

OCCUPATIONAL HEALTH AND SAFETY

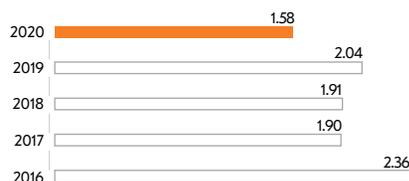
Safeguarding human life and health from threats related to harmful and dangerous industrial factors is the Group's highest priority. All EVRAZ employees are covered by the HSE management system. Despite consistent efforts on the part of the Group, many EVRAZ employees and contractors work in conditions that sometimes entail health and safety risks. Rock bursts, floods, gas explosions and incidents caused by blasting works are some of the typical risks encountered during mining operations. Employees at EVRAZ' production assets work with moving machinery, molten metal, lifting equipment and in very hot conditions. Other risks to employees include working at heights, working with electrical power units, and operating cutting materials and equipment. Even employees working in offices are sometimes exposed to health and safety hazards.

EVRAZ has also analysed the entire industrial process to identify the main risk areas and the procedures in place across its operations to develop, alongside technical solutions, risk management methods and to mitigate hazardous and harmful impacts on employees.

Another way in which the Group seeks to improve operational safety is by training staff in risk identification and analysis, HSE regulations and safe working methods, as prescribed by law. EVRAZ also equips employees with personal protective equipment (PPE) to lessen the impacts of potentially harmful operations.

The Group strives constantly to enhance the safety culture, and all employees and contractors are required to understand that they are personally responsible for their health and safety. With this in mind, EVRAZ initiated the Risk Management Project to improve the level of safety culture and to actively engage staff in the HSE management process.

Lost time injury frequency rate (LTIFR)



Work-related employee fatalities



Main types of high-consequence work-related injuries and fatalities, 2020 (incl. contractors), %



- Moving and rotating equipment 30
- Rock burst 17
- Transport accidents 14
- Collapsing and falling materials 13
- Other unclassified factors of injury 10
- Employee falling 10
- Impact of smoke and fire 3
- Falling from height 3

Performance in 2020

LTIFR

The Group uses a number of occupational health and safety (OHS) performance measurement methods. One of the most important is the Lost Time Injury Frequency Rate (LTIFR). In 2020, the LTIFR at EVRAZ stood at 1.58, which was 22.5% lower than the 2019 figure of 2.04. The Group met its target level of 1.61.

Fatalities

It is regrettable to report that, in 2020, five colleagues lost their lives during the performance of their duties. These incidents involved exposure to moving equipment, dynamic mine processes and falling loads. The Group is deeply

saddened by these losses and continues to work towards eliminating injuries and achieving the goal of zero fatalities in the near future.

In-depth, internal investigations were conducted into each accident to determine the critical factors and root causes. EVRAZ is resolutely committed to avoiding such incidents in the future. The OHS Management Committee reviews investigations and then creates a plan for corrective measures and implements respective health and safety initiatives across the Group and in individual business segments or facilities. The HSE Committee also approves these plans. The HSE Committee and other committees of the Board of Directors monitor the implementation of these measures, as well as their efficacy.

Health protection

The Group carries out in-depth work to enhance working conditions and to improve industrial sanitary and hygiene conditions. In line with domestic legal requirements and international best practices, EVRAZ provides all employees with insurance for work-related injuries and disease. The Group also offers staff regular medical check-ups, which help to prevent occupational diseases and ensure prompt treatment.

If an occupational disease is diagnosed, the employee receives temporary disability compensation and their treatment costs are fully covered by the Group. EVRAZ also provides financial assistance to employees with occupational diseases, depending on their circumstances and medical condition. Those in need of long-term medical treatment and recovery can also receive compensation for any harm they have suffered.

During the reporting period, 166 cases of occupational diseases were recorded at EVRAZ facilities, which was 29.9% lower than the figure for 2019 (237). The Group takes a proactive approach to managing health risks, by elaborating and continuously enhancing occupational disease prevention programmes.

The most common occupational diseases were hearing disability and illnesses of musculoskeletal system owing to the nature of working conditions.

Key projects

EVRAZ believes that the safety initiatives implemented across the Group help to support the development of the safety culture and will hence have a long-lasting effect on safety performance. In 2020, the Group continued to implement new safety initiatives.

Risk hunting

EVRAZ launched a new mobile app, Hunt for Risk, to identify and eliminate workplace risks. This app strengthens the safety culture level of staff through using gaming techniques. The new app is a key tool of the risk management system that EVRAZ began to implement in early 2020, with a view to preventing and eliminating threats to health and safety. With the app, the majority of employees can report and mitigate risks easily, simply and fast.

EVRAZ and Tactise risk management symposiums

In 2020, EVRAZ, together with Tactise Group, conducted five symposiums for risk managers relating to the Risk Management Project launched in 2019. The online meeting was held in August 2020. The aim of such meetings is to exchange best practices and experience among risk managers across EVRAZ. Also, such conversations allow urgent issues to be openly discussed. As a result, cross-divisional symposiums have become a regular fixture for EVRAZ risk managers.

Video analysis implementation

The EVRAZ Coal segment has introduced artificial intelligence methods to prevent incidents that involve workers. This modern technology allows OHS violations and inappropriate or hazardous actions by employees to be detected on a 24/7 basis. The pilot project was launched in 2020 at Rospadskaya Coal Company. A digital network monitors whether an employee has the necessary PPE or whether they are in a safe area. A similar system will be rolled out for the corporate auto fleet. Video analysis will be used to ascertain whether drivers and passengers have fastened their belts or are using their phone while driving.

Outlook for 2021 and the medium term

In 2021, in addition to continuing division-specific key risk programmes, EVRAZ plans to continue to implement key initiatives targeted at fostering and improving the safety culture. The strategic goal is to reach at least 60% compliance according to the Bradley scale of safety culture in 2021.

Three key areas for improvement of the Safety culture were defined:

- Dilemma of safety vs. production.
 - Promotion of safety behaviour: comply, communicate and improve.
 - The motivational system for safety actions.
- EVRAZ plans to further develop these areas and has already conducted several pilot projects and developed the programme for these areas for implementation in 2021.

During the next reporting period, another key HS objective for EVRAZ will be to carry out HSE transformation initiatives that include the in-depth adaptation of the HSE Management System for risk management processes and the HSE team.

EVRAZ has set the goal of reducing documentation in safety processes by 30% and using the additional time available for management to improve employee engagement. The Group also expects the HSE team will be reorganised along the following lines:

- Incorporating the risk-management project team into the HSE organisational structure.
- Balancing the team and its competences with new processes and their requirements.