

Strategic priorities

DEBT MANAGEMENT AND STABLE DIVIDENDS

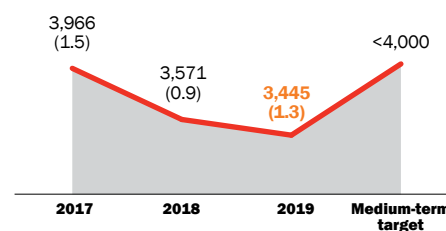
EVRAZ remains focused on medium-term debt management and maintaining a stable dividend payout:

- Dividend payout according to stated dividend policy: a minimum of US\$300 million to shareholders annually provided that the net leverage ratio remains below 3.0x
- Medium-term net debt level below US\$4,000 million
- Target average net debt/EBITDA at 2.0x throughout the cycle

In 2019, EVRAZ net debt amounted to US\$3,445 million and remained comfortably below the medium-term target of US\$4 billion. The average net debt/EBITDA ratio was 1.3x. Even in the case of market volatility, EVRAZ will remain committed to maintaining its long-term average net debt/EBITDA at 2.0x.

In 2019, EVRAZ generated strong free cash flow of US\$1,456 million, which is higher than its average free cash flow since 2014. Robust free cash flow and a net debt/EBITDA ratio below 2.0x made it possible for the Group to return US\$1,086 million to its shareholders in the form of dividends with a dividend yield of 11%.

Net debt (net debt/EBITDA), US\$ million



Dividends, US\$ million

	2019	2018	2017
Dividends	1,086	1,556	430
Yield	11%	17%	9%

