OF THE LEADING BANKS OF OUR COUNTRY. ON JUNE 11 A SPECIAL BADGE WAS AWARDED TO GENERAL DIRECTOR A.N. SAVIANOK.

JUNE 20, 2012 – BSW BECAME A LAUREATE OF THE CONTEST FOR THE AWARD OF CIS IN 2011 IN THE CATEGORY «MANUFACTURE OF GOODS FOR PRODUCTION APPLICATION» (IN THE ORGANIZATIONS WITH OVER 250 EMPLOYEES).

JULY 4-6, 2012 – 12TH INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE OF THE YOUNG EMPLOYEES «METAL 2012». REPRESENTATIVES OF RUSSIA, THE UKRAINE, KAZAKHSTAN, AND BELARUS PARTICIPATED IN IT.

JULY 7, 2012 – THE SECOND BSW OPEN DAY THAT HAD BECOME TRADITIONAL WAS HELD ON THE EVE OF THE DAY OF METALLURGISTS.

JULY 13, 2012 – 5 YEARS SINCE THE PIPE MILL COMMISSIONING.

JULY 18, 2012 – 20TH ANNIVERSARY OF THE PALACE OF CULTURE OF METALLURGISTS.

JULY 20, 2012 – OJSC BSW JOINED THE WORLD STEEL ASSOCIATION (WSA) – A PRESTIGIOUS PROFESSIONAL INDUSTRIAL ASSOCIATION NUMBERING OVER 170 GLOBAL

STEELMAKERS AS WELL AS RESEARCH INSTITUTES CARRYING OUT INVESTIGATIONS IN THIS AREA.

AUGUST 17, 2012 – 5 MILLION TONS PRODUCED IN MILL 150. THIS AMOUNT HAD BEEN MANUFACTURED SINCE ROLLING MILL 320/150 WAS DIVIDED IN TWO SEPARATE MILLS (SEPTEMBER 15, 2000).

AUGUST 24, 2012 – REGISTRATION OF OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING (OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING) IN THE UNIFIED STATE REGISTRY OF LEGAL ENTITIES AND INDIVIDUAL ENTREPRENEURS WITH THE REGISTRATION NUMBER 400074854.

AUGUST 31, 2012 – A CEREMONIAL COMMISSIONING OF THE FIRST STAGE OF PIPE FINISHING LINE No.3 (PFLD No.3) OF THE PIPE MILL.

SEPTEMBER 3, 2012 – THE PLANT IS RECOGNIZED AS THE WINNER OF THE REPUBLICAN PROFESSIONAL CONTEST «THE BEST CONSTRUCTION PRODUCT OF THE YEAR 2012» FOR ITS STEEL FIBER (ANCHOR, WAVY, MICROFIBER) FOR CONCRETE REINFORCEMENT.

SEPTEMBER 10, 2012 – 20TH ANNIVERSARY OF METALLURGICAL EQUIPMENT REPAIR SHOP (MERS).

SEPTEMBER 14, 2012 – 30TH ANNIVERSARY OF BSW FOUNDATION LAYING. DEROZHANT AKOPOV, DIRECTOR OF THE PLANT, AND ALFRED PROBST, VOEST-ALPINE CHIEF ENGINEER, LAID DOWN A CAPSULE WITH A MESSAGE TO OUR DESCENDANTS IN TWO LANGUAGES. IT WAS CONCRETED IN THE FOUNDATION OF ELECTRIC MELT SHOP No. 1.

OCTOBER 11, 2012 – A CEREMONIAL OPENING OF THE GAMELY HOSTEL No.3 AFTER RECONSTRUCTION.

OCTOBER 31, 2012 – PUBLIC HEARING OF THE SOCIAL PROGRESS REPORT OF THE PLANT FOR 2011.

NOVEMBER 6, 2012 – AN UNOFFICIAL HOCKEY MATCH BETWEEN THE CHAMPIONS OF 2011/2012 OF TWO COUNTRIES: BELARUS AND AUSTRIA. THE MATCH BETWEEN METALLURG (ZHLOBIN) AND AUSTRIAN BLACK WINGS (LINZ) WAS TIMED TO THE 30TH ANNIVERSARY OF THE BEGINNING OF THE PLANT CONSTRUCTION.



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NOVEMBER 20, 2012 – THE FIRST COLUMN WAS ERECTED ON THE SITE OF THE SMALL-SECTION MILL.

NOVEMBER 21, 2012 – 25 YEARS SINCE COMMISSIONING OF SWS-1.

NOVEMBER 21 2012 –THE 25TH ANNIVERSARY OF ELECTRIC MELT SHOP No.2 (EMS-2) AND ROLLING MILL 850 OF THE SECTION ROLLING SHOP (SRS).

DECEMBER 2, 2012 – 30 YEARS SINCE ESTABLISHMENT OF BSW PERSONNEL SERVICE.

DECEMBER 2012 – AT THE NIGHT SHIFT DECEMBER 6 – 7, ONE MILLIONTH TON OF ROLLED SECTION WAS PRODUCED IN MILL 320. REFERENCE POINT - JANUARY 2012.

JANUARY 1, 2013 – TWO AUXILIARY SHOPS MERGED: THE POWER SHOP AND THE OXYGEN PLANT. A NEW STRUCTURAL SUBDIVISION WAS FORMED – ENERGY DEPARTMENT (END).

JANUARY 13, 2013 – «METALLURG» HOCKEY TEAM SUCCESSFULLY PLAYED IN THE SUPER-FINAL OF THE CONTINENTAL CUP AND TOOK THE SECOND PLACE IN THE PRESTIGE EUROPEAN TOURNAMENT.

JANUARY 24, 2013 – ACCORDING TO THE RESULTS OF AN EXPERT ASSESSMENT OF EcoVadis (MICHELIN), BSW ACHIEVEMENTS IN THE SOCIAL AREA IN 2012 AND IN THE AREA OF ENVIRONMENT PROTECTION EXCEEDED THE LEVEL DETERMINED BY MICHELIN FOR SUPPLIERS IN THE PURCHASING CHAIN.

THE ACHIEVED RESULTS SHOWED THE LEVEL OF A SIGNIFICANT MATURITY OF BSW IN THE AREA OF SOCIAL RESPONSIBILITY AND ENVIRONMENT AND WERE AN INTEGRAL PART OF MICHELIN CRITERIA FOR CHOOSING SUPPLIERS.

FEBRUARY 2013 – BYELORUSSIAN STEEL WORKS BECAME A LAUREATE OF THE AWARD OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS IN THE AREA OF SCIENCE AND ENGINEERING IN 2012. THIS PRIZE IS AWARDED EVERY YEAR FOR DEVELOPMENT AND INTRODUCTION OF NEW TYPES OF MATERIALS AND TECHNOLOGIES ENABLING THE NATIONAL SCIENCE TO REACH THE INTERNATIONAL LEVEL AND INCREASE EFFICIENCY OF THE INDUSTRIAL FACILITY.

FEBRUARY 11, 2013 – A NEW EIGHTH AMBULANCE ROOM

WAS OPENED ON THE BASIS OF THE ADMINISTRATIVE BUILDING OF ELECTRIC MELT SHOP No.1 (EMS-1) OF BYELORUSSIAN STEEL WORKS. HERE PLANT'S EMPLOYEES MAY RECEIVE THE REQUIRED MEDICAL ASSISTANCE, INCLUDING FIRST AID.

MARCH 1, 2013 – BASED ON THE WORK RESULTS OF 2012 BYELORUSSIAN STEEL WORKS BECAME THE WINNER IN THE NOMINATION «BEST INVESTOR AND EXPORTER» AMONG ENTERPRISES OF ZHLOBIN AND ZHLOBIN DISTRICT.

MARCH 28, 2013 – 10 YEARS SINCE ESTABLISHMENT OF THE UNITARY ENTERPRISE «METALLURGTORG».

APRIL 1, 2013 – 20 YEARS SINCE COMMISSIONING OF THE FOURTH STAGE OF BSW: THE PUMP STATION.

APRIL 1, 2013 – «METALLURG» HOCKEY TEAM BECAME THE SILVER PRIZE WINNER OF THE 21ST OPEN CHAMPIONSHIP OF THE REPUBLIC OF BELARUS.

APRIL 5, 2013 – GOMEL REGIONAL EXECUTIVE COMMITTEE EXPRESSED GRATITUDE TO THE WORK COLLECTIVE OF BSW FOR A CONSIDERABLE CONTRIBUTION IN SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGION.

APRIL 16, 2013 –TO IMPLEMENT INVESTMENT PROJECT «ORGANIZATION OF A SECTION BAR PRODUCTION WITH CONSTRUCTION OF A SMALL-SECTION MILL» GENERAL DIRECTOR A.N. SAVIANOK ISSUED ORDER No.340 TO ESTABLISH ROLLING SHOP No.2 (BRM-2).

APRIL 18, 2013 – 10 YEARS SINCE BYELORUSSIAN STEEL WORKS RECEIPT OF THE FIRST ECOLOGICAL CERTIFICATE IN GOMEL REGION. THIS EVENT REQUIRED A TWO-YEAR WORK OF THE EMPLOYEES. BSW GOT TWO ENVIRONMENT MANAGEMENT CERTIFICATES AT A TIME TO EVIDENCE CORRESPONDENCE OF THE PLANT TO THE REQUIREMENTS OF THE INTERNATIONAL STANDARD ISO 14001-1996 AND NATIONAL STANDARD STB ISO 14001-2000.

APRIL 17-18, 2013 – THE FOURTH SCIENTIFIC CONFERENCE OF YOUNG EMPLOYEES WAS HELD AT BSW. THIS FORUM GATHERED OVER 170 REPRESENTATIVES OF VARIOUS STRUCTURAL SUBDIVISIONS AND STUDENTS OF LEADING HIGHER INSTITUTIONS OF THE COUNTRY

APRIL 20, 2013 – A NATIONAL SUBBOTNIK WAS HELD AT THE PLANT.



APRIL 25-28, 2013 – THE SECOND INTERNATIONAL CHILDREN HOCKEY TOURNAMENT «STEEL CUP» FOR THE AWARDS OF GENERAL DIRECTOR OF OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING A. N. SAVIANOK WAS HELD IN ZHLOBIN. «METALLURG» TEAM WAS AWARDED BRONZE MEDALS.

MAY 18, 2013 – AT BELARUSIAN INDUSTRIAL FORUM-2013 BSW WAS AWARDED THE 1ST DEGREE DIPLOMA FOR THE PROJECT «DEVELOPMENT AND INTRODUCTION OF ENERGETECHNOLOGICAL MODES OF ELECTRIC-ARC FURNACE OPERATION AIMED AT INCREASE OF PRODUCTIVITY OF EAF-3 AND REDUCTION OF POWER CONSUMPTION FOR STEEL MELTING».

MAY 18, 2013 – BYELORUSSIAN STEEL WORKS WAS AWARDED A DIPLOMA FOR ACTIVE PARTICIPATION IN THE XIV INTERNATIONAL EXHIBITION «SPRING IN GOMEL-2013» WITHIN THE FRAMEWORK OF THE X GOMEL ECONOMIC FORUM.

MAY 25, 2013 – BASED ON THE RESULTS OF COMPETITIONS HELD BY GOMEL REGIONAL TRADE UNION ORGANIZATION, PRIMARY TRADE UNION ORGANIZATION OF BSW WAS DECLARED THE BEST AMONG 31 INDUSTRIAL ENTERPRISES OF GOMEL REGION IN 2012.

JUNE 5, 2013 – COACH OF ZHLOBIN «METALLURG» TEAM WAS ANNOUNCED THE BEST COACH OF THE SEASON 2012-2013 OF THE OPEN HOCKEY CHAMPIONSHIP OF BELARUS.

JUNE 15, 2013 – BASED ON THE RESULTS OF 2012 PRIVATE JOINT-STOCK COMPANY «ROSAVA» – THE LARGEST TIRE PRODUCER IN THE UKRAINE – AWARDED THE «EXCELLENT SUPPLIER» RATING TO BYELORUSSIAN STEEL WORKS.

JUNE 21, 2013 – BASED ON THE RESULTS OF 2012 THE UNION OF VETERANS OF BYELORUSSIAN STEEL WORKS BECAME THE WINNER IN THE COMPLETION FOR THE BEST PRIMARY ORGANIZATION OF ZHLOBIN DISTRICT.

JULY 6, 2013 – THE THIRD TRADITIONAL OPEN DAY WAS HELD AT BSW.

JULY 10, 2013 – 50TH BIRTHDAY OF THE GENERAL DIRECTOR OF OJSC «BYELORUSSIAN STEEL WORKS-MANAGEMENT COMPANY OF «BMC» HOLDING A.N. SAVIANOK.

JULY 18, 2013 – BRM (MILL 850, TEAM No.1) PRODUCED 10-MILLIONTH TON OF ROLLED STEEL SINCE ITS COMMISSIONING IN 1987.

JULY 18, 2013 – AN AGREEMENT WAS REACHED AND CORRESPONDING DOCUMENTS SIGNED WITH EURASIAN BANK OF DEVELOPMENT REGARDING JOINT FINANCING OF THE CONSTRUCTION OF THE SMALL SECTION MILL AT BSW BY EBD AND OJSC OAO BELARUSBANK.

JULY 19, 2013 – A CAPSULE WITH A MESSAGE TO OUR DESCENDANTS WAS LAID DOWN IN THE FOUNDATION OF AIR-HEATING UNIT No. 3 OF THE LIMITED LIABILITY JOINT-VENTURE «BSW-OP». COST OF THE PROJECT – OVER USD33,8 MILLION, COST OF EQUIPMENT – USD19,4 MILLION, COST OF CIVIL AND ERECTION WORK – USD7,9 MILLION.

AUGUST 2013 – BASED ON THE RESULTS OF THE ANNUAL REPUBLICAN PROFESSIONAL CONTEST «BEST CONSTRUCTION PRODUCT (ARTICLE) OF THE YEAR» WELDING REINFORCING BAR CLASS B500C FOR CONCRETE REINFORCEMENT PRODUCED BY BSW WAS ANNOUNCED THE BEST CONSTRUCTION PRODUCT OF 2013.

AUGUST 29, 2013 – FIRST AUDIT OF CORRESPONDENCE WITH THE CODE OF ETHICS OF PIRELLI'S SUPPLIER WAS HELD AT THE PLANT. REQUIREMENTS OF THE INTERNATIONAL STANDARD OF SOCIAL RESPONSIBILITY SA8000 WERE MET.

SEPTEMBER 6, 2013 – BSW PRIMARY ORGANIZATION WITH THE RIGHTS OF A DISTRICT COMMITTEE OF THE PUBLIC ASSOCIATION «BELARUSIAN REPUBLICAN YOUTH UNION» BECAME THE WINNER OF THE REPUBLICAN CONTEST FOR THE BEST PRIMARY ORGANIZATION OF THE PA «BRYU».

SEPTEMBER 20, 2013 – 30 YEARS SINCE ESTABLISHMENT OF THE REPAIR-MECHANICAL SHOP (RMS).

DECEMBER 12, 2013 – A PARKING FOR OUR 410 EMPLOYEE'S PRIVATE CARS WAS PUT INTO OPERATION AT BSW.

JANUARY 4, 2014 – EMS-2 HAD PRODUCED 9 MILLION TONS OF STEEL SINCE ITS COMMISSIONING. THE JUBILEE HEAT WAS MANUFACTURED BY TEAM No. 3 UNDER THE LEADERSHIP OF THE HEAD OF THE SHIFT N.E. ROZHKOVA, FOREMAN OF EAF-3 AND SMD P.E. ROZHKOVA.

JANUARY 16, 2014 – 30 YEARS SINCE ESTABLISHMENT OF THE POWER REPAIR SHOP (PRS).



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JANUARY 17, 2014 – CEREMONIAL COMMISSIONING OF THE RECONSTRUCTED OBJECTS OF STEEL MAKING PRODUCTION: EMS-1, EAF-1 AND DP-1.

JANUARY 28, 2014 – 750-THOUSANDTH TON OF STEEL CORD PRODUCED AT SWS-1. THE JUBILEE LOT WAS SHIPPED THE CONTINENTAL PLANT IN ECUADOR.

FEBRUARY 1, 2014 – 20 YEARS SINCE ESTABLISHMENT OF THE REPAIR AND CONSTRUCTION SHOP (RCS).

FEBRUARY 3, 2014 – 30 YEARS SINCE ESTABLISHMENT OF THE METALLURGICAL SHOPS ELECTRIC EQUIPMENT REPAIR SHOP (MSEERS)

FEBRUARY 14, 2014 – ACCORDING TO ENACTMENT No.4 OF GOSSTANDART, OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING BECAME THE WINNER OF THE TOURNAMENT «BEST GOODS OF THE REPUBLIC

OF BELARUS» 2013 IN THE NOMINATION «INDUSTRIAL – TECHNICAL APPLICATION PRODUCTS» FOR THE FOLLOWING ITEMS: ROLLED ROUNDS OF ALLOY STRUCTURAL STEEL 40X ACC. TO GOST 4543-71; REINFORCING COLD-DEFORMED PLAIN NONPRESTRESSED STEEL FOR CONCRETE REINFORCEMENT DIAMETER 5,0 MM CLASS S ACC. TO STB 1341-2009.

FEBRUARY 21, 2014 – TRANSFER FOR OPERATION OF TWO IMPORTANT FACILITIES: A NEW LIME KILN (LK-3) AND RECONSTRUCTED CONTINUOUS CASTING MACHINE No. 2 (CCM-2).

APRIL 24, 2014 – THE THIRD INTERNATIONAL SUPPLIER CONFERENCE WAS HELD; IT GATHERED 100 DELEGATES FROM 11 COUNTRIES OF THE WORLD.

MAY 3, 2014 – 30 YEARS SINCE ESTABLISHMENT OF THE CENTRAL PLANT LABORATORY (CPL).

MAY 3, 2014 – 20 YEARS SINCE OPENING OF SLAVYANSKAYA HOTEL LOCATED IN THE CENTRAL STREET OF THE TOWN AT THE ADDRESS: 13 PERVOMAIKAYA STR.

JUNE 5, 2014 – A CEREMONIAL COMMISSIONING OF A REACTIVE-POWER STATIC THYRISTOR COMPENSATOR AT THE SUB-STATION STAL TO ENSURE A MORE STABLE OPERATION OF THE FURNACE TRANSFORMERS.

JUNE 11, 2014 – 15 YEARS SINCE LAYING DOWN OF A CAPSULE WITH A MESSAGE TO OUR DESCENDANTS AT ONE OF OUR MAIN NEW PROJECTS OF THE DECADE – ROLLING WIRE MILL 150.

JUNE 12, 2014 – THE FIRST IN THE PLANT'S HISTORY FOOTBALL MATCH BETWEEN PLANT'S MANAGERS AND YOUNG EMPLOYEES OF BSW AT THE LOCOMOTIVE STADIUM.

JULY 26, 2014 – 30 YEARS SINCE ESTABLISHMENT OF THE TECHNICAL CONTROL DEPARTMENT (TCD).

OCTOBER 1, 2014 – 20 YEARS SINCE ESTABLISHMENT OF «ZHLOBINMETALLURGSTROI».

OCTOBER 8, 2014 – GENERAL DIRECTOR OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING A.N. SAVIANOK WAS ELECTED THE CHAIRMAN OF THE ASSOCIATION OF CASTERS AND METALLURGISTS (AS&M OF THE REPUBLIC OF BELARUS.





OCTOBER 14, 2014 — THE DAY OF THE FORMAL OPENING OF THE RENOVATED TRAINING CENTRE.

OCTOBER 15, 2014 — THE 30TH ANNIVERSARY OF BYELORUSSIAN STEEL WORKS.

OCTOBER 15, 2014 — 30 YEARS SINCE ESTABLISHMENT OF ELECTRIC MELT SHOP No.1 (EMS-1).

OCTOBER 15, 2014 — 30 YEARS SINCE ESTABLISHMENT OF THE AUTOMATION BOARD (AB).

OCTOBER 15, 2014 — A BUST OF THE FIRST BSW DIRECTOR D.L. AKOPOV WAS OPENED OPPOSITE THE ENGINEERING BUILDING No.2 ON THE 30TH ANNIVERSARY OF BSW.

NOVEMBER 5, 2014 — 30 YEARS SINCE ESTABLISHMENT OF THE SECTION ROLLING SHOP (SRS).

NOVEMBER 6, 2014 — RENOVATED PALACE OF CULTURE OF METALLURGISTS WAS OPENED AFTER RECONSTRUCTION. THE CHAIRMAN OF GOMEL REGIONAL EXECUTIVE COMMITTEE, MEMBER OF THE COUNCIL OF THE REPUBLIC OF THE NATIONAL ASSEMBLY OF THE REPUBLIC OF BELARUS V.A. DVORNIK TOOK PART IN THE CEREMONY.

NOVEMBER 20, 2014 — DURING A WORKING VISIT TO BSW OF THE FIRST DEPUTY PRIME-MINISTER OF THE REPUBLIC OF BELARUS V.L. SEMASHKO BASED ON THE DECISION OF THE TEAM OF EMPLOYEES AND THE MANAGEMENT OF THE PLANT, HIS NAME WAS RECORDED IN THE BOOK OF HONOR AND A BADGE «HONORABLE WORKER OF BSW» WAS HANDED TO HIM THANKS TO HIS INESTIMABLE CONTRIBUTION, ASSISTANCE AND SUPPORT FOR BYELORUSSIAN STEEL WORKS IN ITS CURRENT ACTIVITY AND IMPLEMENTATION OF THE INVESTMENT PROGRAM.

NOVEMBER 25, 2014 — 30 YEARS SINCE SIGNATURE OF THE ACCEPTANCE REPORT ON THE FIRST STAGE BYELORUSSIAN STEEL WORKS COMMISSIONING.

DECEMBER 18, 2014 — EMPLOYEES OF BYELORUSSIAN STEEL WORKS V.N. ZUEV, Y.G. NIKOLAENKO, AND M.Y. TERESHCHENKO WERE AWARDED A HIGH STATE AWARD - MEDAL «FOR LABOUR SERVICES».

JANUARY 20, 2015 — PRESENTATION OF THE GUIDEBOOK — ATLAS OF STEEL DEFECTS EDITED BY BSW GENERAL DI-

RECTOR A.N. SAVIANOK. THE SCIENTIFIC AND PRACTICAL MANUAL SUMMARIZES THE 30-YEAR EXPERIENCE OF THE ENTERPRISE IN SYSTEMATIZATION AND ANALYSIS OF VARIOUS DEFECTS EVER DETECTED IN BSW SEMIS AND FINISHED PRODUCTS.

JANUARY 23, 2015 — 30-YEARS SINCE SIGNATURE OF THE CONTRACT FOR THE DESIGN, ERECTION AND COMMISSIONING ON THE TURN-KEY BASIS OF THE SECOND STAGE OF BSW. WITH THE SUPPORT OF RELIABLE PARTNERS — AUSTRIAN VOEST-ALPINE AND ITALIAN DANIELI — THE HISTORY OF BELARUSIAN STEEL CORD AND STEEL WIRE PRODUCTION STARTED.

JANUARY 27, 2015 - THE FIRST HOT TESTING OF THE EQUIPMENT IN SWS-2. DURING TESTING, THREE BILLETS WERE ROLLED AND A TRIAL SQUARE WAS MADE IN THE ROUGHING TRAIN.

JANUARY 28, 2015 — SIGNATURE OF THE AGREEMENT ON EXTENDING A REVOLVING CREDIT LINE IN THE AMOUNT OF &35 MILLION GRANTED BY UNICREDIT BANK AUSTRIA TO OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING» IN VIENNA. LOAN AGREEMENTS FOR CREDIT LINE EXTENSION FOR BELMET HANDELSGESELLSCHAFT MBH (AUSTRIA), A JOINT-VENTURE AND A SUBJECT OF THE COMMODITY DISTRIBUTION NETWORK OF THE PLANT, WERE ALSO SIGNED. THESE LOAN FACILITIES ARE USED FOR PRE-FINANCING OF EXPORT TRANSACTIONS FOR BUYING PRODUCTS FROM BSW. THIS IS A VERY IMPORTANT EVIDENCE OF RELIABILITY OF THE PLANT IN THE OPINION OF ITS INTERNATIONAL PARTNERS.

FEBRUARY 11, 2015 — SECOND HOT TEST WITH THE USE OF A HOT BILLET IN SECTION ROLLING SHOP-2. SQUARE 140x140 MM HEATED IN THE FURNACE WAS ROLLED IN THE ROUGHING TRAIN AND A NUMBER OF STANDS OF THE INTERMEDIATE TRAIN (STANDS 8-13), AFTER THAT THE ROLLED SQUARE WAS CUT WITH THE SECOND SHEARS OF INTERMEDIATE TRAIN AND THROWN INTO THE CONTAINER FOR CUTTING.

FEBRUARY 24, 2015 — HOT TESTS OF 19 STANDS OF SRS -2.

MARCH 4, 2015 — ONE MILLIONTH TON OF STEEL WAS CAST IN CCM-2 AT EMS-1 AFTER RECONSTRUCTION OF THE MACHINE. FROM 8.37 TILL 9.27 HEAT No. 351417 WEIGHING 108,038 T WAS CAST. 54TH TON OF THE HEAT BECAME ONE-



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MILLIONTH TON. THE HONOR TO CAST IS FELL TO TEAM No.1: ACTING FOREMAN OF STEEL CASTING D.I. OLKHOVICH, SENIOR STEEL CASTER S.G. DANCHIKOV, UPPER CASTER S.N. ZHUKOVETS, AND CASTERS D.G. MURAR, D.I. KOROTKEVICH, V.N. TIMOSHENKO, D.S. RABTSEVICH, M.S. TARNOVSKY, O.V. BRUENKOV, AND OPERATORS A.I. GANAK AND D.N. ZHURAVLEV.

MARCH 16, 2015 — THE FIRST FOUR COILS OF WIRE ROD DIAMETER 13,5MM WERE PRODUCED AT SRS -2. HOT TRIALS OF THE ENTIRE TECHNOLOGY OF THE LINE SHOWED A COMPLETE FUNCTIONALITY OF THE EQUIPMENT FOR THIS PRODUCT MANUFACTURING.

MARCH 26, 2015 — EMPLOYEES TEAMS OF EMS -1 AND EMS-2 MANAGED TO ACHIEVE ANOTHER RECORD — DAILY PRODUCTION OF STEEL IN THE THREE FURNACES EQUALED TO 9134 TONS. MAIN CONTRIBUTION WAS MADE BY THE EMPLOYEES OF ELECTRIC MELT SHOP No. 2 WHO PRODUCED 3310 TONS. STEEL MAKING AND CASTING DAILY RECORD OF EMS -2 WAS ESTABLISHED BY TEAMS NOS. 3 AND 1 HEADED BY NIKOLAI EVGENIEVICH ROZHKOVA AND GERMAN VALENTINOVICH DEREVIANKO.

MARCH 31, 2015 — THE FIRST SHIPMENT OF PRODUCTS MANUFACTURED IN SECTION ROLLING SHOP No. 2 (SRS-2) WAS DISPATCH FOR EXPORT. THESE WERE 20 TONS OF WIRE ROD SOLD TO OUR CUSTOMER FROM BULGARIA VIA BSW COMMODITY DISTRIBUTION NETWORK LIMITED COMPANY BELMET (AUSTRIA). FROM 16.03.2015 TILL 31.03.2015 OVER 190 TONS OF MARKETABLE PRODUCTS WERE ROLLED IN MILL 370/150. THE LARGEST PART OF IT WAS DIRECTED TO RECHITSA HARDWARE PLANT.

MARCH 2015 — TEAMS OF EMS-1 AND EMS-2 ESTABLISHED A NEW PRODUCTION RECORD: THEIR TOTAL PRODUCTION MADE UP 246 170 TONS. PREVIOUS MAXIMUM PERFORMANCE WAS DEMONSTRATED IN OCTOBER 2012 — 236 728 T.

APRIL 16, 2015 — A MAPLE PEACE ALLEY WAS LAID DOWN IN FRONT OF ENGINEERING BUILDING No.1 IN COMMEMORATION OF THE 70TH ANNIVERSARY OF THE GREAT VICTORY. IT IS A KIND OF TRIBUTE PAID TO ALL VETERANS WHO STRUGGLED FOR PEACE AND MADE POSSIBLE PRESENT ACHIEVEMENTS OF THE EMPLOYEES OF BYELORUSSIAN STEEL WORKS AND ITS BUSINESS PARTNERS.

MAY 14, 2015 — BASED ON THE RESULTS OF 2014 PERFORMANCE, OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING WAS ACKNOWLEDGED AS «THE BEST EXPORTER OF 2014». THE HONORABLE PRIZE OF THE WINNER OF THE SIMILAR TOURNAMENT WAS PRESENTED TO GENERAL DIRECTOR OF THE ENTERPRISE ANATOLY NIKOLAEVICH SAVIANOK.

MAY 28, 2015 — COMMISSIONING OF A LIMITED JV BMZ-OP FOUNDED BY OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING, BELMET (AUSTRIA), «BELASTAHL (GERMANY), IRON TRADE LIMITED (RUSSIA), AND OJSC «PSKOVVTORCHERMET» (RUSSIA). THE NEW OXYGEN PLANT ALLOWS US TO SATISFY BSW DEMAND FOR TECHNICAL GASES AND DIRECT ABOUT 10% OF THE PRODUCTS TO SATISFY NEEDS OF OTHER ENTERPRISES OF GOMEL REGION.

JUNE 12, 2015 — BASED ON THE RESULTS OF BSW OPERATION IN 2014, THE PLANT OCCUPIED THE 2ND PLACE IN THE REGIONAL TOURNAMENT FOR THE BEST ORGANIZATION OF IDEOLOGICAL WORK AMONG THE ENTERPRISES OF THE INDUSTRY. THE DIPLOMA OF THE WINNER WAS AWARDED TO GENERAL DIRECTOR A.N. SAVIANOK AT THE REPUBLICAN SEMINAR OF IDEOLOGICAL ACTIVISTS OF GOMEL REGION.

JUNE 18, 2015 — CANTEEN No. 10 OF THE UE «METALLURGTORG» WAS OPENED IN THE ADMINISTRATIVE BUILDING OF THE NEW SECTION ROLLING MILL No.2 (SRS-2). THE CANTEEN IS DESIGNED FOR 80 SEATS AND IT CAN ACCEPT UP TO 500 VISITORS DURING A SHIFT.

JUNE 18, 2015 500TH EMPLOYEE WAS HIRED IN THE NEW SECTION ROLLING SHOP No.2 (SRS-2). IT WAS A 5TH GRADE MAINTENANCE ELECTRICIAN KONSTANTIN ALEKSANDROVICH GAEV.

JUNE 30, 2015 — TECHNOLOGICAL FORUM «INNOVATIVE TECHNOLOGIES FOR MODERNIZATION AND PRODUCTION PERFORMANCE IMPROVEMENT OF BELARUSIAN ENTERPRISES» WAS HELD AT BSW. IT WAS PARTICIPATED BY REPRESENTATIVES OF BUSINESS COMMUNITY OF SAXONY FEDERATIVE LAND (GERMANY) AND ENTERPRISES OF «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING.

JULY 1, 2015 — THE PLANT NEWSPAPER «METALLURG» CROSSED THE 30-YEAR BOUNDARY OF ITS OPERATION. DURING THESE 30 YEARS ITS CIRCULATION GREW FROM 2 000



COPIES TO 8 500 COPIES. AT PRESENT THE NEWSPAPER IS DISTRIBUTED NOT ONLY IN THE REGION OF THE ORGANIZATION OPERATION BUT IN ROGACHOV AND SVETLOGORSK DISTRICTS OF GOMEL REGION.

JULY 16, 2015 COMMISSIONING OF THE PROJECT «MODERNIZATION OF RECYCLING WATER SUPPLY CIRCUIT OF EMS-1 AND SRS» WHICH PERMITTED TO INCREASE AMOUNT OF WATER USED FOR EQUIPMENT COOLING, IMPROVE QUALITATIVE COMPOSITION OF WATER AND ITS TEMPERATURE MODE.

JULY 16, 2015 – ACCEPTANCE OF THE NEW FACILITY OF THE SCRAP YARD: SITE FOR CUTTING OF LARGE SCRAP TO OUTLINE DIMENSIONS.

JULY 19, 2015 – A STAR IN THE ORION CONSTELLATION WAS GIVEN THE NAME OF BYELORUSSIAN STEEL WORKS. THIS PRESENT WAS GIVEN TO THE BSW BY ITS PARTNER BALTIC SHIPPING (KLAIPEDA) IN COMMEMORATION OF ITS ACHIEVEMENTS AND SUCCESSES.

AUGUST 8, 2015 – A FIELD COLLEGE OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS WAS HELD ON THE BASIS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. DURING THE MEETING THE RESULTS OF OPERATION OF ENTERPRISES AND ORGANIZATIONS OF THE INDUSTRY IN JANUARY - JUNE 2015 WERE SUMMED UP AND GOALS FOR FULFILLMENT OF THE FORECAST PERFORMANCE OF SOCIAL AND ECONOMIC DEVELOPMENT DURING 9 MONTHS OF THE CURRENT YEAR WERE DETERMINED.

AUGUST 2015 – ELECTRIC MELT SHOP No. 2 REACHED A NEW PRODUCTION BOUNDARY. STEEL MELTING IN EAF-3 MADE UP 76 876 TONS. PREVIOUS PERFORMANCE INDICATOR OF THE FURNACE WAS 76 042 TONS IN MARCH 2013.

AUGUST 2015 – ROLLING MILL 150 REACHED MAXIMUM PERFORMANCE: 51 200 TONS OF HOT-ROLLED MATERIAL. THE PREVIOUS FIGURE OF ROLLING MILL 150 REACHED IN 2012 WAS 49 521 TONS.

SEPTEMBER 8, 2015 - WINNERS OF THE REPUBLICAN PROFESSIONAL CONTEST «THE BEST CONSTRUCTION PRODUCT -2015» WERE ANNOUNCED. BSW PRODUCTS WERE MARKED IN THE NOMINATION «THE BEST CONSTRUCTION MATERIAL (PRODUCT) OF THE YEAR». SUCH TITLE WAS AWARDED TO REINFORCING WELDING ROLLED SECTION CLASS A500C ACCORDING TO GOST R 52544-2006.

SEPTEMBER 22, 2015 - DURING XIX ECONOMIC FORUM «NEIGHBOURLINESS 2015» POLISH CHAMBER OF COMMERCE AWARDED BSW GENERAL DIRECTOR A.N. SAVIANOK FOR A LONG-TERM WORK ON THE POLISH MARKET, CONTRIBUTION TO DEVELOPMENT OF INTERNATIONAL TRADE RELATIONS, STRENGTH AND TENACITY IN ACHIEVEMENT OF THE GOALS SET.

SEPTEMBER 25, 2015 - A SYMBOLIC EVENT BOTH FOR BSW AND THE COUNTRY AS WELL AS FOR THE GLOBAL STEELMAKING: COMMISSIONING OF SECTION ROLLING MILL No.2. PRESIDENT LUKASHENKO PARTICIPATED IN THE EVENT.

OCTOBER 7, 2015 EMPLOYEES OF SWS-2 PRODUCED 500-THOUSANDTH TON OF HOSE WIRE. THIS SYMBOLIC FOR BSW LOT WAS SHIPPED TO A WELL-KNOWN EUROPEAN COMPANY EATON (GERMANY).

OCTOBER 16, 2015 – BSW WAS ACKNOWLEDGED AS THE WINNER IN THE NOMINATION «POWER-EFFICIENT TECHNOLOGIES AND PROCESSES» AT THE NATIONAL CONTEST «LEADER OF EFFECTIVENESS -2015'. THE PROJECT «OXYGEN TECHNOLOGY OF STEELMAKING IN THE EAF» WAS AWARDED A DIPLOMA.

OCTOBER 19, 2015 – TEAM No. 4 PRODUCED THE FIRST 100 THOUSAND TONS OF HIGH-TECH PRODUCT IN SECTION ROLLING SHOP No. 2.

OCTOBER 21-22, 2015 THE 23RD INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE «FOUNDRY ENGINEERING AND STEELMAKING 2015. BELARUS» WAS HELD AT BSW. IT GATHERED OVER 130 DELEGATES FROM DIFFERENT COUNTRIES. BSW WAS ACKNOWLEDGED THE BEST IN THE NOMINATION «THE BEST INNOVATIVE PROJECT IMPLEMENTED IN FOUNDRY AND STEELMAKING PRODUCTION» AND «THE BEST SCIENTIFIC – PRODUCTION WORK OF A YOUNG SCIENTISTS OR AN ENGINEER» AT THE CEREMONY OF AWARD PRESENTATION TO LAUREATES OF THE AWARD OF THE ASSOCIATION OF FOUNDERS AND STEELMAKERS OF THE REPUBLIC OF BELARUS.

OCTOBER 30, 2015 - ON THE DAY OF ITS 15TH ANNIVERSARY, SWS- 3 CROSSED THE BOUNDARY OF 2 MILLION TONS OUTPUT. THE «JUBILEE» METAL WAS SHIPPED TO BSW TRADING FIRM «BALTIYA».

NOVEMBER 2015 – BSW WON THE CUP FOR THE BEST



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PRODUCT PRESENTED AT THE 21ST INTERNATIONAL EXHIBITION «METAL-EXPO 2015» (10-13.11.2015). THE METALLURGICAL FORUM REPLENISHED THE COLLECTION OF AWARDS OF THE ENTERPRISE WITH TWO «NIKAS» FOR THE BEST VIDEOPRODUCT IN STEELMAKING.

NOVEMBER 17, 2015 – THE PLANT KVN TEAM «VSE V STALI» BECAME THE WINNER OF THE KVN PRIME LEAGUE (MINSK) OF 2015.

DECEMBER 16, 2015 – SPECIALISTS OF THE PLANT RESEARCH CENTRE BECAME THE WINNERS OF THE NATIONAL CONTEST OF INNOVATIVE PROJECTS. THE PROJECT «ORGANIZATION OF PRODUCTION OF HIGH-TECH BEARINGS WITH A NANO-COMPOSITE COATING ON THE BASIS OF OJSC «MINSK BEARING PLANT» WON THE SECOND PLACE IN THE NOMINATION «THE BEST INNOVATIVE PROJECT»; THE PROJECT «MANUFACTURING APPLICATION OF THE STRETCHING PROCESS FOR PRODUCTION OF REINFORCEMENT CLASS 500 MPa IN COILS WITH A ROW WINDING UP TO 5 TONS, DUCTILITY CLASS B AND C, DIAMETER 6,0 MM TO 16,0 MM AT BSW» WON THE THIRD PLACE IN THE NOMINATION «THE BEST INNOVATIVE PROJECT OF A YOUNG SPECIALIST».

PARTICIPATION IN EXTERNAL INITIATIVES

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING HAS ITS REPRESENTATIVES IN DIFFERENT NATIONAL ORGANIZATIONS INCLUDING THE ORGANS OF LEGISLATIVE AUTHORITIES OF ALL LEVELS; THIS ALLOWS THE PANT TO PARTICIPATE IN LAWMAKING ACTIVITY, EXERT INFLUENCE ON DECISION MAKING IN THE AREA OF ECONOMIC DEVELOPMENT OF THE REGION, CARRY OUT AN OPEN DIALOG WITH AUTHORITIES AND THUS STEADILY DECREASE ITS ACTIVITY RISKS.

TO COOPERATE WITH THE INTERNATIONAL PROFESSIONAL COMMUNITY AND REPRESENT ITS INTEREST, THE PLANT BECAME A MEMBER OF THE FOLLOWING ASSOCIATIONS:

- BELARUSIAN CHAMBER OF COMMERCE;
- COUNCIL OF BUSINESS COOPERATION BELARUS EU;
- BELARUSIAN UNION OF CASTERS AND METALLURGISTS;
- INTERNATIONAL UNION OF STEELMAKERS;

- INTERNATIONAL UNION OF ROLLERS;
- BELARUSIAN-GERMAN NON-GOVERNMENTAL UNION OF BUSINESS COOPERATION;
- WORLD STEEL ASSOCIATION (WSA);
- EUROPEAN FOUNDATION OF QUALITY MANAGEMENT (EFQM);
- QUALITY LEADERS CLUB OF CENTRAL AND EAST EUROPEAN COUNTRIES.

MEMBERSHIP IN THESE ORGANIZATIONS ALLOWS THE PLANT TO CHAMPION ITS INTERESTS IN THE WORLD COMMUNITY MORE EFFECTIVELY AND DEVELOP ITS BUSINESS CONSIDERING GENERAL TENDENCIES AND STRATEGIC TASKS.

COOPERATION WITH STAKEHOLDERS

THE LONG-TERM SUCCESSFUL DEVELOPMENT OF THE ENTERPRISE IS BASED ON CONSTRUCTION OF CONFIDENTIAL RELATIONS WITH THE STAKEHOLDERS. BSW STRIVES FOR ACTIVE ENGAGEMENT OF DIFFERENT GROUPS OF STAKEHOLDERS INTO ITS ACTIVITY IN THE AREA OF SUSTAINABLE DEVELOPMENT GUIDED BY THE PRINCIPLES OF SOCIAL PARTNERSHIP, MUTUALLY ADVANTAGEOUS COOPERATION, RESPECT, OPENNESS, AND TRUST

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING COOPERATES WITH AN EXTENSIVE NUMBER OF THE STAKEHOLDERS, WHICH GOES BEYOND THE FRAMEWORKS OF ITS PRODUCTION ACTIVITY. BYELORUSSIAN STEEL WORKS SETS FORTH A UNIFIED APPROACH TO THE SOCIAL ACTIVITY MANAGEMENT, INCLUDING A GREAT MAJORITY OF VARIOUS INSTRUMENTS; THEREAT, THE PRINCIPLE OF TARGETED AND INDIVIDUAL APPROACH IS ALWAYS PRESERVED WITH RESPECT TO EVERY GROUP OF THE PARTIES CONCERNED. SUCCESSFUL BUSINESS IS IMPOSSIBLE WITHOUT FAVORABLE SOCIO-ECONOMIC ENVIRONMENT BOTH INTERNAL AND EXTERNAL. INVESTING INTO THE DEVELOPMENT OF THE REGION OF OUR PRESENCE NOW, WE ARE CURRENTLY CREATING POTENTIAL FOR ECONOMIC, SOCIAL, MATERIAL AND SPIRITUAL GROWTH OF THOUSANDS OF PEOPLE. IT ALSO MEANS THAT WE FORM A STABLE AND FREE SOCIETY CONFIDENT IN TOMORROW.



BEING A SOCIALLY RESPONSIBLE ENTERPRISE, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING COOPERATES WITH THE STAKEHOLDERS ADHERING TO THE FOLLOWING APPROACHES:

- OBSERVANCE OF THE LEGISLATION AND LEGAL NORMS OF THE REPUBLIC OF BELARUS AS WELL AS PRINCIPLES OF THE UN GLOBAL COMPACT;
- ENGAGEMENT OF ALL ELEMENTS AND PARTICIPANTS OF COOPERATION;
- DISCLOSURE OF A COMPLETE AND RELIABLE INFORMATION ABOUT THE RESULTS IN THE FIELD OF ECONOMIC, ECOLOGICAL AND SOCIAL ACTIVITY;
- PROMOTION OF RESPONSIBILITY FOR THE ASSUMED OBLIGATIONS AND THEIR FULFILLMENT;
- OBSERVANCE OF UNIVERSAL NORMS AND VALUES;
- FORMATION OF FAVORABLE INTERNAL AND EXTERNAL ENVIRONMENT;
- MAINTAINING OF REASONABLE BALANCE OF INTERESTS OF THE PLANT AND THE COMMUNITY.

BYELORUSSIAN STEEL WORKS IS A PART OF THE SOCIETY AND IT SUPPORTS CIVIL INITIATIVES IN THE FIELD OF ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF THE REGION OF OPERATION, PRESERVING CULTURAL HERITAGE, NATIONAL ORIGINALITY, ENVIRONMENTAL PROTECTION, HEALTHCARE AND WELFARE OF THE POPULATION AND EMPLOYEES.

INTERACTION WITH THE CIVIL SOCIETY

BYELORUSSIAN STEEL WORKS IS A TOWN-FORMING ENTERPRISE DEFINING NOT ONLY THE APPEARANCE BUT ALSO THE CHARACTER OF ZHLOBIN. THROUGHOUT ITS HISTORY THE PLANT WAS INVOLVED INTO CONSTRUCTION CREATING INDUSTRIAL AND SOCIAL INFRASTRUCTURE OF THE TOWN. THE FIRST FACILITY BUILT BY BSW WAS THE BOILER HOUSE «SEVERNAYA» COMMISSIONED IN 1983.

DUE TO BSW ZHLOBIN TAKES ADVANTAGE OF 5 EDU-



By Decree of the President of the Republic of Belarus dd June 8, 2015 Alesya Vladimirovna Miranovich, a crane operator of the warehousing, was awarded Mother's Order for bringing up five children. At present, 199 women having many children work at BSW: they do not only bring up children, but take an active civic stand.

CATIONAL SCHOOLS, 9 NURSERY SCHOOLS, 7 STORES, A RESTAURANT, A HOTEL, CHILDREN'S DEPARTMENT FOR 120 PEOPLE AND A SURGICAL BUILDING FOR 240 PATIENTS OF THE REGIONAL HOSPITAL. FOR A CONVENIENT HIGHROAD SERVICE, A VIADUCT OVER THE RAIL TRACK WAS BUILT CONNECTING TWO PARTS OF THE TOWN.

THERE WAS TIME WHEN WE HAD NO STABLE RECEPTION OF THE REPUBLICANS AND REGIONAL TV PROGRAMS. THIS PROBLEM WAS SOLVED WITH THE HELP OF A RELAY STATION INSTALLED BY THE PLANT. LIBERATORS' SQUARE BECAME A REAL ADORNMENT OF THE TOWN. A NEW BUILDING OF SCHOOL No.1 WAS BUILT BY THE PLANT AS WELL AS A SPORT CENTRE WITH A SKATING RINK AND AN AQUA-PARK. WITH THE HELP OF BSW FINANCING SPORTS GAME PALACE WAS BUILT.

THE TOWN STREETS WERE RENEWED, CONVENIENT TRANSPORT COMMUNICATION OF THE DEVELOPING «METALLURGIC CAPITAL» IS ASSURED BY 3 VIADUCTS. TODAY ZHLOBIN IS A RAPIDLY DEVELOPING TOWN WITH MODERN DISTRICTS, VARIOUS SPORT AND CULTURAL FACILITIES.

Strategy and management approach to sustainable development



THE PLANT'S MANAGEMENT REALIZES THAT SOCIAL AND ECONOMIC STABILITY IN THE REGION OF ITS OPERATION AFFECTS THE LONG-TERM STABILITY OF BUSINESS. THAT IS WHY IT IS STRATEGICALLY EXPEDIENT TO ABIDE BY THE CORPORATE RESPONSIBILITY POLICY BOTH WITH RESPECT TO THE EMPLOYEES AND WITH RESPECT TO THE LOCAL COMMUNITIES. INVESTIGATING THE PECULIARITIES OF THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGION OF ITS OPERATION, THE PLANT DEFINES THE PRIORITY DIRECTIONS AND FORMS OF SOCIAL ACTIVITY. BESIDES FULFILLING TAX OBLIGATIONS, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INITIATES COOPERATION WITH REGIONAL PARTNERS AND SUPPORTS PROGRAMS AND PROJECTS AIMED AT SOCIAL INFRASTRUCTURE DEVELOPMENT.

HELPING THE REGION, THE PLANT THEREBY ESTABLISHES EFFECTIVE RELATIONS WITH THE LOCAL AUTHORITIES AND COMMUNITY OPENING OPPORTUNITIES TO DEVELOP ITS BUSINESS OVER THE CERTAIN TERRITORY, TO IMPLEMENT NEW PROJECTS AND ENGAGE QUALIFIED PERSONNEL.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS SEARCHING FOR OPTIMAL CORRELATION OF ITS SOCIAL OBLIGATIONS AND ACTUAL POTENTIAL, MAINTAINING BALANCE BETWEEN THE NEEDS OF THE REGION AND BUSINESS CONCERNS. AS FOR ITS PRACTICAL ACTIVITY, THE PLANT CREATES RELATIONSHIP WITH THE CIVIL SOCIETY WITH DUE CONSIDERATION OF THE RESULTS OF THE COMPREHENSIVE RESEARCH «EXTERNAL IMPACT OF THE ENTERPRISE ON THE COMMUNITY, THE PLANT'S IMAGE IN THE TOWN». ANNUAL MULTIDIMENSIONAL RESEARCH IS CARRIED OUT WITH THE PURPOSE TO STUDY THE OPINION OF THE TOWNSPEOPLE WITHIN THE REGION OF THE PLANT'S OPERATION AS CONCERNS THE DEGREE OF BSW INFLUENCE ON THE VITAL ACTIVITY OF THE REGION.

STEADY DEVELOPMENT OF THE REGION OF OPERATION IS AN IMPORTANT COMPONENT OF THE PLANT DEVELOPMENT STRATEGY AIMED AT SOLVING THE PRIORITY TASKS WITHIN THE FIELD:

- ASSISTANCE TO STEADY DEVELOPMENT OF THE TERRITORY OF OPERATION;
- MAINTAINING STABLE SOCIAL AND ECONOMIC ENVIRONMENT IN THE LOCAL COMMUNITIES;

- DEVELOPMENT OF PARTNERSHIP RELATIONS WITH THE REGIONAL AUTHORITIES AND LOCAL ADMINISTRATION;
- CREATION OF COMFORTABLE LIVING CONDITIONS FOR THE PLANT EMPLOYEES AND POPULATION OF THE REGION;
- ESTABLISHING AND MAINTAINING THE IMAGE OF CONSCIENTIOUS AND ATTRACTIVE EMPLOYER.

INTERACTION WITH MASS MEDIA

EFFICIENT COMMUNICATION WITH MASS MEDIA BEING AN IMPORTANT CHANNEL OF APPEAL TO POTENTIAL AUDIENCE OF THE ENTERPRISE, STATE STRUCTURES, CLIENTS, COMPETITORS, AND COMMUNITY IS THE BASIS OF SUCCESSFUL ACTIVITY OF THE ORGANIZATION. OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CLOSELY COOPERATES WITH THE REGIONAL MASS MEDIA. OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING REALIZES IMPORTANCE OF WORK IN THIS DIRECTION AND PAYS MUCH ATTENTION TO THE INFORMATION POLICY. THE ENTERPRISE CLOSELY COOPERATES WITH VARIOUS MASS MEDIA: NEWSPAPERS, JOURNALS, AND INTERNET PORTALS AND INFORMS THE COMMUNITY ABOUT RESULTS OF ITS PRODUCTION ACTIVITY, IMPORTANT EVENTS AND ARRANGEMENTS, SUPPLIES ACTUAL AND RELIABLE INFORMATION.

FORMING ITS INFORMATIONAL POLICY, BSW AIMS AT OPENNESS AND TRANSPARENCY. ONLY SUCH APPROACH ALLOWS US TO BUILD UP EFFECTIVE RELATIONS WITH MASS-MEDIA AND AS A RESULT, TO ACHIEVE A HIGH LEVEL OF AWARENESS OF THE TARGET AUDIENCES.

TO IMPROVE AWARENESS OF THE PEOPLE ABOUT THE PLANT'S ACTIVITY AND STRENGTHEN BSW IMAGE, THE PLANT CARRIES OUT AN ACTIVE INFORMATION POLICY CLOSELY COOPERATING WITH MASS MEDIA OF VARIOUS LEVELS AND ORIENTATION. NEWSPAPERS, TV, NEWS TAPES OF INFORMATION AGENCIES, AND INTERNET RESOURCES ARE USED AS CHANNELS FOR DISSEMINATION OF IMPORTANT AND ACTUAL INFORMATION. THIS COMPREHENSIVE APPROACH ALLOWS THE PLANT TO ACHIEVE A WIDE COVERAGE OF DIFFERENT TARGET GROUPS, AND CONSEQUENTLY, A MAXIMUM EFFECT.

DURING 12 MONTHS 2015 102 MATERIALS ABOUT THE PLANT'S ACTIVITY WERE ALLOCATED ON PAGES OF



PRINTED MASS MEDIA (NEWSPAPERS: «SOVETSKAYA BELARUSSIYA», «RESPUBLIKA», «GOMELSKAYA PRAVDA», «NOVYI DEN» AND JOURNALS: «ECONOMY OF BELARUS», METALS OF EURA, ETC. 22 ITEMS WERE SHOWN ON TV (BELARUS 1, BELARUS 2, ONT, STV, TRK «GOMEL»); 50 PUBLICATIONS WERE ALLOCATED ON THE NEWS TAPES OF INFORMATIONAL AGENCIES (BELTA, PRIME-TASS, BUSINESS-NEWS) 62 INFORMATION ITEMS WERE ALLOCATED ON THE EXTERNAL SITE OF THE ENTERPRISE.

KEY INFORMATION TOPICS: MODERNIZATION, PERFORMANCE RESULTS, EXPANSION OF OUTLETS, ACHIEVEMENTS IN SPECIALIZED CONTESTS. HEROES OF THE PUBLICATIONS WERE BSW EMPLOYEES WHO ACHIEVED THE BEST RESULTS IN THEIR WORK AND IN SOCIAL LIFE OF THE ENTERPRISE. A KEY EVENT WHICH DREW A WIDE RESPONSE WAS COMMISSIONING OF SECTION ROLLING SHOP No.2. OVER 40 JOURNALISTS COVERED THIS ISSUE.

SPECIALLY FOR OUR BUSINESS PARTNERS – SUPPLIERS, CUSTOMERS, FINANCIAL ORGANIZATIONS AND OTHER STAKEHOLDERS A REVIEW OF BSW KEY NEWS HAS BEEN PREPARED SINCE NOVEMBER, 2013. IT IS EXECUTED IN TWO LANGUAGES – ENGLISH AND RUSSIAN – AND EVERY QUARTER IT IS SUPPLIED VIA E-MAIL.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING STRIVES FOR INFORMATIONAL OPENNESS AND TRANSPARENCY OF ITS ACTIVITY AS IT UNDERSTANDS THE IMPORTANCE OF INTERACTION AND EXCHANGE OF EXPERIENCE WITH ALL PARTIES CONCERNED. PRESS RELEASES ARE PREPARED IN RELATION WITH ALL IMPORTANT EVENTS OF THE PLANT LIFE. ITS REGULAR DISTRIBUTION BASE INCLUDES 6 INFORMATION AGENCIES, 6 PERIODICALS, 5 TV CHANNELS, AND 4 INTERNET PORTALS.

SPEAKING ABOUT EFFECTIVE COMMUNICATION WITH TARGET AUDIENCES IT IS IMPORTANT TO UNDERLINE THAT BSW PAYS MUCH ATTENTION TO INTRODUCTION OF THE ENTERPRISE IN THE INTERNET ENVIRONMENT. OUR CORPORATE SITE WWW.BELSTEEL.COM HAS FUNCTIONED SINCE 2003. IT IS A MODERN RESOURCE OF THE INTERNATIONAL LEVEL ADDRESSED TO A WIDE AUDIENCE OF USERS. IT DOES NOT ONLY CONTAIN USEFUL INFORMATION AND IS A COMMUNICATION CHANNEL, BUT SERVES THE AIM OF STRENGTHENING OF BSW IMAGE. TAKING INTO CONSIDERATION THAT MOST

BSW PARTNERS ARE FOREIGN COMPANIES, THE SITE IS EXECUTED IN TWO VERSIONS: RUSSIAN AND ENGLISH.

ALONG WITH THE EXTERNAL SITE, THERE IS OUR INTERNAL SITE – INFOBMZ – TO BE USED EXCLUSIVELY BY THE PLANT'S EMPLOYEES.

KEY NEWS ABOUT THE PLANT'S LIFE AND THE INDUSTRY IN GENERAL IS ALLOCATED ON THIS RESOURCE. THERE IS AN ACCESS TO THE ARCHIVE OF OUR PLANT NEWSPAPER »METALLURG«, LEADING NATIONAL PUBLICATIONS AND SPECIAL PERIODICALS. THERE IS ALSO A REFERENCE TO THE PLANT'S ELECTRONIC LIBRARY. EVERY DAY OVER 2,5 THOUSAND EMPLOYEES VISIT THE SITE.

THE MAIN FUNCTION OF INFOBMZ IS OPERATIVE PROVISION OF THE EMPLOYEES WHOSE WORKING PLACES ARE EQUIPPED WITH COMPUTERS, WITH HOUSEKEEPING INFORMATION. ON THIS RESOURCE ANY SPECIALIST CAN FIND AN ELECTRONIC VERSION OF THE REQUIRED INFORMATION, CLEARLY SORTED OUT ACCORDING TO THE SECTIONS: QUALITY, LABOUR PROTECTION, ENVIRONMENT, ECONOMY, PERSONNEL.

IT IS NECESSARY TO POINT OUT THAT RECENTLY BYELORUSSIAN STEEL WORKS PAY MUCH ATTENTION TO DISSEMINATION OF IMAGE-RELATED INFORMATION VIA INTERNET CHANNELS. EXACTLY THIS CHANNEL PERMITS TO ACHIEVE MAXIMUM OPERABILITY AND MAXIMUM COVERAGE OF THE YOUNG AUDIENCE. IN PARTICULAR, WE SPEAK ABOUT SOCIAL NETWORKS. NOWADAYS, BYELORUSSIAN STEEL WORKS IS REPRESENTED IN SUCH SOCIAL NETWORKS AS VKONTAKTE, FACEBOOK (NEWS IN ENGLISH), TWITTER, PLUS.GOOGLE. WE ALSO HAVE OUR OWN CHANNEL IN THE LARGEST VIDEO HOSTING YOUTUBE. IT IS NECESSARY TO UNDERLINE THAT BSW GROUPS IN TWITTER AND PLUS.GOOGLE WERE ESTABLISHED IN 2015.

BSW GROUP VKONTAKTE IS THE MOST POPULAR AMONG THE ABOVE. AT PRESENT, MORE THAN 2200 PEOPLE ARE SUBSCRIBED TO ITS UPDATES. IN ADDITION TO REGULARLY UPDATED NEWS TAPES, THE SUBJECT GROUP CONTAINS

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NUMBER OF INFORMATION
MATERIALS ABOUT BSW ON PAGES
OF PRINTED MASS MEDIA IN 2015



Strategy and management approach to sustainable development



SUBJECT PHOTO ALBUMS, AND DIFFERENT SECTIONS ALLOWING ACHIEVEMENT OF MOST EFFICIENT FEEDBACK. ACCORDING TO THE STATISTICS OF THE COMMUNITY, THE NEWS IS READ NOT ONLY BY USERS OF THE REGION OF BSW OPERATION, BUT BY USERS IN SUCH COUNTRIES AS THE UKRAINE, RUSSIA, GERMANY, CHINA, THE USA.

IN ACCORDANCE WITH THE PRINCIPLES OF THE UN GLOBAL COMPACT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ENSURES FREE ACCESS TO INFORMATION, DEVELOPS EXTERNAL COMMUNICATION, AND ACKNOWLEDGES ITS READINESS FOR OPEN DIALOGUE WITH THE STAKEHOLDERS.

INTERACTION WITH AUTHORITIES

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING BUILDS UP COOPERATION WITH ALL STAKEHOLDERS ON THE BASIS OF THE FOLLOWING BASIC PRINCIPLES: RESPECT AND CONSIDERATION OF INTERESTS, OPINIONS AND PREFERENCES, OPENNESS AND TRANSPARENCY, TRUST AND SINCERITY, IMPLICIT ABIDANCE BY THE LEGISLATION, INTERNATIONAL AND BELARUSIAN STANDARDS, RESPONSIBLE FULFILLMENT OF THE ASSUMED OBLIGATIONS, RESPECT OF THE HISTORY, CULTURE, TRADITIONS, WAY OF LIVING AND HERITAGE OF THE PEOPLE RESIDING WITHIN THE BUSINESS TERRITORY.

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NUMBER OF EMPLOYEES ELECTED IN DISTRICT AND REGIONAL GOVERNMENTAL BODIES

ENSURING COMPLIANCE OF THE ACTIVITY AND STRATEGY OF THE PLANT DEVELOPMENT WITH THE GENERAL SOCIAL AND ECONOMIC DIRECTION AND INTERESTS OF THE COUNTRY AND REGION

OF THE BUSINESS ACTIVITY IS A HIGHLY IMPORTANT TASK FOR THE PLANT EMPLOYEES. CONSTRUCTIVE INTERACTION WITH THE GOVERNMENTAL BODIES HELPS OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING TO FIND SOLUTION OF THIS RATHER COMPLICATED TASK.

DECISIONS ON BURNING ISSUES OF THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGION, WORK WITH THE YOUTH, HOLDING JOINT EVENTS, AND OPTIMIZATION OF MEDICAL CARE FOR THE POPULATION ARE TAKEN BY THE PLANT'S MANAGEMENT AND LOCAL AUTHORITIES IN THE COURSE OF MONTHLY BUSINESS MEETINGS.

PROSPECTS OF GOMEL REGION DEVELOPMENT, PROGRESS OF THE SOCIALLY IMPORTANT PROGRAMS, EXTENSION OF THE PLANT'S EXPORT POLICY, PLANS FOR ACHIEVEMENT OF THE DESIGNED CAPACITY OF THE SMALL-SECTION MILL, AND RECONSTRUCTION OF THE STEELMAKING PRODUCTION WERE REGULARLY DISCUSSED BY THE GENERAL DIRECTOR AT HIS MEETINGS WITH PRESIDENT A.G. LUKASHENKO, DEPUTY PRIME MINISTER OF RB V.I. SEMASHKO, FIRST DEPUTY MINISTER OF INDUSTRY OF RB G.B. SVIDERSKY, DEPUTY CHAIRMAN OF THE NATIONAL ASSEMBLY OF THE REPUBLIC OF BELARUS A.M. RUSETSKY, DEPUTY CHAIRMAN OF GOMEL REGIONAL EXECUTIVE COMMITTEE B.K. PIRSHTUK, CHAIRMAN OF THE COMMITTEE ON LABOUR, EMPLOYMENT AND SOCIAL DEFENSE OF GOMEL REGIONAL EXECUTIVE COMMITTEE A.V. MATARAS DURING THEIR MULTIPLE VISITS TO BYELORUSSIAN STEEL WORKS

THE PLANT'S MANAGEMENT BELIEVES THAT PARTICIPATION OF ITS REPRESENTATIVES IN THE WORK OF ELECTED AUTHORITIES WOULD BE IMPORTANT FOR THE FORMATION OF PARITY RELATIONSHIPS WITH THE GOVERNMENTAL BODIES AND FORMATION OF THE STATE POLICY. THE LOYALTY OF THE REGION POPULATION TO THE PLANT AND ITS EMPLOYEES IS PROVED BY THE OUTCOMES OF THE ELECTION CAMPAIGNS RESULTED IN 11 PLANT EMPLOYEES BEING ELECTED TO LOCAL, REGIONAL AND REPUBLICAN REGULATORY BODIES:

– ZHLOBIN DISTRICT SOVIET OF DEPUTIES – 10 PERSONS;

– GOMEL REGIONAL SOVIET OF DEPUTIES – 1 PERSON.

ALONGSIDE WITH THAT, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING HAS NOT PROVIDED DONATIONS IN FAVOR OF ANY POLITICAL PARTY OR INDIVIDUAL POLITICIANS.

INTERACTION WITH SCIENCE

INNOVATIVE DEVELOPMENT OF INDUSTRY IS A GUARANTEE OF ECONOMIC SECURITY OF BELARUS. THE PLANT FOLLOWS THE ROUTE OF INNOVATIVE DEVELOPMENT COURAGEOUSLY IMPLEMENTING NEW PROJECTS. BY THE



DECISION OF THE STATE COMMITTEE ON SCIENCE AND TECHNOLOGIES OF THE REPUBLIC OF BELARUS ADOPTED IN 2008 BSW WAS INCLUDED INTO THE REGISTER OF HIGH-TECH ENTERPRISES OF OUR COUNTRY.

SO AS TO STRENGTHEN ITS POSITIONS ON THE MARKET AND WITHSTAND TOUGH COMPETITION IT IS NOT ENOUGH FOR AN INDUSTRIAL ENTERPRISE TO SHOW GOOD PRODUCTION RESULTS. IT IS NECESSARY TO MANUFACTURE PRODUCTS CHARACTERIZED BY HIGH QUALITY AND OPTIMAL PRIME COST. BESIDES, ONE SHOULD NOT FORGET ABOUT MEETING CUSTOMER REQUIREMENTS AND FILLING FREE MARKET NICHES WITH NEW TYPES OF PRODUCTS. ACHIEVEMENT OF ALL COMPONENTS OF SUCCESS IS IMPOSSIBLE WITHOUT SCIENTIFIC AND RESEARCH SUPPORT.

THE ENTERPRISE CLEARLY UNDERSTANDS THE IMPORTANCE OF INNOVATIVE ACTIVITY BEING A KEY TOOL OF THE PRODUCTION DEVELOPMENT AND PAYS MUCH ATTENTION TO IT. THERE ARE 7 CANDIDATES OF SCIENCE, 4 UNDERGRADUATES, AND 35 BACHELORS WORKING AT BSW. THE ORGANIZATION ESTABLISHED STRONG PARTNERSHIP RELATIONS WITH SUCH ESTABLISHMENTS AS BNTU, GSTU NAMED AFTER P.O. SUKHOI, DMI OF THE NAS OF THE UKRAINE, MIA&A, FTI OF THE NAS OF BELARUS, AND OTHER DIVISIONS OF THE NAS OF BELARUS. THE PLANT COOPERATES WITH INSTITUTES OF POWDER METALLURGY, HOT-ROLLED METALS, METAL TECHNOLOGIES AND MECHANICS OF POLYMER SYSTEMS. SCIENTISTS DO MUCH FOR BSW DEVELOPING SPECIAL TECHNOLOGIES. ECONOMIC EFFECT OF THIS COOPERATION EQUALS TO HUNDREDS OF USD THOUSAND. TO COORDINATE SCIENTIFIC RESEARCH ACTIVITY OF OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING AND NATIONAL ACADEMY OF SCIENCE OF BELARUS A SCIENTIFIC-PRODUCTION CENTER (SPC) WAS ESTABLISHED IN 2013 INCLUDING REPRESENTATIVES OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS, GOMEL REGIONAL EXECUTIVE COMMITTEE, OJSC RECHITSA HARDWARE PLANT, OJSC «MOGILYOV METALLURGICAL PLANT», OJSC «LEGMASH PLANT», OJSC «MINSK BEARING PLANT», OJSC «POLESIEELECTROMASH», NATIONAL ACADEMY OF SCIENCE OF BELARUS AND BYELORUSSIAN STEEL WORKS. CO-CHAIRMEN OF THE BOARD ARE: HEAD OF THE OFFICE OF NAS OF BELARUS ACADEMICIAN P.A. VITYAZ AND GENERAL DIRECTOR OF OJSC «BSW-

MANAGEMENT COMPANY OF «BMC» HOLDING A.N. SAVIANOK

A PARAMOUNT TASK THE SPC FACES IS INCREASE OF THE EF-

FICIENCY OF WORK OF THE ENTERPRISE DUE TO RECONSTRUCTION, MODERNIZATION AND IMPROVEMENT OF THE PRODUCTION PROCESSES SO AS TO IMPROVE QUALITY OF PRODUCTS AND INCREASE PRODUCTIVITY.

IT IS WORTH MENTIONING THAT THE SPECIFIC WEIGHT OF INNOVATIVE PRODUCTS IN THE TOTAL OUTPUT OF BSW DURING 12 MONTHS 2015 EQUALED TO 21,1% WHILE PLANNED TARGET WAS 17,5% IN ACCORDANCE WITH BSW BUSINESS-PLAN FOR 2015. DURING THE ABOVE PERIOD THE ENTERPRISE MASTERED MANUFACTURE OF THE FOLLOWING TYPES OF INNOVATIVE PRODUCTS: STEEL CARBON QUALITY PIPE - 4 DIMENSION-TYPES; CARBON QUALITY STOCK PIPE - 17 DIMENSION-TYPES; NICKEL-BORON-MOLYBDENUM STEEL STOCK PIPE - 3 DIMENSION-TYPES; ALLOY STEEL STOCK PIPE - 3 DIMENSION-TYPES; REINFORCING COILS DIAMETER 8,0 MM CLASS S500; ROUND Ø 13,5 AND 16,0 MM OF STEEL 20 IN ACCORDANCE WITH THE REQUIREMENTS OF GOST 10702-78; SUPER HIGH-TENSILE STEEL CORD CONSTRUCTION 2x0,30 SHT; REINFORCING DIE-SECTION No.8 CLASS S500. IN 2015 THE FOLLOWING TECHNOLOGIES WERE DEVELOPED: TECHNOLOGY OF LIME PRODUCTION IN LIME KILN No. 3; TECHNOLOGY FOR PRODUCTION OF THE NEW STEEL GRADES: C10C, WA-1010, F1018, C60, C10, 20MnCr5, C9D, 12X2H4A, C18D, 38XΦP; TECHNOLOGY OF PRODUCTION OF REINFORCING COILS DIAMETER 8,0 MM, STEEL B500B, A500C CLASS S500; TECHNOLOGY OF PRODUCTION OF ROUND DIAMETER 13,5MM AND 16,0 MM STEEL GRADE 20 IN ACCORDANCE WITH THE REQUIREMENTS OF GOST 10702-78; TECHNOLOGY OF PRODUCTION OF CARBON QUALITY STEEL PIPE— 4 DIMENSION-TYPES; TECHNOLOGY OF PRODUCTION OF CARBON QUALITY STEEL STOCK PIPE.

A NUMBER OF ARRANGEMENTS WERE CARRIED OUT AT BSW TO PROMOTE DEVELOPMENT OF SCIENTIFIC ACTIVITY OF ITS EMPLOYEES:

• MARCH 23, 2015 – A SEMINAR «PROSPECTS OF MAS-

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SPECIFIC WEIGHT OF INNOVATIVE
PRODUCTS IN TOTAL OUTPUT IN
2015 (%)



Strategy and management approach to sustainable development



TERING OF NEW STEEL GRADES FOR THE AUTOMOTIVE INDUSTRY OF BELARUS» WAS HELD AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING TO DEVELOP TECHNICAL COOPERATION OF THE ORGANIZATION AND INDUSTRIAL ENTERPRISES OF THE REPUBLIC OF BELARUS, DEVELOP NEW STEEL GRADES AND USE THEM IN PRODUCTION.

- JULY 14, 2015 – A DELEGATION OF REPRESENTATIVES OF AUSTRIAN HORST WIESINGER CONSULTING GMBH AND MINING UNIVERSITY OF THE TOWN OF LEOBEN (MONTANUNIVERSITÄT LEOBEN), A LARGE EDUCATIONAL AND RESEARCH CENTRE OF THE MINING AND STEELMAKING INDUSTRY OF AUSTRIA, VISITED OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. NEGOTIATIONS WERE HELD WITHIN THE FRAMEWORK OF THE VISIT TO DISCUSS ISSUES OF PRODUCTION DEVELOPMENT AND ORGANIZATION OF SCIENTIFIC AND TECHNICAL COOPERATION.

- JUNE 30, 2015 A BELARUSIAN-SAXON TECHNOLOGICAL FORUM «INNOVATIVE TECHNOLOGIES FOR MODERNIZATION AND PRODUCTION EFFECTIVENESS IMPROVEMENT AT BELARUSIAN ENTERPRISES» WAS HELD. REPRESENTATIVES OF THE BUSINESS CIRCLES OF THE FEDERATIVE SAXONY LAND (FRG) TOOK PART IN IT AS WELL AS REPRESENTATIVES OF «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING, SSU «PHYSICAL AND TECHNICAL INSTITUTE OF THE NAS OF THE REPUBLIC OF BELARUS», AND THE FORGING PLANT (THE TOWN OF ZHODINO).

- SEPTEMBER 21-22, 2015 – 23RD INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE «FORGING PRODUCTION AND METALLURGY 2015» WAS HELD AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN COOPERATION WITH THE ASSOCIATION OF FORGERS AND METALLURGISTS OF THE REPUBLIC OF BELARUS AND AN INFORMATION EXHIBITION OF FORGING AND STEELMAKING TECHNOLOGIES.

COOPERATION OF BYELORUSSIAN STEEL WORKS AND SCIENCE HAS A MANY-SIDED CHARACTER. THE ENTERPRISE ACTS TOGETHER WITH LEADING HIGHER EDUCATIONAL ESTABLISHMENTS OF THE COUNTRY IN TRAINING PROGRESSIVE ENGINEERS. SEMINARS AND REFRESHER TRAINING OF MANAGERS AND SPECIALISTS OF THE COMPANY IS ORGANIZED ON THE BASIS OF HIGHER EDUCATIONAL ESTABLISHMENTS OF THE COUNTRY, PRACTICAL TRAINING AT BSW IS ORGANIZED

FOR STUDENTS OF INSTITUTES AND UNIVERSITIES. A BRANCH OF THE DEPARTMENT «MACHINES AND TECHNOLOGY OF FORGING» WAS ESTABLISHED TOGETHER WITH BELARUSIAN NATIONAL TECHNICAL UNIVERSITY. FOR FURTHER DEVELOPMENT OF COOPERATION WITH EDUCATIONAL ESTABLISHMENTS IN THE AREA OF DEVELOPMENT AND IMPLEMENTATION OF PROGRAMS OF EMPLOYEES TRAINING BRANCHES OF THE DEPARTMENTS «METAL FORMING» AND «METALLURGY AND FORGING» OF GOMEL STATE UNIVERSITY NAMED AFTER P.O. SUKHOI WERE ESTABLISHED ON THE BASIS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 2011. AN AGREEMENT ON TWO-SIDED COOPERATION IN THE AREA OF TRAINING OF SPECIALISTS OF THE 1ST AND 2ND STAGE OF HIGHER EDUCATION AS WELL AS RENDERING FREE AID IN THE DEVELOPMENT OF THE MATERIAL AND TECHNICAL BASIS OF THE ESTABLISHMENT FOR 2011-2015 WAS SIGNED WITH THIS UNIVERSITY.

THE PROCESS OF DETERMINATION OF ESSENTIAL TOPICS

ESSENTIALITY IS A PRINCIPLE OF DETERMINATION OF THE MOST IMPORTANT ECONOMIC, SOCIAL, AND ENVIRONMENTAL ASPECTS HAVING THE HIGHEST IMPORTANCE BOTH FOR THE ENTERPRISE AND ITS STAKEHOLDERS.

BSW APPROACH TO THE PROCESS OF DETERMINATION OF ESSENTIALITY WAS BASED ON THE PRINCIPLES SPECIFIED IN THE GUIDELINES OF THE GLOBAL REPORTING INITIATIVE IN THE AREA OF SUSTAINABLE DEVELOPMENT (GRI) VERSION G4.

IN THE PROCESS OF ESSENTIALITY DETERMINATION THE ORGANIZATION FOLLOWED THE RECOMMENDATIONS OF GRI GUIDELINES. THE PROCESS COMPRISED THE FOLLOWING STEPS:

1. ANALYSIS OF INTERNAL SOURCES OF INFORMATION INCLUDING MATERIALS OF PRESENTATION OF THE SUSTAINABLE DEVELOPMENT PROGRESS REPORT FOR 2015 TAKING INTO CONSIDERATION THE OPINION OF STAKEHOLDERS REGARDING THE TOPICS THAT ARE MOST INTERESTING FOR THEM.

2. COMPILATION, DISCUSSION AND APPROVAL OF A LIST OF ESSENTIAL TOPICS TO BE INCLUDED IN THE SUSTAINABLE DEVELOPMENT PROGRESS REPORT FOR 2015.



In 2015 results of regional tournaments for the title of «The best trade union organization» and «The best publication about trade union movement in mass media» became known. The primary trade union organization of Byelorussian Steel Works is among the winners, and N.A. Kozlova, a reporter of the plant's newspaper «Metallurg» was awarded for the best publication about the trade union movement.

ALL ESSENTIAL TOPICS ARE COMPARED WITH THE DISCLOSURES OF GRI G4. THE LIST OF ESSENTIAL TOPICS TO BE INCLUDED IN THE PROGRESS REPORT IS GIVEN BELOW: 2

CUSTOMERS AND EMPLOYEES:

- IMPORTANCE FOR CUSTOMERS AND CUSTOMERS' PREFERENCES;

- PANTS EMPLOYEES.

COMMUNITY:

- COOPERATION WITH THE LOCAL COMMUNITY;

- PROMOTION OF A HEALTHY WAY OF LIVING.

ENVIRONMENT PROTECTION:

- MINIMIZATION OF PRODUCTION ACTIVITY IMPACT;

- IMPROVEMENT OF THE EMPLOYEES' ECOLOGICAL CULTURE.

THE ABOVE ESSENTIAL ASPECTS BECAME THE BASIS OF THE PROGRESS REPORT IN THE AREA OF SUSTAINABLE DEVELOPMENT FOR 2015 AND ARE DISCLOSED IN IT IN DETAIL.

Indicators of effectiveness in the area of social responsibility.

Economic activity

A STRATEGIC GOAL OF THE PLANT IN THE ECONOMIC AREA IS ACHIEVEMENT OF MAXIMUM SUSTAINABLE AND EFFECTIVE DEVELOPMENT OF PRODUCTION, HIGH FINANCIAL RESULTS ALONG WITH A REASONABLE BALANCE OF INTERESTS OF ALL STAKEHOLDERS, SATISFACTION OF SOCIAL AND ECONOMIC NEEDS OF THE CIVIL AND BUSINESS COMMUNITY OF THE REGION OF THE PLANT'S OPERATION.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CONSIDERS SOCIAL RESPONSIBILITY TO BE AN INTEGRAL PART OF THE BUSINESS STRATEGY AND ITS CORPORATE ETHICS BASED ON THE PRINCIPLES OF RESPECTABILITY AND JUSTICE, SINCERITY IN RELATIONS WITH ALL PARTNERS AND COMPETITORS.

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ECONOMIC EFFECT
OF THE MEASURES
TAKEN TO DECREASE THE
PRODUCT COST (\$ MLN)

ECONOMIC DEVELOPMENT OF THE PLANT MEANS INCREASE OF ITS PROFITABILITY THROUGH GROWTH OF OUTPUT OF HIGH-TECH PRODUCTS IN COMPLIANCE WITH THE STRATEGY, AND GROWTH OF THE PRODUCTION EFFECTIVENESS. IN THIS ACTIVITY THE ORGANIZATION IS GUIDED BY THE LAW OF THE REPUBLIC OF BELARUS, PARAMETERS OF SUSTAINABILITY AND DEVELOPMENT OF THE PRODUCTION ACTIVITY, ECONOMIC REASONABILITY AS WELL AS ITS RESPONSIBILITY TO THE OWNER, INVESTORS, EMPLOYEES, AND BUSINESS PARTNERS, LOCAL COMMUNITIES, AND OTHER STAKEHOLDERS.

BYELORUSSIAN STEEL WORKS CARRIES OUT ITS ECONOMIC ACTIVITY ADHERING TO THE FOLLOWING APPROACHES:

BYELORUSSIAN STEEL WORKS CARRIES OUT ITS ECONOMIC ACTIVITY ADHERING TO THE FOLLOWING APPROACHES:

- OBSERVANCE OF THE LAW AND LEGAL NORMS OF THE REPUBLIC OF BELARUS;
- ENGAGEMENT OF ALL LEVELS AND PARTICIPANTS OF THE BUSINESS PROCESSES;
- DISCLOSURE OF A COMPLETE AND RELIABLE INFORMATION ABOUT THE RESULTS OF THE PLANT OPERATION;
- IMPROVEMENT OF RESPONSIBILITY;
- PROVISION OF OPTIMAL RELATION OF THE COSTS AND THE ECONOMIC RESULTS ACHIEVED;

– MAINTENANCE OF A REASONABLE BALANCE OF THE INTERESTS OF THE ENTERPRISE AND THE COMMUNITY.

ALONG WITH GROWTH OF PRODUCTIVITY, OPERATION INTENSITY, PRODUCT QUALITY, AND COMPLICATION OF THE TECHNICAL LEVEL OF THE PRODUCTION PROCESSES, RATE OF DECISION MAKING, REQUIREMENTS TO THE PERSONNEL OF ALL SERVICES GROW. THE ECONOMIC SERVICE TEAM EXISTING AT THE PLANT CONSISTS OF QUALIFIED SPECIALISTS WITH HIGHER EDUCATION WHOSE PROFESSIONALISM IS VERY HIGH. THEY ARE REGULARLY TRAINED IN POLICIES AND PROCEDURES RELATED TO THE ISSUES OF PRODUCTION PROCESS EFFICIENCY AND EFFECTIVENESS OF BUSINESS-PROCESSES.

FINANCIAL-ECONOMIC ACTIVITY

MAIN TASKS OF THE ENTERPRISE IN 2015 WERE: RETENTION OF PRODUCTION, SEARCH FOR NEW CUSTOMERS, STRICT SAVING OF RESOURCES AT EACH WORK PLACE, IMPROVED SAVING OF MATERIAL AND POWER RESOURCES, STRICT OBSERVANCE OF FINANCIAL DISCIPLINE BY A TOUGH CONTROL OF FULFILLMENT OF THE BUDGET OF CASH FLOW. THE YEAR 2015 IS CHARACTERIZED BY COMPLICATED CONDITIONS ON GLOBAL MARKETS, DROP OF BUSINESS ACTIVITY, DECREASE OF DEMAND FROM ENGINEERING INDUSTRY AND AS A RESULT, DROP OF PRICES OF STEEL PRODUCTS. THESE FACTORS CAUSED SOME DECREASE OF ECONOMIC PERFORMANCE AS COMPARED TO 2014. TO OPPOSE ALL NEGATIVE PROCESSES TAKING PLACE ON GLOBAL MARKETS, THE PLANT DEVELOPED A COMPLEX PROGRAM FOR STABILIZATION AND DEVELOPMENT OF PRODUCTION, AND DECREASE OF PRODUCT COST.

STRICT CONTROL OF FULFILLMENT OF THE PROGRAM AT ALL LEVELS GAVE A POSITIVE RESULT. ECONOMIC EFFECT OF THE MEASURES DIRECTED TOWARDS DECREASE OF PRIME COST IN 2015 WAS USD97,9 MILLION OR 9,2% OF THE PRODUCT PRIME COST. THE SAVING WAS ACHIEVED DUE TO PRODUCTION OUTPUT GROWTH AND IMPROVEMENT OF THE PRODUCTION PROCESSES AS WELL AS DUE TO FULFILLMENT OF ENERGY-SAVING MEASURES AND DECREASE OF GENERAL PRODUCTION AND BUSINESS EXPENSES.

TO OBTAIN A SUBSTANTIATED EXPERT OPINION CONCERNING THE REPRESENTATION OF THE RESULTS OF FINANCIAL ACCOUNTABILITY, AN INTERNATIONAL INDEPENDENT AUDITING COMPANY CARRIES OUT AUDITS AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN ACCORDANCE



WITH THE REQUIREMENTS OF THE INTERNATIONAL FINANCE REPORTING STANDARDS (IFRS).

TOP MANAGEMENT IS INFORMED ABOUT PRODUCTION AND FINANCIAL-ECONOMIC ACTIVITY BY MEANS OF MONTHLY SUMMARY REVIEWS, ECONOMIC COUNCILS, AND ANALYTICAL REPORTING.

FOR THE PURPOSES OF COMMUNICATION DEVELOPMENT AND EXPANDING OPPORTUNITIES OF INTERACTION WITH THE STAKEHOLDERS, EMPLOYEES' PROFESSIONAL ADVANCEMENT AND EXCHANGE OF EXPERIENCE, THE ENTERPRISE ARRANGES THE ANNUAL INTERNATIONAL SCIENTIFIC CONFERENCE «METAL.» APART FROM PARTICIPANTS FROM THE CIS COUNTRIES, THE «ECONOMICS AND FINANCE» SECTION OF THE CONFERENCE INCLUDES SPECIALISTS FROM THE PLANT'S FINANCIAL, ECONOMIC AND MARKETING DEPARTMENTS. DURING THE CONFERENCE, ITS PARTICIPANTS MAKE REPORTS ON CURRENT ISSUES AND EXCHANGE THEIR EXPERIENCE IN IMPLEMENTATION OF STRATEGIC OBJECTIVES AND INTRODUCTION OF RECENT ENGINEERING SOLUTIONS IN THE FIELD OF SUSTAINABLE PRODUCTION DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY.

ECONOMIC EFFICIENCY

IN 2015 THE GLOBAL MARKET DID NOT EXPERIENCE ANY MOVEMENT, STAGNATION OF THE WORLD STEELMAKING, DECREASE OF DEMAND AND PRICES CONTINUED DUE TO COLLAPSE OF THE RUSSIAN ROUBLE RATE (SALES PORTION IN THE RF IS ABOUT 20%). ALL THESE HAD A DIRECT EFFECT ON THE OUTCOME OF THE COMPANY ACTIVITY. THE PLANT EXPERIENCED CONSIDERABLE DIFFICULTIES IN SERVICING ACCOUNTS PAYABLE. IN THE CONDITIONS OF RECONSTRUCTION CARRIED OUT TO DEVELOP PRODUCTION TECHNOLOGY, SUPPORT PRODUCT QUALITY AND COMPETITIVENESS, DECREASE OF PRODUCTION OUTPUT AND PRICES INEVITABLY LEAD TO THE PROGRESSING GROWTH OF ACCOUNTS PAYABLE, IMPAIRMENT OF LIQUIDITY INDICATORS, DEFICIT OF CIRCULATING ASSETS AND INSTABILITY OF PAYMENTS.

IN SPITE OF THIS DIFFICULT FINANCIAL SITUATION, THIS PERIOD OF THE PLANT'S DEVELOPMENT IS CHARACTERIZED BY IMPLEMENTATION OF LARGE INVESTMENT PROJECTS CARRIED OUT WITHIN THE FRAMEWORK OF THE APPROVED «COMPLEX PROGRAM OF MODERNIZATION OF THE EXISTING AND ARRANGEMENT OF NEW HIGHLY EFFICIENT WORK PLACES FOR 2012-2015».

THE PRIORITY DIRECTIONS OF DEVELOPMENT OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 2015 WERE: GROWTH OF PRODUCTIVITY OF HIGH-TECH PRODUCTS WITH A LARGE LEVEL OF PROCESSING, IMPROVEMENT OF THE PRODUCTION STRUCTURE AND SALES OF QUALITY STEEL GRADES, ROLLED MATERIALS, HARDWARE PRODUCTS, DEVELOPMENT OF POWER-SAVING TECHNOLOGIES, MODERNIZATION OF PRODUCTION, BUILDING AND COMMISSIONING OF NEW PRODUCTION FACILITIES. THE PLANT IMPLEMENTED A NUMBER OF STRATEGIC INVESTMENT PROJECTS AIMED AT STEEL PRODUCTION INCREASE OR RETENTION OF THE MARKET SHARE BY WAY OF COMMISSIONING OF NEW FACILITIES, EXPANSION OF THE STOCK-LIST AND IMPROVEMENT OF THE MANUFACTURED PRODUCT RANGE. THE MOST IMPORTANT OF THEM WERE: ORGANIZATION OF ROLLED SECTION PRODUCTION AND BUILDING OF A NEW SMALL-SECTION WIRE ROLLING MILL. THE DESIGNED CAPACITY OF THE NEW MILL IS ABOUT 700 THOUSAND TONS PER YEAR WITH THE POSSIBILITY TO INCREASE THE ANNUAL OUTPUT UP TO 1 MILLION TONS OF FINISHED PRODUCTS. IN 2015 THE COMMISSION ACCEPTED 13 MAIN OBJECTS COMMISSIONED, IN AUGUST THIS FACILITY WAS SET TO WORK. SINCE SEPTEMBER 2015 THE PRODUCTION FACILITY STARTED TO FULFILL THE PLANT FOR FINISHED PRODUCT MANUFACTURE.

KEY PERFORMANCE INDICATORS

IN SPITE OF ALL DIFFICULTIES, THE RESULTS OF THE PLANT'S OPERATION IN 2015 ARE RATHER SIGNIFICANT. GROWTH RATE

OF THE MANUFACTURED PRODUCT OUTPUT BASED ON THE ANNUAL RESULTS WAS 100,4%. MARKETABLE PRODUCT SALE PROCEEDS AMOUNTED TO USD1 116,8 MILLION. 2 509,9 TONS OF STEEL WERE PRODUCED, INVESTMENTS IN THE CAPITAL ASSET EQUALED TO OVER USD183,2 MILLION WHICH EXCEEDS THE TARGET SET. FOREIGN TRADE BALANCE MADE UP USD436,6 MILLION.

POWER SAVING INDICATOR EQUALED TO MINUS 7,0 % AS COMPARED TO THE TARGET SET AT MINUS 5,9.

SELF-COST OF THE PRODUCTS, WORKS AND SERVICES SOLD IN THE USD EQUIVALENT DECREASED DUE TO DEVALUATION OF THE NATIONAL CURRENCY.

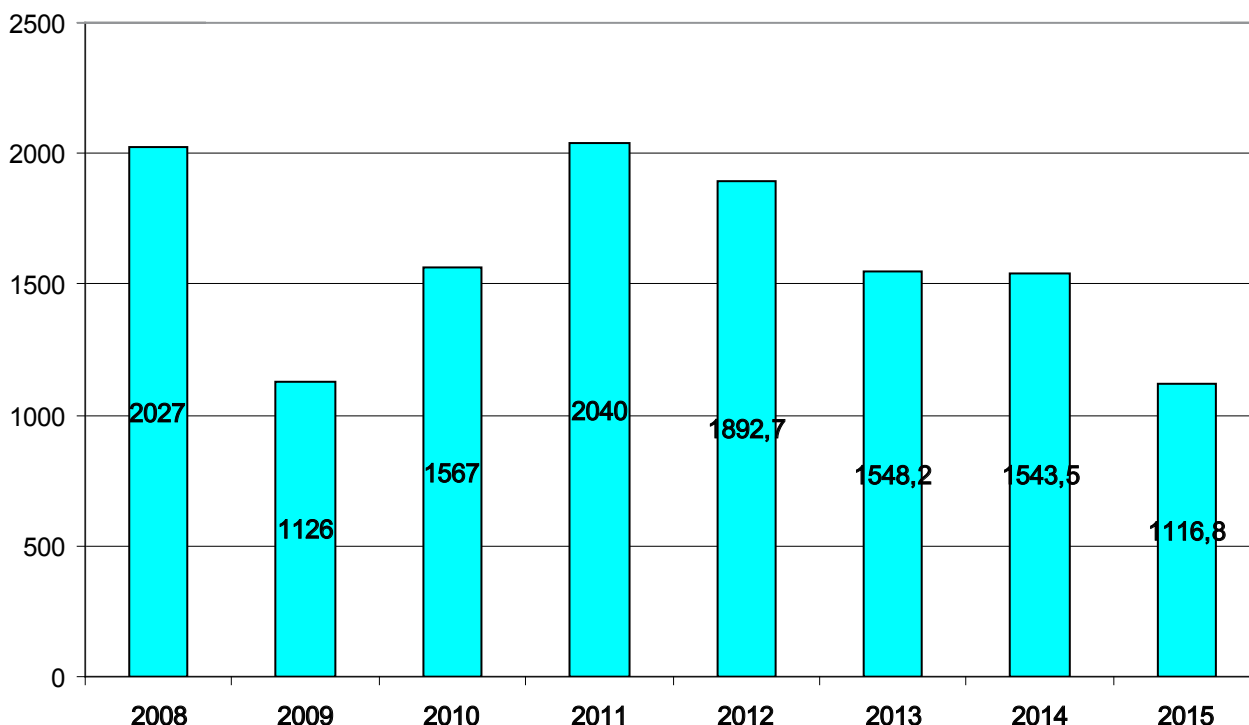
1 117
MARKETABLE
PRODUCT SALE PROCEEDS
IN 2015 (\$,LN)



Indicators of effectiveness in the area of social responsibility. Economic activity



Dynamics of products, services, works sales, USD mln



PROFIT

In 2015 PRODUCT SALES WERE UNPROFITABLE, LOSSES EQUALED TO USD7,7 MILLION. THESE RESULTS WERE CAUSED BY A DISASTROUS DROP OF EXTERNAL MARKET PRICES. CURRENCY PROCEEDS LOSS AND CONSEQUENTIAL LOSS OF PROFIT DUE TO PRICE DECREASE MADE UP USD 313,3 MILLION WHICH IS PRACTICALLY COMPARABLE WITH THE PRODUCT SALE PROCEEDS FOR 3-MONTH OPERATION OF THE PLANT.

NET LOSS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING MADE UP USD165,4 MILLION. TO MINIMIZE AFTER-EFFECTS OF THE NEGATIVE MACROECONOMIC FACTORS ON THE FINANCIAL RESULTS, THE ENTERPRISE PURSUES THE POLICY OF STRICT ASSETS SAVING, DEVELOPS AND STRICTLY CONTROLS MEASURES FOR REDUCTION OF SELF-COST. ECONOMIC EFFECT OF THE MEASURES INTRODUCED AMOUNTS TO USD 97,9 MLN OR 9,2% OF THE PRODUCT PRIME COST. BUT THIS IS NOT ENOUGH TO COMPENSATE THE EFFECT OF THE PRICE DECREASE ON EXTERNAL MARKETS.

THE ENTERPRISE DISBURSED PAYMENTS TO ITS EMPLOYEES IN THE AMOUNT OF USD2,8 MILLION, STIMULATING

AND COMPENSATING PAYMENTS, ADDITIONAL PAYMENTS TO NON-WORKING PENSIONERS, AS WELL AS MAINTENANCE OF SOCIAL FACILITIES IN THE AMOUNT OF USD 5,8 MILLION.

PAYMENT TO THE OWNER

DUE TO THE LOSS FROM FINANCIAL-BUSINESS ACTIVITY BASED ON THE RESULTS OF 2015 PART OF THE PROFIT WAS NOT TRANSFERRED.

TAXES AND COMPULSORY PAYMENTS

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS A RESPONSIBLE TAXPAYER AND PROVIDES FOR CONSOLIDATION OF THE STATE'S FINANCIAL FOUNDATION BY REGULAR TAX PAYMENTS MADE INTO BUDGETS OF VARIOUS LEVELS. TIMELY AND CORRECT TAX PAYMENT BY THE PLANT IN FAVOR OF THE STATE DETERMINES ECONOMIC STABILITY IN THE REGION OF ITS ACTIVE PRODUCTION ACTIVITY AND IN PARTICULAR OPPORTUNITIES OF INFRASTRUCTURE DEVELOPMENT BY REGIONAL AND LOCAL AUTHORITIES. In 2015 THE COMPANY TRANSFERRED INCOME TAX AMOUNTING TO USD8,9 MILLION (Br140,6 BILLION), AND USD23,6 MILLION (Br374,4 BILLION) TO THE POPULATION SOCIAL PROTECTION FUND).



ENTERPRISE'S RISKS

INVESTMENT RISKS

ANY PROJECT IMPLEMENTATION IS ASSOCIATED WITH CERTAIN ORGANIZATIONAL, TECHNOLOGICAL AND FINANCIAL RISKS. HOWEVER, INVESTMENT PROJECTS LAUNCHED BY OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE IMPLEMENTED AT AN OPERATING ENTERPRISE WHICH HAS SUFFICIENT EXPERIENCE IN USE OF THE PROCESS EQUIPMENT AND CONSTRUCTION OF NEW PRODUCTION FACILITIES. THAT'S WHY ORGANIZATIONAL, TECHNICAL AND TECHNOLOGICAL RISKS ARE OF LITTLE SIGNIFICANCE IN THIS CASE. HIGH QUALIFICATIONS OF THE ENTERPRISE'S EMPLOYEES, APPLICATION OF MODERN TECHNOLOGICAL, ORGANIZATIONAL AND ADMINISTRATIVE SOLUTIONS IN THE PRODUCTION ACTIVITIES ENSURE ENHANCED EFFICIENCY AND SUSTAINABILITY OF THE IMPLEMENTED PROJECTS AGAINST PROBABLE CONTINGENCIES, WHILE AVAILABILITY OF INVESTED FUNDS MAKES IT POSSIBLE TO MINIMIZE ANY FINANCIAL RISKS.

TO MITIGATE AND ACCOUNT FOR PROBABLE RISK EFFECTS IN BUSINESS-PLANS, THE COMPANY CARRIES OUT MULTIVARIANT CALCULATIONS TO IDENTIFY PROJECTS' FINANCIAL PERFORMANCE AND EFFICIENCY INDICATORS AGAINST VARIOUS VARIABLE FACTORS (CAPITAL INPUT AMOUNTS, PRODUCT SELLING PRICE, MANUFACTURING COSTS, DEBT-TO-EQUITY RATIOS).

RESULTS OF THE COST EFFICIENCY EVALUATION GIVEN IN THE PROJECT WERE CALCULATED FOR THE BASIC PRICING CONDITIONS, EFFECTIVE AT THE TIME OF BUSINESS PLAN VALIDATION. HOWEVER, AS PROJECTS PROCEED TO SUBSEQUENT STAGES OF IMPLEMENTATION, THESE PRICING CONDITIONS COULD CHANGE DUE TO GLOBAL ECONOMIC CHANGES. BASED ON THE ABOVE, IT WAS IMPORTANT AND ESSENTIAL TO CARRY OUT A RELIABILITY (SENSITIVITY) ANALYSIS, PROVIDING FOR EVALUATION OF POSSIBLE EFFECTS ON PROJECT EFFICIENCY DUE TO VARIATIONS OF EXTERNAL FACTORS AND IDENTIFICATION OF ACCEPTABLE AND CRITICAL SCOPES OF CHANGES

WHEN CARRYING OUT THE SENSITIVITY ANALYSIS, POSSIBLE CHANGES IN THE FOLLOWING FACTORS OF MAJOR INFLUENCE ON ECONOMIC INDICATORS WERE CONSIDERED:

- SELLING PRICE AS A FACTOR WHICH IS MOST SUSCEPTIBLE TO CHANGES DUE TO METAL MARKET VARIATIONS;

- PRODUCTION COSTS, WHICH DEPEND ON PRICES FOR MELTING STOCK, ENERGY RESOURCES AND OTHER MATERIALS AND SERVICES ESSENTIAL FOR THE PRODUCTION PROCESSES;

- INVESTMENT AMOUNTS WHICH LARGELY DEPEND ON CONTRACTUAL PRICES FOR EQUIPMENT;

- DEBT-TO-EQUITY RATIO.

THE SENSITIVITY ANALYSIS INCLUDED EVALUATIONS CONCERNED WITH THE WAYS IN WHICH THE ABOVE FACTORS INFLUENCE THE TWO MAJOR EFFICIENCY INDICES – SIMPLE PAY-BACK PERIOD AND INTERNAL RATE OF RETURN.

INDUSTRY RISKS

METALLURGIC INDUSTRY IS DISTINGUISHED BY ITS SUSCEPTIBILITY TO CYCLIC VARIATIONS OF PRICES FOR RAW MATERIALS AND STEEL. DEMAND FOR STEEL IS DETERMINED BY COUNTRY-SPECIFIC LEVELS OF ECONOMIC DEVELOPMENT AND CONSUMPTION BY MAJOR STEEL-CONSUMING INDUSTRIES. VARIATIONS IN RAW MATERIALS PRICES ARE OF SIGNIFICANT INFLUENCE ON THE FINANCIAL-ECONOMIC STATE OF BELARUSIAN STEELMAKING AS MOST OF RAW MATERIALS CONSUMED BY STEEL WORKS ARE IMPORTED. RECENTLY, STEEL PRICING TRENDS HAVE BEEN RATHER UNFAVORABLE. THAT'S WHY POTENTIAL METALLURGY-INHERENT RISKS DUE TO CYCLIC PRICE REDUCTIONS ARE STILL PRESENT. AT THE SAME TIME, WORLD'S MARKET PRICES FOR PRIMARY RAW MATERIALS AND CONSUMABLES USED BY THE PLANT, NAMELY FOR SCRAP METAL, CAST IRON AND FERROALLOYS, ARE EXHIBITING A GROWTH TREND. REDUCTION OF PRICES FOR METAL PRODUCTS WITH SIMULTANEOUS INCREASE OF RAW MATERIALS PRICES SIGNIFICANTLY AFFECTS THE ENTERPRISE'S OPERATIONAL ACTIVITIES AND ITS FINANCIAL PERFORMANCE.

ALONG WITH THE PRICE VARIATIONS, STEELMAKING, ON A GLOBAL SCALE, FACES RISKS OF EXCESSIVE PRODUCTION CAPACITIES. CURRENTLY, A BUNCH OF NEW LARGE ENTERPRISES APPEARED ALL AROUND THE WORLD, WHILE A GREAT NUMBER OF LEADING PRODUCERS HAVE PLANS FOR A SUBSTANTIAL EXPANSION OF THEIR PRODUCTION CAPACITIES, PARTICULARLY, THOSE ASSOCIATED WITH MANUFACTURE OF REINFORCING BARS. WITH A VIEW TO ADVANCES IN STEEL PRODUCTION TECHNOLOGIES AND TRANSITION



Indicators of effectiveness in the area of social responsibility.

Economic activity



FROM BLAST-FURNACE AND OPEN-HEARTH FURNACE MELTING OF CAST IRONS AND STEELS TO ELECTRIC FURNACE MELTING, GIVING STEELS OF IMPROVED QUALITY, SCRAP METAL ACQUIRES STILL MORE SIGNIFICANCE. ALONGSIDE WITH THAT, RESOURCE-SAVING TECHNOLOGIES INTRODUCED AT INDUSTRIAL ENTERPRISES RESULT IN RELATIVELY REDUCED SCRAP PRODUCTION RATES IN DEVELOPED COUNTRIES WITH SIMULTANEOUS GROWTH OF DEMAND FOR UNUSED METAL. CONSEQUENTLY, EUROPE IS EXPERIENCING AN UNSATISFIED DEMAND FOR METALLURGIC RAW MATERIALS, SUCH AS SCRAP METAL. THE PLANNED STEELMAKING INDUSTRY EXPANSION (INCREASES OF MELTING CAPACITIES AT THE ALREADY EXISTING PLANTS, CONSTRUCTION OF NEW ENTERPRISES EQUIPPED WITH ELECTRIC FURNACES), FIRST OF ALL, IN THE EUROPEAN PART OF THE RUSSIAN FEDERATION, AGGRAVATE THE SITUATION EVEN MORE AND COULD RESULT IN TOTAL TERMINATION OF SCRAP METAL SUPPLIES FROM THE RUSSIAN FEDERATION. BESIDES, SUPPLIES OF THIS KIND OF RAW MATERIALS IN MOST COUNTRIES ARE EITHER SUBSTANTIALLY MONOPOLED (IN BELARUS, FOR INSTANCE, THESE ACTIVITIES ARE REPRESENTED BY A SINGLE ENTERPRISE – BELVTORMET) OR UNDER A STRINGENT STATE CONTROL (LICENSING OF ACTIVITIES, SETTING EXPORT QUOTAS, EXPORT DUTIES LEVIED). AS A RESULT, CONSUMERS ARE RATHER DEPENDENT ON A LIMITED GROUP OF SCRAP SUPPLIERS AND (OR) BOUND BY CERTAIN GEOGRAPHICAL LIMITS OF SCRAP-SUPPLYING REGIONS.

BY CONSOLIDATING, MANUFACTURERS OF METAL PRODUCTS PROVIDE FOR A REDUCTION OF RISKS ASSOCIATED WITH MARKET ENVIRONMENTS, HOWEVER, FOR BELARUSIAN ENTERPRISES THE SAID RISKS STILL PRESENT A CERTAIN HAZARD. CONCENTRATION OF MINING COMPANIES AND TAKE-OVER OF SCRAP-PRODUCING ENTERPRISES BY STEELMAKING COMPANIES CAN RESULT IN AN ADDITIONAL INCREASE IN PRICES FOR RAW MATERIALS WITH RATHER LIMITED ALTERNATIVE OPPORTUNITIES FOR STEEL RAW MATERIAL SUPPLIES. LATELY, METALLURGIC ENTERPRISES ARE MORE AND MORE ACTIVELY ENGAGING IN MODERNIZATION OF THE EQUIPMENT INSTALLED AT THE ENTERPRISES OF THEIR SCRAP METAL SUPPLIERS AND IN ACTIVITIES IN CONNECTION WITH TAKE-OVER OF THE MOST EFFICIENT SCRAP PRODUCING COMPANIES.

SO, IT IS POSSIBLE TO MINIMIZE THE ABOVE RISKS BY DEVELOPING A SCRAP-PRODUCING NETWORK OF ONE'S OWN.

INDUSTRY RISK MANAGEMENT SHOULD BE BASED ON ESTABLISHING LONG-TERM AND MUTUALLY BENEFICIAL RELATIONS WITH MAJOR SUPPLIERS AND OPTIMIZATION OF PROCUREMENT AND RESOURCE MANAGEMENT PROCESSES.

THE FACT THAT METAL PRODUCTION IS PARTLY INTENDED FOR IN-COUNTRY SUPPLIES, WHERE PRICES ARE REGULATED BY THE STATE, ACCOUNTS FOR RESPECTIVE RISKS, WHICH, JUST LIKE ON FOREIGN MARKETS, ARE ASSOCIATED WITH POSSIBLE NEGATIVE EFFECTS DUE TO PRICE VARIATIONS. AND THIS COULD PRODUCE A CERTAIN EFFECT ON THE ENTERPRISE'S ACTIVITIES. HOWEVER, WITH A VIEW TO GRADUAL TRANSITION TO THE MARKET-CONTROLLED PRICE SETTING OBSERVED IN THE REPUBLIC, IT IS POSSIBLE TO CONSIDER THIS RISK AS NEGLIGIBLE.

COUNTRY AND REGIONAL RISKS

PRODUCTION AND BUSINESS ACTIVITIES OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE LARGELY DEPENDENT ON COOPERATION WITH RUSSIA. SUCH CLOSE INTERACTION WITH A SINGLE INDEPENDENT REGION PRESENTS CERTAIN RISKS ASSOCIATED WITH DIFFERENCES IN LEGISLATION AND REGULATORY FRAMEWORK, WHICH COULD AFFECT SUSTAINABLE DEVELOPMENT OF THE ENTERPRISE. THE PERSPECTIVES OF A COMMON CUSTOMS SPACE AND FURTHER ECONOMIC INTEGRATION WILL MAKE IT POSSIBLE IN TIME TO CONSIDER SUCH RISKS AS NEGLIGIBLE.

BESIDES, GEOGRAPHICAL POSITION OF THE REPUBLIC OF BELARUS WILL CONTRIBUTE TO MINIMIZATION OF REGIONAL ECONOMIC RISKS AND POSSIBLE EFFECTS ON THE ENTERPRISE'S ACTIVITIES RESULTING FROM THEM. PRIORITIES WILL INCLUDE FLEXIBLE SUPPLY GEOGRAPHY, ENSURING PROMPT RESPONSE TO THE ENVIRONMENT CHALLENGES AND PROTECTION AGAINST POSSIBLE REGIONAL CRISES.

WINTER SUPPLIES OF MAJOR RAW MATERIALS CAN BE AFFECTED BY WEATHER CONDITIONS. TO MINIMIZE RISKS ASSOCIATED WITH INTERRUPTED RAW MATERIALS SUPPLIES, IT IS ESSENTIAL TO PROVIDE FOR AVAILABILITY OF «WINTER BUFFER» RESERVES OF SUCH RAW MATERIALS.

LEGAL RISKS

NOTWITHSTANDING THE STATE-IMPLEMENTED POLICY AIMED AT REDUCTION OF TAX BURDEN ASSUMED BY ECONOMIC ENTITIES OF THE REPUBLIC OF BELARUS, LEGAL PROVISIONS



ON TAXES AND DUTIES ARE CONSTANTLY CHANGING. EVERY YEAR, AN ENTIRELY NEW PACKAGE OF TAX REGULATIONS COMES INTO FORCE AND THE PREVIOUS REGULATIONS ARE AMENDED. AT THAT, THE AMENDMENTS ARE PARTLY FOR THE BENEFIT OF TAXPAYERS AND PARTLY – TO THEIR DISADVANTAGE. SIMILAR SITUATION IS OBSERVED IN THE FIELD OF TAX ADMINISTRATION. HOWEVER, TAKEN THE STATE'S ASPIRATION TO ENSURE A SUSTAINABLE GROWTH OF PRODUCTION RATES AND THE STABLE POLITICAL SITUATION, A SIGNIFICANT INCREASE IN THE ENTERPRISE'S TOTAL TAX BURDEN IN THE NEAR FUTURE IS HIGHLY IMPROBABLE.

ALSO, ONE COULD CONSIDER AS NEGLIGIBLE THOSE RISKS WHICH ARE ASSOCIATED WITH CHANGES IN THE REGULATORY FRAMEWORK AS RELATED TO CUSTOMS CONTROL. BUT THERE ARE CERTAIN RISKS ASSOCIATED WITH CUSTOMS REGULATIONS AND DUTIES IN THE COUNTRIES OF THE ENTERPRISE'S EXPORTS.

INDUSTRIAL SAFETY, LABOUR PROTECTION AND ECOLOGICAL RISKS

WE ARE AWARE THAT METALLURGY IS A POTENTIAL HAZARD TO THE ENVIRONMENT AND TO PEOPLE, AS SUCH PRODUCTION ACTIVITIES INVOLVE HIGH-TEMPERATURE PROCESSES, INVASIVE CHEMICALS, VOLATILE BY-PRODUCT EMISSIONS AND REQUIRE SPECIAL ARRANGEMENTS IN CONNECTION WITH DISPOSAL OF SOLID AND LIQUID INDUSTRIAL WASTE. DUE TO THE ABOVE, STEELMAKING ENTERPRISES HAVE TO PROVIDE FOR STRICT COMPLIANCE WITH RATHER STRINGENT REGULATIONS WITH REGARD TO LABOUR PROTECTION, INDUSTRIAL AND FIRE SAFETY AND ENVIRONMENTAL PROTECTION.

ECOLOGICAL REQUIREMENTS INCLUDE COMPULSORY PAYMENTS FOR AIR AND LAND POLLUTION AND INSTALLATION AND MODERNIZATION OF SPECIAL POLLUTION-CONTROL EQUIPMENT. SHOULD ANY CRITICAL CONCENTRATIONS SET FOR INDUSTRIAL WASTES BE EXCEEDED, THE ENTERPRISE WILL HAVE TO PAY FINES. POSSIBLE REINFORCEMENT OF ENVIRONMENTAL REGULATIONS AND LOWERING OF CRITICAL POLLUTANT CONCENTRATIONS COULD RESULT IN INCREASED AMOUNTS OF OBLIGATORY PAYMENTS AND FINES STIPULATED FOR VIOLATIONS OF THE LAW.

FINANCIAL SUPPORT PROVIDED BY THE GOVERNMENT

WITHIN THE FRAMEWORK OF THE STATE PROGRAM OF IN-

NOVATIVE DEVELOPMENT OF THE REPUBLIC OF BELARUS APPROVED BY RESOLUTION No. 669 «ABOUT THE STATE PROGRAM OF INNOVATIVE DEVELOPMENT OF THE REPUBLIC OF BELARUS FOR 2011-2015» DD. MAY 26, 2011 OF THE COUNCIL OF MINISTERS OF THE REPUBLIC OF BELARUS, BSW STARTED TO IMPLEMENT THE INVESTMENT PROJECT «BUILDING OF A SMALL-SECTION WIRE MILL AT OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS» SINCE MAY 2012.

IN THE RESULT OF THE EXPERTISE A POSITIVE CONCLUSION OF THE MINISTRY OF ECONOMY OF THE REPUBLIC OF BELARUS No. 23-02-12/4902 DD. 30.06.2012 WAS MADE AND IMPLEMENTATION OF THE ABOVE PROJECT WAS SUPPORTED BY THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS, STATE COUNCIL OF EXPERTS IN ENGINEERING AND METAL WORKING AND THE MINISTRY OF ECONOMY OF THE REPUBLIC OF BELARUS.

PLANNING OF THE REALIZATION PROCEDURE OF THIS PROJECT WAS CARRIED OUT WITH CONSIDERATION OF TAX AND CUSTOMS PRIVILEGES IN CONNECTION WITH ENTERING INTO AN INVESTMENT AGREEMENT WITH GOMEL REGIONAL EXECUTIVE COMMITTEE IN ACCORDANCE WITH DECREE OF THE PRESIDENT OF THE REPUBLIC OF BELARUS No. 10 «ABOUT CREATION OF ADDITIONAL CONDITIONS FOR INVESTMENT ACTIVITY IN THE REPUBLIC OF BELARUS» DD. 06.08.2009.

IN ACCORDANCE WITH THE RESOLUTION No.1001 DD. NOVEMBER 21, 2013 OF THE COUNCIL OF MINISTERS OF THE REPUBLIC OF BELARUS, OPEN JOINT-STOCK COMPANY «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING IS INCLUDED IN THE LIST OF LEGAL ENTITIES IMPLEMENTING INVESTMENT PROJECTS WHICH STARTING WITH JANUARY 1, 2011 RECEIVE COMPENSATION OF BANK CREDITS PURSUANT TO RESOLUTIONS OF THE COUNCIL OF MINISTERS OF THE REPUBLIC OF BELARUS; THE LIST WAS APPROVED BY RESOLUTION No. 1262 DD. SEPTEMBER 20, 2011 «ABOUT SOME MEASURES FOR REALIZATION OF DECREE OF THE PRESIDENT No.231 DD. JUNE 6, 2011. DECEMBER 30 2013 THE COMPANY RECEIVED COMPENSATION OF THE INTEREST FOR USE OF BANK CREDITS FOR IMPLEMENTATION OF THE PROJECT OF CONSTRUCTION OF A SMALL-SECTION MILL IN THE AMOUNT OF Br144,0 BILLION (USD8,1 MLN OR EURO7,5 MLN) ACCORDING TO THE NATIONAL BANK RATES AS OF THE DATE OF COMPENSATION.



Indicators of effectiveness in the area of social responsibility.

Economic activity



THE ABOVE AMOUNT OF STATE SUPPORT RECEIVED BY OPEN JOINT-STOCK COMPANY «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING REDUCED THE NET LOSS GENERATED DUE TO THE PLANT'S ACTIVITY IN JANUARY-DECEMBER 2015 AND ALLOWED THE COMPANY TO USE THIS SOURCE OF ASSETS TO EFFECT PAYMENTS FOR CONSTRUCTION AND ERECTION WORK UNDER THE PROJECT «ARRANGEMENT OF PRODUCTION OF SECTION ROLLED MATERIAL AND BUILDING OF A NEW SMALL-SECTION WIRE ROLLING MILL» AND REPLENISHMENT OF OWN CIRCULATING ASSETS.

PURSUANT TO RESOLUTION No.583 DD. JULY 4, 2013 «ABOUT ATTRACTION OF A LOAN OF EURASIAN BANK OF DEVELOPMENT AND GRANTING A GUARANTEE FOR ITS REPAYMENT OF THE GOVERNMENT OF THE REPUBLIC OF BELARUS» AND RESOLUTION No. 584 «ABOUT GRANTING A GUARANTEE OF THE GOVERNMENT OF THE REPUBLIC OF BELARUS», IN 2013 THE GOVERNMENT OF THE REPUBLIC OF BELARUS ISSUED GUARANTEES OF REPAYMENT OF 10-YEAR LOANS GRANTED BY THE ABOVE BANKS FOR FINANCING OF THE INVESTMENT PROJECT «ARRANGEMENT OF ROLLED SECTION PRODUCTION WITH CONSTRUCTION OF A SMALL-SECTION MILL» TO EURASIAN BANK OF DEVELOPMENT AND OJSC «SAVINGS BANK «BELARUSBANK».

PRESENCE ON MARKETS

MARKETING STRATEGY OF BSW IS DIRECTED TOWARDS RETENTION AND ACTIVE GROWTH OF ITS PRESENCE ON THE EXISTING MARKET OUTLETS AS WELL AS SEARCH FOR NEW, ECONOMICALLY PROFITABLE REGIONS. TRADITIONALLY, KEY MARKETS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE EUROPEAN COUNTRIES AND CIS.

SIMILAR TO PREVIOUS YEARS, THE RANGE OF PRODUCTS SOLD IN 2015 WAS REPRESENTED BY THE FOLLOWING: CAST BILLET AND BLOOM, REINFORCING BAR, WIRE ROD, STRUCTURAL ROLLED SECTION, SEAMLESS PIPE, TIRE CORD, BEAD WIRE, HOSE WIRE, OTHER STEEL WIRE AND ITS PRODUCE. KEY SEGMENTS CONSUMING BSW PRODUCTS ARE STEELMAKING, CONSTRUCTION, ENGINEERING, OIL AND GAS INDUSTRY, TIRE MAKING, AND INDUSTRIAL RUBBER INDUSTRY.

IN 2015 GLOBAL ECONOMIC ACTIVITY REMAINED LOW.

GROWTH IN THE COUNTRIES WITH A FORMING MARKET AND IN DEVELOPING COUNTRIES HAD REDUCED DURING FIVE SUBSEQUENT YEARS (THOUGH STILL WAS OVER 70 PERCENT OF THE GLOBAL GROWTH) AT THE TIME WHEN A SLIGHT RECOVERING GROWTH CONTINUED IN THE COUNTRIES WITH A DEVELOPED ECONOMY.

THREE MAIN TRANSITION PROCESSES CONTINUED TO INFLUENCE THE GLOBAL PROSPECTS: GRADUAL GROWTH DECELERATION AND REBALANCING OF ECONOMIC ACTIVITY IN CHINA ON THE BASIS OF REORIENTATION FROM INVESTMENTS AND PROCESSING INDUSTRY TO CONSUMPTION AND SERVICES; REDUCTION OF PRICES ON POWER RESOURCES AND OTHER STOCK GOODS; GRADUAL TOUGHENING OF THE MONETARY AND CREDIT POLICY IN THE USA IN THE CONDITIONS OF A STABLE RECOVERY IF THE USA WHEREAS CENTRAL BANKS OF A NUMBER OF OTHER MAIN COUNTRIES WITH A DEVELOPED ECONOMY CONTINUE TO SOFTEN MONETARY AND CREDIT POLICY.

FOR DIVERSIFICATION AND MORE EFFECTIVE SALES LEVEL, THE PLANT MANAGEMENT PLANNED REORGANIZATION AND A NUMBER OF MEASURES TO IMPROVE EFFECTIVENESS OF OWN COMMODITY DISTRIBUTION NETWORK ACTIVITY IN 2015.

CONTRACT CAMPAIGN FOR 2015 AT BSW WAS DIRECTED TOWARDS MAINTAINING AND ACTIVE GROWTH OF ITS PRESENCE ON THE EXISTING OUTLETS AND SEARCH FOR NEW, ECONOMICALLY EFFECTIVE MARKETS. MAIN EXPORT REGIONS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 2015 WERE EUROPEAN COUNTRIES AND THE RUSSIAN FEDERATION. THESE REGIONS CONSUME 77,3% OF THE TOTAL STEEL EXPORT. DURING 12 MONTHS OF 2015 BSW PRODUCTS WERE DELIVERED TO 56 COUNTRIES, BELARUS INCLUDED (58 COUNTRIES DURING 12 MONTHS OF 2014). THE NEW MARKETS OF BSW PRODUCTS SUPPLY WERE IRELAND, COLUMBIA, AND SOUTH KOREA. MAIN CHANGES IN THE SUPPLY GEOGRAPHY ARE RELATED TO CHANGE OF THE REGIONAL STEEL PRICE CONDITION.

TO ACHIEVE THE PLANNED PERFORMANCE AND TAKING INTO CONSIDERATION DYNAMICS OF DEVELOPMENT AND CHANGE OF THE SITUATION IN THE KEY CONSUMING INDUSTRIES, A NUMBER OF MECHANISMS OF PRODUCT SALE WAS USED. IN ACCORDANCE WITH THE DEVELOPED SALE STRATEGY,



THE EXISTING ELECTRONIC SITE WAS USED TO SELL A SPOT GROUP OF GOODS, LONG-TERM CONTRACTS WERE SIGNED AND DISTRIBUTED BY REGIONS AMONG THE SUBJECTS OF THE COMMODITY DISTRIBUTION NETWORK OF BSW IN TERMS OF ROLLED PRODUCTS, PIPES, TIRE CORD AND STEEL WIRE.

BASED ON BSW LONG-TERM WORK WITH CUSTOMERS, A CLIENTS' BASE FOR THE COMING CONTRACTUAL CAMPAIGN HAS BEEN FORMED CONSIDERING RELIABILITY OF A CONSUMER COMPANY, ITS ABILITY TO PAY AND FULFILL OBLIGATIONS UNDERTAKEN, POSSIBILITY TO WORK IN CASE OF A DECLINING MARKET AND POSITIVE DYNAMICS OF DEVELOPMENT. TAKING INTO ACCOUNT EXPERIENCE ACQUIRED IN STEEL SALES, A LIST OF PERMANENT CUSTOMERS IS FORMED AND APPROVED; THE CUSTOMERS ARE ASSIGNED THE NAME OF A JOINT-VENTURE, TRADING FIRM, DISTRIBUTOR, TRADER, END USER DEPENDING ON THE TASK SET AND RESULTS ACHIEVED. TO A GREAT EXTENT, SUCCESSFUL PROMOTION OF OUR GOODS TO NEW OUTLETS WAS FAVORED BY BSW IMAGE AS AN ENTERPRISE SELLING ONLY HIGH-QUALITY GOODS.

IN 2015 HOPES FOR QUICK RECOVERY OF STEELMAKING AVOIDING THE PHASE OF POST-CRISIS STAGNATION DID NOT COME TRUE. IN GENERAL, ACCORDING TO THE WSA ASSESSMENT, THE STRUCTURE OF THE GLOBAL STEEL CONSUMPTION IN 2015 LOOKED AS FOLLOWS: DEVELOPED COUNTRIES – 25,8%,

DEVELOPING COUNTRIES AND COUNTRIES WITH A TRANSIENT ECONOMY – 74,2%, INCLUDING CHINA – 49,8%.

INDIRECT ECONOMIC IMPACTS

BYELORUSSIAN STEEL WORKS' POLICY IN THE FIELD OF CHARITY AND SPONSORSHIP IS AIMED AT FACILITATION OF THE FORMATION OF THE SOCIALLY ACCEPTED IMAGE OF THE EFFICIENTLY OPERATING AND SOCIALLY RESPONSIBLE ENTERPRISE, TO AFFECT THE PUBLIC RECOGNITION OF THE SOCIAL IMPORTANCE OF METALLURGY, TO CONSOLIDATE ITS STANDING AND ENHANCE THE LOYALTY TO BSW ON THE PART OF ALL INTERACTIVE GROUPS AND THE CIVIL SOCIETY

THE PRIORITY DIRECTIONS OF CORPORATE CHARITY AND SPONSORSHIP ARE DETERMINED AS FOLLOWS: ENVIRONMENT, SUPPORT OF SOCIAL FACILITIES IN THE AREA OF THE PLANT PRESENCE. IN 2015 IN SPITE OF WORSENING OF THE FINANCIAL SITUATION, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SPONSORED AND ADMINISTERED CHARITY TO AUE «PAPOROTNOE», SE «NATIONAL HISTORICAL MUSEUM OF THE REPUBLIC OF BELARUS», HOCKEY CLUB «METALLURG-ZHLOBIN» CC. TOTAL AMOUNT OF SPONSOR ASSISTANCE AND CHARITY EQUALED TO USD 0,77 MLN.

DISTRIBUTION OF FUNDS ALLOCATED BY THE PLANT FOR THIS PURPOSE IS GIVEN IN THE TABLE BELOW.

CATEGORY	2014	2015
SPONSORSHIP, TOTAL (\$ THOU.), INCLUDING:	1 644	772,2
FINANCIAL AID TO THE DEVELOPMENT OF PHYSICAL CULTURE AND SPORTS IN THE RB, TOTAL:		
AID TO THE ASSOCIATION «HOCKEY FEDERATION OF RB»	97,8	
AID TO THE «HOCKEY CLUB CJSC» «METALLURG-ZHLOBIN		719,8
ORGANIZATIONS OF ZHLOBIN AND ZHLOBIN DISTRICTS, INCLUDING:		
- CURRENT AND CAPITAL REPAIR OF HOUSING FACILITIES IN ZHLOBIN	881	
- CAPITAL REPAIR WITH MODERNIZATION OF THE CINEMA HOUSE «RODINA»	323	
- AUE «PAPOROTNOE»	342,6	31,5
EDUCATIONAL AND CULTURAL ESTABLISHMENTS, INCLUDING:		
SE «NATIONAL HISTORICAL MUSEUM OF THE REPUBLIC OF BELARUS»		20,9



Indicators of effectiveness in the area of social responsibility.

Economic activity



BSW EMPLOYEES PERSONALLY PARTICIPATE IN CHARITY ACTIONS. DURING THE YEARS OF REALIZATION OF THIS DIRECTION, AN EFFECTIVE MECHANISM OF OPERATIVE ASSISTANCE TO PEOPLE HAS BEEN DEVELOPED. IN 2015 PLANT'S WORKERS ACTIVELY PARTICIPATED IN THE FOLLOWING CHARITY ACTIONS: «ALL CHILDREN ARE OURS», «DO GOOD», «WE TO CHILDREN», ETC. RESULTS OF PERSONAL PARTICIPATION OF THE EMPLOYEES IN CHARITY ACTIVITY ARE GIVEN IN THE TABLE BELOW.

NAME OF THE ACTION	AMOUNT COLLECTED, USD	
	2014	2015
BELARUSIAN PEACE FUND		126
BELARUSIAN RED CROSS SOCIETY	722	158
REPULCAN ACTION «WE REMEMBER! WE HONOR!»		1 575
OBOOBNUŠ «OZARICHI»		189
«WE TO CHILDREN» (CHILDREN'S DISTRICT HOSPITAL, DESIGN AND CONSTRUCTION OF CHILDREN'S HOSPICE IN BOROVLYANY, EMPLOYEE'S ASSISTANCE TO MEDICAL TREATMENT OF CHILDREN, ASSISTANCE TO THE SECONDARY SCHOOL IN PAPOROTNOE, SEE ZHLOBIN SOCIAL PEDAGOGICAL ORPHAN ASYLUM))	939,2	85
«DO GOOD» (DEDICATED TO DISABLED PEOPLE DAY)	1042	1053
«ALL CHILDREN ARE OURS» (COLLECTION OF MONEY FOR PURCHASING OF SCHOOL ACCESSORIES TOGETHER WITH THE REGIONAL CENTRE OF SOCIAL SERVICE)	1348,4	672
«KIND HEARTS» (COLLECTION OF MONEY FOR EMPLOYEES OF THE ENTERPRISE AND THEIR FAMILIES WHO ARE IN A DIFFICULT SITUATION)	12 395,5	8 164
«OFFER HANDS TO HELP» (COLLECTION OF MONEY FOR STRANGE PHYSICAL ENTITIES WHO ARE IN A DIFFICULT SITUATION)	1518,4	140
TOTAL	20443,3	12 162

REALIZATION OF THE SCHEDULED ACTIVITIES HAD A FAVORABLE IMPACT ON THE PLANT COOPERATION WITH THE MAIN GROUPS OF STAKEHOLDERS: AUTHORITIES, CIVIL SOCIETY, ECOLOGY COMMUNITY EMPLOYEES. IT HELPED TO STRENGTHEN BSW REPUTATION AS A SOCIALLY RESPONSIBLE ENTERPRISE AND ACHIEVE THE HIGHEST SOCIAL AND ECONOMIC EFFICIENCY FROM THE MONEY SPENT ON CHARITY AND SPONSORSHIP PURPOSES.

SHORT-TERM TARGETS OF THE PLANT

IN 2016 AGGRAVATION OF THE FINANCIAL SITUATION AT THE PLANT TAKES PLACE AS WELL AS REDUCTION OF PRODUCTION FACILITY LOAD IN JANUARY-APRIL. TAKING THIS INTO ACCOUNT, FORECAST FOR 2016 INDUSTRIAL PRODUCT OUTPUT WILL AMOUNT TO Br18,6 TRILLION (DENOMINATION EXCLUDED), WHICH CORRESPONDS TO 109,6% AS COMPARED TO 2015 IN ACTUAL PRICES AND 95,2% BASED ON A SET OF REPRESENTATIVE GOODS (FRS). THE FOLLOWING VALUES ARE FORECAST FOR OTHER KEY INDICATORS OF THE SOCIAL-ECONOMIC DEVELOPMENT:

– POWER SAVING	MINUS 5,4%
- PRODUCT EXPORT	USD 754,0 MLN
- PRODUCT EXPORT TO PRODUCTION OUTPUT RATIO, MIN.	85,6%
- STOCK TO AVERAGE MONTHLY OUTPUT RATIO	19,3%



Having shot a film about the plant's operation «Holding as an orchestra», Byelorussian Steel Works replenished its award collection with two Nikas for the best video product in steel-making «Metal Vision'2015» in the nominations «Best cameraman work» and «Best dubbing» at the 21st International industrial exhibition «Metal-Expo 2015».

AWARDS AND ACHIEVEMENTS

DURING RECENT YEARS BSW HAS BEEN PARTICIPATING IN THE BUSINESS MARATHON «ASCENSION TOWARDS EUROPEAN EXCELLENCE» ARRANGED BY THE EUROPEAN FOUNDATION FOR QUALITY MANAGEMENT (EFQM).

- THE FIRST STAGE OF THE MARATHON – «RECOGNIZED FOR EXCELLENCE IN THE COUNTRY». THE PLANT IS THE WINNER OF THE NATIONAL CONTEST FOR THE AWARD OF THE GOVERNMENT OF THE REPUBLIC OF BELARUS FOR ACHIEVEMENTS IN THE AREA OF QUALITY IN 2001, 2004, 2007 AND 2015 AND THE AWARD OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS IN THE AREA OF QUALITY IN 2001, 2004, 2007, AND 2011.

- THE SECOND STAGE OF THE MARATHON – «RECOGNIZED FOR EXCELLENCE IN EUROPE». IN 2007 THE PLANT BECAME THE WINNER OF THE CONTEST FOR THE CIS AWARD (IN 2011 THE PLANT CONFIRMED THIS STATUS) FOR ACHIEVEMENTS IN THE AREA OF PRODUCT AND SERVICE QUALITY

NEWLY ORGANIZED IN 2006 AND A LAUREATE OF THE INTERNATIONAL QUALITY TOURNAMENT OF CENTRAL AND EAST EUROPE AND IN 2008 THE WINNER OF THIS TOURNAMENT.

- THE THIRD STAGE OF THE MARATHON - «RECOGNIZED FOR EXCELLENCE EFQM». IN 2009 BSW PARTICIPATED IN THE TOURNAMENT FOR THE EUROPEAN QUALITY AWARD (EQA) ESTABLISHED BY EUROPEAN FOUNDATION FOR QUALITY MANAGEMENT (EFQM) AND RECOGNIZED AS MOST KNOWN INTERNATIONAL QUALITY AWARDS AT PRESENT. BASED ON A COMPLEX ASSESSMENT OF THE ENTERPRISE IN 2009 IT WAS AWARDED THE LEVEL OF «RECOGNIZED FOR EXCELLENCE 5 STAR. IN 2013 BSW CONFIRMED THIS HIGH LEVEL.

BSW IS THE WINNER OF THE CONTEST «BEST GOODS OF THE REPUBLIC OF BELARUS ON THE MARKET OF THE RUSSIAN FEDERATION» IN THE NOMINATION «PRODUCTS OF PRODUCTION-TECHNICAL APPLICATION» IN 2001, 2003-2015;

THE WINNER OF THE CONTEST «BEST GOODS OF THE RE-

Indicators of effectiveness in the area of social responsibility.

Economic activity



PUBLIC OF BELARUS» IN THE NOMINATION «PRODUCTS OF PRODUCTION-TECHNICAL APPLICATION» IN 2002-2015:

- THE WINNER OF THE CONTEST «BEST CONSTRUCTION PRODUCT OF THE YEAR» IN 2010-2015.

REPRESENTATIVES OF THE PLANT BECAME WINNERS OF THE TOURNAMENT «BEST QUALITY MANAGER» IN 2007, 2008, AND 2009.

IN 2008 AND 2015 GENERAL DIRECTORS OF THE PLANT WERE RANKED «QUALITY LEADER -2008» AND «QUALITY LEADER -2015» AND AWARDED SIMILAR BADGES.

-THE PLANT IS A LAUREATE OF THE INTERNATIONAL AWARD «COMMONWEALTH STAR» IN THE NOMINATION «BEST CIS COMPANY». (2006).

IN THE TOURNAMENT «BRAND OF THE YEAR – 2009» THE PLANT WAS ANNOUNCED THE WINNER IN THE FOLLOWING NOMINATIONS:

- «SOCIALLY RESPONSIBLE BRAND» IN THE CATEGORY «BEST EMPLOYER» AND «ACTIVE SOCIAL POSITION» (2 GOLD MEDALS);
- «PROFESSIONAL NOMINATION, GOODS AND SERVICES B2B» IN THE CATEGORY «BRAND-EXPORT» (A GOLD MEDAL).

BASED ON THE RESULTS OF THE PROFESSIONAL TOURNAMENT «BRAND OF THE YEAR -2010» A DIPLOMA OF HONOR IN THE CATEGORY «ACTIVE SOCIAL POSITION» AND A GOLD MEDAL «BRAND OF THE YEAR 2010» ARE HANDED OVER.

BSW BECAME THE WINNER OF THE TOURNAMENT «BEST EXPORTER-2007» IN THE NOMINATION «ENGINEERING, STEEL-MAKING, AND METAL PROCESSING» AND «BEST EXPORTER-2010, 2011, 2014, AND 2015» IN THE NOMINATION «STEELMAKING».

THE PLANT IS THE WINNER OF THE FIFTH REPUBLICAN TOURNAMENT «TECHNOSPHERE-2009» AMONG 30 LEADING ENTERPRISES OF DIFFERENT MINISTRIES AND BOARDS OF THE REPUBLIC OF BELARUS (2010). IN THE NOMINATION «BEST TRADE MARK» THE PLANT TOOK THE FIRST PLACE.

FOR EXCELLENT PROFESSIONAL ORGANIZATION OR PRODUCT AND SERVICES PROMOTION AT THE INTERNATIONAL INDUSTRIAL EXHIBITION METAL-Expo'2013 BSW WAS AWARDED A DIPLOMA AND A CUP IN THE NOMINATION «FOR THE BEST EXPOSITION».

IN JUNE 2012, WITHIN THE FRAMEWORK OF THE INTERNATIONAL CONFERENCE «DEVELOPMENT OF ACCREDITATION IN THE SYSTEM OF TECHNICAL REGULATION» THE CENTRAL PLANT LABORATORY WAS AWARDED A PRIZE FOR «HIGH LEVEL OF COMPETENCE».

IN JUNE 2014, THE CENTRAL PLANT LABORATORY OF BSW BECAME THE WINNER OF THE TOURNAMENT «COMPETENCE-2013» IN THE NOMINATION «BEST LABORATORY PRACTICE IN THE AREA OF TESTING OF PRODUCTS FOR ENGINEERING AND TRANSPORT VEHICLES».

IN JUNE 2015, THE DEPARTMENT OF THE CHIEF METROLOGICAL ENGINEER OF BSW WON THE TOURNAMENT «COMPETENCE – 2014» IN THE NOMINATION «AREA OF CALIBRATION OF MEASURING DEVICES».

IN 2015 BSW BECAME THE WINNER OF THE TOURNAMENT «POWER EFFICIENCY LEADER – 2015», «OXYGEN TECHNOLOGY OF STEEL MAKING IN EAF» WAS PRESENTED IN THE NOMINATION «EFFICIENT TECHNOLOGIES AND PROCESSES».

IN 2014 THE PLANT WON THE NATIONAL TOURNAMENT FOR THE INDUSTRY AWARD OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS IN THE AREA OF SCIENCE AND TECHNIQUE IN THE NOMINATION «PROGRESSIVE PRODUCTION PROCESSES AND RESOURCE-SAVING TECHNOLOGIES».

APART FROM THAT, BASED ON THE OFFICIAL STATISTIC DATA OF THE RESULTS OF 2014, THE PLANT WAS AWARDED THE TITLE OF «INDUSTRY LEADER-2015» IN THE STATE RATING OF ENTERPRISES OF THE REPUBLIC OF BELARUS. ACCORDING TO THE RATING RESULTS, THE ENTERPRISE TOOK THE THIRD PLACE IN THE TOP -10 (GOLD) AMONG ENTERPRISES OF THE REPUBLIC OF BELARUS IN THE AREA OF «STEEL PIPE PRODUCTION» AND THE THIRD PLACE IN THE TOP -100 (GOLD) IN THE AREA OF «WOOD SAWING AND DRESSING, WOOD PRESERVATION».

SUCCESS OF BYELORUSSIAN STEEL WORKS IN PROMOTION OF ITS PRODUCTS WAS HIGHLY APPRECIATED IN POLAND DURING XIX ECONOMIC FORUM »NEIGHBORLINESS- 2015». BSW GENERAL DIRECTOR A.N. SAVIANOK WAS AWARDED FOR A LONG-TERM WORK ON THE POLISH MARKET, HIS CONTRIBUTION IN DEVELOPMENT OF INTERNATIONAL TRADE RELATIONS, FOR STRENGTH AND TENACITY IN ACHIEVEMENT OF THE GOALS BY BELARUSIAN-POLISH CHAMBER OF COMMERCE.

ALL THESE FACTS PROVE THAT BSW MAINTAINS ITS HIGH REPUTATION AND CONTINUES TO KEEP PACE WITH THE TIME.



A record number of young employees were hired by the enterprise: 338 people. They will build the plant's future based on their advanced knowledge and traditions laid down by the veterans.

Environmental activity

ENVIRONMENTAL POLICY

THE PLANT REALIZES THAT ITS PRODUCTION ACTIVITIES ARE ASSOCIATED WITH CERTAIN ENVIRONMENTAL HAZARDS AND TAKES ITS BEST EFFORTS TO MITIGATE NEGATIVE INFLUENCES ON VITAL ACTIVITY OF CITIZENS. BESIDES, CARRYING OUT ITS ACTIVITY, AND USING WASTES FROM INDUSTRIAL SOURCES (SCRAP FROM PRODUCERS, SCRAP IN THE FORM OF WASTE EQUIPMENT), OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING TAKES CERTAIN STEPS TO REDUCE ENVIRONMENTAL IMPACTS AND MITIGATE GLOBAL CLIMATE CHANGE RISKS. THESE STEPS ARE A PART OF STRATEGY INTENDED TO PROVIDE FOR A SUSTAINABLE DYNAMICS OF THE PLANT'S DEVELOPMENT. THE ENTERPRISE IS ENGAGED IN A LARGE-SCALE EQUIPMENT AND PROCESS MODERNIZATION, PAYING PARTICULAR ATTENTION TO THE ENHANCED ECOLOGICAL REQUIREMENTS, WHICH ENABLES THE PLANT TO REDUCE POLLUTANT AIR EMISSIONS AND WASTE QUANTITIES GENERATED. BYELORUSSIAN STEEL WORKS IS A STATE-OWNED ENTERPRISE, WHICH RELIES ON ONE OF THE PRIORITY STATE POLICY STRANDS IN ITS ACTIVITIES – THAT OF ECOLOGICAL SAFETY. IMPLEMENTATION OF THE STATE POLICY IS ENSURED BY AN EFFICIENT ENVIRONMENTAL MANAGEMENT SYSTEM (THE EMS). EMS IS A PART OF THE UNIFIED ENTERPRISE MANAGEMENT SYSTEM, WHICH IS RESPONSIBLE FOR WORKING OUT A SYSTEMATIC APPROACH TO ENVIRONMENTAL PROTECTION WITHIN ENTIRE PRODUCTION ACTIVITIES OF THE PLANT AND IS INTEGRATED INTO QUALITY MANAGEMENT, LABOUR SAFETY AND SOCIAL RESPONSIBILITY PROCESSES. THE EMS IS A TOOL, ENABLING THE ENTERPRISE TO ENSURE REGULAR MONITORING AND MINIMIZE ECOLOGICAL IMPACTS ASSOCIATED WITH PRODUCTION ACTIVITIES IN THE REGION OF ITS LOCATION.

WITHIN THE FRAMES OF THE CURRENT ENVIRONMENTAL MANAGEMENT SYSTEM, THE ENTERPRISE IDENTIFIED A NUMBER OF ECOLOGICAL FACTORS OF ENVIRONMENTAL INFLUENCE AND EVALUATED THEM BY THEIR SIGNIFICANCE. TO MINIMIZE ENVIRONMENTAL IMPACTS CONNECTED WITH THE PRODUCTION ACTIVITIES OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING, THE ENTERPRISE ANNUALLY INTRODUCES NEW ENVIRONMENTAL PROTECTION MEASURES AIMED AT REDUCING DEVELOPMENT PRESSURES ON THE ENVIRONMENT.

EFFICIENCY OF THE ECOLOGICAL MANAGEMENT SYSTEM ADOPTED BY OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS ENSURED WITH THE ASSISTANCE AND UNDER GUIDANCE OF THE TOP MANAGEMENT. OFFICIAL MANAGERIAL VIEWS ON ECOLOGICAL AND ENVIRONMENTAL ISSUES ARE PRESENTED IN THE ENTERPRISE'S CORPORATE POLICY AND OTHER REGULATORY DOCUMENTATION OF THE CORPORATE MANAGEMENT SYSTEM

BSW INTENDS TO INCREASE THE SHARE OF PRODUCTS COMPLYING WITH THE QUALITY MANAGEMENT SYSTEM STANDARDS, PROVIDE ITS PRODUCTION WITH ECOLOGICAL QUALITY AND SAFETY DATA AND APPROPRIATE MARKING.

KEY PRINCIPLES AND APPROACHES

LONG-TERM STRATEGIC OBJECTIVES DETERMINED BY THE PLANT FOR ECOLOGICAL AND ENVIRONMENTAL ACTIVITIES INCLUDE:

- MINIMIZING THE PLANT'S IMPACT ON THE REGION'S VITAL ACTIVITIES;
- MINIMIZING THE PLANT'S IMPACT ON FLORA AND FAUNA;
- EFFICIENT USE OF NATURAL RESOURCES;
- EFFICIENT USE OF ENERGY RESOURCES;
- AIR BASIN PROTECTION;
- WATER BASIN PROTECTION;
- INDUSTRIAL WASTE UTILIZATION;
- TRAINING;
- IMPROVEMENT OF THE PERSONNEL'S ECOLOGICAL CULTURE AND DEVELOPMENT OF ECOLOGICAL CONSCIOUSNESS;
- DEVELOPMENT AND IMPLEMENTATION OF RESOURCE-SAVING, LOW-WASTE AND ENVIRONMENTALLY SAFE TECHNOLOGIES;
- MONITORING OF EMISSIONS, HAZARDOUS WASTES AND QUALIFICATION TESTING OF WORK PLACES;



- COMPLIANCE WITH ECOLOGICAL STANDARDS AND REQUIREMENTS IN DESIGN AND PRODUCTION, CONSTRUCTION, RECONSTRUCTION, AND PROCESS FACILITIES EXPANSION;

- INCIDENT ALERTNESS.

IN ITS ECOLOGICAL ACTIVITIES, THE PLANT RELIES ON THE FOLLOWING:

- COMPLIANCE WITH THE LEGISLATION AND STATUTORY NORMS OF THE REPUBLIC OF BELARUS;

- ENGAGEMENT OF ALL BUSINESS PROCESS SEGMENTS AND PARTICIPANTS;

- EMS UPGRADING;

- MINIMIZING IMPACTS IN CONNECTION WITH EXPANDING PRODUCTION ACTIVITIES;

- COMPLETE AND RELIABLE DISCLOSURES OF THE PLANT'S PERFORMANCE INFORMATION;

- RESPONSIBILITY ENHANCEMENT;

- PROVIDING FOR OPTIMAL EXPENDITURE/PERFORMANCE RATIOS;

- MAINTAINING A REASONABLE BALANCE BETWEEN THE PLANT'S INTERESTS AND THOSE OF THE COMMUNITY.

THE EMS SYSTEM ADOPTED BY THE ENTERPRISE WAS CERTIFIED FOR COMPLIANCE WITH THE REQUIREMENTS OF ISO 14001:2004, STB ISO 14001-2005 STANDARDS. THE REQUIREMENTS OF ISO 14001:2004 COVER SUCH ACTIVITIES AS DESIGN AND PRODUCTION OF ROLLED SECTIONS AND STRUCTURAL SHAPES, WIRE ROD, SEAMLESS PIPES, STEEL CORD, WIRE AND STEEL FIBER. THE REQUIREMENTS OF STB ISO 14001-2005 COVER PRODUCTION OF CONCAST BILLET, SECTION AND SHAPED MATERIALS, WIRE ROD, SEAMLESS PIPES, STEEL CORD, STEEL WIRE AND FIBER. THIS IS THE EVIDENCE OF THE SYSTEMATIC APPROACH IMPLEMENTED TO REDUCE ECOLOGICAL RISK PROBABILITY, MINIMIZE ECOLOGICAL PAYMENTS, REPRESENT OJSC «BSW – MANAGEMENT

COMPANY OF «BMC» HOLDING AS AN ECOLOGICALLY RESPONSIBLE ENTERPRISE AND IMPROVE INTERACTION WITH THE STAKEHOLDERS ON ISSUES OF ENSURING COMPLIANCE WITH ECOLOGICAL NORMS AND REQUIREMENTS

EXCEPT THE CURRENTLY EFFECTIVE APPROVED MEDIUM-TERM ECOLOGICAL PROGRAMMES, BSW PROVIDES FOR ANNUAL DEVELOPMENT AND APPROVAL BY RESPECTIVE SUPERVISION AUTHORITIES OF ECOLOGICAL CONTROL PROGRAMMES AND ENVIRONMENTAL PROTECTION PLANS, WHICH, AMONG OTHER THINGS, ENVISAGE REGULAR ECOLOGICAL MONITORING AND CONTROL ACTIVITIES IN ACCORDANCE WITH THE INSTRUCTION ON ENVIRONMENTAL CONTROL OF PRODUCTION, RATIONAL USE OF NATURAL RESOURCES.

USE OF NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION AT THE ENTERPRISE ARE MANAGED BY ADMINISTRATIVE CONTROL ACTIONS AND ECONOMIC METHODS.

IMPLEMENTATION OF ECOLOGICAL STRATEGY

MINIMIZING THE PLANT'S IMPACT ON THE REGION'S VITAL ACTIVITIES

CARRYING OUT ITS PRODUCTION ACTIVITIES, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ACCOUNTS FOR ITS ENVIRONMENTAL IMPACT AND STRIVES FOR MINIMIZATION OF ITS CONSEQUENCES AS STIPULATED BY INTERNATIONAL LEGAL PROVISIONS ON ECOLOGY AND THE ENVIRONMENTAL LEGISLATION OF THE REPUBLIC OF BELARUS. FOR THE PURPOSES OF MINIMIZING ITS IMPACT ON THE REGION'S POPULATION, THE PLANT WAS LOCATED IN THE SOUTH-EASTERN PART OF THE CITY WITH DUE ACCOUNT FOR WIND ROSE DIAGRAM. THE ESTABLISHED SANITARY ZONE HAS THE RADIUS OF 1000 M AND ITS AREA TOGETHER WITH THE ADJACENT INDUSTRIAL SITE MAKES UP 674.1 HA. AT THAT, 55% OF THE AREA BETWEEN THE ENTERPRISE'S TERRITORIAL BORDERS AND THOSE OF THE SANITARY ZONE ARE TAKEN UP BY CULTIVATED CONIFEROUS AND HARDWOOD FORESTS AND SCRUB VEGETATION. THE NEAREST SETTLEMENT (THE VILLAGE OF SOLONOYE) IS 1.075 KM AWAY FROM THE ENTERPRISE'S TERRITORIAL BORDERS. RESIDENTIAL BUILDINGS AND DISTRICTS OF THE TOWN OF ZHLOBIN ARE 3 – 3,5 KILOMETERS AWAY. INDUSTRIAL SITE IS



Environmental activity



LOCATED ON PLAIN SURFACE LANDS, NEUTRAL IN TERMS OF SMOKE CONTENTS AND SPREAD OF SMOKE JETS TOWARDS RESIDENTIAL AREAS. EVERY YEAR, THE PLANT CARRIES OUT CERTAIN ACTIONS TO ENSURE AIR AND WATER BASIN PROTECTION AND REDUCTION OF LAND-BURIED INDUSTRIAL WASTES.

MINIMIZING THE PLANT'S IMPACT ON FLORA AND FAUNA

IN THE STRUCTURE OF THE LIGNOSE OF THE LANDS OF THE FOREST RESOURCES OF THE REGION CONIFERS OCCUPY AROUND 70%, SOFTWOOD – 27%, HARDWOOD – 3%. DOMINATING POSITION BELONGS TO THE PLANTATIONS OF NATURAL ORIGIN – 56,3 %. MAIN FOREST-FORMING BREED IN THE REGION IS A PINE-TREE (68,5% FOR-EST-COVERED LANDS). AS FOR THE AGE STRUCTURE, MEDIUM-AGED TIMBER-STAND PREVAIL (49,2%). YOUNG GROWTH MAKES UP 34,4%.

RESOURCES OF GRASSLAND PLANTATIONS ARE RATHER BIG. THE REGION BELONGS TO POLESKO-BEREZINSKY REGION RICH OF MEADOWS, AND A PART OF WHICH IS REPRESENTED BY A LOW WAVY PLAIN FORMED BY A SYSTEM OF FLAT TERRACES LOCATED ABOVE THE FLOOD PLAIN OF THE BEREZINA RIVER AND THE DNIEPER RIVER. GENOSIS IS FORMED BY SHARP SEDGE WHICH IS OFTEN COMBINED WITH MANNA GRASS (9,8%), MORE SELDOM WITH MIRE BLOBS (4,8 %). SOMETIMES IT FORMS CLEAR TANGLE OF A MONODOMINANT TYPE.

MIRE VEGETATION CAN BE MET IN LOW PARTS OF THE RELIEF, ON THE LANDS WITH A CONSTANT EXCESSIVE HUMIDIFICATION. MISCELLANEOUS HERBS MAINLY OF THE MESOHYDROPHYTIC ROW (TYPES: CALLIERGONGIGANTEUM, DREPANOCADUSINTERMEDIUS, DREPANOCADUSVERNICOSUS, DREPANOCADUSADUNCUS, AULACOMNIUMPALUSTRE) PREDOMINATE IN THE GRASS STAND.

THE FOLLOWING TYPES OF VEGETATION DOMINATE IN THE RADIUS OF APPROXIMATELY 2KM FROM THE PLANT'S SITE

– SILVA OF THE TERRITORY CONCERNED: LIGNOSE OF BOTH NATURAL AND CULTURAL ORIGIN INCLUDING FORESTS OF THE LANDS BELONGING TO THE STATE FOREST RESOURCES, PROTECTION WOOD PLANTA-

TIONS ALONG THE RAILROAD BED AND MOTOR ROADS.

WOODLANDS BELONG TO THE SUBZONE OF CONIFER LICHEN LOW BUSH FORESTS. ON THE FOREST-COVERED TERRITORY LOCATED TO THE NORTH-EAST OF THE PLANT, SUCH TREE BREEDS AS A SCOTCH PINE (PINUS SYLVESTRIS), A COMMON BIRCH (BETULA VERRUCOSA) GROW. THE SCOTCH PINES (PINUS SYLVESTRIS) AND THE BLACK ALDERS (ALNUS GLUTINOSA) GROW IN THE NORTH-WEST AREA AND THE SCOTCH PINES (PINUS SYLVESTRIS) – IN THE SOUTH-WEST.);

– SEGETAL VEGETATION IS DEVELOPED ON THE AGRICULTURAL LANDS, SOWED HAYFIELDS TO THE SOUTH-EAST AND TO THE EAST OF THE PLANT, IN SOLONOE AREA, AND TO THE SOUTH-WEST OF THE PLANT BETWEEN THE WOODLAND AND THE DOBYSNA RIVER.

– RESIDENTIAL VEGETATION IS DEVELOPED IN HUMAN SETTLEMENTS, AND IN THE AREAS WITH THE APARTMENT BLOCKS AND UTILITY CONSTRUCTIONS;

– MEADOW VEGETATION OF THE TERRACES ABOVE THE FLOOD PLAIN;

– RUDERAL VEGETATION NEAR THE AREA OF ASH AND SLAG STORAGE, CONCRETE SCRAP STORAGE, OPEN PIT, AND OTHER AFFECTED HABITATS FORMED IN THE RESULT OF THE HUMAN ACTIVITY. IT IS NECESSARY TO POINT OUT SAGEBRUSH (ARTEMISIAVULGARIS), WHITE CLOVER (TRIFOLIUMREPENS), AND COUCH-GRASS (ELYTRIGIAREPENS) AMONG THE RUDERAL TYPES.

FAUNA

DESCRIPTION OF THE FAUNA OF THE TERRITORY CONCERNED IS GIVEN BASED ON LITERARY DATA.

ACCORDING TO THE LITERARY DATA INSECTS ARE REPRESENTED BY A TYPICAL FAUNISTIC COMPOSITION.

AMPHIBIA ON THE TERRITORY UNDER STUDY ARE MET EVERYWHERE IN PLENTIFUL AND ARE REPRESENTED BY THREE TYPES: A BROWN FROG (RANATEMPORARIA), A GREEN TOAD (BUFOVIRIDIS) AND A COMMON TOAD (BUFOBUFO).

SAND LIZARDS (*LACERTAAGILIS*) PREDOMINATE AMONG THE REPTILES.

SPECIES COMPOSITION OF THE THERIOFAUNA IS REPRESENTED BY A FOUR-TOED HEDGEHOG A (*ERINACEUSCON-COLOR*), A PIGMY SHREW (*SOREXMINUTUS*), COMMON SHREW (*SOREXARANEUS*), A ROOT VOLE (*MICROTUSOECONOMUS*), A COMMON VOLE (*MICROTUSARVALIS*), AND A CAMPAGNOL (*APODEMUSAGRARIUS*).

AVIFAUNA OF THE SURROUNDINGS OF THE TERRITORY UNDER STUDY IS CHARACTERIZED BY A SMALL VARIETY OF SPECIES DIVERSITY. MAIN BIOTYPES USED BY BIRDS ARE OPEN AGRICULTURAL LANDS. BACKGROUND TYPES ON AGRICULTURAL LANDS ARE: A FIELD LARK (*ALAU-DA ARVENSIS*), A WHINCHAT (*SAXICOLA RUBETRA*), A WHITETHROAT (*SYLVIA COMMUNIS*), A YELLOWHAMMER (*EMBERIZA CITRINELLA*). ON SWAMPY TERRITORIES ONE CAN RUN ACROSS A COMMON HERON (*ARDEA CINEREA*). DURING SPRING MIGRATION FEW MIGRATING TYPES OF BIRDS CROSS THE TERRITORY IN TRANSIT. AUTUMN MI-

GRATION IS LESS PRONOUNCED; BIRDS DO NOT FORM LARGE CLUSTERS.

VARIETY OF MAMMALS ON THIS TERRITORY IS NOT LARGE AND IS NOT CHARACTERIZED BY HABITATION OF REAR AND PROTECTED SPECIES. A BROWN HARE (*LEPUSEUROPAE-US*), A COMMON FOX (*VULPESVULPES*), AND A WILD HOG (*SUSSCROFA*) ARE MET HERE.

SPECIAL PROTECTED NATURAL TERRITORIES (SPNT) OF ZHLOBIN DISTRICT ARE REPRESENTED BY A HYDROLOGICAL AND LANDSCAPE PRESERVES OF LOCAL SIGNIFICANCE (TABLE 4), AND BY NATURAL MONUMENTS OF LOCAL AND REPUBLICAN SIGNIFICANCE.

THERE ARE NO SPECIAL PROTECTED NATURAL TERRITORIES WITHIN THE SANITARY ZONE OF THE PLANT. THE EXISTING ONES ARE LOCATED APPROXIMATELY AT THE DISTANCE OF 12 KM AND MORE FROM THE OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING» SITE (SEE THE FIGURE).



Natural areas of preferential protection in Zhlobin district



Environmental activity



NAME	TOTAL AREA, LOCATION	ORGANIZATION CARRYING OPERATIVE ADMINISTRATION	DISTANCE FROM BSW, KM
LANDSCAPE RESERVE OF REPUBLICAN SIGNIFICANCE «SMYCHOK»	2635 HA: 2060 – ZHLOBIN DISTRICT 575- RECHITSA DISTRICT	ZHLOBIN AND RECHITSA DIS- TRICT EXECUTIVE COMMITTEES WITHIN THEIR AUTHORITY	32
LANDSCAPE RESERVE OF REPUBLICAN SIGNIFICANCE «VYDRITSA»	17560 HA: 7793 - ZHLOBIN DISTRICT 9767- SVETLOGORSK DISTRICT	ZHLOBIN AND SVETLOGORSK DISTRICT EXECUTIVE COMMIT- TEES WITHIN THEIR AUTHORITY	20
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «DUBOVKA»	55 HA, NORTHERN PART OF RADUSHA, ZHLOBIN DISTRICT AND BORDERS WITH VOLSHEDUBSKY CANAL	KRASNOBEREZHSKY AGRICULTURAL ENTERPRISE	22
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «ALEKSANDROVSKY MOKH»	33 HA, LOCATED IN THE NORTH-EAST PART OF LUVIRNYANSKY FORESTRY ZHLOBIN FORESTRY ENTERPRISE ALONG THE MOTOR ROAD GOMEL-ZHLOBIN, 0,5 KILOMETERS FROM ALEKSANDROVKA SETTLEMENT	MFE «ZHLOBIN FORESTRY»	12
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «MOKH»	31 HA, NORTH-WEST PART OF KOSAKOVSKY AGRICULTURAL COOPERATIVE	KOSAKOVSKY AGRICULTURAL COOPERATIVE	17
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «ROVEKI»	100 HA, NORTH-WEST PART OF DVORISHCHANSKOE FORESTRY OF THE MFE «ZHLOBIN FORESTRY»	MFE «ZHLOBIN FORESTRY»	29
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «KANAVNOYE»	223 HA, CONSISTS OF TWO SECTORS AND LOCATED IN THE NORTH-WEST PART OF PRIBEREZINSKOE FORESTRY OF THE MFE «ZHLOBIN FORESTRY» AND AEB «VPERYOD»	MFE «ZHLOBIN FORESTRY» AND DUE «YAZNACH»	22
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «ORLI»	97 HA, SOUTHERN PART OS STRESHIN FORESTRY OF THE MFE «ZHLOBIN FORESTRY»	MFE «ZHLOBIN FORESTRY»	34
HYDROLOGICAL RESERVE OF LOCAL SIGNIFICANCE «RUGOROVA POLYANA»	54 HA, NORTH-WEST PART OF DVORISHCHANSKOYE FORESTRY OF THE MFE «ZHLOBIN FORESTRY»	MFE «ZHLOBIN FORESTRY»	35

Reserves in Zhlobin district



THE PLANT'S PREMISES PROPER ARE A SORT OF A GREEN PARK. AT PRESENT, THE AREA FREE FROM BUILDINGS IS ALMOST COMPLETELY GREEN. FOR THE MOST PART, GREEN SPACES WITHIN THE INDUSTRIAL SITE ARE REPRESENTED BY CONIFERS AND HARDWOOD TREES. BESIDES, THE PLANT'S PREMISES INCLUDE SOME FLOWER BEDS. TOTAL GREEN SPACE AREA WITHIN THE INDUSTRIAL SITE AMOUNTS TO 53,07 HA.

WITHIN THE FRAMEWORK OF THE PROGRAM AIMED AT PRESERVATION OF NATURAL RESOURCES OF THE COUNTRY AND UPGRADING THE TERRITORY OF THE PLANT'S ACTIVITY FOR 2015 SPECIALISTS OF THE PLANT GREW AND PLANTED A LOT OF PLANTS AND FULFILLED A LARGE-SCALE AMOUNT OF WORKS TO IMPROVE LAND:

TOTAL AMOUNT SPENT FOR UPGRADING THE TERRITORY IN 2015 IS OVER USD 77 THOUSAND. PROGRAM FULFILL-

MENT PROGRESS WAS REGULARLY REPORTED IN THE CORPORATE NEWSPAPER «METALLURG» AND REGIONAL MASS MEDIA.

TO ENCOURAGE AND EXPAND LAND IMPROVEMENT AND AMENITY PLANTING ACTIVITIES, TO MOTIVATE THE PLANT'S EMPLOYEES, BOTH MORALLY AND MATERIALLY, TO IMPLEMENT THE LAND IMPROVEMENT PROGRAM, TO INVOLVE THE PERSONNEL IN ACTIVITIES CONNECTED WITH AESTHETIC IMPROVEMENT OF THE PLANT'S APPEARANCE AND THAT OF THE PRE-SCHOOL ESTABLISHMENTS RUN BY THE PLANT, THE ENTERPRISE ARRANGED A LAND IMPROVEMENT COMPETITION AMONG THE PLANT'S SHOPS WITH BI-ANNUALLY CAST-UPS. THE COMPETITION INVOLVES MORE THAN 75% OF THE EMPLOYEES.

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MEANS USED
FOR TERRITORY
IMPROVEMENT IN 2015
(\$ THOU.)

ITEM	WORK DESCRIPTION	UNIT	QUANTITY
1	SEEDING, GROWING OF SEEDLINGS, COMPILING OF FLOWER COMPOSITIONS AND FLOWER PLANTING TO IMPROVE THE TERRITORY:		
	- ANNUAL	PC.	38 980
	- BIENNIAL AND PERENNIAL	PC.	11 272
	- BULBOUS, RHIZOMATOUS AND TUBEROUS	PC.	1 345
2	GROWING OF PLANTING STOCK AT NURSERY GARDENS FOR IMPROVEMENT OF THE PLANT TERRITORY:		
	- TREES	PC.	-
	- BUSHES	PC.	90
3	TREE SEEDLINGS PLANTED OUT ON THE PLANT'S TERRITORY AND AT THE HEADQUARTERS:		
	- CONIFER SEEDLINGS	PC.	30
	- HARDWOOD SEEDLINGS	PC.	60
4	REPAIR OF LAWNS ON THE PLANT'S TERRITORY WITH ALL TYPES OF AUXILIARY WORK:		
	- CURRENT	HA	130,98
	- OVERHAUL	HA	-

Land improvement (scope of work) for 2015



Environmental activity



EFFICIENT USE

OF NATURAL RESOURCES

PRODUCTION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS A COMPLETE METALLURGIC CYCLE WITH ANNUAL OUTPUTS AMOUNTING TO OVER 2,5 MILLION TONS OF MOLTEN STEEL.

MAJOR RAW MATERIALS USED FOR STEEL PRODUCTION IN 2012-2015 WERE AS FOLLOWS:

MATERIAL	UNIT	QUANTITY			
		2012	2013	2014	2015
METAL CHARGE	T	3 067 136	2 542 902	2 856 367	2 855 885,6
FERROALLOYS	T	40 269	35 822	41 534,9	40 933,4
ELECTRODES	T	5 647	4 741	4 698	4 784,2
SLAG-FORMING, DEOXIDIZING AND PURIFYING MIXTURES	T	171 372	146 733	163 284	145 113,8
CARBONIZERS	T	35 778	33 986	50 252	44 828,4
HEAT INSULATING MATERIALS	T	1 902	1 611	812	675
REFRACTORY MATERIALS	T	30 949	25 592	27 245	27 615,2

BSW USED RAW MATERIALS WHICH WERE OBTAINED FROM RECYCLED OR RECLAIMED WASTES. SHARE OF RECYCLED MATERIALS IN THE TOTAL AMOUNT OF RAW MATERIALS IN 2012-2015 WAS AS FOLLOWS:

Material	Unit	Quantity			
		2012	2013	2014	2015
FERROUS SCRAP, SCALE	%	96,9	96,4	95,5	95,5
REFRACTORY SCRAP	%	14,2	17,1	3,6	13,3
ELECTRODES	%	0	0,5	0,7	0,9
LIME STONE AND LIME WASTES	%	0,6	0,4	3	2,3

EFFICIENT USE

OF ENERGY RESOURCES

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ADOPTS MANAGERIAL AND INVESTMENT DECISIONS ON THE BASIS OF MULTI-VARIANT SCENARIOS OF DEVELOPMENT TAKING INTO CONSIDERATION ENVIRONMENTAL PRIORITIES PROVIDING FOR POWER SAVING, EFFICIENT USE OF NATURAL AND POWER RESOURCES.

IN ACCORDANCE WITH THE SECTION OF THE CORPORATE MANAGEMENT SYSTEM «POWER CONSUMPTION CONTROL SYSTEM» (PCCS), DEVELOPED IN CONFORMITY WITH THE REQUIREMENTS OF THE NATIONAL STB ISO 50001 STANDARD, THE BASE FOR THE DEVELOPMENT OF THE SYSTEM APPROACH TO ENERGY SAVING IS ARRANGED ON A CLEAR DOCUMENTING AND CONTROL OF INTERRELATED PROCESSES SIGNIFICANTLY INFLUENCING THE EFFECTIVENESS OF POWER CONSUMPTION, IN PARTICULAR:

- MOTIVATION OF THE PERSONNEL;
- PRECISE DETERMINATION OF KEY ROLES OF THE STAFF IN THE MANAGEMENT SYSTEM;
- DISTRIBUTION OF RESPONSIBILITY AND AUTHORITY STARTING WITH THE TOP LEVEL;
- MAINTAINING OF A CORRESPONDING LEVEL AND COMPETENCE OF THE STAFF;
- PROVISION OF THE STAFF AWARENESS OF THE BENEFITS INCLUDING FINANCIAL ONES, WHICH ONE CAN GET IF HE/SHE IMPROVES EFFECTIVENESS OF POWER CONSUMPTION;
- EFFECTIVE INFORMATION EXCHANGE;
- MAXIMUM COMPLETE INVENTORY OF FACTORS INFLUENCING POWER CONSUMPTION;
- DETERMINATION OF AREAS OF PRIORITY SIGNIF-



ICANT FOR POWER CONSUMPTION MANAGEMENT;

— PLANNING OF ACTIVITY AIMED AT IMPROVEMENT OF POWER CONSUMPTION EFFICIENCY.

IN ACCORDANCE WITH THE NATIONAL STRATEGY OF ENERGY SAVING AND ENERGY SECURITY, THE PLANT DEVELOPED AN **ENERGY SAVING ACTION PLAN**, SETTING ENERGY POLICY PRIORITIES AND APPROACHES. THE PLAN COMPRISES:

— ACTIONS PROVIDING FOR A COMPREHENSIVE ENERGY SAVING SYSTEM;

- ARRANGEMENTS FOR EMPLOYEES' TRAINING, RETRAINING AND ADVANCED TRAINING ON ISSUES OF ENERGY SAVING AND EFFICIENT USE OF RESOURCES;

— UPGRADING THE SYSTEM OF EQUIPMENT AND PRODUCTION PROCESSES EVALUATION AND ANALYSIS;

- IMPLEMENTING ENERGY-SAVING PROCEDURES;

— INTRODUCTION OF MODERN ADVANCED TECHNOLOGIES;

- EFFICIENT USE OF THE EXISTING POWER FACILITIES;

— INTRODUCTION OF NEW SCIENTIFIC ACHIEVEMENTS TO PROVIDE FOR EFFICIENT ENERGY USE.

TRADITIONAL ENERGY-SAVING MEASURES INCLUDE:

— INITIATIVES RELATED WITH INTRODUCTION OF POWER-SAVING PRODUCTS AND METHODS, USE OF RENEWABLE POWER SOURCES, DECREASE OF REQUIREMENTS IN THE RESULT OF THE INITIATIVES FULFILLED;

— SAVING OF POWER DUE TO CONSERVATION AND INCREASE OF CONSUMPTION EFFECTIVENESS;

— USE OF THERMAL SECONDARY POWER RESOURCES;

— INITIATIVES AIMED AT DECREASE OF INDIRECT USE, SAVING, ETC.

DUE TO THE INTRODUCTION OF AN AUTOMATIC SYSTEM OF TECHNICAL RECORDING (ASTR), REAL-TIME MONITORING OF FUEL AND POWER RESOURCES (FPR) IS CARRIED OUT WITH DAILY SUMMING-UP AND CORRECTIVE ACTIONS FUL-

FILLMENT. THIS FORM OF CONTROL ALLOWS THE PLANT TO CONTROL POWER INTENSITY

EFFECTIVELY AND CARRY OUT SYSTEM SPECIFICATION OF TECHNICAL ACTIONS. ACTUALLY, AN INNOVATIVE INTELLECTUAL SYSTEM IS CREATED. IT USES ACS OF PP, SAP R/3 AND THE PLANT'S COMPUTER NETWORK. A NUMBER OF MEASURES WERE TAKEN TO TRANSFORM INFORMATION TECHNOLOGIES FROM A TOOL TO AN ACTUAL SCIENTIFIC AND TECHNICAL RESOURCE TO DECREASE EXPENSES AND AS A RESULT TO COLLECT EXTRA GAINS. IN 2015 THE PLANT MANAGED TO PRESERVE POSITIVE DYNAMICS OF REDUCING OF FER SPECIFIC CONSUMPTION BY THE MAIN POWER-CONSUMING PRODUCTIONS.

TOTAL AMOUNT OF POWER RESOURCES SAVED IN 2015 WAS 629 866,6 GJ (617 580,1 GJ – IN 2014).

TO INCREASE INVOLVEMENT OF THE STAFF IN THE PROCESSES OF POWER AND RESOURCE SAVING, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING DEVELOPED AND USES THE FOLLOWING:

- REGULATIONS «ABOUT STAFF COMPETITION FOR THE BEST IDEAS AIMED AT INCREASE OF POWER EFFECTIVENESS OF THE PRODUCTION»;

- REGULATIONS «ABOUT COMPETITION FOR THE BEST STRUCTURAL DIVISION OF THE PLANT FROM THE VIEWPOINT OF POWER SAVING»;

- REGULATIONS «ABOUT AWARDING OF THE EMPLOYEES FOR POWER SAVING»;

- ACTIVE ON-LINE «POWER SAVING PROPOSALS» WINDOW IN THE INFO-BMZ INFORMATION SYSTEM».

17 PROJECTS WERE IMPLEMENTED IN 2015. THE FOLLOWING PROJECTS CAN BE ATTRIBUTED TO THE MOST IMPORTANT ONES: COMMISSIONING OF 6,7 MW ELECTROGENERATING EQUIPMENT;

1. INTRODUCTION OF COMPENSATING REACTIVE POWER UNDER THE PROJECT «COMPLEX RECONSTRUCTION OF «STAL» SUBSTATION»;

629 867

TOTAL POWER RESOURCE SAVING
IN 2015 (GJ)



Environmental activity



2. OPTIMIZATION OF ELECTROTECHNOLOGICAL MODES OF STEEL MELTING IN EAF-3 TO MINIMIZE POWER LOSSES;
3. INTRODUCTION OF RFC IN THE FINE DRAWING AREA;
4. INCREASE OF THE LOAD LEVEL OF THE PRODUCTION EQUIPMENT OF ROLLING MILLS 150, 320, AND 850.

USE OF SECONDARY THERMAL POWER RESOURCES IN 2015 MADE UP 17,4% IN THE BALANCE OF BOILER-FURNACE FUEL.

SAVING OF FPR NOT ONLY REDUCES FINANCIAL LOAD OF THE ENTERPRISE, BUT DECREASES NEGATIVE IMPACT OF THE ENTERPRISE'S ACTIVITY ON THE NATURAL ENVIRONMENT.

SOURCE	UNIT	QUANTITY			
		2012	2013	2014	2015
NATURAL GAS	S.C.T.	161 060	160 901	168 354	184 057

Direct use of power from the primary sources in 2012-2015

SOURCE	UNIT	QUANTITY			
		2012	2013	2014	2015
ELECTRIC POWER	MWt*H	2 000 442	1 736 633	1 855 714	1 845 857
	GJ	7 201 591,2	6 251 879	6 680 570	6 645 085
THERMAL ENERGY	Gcal	244 555	240 507	242 888	243 738

Intermediate energy quantities obtained and consumed from non-renewable power sources in 2012-2015

POWER RESOURCE	UNIT	QUANTITY			
		2012	2013	2014	2015
ELECTRIC POWER	MWt*H	107 361	156 493	130 530	167 194
	GJ	386 501,1	563 374,8	469 911	601 898
NATURAL GAS	THOU. M ³	1 833,7	5 720	4 392,3	945,1
	GJ	61 247	192 735,4	147 669,1	27 968,6

Energy saved due to measures on consumption rates reduction and efficiency improvement taken in 2012-2015

AIR BASIN PROTECTION

SOURCES OF MAJOR NEGATIVE ENVIRONMENTAL IMPACTS AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE AIR EMISSIONS OF POLLUTANTS. THE ENTERPRISE OPERATES 595 SOURCES WITH PERMITTED GROSS EMISSIONS OF 9 692,967 TPY. TO MINIMIZE NEGATIVE IMPACTS, MAJOR EMIS-

SION SOURCES WITH LARGEST CONTRIBUTIONS ARE EQUIPPED WITH GAS TREATMENT PLANTS, WITH THEIR TOTAL NUMBER AMOUNTING TO 118 UNITS.

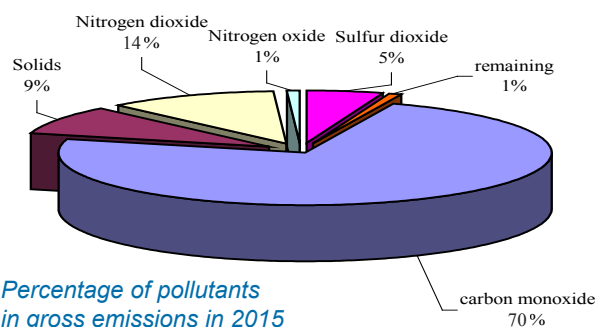
VEHICLES OWNED BY THE ENTERPRISE INCLUDE 226 UNITS USING VARIOUS TYPES OF FUEL OUT OF WHICH 179 VEHICLES RUN ON DIESEL FUEL, 47 – ON GASOLINE.

RAILROAD TRANSPORT INCLUDES 7 LOCOMOTIVES RUNNING ON DIESEL FUEL.

RAILROAD TRANSPORTATION IS ONLY WITHIN THE ENTERPRISE'S PREMISES; AUTOMOTIVE VEHICLES ARE USED FOR TRANSPORTATION WITHIN THE BORDERS OF THE ENTERPRISE'S SANITARY ZONE.

ANALYZING INDICATORS OF POLLUTANT EMISSIONS IN THE AIR, IT IS NECESSARY TO POINT OUT THAT GROSS EMISSIONS DECREASED BY 12% (886,148 T) IN 2015 AS COMPARED TO 2014. THE DECREASE IS CONDITIONED BY INSTALLATION OF BAG FILTERS MADE OF SPARKLE-PROOF CLOTH AT GAS PURIFYING UNITS OF THE ELECTRIC-ARC FURNACES (MAIN SOURCES OF EMISSIONS) PROVIDING STABLE AND STEADY OPERATION OF ENVIRONMENT-FRIENDLY EQUIPMENT.

STEEL MELTING PROCESS IN ELECTRIC-ARC FURNACES WAS INTENSIFIED, AN ADVANCED OXYGEN TECHNOLOGY WITH THE USE OF WALL-MOUNTED MODULE SYSTEM MULTI-NOZZLE DEVICE WAS INTRODUCED. CONSIDERING GROWING PRODUCTION OUTPUT, INTENSIFICATION AND CAPACITY GROWTH OF THE PRODUCTION EQUIPMENT, WE DE-



12
DECREASE OF CONTAMINANTS
EMISSIONS
IN THE AIR AS COMPARED
TO 2014, %



Substance	Actual emissions, [t/year]				Specific pollutant generation rates, [kg/t of melted steel]			
	2012	2013	2014	2015	2012	2013	2014	2015
Carbon monoxide	5875,384	5049,332	5525,328	4641,069	2,14	2,2	2,17	1,8
Nitrogen dioxide, nitrogen oxide	1025,993	814,929	900,818	940,072	0,37	0,37	0,35	0,39
Sulfur dioxide	444,721	384,11	389,279	338,044	0,16	0,16	0,15	0,13
Solids	730,485	619,042	655,899	598,007	0,26	0,26	0,26	0,23
Total pollutants	8094,502	6966,462	7526,979	6640,831	2,95	3,0	2,95	2,6

The proportion of pollutants in the gross output for the years 2012-2015

Substance	Unit	2012	2013	2014	2015
Carbon monoxide	т	769,829	594,797	569,166	587,52
Nitrogen dioxide	т	184,968	142,262	140,954	102,65
Sulfur dioxide	т	101,868	78,255	78,242	91,07
Hydrocarbons	т	303,344	233,621	229,133	231,81
Soot	т	76,121	58,468	58,512	49,07
Benz(a)pyrene	т	0,0016	0,001262	0,001250	0,001048
Total	т	1436,132	1107,404	1076,009	1062,12105

Air emissions of pollutants from mobile sources in 2012-2015

FINED MAXIMUM AND GROSS AIR EMISSION OF POLLUTANTS MORE EXACTLY.

TRANSPORT VEHICLES RUN ON AI 92, AI 95, LIQUEFIED GAS AND DIESEL FUEL WITH 0,005 PER CENT SULFUR CONTENT.

EMISSIONS OF POLLUTANTS FROM MOBILE SOURCES REDUCED BY 1,3 %, WHICH IS EXPLAINED BY INCREASE OF FREIGHT TRAFFIC WITHIN THE PLANT'S INDUSTRIAL AREA.

BEING A MAJOR GREENHOUSE GASES EMITTER, BYELORUSSIAN STEEL WORKS IS CONSTANTLY MONITORING THEIR AIR EMISSION RATES. IN PURSUANCE OF THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER, THE PLANT CONTINUES ITS WORK AIMED AT STEPWISE DECREASE OF THE USE OF SUBSTANCES LISTED IN ANNEX C OF THE PROTOCOL BY 2020. OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING PROVIDES FOR COMPLIANCE WITH THE STATE REQUIREMENTS ON REDUCTION OF CONSUMPTION RATES OF OZONE-DEPLETING SUBSTANCES (ODS). ODS QUANTITIES USED WITHIN THE ENTERPRISE ARE CONSTANTLY DECREASED.

THE OZONE-DEPLETING SUBSTANCES AT THE ENTERPRISE ARE HANDLED AS ESTABLISHED IN THE LICENSE FOR THE ACTIVITIES ASSOCIATED WITH THE USE OF NATURAL RESOURCES AND ENVIRONMENTAL IMPACTS, AND, PRECISELY, IN THE PART WHERE RULES FOR HANDLING OF OZONE-DEPLETING SUBSTANCES ARE SET OUT.

THE REPUBLIC OF BELARUS, BEING A PARTICIPATING PARTY UNDER THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE AND THE KYOTO PROTOCOL, PROVIDES FOR FULFILLMENT OF ITS OBLIGATIONS STIPULATED BY THE ABOVE INTERNATIONAL AGREEMENTS. ACTIONS IMPLEMENTED BY THE BYELORUSSIAN STEEL WORKS TO INTRODUCE ENERGY-SAVING TECHNOLOGIES AND MATERIALS AND TO ENHANCE EFFICIENCY OF THE PRODUCTION PROCESSES RESULT IN REDUCED AIR EMISSIONS OF GREENHOUSE GASES.

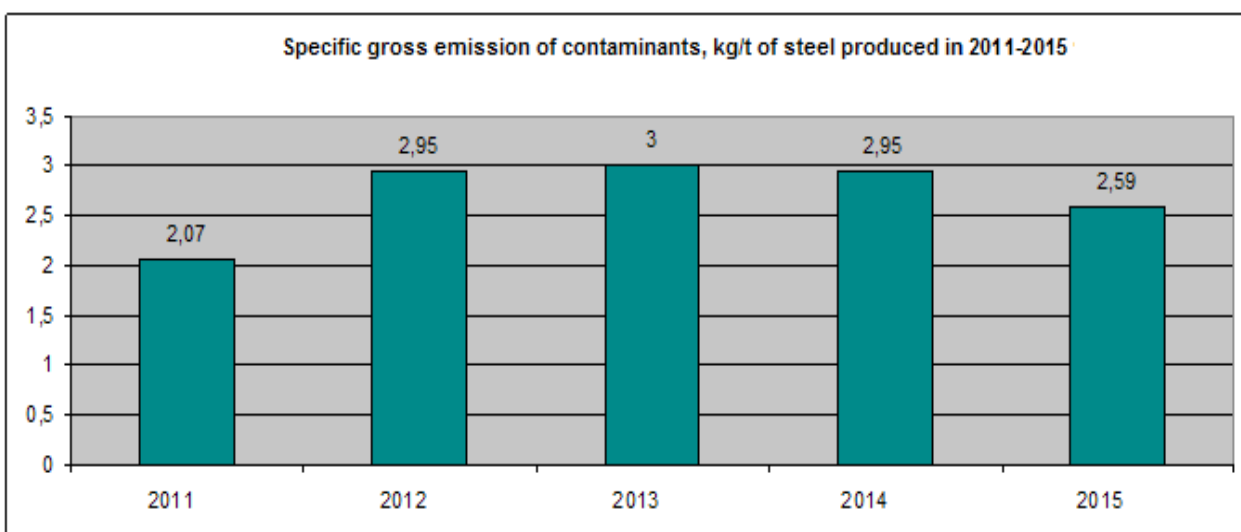
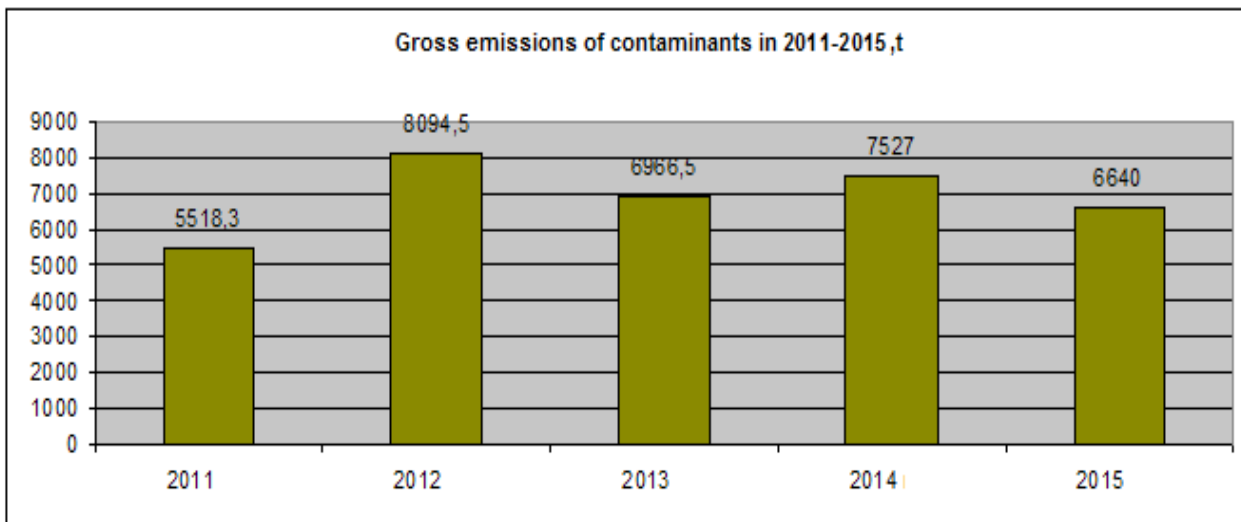
DECREASE OF HARMFUL EMISSIONS INTO THE AIR IS ENSURED BY IMPLEMENTATION OF INVESTMENT PROJECTS DIRECTED TOWARDS MODERNIZATION AND TECHNICAL REVAMPING, INTRODUCTION OF HIGHLY EFFECTIVE STATE-OF-ART EQUIPMENT AND METHODS.



Environmental activity



Dynamics of air pollutant emissions



* - *SPECIFIC EMISSION, KG/T OF STEEL.*

ODS	Residuals in the beginning of the year, kg				Purchased, kg				The amount used, kg				Amount of residues as of end of the year, kg			
	2012	2013	2014	2015	2012	2013	2014	2015	2012	2013	2014	2015	2012	2013	2014	2015
R-22	68,3	27,2	176,8	149,6	108,8	163,2	0	0	149,9	13,6	27,2	68	27,2	176,8	149,6	81,6
R-12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R-114B2	74,1	0	0	0	0	0	0	0	74,1	0	0	0	0	0	0	0

Data on ODS handling activities in 2012-2015



Year	Description of ODS reduction methods	Description of ODS reduction methods
2011	Reduction of ODS in the operating equipment due to usage of ozone-safe coolants, R12 -4,5 kg, R22-82 kg	Ozone-safe cold carriers are used instead of R22 in equipment with the filling capacity of 232 kg, Instead of R12 – filling capacity 55 kg
	Reduction of ODS in the operating equipment due to usage of ozone-safe coolants, R12 -4,5 kg, R22-82 kg	R124 residues as on 01.01.12 equal to 0,0 kg (included in the composition of multi-component cold carrier R401A), R124 stock reduced by 18,7 kg
2012	Decrease of ODS consumption due to transfer of refrigeration equipment to ozone-safe cold carriers	Ozone-safe cold carriers are used instead of R22 in equipment with the filling capacity of 231,6 kg, Instead of R12 – filling capacity of 6 kg
2013	Decrease of environmental impact. Refusal to use ODS (R 22) by 123 Purchasing of ITE coolants regeneration and filling station	ITE Blue-R-95 regeneration and filling station purchased
	Transfer of refrigeration equipment working on R 22, filling capacity 123 kg, to ozone-safe coolants	Transfer of refrigeration equipment working on R 22, total capacity: 129,5 kg
2014	Decrease of environmental impact. Exclusion usage of ozone-depleting R 22 by 116 kg, R 12 by 4,5 kg, R 401 A by 6 kg. Transfer cooling equipment operating on R 22 with the filling capacity of 116 kg to ozone-safe coolants	Transfer to ozone-safe coolants for cooling equipment used to work on R 22 with the filling capacity of 317,8kg, to R 12 with the filling capacity 4,8kg, to R 401 A with the filling capacity of 12,4 kg.
	Transfer cooling equipment operating on R 12 with the filling capacity of 4,5 kg, to ozone-safe coolants	
	Transfer cooling equipment operating on R 401 A with the filling capacity of 6 kg to ozone-safe coolants	
2015	Transfer cooling equipment operating on R 22 with the filling capacity of 120 kg to ozone-safe coolants	FULFILLED - transfer of the cooling equipment operating on R 22 with the filling capacity of 191 kg, on R 12 with the filling capacity of 4,75 kg, on R 401 A with the filling capacity of 24 kg to ozone-safe coolants.
	Transfer cooling equipment operating on R 12 with the filling capacity of 4,7 kg to ozone-safe coolants	
	Transfer cooling equipment operating on R 401 A with the filling capacity of 12,4 kg to ozone-safe coolants	

*Data on introduction of measures aimed at reduction
of ODS use in 2011-2015*



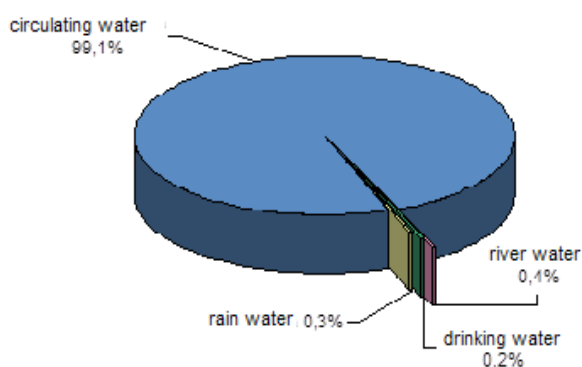
Environmental activity



OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING FOLLOWS THE EXISTING LAW AND NORMS OF THE INTERNATIONAL ENVIRONMENTAL LAW INCLUDING INTERNATIONAL AGREEMENTS AND CONTRACTS RATIFIED BY THE REPUBLIC OF BELARUS AND CARRIES OUT CONTINUOUS MONITORING OF THE ENVIRONMENTAL CONDITION IN THE TERRITORY OF ITS PRODUCTION ACTIVITY THE MAIN AIM OF WHICH IS PROTECTION OF THE HEALTH OF THE PEOPLE LIVING IN THIS AREA AND THE COMPANY EMPLOYEES.

WATER BASIN PROTECTION

ACTING IN THE AREA OF ENVIRONMENT, THE PLANT PROVIDES FOR EFFICIENT USE OF ENERGY AND WATER FOR ITS OWN NEEDS AND DOES ITS BEST TO DECREASE THEIR CONSUMPTION.



Plant water consumption system

WATER DIVERSION FLOW FOR PRODUCTION NEEDS IS CARRIED OUT FROM THE DNIEPER RIVER WHICH IS ONE OF THE MAIN RIVERS IN THE REPUBLIC OF BELARUS. ITS HEAD-TO-MOUTH LENGTH IS 1182 KILOMETERS. ANNUAL FLOW OF THE DNIEPER EQUALS TO 1 261 440 000 m³. ANNUAL WATER DIVERSION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING AMOUNTS TO 0,12% OF THE RIVER FLOW.

THE PLANT INTRODUCED A CIRCULATING WATER SYSTEM TO SUPPLY KEY USERS – PRODUCTION EQUIPMENT. WATER FROM SURFACE SOURCES (THE DNIEPER) IS USED

TO COMPENSATE THE IRREVOCABLE LOSSES IN THE EQUIPMENT COOLING SYSTEMS. FOR HOUSEHOLD AND DRINKING NEEDS WATER FROM ARTESIAN WELLS IS USED.

TO REDUCE CONSUMPTION OF WATER DRAWN OFF FROM THE DNIEPER, THE ENTERPRISE USES RAINWATER COLLECTED AND TREATED AT SPECIAL AREAS.

RESULTS OF THE MEASURES TAKEN TO REDUCE WATER RESOURCE CONSUMPTION IN 2015:

- DECREASE OF RAINWATER USE AS COMPARED TO 2014 WAS 428,8 THOU. M³ (RESULT OF DECREASE OF THE AMOUNT OF RAINFALL AND, CONSEQUENTLY, COLLECTION, TREATMENT, AND USE OF WASTE WATER IN THE PRODUCTION);
- GROWTH OF INDUSTRIAL WATER CONSUMPTION AS COMPARED TO THE LEVEL OF 2014 EQUALED TO 800 THOU. M³ (IT IS EXPLAINED BY DECREASE OF RAINWATER USE AND THE NECESSITY TO REPLENISH IRREVOCABLE LOSSES AS WELL AS COMMISSIONING OF NEW SYSTEMS OF RECYCLING WATER SUPPLY AND THEIR SINGLE FILLING);
- INCREASE OF DRINKING WATER CONSUMPTION AS COMPARED TO THE LEVEL OF 2014 MADE UP 8,7 THOU. M³ (RELATED TO THE NECESSITY TO PROVIDE THE STAFF OF BUILDING ORGANIZATIONS REALIZING RECONSTRUCTION PROJECTS AND NEW ERECTIONS ON BSW TERRITORY WITH DRINKING WATER);
- INCREASE OF CIRCULATING WATER SYSTEMS USE BY 18%.

PROCESS EFFLUENTS GENERATED BY THE PLANT ARE DISCHARGED INTO THE TREATMENT FACILITIES LOCATED AT THE PLANT'S TREATMENT DIVISIONS AND RETURNED INTO THE PRODUCTION FOR FURTHER RECYCLING.

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CONSUMPTION OF CIRCULATING WATER AT BSW, %

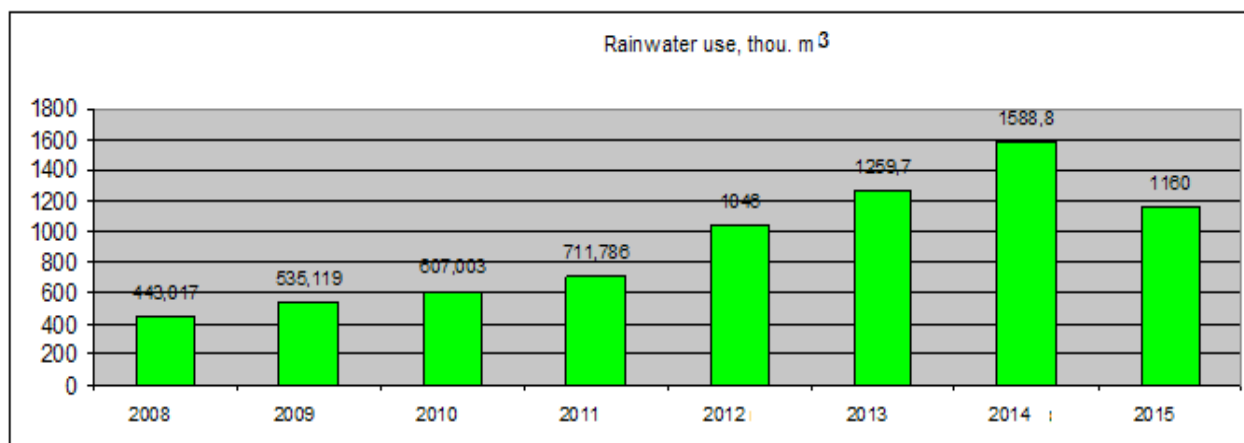
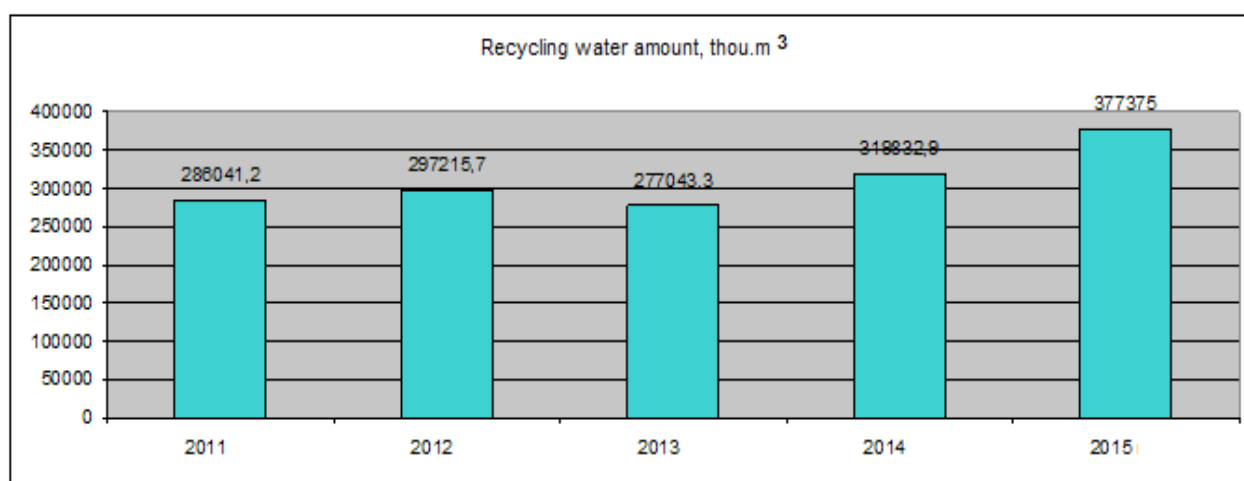
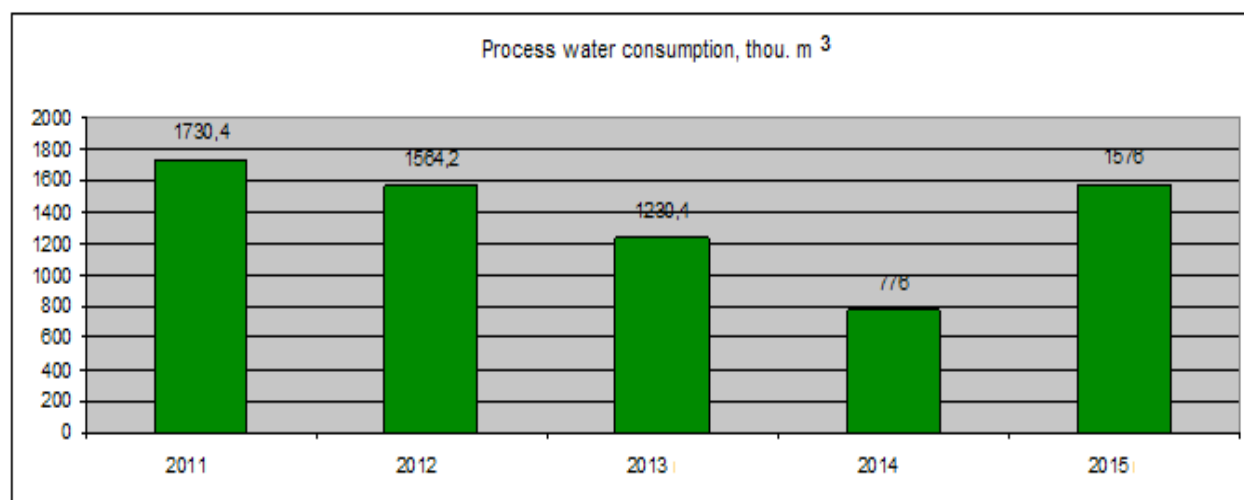
Description	2012	2013	2014	2015
Process water, [thou. m ³ /year]	1 564,210	1230,4	776,0	1576
Drinking water consumption, [thou. m ³ /year]	732,724	648,2	637,3	646
Circulating water, [thou. m ³ /year]	297 215,651	277 043,3	319 832,9	377 375
Rainwater use, [thou. m ³ /year]	1 046	1259,7	1588,8	1 160



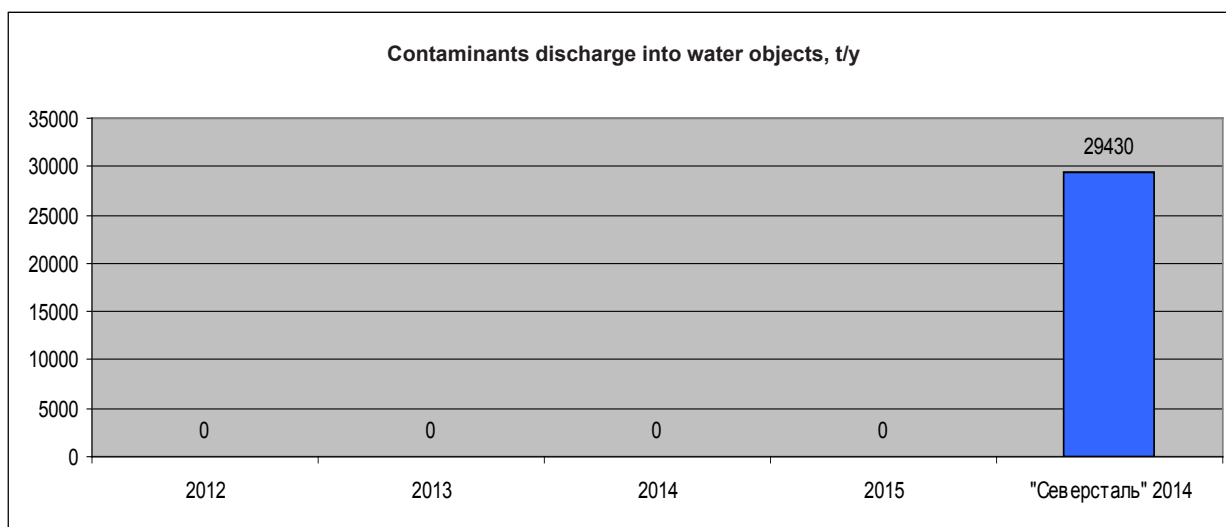
THE PLANT'S UTILITY FLUIDS ARE DRAINED OFF INTO THE TREATMENT FACILITIES MAINTAINED BY THE TOWN OF ZHLOBIN. POLLUTANT CONTENTS (HARD METALS, OIL PRODUCTS, SALT CONTENT) IN THE DISCHARGED FLUIDS

WERE WITHIN THE ESTABLISHED LIMIT CONCENTRATIONS.

THERE ARE NO WATER OBJECTS SIGNIFICANTLY AFFECTED BY THE PRODUCTION ACTIVITIES OF THE PLANT.



Environmental activity



UTILIZATION OF INDUSTRIAL WASTES

CURRENT TECHNOLOGIES OF METAL PRODUCTION ARE INEVITABLY ASSOCIATED WITH GENERATION OF VARIOUS WASTES WHICH BELONG TO DIFFERENT HAZARD CLASSES. THIS IS A MAJOR ASPECT CONTRIBUTING TO ENVIRONMENTAL POLLUTION. THE PLANT PROVIDES FOR STRICT COMPLIANCE WITH ALL REQUIREMENTS ASSOCIATED WITH WASTES UTILIZATION AND DISPOSAL AND SEEKS TO LIMIT POLLUTANT DISCHARGES, ENSURE RE-USE OF NATURAL RESOURCES AND WASTES RECLAMATION. DEPENDING ON THE HAZARD CLASS OF WASTES AND THEIR PHYSICAL PROPERTIES, THE ENTERPRISE DEFINED STRINGENT REQUIREMENTS AT EACH OF THE INDUSTRIAL WASTES UTILIZATION STAGES (GENERATION, COLLECTION, TRANSPORTATION, STORAGE, HANDLING AND NEUTRALIZATION), MINIMIZING POSSIBLE ENVIRONMENTAL IMPACTS.

DURING 2015 THERE WERE REGISTERED NO SPILLAGES OF CHEMICALS, OILS AND FUELS WHICH COULD HAVE AN ADVERSE EFFECT ON THE ENVIRONMENT AND PRESENT A POTENTIAL HAZARD TO THE SOIL, WATER, AIR, BIODIVERSITY AND HUMAN HEALTH.

PRODUCTION ACTIVITIES OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE ASSOCIATED WITH GENERATION OF THE FOLLOWING WASTES, CORRESPONDING TO WASTES GROUPS AS SET OUT IN BASEL CONVENTION:

Y1 MEDICAL WASTES RESULTING FROM PATIENTS' CARE PROVIDED BY HOSPITALS, HEALTH CENTERS AND CLINICS;

Y8 WASTE MINERAL OILS UNSUITABLE FOR PRELIMINARY DESIGNATED USE;

Y9 WASTE OIL (WATER) AND HYDROCARBON (WATER) BASED MIXTURES EMULSIONS;

Y16 WASTES ASSOCIATED WITH THE PRODUCTION, RECOVERY AND APPLICATION OF PHOTO CHEMICALS AND CONSUMABLES USED FOR FILM DEVELOPMENT;

Y17 WASTES GENERATED FROM METAL AND PLASTIC SURFACE MACHINING;

Y31 LEAD AND LEAD COMPOUNDS;

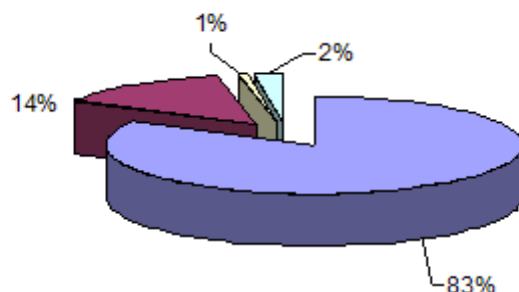
Y34 ACID SOLUTIONS AND SOLID ACIDS.

THE LISTED WASTES ARE UTILIZED BY THE PLANT AS STIPULATED BY THE ENVIRONMENTAL LEGISLATION OF THE REPUBLIC OF BELARUS. THERE WAS NO EXPORT OR IMPORT WITH THESE GROUPS OF WASTES.

WITHIN THE FRAMEWORK OF ITS PRODUCTION ACTIVITIES, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING OFFERS AND IMPLEMENTS INITIATIVES INTENDED FOR MITIGATION OF ITS ENVIRONMENTAL IMPACTS AND DAMAGE EFFECTS. ALSO, AS THE MAJOR RAW MATERIAL USED FOR THE PLANT'S PRODUCTION IS METAL SCRAP, THE ENTERPRISE IS CAPABLE TO DISPOSE OF ITS PRODUCTION AFTER IT IS NO LONGER IN ACTIVE USE.



Character of production wastes utilization in 2015

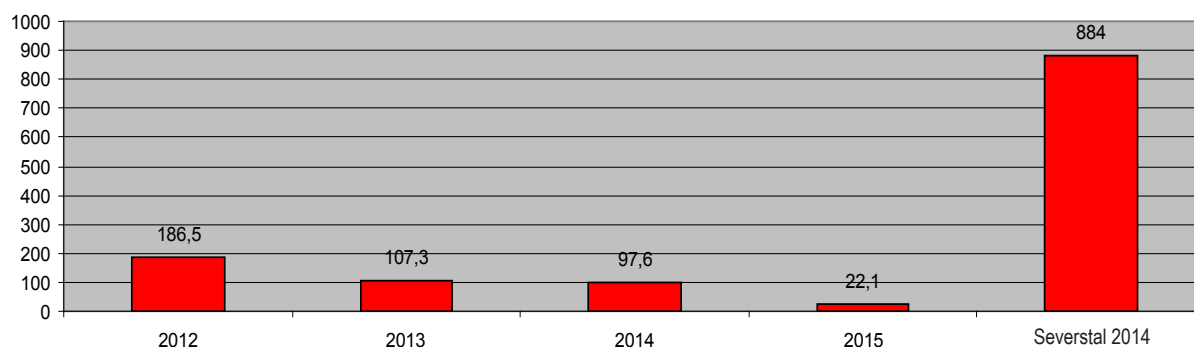


■ sold ■ used ■ buried ■ stored

Year	Sold, t	Used, t	Buried, t	Stored, t
2014	3 036 806,334*	62 590,114	19 022,935	78 617,375
2015	611 158,784	101 407,51	5 949	16 168,8
	-2 425 647,55	+38 817,396	-13 073,935	-62448,575

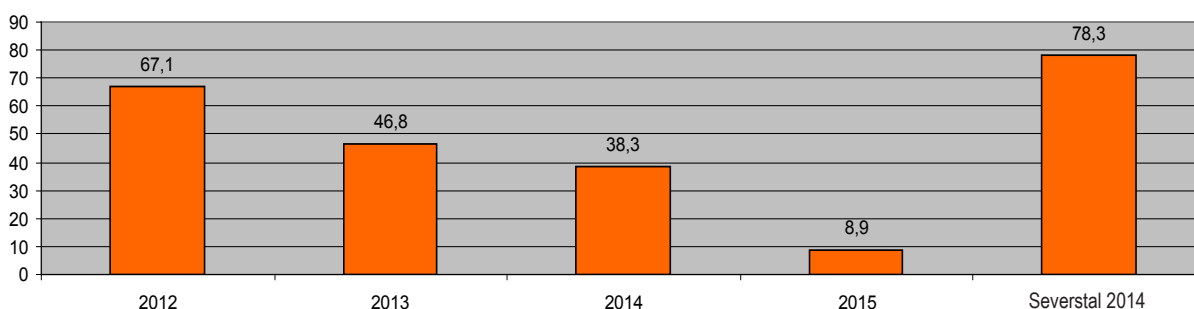
* - CONSIDERING ALIENATION TO THE PROCESSING ENTERPRISE OF THE TOTAL AMOUNT OF ELECTRIC MELTING SLAG PREVIOUSLY ACCUMULATED AT BSW.

Production waste allocation at special facilities, thou. t



* - WASTE ROCK EXCLUDED

Specific allocation of production wastes at special facilities kg/t of steel



* - SPECIFIC ALLOCATION (WASTE ROCK EXCLUDED), KG/T OF STEEL

Environmental activity



TRAINING

TO PROVIDE FOR AN ENHANCED EFFICIENCY OF ITS ECOLOGICAL ACTIVITIES THE ENTERPRISE ARRANGES TRAINING COURSES ON ISSUES OF ENVIRONMENTAL PROTECTION AT ALL ADMINISTRATIVE LEVELS. EMPLOYEES' VOCATIONAL TRAINING IS CONTINUOUS AND IS EFFECTIVELY INTEGRATED INTO THE DAILY LABOUR ACTIVITIES THROUGHOUT THEIR CAREER. IT IS AIMED AT GRADUAL BROADENING AND ENHANCING OF PROFESSIONAL KNOWLEDGE AND COMPETENCE IN ENVIRONMENTAL AND INDUSTRIAL SANITATION ISSUES. TO ENSURE EFFICIENT ENVIRONMENTAL MANAGEMENT IN CONNECTION WITH THE PRODUCTION ACTIVITIES, THE PLANT IDENTIFIED, DOCUMENTED AND FAMILIARIZED ITS EMPLOYEES WITH THEIR DUTIES, RESPONSIBILITIES AND POWERS.

TRAINING, RETRAINING AND ADVANCED TRAINING ACTIVITIES ARRANGED FOR MANAGERS, TECHNICIANS AND OPERATIONAL PERSONNEL ON ISSUES OF ECOLOGICAL SAFETY AND ENVIRONMENTAL PROTECTION ARE AS ESTABLISHED IN THE ANNUAL VOCATIONAL TRAINING PLANS AND PROGRAMS.

FOR GUARANTEED OBSERVATION OF LEGAL AND OTHER



REQUIREMENTS IN THE AREA OF ENVIRONMENT, THE PLANT ENSURES ACCESS TO THE EXISTING REFERENCE LEGAL SYSTEM «CONSULTANTPLUS BELARUS NETWORK» AND INFORMATION SEARCH SYSTEMS «STROIDUKUMENT» AND «STANDARD» FOR EACH EMPLOYEE.

FOR GENERAL DATA ON THE TRAINING ACTIVITIES SEE THE «SOCIAL RESPONSIBILITY» SECTION.

IMPROVEMENT OF ECOLOGICAL CULTURE OF THE PERSONNEL

BSW USES ITS EMPLOYEES' KNOWLEDGE AND EXPERIENCE IN ECOLOGICAL SAFETY AND HEALTHCARE ISSUES TO PROVIDE FOR SECURITY AND WELFARE OF PEOPLE LIVING IN THE VICINITY OF THE PLANT AND IN THE WHOLE REGION. THE COMPANY EMPLOYEES ARRANGE LECTURES FOR YOUTH AND TRAINING ACTIVITIES ON ECOLOGICAL REQUIREMENTS AND ASPECTS FOR SUBCONTRACTED PERSONNEL, CARRYING OUT WORKS ON THE ENTERPRISE'S PREMISES.

TO IMPROVE THE COMMUNICATION SYSTEM, EXPAND OPPORTUNITIES OF INTERACTION AMONG INTERESTED PARTIES, ENSURE EMPLOYEES' INDIVIDUAL DEVELOPMENT AND EXCHANGE OF EXPERIENCE, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ANNUALLY HOLDS INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE «METAL». BESIDES PARTICIPANTS FROM CIS COUNTRIES, THE «ENERGY AND ECOLOGY» SECTION COMPRISES SPECIALISTS OF THE COMPANY. DURING THE CONFERENCE, ITS PARTICIPANTS PRESENT THEIR REPORTS ON TOPICS OF CURRENT INTEREST AND EXCHANGE THEIR EXPERIENCE WITH REGARD TO IMPLEMENTATION OF STRATEGIC OBJECTIVES AND INTRODUCTION OF RECENT DEVELOPMENTS IN THE STEADILY EXPANDING PRODUCTION AREAS AND IN THE FIELD OF CORPORATE SOCIAL RESPONSIBILITY.

INFORMATION ABOUT ECOLOGICAL ACTIVITIES OF THE ENTERPRISE AND THOSE CONCERNED WITH IMPROVEMENT OF THE ENVIRONMENTAL MANAGEMENT SYSTEM IS REGULARLY PUBLISHED IN THE CORPORATE AND REGIONAL MASS MEDIA AND THE REPUBLICAN «CASTING AND METALLURGY» AND «STEEL» TRADE JOURNALS

TO EVALUATE ENVIRONMENTAL IMPACTS, THE ENTERPRISE HOLDS PUBLIC HEARINGS, INVITING REPRESENTATIVES OF



SUPERVISION AUTHORITIES, GENERAL PUBLIC AND THE PLANT'S EMPLOYEES TO PARTICIPATE IN THEM.

THE PLANT TAKES PART IN ENVIRONMENTAL ACTIONS AND HAS INITIATED SUCH ACTIONS ITSELF SEVERAL TIMES.

TO PROVIDE FOR A SYSTEMIC APPROACH TO IMPROVEMENT OF EMPLOYEES' ECOLOGICAL CULTURE THE PLANT WORKED OUT AND IMPLEMENTED:

— PROVISIONS ON TEAR TAGS AND PREVENTION OF VIOLATIONS WITH REGARD TO ENVIRONMENTAL PROTECTION AND OCCUPATIONAL SANITARY, WHICH ARE INTRODUCED TO ENHANCE PREVENTIVE WORK ON PRECAUTIONARY, RECOMMENDATORY AND CONTROL FUNCTIONS FOR THE PURPOSES OF ENVIRONMENTAL PROTECTION. ACTIVITIES TO PREVENT ENVIRONMENTAL LAW INFRINGEMENTS ARE CARRIED OUT WITH THE USE OF NOTICE TEAR TAGS;

— PROVISIONS ON ENCOURAGING ENVIRONMENTAL ACTIVITIES. THIS REGULATORY DOCUMENT WAS INTRODUCED TO MOTIVATE THE PLANT'S EMPLOYEES TO ABIDE BY THE ENVIRONMENTAL REQUIREMENTS SET OUT IN THE

LEGISLATION OF THE REPUBLIC OF BELARUS, THE PLANT'S ECOLOGICAL STANDARDS AND OTHER REGULATIONS AND WAS INTENDED FOR ENHANCEMENT OF VIOLATORS' RESPONSIBILITY AND ENCOURAGEMENT OF THE PLANT'S EMPLOYEES, ENGINEERS AND TECHNICIANS TO PROVIDE FOR COMPLIANCE WITH THE ABOVE DOCUMENTS.

DEVELOPMENT AND IMPLEMENTATION OF RESOURCE-SAVING, LOW-WASTE AND ENVIRONMENTALLY-SAFE TECHNOLOGIES

THE PLANT TAKES ACTUAL STEPS TO PROVIDE FOR ENVIRONMENTAL PROTECTION AND IMPLEMENT ENVIRONMENTALLY SAFE TECHNOLOGIES AS WELL. TO MITIGATE ENVIRONMENTAL IMPACTS, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ANNUALLY INTRODUCES NEW ENVIRONMENTAL ACTIONS. UNDER THE ECOLOGICAL PROGRAM FOR 2015 THE PLANT PROVIDED FOR THE FOLLOWING:

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FINANCIAL RESOURCES DIRECTED
TOWARDS ENVIRONMENT
PROTECTION (\$ MLN)

Current environmental expenses	Total, Br mln (at own costs)				
	2011	2012	2013	2014	2015 год
Total including:	111 995,5	196 458,6	224 910,1	294 069,7	384 701,1
- protection and efficient use of water resources - total	37 770,4	76 051,1	100 583,7	133 432,1	177 936,3
including payments to other organizations for acceptance and waste water cleaning	11 029,4	27 536,2	34 080,4	43 475,0	70 440,8
- air basin protection, ozone layer and climate preservation	57 965,0	94 172,8	93 302,6	119 710,1	161 367,1
- protection of the environment from pollution with industrial wastes - total	14 905,4	24 557,8	29 072,3	38 296,0	42 863,9
including payments to other organizations for collection (stocking), acceptance, storage, burial, and neutralization of wastes	3 868,4	5 336,0	6 519,1	11 365,0	21 502,1
- protection and efficient use of land – total	—	—	—	—	—
Including recultivation of land	—	—	—	—	—
- for ecological rate setting, expertise and passport issue	376,3	136,9	243,2	234,5	589,4
- for ecological certification	13,0	78,0	—	—	45,5
- for ecological audit	9,5	17,0	94,1	59,6	—
- for ecological insurance	—	—	—	—	—
- for local monitoring	955,9	1 445,0	1 614,2	2 337,4	1 898,9
- others	—	—	—	—	—

Current expenses



Environmental activity



Indicator description	Total, Br mln	
	2014	2015
AMOUNT OF DISCOUNT SET FOR THE ORGANIZATION FOR ECOLOGICAL PAYMENTS SUBJECT TO DECREASE OF ENVIRONMENT POLLUTION DUE TO ENVIRONMENT PROTECTION MEASURES UNDERTAKEN	11 154,8	12 089,4
AMOUNTS PAID TO COMPENSATE DAMAGE CAUSED BY VIOLATION OF THE ENVIRONMENT LAW (PENALTIES, CLAIMS, DAMAGE, ETC.)	50,8	47,5

Current expenses

Aspect Description	2012 payment, Br million	2013 payment, Br million	2014 payment, Br million	2015 payment, Br million
Drinking and service water consumption	482,449	520,981	509,8	759,9
Sewage discharges	0	7,585	10,3	0
Air emissions from stationary and mobile sources	5 693,198	2 467,494	0	0
Waste disposal	19 173,718	10 235,84	7 369,3	2855,5
Waste storage	2 667,638	1 633,497	2 301,8	618,2
Exemption from taxes to the amount of money used for environment protection	0	0	11 154,8	12089,4

Ecological payments in 2012-2015.

— INSTALLATION OF AN AUTOMATIC CONTROL SYSTEM OF AIR EMISSIONS OF POLLUTANTS FROM LIME KILN No.3 OF THE SCRAP YARD;

- BUILDING OF A 24000 m³ POND TO COLLECT, CLEAN, AND USE OF THE SURFACE WASTE WATER FOR PRODUCTION PURPOSES;

- MODERNIZATION OF RECYCLING WATER CIRCUITS OF EMS -1 AND SRS;

- BUILDING OF SITES FOR TEMPORARY STORAGE OF PRODUCTION WASTES SIMILAR TO LIFE ACTIVITY WASTES;

- PROVISION OF GAS PURIFYING UNITS FOR NEWLY COMMISSIONED EMISSION SOURCES OF SWS-2;

- INTRODUCTION OF TECHNOLOGY FOR USE OF CONCRETE STRUCTURE BREAKAGE AND DUST, ASHES, PICK-UPS OF

OTHER MELTING PROCESSES OF THE UNITARY ENTERPRISE «BSW-ECOSERVICE».

EXPENSES FOR ENVIRONMENT PROTECTION AND MONITORING. ECOLOGICAL PAYMENTS

ANNUALLY, THE PLANT ASSIGNS CONSIDERABLE FUNDS TO ENVIRONMENT PROTECTION ACTIVITIES. MONEY IS INVESTED IN REPAIR, RECONSTRUCTION, AND MODERNIZATION OF ENVIRONMENTAL EQUIPMENT.

IN ITS ACTIVITIES, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING PLACES SPECIAL EMPHASIS ON THE INTERACTION WITH THE STAKEHOLDERS – BOTH WITH SUPERVISING AUTHORITIES AND COMMUNITIES, CONSUMERS, SUPPLIERS, AND CONTRACTORS. INFORMATION EXCHANGE IS ACCORDING TO THE DIAGRAM INCLUDED IN THE SECTION «MANAGEMENT, RESPONSIBILITIES AND INTERACTION WITH THE STAKEHOLDERS».



MEDIUM-TERM TARGETS OF THE COMPANY

IN ADDITION TO PRODUCTION FACILITIES EXPANSION, THE PLANT ALSO PLANS TO MODERNIZE ITS EQUIPMENT TO IMPROVE ENVIRONMENT SAFETY AND MITIGATE NEGATIVE ENVIRONMENTAL IMPACTS. INVESTMENT PROJECTS TO BE IMPLEMENTED BY OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INCLUDE NOT ONLY NEW PRODUCTION FACILITIES BUT ALSO INTRODUCTION OF THE WORLD'S BEST PRACTICES IN THE FIELD OF ENVIRONMENT SAFETY.

WITHIN THE FRAMEWORK OF THE INVESTMENT PROGRAM, THE PLANT ALSO IDENTIFIED A NUMBER OF ACTIONS AIMED AT IMPROVEMENT OF ECOLOGICAL SITUATION AND MITIGATION OF NEGATIVE ENVIRONMENTAL IMPACTS ASSOCIATED WITH BSW PRODUCTION ACTIVITIES.

MAJOR ACTIONS AIMED AT MITIGATION OF THE NEGATIVE ENVIRONMENTAL IMPACTS INCLUDE:

- INSTALLATION OF AN AUTOMATIC SYSTEM OF CONTROL OF HARMFUL EMISSION IN THE AIR FROM IPU 1,2 OF THE SCRAP YARD;
- COMPLEX RECONSTRUCTION OF DUST AND GAS COLLECTING UNIT OF ELECTRIC-ARC FURNACE No. 3 AND INSTALLATION OF A HOOD TO REDUCE UNORGANIZED EMISSIONS IN THE AIR THROUGH AERATION LANTERNS;
- CONSTRUCTION OF A DUST AND GAS COLLECTING UNIT AT LIME KILN No. 3 IN THE SCRAP YARD;
- CONSTRUCTION OF TREATMENT FACILITIES FOR SALINE WASTE WATER PROCESSING.



On September 3, BSW announced the winners of the traditional youth award. It was for the first time when employees of the enterprises established by the Company were celebrated together with 30 best young employees of Byelorussian Steel Works. The format of the event was changed in the Year of Youth: new nominations reflecting the multi-side life of the plant's young employees were presented: «To steel summits», «Breakthrough of the Year», «True Talent», «Energy of Victory», and «Progressive Idea».

Social activity

AS FAR AS THE SOCIAL SPHERE IS CONCERNED, THE STRATEGIC TARGET OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN THE SOCIAL AREA OF ITS ACTIVITY IS THE IMPROVEMENT OF THE CORPORATE SOCIAL RESPONSIBILITY SYSTEM WITH THE FOLLOWING BASIC PRINCIPLES: OBSERVING SOCIAL EQUALITY AND RESPONSIBILITY, NONDISCRIMINATION, ENSURING SAFE WORKING CONDITIONS, MAINTAINING EMPLOYEES' HEALTH, CREATING POSITIVE SOCIAL-PSYCHOLOGICAL CLIMATE IN THE WORKING TEAM ALONGSIDE WITH KEEPING REASONABLE BALANCE OF THE PLANT'S ECONOMIC INTERESTS AND SOCIAL INTERESTS OF THE CIVIL SOCIETY INCLUDING THAT OF THE EMPLOYEES OF BYELORUSSIAN STEEL WORKS.

BSW CONSIDERS SOCIAL RESPONSIBILITY TO BE AN INTEGRAL PART OF THE BUSINESS CONDUCT STRATEGY AND ITS CORPORATE ETHICS BASED ON THE PRINCIPLES OF DECENCY AND JUSTICE, HONESTY IN DEALING WITH ALL PARTNERS AND COMPETITORS.

2009

INTRODUCTION OF THE UNIFIED
INTEGRATED CORPORATE
CULTURE AT BSW

IN ITS SOCIAL ACTIVITY OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS GUIDED BY THE LEGISLATION OF THE REPUBLIC

OF BELARUS, PARAMETERS OF STABILITY AND PRODUCTION DEVELOPMENT, ECONOMIC EXPEDIENCY AS WELL AS ITS RESPONSIBILITY TO THE OWNER, INVESTORS, EMPLOYEES AND BUSINESS PARTNERS, LOCAL COMMUNITIES AND OTHER STAKEHOLDERS.

CARRYING OUT ITS SOCIAL ACTIVITY THE PLANT ADHERES TO THE FOLLOWING APPROACHES:

- CONFORMITY WITH THE LEGISLATION AND LEGAL NORMS OF THE REPUBLIC OF BELARUS;
- INVOLVEMENT OF ALL THE UNITS AND BUSINESS PROCESSES PARTICIPANTS;
- DISCLOSURE OF FULL AND PRECISE INFORMATION REGARDING THE RESULTS OF THE SOCIAL ACTIVITY;
- ENHANCING RESPONSIBILITY RELATED TO THE ASSUMED OBLIGATIONS AND THEIR FULFILLMENT;

- ENSURING THE OPTIMUM RATIO OF THE SOCIAL ACTIVITY EXPENSES AND THE LABOUR RESULTS ACHIEVED;

- MAINTAINING REASONABLE BALANCE OF THE PLANT'S INTERESTS AND THOSE OF THE COMMUNITY AND THE EMPLOYEES.

PRESERVATION OF LIFE, HEALTH AND HUMAN RIGHTS IS CONSIDERED BY THE COMPANY OF A HIGHER PRIORITY THAN ECONOMIC RESULTS OF PRODUCTIVE ACTIVITY.

EMPLOYEES' LOYALTY AND SATISFACTION IS A CRUCIAL FACTOR THAT INFLUENCES THE BUSINESS STABILITY. THE PERSONNEL RELATIONS PRIORITIES ARE IMPROVEMENT OF EMPLOYEES' SOCIAL WELL-BEING, BUILDING UP CLEAR COMMUNICATION CHANNELS, IMPROVEMENT OF THE DEGREE OF PERSONNEL AWARENESS AND THE MOST IMPORTANT THING – CREATION OF A STRONG CORPORATE CULTURE.

IT IS ESSENTIAL FOR THE PLANT'S EMPLOYEES TO FEEL THEMSELVES MEMBERS OF ONE FAMILY, REALIZE THEIR BELONGING TO ONE OF THE LARGEST ENTERPRISES OF THE REPUBLIC. SINCE 2009 ELEMENTS OF A SINGLE INTEGRATED CORPORATE CULTURE HAVE BEEN INTRODUCED AT THE PLANT. TWO OF THEM ARE THE CORPORATE POLICY AND CODE OF ETHICS THEIR MAJOR VALUES - RESPECT AND COLLABORATION, EFFICIENCY AND RESULTS, LEADERSHIP AND DYNAMIC DEVELOPMENT, INITIATIVE AND RESPONSIBILITY – ARE FORMULATED ON THE BASIS OF THE STAKEHOLDERS', PRIMARILY EMPLOYEES', OPINIONS.

LABOR RELATIONS AND ADEQUATE LABOR

PERSONNEL MANAGEMENT POLICY

ADHERING TO THE PRINCIPLES LAID IN THE FOUNDATION OF THE UN GLOBAL COMPACT, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CONSIDERS ITS EMPLOYEES TO BE OF THE PRIME VALUE AND BUILDS UP THE RELATIONSHIPS WITH THEM ON THE BASIS OF SOCIAL PARTNERSHIP, SOLIDARITY IN PURPOSE AND RESPECT FOR THE MUTUAL INTERESTS.

LONG-TERM STRATEGIC TARGETS OF THE COMPANY CORPORATE POLICY FOR PERSONNEL MANAGEMENT STIPULATE THE FOLLOWING:

- FORMATION OF A LABOR RELATIONS REGULATION SYSTEM



AND DEVELOPMENT OF SOCIAL PARTNERSHIP BASED ON THE BALANCE OF INTERESTS OF THE PLANT AND ITS EMPLOYEES;

— IMPROVEMENT OF EMPLOYEES MOTIVATION SYSTEMS, ENSURING THE COMPETITIVE LEVEL OF THE EMPLOYEES' COMPENSATION PACKAGE CONNECTED WITH THE LABOR EFFICIENCY INCREASE, COLLECTIVE AND INDIVIDUAL RESULTS OF WORKING ACTIVITY;

— PERSONNEL DEVELOPMENT (SELECTION, RECRUITMENT, EVALUATION, TRAINING, PROMOTION) TO SUPPLY THE COMPANY SUBDIVISIONS WITH THE EMPLOYEES HAVING THE REQUIRED PROFESSIONAL AND QUALIFICATION CHARACTERISTICS;

— IMPROVEMENT OF THE LABOR SAFETY LEVEL, IMPROVEMENT OF SOCIAL AND LIVING CONDITIONS ON THE PRODUCTION SITE AND OFFERING SUPPLEMENTARY HEALTH IMPROVEMENT OPPORTUNITIES FOR THE EMPLOYEES AND THEIR FAMILY MEMBERS;

— DEVELOPMENT OF CORPORATE CULTURE, ENSURING OF SOCIAL STABILITY AND FAVORABLE MORAL AND PSYCHOLOGICAL CLIMATE IN THE WORKING TEAMS;

— DEVELOPMENT OF CORPORATE SOCIAL PROGRAMS.

KEY PRINCIPLES AND APPROACHES

POLICY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN THE PERSONNEL MANAGEMENT SPHERE IS FORMED AND REALIZED ON THE SYSTEM BASIS ACCORDING TO THE LABOR LEGISLATION OF THE REPUBLIC OF BELARUS.

ALONGSIDE WITH DEVELOPMENT AND CONTINUOUS IMPROVEMENT, THE PLANT LINKS ITS SUCCESS TO THE WELL-CONSOLIDATED AND ACTIVE TEAM OF PROFESSIONALS. ONE OF THE MAIN TARGETS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS CREATION OF A «PRIME CHOICE COMPANY» BASED ON HONESTY, DEDICATION, CREATIVE APPROACH, OPTIMISM AND SELF-IMPROVEMENT OF EACH EMPLOYEE. BUILDING UP OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING MANAGEMENT SYSTEM PRESUPPOSES INVOLVEMENT OF THE STAFF INTO DECISION-MAKING PROCESS, BUSINESS PROCESSES OPTIMIZATION, IMPROVEMENT OF PRODUCTION AND SOCIAL ACTIVITY OF THE COMPANY. HENCE, EACH

PERSON FEELS OWN CONTRIBUTION INTO THE COMMON TARGET ACHIEVEMENT.

WORKING WITH A NUMEROUS NUMBER OF EMPLOYEES IN EVER-CHANGING PRODUCTION CONDITIONS, DEVELOPMENT OF A COMPETENT AND EFFICIENT PERSONNEL MANAGEMENT SYSTEM IS VERY IMPORTANT.

THE IMPLEMENTED PERSONNEL MANAGEMENT POLICY OF THE COMPANY BASED ON THE PRINCIPLE OF PARTNERSHIP RELATIONS OF AN INDIVIDUAL AND THE ORGANIZATION AIMED AT FORMING INTEGRATED CORPORATE SURROUNDINGS, PRESERVING WORK PLACES, SUSTAINING DECENT SALARY LEVEL, OPTIMUM REDISTRIBUTION OF LABOR RECOURCES CONTRIBUTES TO ENHANCEMENT OF THE INVESTMENT ATTRACTIVENESS AND DYNAMIC DEVELOPMENT OF THE ENTERPRISE. THE PLANT'S EMPLOYEES ARE THE MAIN ELEMENT OF SUCCESS IN REACHING OUR GOALS, THAT'S WHY WE PUT PARTICULAR EMPHASIS ON SOLVING STAFF ISSUES.

HIGH EFFICIENCY OF THE «PERSONNEL MANAGEMENT» PROCESS IS CONFIRMED BY THE RESULTS OF RECERTIFICATION AND SUPERVISORY AUDITS OF QUALITY MANAGEMENT SYSTEM CONFORMANCE TO THE REQUIREMENTS OF ISO 9001:2008, STB ISO 9001-2009, ISO/TS 16949:2009, API Q1, CONDUCTED AT BSW IN 2015 BY REPRESENTATIVES OF NATIONAL AND INTERNATIONAL CERTIFICATION ORGANIZATIONS (GOSSTANDART OF THE RB, TÜV TÜRINGEN (GERMANY), CARES (GREAT BRITAIN), TÜV INTERNATIONAL (CZECH REPUBLIC), API (AMERICAN PETROLEUM INSTITUTE)).



Social activity



PERSONNEL PROFILE

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS THE LARGEST EMPLOYER IN ITS PRODUCTIVE ACTIVITY REGION AND IS AWARE OF ITS ECONOMIC AND SOCIAL OBLIGATION TO THE SOCIETY INFLUENCING IT BY CREATING HIGH LEVEL OF SOCIAL SECURITY AND FAVORABLE WORKING CONDITIONS FOR ITS EMPLOYEES, REALIZATION OF EFFICIENT SOCIAL AND ECOLOGICAL PROGRAMS, PROJECTS AND ACTIVITIES IN THE AREA OF PERSONNEL MANAGEMENT. 95% OF THE WORKERS AND 99,5% OF MANAGERS WORKING AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARE FROM LOCAL POPULATION

THE SEGMENT OF THE WORKS EMPLOYEES IN THE REGION

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PORTION OF THE PLANT'S EMPLOYEES IN THE ECONOMICALLY ACTIVE POPULATION OF THE REGION OF THE PLANT'S OPERATION (%)

ECONOMICALLY ACTIVE POPULATION MAKES ABOUT 30 %. PORTION OF THE TOP MANAGERS OUT OF THE LOCAL POPULATION INCLUDING MEMBERS OF THE BOARD OF DIRECTORS AND LEAD SPECIALISTS EQUALS TO 100 PER CENT.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS RESPONSIBLE IN ITS APPROACH TO SOLVING EMPLOYMENT ISSUES, COLLABORATES WITH STATE INSTITUTIONS, EMPLOYEE UNIONS AND OTHER ORGANIZATIONS IN THE SPHERE OF REGULATING LABOR AND RELATED RELATIONS. CONTRIBUTING TO DISCLOSURE OF PROFESSIONAL AND PERSONAL CAPABILITIES OF ITS EMPLOYEES, THE ENTERPRISE CREATES CONDITIONS FOR THEIR PROFESSIONAL AND CAREER PROGRESS.

TOTAL AMOUNT OF THE PERSONNEL AS OF 31.12.2015 EQUALS TO 11944 PEOPLE AND IT GREW BY 197 PEOPLE AS COMPARED TO THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR.

GENDER COMPOSITION OF THE WORKERS HASN'T CONSIDERABLY CHANGED AS COMPARED TO 2014. AS OF 31.12.2015 BSW EMPLOYED:

- 72,4 % MEN;
- 27,6 % WOMEN.

PREVALENCE OF MALE EMPLOYEES IS DUE TO HARD AND VERY OFTEN DANGEROUS LABOUR CONDITIONS IN THE METALLURGICAL INDUSTRY.

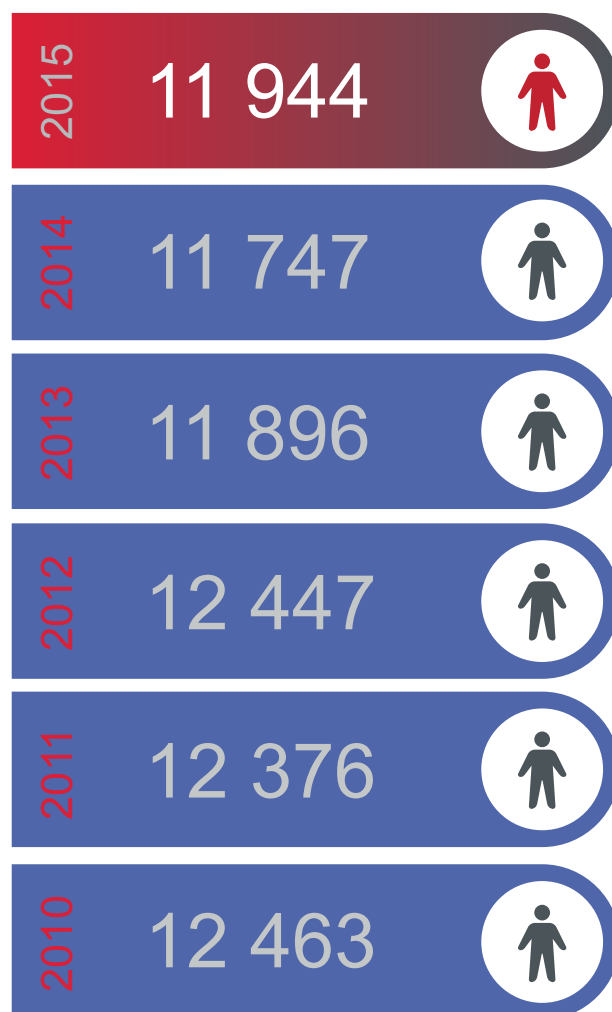
39

AVERAGE AGE OF THE EMPLOYEES

THE IMAGE OF A STRONG AND CONTINUOUSLY WORKING ENTERPRISE MAKES OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ATTRACTIVE FOR POTENTIAL WORKERS AND SOLVES THE ISSUE OF THE PROSPECTIVE HUMAN RESOURCE PROVISION

IN 2015 THE PLANT SELECTED CANDIDATES AND RECRUITED 1191 PEOPLE FROM THE RESIDENTS OF THE REGION TAKING INTO CONSIDERATION THE LEVEL OF THEIR COMPETENCE SO AS TO SATISFY ITS NEED IN PERSONNEL.

THE ENTERPRISE PUTS GREAT EMPHASIS ON RECRUITMENT AND ADAPTATION OF YOUNG SPECIALISTS. TAKING ACCOUNT





GROWTH OF THE NUMBER OF EMPLOYEES IN 2015 WAS DUE TO STAFFING OF SECTION ROLLING SHOP No. 2, RECRUITING OF NEW SPECIALISTS AND ACCORDING TO THE VACANCIES STATED BY STRUCTURAL SUBDIVISIONS.

CATEGORY	2010	2011	2012	2013	2014	2015	Dev.
TOTAL NUMBER OF PEOPLE	12 463	12 373	12 447	11896	11747	11 944	+197
MANAGERS, PERS.	1159 (9,3%)	1190 (9,6%)	1 216 (9,8%)	1 226 (10,3%)	1 214 (10,3%)	1 184 (9,9%)	-30
SPECIALISTS, PERS.	1793 (14,4%)	1790 (14,5%)	1 871 (15,0%)	1 883 (15,4%)	1 593 (13,6%)	1 585 (13,3%)	-4
OFFICE WORKERS, PERS.	167 (1,3%)	158 (1,3%)	159 (1,3%)	164 (1,4%)	40 (0,3%)	35 (0,3%)	-5
WORKERS, PERS.	9 344 (75,0%)	9 235 (74,6%)	9 201 (73,9%)	8 673 (72,9%)	8 900 (75,8%)	9 140 (76,5%)	+236

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING HAS A WELL-BALANCED AGE COMPOSITION OF THE EMPLOYEES. THE MAIN CONTINGENT IS COMPOSED OF WORKERS AGED 38,5 TO 42,0 YEARS, HAVING THE REQUIRED KNOWLEDGE AND PROFESSIONAL SKILLS.

CATEGORY	2010	2011	2012	2013	2014	2015
AVERAGE AGE OF THE EMPLOYEES, YEARS	39,7	39,9	40,0	40,4	39,6	39,3

MANPOWER TURNOVER IN 2015 EQUALED TO 3,41%.

YEAR	2010	2011	2012	2013	2014	2015
MANPOWER TURNOVER, %	2,4	2,7	2,59	4,78	4,8	3,41

MORE THAN HALF OF THE PLANT'S EMPLOYEES HAVE HIGHER AND SPECIALIZED SECONDARY EDUCATION. IN THE REPORTING YEAR, THE NUMBER OF EMPLOYEES WITH A HIGHER EDUCATION GREW BY 167 PEOPLE AS COMPARED TO 2014. THERE IS A TENDENCY TOWARDS DECREASE OF THE SHARE OF THE EMPLOYEES WITH SECONDARY EDUCATION

CATEGORY	UNIT	2010	2011	2012	2013	2014	2015	Dev.
TOTAL NUMBER	PERS.	12 463	12 376	12 447	11 896	11747	11 944	+197
HIGHER EDUCATION	%	25,1	25,5	27,0	28,5	29,9	30,1	
	PERS.	3 132	3 150	3 360	3392	3508	3 597	+167
SECONDARY TECHNICAL EDUCATION	%	26,0	26,3	26,0	25,5	24,9	25,1	
	PERS.	3 243	3 255	3 239	3036	2924	2 994	+15
SPECIALIZED SECONDARY EDUCATION	%		17,6	17,5	17,5	18,5	19,3	
	PERS.		2 174	2 179	2085	2169	2 306	+140
SECONDARY EDUCATION	%	48,9	30,6	29,5	28,5	26,8	25,5	
	PERS.	6 088	3 797	3 669	3383	3143	3 047	-125
CANDIDATES OF SCIENCE	PERS.	8	9	8	8	7	7	
POSTGRADUATES	PERS.	6	7	5	11	4	3	
UNDERGRADUATES	PERS.	18 (INC. 8 STUDYING)	16 (INCL.4 STUDYING)	16 (INCL. 3 STUDYING)	19	35	39	



Social activity



YEAR	2010	2011	2012	2013	2014	2015
NUMBER OF YOUNG SPECIALISTS	111	113	166	143	251	338

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A RECORD
NUMBER OF YOUNG
SPECIALISTS HIRED
TO BSW IN 2015

OF THE PRODUCTION OUTPUT GROWTH RATE, THE PLANT PLACED **338** YOUNG SPECIALISTS IN JOB IN **2015**.

ORGANIZATION OF A METHODICAL WORK WITH YOUNG SPECIALISTS IS ONE OF THE PRIORITY DIRECTIONS OF THE ENTERPRISE PERSONNEL POLICY. AVAILABILITY OF CONSTANTLY DEVELOPING POTENTIAL OF THE PERSONNEL REPRESENTED BY YOUNG SPECIALISTS IS

THE MOST IMPORTANT CONDITION OF THE MANAGEMENT SUCCESSION, ENHANCEMENT OF MANAGEMENT EFFICIENCY, ENSURING STABLE SOCIAL-ECONOMIC DEVELOPMENT OF THE PLANT. ONE OF THE MOST SIGNIFICANT EVENTS WITHIN THE SYSTEM OF WORK WITH YOUNG SPECIALISTS IS A SCIENTIFIC AND TECHNICAL CONFERENCE ANNUALLY HELD IN JULY.

THE PERSONNEL POLICY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS AIMED AT DISCOVERING THE INDIVIDUAL POTENTIAL OF EACH EMPLOYEE AND ITS DEVELOPMENT IN COORDINATION WITH THE STRATEGIC GOALS. THE EXISTING EVALUATION SYSTEM ALLOWS THE PLANT TO DETERMINE COMPLIANCE OF EACH EMPLOYEE WITH THE POSITION OCCUPIED AND CREATE CONDITIONS FOR CARRYING-OUT EMPLOYMENT DUTIES MORE SUCCESSFULLY AND EFFICIENTLY. THE FOUNDING PRINCIPLES IN THE AREA OF THE PERSONNEL EFFICIENCY MANAGEMENT ARE OBJECTIVITY AND OPENNESS.

IN ORDER TO IMPROVE THE BASE REQUIRED FOR THE PERSONNEL EVALUATION, LOCAL REGULATIONS HAVE BEEN DEVELOPED AND ARE OPERATING; THEY REGULATE THE PROCEDURE OF ASSESSMENT AND CERTIFICATION OF THE COMPANY MANAGEMENT AND SPECIALISTS. THE ASSESSMENT PROCEDURE IS BASED ON THE CONSTRUCTIVE DIALOGUE BETWEEN A WORKER AND A MANAGER.

IN 2015, 445 MANAGERS AND SPECIALISTS OF THE PLANT WERE ASSESSED IN TERMS OF FULFILLMENT OF THE GOALS SET.

IN ITS PRACTICAL ACTIVITY BSW RECOGNIZES INVIOLA-

BILITY OF THE HUMAN RIGHTS AND TAKES ALL REQUIRED MEASURES TO ASSURE AND PROTECT THEM. GUIDED BY THE APPROACHES OF THE UN GLOBAL COMPACT IN THE HUMAN RIGHTS SPHERE, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SEEKS TO PREVENT POSSIBLE CONFLICTS OF INTERESTS OF THE EMPLOYEES, MANAGERS AND THE COMPANY. PRINCIPLES OF NON-ADMISSION OF CONFLICTS OF INTERESTS AND THEIR SETTLEMENT ARE GIVEN IN THE PLANT'S CODE OF ETHICS. PREVENTING CONFLICTS OF INTERESTS, THE COMPANY SEEKS IMPROVEMENT OF THE EFFICIENCY OF ITS ACTIVITY, CREATION OF THE ATMOSPHERE OF TRUST AND OPENNESS IN THE RELATIONSHIPS WITH THE PERSONS CONCERNED, ENHANCING BUSINESS IMAGE AND REPUTATION OF THE ENTERPRISE. THE WORKING TOOLS FOR PREVENTING POSSIBLE CONFLICTS ARE: A DIRECT TELEPHONE LINE WITH THE PLANT'S TOP MANAGEMENT AND REPRESENTATIVES OF THE STATE AUTHORITIES, «SIGNAL» HOTLINE AND OTHERS, THE WORK OF WHICH IS PERFORMED ON A CONFIDENTIAL BASIS. IN ORDER TO ENSURE THE FEEDBACK, THE ENTERPRISE APPOINTED RESPONSIBLE PERSONS WHO REVIEW THE EMPLOYEES' APPEALS CONCERNING VARIOUS ISSUES INCLUDING THE SAFETY AND LABOUR PROTECTION ISSUES, ENVIRONMENT AND PROFESSIONAL ETHICS. TRANSPARENCY AND OPENNESS OF BSW BECOMES ONE OF THE LEADING MANAGEMENT PRINCIPLES WHICH ALLOWS THE PLANT TO CREATE CONFIDENTIAL RELATIONS WITH ALL STAKEHOLDERS INCLUDING THE COMPANY EMPLOYEES.

WITHIN THE FRAMEWORK OF THE PERSONNEL MOTIVATION PROGRAM THE SOCIOLOGICAL SERVICE OF THE PLANT CARRIED OUT A STUDY OF THE SOCIAL AND PSYCHOLOGICAL CLIMATE AMONG THE EMPLOYEES WHICH WAS PARTICIPATED BY MORE THAN 10% OF THE STAFF (1426 PEOPLE). COMPLEX INDEX OF SATISFACTION IN 2015 REMAINED AT THE LEVEL OF 2014 AND EQUALED TO 0,72. THIS FACT IS AN EVIDENCE OF A POSITIVE AND STEADY SOCIAL-PSYCHOLOGICAL CLIMATE IN THE TEAM OF EMPLOYEES. THE STAFF IS SATISFIED WITH THE WORK AND THE PLANT IN GENERAL. TO SUPPORT THE HIGH LEVEL OF THE EMPLOYEES' SATISFACTION A CORRESPONDING PROGRAM OF MEASURE HAS BEEN WORKED OUT.



THE EMPLOYEES' RIGHTS

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ADMITS INVIOABILITY OF THE HUMAN RIGHTS IN ITS PRACTICAL WORK AND TAKES ALL MEASURE POSSIBLE TO ENSURE AND PROTECT THEM.

BEING A SOCIALLY RESPONSIBLE ENTERPRISE BYELORUSSIAN STEEL WORKS CONSIDERS INTERESTS AND RIGHTS OF ITS EMPLOYEES BASED ON THE PRINCIPLES OF SOCIAL PARTNERSHIP. THESE PRINCIPLES ARE SPECIFIED IN THE MOST IMPORTANT DOCUMENT OF SOCIAL PARTNERSHIP REFLECTING INTERESTS OF ALL EMPLOYEES OF THE COMPANY – THE COLLECTIVE AGREEMENT. IN MARCH 2015 A TRADE UNION CONFERENCE OF THE EMPLOYEES OF THE ENTERPRISE WAS HELD WHICH SUMMARIZED THE RESULTS OF 2014 COLLECTIVE AGREEMENT FULFILLMENT AND ADOPTED A COLLECTIVE AGREEMENT FOR 2015-2018. AIMS OF THE COLLECTIVE AGREEMENT ARE AS FOLLOWS:

- DEVELOPMENT OF CONTRACTUAL RELATIONS BETWEEN THE ENTERPRISE AND ITS EMPLOYEES BEING PARTIES OF SOCIAL PARTNERSHIP;
- COORDINATION OF INTERESTS OF THE ENTERPRISE AND ITS EMPLOYEES IN DEVELOPING GENERAL PRINCIPLES OF REGULATION OF SOCIAL-LABOUR RELATIONS;
- PROVISION OF THE PERSONNEL WITH WORK PLACES AND WORK REMUNERATION IN COMPLIANCE WITH THE LABOUR CONTRACTS SIGNED, SOCIAL AND ECONOMIC RIGHTS ESTABLISHED BY THE EXISTING LAW OF THE REPUBLIC OF BELARUS;
- OBSERVANCE OF LABOUR AND PRODUCTION DISCIPLINE, LABOUR PROTECTION, INDUSTRIAL SAFETY AND PRODUCTION SANITATION REQUIREMENTS;
- ENHANCEMENT OF SOCIAL-LEGAL PROTECTION OF THE EMPLOYEES OF THE COMPANY;
- STABILIZATION OF THE SOCIAL-ECONOMIC SITUATION IN THE TEAMS AND SUBDIVISIONS OF THE ENTERPRISE.

BEING GUIDED BY THE PRINCIPLES OF THE UN GLOBAL COMPACT, BYELORUSSIAN STEEL WORKS CONSIDERS HUMAN RIGHTS PROTECTION AND ENSURING TO BE A PRIORITY RELATIVE TO ECONOMIC PERFORMANCE AND GUARANTEE THEIR FULFILLMENT.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC»

HOLDING IS AGAINST ALL FORMS OF DISCRIMINATION AND BUILDS UP ITS ACTIVITY ON THE BASIS OF GENERALLY ACKNOWLEDGED PRINCIPLES AND NORMS OF THE INTERNATIONAL LAW, STANDARDS AND CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION, AND THE LAW OF THE REPUBLIC OF BELARUS. IN 2015 NO DISCRIMINATION WAS REGISTERED AT THE ENTERPRISE NEITHER BY GENDER AND NATIONALITY, NOT BY RELIGIOUS BELIEFS AND POLITICAL VIEWS; THERE WERE NO CASES OF FORCES OR CHILD LABOUR EITHER.

BSW HAVING DANGEROUS PRODUCTIONS IN ITS STRUCTURE BEARS RESPONSIBILITY FOR PRODUCTION FACILITIES SAFETY AS REGARDS THE EMPLOYEES AND THE COMMUNITY. THE PLANT ESTABLISHES HEALTHY AND SAFE LABOUR CONDITIONS BY REPLACEMENT OF OUTDATED EQUIPMENT AND TECHNOLOGIES AND IS GUIDED BY THE LABOUR PROTECTION LAW, INTERNATIONAL STANDARDS IN THE AREA OF PRODUCTION SAFETY AND PREVENTION OF OCCUPATIONAL DISEASES, AS WELL AS INTERNAL NORMATIVE DOCUMENTS. ISSUES OF EMPLOYEES' HEALTH AND SAFETY ARE GIVEN CONSIDERATION IN THE COLLECTIVE AGREEMENT.

THE PLANT ACKNOWLEDGES THAT ITS PRODUCTION ACTIVITY IS RELATED TO A NEGATIVE IMPACT ONTO THE ENVIRONMENT AND TAKES ALL POSSIBLE MEASURES TO MINIMIZE THIS INFLUENCE ON THE VITAL ACTIVITY OF THE POPULATION.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING GUARANTEES THE RIGHT OF TRADE UNIONS TO CARRY OUT THEIR ACTIVITY FREELY, WITHOUT ANY LIMITATIONS, WITHIN THE FRAMEWORK SPECIFIED BY THE LAW. THE RIGHT OF THE EMPLOYEES AND THE TRADE UNION TO PARTICIPATE IN CONTRACTUAL REGULATION OF LABOUR RELATIONS IS REALIZED IN THE PROCEDURES OF PREPARATION AND SIGNING OF COLLECTIVE AGREEMENTS, IN THE EMPLOYEES' RIGHT TO PARTICIPATE IN ESTABLISHMENT AND IMPROVEMENT OF LABOUR CONDITIONS AND PRODUCTION ENVIRONMENT.

LEGAL REGULATION OF LABOUR RELATIONS AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS FULFILLED IN ACCORDANCE WITH THE CODE OF LABOUR OF THE REPUBLIC OF BELARUS AND THE COLLECTIVE AGREEMENT OF THE ENTERPRISE:

– LABOUR AGREEMENTS ARE SIGNED AND EMPLOYMENTS



Social activity



CONTRACTS ARE CONCLUDED CONSIDERING SUBSTANTIATION OF PRODUCTION, ORGANIZATIONAL, AND ECONOMIC REASONS;

– NOTIFICATION OF AN EMPLOYEE ABOUT WORK CONDITIONS CHANGE IS FULFILLED AT LEAST ONE MONTH PRIOR TO CONTRACT SIGNATURE;

– NOTIFICATION OF AN EMPLOYEE ABOUT EXPIRATION OF THE CONTRACT, ABOUT THE INTENTION TO EXTEND THE CONTRACT FOR A NEW PERIOD OR TERMINATE IT TAKES PLACE AT LEAST ONE MONTH PRIOR.

BYELORUSSIAN STEEL WORKS STRIVES FOR PREVENTION OF LABOUR DISPUTES AND CONFLICTS, AND IF THEY OCCUR, PARTICIPATES IN OPEN DISCUSSIONS WITH EMPLOYEES ADMITTING MUTUAL RESPONSIBILITY OF THE PARTIES OF SOCIAL PARTNERSHIP. TO ENSURE EQUAL RIGHTS OF THE EMPLOYEES OF THE COMPANY AND OBSERVANCE OF THE LAW REPUBLIC OF BELARUS, A COMMITTEE IS ESTABLISHED TO RESOLVE LABOUR DISPUTES WHICH UNITES EQUAL NUMBER OF REPRESENTATIVES OF THE PLANT'S ADMINISTRATION AND LABOUR COLLECTIVES. THE AIM OF THE COMMITTEE IS A QUALIFIED EXAMINATION OF INDIVIDUAL DISPUTES BETWEEN INDIVIDUAL EMPLOYEES AND THE ADMINISTRATION AS REGARDS LABOUR RELATIONS. THE COMMITTEE PERFORMED ITS FUNCTIONS CONTINUOUSLY DURING THE YEAR ACTING AS AN ARBITRATOR. DURING 2015, 23 APPLICATIONS OF THE EMPLOYEES OF THE COMPANY WERE EXAMINED. BASED ON THE RESULTS OF THE EXAMINATION, 3 APPLICATIONS WERE SATISFIED, AN AGREEMENT WAS REACHED UPON ANOTHER 5 APPLICATIONS, AND 11 APPLICATIONS WERE DECLINED DUE TO GROUNDLESS REQUIREMENTS, 4 APPLICATIONS WERE WITHDRAWN FROM THE COMMITTEE BECAUSE THE ADMINISTRATION HAD RESOLVED THE MATTER BEFORE.

IN ORDER TO OBSERVE AND ENSURE HUMAN RIGHTS, BYELORUSSIAN STEEL WORKS PAYS GREAT ATTENTION TO IMPROVEMENT OF THE LEVEL OF INFORMATION AWARENESS AND LEGAL COMPETENCE OF ALL EMPLOYEES WITHIN THE FRAMEWORK OF THE EXISTING SYSTEM OF CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT OF THE EMPLOYEES. OVER 90% OF THE EMPLOYEES TRAINED IN 2015 STUDIED BASIC FOUNDATION OF THE LAW IN THE AREA OF ECONOMIC, ENVIRONMENTAL, AND RESPONSIBILITY ISSUES.

ACCURATE AND STRICT OBSERVANCE OF THE HUMAN RIGHTS AND FREEDOMS IS THE BASIS OF THE UP-TO-DATE SOCIALLY RESPONSIBLE BUSINESS DIRECTED NOT ONLY TOWARDS GAINING PROFIT, BUT TOWARDS SUSTAINABLE DEVELOPMENT OF THE

PLANT AND THE REGION IN GENERAL. OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INTENDS TO CONTINUE FULFILLMENT OF THE REQUIREMENTS OF THE LAW AND INTERNATIONAL PRINCIPLES IN THE AREA OF SOCIAL RESPONSIBILITY IN FUTURE.

PROFESSIONAL AND CAREER DEVELOPMENT

REALIZATION OF THE PERSONNEL POLICY BASED ON THE PRINCIPLES OF EQUALITY, JUSTICE AND AWARD DEPENDING ON PERSONAL SKILLS AND IRRESPECTIVE OF ORIGIN, AGE, GENDER, RACE, NATIONALITY AND RELIGION OF AN EMPLOYEE IS PERFORMED IN CONFORMITY WITH THE REQUIREMENTS OF THE EXISTING LEGISLATION OF THE REPUBLIC OF BELARUS, UNIVERSALLY ACKNOWLEDGED NORMS AND PRINCIPLES OF THE INTERNATIONAL LAW INCLUDING THE UN GLOBAL COMPACT AND THE CONVENTION OF THE INTERNATIONAL LABOR ORGANIZATION.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ENSURES EQUAL POSSIBILITIES FOR ALL EMPLOYEES TO REALIZE THEIR POTENTIAL IN THE PROCESS OF THEIR WORKING ACTIVITY, FAIR AND UNBIASED ASSESSMENT OF THE WORK RESULTS, SELECTION OF THE PERSONNEL DURING RECRUITMENT AND CAREER PROMOTION ACCORDING TO THE PROFESSIONAL SKILLS AND KNOWLEDGE.

THE COMPANY SCALE ALLOWS THE EMPLOYEES TO REALIZE THEIR PROFESSIONAL AMBITIONS, GAIN NEW EXPERIENCE AND ENHANCE THEIR QUALIFICATION DEGREE. REALIZING THE APPROACHES IN SOCIAL SPHERE, THE COMPANY PLACES SPECIAL EMPHASIS ON THE INTERNAL HUMAN RESOURCES POTENTIAL DURING SELECTION AND APPOINTMENT OF MANAGERS AND SPECIALISTS

IN ORDER TO IMPLEMENT THE LONG-TERM STRATEGY OF THE ENTERPRISE'S DEVELOPMENT, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING FORMED A MULTI-LEVEL PERSONNEL RESERVE OF THE MANAGEMENT. THE RESERVE IS MEANT FOR MEETING THE REQUIREMENT OF THE COMPANY IN MANAGEMENT EMPLOYEES HAVING A RANGE OF BASIC ADMINISTRATIVE COMPETENCE. IN ORDER TO DEVELOP THE COMPETENCE REQUIRED FOR A MANAGER AND CREATE A REAL PERSPECTIVE FOR PROFESSIONAL AND CAREER PROMOTION OF THE WORKERS, STAGED TRAINING OF HUMAN RESOURCES WAS ORGANIZED ACCORDING TO THE EXISTING SYSTEM. THE TRAINING PROGRAMS STIPULATE EDUCATION OF THE RESERVE FROM THE LEVEL OF A FOREMAN TO THE TOP-MANAGER LEVEL CONSIDERING THE SPECIFIC CHARACTER OF THE WORK FUL-



FILLED («YOUNG MANAGER SCHOOL» AND «MANAGEMENT SCHOOL»). THE PROGRAMS AND TRAININGS FOR DEVELOPING CORPORATE AND MANAGER COMPETENCE WERE AIMED AT THE PERSONNEL RESERVE AS A PRIORITY CATEGORY OF HUMAN RESOURCES. SPECIALISTS OF THE LEADING EDUCATIONAL ESTABLISHMENTS OF THE REPUBLIC OF BELARUS ARE ENGAGED IN THE TRAINING PROCESS UNDER BILATERAL CONTRACTS SIGNED. FOR THE ACCOUNTING PERIOD OVER 70% OF MANAGEMENT APPOINTMENTS FROM AMONG THE EMPLOYEES INCLUDED INTO THE WORKS PERSONNEL REGISTER AND CERTIFIED AFTER PASSING SUCH TRAINING TOOK PLACE. IN 2015 SELECTION OF EMPLOYEES FOR PARTICIPATION IN THE PROJECT «A STRATEGIC RESERVE OF YOUNG EMPLOYEES» WAS COMPLETED. ITS MAIN AIM IS TO ESTABLISH A MANAGER RESERVE OF YOUNG EMPLOYEES PREPARED FOR MANAGERIAL WORK IN PRESENT CONDITIONS AND ENSURING IMPROVEMENT OF EFFECTIVENESS OF THE PLANT MANAGEMENT ON THIS BASIS.

FULFILLING THE PERSONNEL POTENTIAL DEVELOPMENT PROGRAMS AND ENHANCING THE EFFICIENCY OF THE STRUCTURAL SUBDIVISIONS ACTIVITY, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ANNUALLY ORGANIZES ROTATION OF SPECIALISTS. THE STAFF ROTATION IS USED AS A METHOD OF DECREASING LABOR MONOTONY AND ROUTINE, AND ENRICHMENT OF THE WORK ACTIVITY CONTENT DUE TO A GREATER VARIETY OF FUNCTIONS AND AS ONE OF THE LABOR MOTIVATION FACTORS. BESIDES, THE ROTATION CONTRIBUTES TO ACQUIRING A MORE DIVERSE PRACTICAL EXPERIENCE REQUIRED FOR BEING PROMOTED TO ONE OR ANOTHER MANAGEMENT POSITION.

IN 2015 TEMPORARY APPOINTMENTS TOOK PLACE IN ORDER TO INCREASE SPECIALISTS' QUALIFICATION, DETERMINE THEIR POTENTIAL ABILITIES FOR PUTTING INTO THE PERSONNEL RESERVE AS WELL AS FOR THE PURPOSE OF PROMOTING CAREERS OF THE YOUNG WORKERS HAVING HIGHER EDUCATION:

DURING THE ANNUAL INTEGRATED STUDY OF THE SOCIAL-PSYCHOLOGICAL CLIMATE IN THE TEAMS OF STRUCTURAL SUBDIVISIONS

HELD BY THE SOCIOLOGICAL SERVICE OF THE WORKS, THE RESPONDENTS GAVE AN AVERAGE ESTIMATE REGARDING THE PROMOTION AND CAREER OPPORTUNITIES (THE SATISFACTION INDEX MADE UP 0,69 AGAINST 0,75 IN 2014).

TRAINING AND EDUCATION

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SEES ITS PERSONNEL AS ITS MAJOR ASSET AND TAKES CORRESPONDING MEASURES REGARDING ITS RETAINING AND DEVELOPMENT CREATING CONDITIONS FOR PROFESSIONAL GROWTH AND EDUCATION. BYELORUSSIAN STEEL WORKS GIVES ALL ITS EMPLOYEES THE RIGHT FOR PROFESSIONAL EDUCATION AT DIFFERENT STAGES OF LABOR ACTIVITY ORIENTATING AT LONG-TERM RELATIONS WITH THE PERSONNEL AND CONSIDERS EDUCATION TO BE AN INVESTMENT INTO THE HUMAN CAPITAL ASSETS.

IN THE PRESENT CONDITIONS OF A SEVERE COMPETITION OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING AIMS AT SEARCHING FOR CURRENT SALES MARKETS, TECHNOLOGIES OF THE FUTURE, COST-SAVING RESERVES AND OTHER OPTIMIZATION POSSIBILITIES

PERSONNEL QUALITY BECAME A DETERMINING FACTOR OF THE WORKS COMPETITIVE ABILITY. ENSURING PERSONNEL QUALITY IS ONE OF THE PRIORITY TARGETS OF THE CORPORATE SOCIAL RESPONSIBILITY POLICY. IT IS IMPOSSIBLE WITHOUT THE DEVELOPED INTERNAL TRAINING SYSTEM. GUIDED BY THE LABOR AND EDUCATION LEGISLATION, THE PROFESSIONAL EDUCATION SYSTEM IS CONTROLLED BY THE CORPORATE TRAINING CENTER.

BY CARRYING OUT AN EFFICIENT OPERATION OF THE CONTINUOUS PROFESSIONAL EDUCATION SYSTEM, THE TRAINING CENTER SOLVES THE FOLLOWING OBJECTIVES IN THE PERSONNEL MANAGEMENT SYSTEM:

- PROVIDING THE SUBDIVISIONS OF THE PLANT WITH PROFESSIONAL STAFF OF THE REQUIRED QUALIFICATION LEVEL;

FACTOR	2010	2011	2012	2013	2014	2015
NUMBER OF THE ROTATION PROGRAM PARTICIPANTS	56	103	152	84	63	59
PROMOTION TO A SPECIALIST POSITION						
- APPOINTMENT TO A MANAGER POSITION	20	29	71	23	36	12
- QUALIFICATION IMPROVEMENT	2	11	15	13	3	5
- QUALIFICATION IMPROVEMENT	34	63	66	48	24	42



Social activity



- PROVIDING THE PERSONNEL SUPPORT OF INNOVATIVE PROCESSES;
- RETAINING AND DEVELOPMENT OF THE PROFESSIONAL POTENTIAL AND STAFF COMPETITIVE ABILITY;
- PROVIDING THE SUBDIVISIONS WITH A MANAGEMENT STAFF RESERVE HAVING A DEVELOPED CORPORATE AND MANAGEMENT COMPETENCE;
- ORGANIZING TRAINING OF THE SPECIALISTS, MANAGEMENT STAFF AND THEIR RESERVE;
- CREATING THE SYSTEM OF TUTORSHIP AND SHARING OF KNOWLEDGE;
- IMPROVEMENT OF THE FORMS AND METHODS OF TRAINING, INTRODUCTION OF ADVANCED EDUCATIONAL METHODS (DEVELOPMENT OF THE REMOTE ELECTRONIC SYSTEM OF MODULE TRAINING «LEARNBMZ» WITH THE SUBSEQUENT ALLOCATION ON THE INTERNAL PLANT'S SITE);
- FORMATION OF A PERSONNEL RESERVE OF THE REQUIRED QUALIFICATION WITH REGARD TO NONPROFESSIONAL OCCUPATIONS FROM AMONG THE RESIDENTS OF THE REGION OF THE PLANTS' ACTIVITY;
- ORGANIZATION OF EXPERIENCE AND KNOWLEDGE EXCHANGE IN THE COURSE OF RENDERING OF EDUCATIONAL SERVICES TO ORGANIZATIONS AND ENTERPRISES OF OUR REPUBLIC, NEIGHBOURING AND FAR FOREIGN COUNTRIES.

IN ORDER TO SOLVE THE ABOVE TASKS THE TRAINING CENTER IS EQUIPPED WITH THE NEWEST TRAINING AIDS. EVERYTHING IS ARRANGED IN SUCH A WAY THAT TRAININGS ARE MAXIMALLY EFFICIENT. AVAILABILITY OF THE TRAINING AIDS AND MULTIMEDIA APPLICATIONS DEVELOPED BY THE TEACHERS AND MASTERS

OF THE TRAINING CENTER BASED ON THE TECHNOLOGIES AND EQUIPMENT IMPLEMENTED AT THE ENTERPRISE FACILITATES LEARNING THE MATERIAL. IN THE EDUCATION PROCESS BOTH TRADITIONAL FORMS AND MODERN EDUCATION TECHNOLOGIES ARE APPLIED.

THE MAIN FORM OF THE EDUCATION PROCESS ORGANIZATION IS DUAL THAT MEANS A WELL-BALANCED COMBINATION OF ACQUIRING THEORETICAL KNOWLEDGE AND PRACTICAL SKILLS.

A PARTICULAR ATTENTION IS PAID TO THE MODULAR EDUCATION TECHNOLOGY THAT LAYS STRESS BOTH ON ACQUIRING PARTICULAR KNOWLEDGE AND DEVELOPING THE PERSONNEL'S ABILITY FOR SELF-EDUCATION AND SELF-IMPROVEMENT.

EDUCATION AND DEVELOPMENT OF THE PERSONNEL IS CARRIED-OUT IN CONFORMITY WITH THE CURRENT AND PERSPECTIVE DEMANDS OF THE COMPANY.

A DIFFERENTIAL APPROACH TO THE EDUCATION PROGRAMS FORMATION IS APPLIED DEPENDING ON A WORKER'S QUALIFICATION LEVEL. PROGRAMS OF CONTINUOUS PROFESSIONAL TRAINING STIPULATE STUDYING THE ISSUES OF SPECIAL TECHNOLOGIES, CIVIL, POLITICAL, ECONOMIC, SOCIAL AND CULTURAL HUMAN RIGHTS, REQUIREMENTS OF ENVIRONMENT PROTECTION SYSTEMS, QUALITY MANAGEMENT, LABOR AND INDUSTRIAL SAFETY, ENERGY SAVING ISSUES.

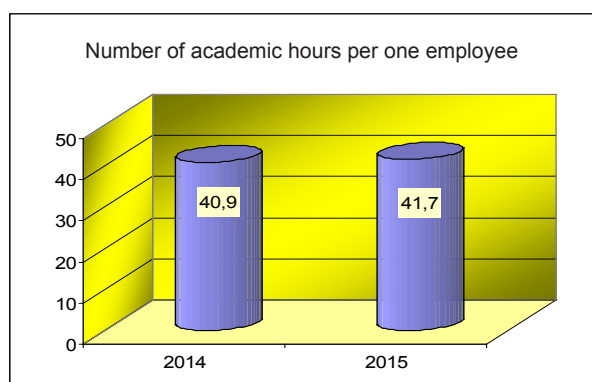
CONTINUOUS EDUCATION IS ENSURED BY RATIONAL COMBINATION OF PROFESSIONAL EDUCATION IN EDUCATIONAL ESTABLISHMENTS, SYSTEMATIC SELF-EDUCATION AS WELL AS STUDYING IN THE TRAINING CENTER AND AT WORK PLACES.

5856 EMPLOYEES (49% OF THE TOTAL NUMBER OF THE STAFF) TOOK VARIED TYPES OF EDUCATION AND ACQUIRED NEW KNOWLEDGE IN 2015.

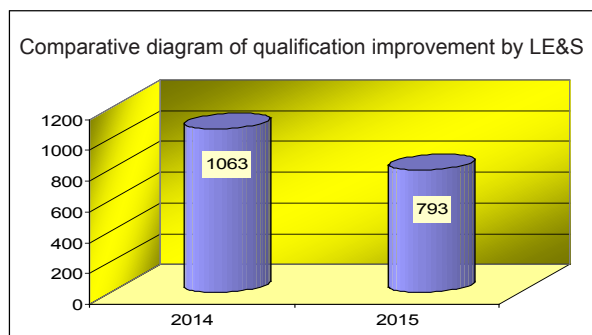
ITEM No.	DESCRIPTION	ANNUAL PLAN, PEOPLE	ACTUAL NUMBER, PEOPLE	FULFILLMENT %
1	IMPROVEMENT OF QUALIFICATION OF LEADING EMPLOYEES AND SPECIALISTS	502	505	100,6
2	IMPROVEMENT OF QUALIFICATION OF LEADING EMPLOYEES AND SPECIALISTS SERVICING FACILITIES CONTROLLED BY GOSPROMNADZOR.	474	478	100,8
3	TRAINING OF LEADING EMPLOYEES AND SPECIALISTS AND THEIR RESERVE	281	282	100,4
4	TRAINING OF WORKERS	3456	4591	132,8
	TOTAL OF THE PLANT	4713	5856	124,2



BYELORUSSIAN STEEL WORKS IS ALWAYS READY FOR THE DIALOG WITH THE STAKEHOLDERS REGARDING ISSUES OF IMPROVEMENT OF PROFESSIONALISM, SCHOLARSHIP AND EMPLOYEES' COMPETENCE DEVELOPMENT. NUMBER OF HOURS DEDICATED TO EMPLOYEES PROFESSIONAL TRAINING IN 2015 EQUALED TO 482210 ACADEMIC HOURS OR 41,7 HOURS PER ONE EMPLOYEE.



783 EMPLOYEES HAD TO IMPROVE THEIR QUALIFICATION IN 2015; ACTUAL NUMBER OF EMPLOYEES WHO IMPROVED THEIR QUALIFICATION EQUALED TO 793 PEOPLE WHICH MADE UP 100,6%.



793
NUMBER OF EMPLOYEES
WHO IMPROVED
QUALIFICATION IN 2015

IN ORDER TO IMPROVE PROCEDURES OF EMPLOYEES TRAINING IN ANY NEW OR CHANGED PRODUCTION OPERATION INFLUENCING PRODUCT QUALITY AT

THE TRAINING CENTRE AND DIRECTLY AT WORK PLACES AS WELL AS FOR AND INFORMING ABOUT THE CONSEQUENCES OF NON-CONFORMING PRODUCT QUALITY FOR CUSTOMER, MOTIVATION OF THE EMPLOYEES FOR ACHIEVEMENT OF THE TARGET PERFORMANCE AND FULFILLMENT OF THE PLANT'S STANDARD STP 840 –KSM 6.2. «HUMAN RESOURCES, 16 EXTERNAL AND INTERNAL AUDITS WERE HELD AT THE TRAINING CENTRE TOGETHER WITH STRUCTURAL SUBDIVI-

SIONS TO CHECK CONFORMITY TO STP 840 - KSM – 6.2. 2013 «HUMAN RESOURCES».

WORKERS TRAINING AT THE ENTERPRISE

MAIN AIMS OF CONTINUOUS PROFESSIONAL TRAINING OF WORKERS (OFFICE WORKERS) ARE:

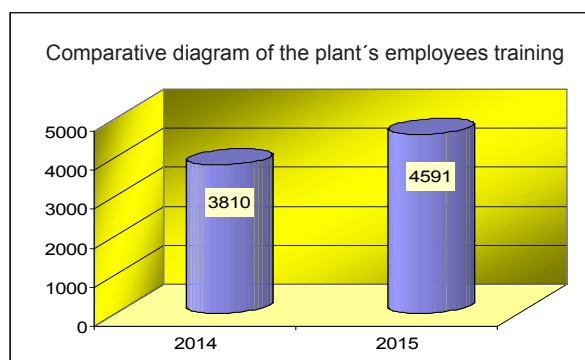
PROVISION OF STRUCTURAL SUBDIVISIONS WITH PROFESSIONALS OF THE REQUIRED LEVEL, PRESERVATION AND DEVELOPMENT OF PROFESSIONAL POTENTIAL AND COMPETITIVENESS OF THE STAFF;

EXCLUSION OF THE RISK FACTOR OF THE UNTRAINED EMPLOYEES, FORMATION OF THE EMPLOYEE RESERVE OF THE REQUIRED QUALIFICATION.

MAIN TASKS OF CONTINUOUS PROFESSIONAL TRAINING OF WORKERS (OFFICE WORKERS) ARE: ACHIEVEMENT OF THE AIMS OF CONTINUOUS PROFESSIONAL TRAINING OF WORKERS (OFFICE WORKERS).

CONTINUOUS PROFESSIONAL TRAINING OF WORKERS (OFFICE WORKERS) INCLUDES THE FOLLOWING TYPES: PROFESSIONAL TRAINING, RETRAINING, ADVANCED TRAINING, EDUCATIONAL COURSES.

RESULTS OF PROFESSIONAL TRAINING OF THE PLANT'S WORKERS IN 2015



DETERMINATION OF PROFESSIONAL CORRESPONDENCE (THEORETICAL KNOWLEDGE, PROFESSIONAL SKILLS, AND COMPETENCE) FOR THE WORKERS WHO REACHED THE HIGHEST GRADES OR DUE TO SOME REASON HAD NOT IMPROVED THEIR QUALIFICATION DURING 4 YEARS OF PRACTICAL WORK, THE COMPANY ORGANIZED AND CARRIED OUT CERTIFICATION OF THE PROFESSIONAL LEVEL (GRADE).

5856

NUMBER
OF EMPLOYEES HAVING
DIFFERENT TYPES
OF TRAINING IN 2015

Social activity



Thus, 1363 employees were certified in 2015 to confirm their professional level.

Work time losses due to repairs, product size change, equipment failures, product quality worsening lead to growth of production costs, decrease of labour productivity. The Training Centre works out training programs together with division heads to eliminate and prevent the above.

OJSC «BSW – management company of «BMC» holding actively develops its international cooperation in the area of its personnel training and improvement of their qualification. In relation with a large investment program of the enterprise, it continues training of employees able to maintain modern equipment of the global level. In order to help its employees acquire progressive experience, the enterprise arranged training and probation in training centres and enterprises in England, Italy, Germany, China, and other countries.

In 2015 OJSC «BSW – management company of «BMC» holding arranged international cooperation in experience and knowledge exchange in the area of steelmaking processes with specialists of core enterprises and companies of neighbouring and far foreign countries: Danieli (Italy), representative office of Siemens in the Republic of Belarus, and BSW trade firm in Moscow (Russia).

In the area of professional training OJSC «BSW – management company of «BMC» holding forms up long-term relations with a number of leading educational establishments having recommended themselves in rendering of educational services: Institute of Qualification Upgrading and Retraining according to new directions of development of technology and economics of Belarusian National Technical University «, «State Institute of Qualification Upgrading and Retraining of Managers and Industrial Specialists «Industry Staff», Federal Educational Establishment of Higher Professional Training «National Research

Technological University «MISiS (SRTU «MISiS») Moscow, Academy of Post-graduate Education, Moscow Chemical Institute named after D.I. Mendeleev, Centre of Innovation Management of Belarusian State University, «Republican Higher School Institution».

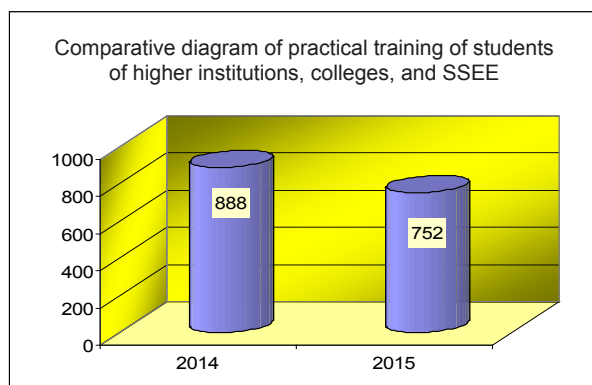
So as to provide pipe production with highly qualified personnel, affiliated departments «Metal Forming» and «Metallurgy and Foundry Engineering» of Gomel State Technical University named after P.O. Sukloj work at the plant. In 2012 the company started to implement a new, three-stage project aimed at organization of getting the second stage of higher education in mathematics taking into consideration the specific character of the pipe production at Byelorussian Steel Works with attraction of the scientific potential of GTU named after P.O. Sukhoi and MISiS.

Alongside with solving the issues of personnel qualification improvement, the collaboration with higher educational establishments is aimed at reaching long-term strategic objectives of the works. This cooperation is beneficial both for educational establishments and OJSC «BSW – management company of «BMC» holding. The plant offers students the opportunity to undertake manufacturing practice at the enterprise. In the reporting year 752 students underwent practical training at BSW. During the manufacturing practice the students are guided by experienced workers and specialists. Detailed acquaintance with the production takes place at the working place. A student can feel being a member of the working team, try his skills and adopt the mentors' experience, thus OJSC «BSW – management company of «BMC» holding openly demonstrates its potential employees the possibility of acquiring an interesting work and personal realization.

Practical training was organized in the following specialties: machines and metal forming technology; machines and casting technology; steelmaking and material processing; electric metallurgy of ferrous and non-ferrous metals; engineering



TECHNOLOGY; HYDRAULIC AND PNEUMATIC SYSTEMS OF MOBILE AND PRODUCTION MACHINES; PACKING PRODUCTION; TECHNICAL OPERATION OF POWER EQUIPMENT OF ORGANIZATIONS; INDUSTRIAL ELECTRONICS; INDUSTRIAL HEAT AND POWER ENGINEERING; ELECTRIC POWER SUPPLY; ECONOMY AND MANAGEMENT OF ENTERPRISES; MANAGEMENT; MARKETING; INFORMATIONAL SYSTEMS AND TECHNOLOGIES; LOGISTICS, ETC.



SOLVING MEDIUM-TERM STRATEGIC GOALS IN THE SPHERE OF TRAINING OF HIGHLY-PROFESSIONAL PERSONNEL IS CONNECTED WITH THE STATE EDUCATIONAL ESTABLISHMENT «ZHLOBIN METALLURGICAL COLLEGE», WHICH CONDUCTS ITS ACTIVITY AT THE EXPENSE OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INVESTMENTS. FOR ORGANIZING THE COLLEGE ACTIVITY IN 2015 THE COMPANY SPENT USD872 THOUSAND OF ITS PROFIT. THE COLLEGE CONDUCTS TRAINING OF TECHNOLOGISTS FOR BASIC PRODUCTION SUBDIVISIONS FROM AMONG THE BEST REPRESENTATIVES OF THE REGION YOUNG GENERATION, WHO PASSED COMPETITIVE SELECTION ACCORDING TO THE EDUCATIONAL PROGRAMS COORDINATED WITH THE WORKS.

AT ALL TIMES CORPORATE SOCIAL DEVELOPMENT AND SOCIAL INVESTMENTS REMAIN SOURCES OF ENHANCING THE WORKS COMPETITIVE ABILITIES. POSSESSING MODERN EDUCATIONAL BASE AND HIGHLY-QUALIFIED SPECIALISTS, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING MAKES ITS CONTRIBUTION IN THE DEVELOPMENT OF COMMUNITY HELPING WITH TRAINING OF QUALIFIED WORKERS FOR THE INDUSTRIAL ENTERPRISES OF THE TOWN, THE REGION, AND THE COUNTRY.

FORMATION OF THE REPUTATION OF THE MOST APPEALING EMPLOYER IS AN ESSENTIAL CONDITION FOR INVOLVEMENT OF CREATIVE, ACTIVE AND TECHNICALLY COMPETENT PERSONNEL IN THE PLANT OPERATION. BY RENDERING ASSISTANCE TO THE YOUNGER GENERATION IN RECEIVING MODERN EDUCATION AND STRENGTHENING THE MATERIAL AND TECHNICAL FOUNDATION OF THE REGION EDUCATIONAL ESTABLISHMENTS BYELORUSSIAN STEEL WORKS CREATES OWN PROMISING PERSONNEL RESERVE. FOR THESE PURPOSES THE CORRESPONDING MEANS WERE DIRECTED TO PRE-SCHOOL EDUCATIONAL INSTITUTIONS, SCHOOLS, CREATIVITY CENTERS FOR THE KIDS.

SPECIAL EMPHASIS IS PLACED ON THE WORK REGARDING PUPILS AND STUDENTS VOCATIONAL GUIDANCE THAT IS CARRIED OUT ON A REGULAR BASIS WITH DIRECT PARTICIPATION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SPECIALISTS. WITHIN THIS COURSE A RANGE OF THE FOLLOWING PROGRAMS IS IMPLEMENTED:

- PUPILS PARTICIPATION IN «OPEN DAY» FEAST AT BASIC EDUCATIONAL ESTABLISHMENTS;
- EXCURSIONS TO THE PLANT'S MUSEUM;
- ORGANIZATION OF YOUTH COMPETITIONS, CULTURAL EVENTS ENGAGING STUDENTS OF SCHOOLS AND SPECIALIZED EDUCATIONAL ESTABLISHMENTS.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ENSURES THE RIGHT OF THE EMPLOYEES TO EDUCATION AND DEEMS INTELLECTUAL POTENTIAL AND PROFESSIONALISM OF ITS EMPLOYEES TO BE AN ESSENTIAL FACTOR REQUIRED FOR ITS OWN DEVELOPMENT.

ACCORDING TO THE RESULTS OF AN INTEGRATED STUDY OF THE SOCIAL AND PSYCHOLOGICAL CLIMATE IN THE SUBDIVISIONS, SATISFACTION WITH THE PERSPECTIVE OF QUALIFICATION ENHANCEMENT, PROFESSIONAL AND EDUCATIONAL LEVEL OBTAINED WAS HIGHLY ASSESSED AND MADE UP 0,71 (SATISFACTION INDEX IN 2014 WAS AT THE LEVEL OF 0,78).

872

FINANCING
OF ZHLOBIN METALLURGICAL
COLLEGE ACTIVITY
IN 2015 (\$ THOU.)

Social activity



MOTIVATION SYSTEM

MATERIAL STIMULATION

THE MAIN OBJECTIVE OF ONE OF THE STRATEGIC LINES OF THE COMPANY POLICY IS CONSTANT INCREASE OF PRODUCTIVITY AND QUALITY OF THE PERSONNEL LABOR, EFFICIENT APPLICATION OF THE EXISTING NORMS AND WAGE SYSTEMS AIMED AT MANUFACTURING HIGH-QUALITY COMPETITIVE PRODUCTS BASED ON THE RATIONAL USE OF EACH WORKER'S LABOR POTENTIAL AND ENHANCING PERSONNEL WELFARE GAINS.

ONE OF THE MOST PRECISE INDICATORS OF THE PLANT'S SOCIAL POLICY EFFECTIVENESS IS THE SALARY LEVEL.

SALARY IS THE MAJOR SOURCE OF INCOME OF THE WORKERS AND THE MAIN FACTOR FOR ENSURING A CERTAIN STANDARD OF WELL-BEING. ALL PAYMENTS AND BENEFITS GRANTED TO THE PLANT'S EMPLOYEES ARE DISTRIBUTED TO THOSE WORKING FULL TIME AND PART-TIME IN PROPORTION TO THE HOURS WORKED.

IN ORDER TO ACHIEVE UNITY OF INTERESTS OF ALL CATEGORIES OF WORKERS IN INSURING HIGH FINAL RESULTS OF THE COMPANY PRODUCTION AND COMMERCIAL OPERATIONS IN GENERAL BASED ON ACCOUNTING AND ENCOURAGEMENT OF LABOR CONTRIBUTION OF EVERY DIVISION AND A SINGLE WORKER, THE ENTERPRISE DEVELOPED THE BONUS SCHEME FOR LABOR STIMULATION.

IN THE EXISTING ECONOMIC SITUATION IT IS MOST TIMELY TO OBSERVE THE LOWEST LIMIT OF LABOR PAYMENT FOR WEAKLY PROTECTED GROUPS OF EMPLOYEES.

AVERAGE ANNUAL SALARY AT THE ENTERPRISE MADE UP Br8441.1 THOUSAND (USD532,1) IN 2015. AVERAGE SALARY OF WORKERS AND OFFICE EMPLOYEES MADE UP Br6718.7 THOUSAND (USD 423,5) IN THE REPUBLIC OF BELARUS IN 2015, WHICH IS 1,27 LOWER THAN AT OJSC BSW.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IMPROVES THE NORMATIVE BASE IN THE AREA OF LABOR RELATIONSHIP AND INFORMS EVERY SINGLE EMPLOYEE OF THE LABOUR REMUNERATION CONDITIONS. ACCORDING TO THE PRINCIPLES OF THE UN GLOBAL COMPACT THE ENTERPRISE REALIZES THE PRINCIPLE OF EQUAL AWARD FOR EQUALLY VALUABLE LABOR.

SALARY ACCOUNTING IS MADE ACCORDING TO THE LEGISLATION EXISTING IN THE REPUBLIC OF BELARUS. THE ENTERPRISE

REALIZES THE FOLLOWING PRINCIPLE: THE ACCRUED SALARY OF A WORKER, WHO FULLY COMPLETED THE LABOR HOURS AND WORKING NORMS, CANNOT BE LOWER THAN THE ESTABLISHED AMOUNT OF THE MINIMAL SALARY IN THE REPUBLIC OF BELARUS THAT MADE UP Br2180 THOUSAND (USD119,3 IN DECEMBER 2015).

THE TARIFF PART OF THE SALARY IS DETERMINED BASED ON THE MONTHLY TARIFF RATES ESTABLISHED BY THE UNIFIED WORKERS WAGE TARIFF SYSTEM OF THE REPUBLIC OF BELARUS AND THE COLLECTIVE AGREEMENT IN CONFORMITY WITH JOB EVALUATION IN THE ORGANIZATION ACCORDING TO THE CATEGORIES AS FOLLOWS:

- AS FAR AS WORKERS ARE CONCERNED, IT IS DETERMINED BY MULTIPLYING THE FIRST TARIFF RATE BY THE TARIFF MULTIPLIER OF THE CORRESPONDING TARIFF RATE ESTABLISHED FOR A WORKER IN COMPLIANCE WITH THE GENERAL PROVISIONS OF THE UNIFORM WAGE-RATES AND SKILLS HANDBOOK BASED ON THE TARIFF-QUALIFYING CHARACTERISTICS OF THE WORKERS PROFESSIONS;
- AS FAR AS CLERKS ARE CONCERNED, IT IS CALCULATED BY MULTIPLYING THE FIRST TARIFF RATE BY THE TARIFF MULTIPLIER OF THE CORRESPONDING TARIFF RATE OF THE UNIFIED WAGE TARIFF SYSTEM ESTABLISHED FOR A WORKER WITH REFERENCE TO ITS POSITION;
- AS FAR AS MEN AND WOMEN ARE CONCERNED, ACCORDING TO THE WORK DONE OR POSITION HELD IN CONFORMITY WITH THE UNIFIED WAGE TARIFF SYSTEM AND COLLECTIVE AGREEMENT.

AVERAGE SALARY OF THE ENTERPRISE CLERKS IS 13,8% HIGHER THAN WORKERS' SALARY. AVERAGE SALARY OF THE MANAGEMENT IS 42,9 % HIGHER THAN WORKERS' SALARY. THIS CORRELATION IS EXPLAINED BY THE COMPLEXITY OF THE PERFORMED OBLIGATIONS STIPULATED BY THE JOB DESCRIPTIONS AS WELL AS THE ORGANIZATION (SEPARATE STRUCTURAL SUBDIVISIONS) ACTIVITY EFFICIENCY, QUALITY OF THE PERFORMED WORKS (SERVICES),

532

AVERAGE ANNUAL SALARY
AT THE ENTERPRISE
IN 2015 (\$)



EFFICIENCY OF THE SET TARGETS AND OBJECTIVES FULFILLMENT.

RELATION BETWEEN PAYMENTS TO THE TOP MANAGEMENT AND COMPANY'S EFFECTIVENESS

STIMULATING PAYMENTS TO THE TOP MANAGEMENT ARE EFFECTED DEPENDING ON THE EFFICIENCY OF THE COMPANY PERFORMANCE AND FULFILLMENT OF THE SOCIAL-ECONOMIC DEVELOPMENT INDICATORS. STIMULATING PAYMENTS TO THE TOP-MANAGEMENT ARE EFFECTED DEPENDING ON THE EFFICIENCY OF THE COMPANY PERFORMANCE AND FULFILLMENT OF THE SOCIAL-ECONOMIC DEVELOPMENT INDICATORS SET FORTH BY THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS.

WOMEN HAVE THE SAME SALARIES AND TARIFF RATES AS MEN, IF THEY OCCUPY EQUAL POSITIONS (HAVE SIMILAR PROFESSIONS).

WOMEN ARE GIVEN AND GUARANTEED THE SAME RIGHTS AS MEN AND HAVE ADDITIONAL BENEFITS AND GUARANTEES AIMED AT THEIR HEALTH AND MATERNITY PROTECTION.

THUS IT IS PROHIBITED TO USE WOMEN' LABOR IN:

- HEAVY OPERATIONS AND OPERATIONS WITH HARMFUL AND (OR) HAZARDOUS LABOR CONDITIONS;
- JOBS RELATED WITH LIFTING AND MANUAL HANDLING OF WEIGHTS;
- SOME PROFESSIONS AND POSITIONS (STEELMAKER, STEELMAKER'S ASSISTANT, FARRIER, BATTERY ASSEMBLER, ETC.).

PREGNANT WOMEN ARE GIVEN EASIER JOBS EXCLUDING THE IMPACT OF HARMFUL AND (OR) HAZARDOUS LABOR FACTORS BUT THEIR SALARY REMAINS EQUAL TO THE AVERAGE AMOUNT OF THEIR PREVIOUS SALARY.

A MOTHER (FARTHER) OF THREE OR MORE CHILDREN AGED UNDER 16 (OR HAVING A DISABLED CHILD AGED UNDER 18) ARE GIVEN ONE EXTRA DAY-OFF IN A WEEK AT HER/HIS REQUEST WHICH IS PAID FOR IN THE AMOUNT OF THE AVERAGE DAILY PAYMENT.

A MOTHER BRINGING UP TWO OR MORE CHILDREN UNDER SIXTEEN IS GIVEN AN ADDITIONAL DAY-OFF A MONTH AT HER REQUEST; THIS DAY IS PAID FOR IN THE AMOUNT OF ONE BASIC PAYMENT.

A MOTHER BRINGING UP CHILDREN UNDER EIGHTEEN IS GIVEN ONE EXTRA DAY-OFF A MONTH AT HER REQUEST; THIS DAY IS NOT PAID FOR.

AVERAGE SALARY OF MEN AT THE ENTERPRISE IS 44.5 PER CENT HIGHER THAN THAT OF WOMEN. THE DIFFERENCE BETWEEN THE AVERAGE SALARY OF WOMEN AND THE AVERAGE SALARY OF MEN IS EXPLAINED BY THE INCREASED PAYMENT FOR THE HEAVY SERVICE WORK, WORKS WITH HARMFUL AND DANGEROUS LABOR CONDITIONS, WHERE WOMEN' LABOR IS PROHIBITED.

PLANNING OF LABOR REMUNERATION EXPENSES IS BASED ON THE SALARY LEVEL REACHED AND THE OUTPUT PER ONE EMPLOYEE. ALONGSIDE WITH THE LABOR PRODUCTIVITY GROWTH, THE AVERAGE SALARY INCREASE IS PLANNED ACCORDINGLY.

IT IS NECESSARY TO POINT OUT THAT WITH THE LABOR PRODUCTIVITY GROWTH RATE OF AN EMPLOYEE OF THE MAIN PRODUCTION IN USD IN 2015 EQUALED TO 108%, SALARY GROWTH RATE IN USD EQUALED TO 66,6%.

SO THE TOP MANAGEMENT OF THE ENTERPRISE ATTEMPTS TO RESTRAIN DROP OF THE WELFARE OF ITS EMPLOYEES.

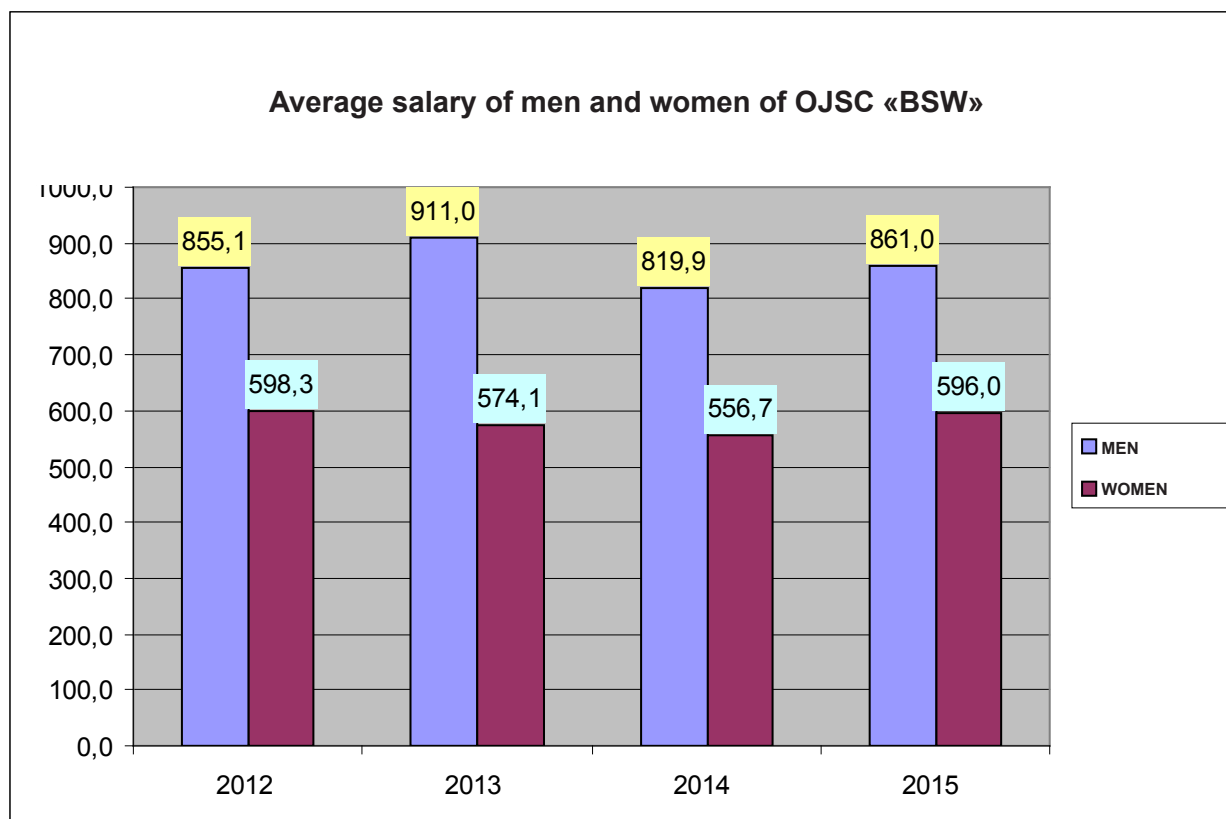
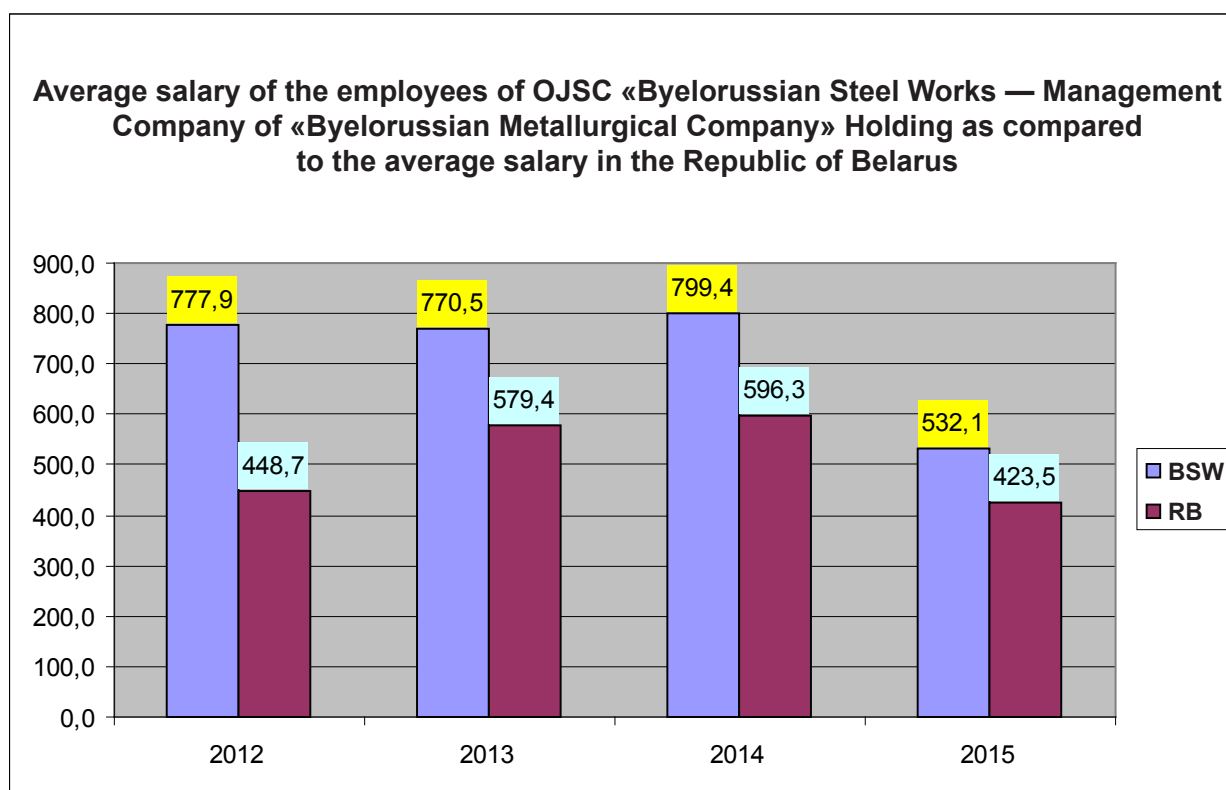
IT IS IMPORTANT THAT IN THESE CHALLENGING TIMES THE ENTERPRISE WORKED FOR DECREASING THE LABOR COEFFICIENT OF THE MANUFACTURED PRODUCTS. IN 2015 IMPLEMENTATION OF THIS APPROACH LEAD TO THE DECREASE OF THE LABOR COEFFICIENT OF THE OPERATIONS FULFILLED IN BASIC AND AUXILIARY SHOPS BY 69,2 THOU. N/H. THE ECONOMIC EFFICIENCY MADE UP OVER Br280 MILLION.

AS FAR AS THE SALARY LEVEL IS CONCERNED, THE PLANT TAKES A DECENT PLACE AMONG THE GROSS-OUTPUT-MAKING ENTERPRISES OF THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS, WHICH IS SHOWN IN THE BELOW DIAGRAM.

ALL TECHNICAL-ECONOMIC DEVELOPMENT PROGRAMS OF THE ENTERPRISE ARE WORKED OUT FOR ONE YEAR AND ARE REPORTED TO THE PERSONNEL. THE RESULTS OF THEIR IMPLEMENTATION ARE SUMMARIZED MONTHLY DURING A YEAR AND ARE REPORTED TO THE EMPLOYEES DURING FORUMS, MEETINGS AND BY THE PLANT'S NEWSPAPER «METALLURG».

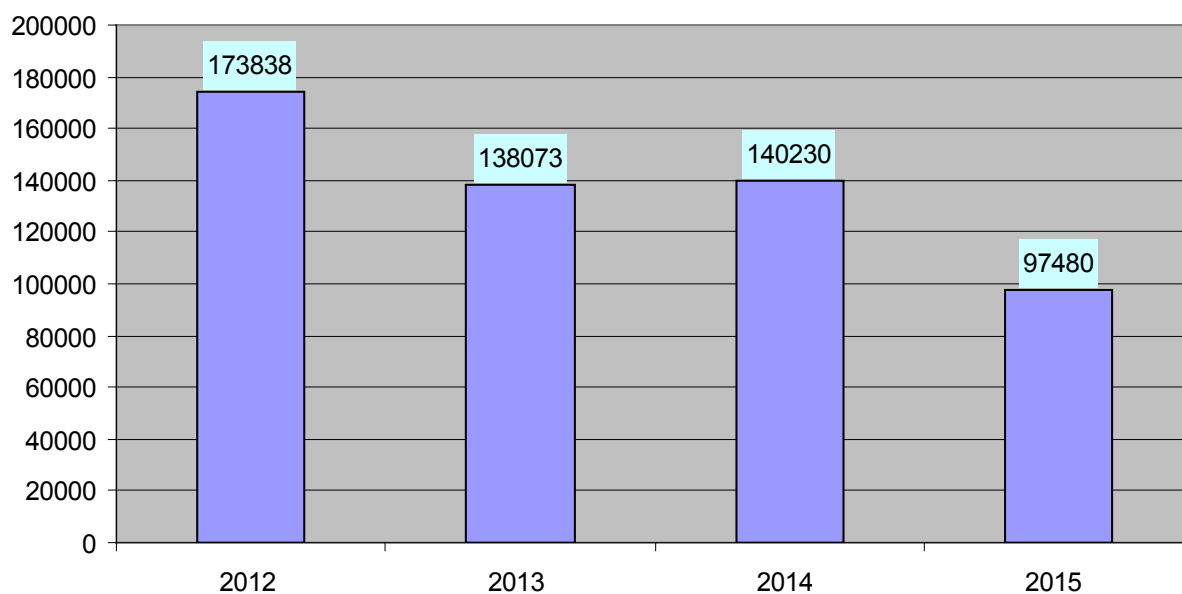


Social activity

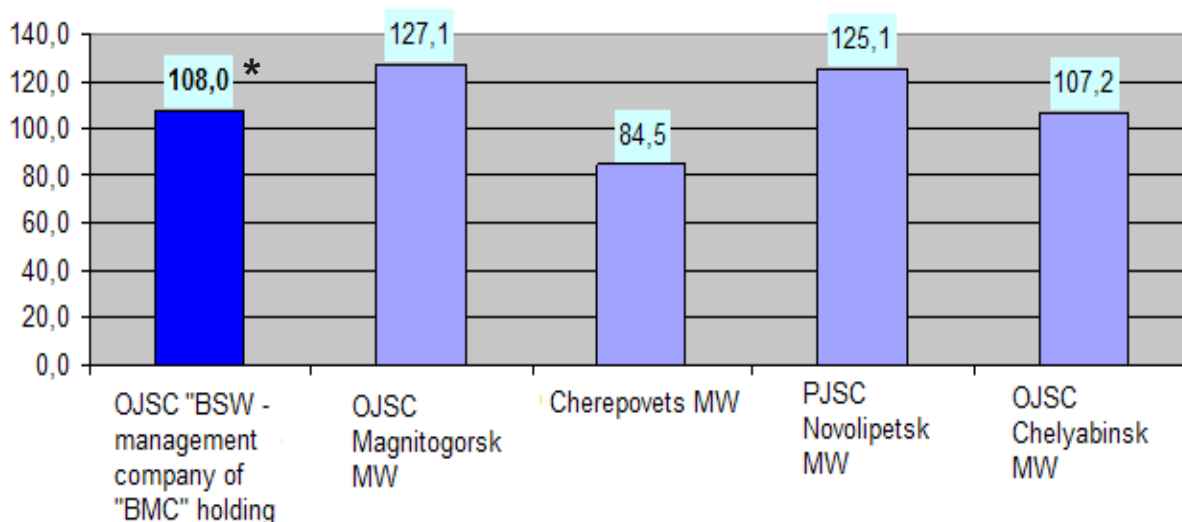




Dynamics of employees' labour development of OJSC «BSW — management Company of «BMC» holding in 2012-2015



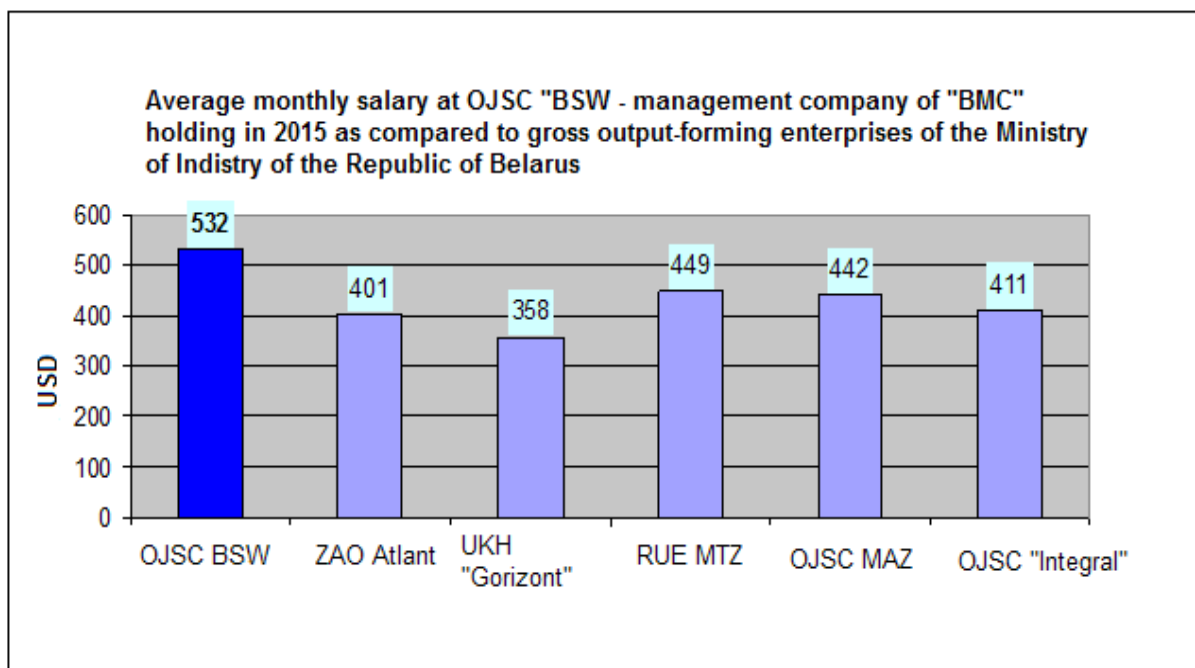
Labour productivity growth rate in the established prices of one main worker at metallurgical enterprises of the neighbouring foreign countries in 2015 as compared to 2014



NOTE: CALCULATION IF FULFILLED IN THE NATIONAL CURRENCY *) IN USD



Social activity



Non-financial incentives

A significant element of the enterprise corporate culture is the system of non-financial incentives of the employees which comprises social-psychological, staff and professional aspects.

BYELORUSSIAN STEEL WORKS PAYS SPECIAL ATTENTION TO STIMULATION AND PERSONNEL INTEREST IN SAVING OF MATERIAL AND ENERGY RESOURCES, GROWTH OF PRODUCTION EFFICIENCY, ENHANCEMENT OF RESPONSIBILITY FOR THE QUALITY OF PRODUCTS MANUFACTURED, IMPROVEMENT OF THE PRODUCTION EFFECTIVENESS AS WELL AS DEVELOPMENT OF CREATIVE ACTIVITY WITH THE HELP OF PRODUCTION COMPETITIONS ORGANIZED AT THE PLANT. 30 TYPES OF THE PRODUCTION COMPETITIONS AND CONTESTS ARE HELD IN INDIVIDUAL AND COLLECTIVE FORMS («BEST IN PROFESSION», «BEST SHOP», «BEST CANTEEN», «BEST IN PROFESSION AMONG PRIVATE UNITARY ENTERPRISES», «PROFESSIONAL OLYMPUS», «BEST INNOVATOR OF THE YEAR», «BEST YOUNG SPECIALIST», CONTEST OF PLANT TEAMS AND STRUCTURAL SUBDIVISIONS OF THE WORKS IN CONFORMITY WITH THE SYSTEM «BE AWARE OF A HUMAN!», ETC.)

ONE OF THE MAIN CONSTITUENTS OF THE CORPORATE CULTURE AND EFFICIENT WAY OF ENHANCING THE WORKERS MOTIVATION IS CORPORATE AWARDED. FOR THE

PURPOSE OF MORAL STIMULATION, STRENGTHENING GLORIOUS LABOR TRADITIONS, INCREASING THE ROLE AND STRENGTHENING OF A MAN OF LABOR, THE PLANT CONDUCTS FESTIVE EVENTS DEDICATED TO INITIATION INTO YOUNG METALLURGIST, CELEBRATION IN HONOR OF WORK DYNASTIES, ENTERING THE NAMES OF BEST EMPLOYEES IN THE COMPANY BOOK OF FAME OR PLACING THEIR PHOTOS IN THE HALL OF FAME, HONORING THE WINNERS OF THE PRODUCTIVE COMPETITIONS AT THE ANNUAL LABOR FESTIVAL «PROFESSIONAL OLYMPUS». ALL CATEGORIES OF THE PLANT'S EMPLOYEES WHO ATTAINED BETTER RESULTS IN THEIR PRODUCTION ACTIVITY, ACTIVELY PARTICIPATE IN THE ENTERPRISE SOCIAL LIFE, GAINED AUTHORITY AND ARE RESPECTED BY THEIR WORKING TEAM MEMBERS, ARE GRANTED THE HONOR TO HAVE THEIR PICTURES POSTED IN THE HALL OF FAME OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. ALL STRUCTURAL SUBDIVISIONS OF THE WORKS HAVE «ALLEYS OF GLORY», «FOREMOST WORKERS» STANDS WITH THE PICTURES OF THE BEST WORKERS.

384 EMPLOYEES OF OUR ENTERPRISE WERE AWARDED LETTERS OF COMMENDATION AND THANKED OFFICIALLY BY OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 2015. SERVICES OF THE PLANT'S EMPLOYEES WERE ALSO APPRECIATED AT THE DISTRICT, REGIONAL, AND NATIONAL LEVEL.



IT GREW INTO A TRADITION TO CONGRATULATE THE EMPLOYEES WITH ANNIVERSARIES, BIRTH OF A CHILD, WEDDING, AND TO ORGANIZE PARTIES DEDICATED TO RECRUITMENT FOR THE ARMED FORCES OR RETIREMENT.

SINCE 2008 THE PLANT ORGANIZES CELEBRATION IN HONOR OF LABOR DYNASTIES OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. ASSIGNMENT OF AN HONORABLE TITLE OF «A LABOR DYNASTY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING» IS BASED ON THE PRINCIPLES OF SUCCESSION, CONTINUITY OF GENERATIONS FROM OLDER TO YOUNGER ONE, AND CONTINUITY OF LABOR ACTIVITY (AT LEAST THREE GENERATIONS OF THE RELATIVES OF THE FIRST-DEGREE KINSHIP SHOULD WORK AT THE PLANT AT THE SAME TIME).

IN 2010 A NEW TRADITION WAS BORN AT BSW: PRESENTATION OF A CORPORATE CALENDAR TAKES PLACE AT THE PALACE OF CULTURE OF METALLURGISTS IN THE FORM OF A BRILLIANT AND COLORFUL CELEBRATION. PAGES OF THE PLANT'S CALENDAR FOR 2013 CONTAIN THE BEST PICTURES DRAWN BY THE FUTURE METALLURGISTS CHOSEN ACCORDING TO THE RESULTS OF THE REGIONAL CONTEST AND PHOTOS OF THE WOMEN WORKING AT THE PLANT.

THE POSSIBILITY OF PROFESSIONAL EDUCATION AND INCREASING THE WORKERS QUALIFICATION IS OF A PARTICULAR IMPORTANCE FOR MOTIVATION OF THE STAFF. PROFESSIONAL TRAINING ORGANIZED AND CARRIED OUT AT THE ENTERPRISE BY THE TRAINING CENTER ENSURES EXECUTION OF THE THREE MOTIVATING FUNCTIONS:

- PRODUCTION-ECONOMIC (COMPANY COMPETITIVE ABILITY GROWTH, ENHANCEMENT OF THE QUALITY OF DUTY PERFORMANCE AND MANUFACTURED PRODUCTS);
- ADMINISTRATIVE (PROVIDING WITH QUALIFIED PERSONNEL, ITS FORMATION, REPRODUCTION, ADAPTATION AND PERSONNEL DEVELOPMENT);
- SOCIAL-CULTURAL (PERSONALITY SOCIALIZATION, PROVISION OF OCCUPATION, SOCIAL CONFIDENCE, OFFERING EQUAL OPPORTUNITIES FOR PROFESSIONAL AND CAREER DEVELOPMENT).

BYELORUSSIAN STEEL WORKS PUTS PARTICULAR EMPHASIS ON SUSTAINING FAVORABLE SOCIAL-PSYCHOLOGICAL

CLIMATE IN THE WORKING TEAM, ORGANIZATION OF PROFESSIONAL CELEBRATIONS, SPORT AND CULTURAL EVENTS FOR THE EMPLOYEES, THEIR FAMILY MEMBERS AND THE POPULATION OF THE REGION (SEE SECTION «SOCIAL PACKAGE OF BENEFITS AND GUARANTEES FOR THE STAFF»). THE APPROACHES IN PLANNING OF THE CORPORATE EVENTS ARE DETERMINED BASED ON THE ANALYSIS OF THE RESULTS OF ANNUAL INTEGRATED STUDY OF SOCIAL-PSYCHOLOGICAL CLIMATE OF THE WORKING TEAMS OF THE COMPANY.

SHORT-TERM TARGETS IN THE AREA OF SOCIAL RESPONSIBILITY

ACHIEVEMENT OF THE FOLLOWING LEVEL OF THE MAIN TARGET VALUES RELATED WITH THE COMPANY SOCIAL-ECONOMIC DEVELOPMENT IS SCHEDULED FOR 2016:

- TRAINING OF THE EXECUTIVE EMPLOYEES AND SPECIALISTS, PERS. — 1346
- WORKERS PROFESSIONAL TRAINING, PERS. — 3525
- GENERAL SATISFACTION OF THE PERSONNEL, % MIN — 72
- PERSONNEL TURNOVER, %, MAX — 4,5.

LABOR PROTECTION AND ENSURING OF INDUSTRIAL SAFETY

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SEES A HUMAN LIFE AS ITS SUPREME VALUE. THE PLANT DOES NOT ACCEPT ANY COMPROMISES BETWEEN THE HEALTH OF ITS EMPLOYEES, SAFETY AND PROFIT-MAKING. LABOR SAFETY AND HEALTH ARE THE KEY PRIORITIES OF THE CORPORATE LABOR PROTECTION MANAGEMENT SYSTEM. REALIZING ITS MISSION, THE COMPANY ENSURES THE EMPLOYEES' LABOR PROTECTION, TAKES MEASURES FOR REDUCTION OF ACCIDENTS RISKS AND OCCUPATIONAL DISEASES, STRIVES FOR CREATION AND SUSTAINING OF SUCH LABOR CONDITIONS THAT ARE NOT DANGEROUS TO EMPLOYEES' HEALTH AND HUMAN DIGNITY.

384

NUMBER OF EMPLOYEES AWARDED LETTERS OF COMMENDATION AND OFFICIAL APPRECIATION OF BSW IN 2015



Social activity



USING DANGEROUS INDUSTRIAL FACILITIES IN THE PRODUCTION PROCESS, THE ENTERPRISE MANAGEMENT BEARS RESPONSIBILITY FOR CONSERVATION OF THE EMPLOYEES' LIFE AND HEALTH. THE EXISTING LABOR PROTECTION AND INDUSTRIAL SAFETY MANAGEMENT SYSTEM IS BUILT ACCORDING TO THE REQUIREMENTS OF BELARUSIAN LEGISLATION AND CONSIDERING INTERNATIONAL PRACTICES.

LABOR PROTECTION SERVICE OF THE PLANT BASES ITS ACTIVITY ON THE PRIORITIES OF THE INTERNATIONAL NORMS. LABOR PROTECTION MANAGEMENT OF THE ENTERPRISE IS BASED ON THE KEY INTERNATIONAL STANDARD OF LABOR SAFETY OHSAS 18001 «OCCUPATIONAL HEALTH SAFETY ASSURANCE SYSTEMS» AND NATIONAL STANDARD STB 18001 «LABOR PROTECTION MANAGEMENT SYSTEMS. REQUIREMENTS.»

AS BEFORE, KEY STRATEGIC AIMS OF OJSC 'BSW-MANAGEMENT COMPANY OF «BMC» HOLDING IN THE AREA OF LABOR PROTECTION ARE:

- CONTINUOUS IMPROVEMENT OF EFFICIENCY OF LABOR PROTECTION IN ACCORDANCE WITH THE REQUIREMENTS OF OHSAS 18001:2007 AND STB 18001-2009;
- CONSTANT CONTROL OF RISKS RELATED TO PRODUCTION PROCESSES, IMPLEMENTATION OF PREVENTIVE AND CORRECTIVE ACTIONS DIRECTED TOWARDS PREVENTION OF OCCURRENCE OF OCCUPATIONAL DISEASES AND INJURIES IN PRODUCTION;
- LABOR PROTECTION AND INDUSTRIAL SAFETY ACTIVITY IN CONFORMITY WITH THE REQUIREMENTS OF INTERNATIONAL STANDARDS, THE EXISTING LAW, AND OTHER REQUIREMENTS RELATING TO DANGERS IN THE AREA OF OCCUPATIONAL HEALTH AND LABOR SAFETY;
- PREVENTION OF EQUIPMENT FAILURES, INCIDENTS, EMERGENCY, PREVENTION OF INJURIES AND WORSENING OF THE EMPLOYEES' HEALTH DURING PRODUCTION ACTIVITY;
- PROVISION OF ALL PROCESSES WITH COMPETENT, HIGHLY-QUALIFIED PERSONNEL.

EVERY YEAR CERTIFICATION BODIES CARRY OUT EXTERNAL AUDITS TO CHECK CORRESPONDENCE OF THE ENTERPRISE SYSTEM OF LABOR PROTECTION AND INDUSTRIAL SAFETY TO THE REQUIREMENTS OF THE STANDARDS.

IN 2015 REPRESENTATIVES OF THE STATE EDUCATIONAL ESTABLISHMENT »THE REPUBLICAN INSTITUTE OF HIGHER SCHOOL« — A CERTIFICATION BODY - FULFILLED A SUPERVISION AUDIT OF THE SYSTEM OF ENVIRONMENT AND INDUSTRIAL SAFETY MANAGEMENT TO EVALUATE ITS COMPLIANCE WITH THE REQUIREMENTS OF THE STATE STANDARD STB 18001-2009 «SYSTEMS OF LABOUR PROTECTION CONTROL. REQUIREMENTS». NO NON-CONFORMITIES WERE DETECTED BASED ON THE RESULTS OF THE AUDIT. ONE ASPECT WAS SUGGESTED FOR IMPROVEMENT. ANOTHER AUDIT WAS CARRIED OUT TO CHECK COMPLIANCE WITH THE REQUIREMENTS OF THE INTERNATIONAL STANDARD OHSAS 18001. NO NON-CONFORMITIES WERE DETECTED.

AFTER THE STANDARDS WERE IMPLEMENTED AT THE ENTERPRISE, WE ACCEPT CONTEMPORARY, UNIVERSALLY ACKNOWLEDGED INTERNATIONAL SAFETY TECHNOLOGIES. THIS ALLOWS OJSC «BSW — MANAGEMENT COMPANY OF «BMC» HOLDING TO SPEAK THE SAME LANGUAGE WITH ITS INTERNATIONAL PARTNERS AND ORGANIZE CO-OPERATION MORE EFFECTIVELY. AT PRESENT, IN MANY CASES FOR SIGNING COLLECTIVE CONTRACTS THE ENTERPRISE NEEDS TO CONFIRM THE AVAILABILITY OF THE CERTIFIED LABOR PROTECTION MANAGEMENT SYSTEM. IT IS EVIDENT CONSIDERING WESTERN PARTNERS' MENTALITY. AVAILABILITY OF THE CERTIFICATE ACKNOWLEDGING THE CONFORMITY WITH THE INTERNATIONAL STANDARDS CHARACTERIZES THE ENTERPRISE AS A RELIABLE PARTNER, INCREASES ITS PRESTIGE, AND THE PRODUCTS COMPETITIVE ABILITY.

IMPLEMENTATION OF THIS SYSTEM ALLOWED OUR PLANT TO:

- DECREASE THE COSTS DUE TO A MORE EFFICIENT USE OF LABOR RECOURCES; DIMINISH THE EXPENSES RELATED WITH TRAUMATISM AND MORBIDITY;
- IMPROVE LEGAL SAFETY, GUARANTEES OF CORRESPONDENCE TO THE CHANGING LEGISLATIVE LABOR SAFETY REQUIREMENTS;
- MINIMIZE THE RISK OF JUDICIAL PUNISHMENT;
- RESPECT THE INTERESTS OF THE PARTIES — THE EMPLOYER AND WORKING TEAM IN THE PROCESS OF THE ENTERPRISE PRODUCTIVE ACTIVITY;



— IMPROVE THE ENTERPRISE IMAGE ON PRODUCT AND LABOR MARKETS AS WELL AS IN THE EYES OF GOVERNMENT AUTHORITIES AS A SOCIALLY RESPONSIBLE ORGANIZATION;

— AIM THE MANAGEMENT TEAM AT DETECTING AND DECREASING THE BASIC RISK TYPES RELATED WITH THE NEGATIVE IMPACT OF THE PRODUCTION ACTIVITY AND THE RELEASED PRODUCTS ON THE HEALTH OF ITS EMPLOYEES, POPULATION AND CONSUMERS;

— SIMPLIFY THE SYSTEM APPROACH TO PROBLEM-SOLVING, ACHIEVE GREATER RESPONSIBILITY, MORE DISTINCT RESPONSIBILITY DISTRIBUTION;

— INCREASE LABOR PRODUCTIVITY DUE TO IMPROVEMENT OF CONDITIONS AND REDUCTION OF UNPRODUCTIVE TIME AND LABOR WASTE.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CONTINUOUSLY IMPROVES THE SYSTEM OF LABOR PROTECTION AND INDUSTRIAL SAFETY MANAGEMENT AND ADJUSTS IT IN ACCORDANCE WITH THE REQUIREMENTS OF INTERNATIONAL STANDARDS. THIS ALLOWS CONSIDERABLE REDUCTION OF THE PRODUCTION COSTS DUE TO LOWERING THE SPECIALISTS INCAPACITATION RELATED WITH ACCIDENTS, OCCUPATIONAL ILLNESSES, EMERGENCIES AND FIRES.

IN 2015 INVESTMENTS OF OJSC «VSW – MANAGEMENT COMPANY OF «BMC» HOLDING INTO THE LABOR PROTECTION MADE UP Br23 BILLION.

THE OCCUPATIONAL TRAUMATISM LEVEL DEPENDS ON SEVERAL FACTORS; ONE OF THEM IS THE VOLUME OF INVEST-

MENTS INTO LABOR PROTECTION. DURING RECENT YEARS CONSIDERABLE MEANS WERE INVESTED INTO THE LABOR PROTECTION MEASURES THAT ALLOWED DECREASE OF THE TRAUMATISM LEVEL FROM 11 IN 2006 TO 8 IN 2015.

THE ENTERPRISE DOES NOT ONLY INCREASE PRODUCTION CAPACITY AND INDUSTRIAL PRODUCT OUTPUT FROM YEAR TO YEAR, BUT CARRIES OUR CONTINUOUS AND PURPOSEFUL ACTIVITY TO CREATE AND IMPROVE SAFE WORKING CONDITIONS.

IMPROVEMENT OF LABOR CONDITIONS

A LARGE AMOUNT OF WORK TO REMOVE OUTDATED EQUIPMENT FROM PRODUCTION AND INSTALLATION OF ADVANCED EQUIPMENT MEETING THE REQUIREMENTS OF LABOR SAFETY IS CARRIED OUT WITHIN THE PROGRAM OF TECHNICAL REVAMPING.

THESE MEASURES HELPED US TO IMPROVE LABOR CONDITIONS OF THE EMPLOYEES TO A CONSIDERABLE EXTENT AND DECREASE IMPACT OF DANGEROUS AND HAZARDOUS PRODUCTION FACTORS.

EVERY YEAR THE PLANT WORKS OUT A PLAN OF MEASURES PROVIDING FOR LABOR SAFETY AND LABOUR CONDITIONS IMPROVEMENT. IN 2015, THE PLANT IMPLEMENTED 27 MEASURES OF THE PLAN. DUE TO THE MEASURES TAKEN, WORKING CONDITIONS OF 390 (596 IN 2014) EMPLOYEES WERE IMPROVED.

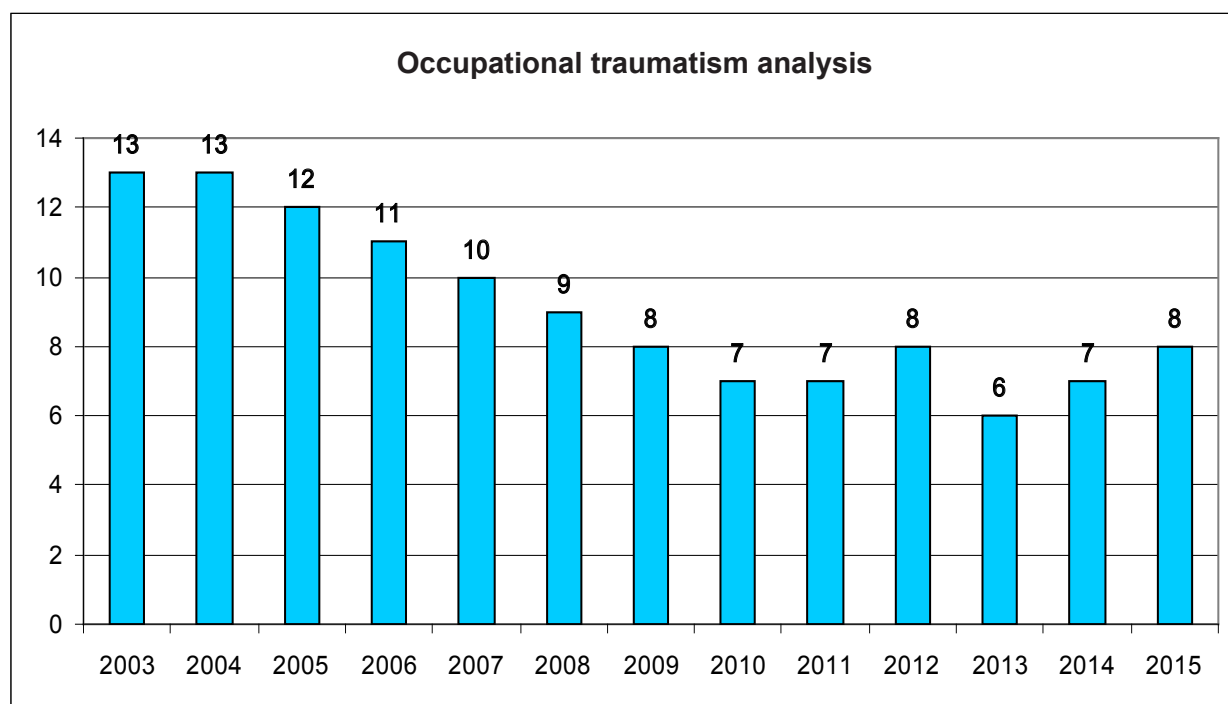
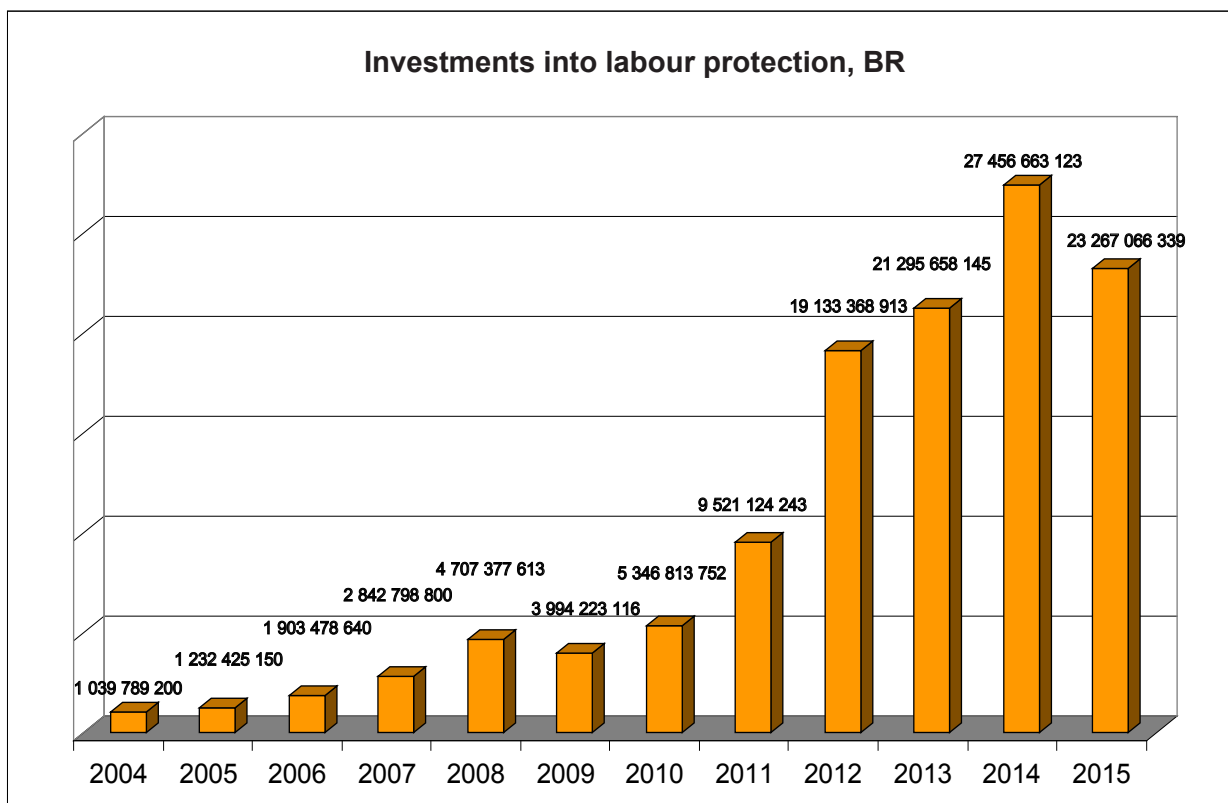
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INVESTMENTS IN PROVISION
OF SAFE AND HEALTHY LABOUR
CONDITIONS IN 2015

ITEM No.	INDICATOR	2012	2013	2014	2015
1	NUMBER OF RECORDED ACCIDENTS	7	6	7	8
2	NUMBER OF THE INJURED INCLUDING:	7	6	7	8
	MORTAL	1	0	0	0
	SEVERE	3	2	2	1
	GROUP	0	0	0	0
3	FREQUENCY COEFFICIENT, Fc	0,69	0,44	0,64	0,71
4	GRAVITY COEFFICIENT, Gc	34,5	35,8	57	43,6
5	WASTED DAYS OF WORKING ABILITY	276	179	399	349

Production traumatism indicators



Social activity





27

NUMBER OF IMPLEMENTED
MEASURES DIRECTED TOWARDS
ENSURING LABOUR SAFETY
AND IMPROVEMENT OF LABOUR
PROTECTION CONDITIONS.

THE ENTERPRISE STRIVES FOR CONTINUOUS IMPROVEMENT OF ITS PERFORMANCE IN THE AREA OF LABOUR SAFETY DUE TO IMPROVEMENT OF SAFETY OF THE

PRODUCTION PROCESSES, MOTIVATION OF THE PERSONNEL AND INTEREST OF THE STAFF IN OBSERVANCE OF LABOR SAFETY REQUIREMENTS.

OBLIGATIONS OF THE EMPLOYER IN PROVIDING FOR SAFE AND HEALTHY LABOR CONDITIONS ARE STIPULATED IN THE SECTION «LABOR PROTECTION» OF THE COLLECTIVE AGREEMENT OF THE PLANT. IN ACCORDANCE WITH THE PROVISIONS OF THE COLLECTIVE AGREEMENT THE EMPLOYEES ARE TIMELY PROVIDED WITH FREE CERTIFIED WORKING CLOTHES AND SHOES, PERSONAL PROTECTIVE AND HYGIENIC EQUIPMENT, UNDERGO A PERIODICAL MEDICAL INSPECTION. SOME CATEGORIES OF WORKERS ARE PROVIDED WITH MILK.

TRAINING AND COMPETENCE EVALUATION

AN INTEGRAL PART OF THE LABOR PROTECTION AND INDUSTRIAL SAFETY SYSTEM OF THE ENTERPRISE IS TEACHING OF SAFE OPERATION OF HAZARDOUS PRODUCTION FACILITIES, OCCUPATIONAL SANITATION AND LABOR HYGIENE. AN EMPLOYEE'S LABOR SAFETY GREATLY DEPENDS ON THE THOROUGHNESS OF HIS/HER PROFESSIONAL TRAINING. SUSTAINING THE HIGH STANDARD OF KNOWLEDGE IS INSURED BY CONDUCTING AN OBLIGATORY LABOR SAFETY INSTRUCTION, PERIODICAL KNOWLEDGE CHECK AND PERSONNEL CERTIFICATION REGARDING SAFE OPERATION.

DYNAMIC DEVELOPMENT OF LABOR PROTECTION LAW, INTRODUCTION OF NEW TECHNOLOGIES AND TECHNIQUES, USE OF ADVANCED MATERIALS IN PRODUCTION STIPULATED THE NECESSITY TO IMPROVE TRAINING AND QUALIFICATION OF EMPLOYEES IN LABOR PROTECTION.

IN ORDER TO FULFILL THE EDUCATIONAL TRAINING OF THE PERSONNEL THAT SERVICES AND OPERATES HIGH-RISK FACILITIES, THE CORPORATE TRAINING CENTER WAS AUDIT-

ED TO CHECK ITS CONFORMITY WITH THE NATIONAL LEGISLATION AND RECEIVED THE CONSENT OF THE DEPARTMENT FOR SUPERVISION OF SAFE OPERATION IN INDUSTRIAL AND ATOMIC POWER ENGINEERING OF THE MINISTRY OF EMERGENCY SITUATIONS OF THE REPUBLIC OF BELARUS FOR THE RIGHT TO TRAIN EMPLOYEES REQUIRED BY THE COMPANY AND OTHER ORGANIZATIONS.

SOCIAL CONTROL FOR OBSERVANCE OF HUMAN RIGHTS IN THE AREA OF LABOR PROTECTION

ALL STAKEHOLDERS INCLUDING THE EMPLOYEES ARE ACTIVELY INVOLVED IN THE PROCESS OF MANAGING THE LABOR PROTECTION AND INDUSTRIAL SAFETY SYSTEM. OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CREATED A SYSTEM OF THE TWO-STAGE PUBLIC CONTROL.

AT THE FIRST STAGE DAILY CONTROL OF OBSERVATION OF THE LEGISLATION OF THE REPUBLIC OF BELARUS IN THE SPHERE OF LABOR PROTECTION, ENSURING THE EMPLOYEES RIGHT TO SAFE LABOR AND HEALTH MAINTENANCE IS FULFILLED BY THE PUBLIC SERVICE OF HEALTH AND SAFETY EXECUTIVES. THE SERVICE OF PUBLIC EXECUTIVES CONSISTING OF 476 PERSONS INCLUDES REPUTABLE EMPLOYEES SELECTED BY THE WORKING TEAM MEMBERS BY OPEN VOTING.

THE EXECUTIVES' ACTIVITIES AND THEIR AUTHORITIES REGARDING THE CONTROL OF COMPLIANCE WITH THE LABOR PROTECTION LEGISLATION ARE REGULATED BY DECREE No.179 OF THE MINISTRY OF LABOR AND SOCIAL SECURITY OF THE REPUBLIC OF BELARUS «ABOUT THE PROCEDURE OF PUBLIC CONTROL OF THE COMPLIANCE WITH THE LABOR PROTECTION LEGISLATION CARRIED-OUT BY THE PERSONS AUTHORIZED TO CONTROL AN ORGANIZATION EMPLOYEES' LABOR PROTECTION» DD. 28.11.2008 AND THE ARTICLES OF ASSOCIATION OF THE BELARUSIAN FEDERATION OF TRADE UNIONS. THE EXECUTIVES PROCEED TO INDIVIDUAL WORK AFTER TAKING A SPECIAL TRAINING COURSE AT THE PRIVATE UNITARY ENTERPRISE «EDUCATIONAL-METHODIC CENTER OF GOMEL REGIONAL TRADE UNIONS».

AT THE SECOND STAGE THE CONTROL OF COMPLIANCE WITH THE LEGISLATION AND CHECKING OPERATING SAFETY ORGANIZATION IN CONFORMITY WITH LOCAL REGULATIONS



Social activity



IS CARRIED OUT BY 30 PUBLIC COMMISSIONS INCLUDING REPRESENTATIVES OF THE STRUCTURAL SUBDIVISIONS MANAGEMENT. THEIR ACTIVITY IS SPECIFIED BY THE DECREE OF PRESIDUM OF THE BELARUSIAN TRADE UNIONS FEDERAL COUNCIL No. 59 DD. 24.04.2003.

DURING 2015, 50 166 INSPECTIONS WERE CARRIED OUT TO CHECK OBSERVANCE OF THE LABOUR PROTECTION LAW, IN THE RESULT, 56 121 NON-CONFORMITIES WERE DETECTED, AND 3 737 RECOMMENDATIONS WERE ISSUED, 772 REQUESTS RELATED TO LABOUR PROTECTION.

50 166

NUMBER OF INSPECTIONS
IN STRUCTURAL DIVISIONS OF BSW
REGARDING FULFILLMENT OF LABOUR
LEGISLATION AND LABOUR
PROTECTION LAW.

FOR STIMULATION AND IMPROVEMENT OF PERSONAL RESPONSIBILITY OF THE EMPLOYEES FOR OBSERVATION OF SAFE LABOR RULES AND NORMS, A CORRESPONDING LOCAL NORMATIVE-LEGAL ACT

STIPULATES MATERIAL INCENTIVES OF EMPLOYEES WHO HAVE NO VIOLATIONS OF THE REQUIREMENTS OF LABOR AND FIRE SAFETY, AND INDUSTRIAL SANITARY. IN 2015 THE AMOUNT OF SUCH PAYMENTS EQUATED TO BR172 MILLION. BESIDES, LABOR SAFETY COLUMN FUNCTIONS IN THE PLANT'S INFORMATION-REFERENCE SYSTEM INFOB-MZ (INTERNAL SITE). IT INCLUDES AND UPDATES NATIONAL AND LOCAL ACTS RELATED TO LABOR PROTECTION AND INDUSTRIAL SAFETY, THE FOLLOWING JOURNALS: LABOR PROTECTION, INDUSTRIAL SAFETY AND SOCIAL PROTECTION, RESCUE SERVICE, CIVIL PROTECTION, ETC.

FOLLOWING THE PRINCIPLES OF SOCIAL RESPONSIBILITY IN ADDITION TO OBLIGATORY INSURANCE, THE EMPLOYER SIGNED AN AGREEMENT WITH PROMTRANSINVEST LTD. «ABOUT OBLIGATORY INSURANCE OF CIVIL RESPONSIBILITY OF THE EMPLOYER FOR ITS EMPLOYEES' HEALTH AND LIFE INJURY». ACCORDING TO THE AGREEMENT, BESIDE INSURANCE CASES ANTICIPATED BY OBLIGATORY INSURANCE EVERY EMPLOYEE OF THE COMPANY WAS ADDITIONALLY INSURED FROM NON-PRODUCTION ACCIDENTS OCCURRING WITHIN ONE HOUR DURING THE WAY TO AND FROM WORK.

ACHIEVEMENT OF THE FOLLOWING LEVEL OF THE BASIC TARGET VALUES REGARDING THE WORKS SOCIAL-ECONOM-

IC DEVELOPMENT (IN THE SPHERE OF LABOR PROTECTION AND INDUSTRIAL SAFETY) IS SCHEDULED 2016:

— — PREVENT THE OCCUPATIONAL TRAUMATISM GROWTH AS COMPARED TO THE LEVEL OF 2015;

— PROVIDE FOR ADDITIONAL SAFETY OF LABOR FOR WORKERS OF THE SHOPS, PERS. — 261;

— IMPROVE PRODUCTION ENVIRONMENT OF WORKERS OF THE SHOPS, PERS.— 79;

— IMPROVE SANITATION AND HOUSEHOLD CONDITIONS FOR THE EMPLOYEES, PERS. — 16;

— IMPROVE DRINKING CONDITION OF WORKERS OF THE SHOPS, PERS. — 65.

HEALTH PROTECTION

THE COMPANY MEDICAL PROPHYLACTIC ASSISTANCE RENDERED TO THE EMPLOYEES IS ORGANIZED IN ACCORDANCE WITH THE STATE PROGRAM OF AMBULATORY ASSISTANCE TO THE POPULATION AND FULFILLS THE TASKS RELATED WITH HEALTH PROTECTION, MEDICAL AND SANITARY SUPPORT OF THE PRODUCTION PROCESS, DISEASE PREVENTION AND FOLLOW-UP CARE, AND ENSURES COOPERATION OF THE PLANT'S DIVISIONS IN SOLVING ISSUES OF LABOR SAFETY AND PROTECTION OF THE EMPLOYEES' HEALTH.

FORMATION OF THE STRATEGY AND TACTICS IN THE AREA OF HEALTH PROTECTION IS STATED IN THE COMPREHENSIVE PROGRAM «HEALTH-2015» WHICH COORDINATES THE INTERACTION OF THE ADMINISTRATION, MEDICAL STAFF, INDUSTRIAL SAFETY BOARD, MEMBERS OF THE COMMUNITY AND CONSUMER FACILITIES, TRADE UNION IN THE AREA OF DISEASE AND TRAUMATISM PREVENTION AND PROMOTION OF A HEALTHY LIFESTYLE.

THE MAJOR ITEMS OF THE WORKS SOCIAL POLICY AND THE «HEALTH -2015» ARE: ENHANCEMENT OF THE PREVENTIVE MEDICAL AID LEVEL; ORIENTATION OF THE MEDICAL AID SYSTEM AT INCREASING THE AMBULATORY SEGMENT EFFICIENCY; COMPLIANCE OF THE ON-SITE WORK PLACES WITH THE TECHNOLOGICAL AND SANITARY-HYGIENIC NORMS; IMPROVEMENT OF ECOLOGICAL EVENTS AND ENVIRONMENTAL PROTECTION NORMS; DEVELOPMENT OF THE PLANT PERSONNEL'S STRONG ORIENTATION AT



HEALTHY LIFESTYLE AND CREATION OF CONDITIONS FOR IMPROVEMENT OF THE LIFE QUALITY.

THE COMPANY DEVELOPS AND IMPROVES ITS OWN MEDICAL FACILITIES AIMED AT BRINGING MEDICAL ASSISTANCE CLOSE TO THE EMPLOYEES AND RENDERING MEDICAL ASSISTANCE TO THE CITIZENS OF THE TOWN AND INHABITANTS OF THE REGION.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SPENT **USD875** THOUSAND FOR MEDICAL CENTER FINANCING IN **2015**.

THE CLINIC OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING INCLUDES: **9** FIRST-AID STATIONS, A POLYCLINIC FOR **250** VISITS PER SHIFT (TOTAL AREA EXCLUDING CORRIDORS, AUXILIARY AND OTHER ROOMS) EQUALS TO **2386,1** SQ.M). IT COMPRISES: THERAPY, DEPARTMENT FOR DAILY STAY FOR **20** BEDS, PHYSIOTHERAPEUTICS DEPARTMENT (INCLUDING EXERCISE THERAPY ROOM, MECHANOTHERAPY, INHALATORIUM, THERAPEUTIC MASSAGE ROOM, AND LAZAR THERAPY), CLINICODIAGNOSTIC LABORATORY (WITH CLINICAL AND BIOCHEMICAL DEPARTMENTS TO FULFILL CLINICAL AND BIOCHEMICAL INVESTIGATIONS), X-RAY DIAGNOSTICS ROOM, **WS** DIAGNOSTICS, CENTRALIZED STERILIZATION DPT., FUNCTIONAL DIAGNOSTICS ROOM (ELECTROCARDIOGRAPHY, SPIROGRAPHY, **HOLTER** MONITORING, **SMAD** CARDIAN **MD** TO MONITOR THE LEVEL OF ARTERIAL BLOOD PRESSURE, INVESTIGATION OF CEREBRAL HAEMODINAMICS), MEDICAL CERTIFICATE REGISTRATION ROOM, ROOM FOR PRELIMINARY EXAMINATION, SPECIAL DOCTORS' ROOMS: NEUROLOGIST, TRAUMATOLOGIST, OPHTHALMOLOGIST, OTOLARYNGOLOGY, UROLOGIST, DERMATOLOGIST.

MEDICAL DEPARTMENT IS THE BASIS OF MEDICAL SERVICE OF THE ENTERPRISE. MODERN MEDICAL EQUIPMENT AND HIGH PROFESSIONALISM OF MEDICAL WORKERS ALLOW INVESTIGATION WITH LABORATORY, FUNCTIONAL, AND INSTRUMENTAL DIAGNOSTICS. DOCTORS OF NARROW SPECIALTIES RENDER A WIDE RANGE OF MEDICAL SERVICES.

THE CLINIC IS EQUIPPED WITH STATE-OF-THE-ART EQUIPMENT AND ITS MATERIAL – TECHNICAL BASE IS CONTINUOUSLY IMPROVED. MEDICAL SERVICE CAN BE RENDERED WITH TEMPORARY INTERRUPTION OF PRO-

222 029

NUMBER OF VISITS TO THE PLANT'S MEDICAL
DEPARTMENT IN **2015**

DUCTION ACTIVITY. IN **2015** THIS FORM OF MEDICAL CARE WAS USED BY MORE THAN **68** PEOPLE, THUS GIVING THE POSSIBILITY TO MAINTAIN THE LEVEL OF LABOR PRODUCTIVITY AND SAVE RESOURCES OF THE SOCIAL SECURITY FUND. TREATMENT AND PHYSIOTHERAPEUTIC PROCEDURES ARE RENDERED CLOSE TO THE PRODUCTION ON THE BASIS OF REHABILITATION CENTRES LOCATED IN THE PRODUCTION SHOPS.

MEDICAL DEPARTMENT PERSONNEL CONSISTS OF **136** PEOPLE INCLUDING: **35** DOCTORS, **82** – MEDICAL PERSONNEL WITH SECONDARY SPECIALIZED EDUCATION AND **19** PARAMEDICAL SPECIALISTS.

74,28 % OF DOCTORS HAVE THE FIRST AND THE SECOND QUALIFICATION CATEGORIES. **64,63 %** OF THE PARAMEDICAL PERSONNEL ARE ATTESTED FOR CATEGORIES.

THE CLINIC HAS **7** SHOP THERAPEUTIC STATIONS SERVING APPROXIMATELY **2017** PEOPLE EACH.

222 029 PEOPLE VISITED THE CLINIC IN **2015**, WHICH IS **6256** PEOPLE MORE THAN IN **2014**. **77,63 %** OF THE TOTAL NUMBER OF VISITS WERE RELATED TO DISEASES. A POSITIVE THING IN SEASONAL DISEASE PREVENTION IS THE POSSIBILITY FOR EMPLOYEES TO HAVE A VOLUNTARY ANTI FLU VACCINATION FREE OF CHARGE.

CONTINUOUS ATTENTION IS PAID TO DISEASE PREVENTION, THEIR TIMELY DETECTION AND MEDICAL TREATMENT. PERIODIC MEDICAL EXAMINATIONS REMAIN THE BASIC MECHANISM OF THE EMPLOYEES' HEALTH CONTROL. EXAMINATIONS GIVE A POSSIBILITY IMMEDIATELY TO DETECT PRESENCE OF HARMFUL AND DANGEROUS PRODUCTION FACTORS AND TAKE MEASURES FOR THEIR ELIMINATION THUS ALLOWING PREVENTION OF PROFESSIONAL DISEASE DEVELOPMENT AND HELPING TO PREVENT PRODUCTION TRAUMATISM. WORKERS WHO ARE INFLUENCED BY DANGEROUS AND HARMFUL FACTORS AT THEIR WORK PLACES ARE ADDITIONALLY THOROUGHLY EXAMINED INCLUDING INSTRUMENTAL LABORATORY STUDIES AND CONSULTATIONS



Social activity



GIVEN BY NARROW SPECIALISTS CONSIDERING INDUSTRY PECULIARITIES AND PROFESSION OF A WORKER. WITHIN THE FRAMEWORK OF THIS PROJECT MORE THAN 13023 EMPLOYEES INCLUDING 3725 WOMEN WERE THOROUGHLY EXAMINED IN 2015. A SINGLE PROFESSIONAL DISEASE WAS DETECTED. DUE TO DISPENSARY GROUP CHANGE 400 PEOPLE WERE RECOMMENDED A MORE ADEQUATE EMPLOYMENT.

SO AS TO MAKE TREATMENT OF PATIENTS AT THE MEDICAL DEPARTMENT SIMPLER, PROVIDE OPERATION OF THE MEDICAL ROOMS AND SERVICES IN THE AUTOMATIC MODE, AN ELECTRONIC AMBULATORY CHART OF A PATIENT WAS FORMED.

DUE TO COUNTRYWIDE DISTRIBUTION OF CHRONIC DISEASES, DEMAND FOR MORE EFFECTIVE AND CONVENIENT METHODS OF TREATMENT GROWS. THIS PROBLEM CAN BE SOLVED ONLY SUBJECT TO THE PRINCIPAL EMPHASIS BEING PLACED ON PREVENTION OF DISEASES AND POPULARIZATION OF HEALTHY LIFESTYLE.

MEDICAL SERVICES ARE DEMANDED BY THE CITIZENS OF OUR REGION. IN 2015 PROCEEDS FROM MEDICAL SERVICES MADE UP USD39,660.

EFFECTIVENESS OF MEDICAL AND HEALTH PROMOTION PROGRAMS

THE MEANS INVESTED IN THE COMPANY EMPLOYEES' HEALTH, MEDICAL SERVICE QUALITY ENHANCEMENT AND IMPLEMENTATION OF MODERN TREATMENT METHODS TOGETHER WITH SUCCESSFUL REALIZATION OF THE EMPLOYEES' HEALTH PROMOTION PROGRAM IN SANATORIUMS AND VACATION HOUSES ALLOWS US TO SUSTAIN THE POSITIVE DYNAMICS OF LOWERING THE EMPLOYEES' DISEASE.

IN THE RESULT OF PREVENTION AND EARLY DETECTION OF DISEASES, INDICATORS OF THE EMPLOYEES' HEALTH IM-

PROVED AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING AS WELL AS QUALITY OF THEIR LIFE. DISEASES WITH TEMPORARY DISABILITY MADE UP 720,48 DAYS PER 100 EMPLOYEES IN 2015, WHICH IS 143,45 DAYS LESS THAN IN 2014. DECREASE OF DISEASES IN ABSOLUTE DAYS WAS DECREASED BY 16,3%.

IN 2015 THE PLANT CONTINUED A PROPHYLACTIC MEDICAL EXAMINATION OF ALL EMPLOYEES. THE GROUP OF EMPLOYEES REGULARLY FOLLOWED-UP INCREASED BY 1246 PEOPLE AS COMPARED TO 2014.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING TAKES PART IN IMPLEMENTATION OF THE NATIONAL PROGRAM OF DEMOGRAPHIC SAFETY AIMED AT IMPROVEMENT OF THE CONDITION OF PREGNANT WOMEN AND THOSE WHO GAVE BIRTH TO CHILDREN, PREPARATION FOR CHILDBIRTH AND UPBRINGING.

SPECIALISTS OF THE MEDICAL CENTRE DIRECTLY PARTICIPATE IN A PURPOSEFUL SANITARY EDUCATIONAL WORK RELATED TO PREVENTION OF TUBERCULOSIS AND AIDS.

SINCE 2010 BELARUSIAN RED CROSS SOCIETY (BRCS) STARTED TO IMPLEMENT AN INNOVATIVE PROJECT «PREVENTION OF HIV IN THE AREA OF LABOUR» UNDER THE MOTTO «WE ARE FOR HEALTH @ WORK».

AIM OF THIS PROJECT IS TO IMPROVE MEASURES OF PREVENTION OF HIV-INFECTION IN THE AREA OF LABOUR AND IMPROVE EFFICIENCY OF THEIR IMPLEMENTATION, SOLVING OF THE EMPLOYEES' PROBLEMS RELATED TO PRESERVATION OF REPRODUCING HEALTH, ARRANGEMENT OF EVENTS AT THE ENTERPRISE AIMED AT DISEASES PREVENTION, FORMATION OF A RESPONSIBLE BEHAVIOR AND ADEQUATE ATTITUDE TO THE PEOPLE HAVING HIV.

THE PROGRAM «HEALTH @ WORK» HELPS THE EMPLOYEES TO UNDERSTAND SERIOUSNESS OF THE PROBLEMS

Description	Unit	2010	2011	2012	2013	2014	2015
Temporary disability (diseases and injuries)	cases	12 345	12 210	12 448	10 813	8463	8960
	days	125 649	124 721	133 866	122 403	101 495	90 717



RELATED TO HIV- INFECTION AND PROTECT THEIR HEALTH IN DUE TIME.

A POLICY AIMED AT PREVENTION OF DISTRIBUTION OF HIV-INFECTION WAS ADOPTED AND APPROVED BY THE GENERAL DIRECTOR OF THE ENTERPRISE. EVERY YEAR WE DEVELOP AN ANNUAL PLAN FOR HIV-INFECTION PREVENTIVE MEASURES. A SEPARATE PLAN FOR HIV/AIDS PREVENTION IS DEVELOPED AT THE PLANT HOSTEL FOR SINGLE EMPLOYEES.

DURING 2015 BYELORUSSIAN STEEL WORKS ARRANGED A NUMBER OF EVENTS UNDER THE PROGRAM «HEALTH @ WORK» INCLUDING INFORMATION AND CONSULTATIVE MEETINGS WITH THE COMPANY PERSONNEL, PLACING OF INFORMATION AND EDUCATIONAL MATERIALS DEDICATED TO THE PROBLEM OF HIV-INFECTION DISSEMINATION AND PREVENTIVE MEASURES ON SPECIALIZED STANDS LOCATED AT HOSTELS, THE SPORT FACILITY, THE PALACE OF CULTURE, STRUCTURAL DIVISIONS AND MEDICAL CENTER, NATIONAL INFORMATION AND EDUCATION ACTION «YOUR TOPIC!» ATTRACTING YOUNG EMPLOYEES AS CONSULTANTS-VOLUNTEERS DEDICATED TO THE WORLDWIDE DAY OF AIDS PREVENTION (INTERACTIVE SITES TO ATTRACT ATTENTION OF THE COMPANY EMPLOYEES WERE ARRANGED IN THE ADMINISTRATIVE BUILDING OF THE PIPE MILL AND SWS-1), INFORMING OF THE PLANT'S EMPLOYEES WITH THE HELP OF MASS MEDIA.

WHEN HIRING NEW EMPLOYEES, THEY ARE INFORMED ABOUT THE «HEALTH @ WORK» PROGRAM. SPECIALISTS OF THE PLANT MEDICAL DEPARTMENT PARTICIPATE IN THE WORK OF THE DISTRICT INTERAGENCY COMMITTEE FOR PREVENTION OF HIV/AIDS AND VENEREAL DISEASES.

WITHIN THE FRAMEWORK OF IMPLEMENTATION OF THE REGIONAL ACTION TIMED TO THE WORLDWIDE DAY OF AIDS PREVENTION A REPRESENTATIVE OF BYELORUSSIAN STEEL WORKS PARTICIPATED IN THE SEMINAR – WORKSHOP «ORGANIZATION OF INFORMATION-EDUCATIONAL WORK DEDICATED TO HIV/AIDS PREVENTION AT ENTERPRISES, ORGANIZATIONS, AND INSTITUTIONS OF ZHLOBIN DISTRICT» ON THE BASIS OF ZHLOBIN DISTRICT ORGANIZATION OF BELARUSIAN RED CROSS.

FOR MONITORING OF THE QUALITY OF MEDICAL-PREVENTIVE AID AND TARGET PROGRAMS WE USE THE PRACTICE

OF INTERVIEWS WITH THE SPECIALISTS OF THE MEDICAL CENTER AND THE RECIPIENTS OF THE SERVICES. THE MANAGEMENT OF THE MEDICAL CENTER TAKES THEIR RECOMMENDATIONS INTO ACCOUNT.

RATING OF THE MEDICAL CENTER WORK IN 2015 GREW AND IS AT THE HIGH LEVEL OF 0,70 (IN 2014 THE SATISFACTION INDEX WAS 0,62).

SOCIAL PACKAGE OF BENEFITS AND GUARANTEES OF THE EMPLOYEES

SUPPORTING SOCIAL DEVELOPMENT OF THE EMPLOYEES AND LOCAL COMMUNITY, BYELORUSSIAN STEEL WORKS FOLLOWS THE PRINCIPLES OF A RESPONSIBLE BUSINESS PRACTICE FORMULATED IN THE UN GLOBAL COMPACT AND OTHER INTERNATIONAL ACTS.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING REALIZES THAT IN PRESENT DAY BUSINESS CONDITIONS SUSTAINABILITY OF AN ENTERPRISE IS DETERMINED NOT ONLY BY THE ECONOMIC EFFICIENCY FACTORS, BUT BY PARAMETERS OF EFFECTIVENESS OF THE CORPORATE SOCIAL POLICY AS WELL.

LONG-TERM BUSINESS STABILITY DEPENDS ON THE SOCIAL-ECONOMIC STABILITY OF THE REGION OF THE ENTERPRISE' OPERATION. CORPORATE SOCIAL RESPONSIBILITY POLICY IN RESPECT OF OWN EMPLOYEES AND LOCAL COMMUNITIES IS A STRATEGIC DIRECTION OF THE ENTERPRISE' ACTIVITY. EMPLOYEES ARE THE MAIN RESOURCE OF THE COMPANY FOR OBTAINING COMPETITIVE BENEFITS.

THE PLANT INVESTS CONSIDERABLE RESOURCES IN FORMATION OF AN INTERESTED, RESPONSIBLE PERSONNEL, IMPROVEMENT OF LABOUR CONDITIONS, PROVISION OF SOCIAL PROTECTION TO THE EMPLOYEES.

THE SOCIAL POLICY OF THE ENTERPRISE PROMOTES MAINTENANCE OF COMPETITIVE BENEFITS OF THE COMPANY, FORMS A HIGHLY-QUALIFIED TEAM OF EMPLOYEES ABLE TO WORK EFFICIENTLY IN THE CONDITIONS OF A TOUGH COMPETITION.

IN 2015 OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING FULFILLED SOCIAL PROGRAMS BASED ON THE COLLECTIVE AGREEMENT IN ACCORDANCE WITH THE BUDGET FOR THE SOCIAL AREA AT THE EXPENSE OF OWN ASSETS OF THE PLANT AND SOCIAL INSURANCE FOUNDA-



Social activity

3,2

THE AMOUNT OF FINANCING OF SOCIAL PROGRAMS IN 2015 (\$ MLN)

SOCIAL PROGRAMS IN SPITE OF A COMPLICATED ECONOMIC SITUATION IN THE COUNTRY IN 2015, THEIR FINANCING MADE UP USD3,2 MILLION.

PRIORITY DIRECTIONS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SOCIAL POLICY ARE:

- CREATION OF FAVORABLE CONDITIONS FOR THE WORKERS AND THEIR FAMILIES FOR SOLVING ALL THE WELFARE ISSUES: TREATMENT AND MEDICAL SERVICE, SAVING OF REPRODUCTIVE HEALTH, HEALTH IMPROVEMENT AND VACATIONS, PROMOTION OF HEALTHY LIFESTYLE STANDARDS, IMPROVEMENT OF LIVING CONDITIONS AND CULTURAL SERVICE;
- RENDERING OF SOCIAL AND VOLUNTARY SUPPORT FOR PENSIONERS, THE DISABLED, CHILDREN, THE COMPANY EMPLOYEES HAVING LARGE FAMILIES;
- OFFERING OF A SPONSORSHIP AND BENEFICENT AID FOR SPORT ORGANIZATIONS AND ORGANIZATIONS REPRESENTING OTHER SPHERES OF SOCIAL LIFE;
- OFFERING OF A WIDE SCOPE OF QUALITY SERVICES FOR THE INHABITANTS OF THE TOWN AND SURROUNDING AREA BY THE SOCIAL SERVICES.

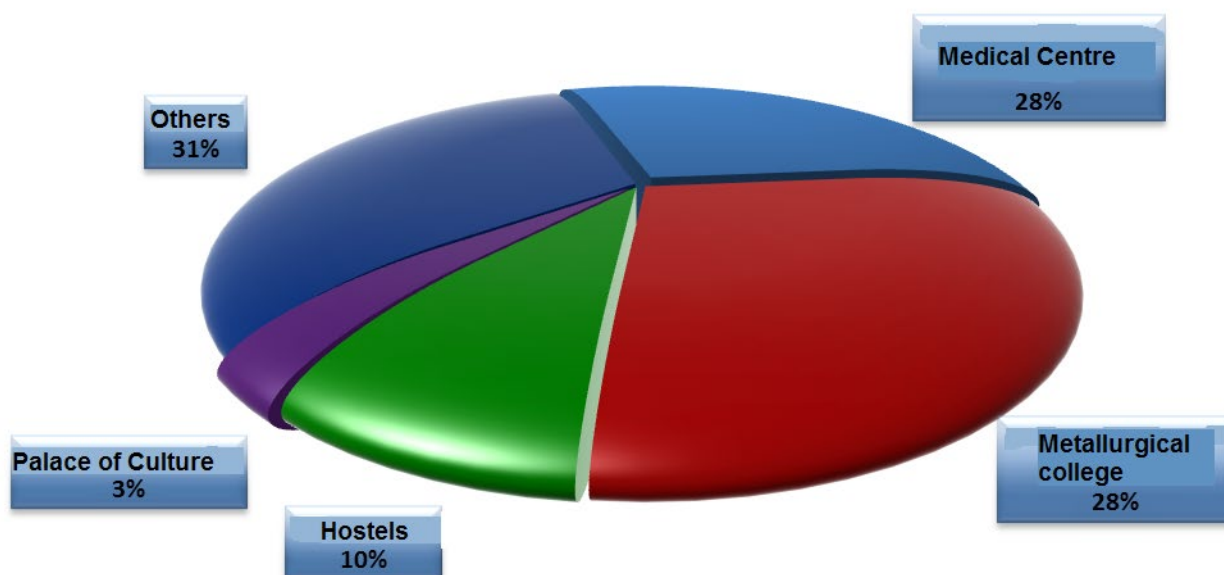
TION OF THE REPUBLIC OF BELARUS. IN 2015 OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CONTINUED TO FULFILL ITS OBLIGATIONS OF ALL SO-

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING MAKES CONSIDERABLE INVESTMENTS INTO EDUCATION AND PERSONNEL QUALIFICATION ENHANCEMENT, LABOR CONDITIONS IMPROVEMENT, ENSURING EMPLOYEES SOCIAL SECURITY. IT PARTICIPATES IN SOLVING SOCIALLY SIGNIFICANT ISSUES IN THE REGION CONSIDERING THIS ACTIVITY TO BE A CONSTITUENT PART OF ITS BUSINESS AND SOCIAL INVESTMENTS INTO THE INHERENT ELEMENT OF CORPORATE RESPONSIBILITY. IN ORDER TO STIMULATE LABOR PRODUCTIVITY IMPROVEMENT AND PERSONNEL MANAGEMENT COST OPTIMIZATION, IN ADDITION TO SALARY, BYELORUSSIAN STEEL WORKS USES A SOCIAL PACKAGE THAT MADE UP OVER USD807 PER EMPLOYEE IN 2015.

THE COMPANY SOCIAL SPHERE EXPENDITURES AT THE EXPENSE OF PROFIT EQUALED TO USD 3,2 MILLION INCLUDING:

- MEDICAL SERVIC — USD0,9 MLN
- METALLURGICAL COLLEGE — USD 0,9 MLN;
- HOSTELS — USD 0,3 MLN;
- PALACE OF CULTURE OF METALLURGISTS — USD 0,1 MLN;
- OTHERS (MUSEUM, CANTEENS) — USD 1,0 MLN.

BYELORUSSIAN STEEL WORKS IMPLEMENTS ITS SOCIAL POLICY IN THE FOLLOWING PRIORITY DIRECTIONS:





- LABOR SAFETY;
- REST AND HEALTH PROMOTION OF THE EMPLOYEES AND THEIR FAMILY MEMBERS;
- PHYSICAL CULTURE AND SPORT DEVELOPMENT;
- CULTURAL LIFE OF THE WORKS EMPLOYEES;
- SOLVING OF THE LIVING CONDITIONS ISSUES OF THE EMPLOYEES;
- SUPPORT OF LARGE FAMILIES;
- SOCIAL SUPPORT OF UNEMPLOYED PENSIONERS, INVALIDS AND OTHER CATEGORIES OF LOWER-INCOME CITIZENS;
- CHILD CARE.

HEALTH PROMOTION AND REST TIME OF THE EMPLOYEES AND THEIR FAMILIES

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING STRIVES FOR IMPROVEMENT OF THE CONDITIONS FOR HEALTH PROMOTION AND REST OF ITS EMPLOYEES AS WELL AS ALL STAKEHOLDERS IN THE TOWN OF ZHLOBIN AND REGION. AT PRESENT THE WORKS OFFERS HIGH-QUALITY SERVICES THAT CAN SATISFY ANY CLIENT. «DNEPROVSKIYE ZORI» RECREATION CENTER IS LOCATED ON A PICTURESQUE BANK OF THE DNIEPER RIVER, IN A PINE FOREST AND IS MEANT FOR ORGANIZING SPORT AND CULTURAL EVENTS. IN 2015, 1670 PEOPLE HAD REST THERE (1424 PEOPLE IN 2014).

EVERY YEAR COMPANY EMPLOYEES AND MEMBERS OF THEIR FAMILIES SPEND HOLIDAYS IN SANATORIUMS AND VACATION HOUSES OF THE REPUBLIC OF BELARUS. FINANCING OF HEALTH PROMOTION PROGRAMS AND SANATORIUM-RESORT THERAPY IS FULFILLED ON THE PRINCIPLES OF A JOINT PARTICIPATION AT THE EXPENSE OF THE WORKS BUDGET, STATE SOCIAL INSURANCE AND EMPLOYEES' MEANS.

HEALTH PROMOTION OF THE EMPLOYEES AND THEIR FAMILY MEMBERS IS FULFILLED OUT OF PROFIT AND SOCIAL INSURANCE ASSETS. IN 2015, 144 VOUCHERS WERE RECEIVED FROM THE SOCIAL INSURANCE ASSETS. 196 PEOPLE HAD REST AT HEALTH RESORTS AND SANATORIUMS OF THE TRADE UNION FEDERATION AT 25% DISCOUNT.

FOR HEALTH PROMOTION AND SUMMER REST OF THE EMPLOYEES' CHILDREN THE PLANT BOUGHT 1177 VOUCHERS

AND SPENT \$ 405 711 OUT OF THE PLANT'S PROFIT.

INFORMATION ABOUT AVAILABILITY OF VOUCHERS IN THE AREA OF SOCIAL INSURANCE IS REGULARLY BROUGHT TO THE ATTENTION OF CHAIRMEN OF THE TRADE UNION COMMITTEES OF THE SHOPS, IS ALLOCATED ON INFORMATION STANDS AND ISSUED IN THE NEWSPAPER «METALLURG».

PHYSICAL CULTURE AND SPORT DEVELOPMENT

PHYSICAL CULTURE AND SPORT IS A CONSTITUENT PART OF A HEALTHY LIFESTYLE, HENCE FORMING THE DEMAND IN REGULAR SPORT ACTIVITIES WITH WORKERS IS A PRIORITY DIRECTION OF THE SOCIAL POLICY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. THIS TYPE OF ACTIVITY IS SPECIFIED BY THE CORRESPONDING PROVISIONS AND CLAUSES OF THE COLLECTIVE AGREEMENT WITH DIRECT PARTICIPATION OF AND FINANCIAL SUPPORT BY THE TRADE UNION COMMITTEE OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING.

AT PRESENT, THE PLANT OFFERS ITS SPORT AND RECREATION CENTER FOR THE EMPLOYEES AND THE TOWN RESIDENTS TO GO IN FOR SPORTS AND CONDUCT OUTDOOR ACTIVITIES. REALIZATION OF THE COMPANY SOCIAL MANDATE REGARDING THE DEVELOPMENT OF THE MASS PHYSICAL CULTURE AND SPORT AND FOLLOWING HEALTHY LIFESTYLE ARE ASSIGNED TO THIS FACILITY HAVING THREE GYMS: FOR EXERCISING, PLAYING GAMES AND TENNIS.

DURING SCHOOL VOCATIONS A TRADITIONAL NEW YEAR CHILDREN'S TOURNAMENT IN MINI-FOOTBALL WAS HELD IN THE CENTER. SPORT CONTEST «THE FATHERLAND DEFENDER» WAS ALSO HELD IN 6 KINDS OF SPORT AMONG YOUTH TEAMS OF THE ENTERPRISES OF THE HOLDING AND THE PLANT'S STRUCTURAL DIVISIONS, AS WELL AS XXVI INTERNATIONAL LIGHT-ATHLETICS RACE DEDICATED TO THE DAY OF METALLURGISTS PARTICIPATED BY 200 SPORTSMEN INCLUDING ATHLETES FROM RUSSIA AND THE UKRAINE.

THE COMPANY EMPLOYEES SUPPORT THE HONOR OF THE ENTERPRISE AT THE COMPETITIONS OF VARIOUS LEVELS; SOME OF THEM ARE ACTING PARTICIPANTS OF THE NATIONAL TEAMS OF THE REPUBLIC OF BELARUS. PLANT'S

406

ASSETS SPENT OF HEALTH
PROMOTION AND SUMMER
REST OF THE EMPLOYEES'
CHILDREN (\$ THOU.)



Social activity



BASKETBALL TEAM IS A MEMBER OF THE NON-PROFESSIONAL BASKETBALL LEAGUE OF THE REPUBLIC OF BELARUS, PLANT'S VOLLEYBALL PLAYERS MAKE THE BASIS OF THE TEAM PLAYING IN THE 1ST LEAGUE OF THE REPUBLIC OF BELARUS.

PRIORITY WORK DIRECTIONS OF THE SPORT AND RECREATION CENTER ARE:

- ORGANIZATION OF SPORT AND HEALTH PROMOTION AS WELL AS MASS SPORT WORK AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING;
- STRENGTHENING THE COMPANY EMPLOYEES' HEALTH, ENHANCING THEIR WORKING EFFICIENCY, STRESS RESISTANCE, HEALTHY LIFESTYLE PROMOTION;
- SATISFACTION OF THE COMPANY EMPLOYEES' NEEDS FOR SYSTEMATIC SPORT AND PHYSICAL CULTURE ACTIVITIES, THE EMPLOYEES' HEALTH PROMOTION, FORMATION OF PHYSICALLY DEVELOPED AND HEALTHY CITIZENS;
- ENGAGING CHILDREN AND TEENAGERS IN REGULAR SPORT ACTIVITIES.

2593

NUMBER OF PARTICIPANTS
OF THE ALL-YEAR-ROUND
SPORT CONTEST
IN 2015

MAIN FORM OF INVOLVING EMPLOYEES IN SPORT ACTIVITIES IS ANNUAL ALL-THE-YEAR-ROUND SPORT CONTEST. IN 2015 THE COMPANY ARRANGED 24 EVENTS PARTICIPATED BY 2593 EMPLOYEES.

PLANT'S TEAMS PARTICIPATED IN THE FOLLOWING SPORT EVENTS:

- DISTRICT SPORT CONTEST AMONG ENTERPRISES OF THE TOWN OF ZHLOBIN (1ST PLACE);
- LIGHT-ATHLETICS RELAY RACE DEDICATED TO THE VICTORY DAY (1ST PLACE);
- RUNNING FESTIVAL MINSK POLO MARATHON (30 EMPLOYEES).

IN ORDER TO ORGANIZE THE WORKERS' LEISURE TIME AND PROMOTE HEALTHY LIFESTYLE AMONG EMPLOYEES AND THEIR FAMILY MEMBERS THE COMPANY IMPLEMENTED A PROGRAM OF COLLECTIVE VISITS TO THE TOWN SPORT AND RECREATION CENTER, ICE PALACE, SWIMMING POOL AND

AQUA-PARK, SPORT FACILITIES OF THE REPUBLIC: SILICHI, LOGOISK, AND OTHERS.

ENGAGING THE COMPANY EMPLOYEES INTO SPORT ACTIVITIES CONTRIBUTES TO BOTH THEIR HEALTH-IMPROVEMENT AND FORMING SPECIFIC CORPORATE SPIRIT OF THE ENTERPRISE THAT HELPS TO SOLVE THE MOST CHALLENGING PRODUCTION PROBLEMS.

THE TRADE UNION COMMITTEE OF THE ENTERPRISE PLAYS A SIGNIFICANT ROLE IN REALIZATION OF THE POLICY OF A HEALTHY LIFESTYLE AT BYELORUSSIAN STEEL WORKS. \$56 100 WERE SPENT FOR ORGANIZATION OF SPORT ACTIVITY FROM THE TRADE UNION BUDGET. SEASON TICKETS FOR HOCKEY MATCHES AND SWIMMING POOL MEMBERSHIP CARDS WERE BOUGHT BY THE TRADE UNION COMMITTEE.

INVESTING IN SPORT INFRASTRUCTURE, THE PLANT SUPPORTS THE DEVELOPMENT OF THE SPORT OF HIGH ACHIEVEMENTS, SPORT POPULARIZATION IN PARTICULAR AMONG YOUNG PEOPLE. INVESTING IN SPORT INFRASTRUCTURE THE PLANT SUPPORTS THE DEVELOPMENT OF THE SPORT OF HIGH ACHIEVEMENTS, SPORT POPULARIZATION IN PARTICULAR AMONG YOUNG PEOPLE.

CULTURAL LIFE OF THE PLANT EMPLOYEES

AN IMPORTANT PART OF THE SOCIAL POLICY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS CREATION OF CONDITIONS FOR PROMOTION AND SPREADING OF MODERN CULTURE OF EFFECTIVE CORPORATE SOCIAL PRACTICE AND DEVELOPMENT OF THE CREATIVE POTENTIAL OF THE EMPLOYEES. DURING 21 YEARS A KEY ROLE IN ORGANIZATION OF CULTURAL LIFE OF THE EMPLOYEES AND THE REGION HAS BEEN PLAYED BY THE PALACE OF CULTURE OF METALLURGISTS. IT IS TRUE TO CONSIDER THE PALACE OF CULTURE OF METALLURGISTS TO BE THE CENTER OF MASS, CULTURAL AND EDUCATIONAL WORK DIRECTED TOWARDS SATISFACTION OF SPIRITUAL AND CULTURAL NEEDS OF ALL CATEGORIES OF CITIZENS

VARIOUS CULTURAL EVENTS OF EDUCATIONAL, AESTHETIC, ENTERTAINING CHARACTER FOR DIFFERENT AUDIENCES AND AGE GROUPS TAKE PLACE AT THE PALACE OF CULTURE. A LIST OF EVENTS IS VARIED: DIFFERENT PARTIES, DISCOTHEQUES, PERFORMANCES AND SHOWS, CONCERTS DEDICATED TO HOLIDAYS AND JUBILEES, CONTESTS, AMATEUR ARTS FESTIVALS, ETC.



October 21-22 - the work of Nataliya Khodosovskaya, lead production engineer of the RS lab and Olesya Rozhkova, CPL lead engineer, «Development of the defect classifier of seamless pipes produced at OJSC «BSW – management company of «BMC» holding was marked in the nomination «Best scientific-production work of a young scientist or an engineer» at the 23rd International STC «Foundry and metallurgy - 2015. Belarus», and its authors became laureates of the award of the Association of founders and metallurgists of the Republic of Belarus.



Social activity



THE PALACE OF CULTURE DOES NOT ONLY CHEER PEOPLE BUT DEVELOPS TALENTS, GIVES PEOPLE THE POSSIBILITY TO BE OCCUPIED WITH THEIR FAVORITE HOBBY, MAKE THE LEISURE TIME OF STEEL MAKERS AND THE INHABITANTS OF THE TOWN SPIRITUALLY RICH AND INTERESTING. ABOUT 400 PEOPLE ARE MEMBERS OF HOBBY GROUPS AND CREATIVE TEAMS, 300 OF THEM ARE CHILDREN.

16 CREATIVE TEAMS AND AMATEUR ASSOCIATIONS WORK AT THE PALACE OF CULTURE: 8 FOR GROWN-UPS AND 8 FOR CHILDREN WHICH UNITE 670 PEOPLE (568 OF THEM ARE CHILDREN). 6 COLLECTIVES WERE GIVEN THE HONORABLE TITLE OF «PEOPLE'S» AND «CLASSIC»: IN 2015 DANCE SHOW «CHANCE» WAS GIVEN THE TITLE OF A CLASSIC GROUP.

ALL EVENTS HELD AT THE PALACE OF CULTURE ARE INTER-RELATED AND DIRECTED TOWARDS REALIZATION OF CERTAIN PROGRAMS OF AN ENLIGHTENING, AESTHETIC, ENTERTAINMENT CHARACTER FOR VARIOUS AUDIENCE AND AGE CATEGORIES.

4730

NUMBER

OF PARTICIPANTS

OF CULTURAL MASS EVENTS

282 EVENTS WERE HELD IN THE PALACE OF CULTURE IN 2015 ENGAGING 4730 PEOPLE: AMONG THEM 2400 CHILDREN AND 307 PLANT'S EMPLOYEES.

DURING 2015 A NUMBER OF CULTURAL MASS EVENTS WERE ORGANIZED DEDICATED TO DIFFERENT HOLIDAYS INCLUDING PROFESSIONAL ONES. PCM COLLECTIVES TOOK PART IN REGIONAL AND DISTRICT ARRANGEMENTS AND CONCERT PROGRAMS DEDICATED TO THE DAY OF THE FATHERLAND DEFENDERS, WOMEN'S DAY, 70TH ANNIVERSARY OF THE GREAT VICTORY, INDEPENDENCE DAY, AND MOTHER'S DAY.

A GREAT EMPHASIS OF ITS ACTIVITY IS PLACED BY THE PALACE OF CULTURE ON WORK WITH CHILDREN WHICH IS EVIDENCED BY VARIOUS CONCERT PROGRAMS, PERFORMANCES, CONTESTS PARTICIPATED BY A LARGE NUMBER OF CHILDREN. XVII FESTIVAL «CHRISTMAS MUSIC STAIRCASE» WAS TRADITIONALLY HELD WITH A BIG SUCCESS. OVER 170 CHILDREN PARTICIPATED IN IT. ENTERTAINING DANCE PROGRAMS FOR CHILDREN, CONCERTS WITH PARTICIPATION OF MEMBERS OF CHILDREN'S GROUPS OF THE PALACE OF CULTURE ARE ALWAYS IN DEMAND WITH THE CITIZENS. TRADITIONALLY A CONCERT OF CHILDREN'S COL-

LECTIVES «A RADIANT SUN – A PRESENT TO MY MUM» WAS ORGANIZED ON MARCH 8 DEDICATED TO THE WOMEN'S DAY AND THE HOUSE WAS FULL. THE 1ST OF JUNE IS THE DAY OF CHILDREN'S DEFENSE. DANCE SHOW «CHANCE» TOOK PART IN THE MEETING-REQUIEM HELD AT THE WAR MEMORIAL IN THE SETTLEMENT OF KRASYI BEREG IN MEMORY OF CHILDREN – WAR VICTIMS. IN APRIL-MAY 2015, RESULTS OF THE EDUCATIONAL YEAR WERE DETERMINED: COLLECTIVES OF THE PALACE OF CULTURE BROUGHT THEIR CONCERTS TO THE ATTENTION OF THE SPECTATORS AS A KIND OF A REPORT ON THE WORK DONE. OVER 250 CHILDREN TOOK PART IN THESE CONCERTS. DURING VOCATIONS ENTERTAINING DANCE PROGRAMS WERE ARRANGED FOR SCHOOLCHILDREN «THAT'S GREAT!», «NAME DAYS», «STAR HISTORY», PERFORMANCE «ALL BOYS ARE FOOLS OR ONE DAY...». DURING THE YEAR, DIFFERENT STAGE ADAPTATIONS WERE ARRANGED FOR PRESCHOOL CHILDREN AND PRIMARY SCHOOL PUPILS: «TEREMOK», «DAY OF MAGIC», «MAGIC FLOWER MISTERY» (TOTAL 33 PERFORMANCES). ON THE DAY OF KNOWLEDGE FIRST-YEAR PUPILS AND PRIMARY SCHOOL PUPILS WERE SHOWN A PERFORMANCE «UNUSUAL LESSONS» BY THE PALACE OF CULTURE.

2015 WAS ANNOUNCED A YEAR OF YOUTH IN THE COUNTRY AND THE PALACE OF CULTURE STARTED ITS WORK UNDER THE SLOGAN «INITIATIVE, CREATIVITY, SEARCH». TO ENHANCE ENGAGEMENT OF YOUNG PEOPLE WITH CULTURAL ACTIVITY, CONTEST PROGRAMS WERE ORGANIZED: «BIG LOVE IN OUR TOWN» DEDICATED TO THE DAY OF LOVERS AND SHOW «MISS ZHLOBIN». IN JUNE, THE PALACE OF CULTURE ARRANGED A CONCERT OF THE YOUTH DANCE COLLECTIVE «MAXIMA» FROM MINSK. AN ENTERTAINMENT PROGRAM WAS ORGANIZED FOR PARTICIPANTS OF THE TOURIST GATHERING OF THE COMPANIES-MEMBERS OF BMC HOLDING HELD IN THE RECREATION CENTRE «DNEPROVSKIYE ZORI» (THE SETTLEMENT OF SHIKHOV) IN AUGUST. XIII REGIONAL INTEGRATION ART FESTIVAL OF DISABLED CHILDREN AND YOUNG PEOPLE «DO GOOD» TOOK PLACE AT THE PALACE OF CULTURE IN NOVEMBER. IT WAS DEDICATED TO THE YEAR OF YOUTH. A NEW SHOW PROJECT «BECOME A STAR» GATHERED TALENTED YOUNG BOYS AND GIRLS UNDER THE ROOF OF THE PALACE OF CULTURE. ABOUT 40 PEOPLE PARTICIPATED IN THE SELECTION ROUND. 29 OF THEM PERFORMED ON THE STAGE OF THE PALACE OF CULTURE ON DECEMBER 5, 2015.



PARTICIPATION IN CONTEST AND FESTIVALS HELPS TO IMPROVE THE LEVEL OF PROFESSIONAL SKILLS OF THE CREATIVE COLLECTIVES OF THE PALACE OF CULTURE.

IN APRIL 2015 CLASSIC VARIETY DANCE GROUP «FEI-ERVERK» TOOK PART IN THE FESTIVAL OF CHILDREN'S ART (THE CITY OF MINSK). PEOPLE'S QUIRE «KRYNITSA» PARTICIPATED IN THE NATIONAL FESTIVAL PEVCHESKOYE POLE» IN THE TOWN OF MYADEL IN JULY 2015 AND WAS AWARDED THE II DEGREE DIPLOMA. THE CREATIVE TEAM OF THE PALACE OF CULTURE IS IN A CONTINUOUS SEARCH FOR NEW FORMS OF ORGANIZATION OF CULTURAL LEISURE TIME OF THE CITIZENS, LOOKS FOR SOLUTIONS DIRECTED TOWARDS FULFILLMENT OF THE TASKS SET FOR PAID SERVICES RENDERED TO THE COMMUNITY.

WORK OF THE TEAM OF THE PALACE OF CULTURE COMPLETELY JUSTIFIES ITS HIGH MISSION. BEING THE CENTRE OF CULTURAL LIFE OF THE PLANT, TOWN AND REGION, THE PALACE OF CULTURE IS AN IMPORTANT CONSTITUENT PART OF THE CORPORATE STRATEGY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING.

SOLVING OF EMPLOYEES' HOUSING PROBLEMS

AN IMPORTANT PART OF THE SOCIAL POLICY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS ENGAGING AND PROMOTING YOUNG HIGHLY-PROFESSIONAL PRODUCTION STAFF. PROVISION WITH HOUSING IS ONE OF THE KEY FACTORS OF THE WORKING TEAM STABILITY AND SOCIAL ATTRACTIVENESS OF THE ENTERPRISE.

AS OF 31.12.2015, THE LIST OF EMPLOYEES IN NEED OF IMPROVEMENT OF THEIR LIVING CONDITIONS CONTAINED 723 PEOPLE (31.12.2014 - 661 PEOPLE), 229 FAMILIES ARE WAITING FOR A ROOM IN A FAMILY HOSTEL (31.12.2014 - 164 FAMILIES). DURING 2015, 130 EMPLOYEES WERE REGISTERED AS NEEDED ACCOMMODATION AND 227 ARE WAITING FOR A PLACE IN A HOSTEL. 68 PEOPLE WERE TAKEN OFF THE BOOK DUE TO THE RECEIPT OF A FLAT AND 162 DUE TO THE RECEIPT OF A PLACE IN A HOSTEL.

THE PLANT'S BALANCE INCLUDES 6 FAMILY HOSTELS WITH 661 FAMILIES (OR 2034 PEOPLE DWELLING IN THEM) AND ONE HOSTEL FOR SINGLE PEOPLE WITH 321 DWELLERS. LIVING CONDITIONS OF THE HOSTELS ARE CONSIDERABLY IMPROVED BECAUSE OF CAPITAL REPAIRS HELD IN ACCORDANCE WITH THE SCHEDULES AND MODERNIZATION OF UTIL-

ITIES AND HEAT POINTS RESULTING IN REDUCTION OF MUNICIPAL PAYMENTS.

THE HOUSING DEPARTMENT CONSIDERS EMPLOYEES APPLICATIONS RELATED TO LIVING ISSUES. THE HOUSING COMMITTEE CARRIED OUT 11 INSPECTIONS OF LIVING CONDITIONS OF THE EMPLOYEES.

FOR MAINTENANCE OF LIVING-MUNICIPAL FACILITIES \$343 532 WERE SPENT IN 2015.

SUPPORT OF LARGE FAMILIES

IMPLEMENTATION OF THE PURPOSEFUL SOCIAL SUPPORT OF EMPLOYEES OF OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING IS CARRIED OUT BY WAY OF A FLEXIBLE SYSTEM OF BENEFITS AND COMPENSATIONS. BASED ON THE PRINCIPLES OF THE STATE POLICY DECLARING THAT CHILDREN HAVE THE RIGHT TO A SPECIAL CARE AND ASSISTANCE, AND A FAMILY SHOULD BE PROVIDED WITH THE REQUIRED PROTECTION AND ENCOURAGEMENT AS THE MAIN SOCIAL UNIT AND NATURAL ENVIRONMENT FOR GROWTH AND WELLBEING OF ALL ITS MEMBERS, OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ARRANGES EVENTS TO SUPPORT COMPLETE AND INCOMPLETE FAMILIES AND THOSE HAVING FOUR AND MORE CHILDREN UNDER 18 SO AS TO CONTINUE THE DEVELOPMENT OF THE MATERNITY AND CHILDHOOD SUPPORT. THE AIM OF THE ACTIVITIES IS TO INCREASE THE STATUS OF FAMILIES AND IMPROVE THEIR LIFE QUALITY. ACCORDING TO THE PROVISION REGARDING HEALTH-IMPROVEMENT AND SANATORIUM-RESORT THERAPY AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING, THE FAMILIES ARE PROVIDED PRIVILEGED AND PARTIALLY PAID VOUCHERS TO SANATORIUMS AND VACATION HOUSES. ONE OF THE EVENTS FOR THE WORKERS' FAMILIES SOCIAL SUPPORT ARE ANNUAL PAYMENTS FOR PURCHASING SCHOOL UNIFORMS AND MONTHLY PROVISION OF A PAID DAY-OFF FOR THE MOTHERS WHO HAVE MORE THAN THREE CHILDREN.

SOCIAL SUPPORT OF UNEMPLOYED PENSIONERS, INVALIDS AND OTHER CATEGORIES OF PEOPLE NOT SUFFICIENTLY PROVIDED FOR

BUSINESS INITIATIVES HAVE GREAT IMPACT ON THE PROCESSES OF SOCIAL DEVELOPMENT IN THE COUNTRY AND THEIR RESULTS CHANGE THE PUBLIC IDEAS OF THE LIVING

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MEANS DIRECTED
TOWARDS MAINTENANCE
OF LIVING-MUNICIPAL AREA
(\$ THOU.)

Social activity



Description	2014	2015
Payments for birth of a child (lump sum allowance)	138 women USD243,4 thou.	172 women Material assistance 206 200 000 allowances 3 307 804 200
Payment for nursing a child under 3	453 women USD1,08 mln	514 women 13 975 949 530
Payments for purchasing school uniform	USD19,2 thou.	277 020 000
Providing one day-off	USD16,5 thou.	277 848 000
The means for children's health improvement	USD565,7 thou.	vouchers 6 461 789 070
Payments for the families raising the disabled children under 18	98 children USD79,5 thou.	73 children Material assistance 18 250 000 allowances 986 461 090

Arrangements for the workers' families support

QUALITY NORMS. A PENSIONER, WHO RECEIVES A CORPORATE PENSION IN ADDITION TO THE STATE ONE, IS BETTER PROTECTED WHEN HE/SHE GETS OLD. WORK WITH VETERANS, INVALIDS AND OTHER CATEGORIES OF THE NEEDY IS CARRIED OUT AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING BASED ON «RECIPIENT-ORIENTED» SOCIAL SUPPORT BOTH IN THE FORM OF FINANCIAL PAYMENTS AND USING A WIDE RANGE OF SOCIAL FACILITIES: THE CLINIC, THE PALACE OF CULTURE OF METALLURGISTS, SPORT AND RECREATION CENTER.

THERE ARE MORE THAN FIVE FORMS AND DIRECTIONS OF RENDERING SOCIAL SUPPORT WHICH WERE USED BY OVER 1500 PEOPLE.

AN IMPORTANT LINE IN THE SOCIAL SUPPORT POLICY IS A MONTHLY MATERIAL AID FOR UNEMPLOYED PENSIONERS. SINCE 01.11.2012 CHANGES AND AMENDMENTS WERE INTRODUCED IN THE COLLECTIVE AGREEMENT ANTICIPATING GROWTH OF ADDITIONAL PAYMENTS TO SOME CATEGORIES OF FORMER EMPLOYEES. AT PRESENT THE AMOUNT OF THE MONTHLY PENSION SUPPLEMENTS VARIES DEPENDING ON THE RECORD OF SERVICE AND AWARDS. IN 2015 THESE SUPPLEMENTS MADE UP USD435,7 THOUSAND.

THE FINANCIAL AID IS PROVIDED IN CONNECTION WITH RETIREMENT. IN 2015 THE AMOUNT OF THIS AID WAS USD 32 864.

THOSE PENSIONERS WHO DO NOT WORK GET MATERIAL ASSISTANCE ON HOLIDAYS, JUBILEES, BECAUSE OF HARD ECONOMIC CONDITION, FOR MEDICAL TREATMENT AND PURCHASING OF EXPENSIVE MEDICINE; OTHER SOCIAL PAYMENTS ARE EFFECTED.

A MATERIAL AID IS RENDERED TO THOSE EMPLOYEES WHO HAVE DISABLED CHILDREN. IN 2015 THIS AID AMOUNTED TO USD 1150.

A SPECIAL PLACE IN THE SOCIAL PROGRAM IS OCCUPIED BY PROVISION OF THE UNEMPLOYED PENSIONERS WITH TREATMENT IN THE PLANT'S CLINIC, SPORT AND RECREATION CENTER SERVICES, THE SERVICES RENDERED BY THE PALACE OF CULTURE AT A REDUCED CHARGE. EVERY YEAR THE VETERANS ARE SUBSCRIBED TO THE PLANT'S NEWSPAPER «METALLURG» FREE OF CHARGE.

436

AMOUNT OF SUPPLEMENTS
PAID BY BSW
TO NON-WORKING PENSION-
ERS IN 2015 (\$ THOU.)



SOCIAL PARTNERSHIP

IN ORDER TO IMPROVE MORAL AND PHYSIOLOGICAL CLIMATE OF THE WORK TEAM, SOLVING THE ISSUES REGARDING THE COLLABORATION COORDINATION OF THE MANAGEMENT AND ORGANIZATIONS REPRESENTING THE INTERESTS OF VARIOUS CATEGORIES OF THE EMPLOYEES, THE WORKS IMPLEMENTED «BE AWARE OF A HUMAN!» SYSTEM SINCE APRIL 2005.

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING CREATES THE SOCIAL PARTNERSHIP SYSTEM THAT IS A FOUNDATION FOR MUTUALLY BENEFICIAL COOPERATION IN COLLABORATION WITH THE TRADE UNION ORGANIZATION AND OTHER SOCIAL ORGANIZATIONS.

SUSTAINING A CLOSE RELATIONSHIP WITH THE MANAGEMENT, THE PUBLIC ORGANIZATIONS COUNCIL CONDUCTS ITS ACTIVITY AT THE ENTERPRISE. IT ACTS IN THE INTERESTS OF THE EMPLOYEES FORMING AN ACTIVE PUBLIC POSITION OF EACH WORK TEAM MEMBER.

THE COUNCIL INCLUDES THE REPRESENTATIVES OF:

- TRADE UNION ORGANIZATION;
- PRIMARY ORGANIZATION OF «BELARUSIAN REPUBLICAN YOUTH UNION» PUBLIC ASSOCIATION;
- VETERAN'S UNION;
- PRIMARY PUBLIC ORGANIZATION «BELARUSIAN WOMEN' UNION»;
- INTERNATIONAL SOLDIERS' ORGANIZATION;
- YOUNG SPECIALISTS' UNION;
- FOREMEN UNION;
- PHYSICAL CULTURE TEAM'S UNION.

IN ORDER TO ENSURE THE EFFICIENT REALIZATION OF THE EMPLOYEES' RIGHTS AND ESTABLISH CONFIDENTIAL RELATIONS WITH ALL STAKEHOLDERS, THE PUBLIC ORGANIZATIONS COUNCIL KEEPS AN ACTIVE COLLABORATION WITH THE REPRESENTATIVES OF THE REGIONAL SOCIAL SERVICE CENTRE; REGION AND DISTRICT LAW ENFORCEMENT AGENCIES; CENTRAL REGIONAL; HOSPITAL AND CLINIC OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING; LEGAL SERVICES OF THE COMPANY AND THE REGION.

THE TRADE UNION ORGANIZATION

OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING ESTABLISHES A MUTUALLY BENEFICIAL RELATIONSHIP AND DEVELOPS A COLLECTIVE AGREEMENT WITH THE TRADE UNION ORGANIZATION BASED ON THE NORMS AND PRINCIPLES OF THE TARIFF AGREEMENT CONCLUDED BETWEEN BELARUSIAN PROFESSIONAL UNION OF INDUSTRIAL WORKERS, BELARUSIAN PROFESSIONAL UNION OF METALWORKERS, THE MINISTRY OF INDUSTRY OF THE REPUBLIC OF BELARUS, REPUBLICAN ASSOCIATION OF INDUSTRIAL ENTERPRISES. THE AGREEMENT SETS THE PRINCIPLES OF REGULATING TRADE AND SOCIAL-ECONOMIC RELATIONSHIPS AS WELL AS GUARANTEES AND PRIVILEGES FOR THE EMPLOYEES, MUTUAL RESPONSIBILITIES AND LIABILITIES OF THE PARTIES. THE AIM OF THE AGREEMENT IS JOINING TOGETHER THE EFFORTS OF THE PARTIES FOR ATTAINING SOCIAL-ECONOMIC STABILITY AND COMPETITIVE ABILITY OF THE INDUSTRY ORGANIZATIONS, INCREASING THE EMPLOYEES' LIVING STANDARD, OBSERVANCE OF THEIR LEGAL RIGHTS AND INTERESTS AND CREATING A SYSTEM OF THE EMPLOYEES' COMPREHENSIVE SOCIAL PROTECTION.

THE PLANT RECOGNIZES THAT THE OBJECTIVE OF THE TRADE UNION IS NOT LIMITED TO PROTECTING THE EMPLOYEES' RIGHTS AND INFLUENCING LABOR RELATIONSHIPS. IT IS ALSO A CERTAIN INDICATOR OF THE PUBLIC MOOD. THE TRADE UNION EXPRESSES THE WORKING TEAMS' REACTION TO THE SOCIAL AND ECONOMIC POLICY IMPLEMENTED BY THE ENTERPRISE AND CONTRIBUTES TO ITS TIMELY ADJUSTMENT. THE DIALOGUE OF THE MANAGEMENT AND REPRESENTATIVES OF THE WORKING TEAMS IS ESPECIALLY IMPORTANT TO BE ESTABLISHED IN THE SITUATION WHEN THE WORKS, AS A PART OF THE WORLD FINANCIAL AND ECONOMIC SYSTEM, EXPERIENCES DIFFICULT TIMES AND SEEKS FOR THE OPPORTUNITIES TO ENHANCE THEIR EFFICIENCY

IN THEIR PRACTICAL ACTIVITY THE PARTIES ARE GUIDED BY THE PRINCIPLES OF SOCIAL PARTNERSHIP, SUCH AS LEGAL EQUALITY OF THE PARTIES, COMPLIANCE WITH THE LEGISLATION NORMS, CONSIDERING REAL OPPORTUNITIES FOR PERFORMANCE OF THE ASSUMED OBLIGATIONS, OBLIGATORY FULFILLMENT OF THE ARRANGEMENTS AND RESPONSIBILITY FOR THE OBLIGATIONS ASSUMED.

THE TRADE UNION ORGANIZATION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING UNITES 11 562

Social activity



97

TRADE UNION MEMBER-
SHIP OF THE PLANT'S
EMPLOYEES (%)

PEOPLE THAT IS 96,8% OF THE TOTAL NUMBER OF THE EMPLOYEES. IN ORDER TO OBSERVE THE RIGHTS AND LEGAL INTERESTS OF THE WORKERS THE EMPLOYEES REPRESENT

THE COMPANY IN THE REGIONAL ASSOCIATION AND IN THE REPUBLICAN TRADE UNION COMMITTEE BEING MEMBERS OF THE REGIONAL TRADE UNION ASSOCIATION COUNCIL, MEMBERS OF THE BELARUSIAN TRADE UNION FEDERATION COUNCIL.

BASED ON THE RESULTS OF THE CONTEST OF BELARUSIAN TRADE UNION OF INDUSTRIAL EMPLOYEES, PRIMARY TRADE UNION ORGANIZATION OF OJSC «BSW-MANAGEMENT COMPANY OF «BMC» HOLDING CONFIRMED THE TITLE OF THE BEST IN 2015 (SIMILAR TO 2014).

THE SOCIAL PARTNERSHIP DOCUMENT WHICH ALLOWS STRENGTHENING OF SOCIAL-LEGAL SECURITY OF THE ENTERPRISE EMPLOYEES IS THE COLLECTIVE AGREEMENT. THE AGREEMENT REGULATES SOCIAL BENEFITS AND LUMP-SUM BENEFIT PAYMENTS, ADDITIONAL PAYMENTS AND FINANCIAL AWARDS, THE SIZE OF WHICH DIRECTLY DEPENDS ON THE RESULTS OF PRODUCTION-FINANCIAL ACTIVITY OF THE ENTIRE ENTERPRISE WORK TEAM. THIS DOCUMENT ESTABLISHES SUPPLEMENTARY, AS COMPARED TO THE ACTIVE LEGISLATION, PROVISIONS REGARDING LABOR CONDITIONS AND PAYMENT, SOCIAL AND RESIDENTIAL PROVISION OF THE WORKERS, COMPENSATIONS AND OTHER PRIVILEGES. THE COLLECTIVE AGREEMENT STIPULATES VARIOUS FORMS OF FINANCIAL PAYMENTS, BONUSES, AWARDS FOLLOWING THE RESULTS OF THE WORK DURING THE YEAR, FOR THE SERVICE RECORD, SUMS OF THE BONUSES FOR A HIGH QUALIFICATION, PROFESSIONAL SKILL AND OTHERS, SETS GUARANTEES AND PRIVILEGES FOR THE FAMILIES WITH CHILDREN. BESIDES, NO PERSON IS LEFT ALONE IN A CHALLENGING LIFE SITUATION; THIS AID IS ALSO STIPULATED BY THE MAIN DOCUMENT OF THE EMPLOYEES' TEAM.

IN ORDER TO COMPLY WITH THE COLLECTIVE AGREEMENT, IN 2015 THE TRADE UNION COMMITTEE FINANCED THE FOLLOWING:

• ALLOWANCES TO PARENTS FOR THE BIRTH OF A CHILD — Br314,0 MLN

• NEW YEAR'S PRESENTS FOR CHILDREN AND EMPLOYEES — Br2059,9 MLN

• CULTURAL EVENTS — Br3451,7 MLN

• SPORT EVENTS — Br 890,4 MLN

• PRESENTS FOR THE EMPLOYEES' JUBILEES — Br243,2 MLN

• PRESENTS FOR THE RETIRING EMPLOYEES — Br337,6 MLN

• SUPPORTING OF VETERANS — Br292,6 MLN

• MATERIAL SUPPORT — Br2128,7 MLN.

A CONTINUOUSLY OPERATING BODY OF SOCIAL PARTNERSHIP IS THE COLLECTIVE AGREEMENT COMMISSION THAT CONTROLS FULFILLMENT OF THE OBLIGATIONS ASSUMED. IT CONSISTS OF REPRESENTATIVES OF THE MANAGEMENT AND THE TRADE UNION COMMITTEE. THE CONSTANT DIALOGUE RESULTS IN REACHING THE AGREEMENT REGARDING SALARY ISSUES, OPTIMIZATION OF THE MANAGEMENT STRUCTURE, ENSURING HEALTHY AND SAFE LABOR CONDITIONS, IMPLEMENTING PRIVILEGES FOR THE EMPLOYEES THAT HAVE A DETERMINED SOCIAL TARGETING. MAINLY ALL SECTIONS OF THE COLLECTIVE AGREEMENT WERE FULFILLED IN 2015.

CHARITY AND SPONSORSHIP IS ONE OF THE ACTIVITIES OF THE WORKS. BEING AN ACTIVE MEMBER OF THE CHARITABLE CAMPAIGN «TRADE UNIONS — TO CHILDREN» IN 2015 IT GRANTED Br87,7 MILLION TO:

— ZHLOBIN DEPARTMENT OF EDUCATION, SPORT, AND TOURISM;

— ZHLOBIN REGIONAL SOCIAL SERVICE CENTRE;

— ZHLOBIN PRIMARY ORGANIZATION OF BELARUSIAN ASSOCIATION OF ASSISTANCE TO DISABLED CHILDREN AND YOUNG PEOPLE;

— BELARUSIAN ASSOCIATION OF WEAK-SIGHTED PEOPLE;

— ESTABLISHMENT «OLYMPIC RESERVE CENTER OF THE TOWN OF ZHLOBIN»;

— OTHER ORGANIZATIONS.

ONE OF THE PRIORITY DIRECTIONS OF THE TRADE UNION ACTIVITY IS CREATING CONDITIONS FOR FULL-FLEDGED



PHYSICAL AND MORAL DEVELOPMENT OF THE EMPLOYEES AND YOUNGER GENERATION. THE TRADE UNION COMMITTEE OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IS THE FOUNDER OF THE OLYMPIC RESERVE SPORT SCHOOL FOR CHILDREN AND YOUNG PEOPLE (ORSSCYP) AND THE CHILDREN'S CLUB «FAKEL» ATTENDED BY OVER 514 CHILDREN. THE CHILDREN ARE PROFESSIONALLY TRAINED BY 11 COACHES.

PUPILS OF THE SPORT SCHOOL FOR CHILDREN AND YOUNG PEOPLE BECAME WINNERS AND AWARDEES OF CHAMPIONSHIPS AND COMPETITIONS OF THE REPUBLIC OF BELARUS. THIS YEAR 3 PUPILS BECAME CANDIDATES TO MASTERS OF SPORTS OF THE REPUBLIC OF BELARUS; 1 PUPIL BECAME A MASTER OF SPORTS OF THE INTERNATIONAL LEVEL, 10 CHILDREN FULFILLED THE NORMS OF THE 1ST GRADE; 6 PUPILS OF THE SPORT SCHOOL JOINED THE OLYMPIC RESERVE SCHOOL, THE TOP LINK OF SPORT TRAINING.

THE TRADE UNION COMMITTEE SPENT Br150 MILLION FOR FINANCING OF ORSSCYP IN 2015.

IN COMPLIANCE WITH THE PROGRAM OF WORKING WITH

YOUNGER GENERATION, FOR SUSTAINING AND IMPROVEMENT OF RELATIONSHIPS BETWEEN THE FAMILY, SCHOOL AND LOCAL COMMUNITY, STRENGTHENING THE FAMILY, PROTECTION OF MATERNITY AND CHILDHOOD UNDER THE AUSPICES OF THE TRADE UNION COMMITTEE A COMMISSION FOR FAMILY AND SCHOOL ASSISTANCE HAS BEEN WORKING SINCE 2005.

UNDER THE AUSPICES OF THE TRADE UNION COMMITTEE OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING THE TRADE UNION LIBRARY OPERATES CONTAINING 36189 BOOKS (36498 BOOKS IN 2014). THE LIBRARY IS A UNIQUE ONE BECAUSE THE PLANT'S EMPLOYEES, THEIR CHILDREN, AND CITIZENS OF ZHLOBIN CAN ALWAYS FIND THE REQUIRED LITERATURE, OR THEIR REQUEST FOR A CERTAIN BOOK CAN BE ACCEPTED, AND THEY MAY GET A PROFESSIONAL ADVICE.

Br185,9 MILLION FROM THE TRADE UNION BUDGET WERE SPENT FOR PURCHASING NEW LITERATURE AND FOR SUBSCRIPTION OF OVER 2000 VETERANS TO PERIODICALS. THE LIBRARY NUMBERS OVER 3258 REGULAR READERS. DURING THE PREVIOUS YEAR THE NUMBER OF VISITS TO THE LIBRARY EQUALED TO 35367 (35131 IN 2014), AND 106161 BOOKS WERE GIVEN OUT (105876 IN 2014).



Regional working youth tourist gathering «Unity-2015» held in Rechitsa district on August 21-23 was a success for BSW team. It occupied honorable second place yielding only to the hosts of the competition.

Social activity



SO AS TO INCREASE THE ROLE OF BOOKS AND READING IN A MODERN SOCIETY, BRING UP THE YOUNGER GENERATION IN LOVE FOR AN ARTISTIC WORD, ATTRACT ATTENTION TO LIBRARIES ACTIVITY, PROMOTE BELLES-LETTRES LITERATURE AND REPLENISHMENT OF THE BOOK STOCK DURING 2015 THE LIBRARY PREPARED AND CARRIED OUT 40 THEMATIC INFORMATION-EDUCATIONAL EVENTS: HEALTH GONE WITH SMOKE, TELEPHONE ETIQUETTE AND THE INTERNET ETIQUETTE, GAME PROGRAMS «COME ON BOYS», WINTER CROSSWORD, LITERATURE GAMES AND QUIZZES: «WHAT IS MORE EXPENSIVE THAN GOLD», «OBEDIENT CHILDREN ARE NOT ALLOWED TO READ», «EVERYTHING IN THE WORLD IS INTERESTING», «I LIVE IN THIS TOWN AND I KNOW THE TOWN»; EXCURSIONS FOR PRESCHOOL AND PRIMARY SCHOOL PUPILS TO THE LIBRARY, ARRANGEMENT OF THEMATIC BOOKSHELVES AND EXHIBITIONS.

TRADE UNION ROLE AND INFLUENCE IN THE COMPANY IS BIG. THIS IS EVIDENCED BY A POSITIVE ASSESSMENT OF ITS ACTIVITY IN 2015 MADE BY THE PLANT'S EMPLOYEES DURING A COMPREHENSIVE STUDY OF THE SOCIAL AND PSYCHOLOGICAL CLIMATE IN THE SUBDIVISION TEAMS. INDEX OF SATISFACTION WITH THE WORK OF THE TRADE UNION ORGANIZATION IN 2015 WAS 0,66 (0,67 IN 2014).

PRIMARY ORGANIZATION OF ROO «BELAYA RUS»

IN ORDER TO INTEREST PLANT'S EMPLOYEES IN ACTIVE PARTICIPATION IN THE LIFE OF THE COUNTRY, ENGAGE THEM IN SOLVING OF ACTUAL CHALLENGES OF DEVELOPMENT OF BELARUS AND SOCIETY ON THE BASIS OF FREE CONSOLIDATION, A PRIMARY ORGANIZATION OF BELAYA RUS ASSOCIATION WAS ESTABLISHED AT THE ENTERPRISE IN 2009. TODAY THE ORGANIZATION NUMBERS 272 BSW EMPLOYEES. LAST YEAR ITS NUMBER GREW BY 96 MEMBERS: YOUNG SPECIALISTS JOINED THE ORGANIZATION.

IN ORDER TO FULFILL AIMS AND GOALS OF THIS PUBLIC ORGANIZATION, MEMBERS OF THE PLANT'S PRIMARY ORGANIZATION APPLY THE FOLLOWING METHODS:

- COOPERATE WITH STATE ORGANS, COMMUNITY, AND OTHER EMPLOYEES' ASSOCIATIONS IN ALL DIRECTIONS OF THEIR ACTIVITY;
- PARTICIPATE IN PREPARATION AND CONDUCTING OF ELECTIONS;

– CARRY OUT EDUCATIONAL, INFORMATIONAL, CULTURAL, AND SPORT ACTIVITY AT THE ENTERPRISE ACCORDING TO THE PROCEDURE ESTABLISHED BY THE LAW OF THE REPUBLIC OF BELARUS. AT PRESENT, BELAYS RUS HAS MANY USEFUL AND GOOD DEEDS TO ITS CREDIT: CHARITY AND SOCIAL ACTS AIMED AT SUPPORT OF YOUNG SPECIALISTS, VETERANS AND DISABLED PEOPLE; IT POPULARIZES HEALTHY WAY OF LIVING, AND CULTIVATES PATRIOTISM.

ONE OF THE DIRECTIONS OF THE ORGANIZATION ACTIVITY IS CARE AND ASSISTANCE RENDERED TO POOR FAMILIES, CHILDREN, AND OLD PEOPLE. ON THE INITIATIVE OF ITS MEMBERS AND IN COOPERATION WITH THE TRADE UNION AND OTHER PUBLIC ORGANIZATIONS OF THE PLANT A NUMBER OF ACTIONS AND ARRANGEMENTS WERE CARRIED OUT IN ADDITION TO THE NATIONAL ONES. THUS, ON SEPTEMBER 1, EVELINA VORONINA WENT TO SCHOOL FOR THE FIRST TIME IN HER LIFE WITH A BAG PRESENTED TO HER BY THE CHAIRMAN OF THE PLANT'S PRIMARY BELAYA RUS ORGANIZATION A.A. MALOBITSKY. THE BAG FOR THE CHILD FROM A LARGE FAMILY WAS BOUGHT WITH THE MONEY COLLECTED BY THE PLANT'S EMPLOYEES. PLANT'S EMPLOYEES GOT CONGRATULATIONS ON THEIR BIRTHDAYS, AT EVERY CONTROL POST THEY WERE SUPPLIED WITH CHEER, KIND WISHES AND SMALL PRESENTS. ON OCTOBER 15 THE PRIMARY BELAYA RUS ORGANIZATION OF THE PLANT CARRIED OUT AN ACTION «I'M PROUD OF MY PLANT!» AND HANDED OVER CALENDARS WITH BSW PICTURE AND BELAYA RUS LOGO.

AT PRESENT, BELAYA RUS IS A REALLY CONSTRUCTIVE PUBLIC FORCE: IT GAINS AUTHORITY DUE TO BIG AND SMALL DEEDS USEFUL FOR AND REQUIRED BY THE COMMUNITY THAT STRENGTHEN ITS IMAGE.

PRIMARY ORGANIZATION OF BRYU

REALIZATION OF THE STATE YOUTH POLICY BY THE WORKS IS BUILT ON THE PRINCIPLE OF MUTUAL COOPERATION WITH THE PRIMARY ORGANIZATION OF «BELARUSIAN REPUBLICAN YOUTH UNION» YOUNG SPECIALISTS' UNION, TRADE UNION COMMITTEE AND OTHER PUBLIC ORGANIZATIONS ACTING AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. THE COMPANY CORPORATE PROGRAM «YOUTH» IS CARRIED OUT BY CONDUCTING AN OPEN CONSTRUCTIVE DIALOGUE WITH THE STAKEHOLDERS AND CONTINUOUS IMPROVEMENT OF THE METHODS OF INFORMING, FEEDBACK AND COOPERATION.



IN CONFORMITY WITH THE STATE STRATEGY IN YOUTH POLICY THE PROGRAM IMPLEMENTED AT OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING SETS THE PRIORITIES AND COOPERATION DIRECTIONS FOR THE PARTIES CONCERNED WITH REGARD TO CREATING FAVORABLE CONDITIONS FOR THE DEVELOPMENT AND REALIZATION OF THE YOUTH'S POTENTIAL IN VARIOUS SPHERES OF THE ACTIVITY VIA:

- INFORMATION SUPPORT OF THE STATE IN YOUTH POLICY;
- CIVIL FORMATION, SPIRITUAL AND ECOLOGICAL EDUCATION OF THE YOUTH;
- SUPPORT OF RESEARCH AND TECHNOLOGY CREATIVITY;
- YOUTH COOPERATION AND CREATIVE POTENTIAL DEVELOPMENT;
- HEALTHY LIFESTYLE AND TOURISM DEVELOPMENT;
- IMPROVEMENT OF THE YOUTH SOCIAL SECURITY PROTECTION.

TRADITIONAL MEETINGS OF YOUNG SPECIALISTS TO EXCHANGE WORK EXPERIENCE WITH THE YOUTH AND REPRESENTATIVES OF:

- STATE AUTHORITIES;
- REGIONAL, TOWN VETERANS' UNIONS OF GOMEL REGION;
- YOUNG EMPLOYEES OF THE ENTERPRISES INCLUDED IN «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING;
- PRIMARY ORGANIZATIONS OF BELARUSIAN REPUBLICAN YOUTH UNION, ESTABLISHMENTS, ORGANIZATIONS AND ENTERPRISES OF THE REGION OF ACTIVITY OF BYELORUSSIAN STEEL WORKS;
- YOUTH OF THE INDUSTRIAL ENTERPRISES OF THE REPUBLIC OF BELARUS AND CIS COUNTRIES AS PART OF SCIENTIFIC AND TECHNICAL CONFERENCES.
- INFORMING AND ENGAGING OF YOUNG EMPLOYEES OF THE PLANT IN REALIZATION OF THE STATE YOUTH POLICY OF THE REPUBLIC OF BELARUS IS CARRIED OUT USING ALL AVAILABLE MEANS OF MASS MEDIA: CORPORATE, REPUBLICAN, REGIONAL NEWSPAPERS AND OTHER SOURCES OF INFORMATION.

HAVING THE PRIORITY RIGHT REGARDING THE REALIZATION OF THE «YOUTH» PROGRAM, THE WORKS PRIMARY ORGANIZATION OF BELARUSIAN REPUBLICAN YOUTH UNION PREPARES PHOTO-REPORTS, POSTERS, INFORMATION MATERIALS REFLECTING THE ISSUES OF REALIZATION OF THE STATE YOUTH POLICY.

AT PRESENT THE ORGANIZATION HAS 1538 MEMBERS OR 47,9 % OF THE YOUTH AGED UNDER 31 WORKING AT THE PLANT.

THE MOST SIGNIFICANT ACTIVITIES CONDUCTED BY THE YOUTH ORGANIZATION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 2015 WERE CHARITABLE CAMPAIGNS FOR COLLECTING OF VOLUNTARY CONTRIBUTIONS FOR:

- THE ACTION «DO GOOD» DEDICATED TO THE INTERNATIONAL DAY OF DISABLED PEOPLE;
- «ALL CHILDREN ARE OURS» FOR DISABLED CHILDREN AND TO SUPPORT FAMILIES WITH A LOW INCOME WITH PARTICIPATION OF THE REGIONAL CENTER OF SOCIAL SERVICE OF THE POPULATION.

THE FOLLOWING ACTIONS BECAME TRADITIONAL:

- «LET'S PREPARE A SCHOOL BAG FOR A FIRST FORMER» AIMED AT PREPARATION OF CHILDREN FROM POOR FAMILIES FOR THE SCHOOL YEAR BEGINNING;
- «BSW YOUTH – TO VETERANS». VETERANS AND PARTICIPANTS OF THE GREAT PATRIOTIC WAR RECEIVED CONGRATULATIONS AND PRESENTS, THEY WERE ASSISTED IN IMPROVING OF LIVING CONDITIONS;
- «WE – TO CHILDREN» – AID TO ZHLOBIN DISTRICT CENTER OF CORRECTIVE AND DEVELOPING TEACHING AND REHABILITATION IN PURCHASING OF STATIONARY;
- «ASSISTANCE TO OUR NEIGHBORS» - ASSISTANCE TO MIGRANTS FROM DONBASS REGION OF THE UKRAINE.

EFFECTIVENESS OF THE ORGANIZATION ACTIVITY IS EVIDENCED BY ITS ACHIEVEMENTS AND AWARDS WON IN 2015:

- 2ND AND 3RD PLACE IN THE REPUBLICAN CONTEST OF INNOVATIVE PROJECTS OF 2015;
- VICTORY IN THE NOMINATION «BEST SCIENTIFIC AND PRO-

1538
NUMBER OF MEMBERS OF
THE PRIMARY ORGANIZATION
OF BRYU

Social activity



DUCTION WORK OF A YOUNG SCIENTIST OR ENGINEER AT THE 23RD INTERNATIONAL STC «CASTING AND METALLURGY 2015. BELARUS»;

- 2ND PLACE IN THE REGIONAL TOURIST RALLY OF YOUNG EMPLOYEES «UNITY-2015»;

– 2ND PLACE IN THE 3RD DIVISION OF THE NON-PROFESSIONAL BASKETBALL LEAGUE;

- PLANT'S KVN TEAM «VSE V STALI» WON THE 1ST PLACE IN THE FINAL OF THE PRIME LEAGUE OF KVN SEASON 2015;

- 1ST PLACE IN THE SELECTIVE CASTING OF THE COMEDY CLUB IN MINSK.

VETERANS' UNION

THE ORGANIZATION UNITES 2400 EX-EMPLOYEES AND PRESENT-TIME PENSIONERS, WHO MADE THEIR CONTRIBUTION INTO ESTABLISHMENT AND DEVELOPMENT OF THE BELARUSIAN STEEL INDUSTRY.

THE ENTIRE ORGANIZATION ACTIVITY WAS DIRECTED TOWARDS ENHANCING THE STATUS OF THE ELDERLY, SOCIAL RECOGNITION OF THEIR DESTINIES AND LIFE EXPERIENCE, PARTICIPATION IN SOCIAL LIFE, OVERCOMING THEIR ISOLATION, CHANGING THE IDEA OF AGEING, UNDERSTANDING THE STORY OF THEIR LIFE OWING TO THE DIALOGUE OF GENERATIONS. THE VETERANS' UNION COOPERATES WITH THE YOUTH ORGANIZATIONS OF THE PLANT DURING VARIOUS EVENTS: ADMISSION TO MEMBERSHIP IN BRYU, INITIATION INTO METALLURGIST, GIVING-OUT DIPLOMAS AND PREMIUMS TO THE BEST YOUNG SPECIALISTS PARTICIPATING IN SCIENTIFIC AND TECHNICAL CONFERENCES.

IT HAS BECOME A TRADITION TO RENDER MATERIAL SUPPORT TO VETERANS, VISIT THEM AT HOME, CONDUCT GALA NIGHTS OF HONORING THE HEROES OF ANNIVERSARY, ORGANIZATION OF EXHIBITIONS OF GARDENING SEASON GIFTS «GOLDEN SUNFLOWER» AND WORK OF THE AMATEUR CLUBS: «NEEDLEWOMAN», «MUSIC SALOON», «CHESS AND DRAUGHTS», «VETERAN CHOIR», «SPORT CLUB». THE TRADE UNION COMMITTEE ASSIGNED USD 18445 FROM ITS FUND TO THE VETERANS UNION FOR DIFFERENT ARRANGEMENTS AND USD13000 TO SUBSCRIBE VETERANS TO THE PLANT'S NEWSPAPER «METALLURG».

THE ORGANIZATION MEMBERS DON'T STAND ASIDE OF MASS

EVENTS, SUCH AS WORKS-WIDE OLYMPICS IN VARIOUS KIND OF SPORT; AMATEUR TALENT GROUPS COMPETITION «SONG AND WORK GO SIDE BY SIDE»; CAMPAIGNS FOR PROVIDING MATERIAL SUPPORT TO LOWER-INCOME FAMILIES, HANDICAPPED CHILDREN, VISITING EVENING PARTIES, CONCERTS, HOCKEY MATCHES OF THE FAVORITE TEAM IN THE ICE PALACE.

WOMEN'S UNION

IN 2004 ON THE BASIS OF A FREE UNION THE WORKS WOMEN ESTABLISHED A PRIMARY ORGANIZATION «BELARUSIAN WOMEN'S UNION» PUBLIC ASSOCIATION. THE ORGANIZATION UNITES 1417 PEOPLE OR 37% OF THE WOMEN WORKING AT THE ENTERPRISE. THE ORGANIZATION IS HEADED BY A PRESIDUM CONSISTING OF 17 WOMEN – EMPLOYEES OF DIFFERENT STRUCTURAL DIVISIONS. THE ASSOCIATION ACTS CONSIDERING THEIR WILL AND INTERESTS, COOPERATES WITH OTHER PUBLIC ORGANIZATIONS STANDING ON THE PLATFORM OF DEMOCRATIC REFORMS IN THE REPUBLIC AND CONTRIBUTING TO STRENGTHENING SOCIAL JUSTICE AND PROTECTION OF THE POPULATION, DEFENDING WOMEN'S INTERESTS AND RIGHTS, INCREASING A WOMAN'S ROLE IN SOCIAL, ECONOMIC, PUBLIC AND CULTURAL LIFE.

THE UNION PRIORITY ACTIVITIES ARE:

- WOMAN AND PRODUCTION»,
- «WOMAN AND FAMILY»,
- «HEALTHY LIFESTYLE»,
- «ORGANIZATIONAL AND INFORMATIONAL WORK».

THE ORGANIZATION HAS A SIGNIFICANT WORK EXPERIENCE AND VARIES OUT MANY GOOD AND USEFUL ACTIVITIES. THEY ARE: PROPOSALS TO THE COLLECTIVE AGREEMENT, SOLVING PROBLEMS TOGETHER WITH THE TOWN AUTHORITIES, MEETINGS WITH INTERESTING PEOPLE.

MEMBERS OF THE WOMEN'S UNION PARTICIPATE IN INSPECTING THE PRODUCTION CULTURE AND LABOR CONDITIONS; ACTIVITIES FOR MATERNITY AND CHILDHOOD PROTECTION, CHILDREN HEALTH IMPROVEMENT AND STRENGTHENING OF THE FAMILY, TAKE PART IN CHARITY CAMPAIGNS.

THE WOMEN' UNION CLOSELY COOPERATES WITH THE REGIONAL SOCIAL SERVICE CENTRE. WOMEN OF THE



WORKS RECEIVE QUALIFIED LEGAL AND PSYCHOLOGICAL ASSISTANCE; THERE ARE A TRUST TELEPHONE LINE AND A YOUNG FAMILY CLUB; TEACHER EDITIONS, BOOKLETS AND BROCHURES REGARDING THE ISSUES OF CHILD UPBRINGING AND WOMEN'S ISSUES ARE DEVELOPED AND GIVEN OUT TO THE PLANT'S WOMEN. IN COLLABORATION WITH THE CENTER CAMPAIGNS «DO GOOD», «THEY SHOULD NOT CRY» AND «A SCHOOL BAG» – TO COLLECT CLOTHES AND SCHOOL ACCESSORIES FOR CHILDREN FROM LOW-INCOME FAMILIES. THE WOMEN' UNION TELLS THE STORIES ABOUT THE WOMEN WITH ACTIVE LIFE STAND, WHO UNSPARINGLY DEVOTE A LOT OF TIME TO SOCIAL LIFE, ON THE PAGES OF NEWSPAPER «METALLURGIST» AND TV CHANNEL «NUANCE». THE UNION CONTINUOUSLY ENCOURAGES THE WORKS WOMEN'S INITIATIVE IN THE SOCIAL LIFE SPHERE, MAKE REGULAR PROPOSALS REGARDING THE ISSUES OF HEALTH, LABOR SECURITY AND CONDITIONS, PROMOTING HEALTH OF WOMEN AND THEIR CHILDREN, PRODUCTION AND WELFARE CULTURE; TAKES CARE OF THE FAMILY STRENGTHENING, PROTECTION OF MATERNITY AND CHILDHOOD, LOW-INCOME FAMILIES OR FAMILIES WITH MANY CHILDREN, RAISING HANDICAPPED CHILDREN. IN ITS

ACTIVITY THE WOMEN' UNION APPLIES MODERN TECHNOLOGIES. REGULAR SOCIOLOGICAL STUDIES ON DIVERSE SUBJECTS ARE HELD. THE SITE OF THE WOMEN' UNION WAS CREATED IN THE WORK-WISE COMPUTER NETWORK «INFO-BMZ».

UNION OF SOLDIERS-INTERNATIONALISTS

89 SOLDIERS-INTERNATIONALISTS WORK IN STRUCTURAL DIVISIONS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. ISSUES OF THEIR LABOR, WELFARE, HEALTH IMPROVEMENT ARE REVIEWED AT UNION MEETINGS INVOLVING THE PARTICIPATION OF THE MANAGEMENT AND TRADE UNION COMMITTEE REPRESENTATIVES. THE UNION WORKS IN CLOSE COLLABORATION WITH INTERNATIONAL YOUTH ORGANIZATIONS GIVING ASSISTANCE IN PATRIOTIC EDUCATION OF THE GROWING GENERATION.

THE WORKS SOLDIERS-INTERNATIONALISTS ANNUALLY TAKE ACTIVE PARTICIPATION IN:

– REGIONAL FESTIVAL OF AFGHAN SONGS AND EVENTS DEDICATED TO THE DAY OF MEMORY OF SOLDIERS-INTERNATIONALISTS;



The plant KVN team won the 1st place in the final of the KVN prime-league (Minsk) of 2015. Merry and ready-witted steelmakers winning the victory in the prime-league got an invitation to the XXVII International festival of KVN teams in Sochi (11-25.01.2016).

Social activity



- INTERNATIONAL FESTIVAL OF MILITARY SONGS IN KALININGRAD;
- ANNUAL REGIONAL COMPETITION OF AFGHAN SONGS «TIME CHOSE US»;
- INTRODUCTION OF PROPER ORDER IN THE BURIAL PLACES OF SOLDIERS-INTERNATIONALISTS;
- RENDER ASSISTANCE TO PARENTS OF SOLDIERS-INTERNATIONALISTS.

TREE YEARS IN SUCCESSION ON THE INITIATIVE AND WITH PARTICIPATION OF THE MEMBERS OF THE ORGANIZATION OJSC «BSW – MANAGEMENT COMPANY OF 'BMC'» HOLDING ISSUES A CALENDAR DEDICATED TO SOLDIERS-INTERNATIONALISTS.

UNION OF YOUNG SPECIALISTS

OVER 300 YOUNG SPECIALISTS WORK AT BYELORUSSIAN STEEL WORKS. THE UNION CONSIDERS ALL THE ISSUES RELATED WITH YOUNG EMPLOYEES: THEIR ADAPTATION AT

THE PRODUCTION, PROFESSIONAL GROWTH, RESEARCH AND TECHNOLOGY ACTIVITY, LABOR-SAVING WORK. AN IMPORTANT PART OF THE WORK IS ENHANCING BUSINESS AND CREATIVE ACTIVITY OF THE YOUTH, ORGANIZING SCIENTIFIC AND TECHNICAL CONFERENCES, YOUNG EMPLOYEES' PARTICIPATION IN SUCH FORUMS HELD AT OTHER ENTERPRISES, EXCHANGE OF EXPERIENCE.

JULY 8-9, AN INTERNATIONAL SCIENTIFIC AND TECHNICAL CONFERENCE OF YOUNG SPECIALISTS «METAL-2015» WAS HELD. STUDENTS OF SEE GOMEL ENGINEERING INSTITUTE OF THE MES OF THE RB, STU NAMED AFTER P.O. SUKHOI, BSTU, BELGUT, BRU, YOUNG EMPLOYEES OF INDUSTRIAL ENTERPRISES OF BELARUS, RUSSIA, AND THE UKRAINE GATHERED TOGETHER: OJSC RHP, OJSC «URALSTAL», OJSC «MAGNITOGORSK HARDWARE – CALIBRATION PLANT «MMK-METIZ», «MZ DNEPROSTAL», OJSC 'BELTSVETMET', OJSC «NOVOLIPETSK METALLURGICAL PLANT», NOVOKRAMATORSK ENGINEERING PLANT, OJSC «BELORETSK METALLURGICAL PLANT», OJSC «MOGILYOV METALLUR-



May 22 – a completion of medical groups of civil defense units took place on the stadium of fire rescue service No.2 of Zhlobin district. BSW team won the 1st place in it.



GICAL PLANT», OJSC «LEGMASH PLANT», DOBRUSH PAPER FACTORY «GEROI TRUDA» – A BRANCH OF OJSC «MANAGEMENT COMPANY OF «BELARUSIAN WALLPAPER» HOLDING, OJSC «MINSK BEARING PLANT» AS WELL AS REPRESENTATIVES OF POLAND – TECHNOLOGICAL UNIVERSITY, DEPARTMENT OF PRODUCTION TECHNOLOGY AND MATERIALS OF THE TOWN OF CHENSTOKHOV. TOTAL 152 PEOPLE. 136 REPORTS WERE MADE IN ITS 12 STRUCTURAL GROUPS. EMPLOYEES OF OJDC BSW-MANAGEMENT COMPANY OF «BMC» HOLDING TOOK 11 FIRST PLACES, 8 SECOND PLACES AND 11 THIRD PLACES. AN EXCURSION TO THE SETTLEMENT OF KRASNYI BEREG WAS ORGANIZED WITHIN THE FRAMEWORK OF THE CONFERENCE TO VISIT A MEMORIAL COMPLEX ESTABLISHED AT THE PLACE OF CHILDREN CONCENTRATION CAMP. OUR GUESTS ALSO HAD AN OPPORTUNITY TO GET ACQUAINTED WITH THE PLANT OPERATION DURING THEIR VISIT TO THE PRODUCTION AND THE PLANT'S MUSEUM. A ROUND WORK TABLE WAS ORGANIZED FOR THE LEADERS OF THE DELEGATIONS TO DISCUSS THE TOPIC «A SYSTEM OF WORK WITH YOUNG EMPLOYEES AT THE ENTERPRISE».

ONE OF THE WAYS OF REALIZATION OF THE LONG-TERM STRATEGY OF THE STAFF POTENTIAL DEVELOPMENT IS SELECTION AND DIRECTION OF YOUNG SPECIALISTS TO ESTABLISHMENTS TO GET POST-GRADUATE EDUCATION SO AS TO TRAIN ITS OWN HIGH-GRADE SCIENTIFIC STAFF ABLE TO SUCCESSFULLY IMPLEMENT THE PROMISING PROGRAM OF TECHNICAL REVAMPING OF THE PLANT.

UNION OF FOREMEN

THE UNION ORGANIZES ITS WORK IN CLOSE CONTACT WITH THE PERSONNEL SERVICES AND SOLVES URGENT ISSUES OF 617 FOREMEN OF THE COMPANY. THE UNION HOLDS PUBLIC DISCUSSIONS AND DEVELOPS RECOMMENDATIONS REGARDING THE ENHANCEMENT OF THE FOREMEN ROLE; PARTICIPATES IN THE ACTIVITIES FOR ORGANIZING PROFESSIONAL, IDEOLOGICAL AND ECONOMIC TRAINING OF FOREMEN; CONSIDERS THE ISSUES OF LABOR AND MORAL EDUCATION OF THE WORKERS, STRENGTHENING LABOR AND PERFORMANCE DISCIPLINE, PROMOTING THE YOUNG WORKERS RESERVE.

IN 2015, IMPLEMENTING THE PROGRAM OF THE DEVELOPMENT OF HUMAN RESOURCES AND TRAINING OF THE MANAGER RESERVE, THE UNION OF FOREMEN PARTICIPATED IN ARRANGEMENT OF PROBATION OF YOUNG SPECIAL-

ISTS-GRADUATES OF 2015, CONFERRED THE RANK OF A I- AND II-CLASS FOREMAN (56 PEOPLE HAVE THIS TITLE: 26 AND 30 PEOPLE ACCORDINGLY), SUMMARIZED AND DISSEMINATED THE EXPERIENCE OF THE BEST FOREMEN, NOMINEES AND WINNERS OF THE COMPETITION «PROFESSIONAL OLYMPUS».

SUPPORTING THE PRINCIPLES OF SOCIAL RESPONSIBILITY AND DEVELOPING CHARITY INITIATIVES OF THE PLANT, FOREMEN TOOK AN ACTIVE PART IN ALL CHARITY CAMPAIGNS HELD AT THE PLANT.

UNION OF PHYSICAL TRAINING AND SPORTS

THE UNION SOLVES ISSUES OF PLANNING, ORGANIZATION AND CONDUCTING OF SPORT WORK IN THE ENTERPRISE WORK TEAM. THE UNION CONFIRMS THE SCHEDULE OF CONDUCTING SPORT CONTESTS, TOURNAMENTS, COMPETITIONS AND SPORTIVE HEALTH-IMPROVEMENT PROGRAMS; CONSIDERS THE ISSUES OF THEIR MATERIAL AND FINANCIAL PROVISION. THE UNION ORGANIZES ALL-YEAR-ROUND SPORT COMPETITION OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING IN 15 KINDS OF SPORT AND OTHER SPORT EVENTS AT THE PLANT. IN 2015 THE UNION ORGANIZED AND HELD 60 SPORT EVENTS AND HEALTH PROMOTING EVENTS. NUMBER OF THEIR PARTICIPANTS EQUALED TO 5312 PEOPLE.

MONITORING OF PUBLIC OPINION ABOUT EFFECTIVENESS OF SOCIAL PROGRAMS

POSITIVE ASSESSMENT OF BSW ACTIVITY IN THE AREA OF SOCIAL RESPONSIBILITY IS EVIDENCED BY THE RESULTS OF 2015 COMPLEX INVESTIGATION OF THE SOCIAL-PSYCHOLOGICAL CLIMATE IN THE TEAMS OF STRUCTURAL DIVISIONS. OVER 10% OF THE PLANT'S EMPLOYEES TAKING PART IN THE INVESTIGATION EXPRESSED THEIR OPINION ABOUT THE QUALITY AND LEVEL OF THE PLANT'S CANTEENS, SOCIAL PROVISION AND SECURITY, MEDICAL SERVICE AT THE ENTERPRISE, CONDITIONS FOR LEISURE, SPORT EXERCISES, AND PLANT CULTURAL EVENTS. SATISFACTION INDEX EQUALS TO 0,720 AGAINST 0, 721 IN 2014. DURING FIVE YEARS THIS INDICATOR HAS REMAINED WITHIN A HIGH RANGE OF SATISFACTION; IT ALLOWS US TO SPEAK ABOUT SUSTAINABILITY OF THE MORAL-PSYCHOLOGICAL CLIMATE IN THE EMPLOYEE TEAMS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING.



Social activity

SYSTEM STUDY OF THE PUBLIC OPINION WITH THE HELP OF SOCIAL QUESTIONNAIRES IS AN IMPORTANT CONDITION OF THE DEVELOPMENT OF A CONSTRUCTIVE COOPERATION OF THE ADMINISTRATION AND THE EMPLOYEES OF THE ENTERPRISE AS WELL AS FOR MAINTENANCE OF AN EFFECTIVE FEEDBACK WITH THE INHABITANTS OF THE REGION. IN 2015 OVER 2,7 THOUSAND OF THE EMPLOYEES AND ABOUT 600 PEOPLE OF ZHLOBIN DISTRICT HAD AN OPPORTUNITY TO EXPRESS THEIR EVALUATION OF THE ACTUAL FACTS AND PROCESSES. IT ALLOWS US TO TAKE INTO ACCOUNT INTERESTS OF DIFFERENT CATEGORIES OF THE EMPLOYEES IN THE DEVELOPMENT OF MEASURES AIMED AT IMPROVEMENT OF SATISFACTION WITH WORK CONDITIONS AND WORK IN GENERAL AS WELL AS TO RESPOND TO OCCURRING CHALLENGES IN DUE TIME.

TOTAL NUMBER OF SOCIAL SURVEYS OF DIFFERENT DU-

RATION AND ORIENTATION HELD IN 2015 EQUALED TO 9: «PROFESSIONAL ORIENTATION OF SCHOOLCHILDREN», «DIAGNOSTICS OF SOCIAL-PSYCHOLOGICAL CLIMATE IN LABOUR COLLECTIVES OF THE ENTERPRISE», «EXPRESS INQUIRY OF THE EMPLOYEES REGARDING SATISFACTION WITH THE PROTECTIVE FOOTWEAR CONDITION», CONTENT SURVEY «TENDENCIES OF INTERNET REPORTING OF THE KEY EVENTS IN THE LIFE OF BYELORUSSIAN STEEL WORKS», «QUESTIONING OF THE INTERMEDIATE TEAM MANAGERS REGARDING CORRUPTION», «SOCIAL-PSYCHOLOGICAL CLIMATE IN THE TEAM OF EMS -2», «ANALYSIS OF THE PLANT'S EXTERNAL FACTOR INFLUENCE ON THE COMMUNITY, PLANT'S IMAGE IN THE REGION», «ELECTING ACTIVITY OF THE EMPLOYEES ON THE EVE OF PRESIDENTIAL ELECTIONS IN THE REPUBLIC OF BELARUS», «YOUNG SPECIALISTS: CHALLENGES OF SOCIAL AND PROFESSIONAL FORMATION».





According to the existing tradition, it is the sixth time when BSW issued its corporate calendars: one with children's drawings, the other with photos of its women employees. This year the calendar project was entirely developed by employees: they made photos, worked as designers, stylists, and makeup artists. A special creative group consisting mainly of young people was organized for that. It carried out the main load of calendar production.



December 5 – a grand project «Be a star!» took off at the Palace of Culture of Metallurgists which opened new names and talents. More than twenty young performers became its participants. Young BSW employees are among its finalists: Sergei Chernousov (EMS-2, Alina Voronina (MB), Tatiana Fursova (TCD).

Responsibility for the goods produced

STRIVING TO BE ONE OF THE BEST SUPPLIERS OF STEEL TO IMPROVE CUSTOMER'S SATISFACTION, TO ENSURE PRODUCTION OF QUALITY FOODS, GUARANTEE GOOD SERVICE, REDUCE THE RISK OF FAILURES DURING OPERATION, **BSW** CONTINUOUSLY IMPROVES MANAGEMENT OF PRODUCTION PROCESSES.

IT USES VARIOUS METHODS IN SEARCH FOR NEW IDEAS: FAILURE MODE AND EFFECT ANALYSIS (FMEA), BRAIN ATTACK, 8D, 5 WHYS, BENCHMARKING, SWOT – ANALYSIS, ETC. THE FOLLOWING IS TAKEN INTO CONSIDERATION IN RISK ASSESSMENT: PRODUCT CHARACTERISTICS (IN PARTICULAR, ITS CONTENT, PACKING, STORAGE CONDITIONS, DESIGN OF THE GOODS, MARKING, AND USER'S MANUAL.

IN SOME CASES THE REQUIREMENTS TO THE PRODUCT ARE STRICTER THAN THOSE SET IN THE TECHNICAL DOCUMENTATION OF NATIONAL AND INTERNATIONAL ASSOCIATIONS OF PRODUCERS AND STANDARDIZATION ORGANIZATIONS. ALL THESE FACTS PROVIDE FOR RESPONSIBILITY FOR PRODUCTION OF SAFE AND QUALITY PRODUCTS MEETING THE REQUIREMENTS AND EXPECTATIONS OF CUSTOMERS.

TO CONFIRM HIGH QUALITY OF ITS PRODUCTS **BSW** HAS CERTIFICATES OF CONFORMITY OF ITS QUALITY MANAGEMENT

SYSTEM ACCORDING TO SUCH RECOGNIZED INTERNATIONAL STANDARDS AS **ISO/TS 16949** AND **API Q1**.

BOTH PRODUCERS AND SUPPLIERS OF RAW AND AUXILIARY MATERIALS BELONG TO PERSONS RESPONSIBLE FOR DEFECTS (HAZARD) OF THE GOODS, THAT IS WHY **BSW** HELPS ITS SUPPLIERS TO DEVELOP. FOR EXAMPLE, IN 2011 **BSW** INTRODUCED CHANGES IN CONTRACT REQUIREMENTS TO SUPPLIERS. ONE OF THE OBLIGATORY REQUIREMENTS IN RESOLVING QUALITY ISSUES IS USAGE OF 8D PROCESS.

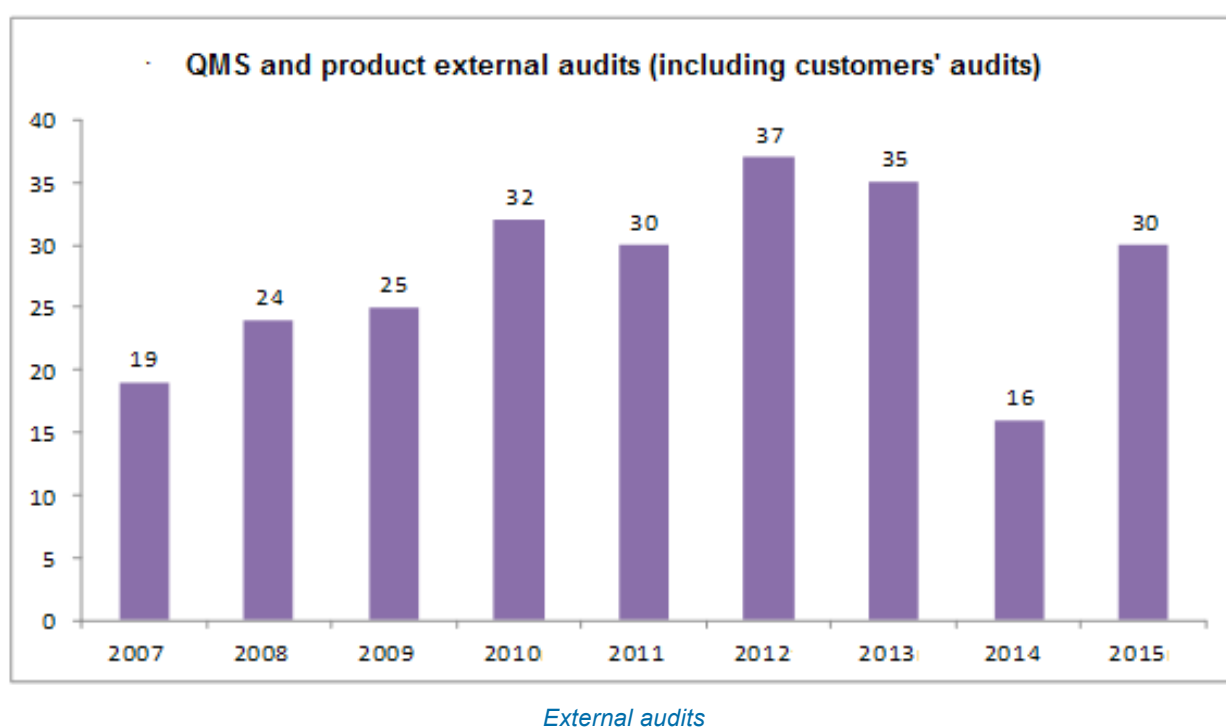
THIS PROCESS HAS ACQUIRED A REPUTATION OF ONE OF THE MOST EFFICIENT TOOLS FOR RESOLVING QUALITY PROBLEMS OF THE SUPPLIER PRODUCTS IN THE WORLD PRACTICE.

INTRODUCTION OF THE PROBLEM SOLVING PROCESS DEVELOPED ON THE BASIS OF THE 8D METHOD (SYSTEM EXCLUSION OF A PROBLEM) WILL ALLOW SUPPLIERS TO MEET **BSW** REQUIREMENTS TO MANAGEMENT OF CORRECTIVE AND PREVENTIVE MEASURES ENTIRELY.

GENERAL

PRODUCTS MANUFACTURING AND PACKAGING ARE SAFE FOR HUMAN HEALTH AND ENVIRONMENT.

THE PLANT'S DIRECTOR GENERAL AND ITS DEPUTIES





ENSURE FULFILLMENT OF THE FOLLOWING ASPECTS, AS REGARDS PRODUCT RESPONSIBILITY:

- ENSURING OF SECURITY AND HEALTH OF CUSTOMERS WHEN IN CONTACT WITH THE PRODUCTS;
- RELEVANT PRODUCTION MARKING;
- MARKETING COMMUNICATION WITH CUSTOMERS AND SUPPLIERS;
- PRIVACY OF THE CUSTOMER'S EMPLOYEES' LIFE;
- COMPLIANCE WITH THE ESTABLISHED REQUIREMENTS.

DURING PRODUCTION AND SALES, THE PLANT'S MANAGEMENT IMPLICITLY FOLLOWS PRINCIPLE 1 OF THE UN GLOBAL COMPACT. IN COMPLIANCE WITH PRINCIPLE 8 OF THE UN GLOBAL COMPACT THE PLANT'S MANAGEMENT UNDERTAKES INITIATIVES AND HOLDS ACTIVITIES AIMING AT REDUCTION OF THE PRODUCTION IMPACT ON THE ENVIRONMENT WHICH IS COVERED IN THE SECTION «ENVIRONMENTAL PROTECTION».

THE PLANT'S MANAGEMENT'S STANDPOINTS AS PER LIABILITY ASPECTS ARE OUTLINED IN:

- CORPORATE POLICY;
- DOCUMENTATION OF THE CORPORATE MANAGEMENT SYSTEM LISTED IN THIS SECTION;
- CODE OF ETHICS.

PRODUCT LIFE CYCLE

STRUCTURALLY, OJSC «BSW – MANAGEMENT COMPAY OF «BMC» HOLDING IS COMPOSED OF THREE BASIC PRODUCTION LINES (STEELMAKING, PRODUCTION OF ROLLED MATERIAL AND STEEL CORD AND WIRE MANUFACTURING), INFRASTRUCTURE SHOPS AND SUBDIVISIONS OF THE ENTERPRISE'S ACTIVITY MANAGEMENT. THE STEELMAKING PRODUCTION INCLUDES A SCRAP YARD AND TWO ELECTRIC MELT SHOPS. ACCEPTANCE, STORAGE, CLASSIFICATION AND PROCESSING OF SCRAP ARE PERFORMED IN THE SCRAP YARD. THE SCRAP YARD IS EQUIPPED WITH OVERHEAD CRANES AND RACKS USED FOR LOADING MATERIAL INTO CHARGING BASKETS WHICH ARE DELIVERED TO THE MELT SHOPS BY SCRAP TRUCKS. THE STEELMAKING PRODUCTION IS REPRESENTED BY THREE POWERFUL ELECTRIC-ARC

FURNACES WITH THE CAPACITY OF 100 TONS EACH. THE STEELMAKING PROCESS IS INTENSIFIED BY THE APPLICATION OF GAS AND OXYGEN TECHNOLOGIES. DEOXIDIZATION AND ALLOYING OF STEEL IS PERFORMED IN A LADLE. FINISHING OF STEEL CHEMICAL COMPOSITION IS PERFORMED IN SPECIAL LADLE-FURNACES AND VACUUM DEGASSERS. STEEL IS CAST BY THREE CONTINUOUS CASTING MACHINES; TWO OF THEM BEING SIX-STRAND UNITS PRODUCING BILLET CROSS-SECTION 125x125 MM, AND ONE – A FOUR-STRAND MACHINE WITH 250x300, 300x400 MM.

THE HIGH-TECH ROLLING PRODUCTION IS REPRESENTED BY A MODERNIZED SMALL-SECTION ROLLING MILL 320, WIRE ROD MILL 150, DUO REVERSE ROLLING MILL 850 WITH A SET OF EQUIPMENT FOR PRODUCTION OF ROLLED SECTIONS, STRUCTURAL SHAPES, WIRE ROD FOR VARIOUS APPLICATIONS, AND REINFORCING STEEL. IN MILL 320 METHODS OF PRODUCTION OF REINFORCING STEEL AGAINST STANDARDS OF GERMANY, HOLLAND, GREAT BRITAIN, FINLAND, SWEDEN, NORWAY, AUSTRIA, POLAND AND RUSSIA HAS BEEN MASTERED AND CERTIFICATION OF THESE TYPES OF PRODUCTS BY THE NATIONAL AUTHORITIES OF THESE COUNTRIES HAS BEEN CARRIED OUT; SLITTING PROCESS WITH DIVIDING OF A BAR INTO SEVERAL STRANDS HAS BEEN DEVELOPED MASTERED AND THIS IS A NEW AND PERSPECTIVE DIRECTION IN THE ROLLING TECHNIQUE.

ON SEPTEMBER 25, 2015 COMMISSIONING OF A SMALL-SECTION MILL FOR PRODUCTION OF WIRE ROD AND ROLLED SECTION WITH SPECIAL PROCESSING (SRS-2) TOOK PLACE. ITS CONSTRUCTION STARTED IN 2012 AFTER SIGNING OF A CONTRACT WITH DANIELI (ITALY) IN OCTOBER 2011. THE DESIGNED CAPACITY OF THE NEW MILL IS 700 THOUSAND TONS PER YEAR WITH THE POSSIBILITY TO INCREASE THE FINISHED PRODUCT OUTPUT TILL 1 MILLION TPY. THIS PROJECT WILL ALLOW THE PLANT TO BALANCE ITS PRODUCTION OF STEEL WITH IN-DEPTH PROCESSING AND INCREASE THE OUTPUT OF HARDWARE PRODUCTS.

JUNE 2007 WITNESSED COMMISSIONING OF A PIPE MILL. THE KEY EQUIPMENT OF THE PIPE MILL IS A PIPE ASSEMBLY INCLUDING A ROTARY PIERCE, A 4-STAND PQF® (PREMIUM QUALITY FINISHING) AND A REDUCING-SIZING MILL. THE MILL OPERATES WITH THREE TYPES OF BILLET EXTERNAL DIAMETER 140MM, 160MM, AND 200MM. THE KEY EQUIPMENT WAS SUPPLIED BY SMS MEER (GERMANY).



Responsibility for the goods produced



THE DESIGNED CAPACITY OF THE PIPE MILL IS UP TO 250 THOUSAND TONS PER YEAR DEPENDING ON THE PRODUCT RANGE. THE SHOP INCLUDES FURNACES, ROLLING MILLS, BILLET AND BATCH SAWS, THE REQUIRED FINISHING LINES, TRANSPORTATION SYSTEMS OPERATING WITHIN THE SHOP, AND AUXILIARY EQUIPMENT. SINCE COMMISSIONING OF THE PIPE MILL PRODUCTION OF MORE THAN 250 TYPES OF PIPE PRODUCTS OF VARIOUS RANGES HAS BEEN MASTERED.

BSW PIPES ARE USED IN ENGINEERING, OIL AND GAS INDUSTRY, CONSTRUCTION AND MUNICIPAL ENGINEERING.

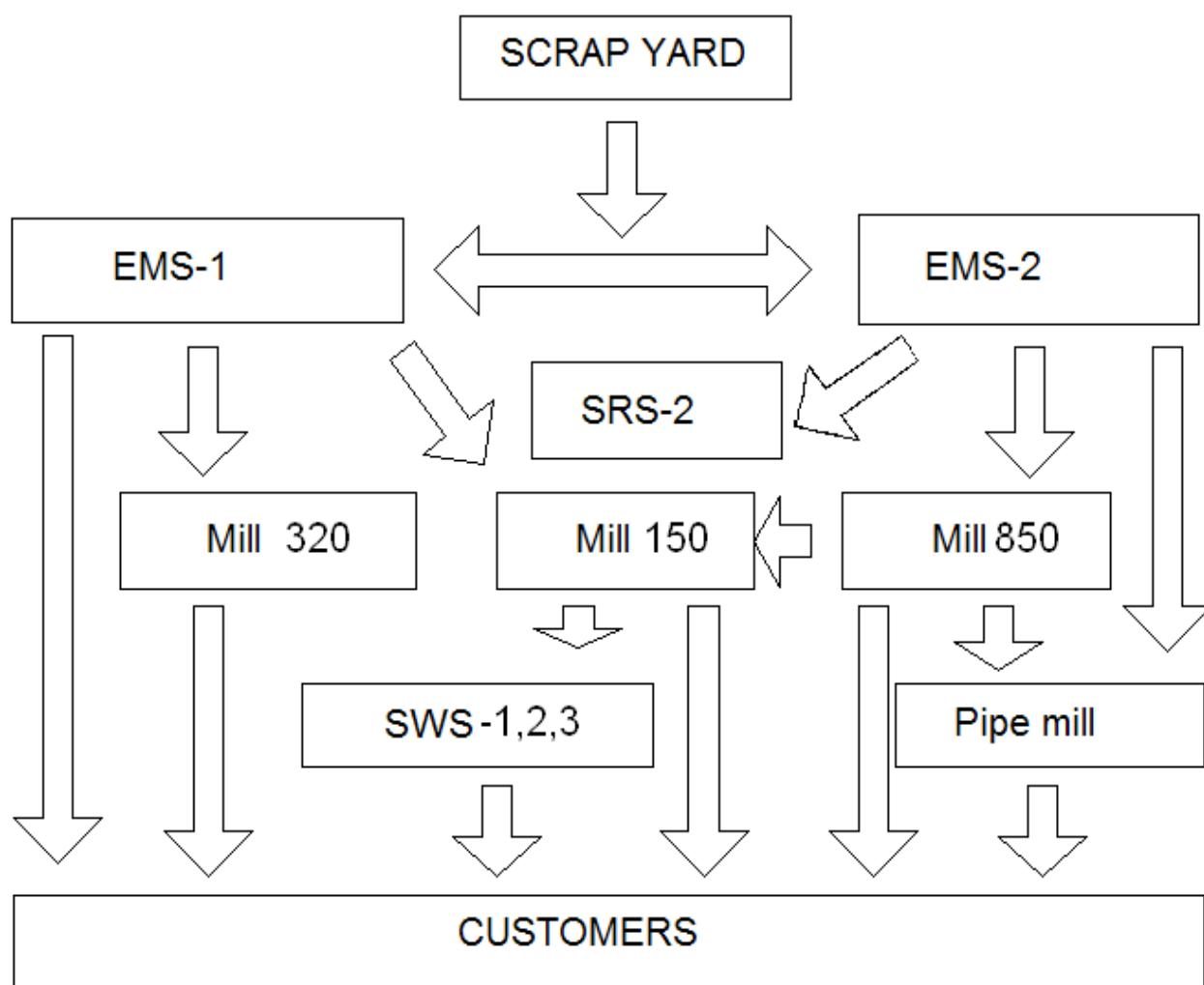
PIPE QUALITY MEETS THE REQUIREMENTS OF RUSSIAN AND FOREIGN STANDARDS: GOST, DIN, ASTM, API 5L, EN. PRODUCTS MEETING COMPLEX REQUIREMENTS OF THESE STANDARDS ARE SUPPLIED AT THE CUSTOMER'S REQUEST.

PIPE QUALITY AT DIFFERENT STAGES OF THE PRODUCTION

PROCESS IS CONTROLLED WITH: LASER WALL THICKNESS MEASURING UNIT «LASUS», TWO EDDY-CURRENT SURFACE DEFECT DETECTION DEVICES, AN ULTRASONIC UNIT FOR LONGITUDINAL DEFECT DETECTION ON THE PIPE SURFACE AND BODY, HYDRAULIC TEST OF PIPE TIGHTNESS WITH THE PRESSURE OF UP TO 600 BAR.

HARDWARE PRODUCTION IS COMPOSED OF THREE STEEL WIRE SHOPS, AND A DIE AND TARE SHOP.

STEEL CORD PRODUCTION IS A MOST COMPLICATED SCIENCE-INTENSIVE PROCESS WHICH PRESUPPOSES PRODUCTION OF BRASS-COATED STEEL WIRE DIAMETER 0.15 MM OUT OF CAST BILLET SIZE 250x300 MM, CAPABLE OF SUSTAINING HIGH MECHANICAL LOADS. THE PLANT IS THE MAIN SUPPLIER OF SUCH WORLD-RECOGNIZED TIRE MANUFACTURES AS CONTINENTAL, MICHELIN, GOODYEAR, BRIDGESTONE, ETC.



Scheme of the main production cycles



ANOTHER IMPORTANT HARDWARE PRODUCT ENJOYING KEEN DEMAND IS THE WIRE FOR HIGH-PRESSURE HOSES (HOSE WIRE). WITH RESPECT TO AUTOMATION AND EQUIPMENT LEVEL, WIRE PRODUCTION IS ONE OF THE HIGHLY DEVELOPED IN THE WORLD. THE PLANT'S SPECIALISTS ARE SUCCESSFULLY DEVELOPING AND IMPLEMENTING NEW STEEL CORD CONSTRUCTIONS TAKING INTO CONSIDERATION GLOBAL DEVELOPMENT TENDENCIES AND TIRE REQUIREMENTS OF THE AUTOMOTIVE MARKET. TO SATISFY REQUIREMENTS OF THE CONSUMING COMPANIES, PLANT'S SPECIALISTS DEVELOPED A WIDE RANGE OF HOSE WIRE TYPES NOT FORESEEN BY THE PROJECT INCLUDING HIGH-TENSILE AND SUPER HIGH-TENSILE WIRE.

THE RANGE OF WIRE PRODUCTION OUTPUT IS NOT LIMITED BY THE ABOVE MENTIONED ASSORTMENT. THE PLANT PRODUCES BEAD WIRE, WELDING COPPER-COATED AND NON-COPPER-COATED WIRE, DIE-ROLLED COLD-DEFORMED REINFORCING WIRE FOR CONCRETE REINFORCEMENT, SPRING, SPOKE, NAIL, GENERAL PURPOSE WIRE AND STEEL FIBER (ANCHOR, WAVY, MICRO-FIBER).

THE PLANT'S INFRASTRUCTURE IS REPRESENTED BY REPAIR SHOPS FOR POWER, ELECTRICAL AND MECHANICAL EQUIPMENT, PRODUCTION PROVISION WITH FLUIDS AND ELECTRIC POWER, RAILWAY AND AUTOMOTIVE TRANSPORT SHOPS, AND OTHER AUXILIARY DEPARTMENTS.

CUSTOMERS' HEALTH AND SAFETY

MAIN CUSTOMERS OF OJSC «BSW – MANAGEMENT COMPAY OF «BMC» HOLDING ARE MACHINE-BUILDING AND MOTOR-CAR CONSTRUCTION ENTERPRISES, HARDWARE, TIRE, PIPE AND REINFORCED CONCRETE STRUCTURE PLANTS OF THE NEIGHBORING AND FAR-AWAY COUNTRIES AND THOSE OF THE RB.

BYELORUSSIAN STEEL WORKS IS AIMING AT PRODUCTION OF QUALITY GOODS AND SERVICES, ADVANTAGEOUS AND SAFE FOR THE CONSUMERS' HEALTH. THE BEST QUALITY ASSESSMENT OF THE PLANT PRODUCTION IS ITS HIGH COMPETITIVE ABILITY AND CONTINUOUSLY INCREASING SALES TURNOVER.

IN ORDER TO PROVIDE THE INNER MARKET SECURITY, SAFETY OF THE CITIZENS AND ENVIRONMENTAL PROTECTION,

THE REPUBLIC OF BELARUS, RUSSIA, EC COUNTRIES AND SOME OTHER STATES DO NOT ALLOW TO IMPORT PRODUCTS WHICH ARE NOT CERTIFIED FOR THE COMPLIANCE WITH THE REQUIREMENTS OF THEIR NATIONAL STANDARDS.

PRODUCTION CERTIFICATION IN COMPLIANCE WITH THE REQUIREMENTS OF NATIONAL AND INTERNATIONAL STANDARDS WAS COMMENCED AT OJSC «BSW – MANAGEMENT COMPAY OF «BMC» HOLDING IN 1991, AND HAS BEEN SUCCESSFULLY PERFORMED THEREAFTER.

QUALITY AND SECURITY OF BYELORUSSIAN STEEL WORKS PRODUCTS COMPLYING WITH THE REQUIREMENTS OF THE NATIONAL STANDARDS OF ITS CUSTOMERS IS CERTIFIED BY CONFORMITY CERTIFICATES ISSUED IN RUSSIA, BELARUS, THE USA, AND MOST OF EU COUNTRIES. FOLLOWING THE RESULTS OF 2015 THE ENTERPRISE HOLDS 52 COMPLIANCE CERTIFICATES FOR VARIOUS TYPES OF PRODUCTS. QUALITY AND SECURITY OF THE COMPANY PRODUCTS AND THEIR COMPLIANCE WITH NORMATIVE DOCUMENTS IS SYSTEMATICALLY CHECKED IN THE COURSE OF SUPERVISORY AUDITS WITH THE FREQUENCY ESTABLISHED BY THE CERTIFICATION RULES OF EVERY CERTAIN COUNTRY (1, 2, 3, 4 TIMES A YEAR).

CONFIDENCE IN THE STABLE QUALITY OF WIRE PRODUCTION IS ENSURED BY THE QUALITY MANAGEMENT SYSTEM EXISTING AT THE ENTERPRISE AND CERTIFIED FOR THE COMPLIANCE WITH STANDARD ISO/TS 16949:2009.

QUALITY MANAGEMENT SYSTEM IN THE HARDWARE PRODUCTION IS APPROVED BY THE REPRESENTATIVES OF WIRE CONSUMING COMPANIES: MICHELIN (FRANCE), CONTINENTAL (GERMANY), BRIDGESTONE (ITALY), GOODYEAR (LUXEMBOURG), EATON (THE USA, GERMANY), MANULI (ITALY), PARKER (ITALY), DIESSE RUBBER (ITALY), ALFAGOMMA (ITALY), KNAPHEIDE (GERMANY) AND OTHERS, WHICH PERFORM THE COUNTERPARTY AUDITS.

THE CENTRAL PLANT LABORATORY IS ACCREDITED FOR THE COMPLIANCE WITH ISO/MEK 17025 REQUIREMENTS SINCE 2009 (BY DAKKS, GERMAN CERTIFICATION BODY). AN ACCREDITATION CERTIFICATE VALID TILL 16.12.2019 WAS RECEIVED IN 2014.

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CONFORMITY CERTIFICATES FOR
PRODUCTION OF VARIOUS TYPES OF
VSW PRODUCTS IN 2015



Responsibility for the goods produced



IN 2011 OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BYELORUSSIAN METALLURGICAL COMPANY» HOLDING TOGETHER WITH BELMET HANDELGESELLSCHAFT M.B.H. (LINZ, AUSTRIA), ITS REPRESENTATIVE IN EC COUNTRIES AND IN ACCORDANCE WITH REACH REGULATION NO. EC 1907 ARRANGED REGISTRATION OF THE CHEMICALS (MANGANESE, IRON, COPPER AND SILICON) CONTAINED IN CONCAST BILLET AND BLOOM AS PRODUCTS WHICH FURTHER USE IS ACCOMPANIED WITH THE CHEMICAL COMPOSITION CHANGE.

ALL OTHER PRODUCTS OF OUR ENTERPRISE BELONG TO GOODS WHICH DO NOT SUFFER THEIR CHEMICAL COMPOSITION CHANGE AND DO NOT EMIT SUBSTANCES IN THE COURSE OF FURTHER STANDARD USE AND ARE NOT SUBJECT TO REGISTRATION.

ALL BSW PRODUCTS DO NOT CONTAIN SUBSTANCES OF INCREASED HAZARD (SVHC).

THE MAIN GOAL OF THE REACH SYSTEM IS TO PROVIDE HIGH LEVEL OF HUMAN HEALTH AND ENVIRONMENT PROTECTION, INCLUDING PROMOTION OF ALTERNATIVE METHODS OF SUBSTANCE HAZARD ASSESSMENT, AND FREE TURNOVER OF SUBSTANCES WITHIN THE DOMESTIC MARKET OF THE EUROPEAN UNION, AND ENHANCING THE COMPETITIVE ABILITY OF CHEMICAL INDUSTRY OF THE MEMBER STATES AND FACILITATING INNOVATIVE TECHNOLOGIES INTRODUCTION.

IN ORDER TO INFORM PRODUCT CONSUMERS ON SAFE APPLICATION DURING FURTHER PROCESSING, SAFETY DATA SHEETS FOR SERIAL PRODUCTION ARE EXECUTED IN COMPLIANCE WITH GOST 30333 AND SUCH OTHER TECHNICAL-REGULATORY LEGAL ACTS AS ESTABLISHED BY THE ORGANIZATION'S STANDARD STP 840-KSM-7.5.1.2 «MANAGEMENT FACILITIES OF PRODUCTION PROCESS. SPECIAL PROCESSES. SPECIAL CHARACTERISTICS OF THE PRODUCTION AND SPECIAL PARAMETERS OF THE PROCESS». IN COMPLIANCE WITH THE CUSTOMER REQUIREMENTS, THE PRODUCTION INSPECTION WITH RESPECT TO RADIOACTIVE SAFETY IS PERFORMED AT THE PLANT WITH THE SUBSEQUENT DELIVERY OF THE RELEVANT CERTIFICATES TO CUSTOMERS.

PACKING, STORING, HANDLING OPERATIONS AND DELIVERY OF PRODUCTS ARE PERFORMED BY THE PERSONNEL IN

COMPLIANCE WITH THE REQUIREMENTS OF THE ENTERPRISE'S STANDARD STP 840-KSM-7.5.5 «PRODUCTION AND MAINTENANCE. ENSURING THE PRODUCTION COMPLIANCE. PROCEDURE OF THE FINISHED PRODUCT DISPATCHING». MATERIALS ECOLOGICALLY SOUND AND HARMLESS FOR HUMAN HEALTH AND ENVIRONMENT ARE USED FOR PACKAGING.

IN THE REPORTING PERIOD WE RECEIVED SEVERAL REMARKS REGARDING TIRE CORD PACKAGE DAMAGE DURING TRANSPORTATION TO CUSTOMERS BY TRUCKS.

NOW WE TEST PROTECTIVE FRAMES FOR CARDBOARD ANGLES TO PROVIDE FOR GOODS SAFETY DURING TRANSPORTATION BY TRUCKS.

PRODUCT MARKING WITH APPROPRIATE INFORMATION

ALL PRODUCTS SUPPLIED TO THE CUSTOMERS ARE MARKED AND ACCOMPANIED BY A QUALITY CERTIFICATE. THE PRODUCT MARKING IS PERFORMED IN COMPLIANCE WITH THE PLANT REGULATIONS ON THE MARKING REQUIREMENTS, AND INCLUDES INFORMATION ON THE MANUFACTURING COUNTRY, TRADE MARK OF THE PLANT, SUPPLY CONTRACT NUMBER, CONSIGNMENT NUMBER, COUNTRY OF DESTINATION, WEIGHT AND OTHER QUALITY INFORMATION. QUALITY CERTIFICATES CONTAIN QUALITY INFORMATION OF THE PRODUCT.

PACKING AND SHIPMENT ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE EXISTING PROCESS DOCUMENTATION WITH CONSIDERATION OF THE REQUESTS AND REQUIREMENTS OF THE CUSTOMERS STIPULATED IN THE CONTRACT.

IN AUGUST 2006 A PERMIT TO USE THE «CE» MARK ON STRUCTURAL STEEL ROLLED SECTION UNDER THE REQUIREMENTS OF DIRECTIVE 89/106/CE WAS FOR THE FIRST TIME RECEIVED FROM CARES. IN 2015 THE PLANT HELD THE FOLLOWING CERTIFICATES OF CONFORMITY ISSUED TO CONFIRM THE RIGHT TO APPLY CE MARK ON:

- SEAMLESS PIPES, ROW H AND M, AND TYPES L, L1 AND L2 Ø 21,3-165,1 MM OF NON-ALLOY STEEL FOR WELDING AND THREADING IN ACCORDANCE WITH DIN EN 10255:2004+A1:2007(TÜV NORD SYSTEMS (GERMANY)

- PRODUCTION OF STEEL MICROFIBER FOR CONCRETE



Marking with CE sign



REINFORCEMENT IN ACCORDANCE WITH DIN EN 14889-1:2006 AND DIRECTIVE 89/106/EC;

- PRODUCTION OF STEEL WAVY FIBER FOR CONCRETE REINFORCEMENT IN ACCORDANCE WITH DIN EN 14889-1:2006 AND DIRECTIVE 89/106/EC OF EU COUNCIL (TÜV NORD SYSTEMS (GERMANY))

- PRODUCTION OF ANCHOR FIBER IN ACCORDANCE WITH THE REQUIREMENTS OF DIN EN 14889-1:2006 AND DIRECTIVE 89/106/ EC OF THE EU COUNCIL (TÜV NORD SYSTEMS (GERMANY))

- PRODUCTION OF ROLLED SECTIONS OF STRUCTURAL STEEL WITH TENSILE STRENGTH S235 TO S460 ACCORDING TO DIN EN 10025-2:2005, ANNEXES A AND B TO DIN EN 10210-1:2006 AND DIRECTIVE 89/106/EC AND 93/68/EC OF EU COUNCIL (TÜV NORD SYSTEMS (GERMANY) 2006);

- PRODUCTION OF STEEL HOT-ROLLED PIPES OF STRUCTURAL STEEL WITH TENSILE STRENGTH S235 TO S460 ACCORDING TO DIN EN 10025-2:2005, ANNEXES A AND B TO DIN EN 10210-1:2006 AND DIRECTIVE 89/106/EC AND 93/68/EC OF EU COUNCIL (TÜV NORD SYSTEMS (GERMANY) 2006)

MARKETING COMMUNICATIONS

MARKETING ACTIVITY OF BSW REFERS TO THE COMPETENCE OF THE MARKETING BOARD.

AIM OF BSW ADVERTISING CAMPAIGN IS TO FORM ITS NAME AND PRESTIGE TO OCCUPY AND STRENGTHEN ITS MARKET POSITION; STIMULATE SALES, IMPROVE EFFECTIVENESS AND VOLUME OF SALES.

MEANS OF PRODUCT PROMOTION:

1. ADVERTISING IN MASS MEDIA (PRESS, TV, RADIO, INTERNET, PRESS-CONFERENCES, PUBLIC SPEECHES).

2. EXHIBITIONS, FAIRS (ONE OF THE KEY LINKS IN THE SYSTEM OF ADVERTISING MEASURES THAT SERVE A CROSSING POINT OF A LARGE NUMBER OF SELLERS AND CUSTOMERS AT A CERTAIN PLACE AND AT A CERTAIN TIME). IN 2015 BSW PARTICIPATED IN 3 INTERNATIONAL EXHIBITIONS AND FAIRS IN BELARUS AND GERMANY. BSW ADVERTISEMENTS CAN BE SEEN AT STV – AN ADVERTISING FILM «BSW IS OUR BUSINESS», OUTSIDE ADVERTISEMENTS ON A CONTINUOUS BASIS, ADVERTISEMENTS ON THE TOWN LED SCREEN. BSW ALLOCATES ADVERTISEMENTS AND REFERENCE INFORMATION IN NEWSPAPERS AND JOURNALS OF THE RB AND RF: «KRUGOZOR SEGODNYA», «NOVY DZEN», «METALLURG», «REPUBLIKA», «BELARUSIAN ECONOMY», «GOMELSKAYA PRAVDA», «STROITELNAYA GAZEYA», «ARCHITECTURE AND CONSTRUCTION», «STROIKA», «ZNAK KACHESTVA» «METALINFORM», «100 BEST GOODS OF RUSSIA», «INFORMOBZOR», «CONSTRUCTION AND REAL ESTATE», CATALOGUE «MADE IN BELARUS», ETC.



Responsibility for the goods produced



3. PRODUCT SALES STIMULATION (SPECIAL CONDITIONS PROVIDED FOR PATRONS);
4. SALES BY CATALOGUES;
5. ELECTRONIC TRADE;
6. DIRECT MAIL;
7. DIRECT SALES (PROMOTION OF GOODS INCLUDING THEIR ORAL PRESENTATION TO SALE WHILE SPEAKING WITH POTENTIAL BUYERS);
8. ANNUAL REPORTS OF THE COMPANY;
9. ADVERTISING CONSTRUCTIONS IN THE NATIONAL AIRPORT IN MINSK;
10. SHOOTING OF FILMS-PRESENTATIONS;
11. ALLOCATION OF AN ADVERTISEMENT TRAILER ON THE LED SCREEN OF THE PALACE OF CULTURE OF METALLURGISTS.
12. BSW ADVERTISEMENT AT INTERNATIONAL SPORT COMPETITIONS IN HOCKEY, VOLLEYBALL, HEAVY ATHLETICS, ETC.
13. EVERY YEAR BSW PARTICIPATES IN THE NATIONAL TOURNAMENT «BEST EXPORTER OF THE YEAR». RESULTS OF 2015 – THE WINNER'S CUP IN THE NOMINATION «STEELMAKING».
14. SPONSORSHIP AND CHARITY: BSW TOOK PART IN SUCH IMPORTANT EVENTS FOR GOMEL REGION AND THE COUNTRY IN GENERAL AS «GOMEL ECONOMIC FORUM – 2015» AND «FRIENDSHIP -2015» AS THE GENERAL PARTNER.

MUTUALLY BENEFICIAL COOPERATION WITH CUSTOMERS

OUR CUSTOMER BASE WAS FORMED ON THE BASIS OF A LONG-TERM WORK OF BSW AND CUSTOMERS TAKING INTO ACCOUNT RELIABILITY OF A COMPANY (CHECKED BY THE ECONOMIC SECURITY BOARD), ITS ABILITY TO PAY, AND FULFILL THE OBLIGATIONS TAKEN, POSSIBILITY TO WORK ON THE MARKET IN DIFFERENT CONDITIONS (BOTH ON THE FALLING MARKET AND DYNAMICALLY DEVELOPING MARKET). A LIST OF PERMANENT CUSTOMERS WAS APPROVED TAKING INTO CONSIDERATION THE EXPERIENCE ACQUIRED IN STEEL

SALES. BASED ON THE TASK SET AND THE RESULTS ACHIEVED THEY ARE IDENTIFIED AS: A JOINT VENTURE, A TRADE FIRM, A DISTRIBUTOR, A TRADER, AN END USER.

WORK WITH CUSTOMERS IS ORGANIZED IN COMPLIANCE WITH THE CODE OF BUSINESS ETHICS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING.

OPERATION OF ANY COMPANY IS SIGNIFICANTLY INFLUENCED BY AVAILABILITY OF COMPETITION. IT MAKES THE COMPANY DETERMINE ACTUAL NEEDS OF CERTAIN BUYERS AND FORM A PRODUCT RANGE MEETING THEIR REQUIREMENTS MOST COMPLETELY.

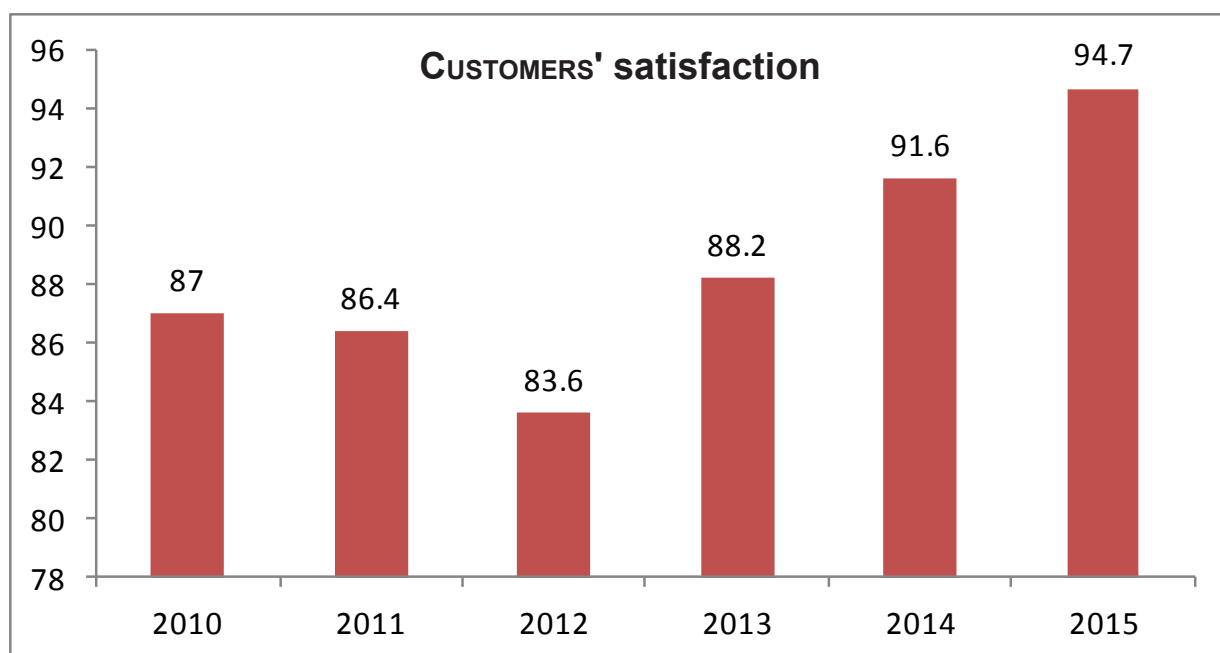
RELATIONS WITH COMPETITORS ARE DESCRIBED IN THE CODE OF BUSINESS SURVEY WHICH IS A PART OF THE CODE OF ETHICS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING.

COMPETITIVE (BUSINESS) SURVEY IS A VERY IMPORTANT FUNCTION OF UP-TO-DATE MANAGEMENT AND THE KEY CONDITION OF BUSINESS DYNAMIC DEVELOPMENT. THE AIM OF THE COMPETITIVE SURVEY IS TO CONTRAST POSITIVE TO STRONG SIDES OF COMPETITORS AND USE THEIR WEAK SIDES, ITS TASK IS TO ANALYZE THE INFORMATION ACQUIRED AND ON ITS BASIS CREATE DATA USEFUL FOR DEVELOPING A MANAGEMENT DECISION.

ORGANIZATION OF MEETINGS, CUSTOMER QUESTIONNAIRES, DISCUSSION OF PROBLEMS WITH PARTNERS ALLOW THE COMPANY TO FIND EFFECTIVE WAYS OF RESOLVING CURRENT AND FUTURE CHALLENGES, REALIZE POSSIBLE DIRECTIONS OF DEVELOPMENT AND PRODUCT IMPROVEMENT.

CUSTOMER QUESTIONING IS ONE OF SUCH TASKS. QUESTIONING IS CARRIED OUT AS REGARDS THE ASSESSMENT INDICATORS WHICH ARE MOST IMPORTANT FOR CUSTOMERS: CONDITIONS OF PRODUCT PAYMENT, PRODUCT PRICE, PRODUCT SUPPLIES, PRODUCTION PLANNING, AND PRODUCT QUALITY. SUBJECTS OF THE COMMODITY DISTRIBUTION NETWORKS AND BSW PRODUCT END USERS ON GLOBAL OUTLETS (EUROPE, AMERICA, MIDDLE EAST, AFRICA, SEA, CIS, AND BELARUS) ARE QUESTIONED.

IN 2015 BSW QMS WAS APPROVED BY REPRESENTATIVES OF STEEL CORD AND STEEL WIRE USERS: MICHELIN – 93%, CONTINENTAL – 95%, OJSC «BELSHINA» – 0,9 POINTS (OUT OF 1,0 POSSIBLE).



CUSTOMERS' SATISFACTION WITH PRODUCTS OF STEELMAKING, ROLLING, PIPE AND HARDWARE PRODUCTIONS

CUSTOMERS' QUESTIONNAIRES ANALYSIS PERFORMED PROVES THEIR LOYALTY TO BSW TRADE MARK. PROPOSALS EXPRESSED BY OUR CUSTOMERS ARE EXAMINED BY THE CORRESPONDING SERVICES OF THE PLANT AND CORRECTIVE ACTIONS ARE DEVELOPED IF REQUIRED TO PREVENT CUSTOMER CLAIMS FOR THE CURRENT PERIOD AND IMPROVE CUSTOMER SATISFACTION IN FUTURE. THE MARKETING BOARD CARRIES ON FEEDBACK WITH CUSTOMERS. THE AIM OF CUSTOMER QUESTIONING IS TO STUDY MARKET REQUIREMENTS FOR NEW TYPES OF PRODUCTS. THE TECHNICAL BOARD ANALYZES THE POSSIBILITY OF MANUFACTURE THE PRODUCTS SPECIFIED BY CUSTOMERS. WHEN QUESTIONING IS COMPLETED, THE CUSTOMERS ARE INFORMED ABOUT THE ABILITY OF BSW TO PRODUCE THE NEW TYPES OF PRODUCTS.

TO SELL PRODUCTS TO MEMBERS OF THE COMMODITY DISTRIBUTION NETWORK, WE ORGANIZE MEETINGS WITH END USERS, PARTICIPATE IN EXHIBITIONS, SIGN ANNUAL CONTRACTS, AND PARTICIPATE IN BONUS SYSTEMS OF LARGE CUSTOMERS. WE DISTRIBUTE COMMERCIAL PROPOSALS AND TAKE PART IN TENDERS. MORE FLEXIBLE AND ATTRACTIVE TERMS OF PAYMENT FOR PRODUCT ARE DEVELOPED. EACH CUSTOMER'S ORDER IF GIVEN AN INDIVIDUAL APPROACH

AND PROFESSIONAL, QUALITY, AND OPERATIVE RESPONSE IS PROVIDED FOR EACH INQUIRY.

DURING QUESTIONING CUSTOMERS SPECIFIED THE MOST IMPORTANT PROJECTS WHERE BSW PRODUCTS WERE USED: MOTOR HIGHWAY S8 WALICHNOWY – LUBARTÓW, WALICHNOWY ŁÓDŹ, S17 DĄBROWICA - LUBARTÓW, REINFORCEMENT OF THE SEA PIER IN SWINUŹCIE – SZCZECIN; IN ADMINISTRATIVE BUILDINGS: BUSINESS PARK A4, KATOWICE (STAGE 2), IMPRESSIO II WROCLAW, DĘBOWE TARASY, KATOWICE (STAGE 3); RECONSTRUCTION AND REPAIRS, ERECTION OF BRIDGES (VIA DANE RIVER KLAIPEDA, TO KURSK SPIT, ETC.) IN BALTIC STATES AND IN SCANDINAVIA, ELBE HARMONIA, BUILDING STUTTGART 21, IN CONSTRUCTION OF NOVORONNEZH APS, OBJECTS OF WINTER OLYMPIC GAMES IN SOCHI, IN BUILDING OF MOSCOW CITY AND BELAES, MINSK METRO. BSW PRODUCTS WERE SUPPLIED TO OIL COMPANIES OJSC LUKOIL, OJSC NK TOSNEFT, OJSC TATNEFT, NFK «SALYM PETROLEUM», RUE BELORUSNEFT PA, KAZMUNAIGAS, ETC.

IN AUGUST 2014 THE FIRST SOCIAL RESPONSIBILITY AUDIT WAS HELD AT OJS «BSW – MANAGEMENT COMPANY OF «BMC» HOLDING. THE AUDIT FOR CONFORMITY TO THE CODE OF ETHICS OF PIRELLI GROUP SUPPLIER (ITALY) WAS PERFORMED BY THE SECOND PARTY – A REPRESENTATIVE OF BUREAU VERITAS (THE UKRAINE) WITHIN THE FRAMEWORK



Responsibility for the goods produced



OF THE REQUIREMENTS OF THE INTERNATIONAL STANDARD OF SOCIAL RESPONSIBILITY SA 8000.

DURING THE AUDIT, THE CURRENT ACTIVITY OF THE PLANT IN THE AREA OF LABOUR PROTECTION, ENVIRONMENT, INDUSTRIAL SAFETY, PERSONNEL MANAGEMENT WERE ANALYZED AND PRODUCTION AREAS, HOUSEHOLD ROOMS, CANTEENS, AND AID POSTS WERE ASSESSED, AND EMPLOYEES WERE QUESTIONED.

AT PRESENT GLOBAL CUSTOMERS OF OJSC «BSW – MANAGEMENT COMPAN OF «BMC» HOLDING MORE AND MORE OFTEN RAISE THE TOPIC OF OBSERVANCE OF THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT (LIQUIDATION OF ALL FORMS OF FORCED AND OBLIGATORY LABOUR, COMPLETE EXTERMINATION OF CHILD LABOUR, AND LIQUIDATION OF DISCRIMINATION IN THE AREA OF LABOUR AND EMPLOYMENT, ETC.).

MUTUALLY BENEFICIAL COOPERATION WITH SUPPLIERS

ANOTHER EQUALLY IMPORTANT PARTY CONCERNED IS OUR SUPPLIERS PROVIDING THE PLANT WITH STOCK AND RAW MATERIALS FOR OUR PRODUCTION.

BSW ESTABLISHES HONEST AND UNBIASED RELATIONS WITH SUPPLIERS BASED ON REASONABLE PRICING, RECOGNIZING LICENSE AND TRADE RIGHTS. COOPERATION WITH SUPPLIERS IS ORGANIZED IN COMPLIANCE WITH THE CODE OF ETHICS AND ENTERPRISE STANDARD STP 840-KSM-7.4 «PROCUREMENT. PROCEDURE OF COOPERATION WITH SUPPLIERS», AND SUPPLIER MANUAL.

SELECTION OF SUPPLIERS IS PERFORMED BASED ON:

- STUDY OF MARKET AND SUPPLIER QUESTIONING;
- RATING ON THE COMMODITY AND SERVICES MARKET;

– QUALITY OF THE ACQUIRED RESOURCES (SERVICES) WITH CONSIDERATION OF DATA ON CONSUMER'S QUALITY MANAGEMENT SYSTEM FUNCTIONING AND ITS EFFICIENCY IN THE FORM OF:

- RESULTS OF MASS REGULAR SUPPLIES WITHOUT RECLAMATIONS OR CLAIMS;
- COMPLIANCE CERTIFICATES FOR THE MANAGEMENT SYSTEM AND PRODUCTS OF THE SUPPLIER;
- SUPPLIER OBLIGATIONS TO RESPECT THE RIGHTS AND FREEDOMS OF THE CITIZENS IN COMPLIANCE WITH THE PRINCIPLES OF THE UN GLOBAL COMPACT;
- SUPPLIER CONSENT TO FOLLOW BSW SUPPLIER QUALITY MANUAL.

THE ACTIVITY OF SUPPLIERS IS ASSESSED ACCORDING TO THE FOLLOWING CRITERIA:

- OBSERVANCE OF THE VOLUME AND TERMS OF PRODUCT DELIVERY (LOGISTICS);
- COMPLIANCE OF THE DELIVERED PRODUCT WITH THE ESTABLISHED REQUIREMENTS AND CALCULATION OF THE DELIVERED GOODS QUALITY INDEX (IQL) CONSIDERING THE EXISTENCE OF THE SUPPLIER QUALITY SYSTEM, SHARE OF SUPPLIES WITH DEVIATIONS IN THE TOTAL NUMBER OF DELIVERIES AND CONSIDERATION OF DEVIATION SIGNIFICANCE COEFFICIENT (LOYALTY);
- DEGREE OF THE CONSUMER LOYALTY TO THE PLANT AND CORRECTIVE ACTIONS EXECUTION.

SUPPLIES QUALITY ASSESSMENT IS REVIEWED AT THE PLANT QUALITY MEETINGS.

SO AS TO DEVELOP PARTNERSHIP RELATIONS AND IMPROVE QUALITY OF THE DELIVERED PRODUCT BY DEVELOPMENT OF THE MANAGEMENT SYSTEM WITH THE ACCEPTABLE SUPPLIERS ACCORDING TO THE BULLETIN OF SUPPLIERS ASSESSMENT FOR THE PREVIOUS PERIOD SPECIALISTS OF THE COMPANY PERFORM SUPPLIER AUDITS.

FOLLOWING THE COOPERATION RESULTS AND ASSESSMENTS, A «LIST OF APPROVED SUPPLIERS» IS DRAWN UP AND AGENTS PERFORMING DELIVERIES ARE SPECIFIED.

THE RESULTS OF THE SUPPLIER ASSESSMENT ARE GIVEN IN THE TABLE BELOW.





Supplier	Delivery quality index, %	Logistics, %	Loyalty to the plant %	Actual data, %					
				2010	2011	2012	2013	2014	2015
Excellent	IQL=95,1-100	100	100	37,20	32,05	55,22	52,43	60,23	86,3
Reliable	IQL=75,1-95	100	100	50,24	57,84	36,05	38,53	28,63	22,35
Acceptable	IQL=30,1-75,0	85-100	80-100	4,45	3,14	4,58	4,6	6,23	2,85
Unsatisfactory	IQL ≤ 30*	<85	<80	8,11*	6,97*	4,29*	4,43	4,9	3,5
* purchases from this supplier should be cancelled									

Criterion	2010	2011	2012	2013	2014	2015
Percentage of certified suppliers (TCD supplier assessment bulletin data), %	44,2	49,4	36,48	43,4	56,1	57,1



July 19 – a star in the Orion constellation was given the name of Byelorussian Steel Works. This was an original present for BSW from its partner Baltic shipping (Klaipeda) in honor of achievements and successes of BSW team on the occasion of its professional holiday.

Organization's medium-term targets

THE FOLLOWING KEY TARGETS OF ECONOMIC AND SOCIAL DEVELOPMENT OF THE ORGANIZATION ARE PLANNED FOR 2016:

1. PRODUCTION, FINANCES, AND ECONOMICS:

1.1 SALES PROFITABILITY IN INDUSTRY, MIN., %	1,0
1.2 EXPORT OF GOODS AS COMPARED TO THE LEVEL OF 2015, MIN., %	90,0
1.3 DECREASE OF THE LEVEL OF EXPENSES FOR PRODUCT MANUFACTURING, WORK, SERVICES (RESOURCE SAVING), MIN. BY, %	-1,1
1.4 POWER SAVING INDICATOR, %	-5,4
1.5 FINISHED PRODUCT STOCK NORM, %, MAX.	30,0

2. QUALITY

2.1 LEVEL OF REJECTS DUE TO PRODUCTION SHOPS, MAX., %	SET IN ORDER No.2
2.2 LEVEL OF NON-CONFORMING PRODUCTS, MAX., %	SET IN ORDER No.2
2.3 LEVEL OF EXPENSES DUE TO DEFECTS PER Br1000 OF MARKETABLE PRODUCTS, MAX., %	4,64
2.4 CUSTOMER SATISFACTION ASSESSMENT, MIN., %	
- STEELMAKING	94,0
- ROLLING	94,3
- PIPE PRODUCTION	93,5
- STEEL CORD AND STEEL WIRE PRODUCTION	95,5
2.5 LEVEL OF CLAIMED PRODUCTS TOTAL FOR THE PLANT, MAX., PPM	SET IN ORDER No.2

3. ENVIRONMENT

3.1 VOLUME OF PRODUCTION WASTES ALLOCATION IN THE ENVIRONMENT AVERAGE TO 2015, %	TO BE REDUCED BY 1,3%
3.2 VOLUME OF WATER REMOVAL FROM SURFACE SOURCES AS COMPARED TO THE LEVEL OF 2015, %	TO BE REDUCED BY 2,0%

4. LABOUR PROTECTION AND INDUSTRIAL SAFETY

4.1 OCCUPATIONAL INJURY NOT TO EXCEED THE LEVEL OF 2015	
4.2 PROVISION OF ADDITIONAL SAFETY FOR THE EMPLOYEES OF THE SHOPS, PEOPLE	261
4.3 IMPROVEMENT OF LABOUR ENVIRONMENT FOR THE EMPLOYEES OF THE SHOPS, PEOPLE	79
4.4 IMPROVEMENT OF SANITARY-HOUSEHOLD CONDITIONS FOR THE EMPLOYEES OF THE SHOPS, PEOPLE	16
4.5 IMPROVEMENT OF DRINKING WATER CONSUMPTION FOR THE EMPLOYEES OF THE SHOP, PEOPLE	65

5. SOCIAL RESPONSIBILITY

5.1 TRAINING OF EXECUTIVES AND SPECIALISTS, PEOPLE	1346
5.2 PROFESSIONAL TRAINING OF WORKERS, PEOPLE	3525
5.3 GENERAL SATISFACTION OF THE PERSONNEL, MIN., %	72,0
5.4 EMPLOYEE TURNOVER, MAX., %	4,5



List of abbreviations used

API	American Petroleum Institute – a nongovernmental organization in the US performing investigations in the oil and gas sector.
GRI	Global Reporting Initiative– an independent commercial organization which mission is development and worldwide distribution of unified principles of reporting in the area of sustainable development prima facie with the help of Sustainable Development Reporting Guidelines. The organization was established in 1988; its headquarters location is Amsterdam; it is managed by international experts of different organizations worldwide.
EFQM	European Foundation of Quality Management
ISO	International Organization for Standardization
OHSAS	Occupational health and safety management system
SA 8000	Social Responsibility 8000 international standard
BSW	Byelorussian Steel Works
BNTU	Belarusian National Technical University
BRYU	Belarusian Republican Youth Union
GDP	Gross domestic product
GOST	State industrial standard
SEE	State Educational Establishment
PCM	Palace of Culture of Metallurgists
EAF	Electric Arc Furnace
CJSS	Children-junior sport school
EC	European Community
UWRB	Unified wage rate book
ZMF	Zhlobin meat factory
HB	Housing board
Info-BMZ	Information-reference system of the plant
kg	kilogram
CMS	Corporate management system
PC	Purpose courses
MAZ	Minsk Automotive Plant
MISIS	Moscow Institute of Steel and Alloys
CCM	Billet continuous casting machine
mln	million
bln	billion
mm	millimeter
HS	Health service
MTZ	Minsk tractor plan
IFRS	International financial reporting system

ПРИЛОЖЕНИЯ / ANNEX

NAS	National academy of science
NP	National parkk
ОИИП	Information & Ideological Work department
UNO	United Nations organization
LPD	Labour protection department
ISD	Industrial safety department
ODS	Ozone depleting substances
QMD	Quality management department
GCP	Dust and gas collecting plant
MPC	Maximum permissible concentration
PA	Production Association
RB	Republic of Belarus
LE&S	Leading employees and specialists
RF	Russian Federation
CM	Council of Ministers
MM	Mass media
YSC	Yung specialists council
CIS	Commonwealth of Independent States
SRS	Section rolling shop
STP	Plant standard
STB	Belarusian standard
SWS	Steel wire shop
EMS	Environment management system
LPMS	Labour protection management system
USA	United States of America
TNLA	Typical normative legal acts
TU	Technical standard
e.f.t.	Ton of equivalent fuel
Thou.	thousand
FER	Fuel and energy resources
EP&ISB	Environment protection and industrial sanitation board
SHC	Sports and health complex
CEE	Central and East Europe
EMS	Electric melt shop



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G4-EC4 FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT	ECONOMIC EFFECTIVENESS. FINANCIAL SUPPORT BY THE GOVERNMENT	
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G4-EC5 RATIOS OF STANDARD ENTRY WAGE LEVEL BY GENDER COMPARED TO LOCAL MINIMUM WAGE AT SIGNIFICANT LOCATIONS OF OPERATION	SOCIAL ACTIVITY. FINANCIAL INCENTIVES.	
G4-EC6 PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY AT SIGNIFICANT LOCATIONS OF OPERATION	SOCIAL ACTIVITY PERSONNEL PROFILE	
Indirect Economic Impacts		
G4-EC7 DEVELOPMENT AND IMPACT OF INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED	ECONOMIC EFFECTIVENESS. INDIRECT ECONOMIC IMPACTS	
G4-EC8 SIGNIFICANT INDIRECT ECONOMIC IMPACTS, INCLUDING THE EXTENT OF IMPACTS	ECONOMIC EFFECTIVENESS. INDIRECT ECONOMIC IMPACTS	
Procurement Practices		
G4-EC9 PROPORTION OF SPENDING ON LOCAL SUPPLIERS AT SIGNIFICANT LOCATIONS OF OPERATION	PRODUCT RESPONSIBILITY. MUTUALLY BENEFICIAL COOPERATION WITH SUPPLIERS	
Materials		
G4-EN1 MATERIALS USED BY WEIGHT AND VOLUME	ENVIRONMENTAL ACTIVITY. NATURAL RESOURCES CONSERVATION	
G4-EN2 PERCENTAGE OF MATERIALS USED THAT ARE RECYCLED INPUT MATERIALS	ENVIRONMENTAL ACTIVITY. NATURAL RESOURCES CONSERVATION	
Energy		
G4-EN3 ENERGY CONSUMPTION WITHIN THE ORGANIZATION	ENVIRONMENTAL ACTIVITY. ENERGY RESOURCES CONSERVATION	
G4-EN4 ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION	ENVIRONMENTAL ACTIVITY. ENERGY RESOURCES CONSERVATION	
G4-EN5 ENERGY INTENSITY	ENVIRONMENTAL ACTIVITY. ENERGY RESOURCES CONSERVATION	
G4-EN6 REDUCTION OF ENERGY CONSUMPTION	ENVIRONMENTAL ACTIVITY. ENERGY RESOURCES CONSERVATION	
G4-EN7 REDUCTION IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES	ENVIRONMENTAL ACTIVITY. ENERGY RESOURCES CONSERVATION	

ПРИЛОЖЕНИЯ / ANNEX

Specific Standard Reporting Disclosures

Water		
G4-EN8 TOTAL WATER WITHDRAWAL BY SOURCE	ENVIRONMENTAL ACTIVITY. WATER BASIN PROTECTION	
G4-EN9 WATER SOURCES SIGNIFICANTLY AFFECTED BY WITHDRAWAL OF WATER	ENVIRONMENTAL ACTIVITY. WATER BASIN PROTECTION	
G4-EN10 PERCENTAGE AND TOTAL VOLUME OF WATER RECYCLED AND REUSED	ENVIRONMENTAL ACTIVITY. WATER BASIN PROTECTION	
Biodiversity		
G4-EN11 OPERATIONAL SITES OWNED, LEASED, MANAGED IN, OR ADJACENT TO, PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS	ENVIRONMENTAL ACTIVITY. MINIMIZATION OF PLANT ACTIVITY IMPACT ON FLORA AND FAUNA	
G4-EN12 DESCRIPTION OF SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY IN PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS	ENVIRONMENTAL ACTIVITY. MINIMIZATION OF PLANT ACTIVITY IMPACT ON FLORA AND FAUNA	
G4-EN13 HABITATS PROTECTED OR RESTORED	ENVIRONMENTAL ACTIVITY. MINIMIZATION OF PLANT ACTIVITY IMPACT ON FLORA AND FAUNA	
G4-EN14 TOTAL NUMBER OF IUCN RED LIST SPECIES AND NATIONAL CONSERVATION LIST SPECIES WITH HABITATS IN AREAS AFFECTED BY OPERATIONS, BY LEVEL OF EXTINCTION RISK	ENVIRONMENTAL ACTIVITY. MINIMIZATION OF PLANT ACTIVITY IMPACT ON FLORA AND FAUNA	
Emissions		
G4-EN15 DIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 1)	ENVIRONMENTAL ACTIVITY. AIR BASIN PROTECTION	
G4-EN16 ENERGY INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 2)	ENVIRONMENTAL ACTIVITY. AIR BASIN PROTECTION	
G4-EN17 OTHER INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 3)	ENVIRONMENTAL ACTIVITY. AIR BASIN PROTECTION	
G4-EN18 GREENHOUSE GAS (GHG) EMISSIONS INTENSITY	ENVIRONMENTAL ACTIVITY. AIR BASIN PROTECTION	
G4-EN1 REDUCTION OF GREENHOUSE GAS (GHG) EMISSIONS	ENVIRONMENTAL ACTIVITY. AIR BASIN PROTECTION	
Effluents and Waste		
G4-EN22 TOTAL WATER DISCHARGE BY QUALITY AND DESTINATION	ENVIRONMENTAL ACTIVITY. WATER BASIN PROTECTION	
G4-EN23 TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD	ENVIRONMENTAL ACTIVITY. PRODUCTION WASTE DISPOSAL	
Products and Services		
G4-EN27 EXTENT OF IMPACT MITIGATION OF ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES	ENVIRONMENTAL ACTIVITY. DEVELOPMENT AND INTRODUCTION OF RESOURCE-SAVING, LOW-WASTE AND ENVIRONMENT-FRIENDLY TECHNOLOGIES	
Compliance		
G4-EN29 MONETARY VALUE OF SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS	ENVIRONMENTAL ACTIVITY. EXPENSES ON ENVIRONMENT PROTECTION AND MONITORING. ENVIRONMENTAL PAYMENTS	



Overall		
G4-EN31 TOTAL ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS BY TYPE	ENVIRONMENTAL ACTIVITY. EXPENDITURES ON ENVIRONMENT PROTECTION AND MONITORING. ENVIRONMENTAL PAYMENTS	
Employment		
G4-LA1 TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION	SOCIAL ACTIVITY. PERSONNEL PROFILE	
G4-LA2 BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES, BY SIGNIFICANT LOCATIONS OF OPERATION	SOCIAL ACTIVITY. EMPLOYEES' RIGHTS	
Labor/Management Relations		
G4-LA4 MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES, INCLUDING WHETHER THESE ARE SPECIFIED IN COLLECTIVE AGREEMENTS	SOCIAL ACTIVITY. EMPLOYEES' RIGHTS	
Occupational Health and Safety		
G4-LA5 PERCENTAGE OF TOTAL WORKFORCE REPRESENTED IN FORMAL JOINT MANAGEMENT – WORKER HEALTH AND SAFETY COMMITTEES THAT HELP MONITOR AND ADVISE ON OCCUPATIONAL HEALTH AND SAFETY PROGRAMS	SOCIAL ACTIVITY. LABOUR PROTECTION AND PROVISION OF INDUSTRIAL SAFETY	
G4-LA6 TYPE OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, AND ABSENTEEISM, AND TOTAL NUMBER OF WORK-RELATED FATALITIES, BY REGION AND BY GENDER	SOCIAL ACTIVITY. LABOUR PROTECTION AND PROVISION OF INDUSTRIAL SAFETY	
G4-LA7 WORKERS WITH HIGH INCIDENCE OR HIGH RISK OF DISEASES RELATED TO THEIR OCCUPATION	SOCIAL ACTIVITY. LABOUR PROTECTION AND PROVISION OF INDUSTRIAL SAFETY	
G4-LA8 HEALTH AND SAFETY TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS	SOCIAL ACTIVITY. PUBLIC CONTROL OF HUMAN RIGHTS IN THE AREA OF LABOUR PROTECTION.	
Training and Education		
G4-LA9 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE BY GENDER, AND BY EMPLOYEE CATEGORY	SOCIAL ACTIVITY. TRAINING AND EDUCATION	
G4-LA10 PROGRAMS FOR SKILLS MANAGEMENT AND LIFELONG LEARNING THAT SUPPORT THE CONTINUED EMPLOYABILITY OF EMPLOYEES AND ASSIST THEM IN MANAGING CAREER ENDINGS	SOCIAL ACTIVITY. TRAINING AND EDUCATION	
G4-LA11 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER AND BY EMPLOYEE CATEGORY	SOCIAL ACTIVITY. PROFESSIONAL AND CAREER DEVELOPMENT	
Diversity and Equal Opportunity		
G4-LA12 COMPOSITION OF GOVERNANCE BODIES AND BREAKDOWN OF EMPLOYEES BY EMPLOYEE CATEGORY ACCORDING TO GENDER, AGE GROUP, MINORITY GROUP MEMBERSHIP, AND OTHER INDICATORS OF DIVERSITY	SOCIAL ACTIVITY. PERSONNEL PROFILE	
Equal Remuneration for Women and Men		
G4-LA13 RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN BY EMPLOYEE CATEGORY, BY SIGNIFICANT LOCATIONS OF OPERATION	SOCIAL ACTIVITY. FINANCIAL INCENTIVES	

Specific Standard Reporting Disclosures

Non-discrimination		
G4-HR3 TOTAL NUMBER OF INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN	SOCIAL ACTIVITY. EMPLOYEES' RIGHTS	
Child Labor		
G4-HR5 OPERATIONS AND SUPPLIERS IDENTIFIED AS HAVING SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOR, AND MEASURES TAKEN TO CONTRIBUTE TO THE EFFECTIVE ABOLITION OF CHILD LABOR	SOCIAL ACTIVITY. EMPLOYEES' RIGHTS	
Forced or Compulsory Labor		
G4-HR6 OPERATIONS AND SUPPLIERS IDENTIFIED AS HAVING SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOR, AND MEASURES TAKEN TO CONTRIBUTE TO THE ELIMINATION OF ALL FORMS OF FORCED OR COMPULSORY LABOR	SOCIAL ACTIVITY. EMPLOYEES' RIGHTS	
Local Communities		
G4-SO1 PERCENTAGE OF OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVELOPMENT PROGRAMS	STAKEHOLDERS ENGAGEMENT. COMMUNITY ENGAGEMENT	
Anti-corruption		
G4-SO4 COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES	STRATEGY AND APPROACH TO SUSTAINABLE DEVELOPMENT CONTROL. ORGANIZATIONAL STRUCTURE OF SUSTAINABLE DEVELOPMENT CONTROL	
G4-SO5 CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN	STRATEGY AND APPROACH TO SUSTAINABLE DEVELOPMENT CONTROL. ORGANIZATIONAL STRUCTURE OF SUSTAINABLE DEVELOPMENT CONTROL	
Customer Health and Safety		
G4-PR1 PERCENTAGE OF SIGNIFICANT PRODUCT AND SERVICE CATEGORIES FOR WHICH HEALTH AND SAFETY IMPACTS ARE ASSESSED FOR IMPROVEMENT	PRODUCT RESPONSIBILITY. CUSTOMER HEALTH AND SAFETY	
G4-PR2 TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES DURING THEIR LIFE CYCLE, BY TYPE OF OUTCOMES	PRODUCT RESPONSIBILITY. CUSTOMER HEALTH AND SAFETY	
Product and Service Labeling		
G4-PR3 TYPE OF PRODUCT AND SERVICE INFORMATION REQUIRED BY THE ORGANIZATION'S PROCEDURES FOR PRODUCT AND SERVICE INFORMATION AND LABELING, AND PERCENTAGE OF SIGNIFICANT PRODUCTS AND SERVICE CATEGORIES SUBJECT TO SUCH INFORMATION REQUIREMENTS	PRODUCT RESPONSIBILITY. PRODUCT MARKING WITH APPROPRIATE INFORMATION	
G4-PR4 TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING PRODUCT AND SERVICE INFORMATION AND LABELING, BY TYPE OF OUTCOMES	PRODUCT RESPONSIBILITY. PRODUCT MARKING WITH APPROPRIATE INFORMATION	
G4-PR5 RESULTS OF SURVEYS MEASURING CUSTOMER SATISFACTION	PRODUCT RESPONSIBILITY. MUTUALLY ADVANTAGEOUS COOPERATION WITH CUSTOMERS	



DEAR READERS!



YOU HAVE JUST GOT ACQUAINTED WITH THE SOCIAL REPORT OF OPEN JOINT-STOCK COMPANY «BYELORUSSIAN STEEL WORKS – MANAGEMENT COMPANY OF «BYELORUSSIAN METALLURGICAL COMPANY»» HOLDING IN THE AREA OF SUSTAINABLE DEVELOPMENT FOR 2015. YOUR OPINION ON THIS DOCUMENT WILL BE HIGHLY APPRECIATED AND YOUR COMMENTS AND PROPOSALS WILL BE TAKEN INTO CONSIDERATION IN FUTURE REPORTS AS MUCH AS POSSIBLE.

PLEASE, FILL THE FORM AND FAX IT TO: + 375-2334-5-54-26 OR MAIL TO:

37 PROMYSHLENNAYA STR., 247210 ZHLOBIN, GOMEL REGION WITH THE MARK «SOCIAL REPORT -2015».

YOU MAY ALSO E-MAIL THE FILLED FORM TO: (SECR.DPIR@BMZ.GOMEL.BY)

1. TO WHICH GROUP OF STAKEHOLDERS DO YOU BELONG TO?

- REPRESENTATIVE OF AUTHORITIES ☐
- REPRESENTATIVE OF COMMUNITY ☐
- INVESTOR ☐
- PARTNER ☐
- CUSTOMER ☐
- EMPLOYEE ☐
- ANOTHER GROUP OF STAKEHOLDERS _____

2. WHAT IS YOUR APPRECIATION OF THE SOCIAL REPORT IN TERMS OF COMPLETENESS OF THE INFORMATION PRESENTED?

HIGH ☐ AVERAGE ☐ LOW ☐

3. WHAT IS YOUR APPRECIATION OF THE SOCIAL REPORT IN TERMS OF AND CREDIBILITY OF THE INFORMATION PRESENTED?

HIGH ☐ AVERAGE ☐ LOW ☐

4. WHAT IS YOUR APPRECIATION OF THE SOCIAL REPORT IN TERMS OF SEARCH OF THE INFORMATION REQUIRED?

HIGH ☐ AVERAGE ☐ LOW ☐

5. WHAT IS YOUR APPRECIATION OF THE DESIGN OF THE SOCIAL REPORT?

HIGH ☐ AVERAGE ☐ LOW ☐

6. HAS THE SOCIAL REPORT HELPED YOU TO UNDERSTAND THE ACTIVITY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC»» HOLDING IN THE AREA OF SUSTAINABLE DEVELOPMENT?

YES, FULLY ☐ YES, PARTIALLY ☐ NO, NOT QUITE ☐ NO, NOT UNDERSTANDABLE AT ALL ☐

7. PLEASE, EVALUATE THE FOLLOWING SECTIONS OF THE SOCIAL REPORT OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC»» HOLDING FROM THE POINT OF VIEW OF INTEREST, RELEVANCE AND COMPLETENESS OF DISCLOSURE (FROM 1 (LOW) TO 5 (VERY HIGH))

STEELMAKING. REACHING A NEW LEVEL	<input type="checkbox"/>	PRODUCT RESPONSIBILITY	<input type="checkbox"/>
PARTICIPATION OF THE REPUBLICAN SCIENTIFIC POTENTIAL	<input type="checkbox"/>	PLANT PROFILE	<input type="checkbox"/>
IN THE DEVELOPMENT OF THE METALLURGICAL COMPLEX	<input type="checkbox"/>	ECONOMIC ACTIVITY	<input type="checkbox"/>
DESCRIPTION OF KEY IMPACTS, RISKS AND POSSIBILITIES	<input type="checkbox"/>	ENVIRONMENT ACTIVITY	<input type="checkbox"/>
MANAGEMENT, OBLIGATIONS,	<input type="checkbox"/>	SOCIAL ACTIVITY	<input type="checkbox"/>
STAKEHOLDERS ENGAGEMENT	<input type="checkbox"/>	INTERACTION OF PARTIES	<input type="checkbox"/>

8. HAS THE SOCIAL REPORT INFLUENCED YOUR ATTITUDE TO THE ACTIVITY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC»» HOLDING?

YES, MY ATTITUDE IMPROVED ☐ NO ☐

MY ATTITUDE BECAME WORSE ☐

9. WHAT INFORMATION IN THE SOCIAL REPORT WAS THE MOST INTERESTING FOR YOU?

10. WHAT DIRECTIONS OF THE ACTIVITY OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC»» HOLDING IN YOUR OPINION REQUIRE IMPROVEMENT SO AS TO RAISE SOCIAL RESPONSIBILITY?

11. WHAT INFORMATION WOULD YOU LIKE TO SEE IN FUTURE SOCIAL REPORTS OF OJSC «BSW – MANAGEMENT COMPANY OF «BMC»» HOLDING?

THANK YOU FOR COOPERATION!

Notes

