

# CORPORATE GOVERNANCE REPORT

## INTRODUCTION

**EVRAZ is a public company limited by shares incorporated in the United Kingdom. It is a premium-listed company on the Main Market of the London Stock Exchange and is a member of the FTSE 100 Index. EVRAZ is committed to high standards of corporate governance and control.**

## COMPLIANCE WITH CORPORATE GOVERNANCE STANDARDS

The Group's approach to corporate governance is based on the UK Corporate Governance Code published by the Financial Reporting Council (FRC) in July 2018 and the Listing Rules of the UK Financial Conduct Authority. For a short period of time, the Board did not have an executive director on it following the retirement of Mr Frolov as chief executive officer. Mr Ivanov, the present chief executive officer has now been appointed an executive director with effect from 1 February 2022. Apart from this, during the year to 31 December 2021, EVRAZ complied with all the principles and provisions of the 2018 UK Corporate Governance Code (the Governance Code is available at [www.frc.org.uk](http://www.frc.org.uk)), with the following code provision exceptions:

- Provision 9: The chairman was non-independent on appointment, as he was and remains a significant shareholder, and had previously served as a CEO and chairman of the Group prior to listing in 2011. The Board considers that he brings independence of judgement to the Group's activities, as well as extensive experience

and expertise on the Group's key markets. The Board also considers that the current Board structure provides a suitable level of protection for minority shareholders, as it operates in accordance with the Relationship Agreements currently in place (see page 158-159).

- Provision 19: The Chairman has been in this position since the IPO in October 2011 and has therefore served in excess of nine years. The Board has considered this situation and, as explained in the previous comment on Provision 9, the Board considers that he has extensive experience and expertise on the Group's key markets.
- The Board also considers that the Chairman should remain in this position during the transition period of new Board members to retain the necessary stability for the Group.
- Provision 37: The Company does not operate clawback arrangements. An explanation for this non-compliance is set out in the Remuneration Report on page 142.

An explanation of how the Company has complied with the UK Corporate Governance Code, including how it has applied the principles contained therein, is set out within this Corporate Governance Report, the Strategic Report and the Directors' Report. In particular, the following pages will be most relevant in enabling shareholders to evaluate how these principles have been applied:

- Board Leadership and Company Purpose — see pages 114-121 of the Corporate Governance Report.
- Division of Responsibilities — see pages 114-121 of the Corporate Governance statement.
- Composition, Succession and Evaluation — see pages 134-136 of the Nominations Committee Report.
- Audit, Risk and Internal Control — see pages 126-133 of the Audit Committee Report, pages 122-123 of Risk Management and Internal Control and pages 84-96 of Principal Risks and Uncertainties.
- Remuneration — see pages 140-153 of the Remuneration Committee Report.