

OUR APPROACH

EVRAZ views corporate social responsibility as an integral part of its business and strives to address and monitor all relevant matters in this area. The corporate social responsibility section of this annual report, on pages 80–105, provides an overview of the Group’s policies and performance in 2017 in key areas, including human rights, health and safety, the environment, human capital management and community engagement, as well as an outline of how EVRAZ intends to improve its performance in the years ahead. The Group considers these policies appropriate and effective.

EVRAZ follows the OECD’s 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. EVRAZ fully endorses the provisions of the United Nations’ Universal Declaration of Human Rights.

In accordance with its internal Code of Business Conduct, EVRAZ seeks to develop and maintain a work environment that is free from discrimination. The Group is committed to providing every employee with equal opportunities. All personnel and applicants are assessed according to their professional skills, qualities, experience and abilities. Decisions made on grounds unrelated to an individual’s job performance (eg related to the person’s race, ethnic origin, sex, religion, political views, nationality, age, sexual orientation, citizenship status, marital

status or disability) are discriminatory and prohibited by the law and the principles accepted in the Group.

Child labour, bonded labour, human trafficking and other forms of slavery (known as modern slavery) are strictly prohibited at all EVRAZ subsidiaries and their suppliers. Modern slavery is an abuse of human rights and is a criminal offence in the UK and other jurisdictions. The Group is committed to acting ethically and requires suppliers to conduct business within the same ethical framework.

Respect for others is one of EVRAZ’ overriding principles. In the cross-cultural environment in which the Group operates, all cultures must be treated with respect. EVRAZ’ rules prohibit the use of abusive, harassing, discriminatory, degrading or aggressive speech or written comments, verbal or physical demonstrations of a sexual nature, and actions or speech that insult the honour or dignity of an individual.

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 and environment

Governance and approach

EVRAZ places a top priority on continuously improving its health, safety and environment (HSE) management throughout its operations. This includes implementing process upgrades and introducing tiered management and control systems.

HSE management touches all levels of EVRAZ’ business, from strategic decision making to day-to-day operations. Since the HSE Committee’s inception in 2010, the Board of Directors has delegated to it responsibility for monitoring all HSE strategies, policies, initiatives and activities. The Group adopted its Health, Safety and Environment Policy in March 2011 and updated it in March 2016 to add a fourth organisation-wide cardinal safety rule.

Executive-level HSE matters fall under the remit of the HSE Committee, which has also delegated authority to a vice president responsible for coordinating HSE issues. Every entity in the

Group has its own HSE function, which reports to operational management with the oversight of the vice president of HSE. All plant managers are responsible for HSE compliance.

EVRAZ is an active partner in local and international industry organisations, including the World Steel Association’s Environmental Policy (EPCO), Technology Policy (TPCO) and Safety and Health (SHCO) committees, as well as the HSE committees of Russian Steel, a Russia-based non-commercial partnership, and the Russian Union of Industrialists and Entrepreneurs.

HSE system

EVRAZ’ main steel mills have been certified under the ISO 14001 and OHSAS 18001 standards.

The primary functions of the HSE system include identifying potential environmental pollutants and risks to employees’ health and

safety through the entire production cycle, from purchasing raw materials to selling finished products. This also includes planning, distributing resources, collecting, analysing and submitting information, and reflecting emerging trends in indicators.

EVRAZ operates a continuous-cycle HSE management process with the following phases:

- forecast and assess primary HSE risks;
- develop and implement HSE initiatives;
- monitor, review, and investigate incidents;
- analyse performance, correct and set new strategic HSE goals.

For each HSE KPI, EVRAZ sets primary metrics that are then continuously monitored to improve the system using prompt analysis and adjustments as necessary.