

OCCUPATIONAL INJURY PREVENTION

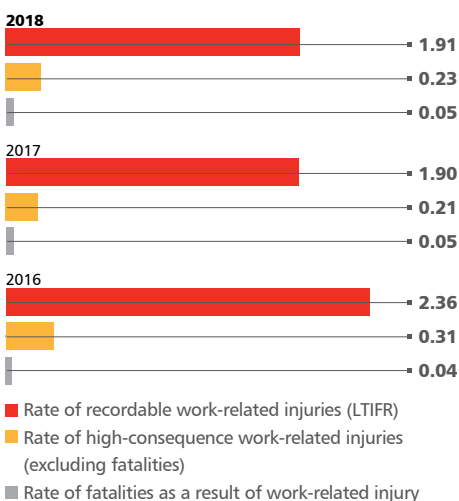
Preventing occupational injuries of any kind is a top priority of the EVRAZ OHS management system. We constantly monitor parameters such as LTIFR, number of fatalities, and other injury types in order to ascertain the main risk categories and to develop appropriate measures.

LTIFR

The lost time injury frequency rate (LTIFR) is a strategic KPI for EVRAZ. We have set a target indicator for 2021 and use a holistic approach to achieving an LTIFR value of less than one point. Target KPIs are cascaded down throughout the Group in individual management performance scorecards. In 2018 EVRAZ achieved an LTIFR of 1.91, which excludes fatalities, comparable to the LTIFR of 1.90 recorded in 2017. A significant LTIFR improvement was recorded at the Coal segment, which in 2018 saw a 16.4% year-on-year reduction. In other EVRAZ segments LTIFR improvement was not recorded in 2018. We expect to improve LTIFR rates in further periods by enhancing our focus on learning from past incidents, integrating associated best practices across the Group, and implementing HSE initiatives and programmes.

EVRAZ makes constant efforts to enhance our reporting system and in this regard implements new standard operating procedures, improves the corporate safety behaviour of employees and contractors, and continually develops the occupational safety risk assessment methodology.

INJURY RATES, PER 1 MILLION HOURS (EXCL. CONTRACTORS), 2016–2018¹

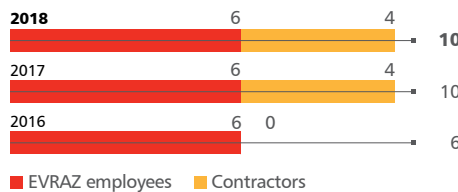


¹ The data for 2016-2018 include EVRAZ DMZ and assets in Ukraine divested in 2018.

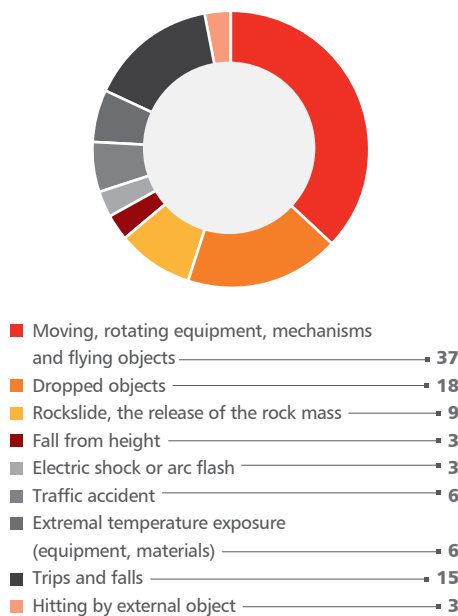
Fatalities

To our great regret, in 2018 EVRAZ experienced six employee fatalities and four fatalities among contractors. The HSE Committee investigates each incident in accordance with the safety performance monitoring system. EVRAZ provides assistance to the families of victims and takes all necessary measures to prevent the reoccurrence of fatalities. The top three risk categories involving fatalities were rock falls, falling objects, and moving machinery. The main identified risk categories were moving, rotating equipment, dropped objects, trips and falls. For each risk category EVRAZ organises HSE initiatives which are implemented by the corporate function and operational divisions.

FATALITIES AMONG EMPLOYEES AND CONTRACTORS, 2016–2018



MAIN TYPES OF HIGH-CONSEQUENCE WORK-RELATED INJURIES AND FATALITIES IN 2018 (INCL. CONTRACTORS)



INVESTIGATION RESULTS INTO FATAL INCIDENT AT EVRAZRUDA

In 2018 Evrazruda completed an investigation into a fatality that occurred at the Tashtagol mine on 21 December 2017. An electric locomotive driver attempted to retrieve by using a metal brace a trolley that had become derailed. Upon entering a hazardous area the trolley moved and the driver was pinned against a board.

The dispatcher was instantly informed about the incident. An ambulance arrived within 30 minutes and confirmed the driver's death, the cause of which was deemed to be severe brain damage.

After the incident, Evrazruda revised the method of raiiling trolleys and included a special training simulator that helps employees to acquire necessary skills while working with trolleys. In addition, the process of repairing trolleys is now under supervision of site managers.

Transport safety

Transportation vehicles are used extensively in EVRAZ operations, both in production processes and in transporting employees to Group facilities. In 2018 EVRAZ paid significant attention to improving transport safety among employees, and implemented a transport safety initiative at all companies. From 2018 EVRAZ begun purchasing only buses that equipped with three-point seatbelts in order to ensure the safety of passengers in the event of an accident. The belts have already proved effective. In 2019 a safe driving campaign for all passenger transport drivers, which will include a training entitled Safe Driving Practices, will be introduced. From 2020, all freight drivers will also participate in the campaign.

Monitoring safety performance

The effective prevention of occupational injuries is impossible without a system to monitor safety performance. The recording and classification of OHS-related incidents, including work-related injuries and illnesses, are performed using a corporate software system. EVRAZ takes measures to prevent potential misrepresentations of data related to incidents. Each reported incident is double-checked in order to correctly determine the severity of an incident. In addition, every employee has an opportunity to report cases of information being withheld in relation to a work-related incident, using the EVRAZ Hotline. In 2018, 109 cases were reported by EVRAZ employees regarding Health and Safety issues. After adding an incident to the system, each case is assessed and, where necessary, investigated, to determine the root causes and to develop appropriate remedial measures. The incident investigation process is set forth in the EVRAZ Instruction On Emergency Procedures, which was updated in the reporting period.

The safety performance monitoring system enables EVRAZ to keep employees informed about incidents and to therefore raise awareness and personal engagement levels. EVRAZ distributes monthly HSE reports to all

personnel, containing data on any injuries and incidents that have occurred in the past month, and also publishes related articles in the corporate newspaper.

INTERNAL INVESTIGATION PROCESS

STAGE 1

The suspension of operations in the event of a fatality. The head of the Group's facility makes a decision on the necessity and scope of the suspension.

STAGE 2

Determining the severity level of an incident and applying a respective investigation procedure. Incident classification includes fatalities, serious injuries, light injuries, and micro injuries.

STAGE 3

Reporting. The report into an incident report is signed by the EVRAZ HSE Vice President and presented to the Management Committee by the managing director of a company.

TREATMENT OF OCCUPATIONAL DISEASES

Compliance with OHS-related regulations is a key component of providing a healthy and safe working environment for our employees. In accordance with these regulations the Group insures all EVRAZ employees against work-related accidents and occupational diseases. This insurance covers expenses related to the treatment of all occupational illnesses. EVRAZ also provides financial assistance to employees where necessary. Employees in need of extended medical treatment are eligible for additional compensation.

In addition to legislative requirements, EVRAZ organises health campaigns at all Group facilities, which are available to all employees throughout the year. For example, in 2018 in the EVRAZ Urals region of Steel segment Compensation and benefits department issued almost 7,000 health spa vouchers for rest and treatment to metallurgists, miners, and their families. In 2018 in the EVRAZ Siberia region of Steel segment almost 10,500 health spa vouchers were issued. EVRAZ also promotes healthy lifestyles among employees, by organising various active sports events for personnel and their families. In 2018 the youth conference Safety First took place in Kachkanar.

Case study

EVRAZ SAFETY FIRST YOUTH CONFERENCE 2018

EVRAZ promotes a culture of safety among young employees by organising the annual Safety First youth conference. In 2018, at the Urals region of Steel segment of EVRAZ KGOK, 10 teams took part in the conference, including guests from EVRAZ ZSMK, Rapsadskaya Coal Company and PAO SIBR. Each team presented to a jury technical solutions for improving safety procedures and safety promotion campaigns. All participants were awarded certificates and corporate presents.

Case study

MEDICAL HEALTH CHECKS

During annual medical health checks a number of employees were timely diagnosed with having serious diseases and sent for special treatment. In 2018, 120 EVRAZ employees participated in medical health checks.