



The Steel Company of Canada

Lake Erie Works Community Liaison Committee Meeting

28 September 2017

| K. Chan

Agenda

1. Welcome and Safety Contact
2. Review and Approval of Agenda
3. Review and Approval of Minutes of 21 June 2017
4. Emergence from CCAA
5. Performance under O.Reg. 419/05 Site Specific Standard Order – Particulates
6. Stelco – Environmental Management System
7. Community Concerns
8. Adjournment

Know Your Emergency Exits

Review Evacuation Routes of
the room you are located in



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Emergence from CCAA – Path Forward

- On June 30, 2017, Stelco formally emerged from creditor protection under the new ownership of Bedrock Industries.
- Focus has turned to growing our business and establishing Stelco as a premier North American steel producer.
- Bedrock has been clear about their desire to invest in Stelco.

Stelco to get \$250 million blast of capital

Hamilton Spectator – July 6, 2017

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Site-Specific Standard Order (Particulates): Performance Review – Daily

| Date | Doors (%Leaks) | Lids (%Leaks) | Off-takes (%Leaks) |
|---|-----------------------------|------------------------------|------------------------------|
| 2015 Limits (July 2 start) | 54% | 2% | NA |
| 2016 Limits | 32% | 2% | NA |
| 2017-2019 Limits | 10% | 2% | 5% |
| 2020 Limits | 5% | 1% | 4% |
| June 1 – Sept 23, 2017 Range (Average) | 0 – 9.3% (3.01%) | 0 – 0.66% (0.11%) | 0 – 4.05% (3.24%) |

Daily Measurements Performed YTD

- All weekdays, except for holidays
- 5 Saturdays
- 5 Sundays

June 1 – Sept 23, 2017 Operational Adjustments

- None required – in compliance with 2017 limits

Site-Specific Standard Order (Particulates): Performance Review – 30 Day Rolling Averages

| Date | Doors (%Leaks) | Lids (%Leaks) | Off-takes (%Leaks) | Charging (sec) (log avg) |
|---|---------------------------------|--------------------------------|---------------------------------|-----------------------------------|
| 2015 Limits (July 2 start) | 38% | 0.8% | 25% | 12 sec |
| 2016 Limits | 22.5% | 0.8% | 15% | 12 s |
| 2017-2019 Limits | 7% | 0.8% | 4.2% | 12 s |
| 2020 Limits | 4% | 0.4% | 2.5% | 12 s |
| June 1 – Sept 23, 2017 Range (Average) | 2.36 – 4.35% (3.22%) | 0.04 – 0.16% (0.1%) | 2.56 – 3.53% (3.17%) | 5.06 – 6.45 s (5.76 s) |

June 1 – Sept 23, 2017 Performance

- In compliance with 2017 limits

Site-Specific Standard Order (Particulates): Performance Review – Daily Observations – Pushing Emissions

| Date | Pushing Emission (opacity %) |
|---|---------------------------------|
| 2015 Limit (July 2 start) | $\geq 50\%$ |
| 2016 – 2018 | $\geq 50\%$ |
| 2019 | $\geq 40\%$ |
| 2020 | $\geq 30\%$ |
| June 1 – Sept 23, 2017 Range (Average) | 0 – 48.83% (7.05%) |

June 1 – Sept 23, 2017 Operational Adjustments

- None required – in compliance with 2016-2018 limit

Site-Specific Standard Order (Particulates): Performance Review – Additional Items

- There were no community complaints for the period of July – Sept 23, 2017
- MOECC to provide verbal comments

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Stelco

Environmental Management System

28 September 2017

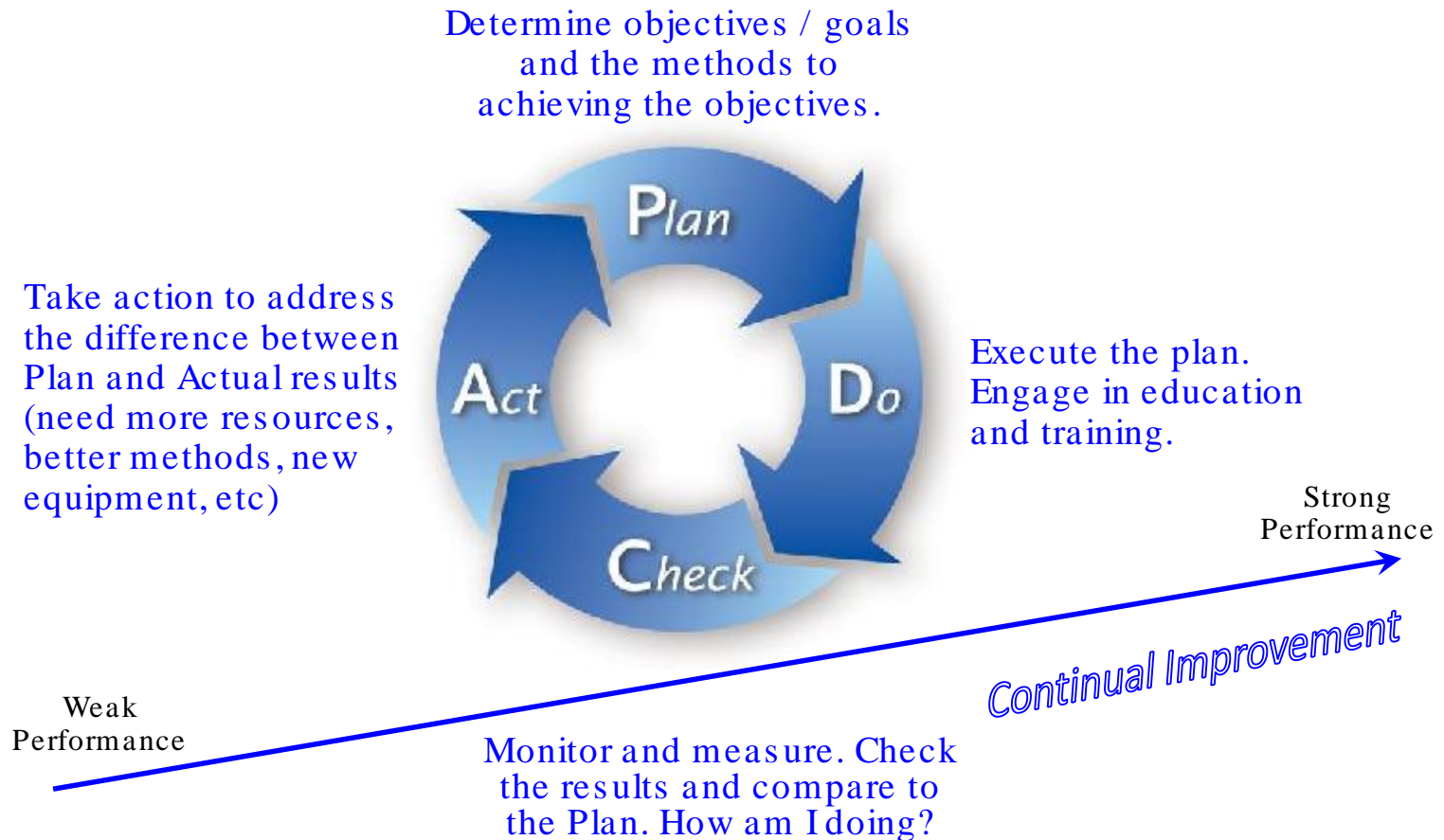
| A. Sebestyen

What is ISO 14001?

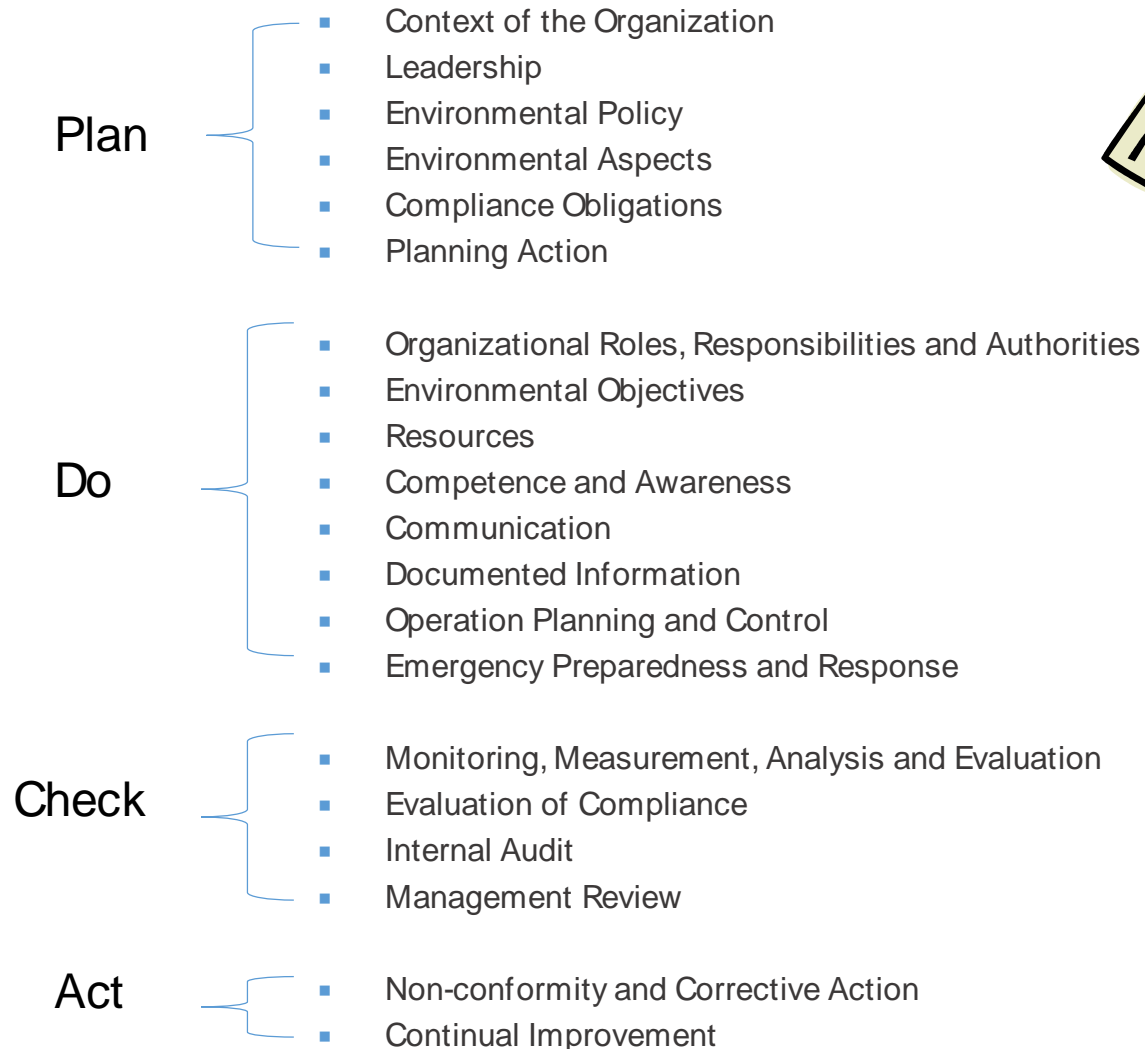
- International standard for environmental performance
- Encourages companies to move from a compliance driven police system, to an environmental stewardship process
- ISO 14001 certification is a customer driven requirement
- Certification allows Stelco to be competitive in an environmentally sensitive marketplace and is required by our automotive customers
- Focus on continual improvement and environmental awareness

Plan – Do – Check - Act

- The methodology known as “Plan-Do-Check-Act” (PDCA) can be applied to all processes **and to the environmental management system as a whole**. The clauses of the standard broadly follow the PDCA cycle.



Elements of the Stelco EMS





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ENVIRONMENTAL POLICY

At Stelco, we are committed to being an environmentally responsible company; to the protection of the environment; and, to the prevention of pollution. Our environmental management system establishes and reviews environmental objects and targets to:

REDUCE

air, water and waste pollution by means of practices, operating procedures and programs;

IMPROVE

continually our environmental management system to enhance environmental performance; and

COMPLY

with environmental laws and our other environmental requirements.

Employee Responsibilities

- Each employee can make a difference to environmental performance
- Our environmental impact can be minimized if everyone is actively involved in:
 - Preventing environmental incidents
 - Properly handle materials throughout the process
 - Completing work according to established procedures:
 - Procedures related to environmental aspects are set up to minimize environmental impacts
 - Following procedures = protecting the environment
 - Following PM and Calibration schedules
 - Equipment that is maintained and running well pollutes less
 - Utilizing energy efficiently and effectively
 - Disposing wastes properly; Proper housekeeping; Follow plant waste management procedures.

Employee Responsibilities (2)

Within the EMS, every employee has the responsibility to:

- Act in an environmentally responsible manner
- Know the Environmental Policy
- Report environmental incidents
- Know the Significant Environmental Aspects in their respective work area
- Know the work procedures associated with the environmental aspects

Environmental Aspects

- Aspects
 - are the actions of our operations that could have an impact on the environment (e.g., emissions to air, releases to water or land, use of energy or natural resources, generation of wastes or by-products, noise, heat, vibration, use of space)
- A Significant Environmental Aspect:
 - Is an aspect with risk rating of 21 or over
 - Could have significant adverse impacts on the environment if not properly controlled
 - Extra attention is put into managing these key aspects

Key Requirements of New 2015 Standard

- Understanding the organization and its context
 - External and internal issues relevant to ability to achieve intended outcomes of EMS
- Understand needs and expectations of interested parties
- Leadership and commitment
 - Top management leadership and commitment
- Planning – Actions to address risks and opportunities
- Risk-based approach
 - Facilitates proactive rather than purely reactive actions
- Continual improvement

External Third Party Audit Results

- External audit conducted Jan. 17 - 20, 2017
- Auditors reviewed Stelco EMS per all of the requirements of the new ISO 14001:2015 Standard in Stelco's Environmental Management System
- The management system was found to be effectively implemented
 - Auditor comments included:
 - Strong environmental focus by the leadership
 - Long-term knowledgeable workforce
 - Strong commitment to improve environmental performance
- Recertification issued under ISO 14001:2015 Standard



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Thank You.

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