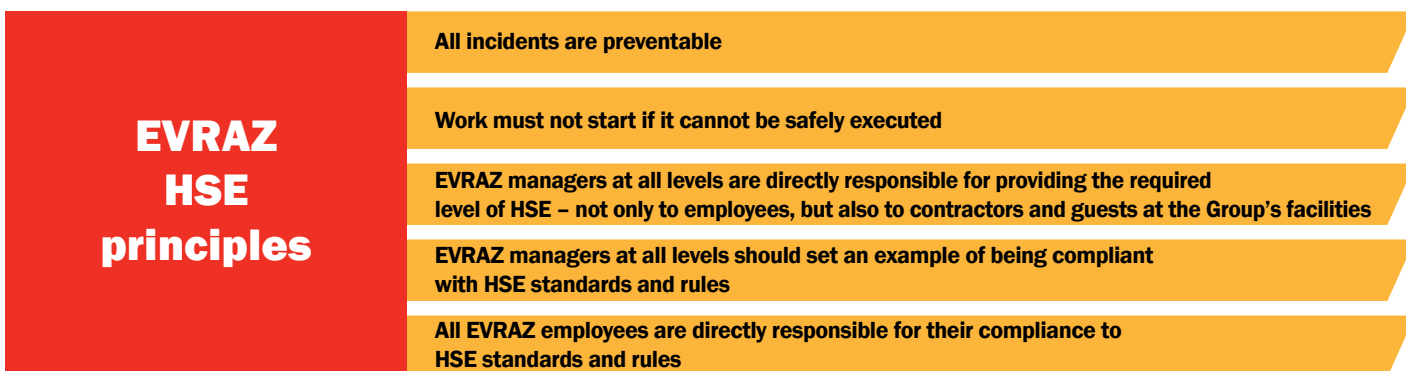


Health, safety, and environment governance

Health, safety, and environment (HSE) management forms an integral part of our business, from strategic decision-making to operational activities. This includes continuously improving processes, management approaches, and control systems as well as providing a unified reporting structure, principles, and policies.

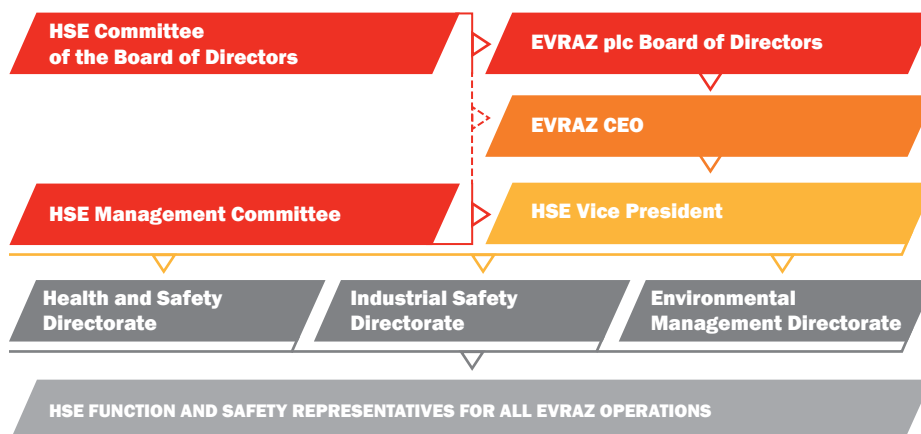
HSE PRINCIPLES



In order to ensure that this approach is integrated into our operational performance, the Group has developed the EVRAZ HSE Policy.¹ This Policy comprises five core HSE principles and applies to all our employees and contractors.

The HSE Committee of the Board of Directors and the HSE management committee regularly organise meetings on health and safety issues: once every six months and on a monthly basis, respectively. The EVRAZ CEO exercises overall control over HSE activity and approves respective targets in this area. At the executive level, HSE issues are regulated by the HSE Management Committee. The HSE Vice President is supervised by the EVRAZ CEO and reports to the HSE Management Committee. Every Group operation has its own HSE function and safety representatives, which report to segments’ general directors, with oversight from the HSE Vice President. In accordance with the EVRAZ HSE Policy, managers at all Group levels are responsible for HSE compliance. All EVRAZ companies report on their performance to the corporate HSE function on a monthly, quarterly, and annual basis.

HSE CORPORATE MANAGEMENT STRUCTURE



The Group executes a four-phase HSE management process consisting of forecasting, developing initiatives, monitoring, and analysis. In order to evaluate the effectiveness of the HSE management system the Group conducts both internal and external audits.

¹ <http://www.evraz.com/governance/documents/>

HSE MANAGEMENT PROCESS



To ensure that our HSE principles are implemented we perform the following actions, which form the core of the HSE management system:

- Rolling out initiatives to constantly improve HSE metrics
- Applying the best HSE practices
- Taking into account stakeholder opinions, setting HSE standards for contractors and promoting respective compliance
- Developing, measuring, and analysing HSE indicators and assessing how they comply with both external and internal regulations
- Provide transparent information to stakeholders regarding HSE incentives, goals, and results
- Striving to ensure a free and transparent flow of information at all corporate levels, as well as with contractors
- Applying industry best practices to mitigate against operational risks and to promote the rational use of resources
- Complying with all applicable legislation and other regulations

In 2018 EVRAZ operations were inspected by state and internal supervisors on the matter of compliance. Audits of the whole HSE function, processes, structural units, health and safety were conducted. Additionally, environmental risks were identified and external environmental inspections carried out by the corresponding authorities.

External Initiatives

The EVRAZ HSE principles set forth that the Group is obliged to apply best practices in the industry to mitigate against operational risks, facilitate the rational use of resources, and share information about HSE practices. Thus EVRAZ is an active member of various associations.

MEMBERSHIP OF HSE-RELATED ASSOCIATIONS

WORLD STEEL ASSOCIATION	EVRAZ is on the Technology Policy (TPCO) and Safety and Health (SHCO) and Environmental Policy (EPCO) committees of the World Steel Association. During committee meetings companies exchange their best industry practices and share materials related to health, safety and environment. The Group integrates the best solutions identified into the HSE management system. In addition, the association discloses the HSE statistics of its participants, which allows us to compare our performance against that of our peers.
RUSSIAN STEEL	EVRAZ participates in all Russian Steel Commissions including the Commission for the Protection of Labour, Industrial, and Environmental Safety and Commission for production, technology, training and education
RUSSIAN UNION OF INDUSTRIALS AND ENTREPRENEURS	EVRAZ is a member of Commission on Mining, Commission on Metals, Committee on Digital Economy and Committee on Corporate Social Responsibility and Demographic Policies.