

EVRAZ Modern Slavery Act Transparency Statement

An integral part of the EVRAZ corporate philosophy is being committed to the highest standards of ethical business conduct. The Group makes stringent efforts to uphold our reputation of being transparent, fair, and responsible business. Commitments to all our employees are based on internationally recognized standards and respect for all human rights.

Child labour, bonded labour, human trafficking and any other means of modern slavery are strictly prohibited in all EVRAZ group companies and their counterparties. We constantly monitor websites of most prominent antislavery organisations such as CORE Coalition, Business and Human Rights Resource Centre, Ergon as well as the websites of the UK Independent Anti-Slavery Commissioner to stay abreast of the slavery situation in the world and the best practices of detecting and tackling this repulsive crime.

a. EVRAZ corporate structure, its business, supply chains and employees

Evrac plc is the parent company of the EVRAZ group (together EVRAZ) registered in the UK. EVRAZ is a vertically integrated steel, mining and vanadium business. Its operations are divided in three major sectors, namely 1) steel segment represented in Russia, USA, Canada, Czech Republic, Italy, and Kazakhstan, 2) coal segment in Russia and 3) vanadium segment in Russia and USA. Full list of Evrac plc subsidiaries is published on its website.

The Group has customers in more than 70 countries, among them steel rolling facilities, wholesale companies and traders, railways and rail carriers, industrial companies, steelmaking facilities, and energy transmission operators.

We primarily engage our suppliers for the following goods and services:

- geological exploration, appraisal, mining and mineral extraction, transportation of minerals, and manufacturing and sale of our products; and
- security and facilities management at our offices and the provision of agency and temporary staff.

The Group comprises over 70,000 employees worldwide, 94.5% of whom reside in Russia and CIS, 5.2% in North America and 0.3% in Europe. According to the Global Slavery Index these regions are of low and moderate risk.

b. EVRAZ policies and due diligence in relation to slavery and human trafficking

EVRAZ Code of Business Conduct is its primary document regarding modern slavery issues, which reflects its business philosophy and the basic principles underlying the fundamental corporate culture and ethics of EVRAZ. This policy applies to each EVRAZ enterprise worldwide and includes a chapter dedicated to modern slavery issues.

In line with the Code of Business Conduct we perform risk assessments to determine which parts of our business and which of our suppliers and subcontractors are at risk of modern slavery. We regularly engage with our suppliers regarding modern slavery issues and the Code of Business Conduct so that we understand better the steps they have taken to prevent modern slavery in their businesses.

In 2017 we prepared and started to use a framework clause in contracts that obliges all our counterparties to comply with our Code of Business Conduct and allows EVRAZ to unilaterally terminate contracts if they engage in modern slavery. Counterparties are also encouraged to self-report any modern slavery risks to us.

EVRAZ operates a whistleblowing through which employees can report their concerns about breaches of this Code of Conduct to management of EVRAZ. There are two separate whistleblowing lines:

- The Corporate Whistleblowing line for all major plants, including the Siberia Division, Urals Division, Coal Division, Vanady Tula, and EVRAZ Metall Inprom.
- The EVRAZ North America (“ENA”) whistleblowing line.

Both lines operate around the clock and reports can be made anonymously, thereby eliminating any risks related to retaliations. All inquiries are registered in the IT system and are handled by executives and specialists responsible for the matter of the inquiry, e.g. HR, Health and Safety Committee, or compliance officers, who analyse them meticulously and develop appropriate responses and solutions.

All issues submitted via whistleblowing lines are reviewed by the Hotline Committee (Corporate Whistleblowing line) and the Hotline Team (ENA whistleblowing line), whose members include senior executives. This approach allows the Group to ensure that appropriate measures are taken to address non-standard reports. Any concerns about suspected modern slavery within the business of EVRAZ or our counterparties can also be reported to the employee’s next level of management, the legal department or any Director of EVRAZ.

There have been no reports raising modern slavery issues so far.

c. Slavery and human trafficking training available to EVRAZ staff

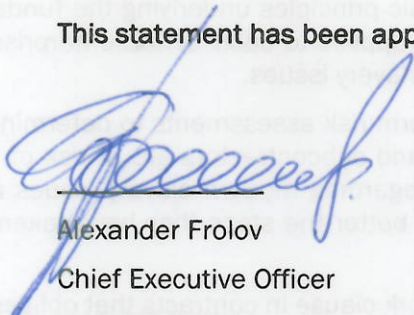
An important component of the Group’s efforts to ensure that modern slavery is not taking place neither at EVRAZ, nor at our counterparties is educating our staff about the principles of ethical business conduct. In 2018 we devised a step-by-step training plan on modern slavery issues in the form of online courses.

In 2019 we are training all our senior managers and those employees most directly involved in purchasing decisions in order to equip them with the tools for identifying modern slavery issues in the Group and its supply chains.

Next year we will be delivering online courses for a wider range of our employees; we also intend to make the course a compulsory part of induction programme for new employees.

This statement has been made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes EVRAZ slavery and human trafficking statement for the financial year ended December 31, 2018.

This statement has been approved by the Board of Evraz plc.



Alexander Frolov
Chief Executive Officer
June 24, 2019