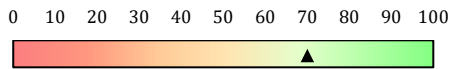


## ESG Score & Rating

ESG Assessment Score **69.6**  
ESG Rating **A[esg]**



Environmental	61,9[BBB]	
Social	73,8[A]	
Governance	74,5[A]	

## ESG scorecard

	Тема	Вес	Оценка
E	Natural Resources	11,5%	64
	Pollution	8,2%	62
	Climate Change	10,7%	52
	General Environmental Risks	6,6%	75
S	Human Capital	16,5%	76
	Corporate Social Responsibility	9,3%	73
	General Social Risks	4,1%	69
G	Corporate Structure	17,9%	79
	Corporate Behavior	15,1%	69

## Controversies

No controversies were found

## Other publicly available ESG ratings

Provider	Score	Date	Scale
Sustainalytics	30,7	August 2021	0-40+
MSCI	B	November 2021	AAA-CCC
Refinitiv	77	January 2022	0-100

## Information about the Company

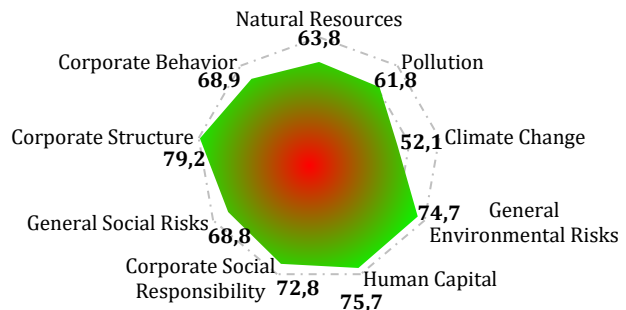
Name	Severstal PJSC
Industry	Metals&Mining
Sub-Industry	Iron & Steel
Location	Russia
Listing	MOEX: CHMF

Severstal is a vertically integrated steel and steel-related mining business with its major assets located in Russia and some investments in other countries. The Cherepovets Steel Mill, which has a production capacity of about 12 million tons of steel per year, is Severstal's key asset. Severstal is 130% self-sufficient in iron and 80% in coking coal (as of 2020). The share of high value-added products in total output is approximately 47% (as of the end of Q4 2020). Key sales markets are Russia, Europe, CIS, Middle East and Asia. Severstal produced 11.3 million tonnes of steel as of 2020 with revenue of \$6.87 bln, EBITDA of \$2.4 bln, and EBITDA margin of 35.3%.

## Key performance indicators

	2018	2019	2020
Revenue, m USD	8 580	8 157	6 870
Steel and iron production, million tonnes	21,24	21,35	20,81
Employees, people	49 667	50 679	52 222

## Risk mitigation map



## Summary

RAEX-Europe has assigned an **ESG Score of 69,6 (equivalent to a rating of A<sub>ESG</sub>)** to **Severstal PJSC (Company)**, which means that the management of ESG related risks and opportunities is of High level. The ratings for each section are as follows: environmental rating - BBB[e], social rating - A[s] and corporate governance rating - A[g]. The Company effectively mitigates risks related to the use of natural resources through active development of practices associated with water use and energy consumption reduction. The Company pays great attention to climate-related risks and reduction of carbon intensity of its products. The Company provides its employees with a competitive package of social benefits and has well-developed corporate social responsibility practices. The Company's occupational injury rates have shown a moderate decline. The Company has been assigned a high corporate governance rating due to stability of the Board of Directors and ownership structure and prudent risk management. The Company demonstrates a high level of detail and transparency of its non-financial reporting. In March 2022, the Ownership Structure score was lowered due to the introduction of personal sanctions against the beneficial owner, A. Mordashov.

## Assessment of ESG sub-factors

Assessment of environmental sub-factors	Score
Water use	76
Biodiversity	58
Energy use	60
Waste management & recycling	37
Generation of contaminants	86
Carbon emission risks	48
Renewable energy	17
Climate change adaptation	93
Stakeholder engagement	87
Supply chain	63
Assessment of social sub-factors	Score
Labor practices	85
Occupational health & safety	77
Talent attraction & retention	83
Diversity & inclusion	60
Social benefits	56
Local Communities	78
Human rights	78
Supply chain	69
Assessment of governance sub-factors	Score
Board structure & transparency	96
и ее прозрачность	
Ownership	65
Risk management	78
Business ethics	83
Anti-monopoly practices	36
Tax payment & transparency	100

## Disclaimer

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This ESG rating is solicited. The rated entity participated in the rating process.

Main sources of information: internal regulations, policies, and other reports provided by PJSC Severstal; public sources of information.

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## Sources of selected publicly available information

#	Name of the source	Topics
1	<a href="#">Sustainability reports 2017-2020</a>	E/S/G
2	<a href="#">Annual reports 2017-2020</a>	E/S/G
3	<a href="#">Severstal water protection activities</a>	E
4	<a href="#">Corporate standard on biodiversity</a>	E
5	<a href="#">Severstal's sposition on climate change</a>	E
6	<a href="#">ESG Investor Presentation</a>	E/S
7	<a href="#">Policy on human rights</a>	S

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