

MANAGEMENT APPROACH

GRI 103-2

The well-being of local communities is the main target pursued by EVRAZ in all activities. This goal is achieved by enhancing economic growth in our regions of operation, that is, by providing quality jobs, contributing significant tax revenue, and investing in social projects. The Group highly appreciates productive relationships with all stakeholders including local and federal authorities, non-governmental organisations, the media, and business and local communities.

The sustainability of our business practices is ultimately linked to the fulfilment of local communities. The fundamental principles of corporate social responsibility maintained by the Company facilitate the procedures of contributing

to the growth and development of the cities and towns of operation. In 2021 EVRAZ earmarked US\$14 million for city infrastructure development programmes.

GRI 413-1

EVRAZ has in place an effective system for managing local community relations and external communications at various corporate levels of the Group. The headquarters are responsible for engaging with and executing projects with stakeholders at a national level, as well as elaborating and implementing strategic priorities and guidelines. The GR and PR departments of EVRAZ entities are in charge of the key engagement responsibilities of implementing and supporting local programmes

at regional level. At EVRAZ North America (ENA), the Group's community relations are monitored by the Director of Communications and Government Affairs, with supervision from the Senior Vice President of Human Resources.

EVRAZ operates two charity funds in Siberia and the Urals, which are managed by Supervisory boards. The charity funds set target investment objectives and follow the EVRAZ Charitable Donation and Sponsorship Policy and Social Investment Guidelines.

The following key policies govern the Group's relationship with local communities:

Key documents

SASB EM-MM-210b.1

DOCUMENT	DESCRIPTION
<u>Code of Business Conduct</u>	The Code of Business Conduct contains the philosophy and principles underlying the corporate culture and ethics of EVRAZ. The Code states that the Group commits to working with local communities to facilitate their development and well-being.
<u>Charitable Donation and Sponsorship Policy</u>	The Policy is the major document establishing the general principles and requirements that EVRAZ companies should be guided by when making a charitable donation or sponsorship contribution.
<u>Social Investment Guidelines</u>	Our local community engagement approach. Outlines the Group's priorities and eligibility criteria for social investments.
<u>Anti-Corruption Policy (incl. 4.2 Charitable Donations and Sponsorship)</u>	The Policy states our approach to corruption prevention, ensuring ethical business conduct and compliance with applicable anti-corruption legislation, including matters related to donation, sponsorship and interaction with authorities.
<u>Human Rights Policy</u>	Creating shared values and respecting the human rights, views and traditions of people in our regions of operation are among the Company's core principles. EVRAZ will avoid the involuntary displacement of families and communities.
<u>Diversity and Inclusion Policy</u>	The Group greatly values people and endeavours to create a working environment where our employees, business partners, local communities and other stakeholders can fully realise their potential.
<u>HSE Policy (EVRAZ Health, Safety and Environment Policy)</u>	The Policy aimed at creating better future for the people, including local communities, and taking mitigation measures for minimizing negative impact on the environment and society.

Entities within the EVRAZ Group should also refer to their own local Charitable Donation and Sponsorship Policy to ensure that their contributions comply with such policies and applicable laws. All applications are meticulously reviewed in terms of legitimacy and transparency of purpose, amount requested and reputation of the potential counterparty.

A transparent and open dialogue with representatives from local communities allows us to identify and understand their key needs. Therefore, we implement only those initiatives that are socially significant for the regions where we operate. The Group annually prepares a Social Investment Programme to set the priorities and budget for social investment for the year ahead. We publish the Report

on implementing the Social Investment Programme at the end of each year. Representatives from local communities can leave their feedback on the Company's activities through the anonymous hotline.

The following are the Company's main priority areas for investment:

- Youth: initiatives and projects which promote the development of young people.
- Education: providing opportunities for people of all ages to gain new knowledge, abilities, and skills.
- Citizenship: fostering favourable neighbourhood values and safe environments in local communities.

EVRAZ seeks an active dialogue with the residents of the areas where EVRAZ plants are located to discuss

concrete projects within the selected priority areas and in accordance with the Social Investment Programme generally.

In appropriate cases, the Company will establish local supervisory boards including representatives from the local community, who will be asked to decide which of several potential projects should receive funding. These local boards will be asked to consider each of the alternative proposals on its merits to determine which would be most appropriate for the local community, while keeping in mind the above criteria and the relevance of each project to the Company's social investment goals, as set out in the Social Investment Programme for the relevant year.

In 2021 EVRAZ earmarked US\$35 million for social and social infrastructure maintenance expenses.

