

CSR review

Our approach

EVRAZ is a socially responsible company, addressing and monitoring all aspects of corporate social responsibility (CSR) that are relevant to the business. The CSR section of the Annual report on pages 74-94 provides an overview of the Group's policies and performance in 2016 in key areas of CSR, including human rights, health and safety, the environment, human capital management and community engagement, as well as an outline of how the Group intends to improve its performance in the years ahead. The Group considers these policies appropriate and effective.

EVRAZ follows the OECD Guidelines for Multinational Enterprises to ensure a uniform approach to business standards across its global operations. The Group's commitments are based on internationally recognised standards and respect for all human rights, including civil, political, economic, social, and cultural rights. In particular, EVRAZ fully endorses the provisions of the United Nations' Universal Declaration of Human Rights and strives at all times to uphold them.

EVRAZ seeks to develop and maintain a work environment that is free from discrimination and ensures equal rights, where every employee has the opportunity to contribute to the Group's overall results, and to realise his/her abilities and potential.

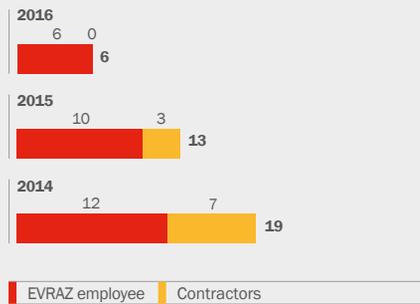


This aspiration is reflected in the Group's internal codes and principles, including the Business Conduct Policy, "The EVRAZ Way", available on the corporate website at www.evraz.com/governance/documents/

Health & safety

The Group stated "100% safe behaviour" and "100% safe work conditions" as its strategic priority at all its sites. Safety is one of five EVRAZ strategic pillars. EVRAZ believes that the safety initiatives implemented across the Group are helping it support the development of its safety culture and will therefore have a lasting effect on saving its employees' lives, protecting their health, and maintaining the integrity of its operations. The two key initiatives in 2016 were targeted at reducing the number of unsafe actions through safety conversations on the shop floor, and unifying processes with the help of standard safe work procedures.

Fatalities



For more information, see page 75



LTIFR (excluding fatalities)

2.36 per 1 million hours

↑8.3% yoy

EVRAZ' LTIFR started to grow in 2015 as a result of the Group's systemic effort to ensure full transparency in reporting.

Environment

In 2012, after determining the key challenges and focus areas, EVRAZ voluntarily adopted five-year environmental targets¹ (over 2012-17) aimed at: reducing air emissions² by 5%; decreasing fresh water consumption by 15%.

¹ Environmental targets are based on 2011 performance levels. In 2014, the HSE Committee of the Board of Directors reviewed the implementation of environmental targets and agreed to re-base fresh water consumption and air emission targets by excluding data related to the disposed assets due to its material effect on performance.

² Including nitrogen oxides (NOx), sulphur oxides (SOx), dust and volatile organic compounds only

EVRAZ fresh water consumption, million m³



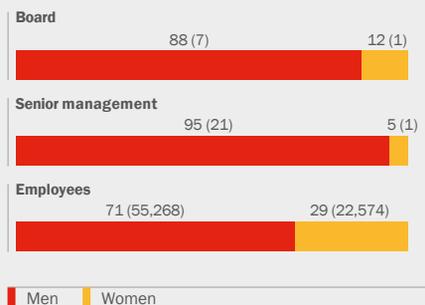
For more information, see page 78



Our people

EVRAZ continues to focus on working both with and for people. The Group's management recognises that reaching their business targets depends on carefully selecting new hires, providing quality training and ensuring that staff are properly motivated.

Diversity of employees, senior management and directors, % (number of people)



For more information, see page 86



Number of employees
31 December 2016
77.8 thousand people
↓ **7.8%** yoy

Reduction is mainly due to labour productivity improvements, outsourcing support functions, and asset optimisations.

Community relations

EVRAZ strives to maintain an open dialogue with the communities surrounding its areas of operation. The Group pays its taxes responsibly and cares for the wellbeing of its employees. Organisation-wide, operations are conducted in accordance with federal and local legislation. Managing directors and regional vice presidents take responsibility for communicating with local governments. HSE directors' duties include ensuring that plant operations meet all applicable rules and regulations. The regional corporate communications centres collaborate with non-profit organisations on charity, environmental, social, educational and sport projects.

For more information, see page 90



EVRAZ for Cities



EVRAZ: City of Friends – City of Ideas



EVRAZ for Kids



EVRAZ for Sport

