



EVRAZ

SOCIAL INVESTMENTS GUIDELINES

as adopted by the Board of Directors on April 25, 2007

EVRAZ (the “Company” or “EVRAZ”) believes that it can be a positive force in the lives of those who live in the areas in which the Company operates. EVRAZ strives to demonstrate its respect and value for those individuals by making direct and meaningful social investments in local communities. Far from viewing respect for the wellbeing of people and places impacted by the Group’s operations as inconsistent with the pursuit of a profitable enterprise, the Company believes that the implementation of sound social investment policies will contribute to its own future success.

All of the Company’s social investments are made on a voluntary basis. They are aimed at strengthening and further developing Evraz’s business and community partnerships. The Company supports projects aimed at bettering living conditions in the regions where the Company’s plants, facilities and offices are located.

In accordance with customary international business practice, assistance to local programmes is provided through local charitable foundations established by the Company and managed by the Supervisory Boards. Each year, the Company approves a Programme of Social Investments in Local Communities (the “Social Investment Programme”) which sets out the Company’s social investment priorities and budgets for the year ahead. Then, at the end of each year, the Company publicly reports on the implementation of that Social Investment Programme.

Social investment priorities:

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

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

Main eligibility criteria for projects' selection:

In order to be eligible for support under EVRAZ’s Social Investment Programme, a project must:

- have concrete aims corresponding to EVRAZ’s corporate values and its Social Investment Programme priorities
- be carried out only in the cities where the Company has a corporate presence

- have a definite timetable, with clear starting and completion dates within one calendar year
- be carried out on behalf of the Company: the Company's name must be mentioned and its logo and corporate style must be used

Excluded projects:

In order to observe equal treatment in all international jurisdictions the Company does not support the following:

- Organisations and programmes designed to influence legislation or elect candidates to state or local public offices
- Political, military, religious and national or local governmental organisations and projects

Additional criteria:

Projects supported by the Company's Social Investment Programme are also subject to the following additional requirements and limitations:

- Allocation of funds for salary payments to regular staff must not exceed 10% of the project amount.
- The Company will not share the financing of the project with other organisations: EVRAZ should be the sole third party organisation making a capital investment in the project.
- If the project is not capable of being self-sustaining, the operation and maintenance of the project should usually be transferred to an appropriate third party organisation.
- The Company will support specific projects only and will not transfer funds to support the general budget or contribute to the general expenditure of any organisation.
- The Company will not finance commercial projects or projects that are capable of paying for themselves.
- The Company will not finance projects that may be potentially harmful or damaging to the environment or to public health or that may violate human rights or lead to conflicts in society.

Selection of projects:

EVRAZ seeks an active dialogue with the citizens of the territories where EVRAZ plants are located to discuss concrete projects within the chosen 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 appointed by the Company, 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.

Duration and performance review:

Financial support is provided under the Social Investment Programme for a maximum period of one calendar year. The performance of each project is reviewed at the end of each year to determine whether it may be appropriate to make a renewed investment in the following year.

The Company carries out projects of support and of social investments exclusively in accordance with the present guidelines and the approved Social Investment Programme for the respective fiscal year.