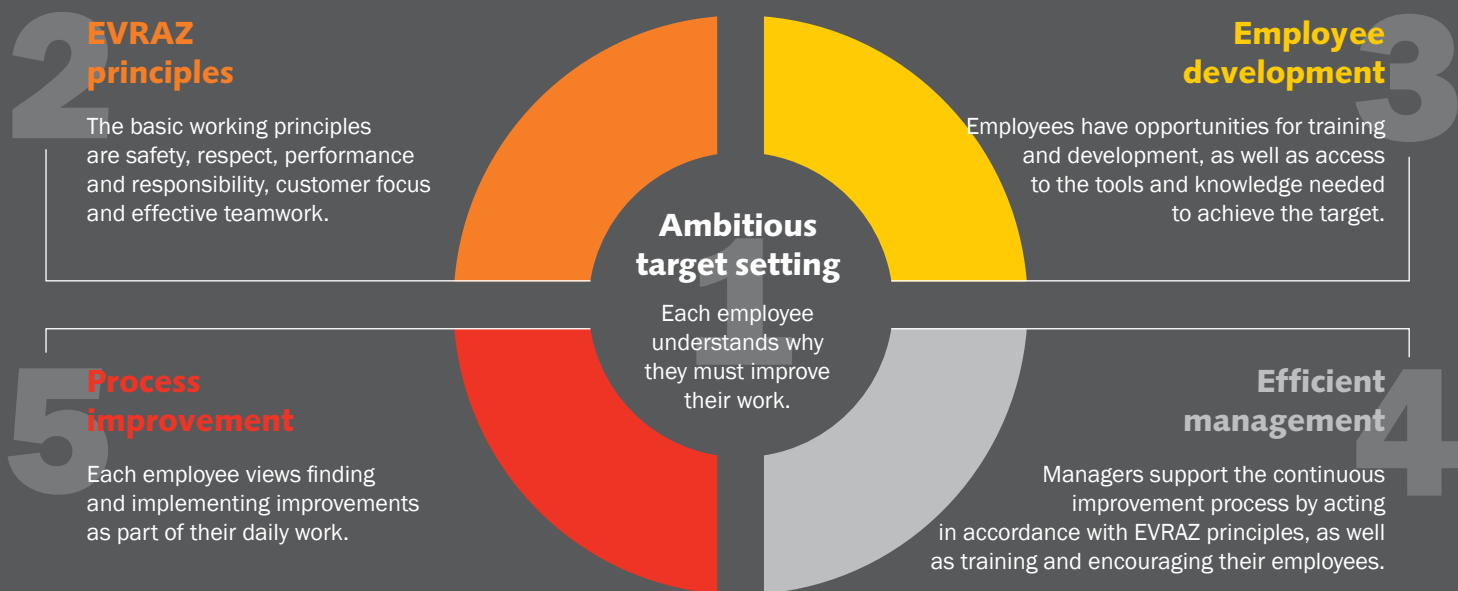


# EVRAZ Business System

**EVRAZ Business System (EBS) is a combined approach founded on a culture of continuous improvement which currently covers nearly all the Group's main operations.**

EBS targeted to enhance employee engagement in the continuous improvement process through key elements of the EVRAZ Business System, such as ambitious target setting, EVRAZ principles, employee development, efficient management and process improvement.



**In 2019, EVRAZ launched an ambitious target-setting process as a source of new efficiency improvement initiatives.**

In line with this process, 30 shops and segments in the Urals, Siberia, Coal and Vanadium divisions were analysed. Key technical drivers were identified for every shop and segment, and targets were set for each key technical driver based on global benchmarking.

## Outlook 2020

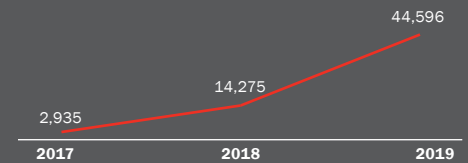
In 2020, a total of 24 EBS transformations will be implemented in three divisions (4 in the Siberia division, 15 in the Urals division and 5 in the Coal division). The key focus for the year will be on rolling out EBS transformations in the Steel, North America segment. Additionally, the EVRAZ Business System will focus on digital solutions in production and implementing an agile approach to improve processes.

EBS transformations are the initial projects at every shop of the plant that create the infrastructure for the continuous improvement process.

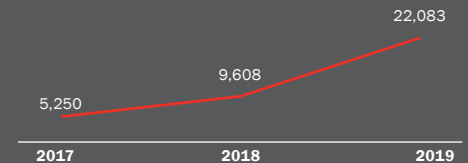
There are two main phases in EBS transformations: active and maintenance. The active phase presumes setting goals, planning and implementing various improvement initiatives, while the maintenance phase aims to reach the target effects from initiatives and further improve the process.

During 2019, a total of 43 active EBS transformation phases were completed across four divisions (23 in the Siberia division, 14 in the Urals division, 4 in the Coal division and 2 in the Vanadium division). EVRAZ employees generated 44,596 ideas, 36% of which were implemented. Overall, a total of 22,083 employees were involved in EBS transformations in 2019.

### Number of initiatives



### Number of employees involved



## KEY EBS TOOLS AT WORK

VANADIUM  
 DIVISIONS

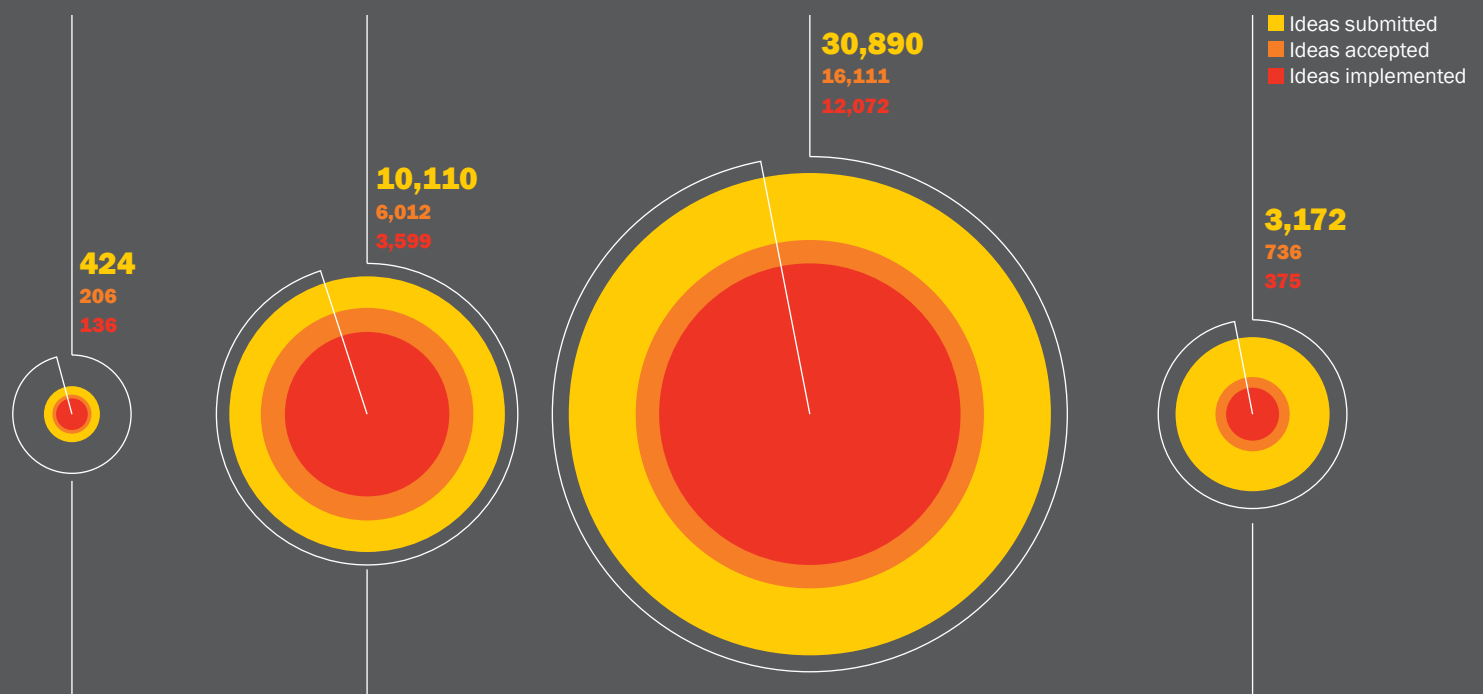
URALS

SIBERIA

COAL

### Idea Factory

Each employee can suggest ideas to improve a production process, workplace safety or labour conditions.



### Problem-Solving Board

This is a tool that allows each employee to openly discuss any production problem and be sure that it will be solved.

