

**Corporate Human Rights Benchmark
2023 Company Scorecard**

Company name Severstal
Sector Extractives
Overall score 13.4 out of 100

Theme score	Out of	For theme
2.7	10	A. Governance and Policy Commitments
3.6	25	B. Embedding Respect and Human Rights Due Diligence
3.0	20	C. Remedies and Grievance Mechanisms
1.4	25	D. Performance: Company Human Rights Practices
2.7	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policy Commitments (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Universal Declaration of Human rights (UDHR): The Human rights policy indicates that 'In applying this policy, Severstal shall act in accordance with the principles of compliance with, support for and development of human rights established in the following documents: [...] The Universal Declaration of Human Rights'. [Human Rights and Community relations policy, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to UNGPs: The Human rights policy indicates that 'In applying this policy, Severstal shall act in accordance with the principles of compliance with, support for and development of human rights established in the following documents: [...] The UN Guiding Principles on Business and Human Rights'. [Human Rights and Community relations policy, 2022: severstal.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Commitment to ILO core principles: The Human rights policy indicates that 'In applying this policy, Severstal shall act in accordance with the principles of compliance with, support for and development of human rights established in the following documents: [...] The ILO Declaration on Fundamental Principles and Rights at work' [Human Rights and Community relations policy, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> Met: Explicitly lists all four ILO core principles: It also states that 'Severstal shall ensure its compliance with human rights with respect to its employees as prescribed by the ILO Declaration on Fundamental Principles and Rights at Work,

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>including the elimination of discrimination; the abolition of child, forced and compulsory labour; the upholding of freedom of association; the effective recognition of the right to collective bargaining; and the provision of safe and comfortable workplaces for its employees, employees of its contractors and subcontractors, and agents'.</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects BPs/JVs to commit to ILO core principles: See above. The Human rights policy states that 'Severstal shall take steps to ensure that its business partners are familiar with the principles of this policy and they share Severstal's commitment to compliance with, support for and development of human rights'. [Human Rights and Community relations policy, 2022: severstal.com] • Met: Explicitly lists all four ILO core principles for BPs/JVs: See above. The Human rights policy states that 'Severstal shall take steps to ensure that its business partners are familiar with the principles of this policy and they share Severstal's commitment to compliance with, support for and development of human rights'. [Human Rights and Community relations policy, 2022: severstal.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The code of conduct affirms that 'we conduct all of our work to the highest standards of health & safety and environmental sustainability'. In addition, the Company has a specific policy on safety that 'assumes the following obligations: organise and ensure safe and healthy working conditions that meet or exceed requirements established by law, while taking into account the individual characteristics of employees'. [Code of Business Conduct, N/A: severstal.com] & [Occupational health and safety policy, 2022: severstal.com] • Not Met: Commitment to ILO working hours standards or 48 hour regular work week: The Code of conduct requires to 'pay for work and overtime, and pay benefit prescribed by law [...] limit working hours of employees, so they are consistent with legal requirements'. This subindicator, however, requires an explicit commitment to respect ILO conventions on working hours or to a maximum of 48 hours for a standard working week, with overtime being voluntary and paid at a premium rate. [Code of Business Conduct, N/A: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects BPs/JVs to commit to H&S of workers: The code of conduct indicates in the section 'what we expect from our partners': 'Respect the highest standards of health & safety and environmental sustainability in their work with our Company: respect all rules of industrial safety and labour protection; avoid accidents and injuries of employees [...]'. In addition, the Company has an occupational health and safety policy that also applies to contractors. [Code of Business Conduct, N/A: severstal.com] & [Occupational health and safety policy, 2022: severstal.com] • Not Met: Expects BPs/JVs to commit to ILO working hours standards or 48 hour regular work week
A.1.3.a.EX	Commitment to respect human rights particularly relevant to the sector – land, natural resources and indigenous peoples' rights (EX)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to respect land ownership/natural resources as in VGGT: The human rights policy states the following 'Severstal recognises the importance of the protection of the rights of and the protection and preservation of the cultural heritage of the local communities (including indigenous peoples and minorities) who live on their ancestral lands, self-identify as a separate ethnicity and maintain a traditional lifestyle, homesteading and trades. Severstal pays special attention to the culture, traditions and practices of local communities (including indigenous peoples and minorities) as well as their attachment to their ancestral land, participation in economic development and a lifestyle that relies on the use of natural resources'. However, no explicit commitment to respect land ownership and natural resources as set out in the Voluntary Guidelines on the Responsible Governance of Tenure of Land. [Human Rights and Community relations policy, 2022: severstal.com] • Not Met: Commitment to respect land ownership/natural resources as in IFC Performance Standards • Not Met: Commitment to respect indigenous rights or ILO No.169 or UN Declaration: The Human rights policy, regarding local communities (including indigenous peoples and minorities), states that 'Severstal warrants that its operations will not cause violations of the human rights of local communities'. However, this subindicator looks for an explicit commitment to respect indigenous peoples' rights, or a commitment to the ILO convention 169. [Human Rights and Community relations policy, 2022: severstal.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Expects EX BPs to make these commitments Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to obtain FPIC or zero tolerance to land grabbing: The Human rights policy indicates that 'According to the applicable law, Severstal holds free and informed consultations with local communities at the early stages of new sites for development projects'. However, this subindicator looks for a commitment to free, prior and informed consent or a policy of zero tolerance to land grabbing. [Human Rights and Community relations policy, 2022: severstal.com] • Not Met: Commitment to respect the right to water: Although the Company devotes space in its reports and specific guidelines to explain water management, no evidence was found of a policy statement indicating a commitment to respect the right to access to safe water. [2021 Sustainability report, 2022: severstal.com] • Not Met: Expects EX BPs to make these commitments
A.1.3.b.EX	Commitment to respect human rights particularly relevant to the sector – security (EX)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Commitment to Voluntary Principles on Security and HRs: The Sustainability report indicates that 'Severstal strives to observe human rights while ensuring the security of office facilities and enterprises. The Company cooperates with a private security company whose employees familiarize themselves with their job instructions and the provision "On permit and site security regimes in Severstal". These documents, in particular, stipulate the observance of human rights and prohibit degrading treatment of employees and visitors while providing security services'. However, this subindicator requires a formal policy statement of commitment to the Voluntary Principles on security and human rights. Current evidence was found in a sustainability report, which is not considered a suitable source for policy statements according to CHRB methodology. [2021 Sustainability report, 2022: severstal.com] • Not Met: Uses only ICoCA members as security providers: See above. No evidence found of a policy commitment to only use security providers that are members of ICoCA. • Not Met: Commits to International Humanitarian Law Score 2 <ul style="list-style-type: none"> • Not Met: Expects EX BPs to commit to these rights
A.1.4	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Commitment to remedy adverse HRs impacts: The Human rights policy includes the following commitment: 'Severstal shall take measures to identify and mitigate any negative impact of its operations'. No explicit policy commitment found referring explicitly to remedy. [Human Rights and Community relations policy, 2022: severstal.com] • Not Met: Expects EX BPs to make this commitments Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with EX BPs on remedy
A.1.5	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Zero tolerance of threats/attacks on HRDs • Not Met: Expects BPs to make this commitment Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to working with HRDs to create safe and enabling environment

A.2 Board Level Accountability (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Board level responsibility for HRs: The Company states that 'human rights issues are addressed by the Company's top management at the meetings of the Nomination and Remuneration Committee and the Safety and Sustainability Committee under the Board of Directors'. [2022 Sustainability report, 2023: severstal.com] • Met: Describes HRs expertise of Board member: The Company indicates that on of the members of the Safety and Sustainability Committee, Alexander Auzan, was also a member of the President's Council for Development of Civil Society and Human Rights. [2021 Annual report, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Board member/CEO signal importance of HRs in their communications

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.2	Board responsibility	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Process to review HRs strategy at board level • Not Met: Example of HRs issues/trends discussed in last reporting period Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Describes how affected stakeholders / HRs experts inform board discussions
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: At least one board member incentive linked to HRs commitments • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other board incentives for coherence with HRs policies
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board process to review business model and strategy for HRs risks • Not Met: Describes frequency and triggers for reviewing business model Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions resulting from reviews

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Not Met: Senior responsibility for HRs implementation and decision making: The Company states that 'human rights management is in responsibility of our HR Business Partner'. It specifies that 'HR Business Partner' covers 'Recruitment and Employee Development Department, Human Resource Department, and Payroll and Organisational Efficiency Department.' However, there is no further details about which senior manager is responsible for human rights implementation and decision making. [2021 Sustainability report, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Describes day-to-day responsibility for implementing HRs commitments • Not Met: Day-to-day resources and expertise allocation in own operations • Not Met: Resources and expertise allocation with EX BPs
B.1.2	Incentives and performance management	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Senior manager incentives linked to HRs commitments: The Company states that 'The KPIs used to determine rewards for senior management are related to financial and operating performance and are intrinsically linked to shareholder value. They include operational performance, social responsibility, occupational safety, and organisational development indicators'. [2021 Annual report, 2022: severstal.com] • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other senior management incentives for coherence with HRs policies
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: HRs risks integrated as part of enterprise risk system: The Company states that it has Risk Management System in place. The system is a process of identifying, analysing, monitoring, and evaluating risks. The Company also states that sustainability risks relating to industrial and environmental safety, climate impact, as well as interaction with employees and local communities, are part of the overall Risk Management System. However, human rights risk is not mentioned. [2021 Sustainability report, 2022: severstal.com] • Not Met: Provides an example Score 2 <ul style="list-style-type: none"> • Not Met: Risk assesment by Audit Committee or independent third party

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Not Met: Communicates HRs policies to all workers in own operations: The Company indicates that it raises human rights awareness through personnel training programmes and that 'Informing about human rights violations also plays a significant part, this being implemented through the communication channels operating in the Company'. However, only 682 persons were indicated to have completed the training on preventing human rights violations and it is unclear if this represents all workers. No further information on other ways the Company uses to communicate its human rights policies was found. [2022 Sustainability report, 2023: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communicates HRs policies to stakeholders • Not Met: Example of how HRs policies are accessible for intended audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Meets ILO requirement for suppliers on A.1.2.a • Not Met: Describes steps to communicate HRs policies to EX BPs: The Company states that it 'does everything necessary to make sure its business partners read and acknowledge its corporate Human Rights Policy and share its commitment to the principles of observance, support and facilitation to development of human rights'. However, there is no evidence found as to how it communicates its policy to its business partners. [2021 Sustainability report, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how HRs policies are contractual/binding for suppliers • Not Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Not Met: Describes how workers are trained on HRs policy commitments: The Company states that it raises human rights awareness through personnel training programmes, and that 682 persons completed the training on preventing human rights violations. However, no description of how the workers are trained was found. [2022 Sustainability report, 2023: severstal.com] • Not Met: Trains relevant managers including security on HRs: The Company states that 'To safeguard its office facilities and enterprises, the Company carries on cooperation with a private security company. All employees of the said company shall review their job instructions and the Regulations on Access and Site Security Regimes at Severstal that stipulate the respect for human rights in providing the security services'. However, no information related to training was found. [2022 Sustainability report, 2023: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a • Not Met: Meets both requirements under score 1 • Not Met: Trains BPs to meet HRs commitments • Not Met: Discloses % suppliers trained
B.1.6	Monitoring and corrective actions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Not Met: Monitors implementation of HRs policy commitments across global ops and EX BPs • Not Met: Discloses % of EX BP's monitored • Not Met: Describes how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a • Not Met: Describes corrective actions process • Not Met: Discloses findings and number of correction action processes
B.1.7	Engaging and terminating business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HRs performance affects selection EX BPs: The Company states that 'Severstal manages its relationships with suppliers in a coherent manner. Supplier reliability assessment, options of a long-term cooperation with consistently high-quality products and delivery performance, and supplier compliance with the Company's requirements involves several stages: pre qualification, audit, and performance evaluation. Supplier assessment includes two stages – an expert assessment (twice a year) and an operational assessment conducted monthly on the basis of automatically generated supplier performance metrics'. It also

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			<p>indicates that 'The pre-qualification stage also entails a high-level supplier assessment by certain ESG criteria. In 2022, the evaluation criteria were finalised, and a special tool based on SAP SRM was created', and that the 'Social' aspect of ESG includes 'respect for human and employee rights'. [2022 Sustainability report, 2023: severstal.com]</p> <ul style="list-style-type: none"> • Not Met: HRs performance affects ongoing BPs relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes positive HRs incentives for business relationships • Not Met: Works with EX BPs to meet HRs requirements
B.1.8	Approach to engagement with affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how workers and communities identified and engaged in the last two years • Met: Discloses stakeholders whose HRs may be affected: The Company notes that 'The employees of Severstal enterprises, contractors which provide services on Severstal territory and the local population living in the immediate vicinity of production sites are the most vulnerable groups whose rights may potentially be violated during the Company's operations.' [Sustainability Report 2021, 77] [2021 Sustainability report, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of engagement with stakeholders • Not Met: Analysis of stakeholder views on company's HRs issues • Not Met: Describes how stakeholders views influenced company's HRs approach

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes process of identifying risks in own operations: The Company states that in all its activities, the Company is committed to identifying, evaluating and mitigating human rights risks, as prescribed by its Human Rights Policy, in its relations with employees, local communities, including indigenous peoples and minorities, and business partners. However, no evidence found on the process to identify its human rights risks. [Human Rights and Community relations policy, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes process for identifying risks in EX BPs • Not Met: Describes global risk identification system incl. stakeholder consultation • Not Met: Describes how risk identification system is triggered by new circumstances • Not Met: Describes risks identified in relation to new circumstances
B.2.2	Assessing human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes assessment process and discloses salient HRs risks • Not Met: Describes how process applies to EX BPs • Met: Public disclosure of results of HRs risk assessment: The Company states that 'The most significant risks related to the Company's operations affect the rights to a healthy environment, safe working conditions, decent and equal remuneration, freedom of association and collective bargaining. The most vulnerable groups exposed to such risks include employees of Severstal's enterprises, contractors providing services on the Company's premises, and locals residing in the immediate vicinity of production sites'. [2022 Sustainability report, 2023: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how assessment involved affected stakeholders
B.2.3	Integrating and acting on human rights risks and impact assessments	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system to prevent, mitigate and remediate HRs issues • Not Met: Describes how global system applies to EX BPs • Not Met: Example of actions decided on at least 1 salient HRs issue <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how stakeholders involved in decisions about actions taken
B.2.4	Tracking the effectiveness of actions to respond to	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system for evaluation effectiveness of actions • Not Met: Example of lessons learned from evaluation effectiveness of actions

Indicator Code	Indicator name	Score (out of 2)	Explanation
	human rights risks and impacts		Score 2 <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involves stakeholders in evaluation effectiveness of actions
B.2.5	Communicating on human rights impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders Score 2 <ul style="list-style-type: none"> • Not Met: Describes challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all workers: The Company states that it pays attention to the addressing of all employee appeals and strives to have an open dialog about human rights observance. The Company offers various channels of communication for reporting violations, including a hotline and the Company's Ethics committee. [2021 Sustainability report, 2022: severstal.com] & [Human Rights and Community relations policy, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and workers made aware • Not Met: Describes how workers in EX BPs access grievance mechanism • Not Met: Expects EX BPs to convey expectation to their BPs
C.2	Grievance mechanism(s) for external individuals and communities	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Grievance mechanism accessible to all external individuals and communities: The Company indicates that 'To promptly respond to reports on violations, the Company has a feedback mechanism in place. Severstal guarantees comprehensive, independent and unbiased handling of complaints and submissions. The communication channels are anonymous and available to both the in-house staff and the external stakeholders'. [2022 Sustainability report, 2023: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware • Not Met: Describes how external individuals/communities access grievance mechanism • Not Met: Expects EX BPs to convey expectation to their BPs
C.3	Users are involved in the design and performance of the mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes how users engaged on design and performance • Not Met: Provides user engagement examples (at least two) on design and performance Score 2 <ul style="list-style-type: none"> • Not Met: Describes how users engaged on improvement of mechanism • Not Met: Provides user engagement examples (at least two) on improvement
C.4	Procedures related to the mechanism(s) are equitable, publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes procedure and timescales for managing complaints or concerns: The company indicates: 'Once addressed, 11 reports (58%) were regarded as well-reasoned and were actioned through corrective measures. In particular, one case of corruption was confirmed and reported to the law enforcement authorities, followed by filing criminal charges. To timely respond to violations of business ethics, in the Company, there is a feedback mechanism in place that involves the Unified Hotline channels, makes sure that any complaints and submissions are being addressed objectively and guarantees complete anonymity to the applicant'. However, no description of the general procedure for managing concerns was found. Furthermore, no information on timescales was found. [2022 Sustainability report, 2023: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Describes technical, financial, advisory support to enable equal access • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Describes escalation to senior levels / independent adjudicators

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.5	Prohibition of retaliation for raising complaints or concerns	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Public statement prohibiting retaliation against workers/stakeholders: The Company states that there shall be no retaliation against any individuals reporting any human rights violations or other concerns related to its human rights policy. [Human Rights and Community relations policy, 2022: severstal.com] Met: Describes practical measures to prevent retaliation: The company indicates that: 'the Unified Hotline channels, makes sure that any complaints and submissions are being addressed objectively and guarantees complete anonymity to the applicant'. [2022 Sustainability report, 2023: severstal.com] Score 2 <ul style="list-style-type: none"> Not Met: Specifies no legal action, firing or violence Not Met: Expects EX BPs to prohibit retaliation against workers/stakeholders
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Complainants not asked to waive legal rights Not Met: Does not require confidentiality provisions Score 2 <ul style="list-style-type: none"> Not Met: Cooperates with state based non judicial mechanisms Not Met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Describes approach taken to remedy adverse HRs impacts Not Met: Describes how remedy would be provided if no adverse impact identified Score 2 <ul style="list-style-type: none"> Not Met: Describes changes to systems, processes and practices to prevent future impacts Not Met: Describes approach to monitoring/implementing agreed remedy Not Met: Describes approach to learning from incidents if no adverse impacts identified
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Discloses number of grievances filed, addressed or resolved and outcomes achieved: The Company reports that in 2021, the share of Unified hotline calls related to the violations of ethics and the Standard of behaviour of employees made 6% (8% in 2020). However, the Company has not provided further details including the number of violations about human rights issues. [2021 Sustainability report, 2022: severstal.com] Not Met: Example of how lessons from mechanism improved HRs management system Score 2 <ul style="list-style-type: none"> Not Met: Describes process to evaluate mechanism and changes made as a result Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Pays living wage or sets time-bound target: The Company states it is 'Maintaining wages on an above-average level in the regions of operation, providing social support measures for employees and their families.' However, it is not clear if these wages constitute a living wage for the respecting areas. [2021 Sustainability report, 2022: severstal.com] Not Met: Describes how living wage determined: The Company indicates it is conducting salary surveys in the relevant labor market to set and review wages. This includes an analysis of wages in comparison with market conditions in the regions of operation and regular wage indexation. However, it is not clear from the above what aspects it takes into account to set its wages in the different areas of its operation. No further information on how the Company determines living wages was found. [2021 Sustainability report, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> Not Met: Achieved paying living wage

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Reviews definition living wage with unions: The Company states that "all amendments to the [...] wages and social guarantees must be approved with the trade unions." However, it is unclear if that includes the definition of living wages. [2021 Sustainability report, 2022: severstal.com]
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Member of EITI • Not Met: Reports of taxes and revenues beyond legal minimums: The Company reports the tax and non-tax payments and contributions by key foreign countries and key regions of Russia. However, it has not provided information on revenue payment and it is not clear whether the reporting is beyond legal requirements. [2021 Sustainability report, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Reports taxes and revenue by country • Not Met: Steps taken to promote transparency in non EITI countries • Not Met: Provides example of contracts for terms of exploitation for countries without disclosure requirements
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Measures to prohibit violence/retaliation against workers for joining trade union • Not Met: Discloses % of total direct operations covered by CB agreements: The Company reports that 100% of its production personnel are covered by the Collective Agreement. It also reports the % of trade union members in 2021 in each region of Russia. Such as the % of trade union membership is 64% in Cherepovets Steel Mill and 20% in Yakovlevskly Mine. However, it is not clear whether significant proportion of its total direct operations workforce are covered by Collective Agreement. [2021 Sustainability report, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1
D.3.4	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes process to identify H&S risks and impacts: The Company reports that there are five assessment stages for its hazards and safety risk assessment procedure at routine work. The five stages include planning identification of OHS risks and hazards, identification of hazards, analysis and assessment of identified risk, risk response, and monitoring and reviewing risk levels. [2021 Sustainability report, 2022: severstal.com] • Met: Discloses injury rate or lost days for last reporting period: The Company reports that the lost time injury frequency rate (LTIFR) is 0.69 in 2021. [2021 Sustainability report, 2022: severstal.com] • Met: Discloses fatalities for last reporting period: The Company reports that in 2021, there were five fatalities. [2021 Sustainability report, 2022: severstal.com] • Met: Discloses occupational disease rate for last reporting period: The Company reports on occupational disease for its various locations. [2021 Sustainability report, 2022: severstal.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Set targets for H&S performance • Not Met: Met targets or explains why not or actions to improve H&S management systems
D.3.5	Indigenous peoples' rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Process to identify/recognise indigenous rights holders • Not Met: Describes how indigenous communities are engage during assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to FPIC • Not Met: Recent example of obtaining FPIC or not pursuing indigenous people's land/resources

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.6	Land rights: Land acquisition (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes approach to identifying land tenure rights holders and negotiating compensation Score 2 <ul style="list-style-type: none"> • Not Met: Describes approach to compensation including valuation • Not Met: Describes steps to meet IFC PS 5 in state deals
D.3.7	Security (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes security implementation (incl. VPs or ICOC) and provides an example: The Company states that 'it strives to observe human rights while ensuring the security of office facilities and enterprises. The Company cooperates with a private security company whose employees familiarize themselves with their job instructions and the provision "On permit and site security regimes in Severstal". These documents, in particular, stipulate the observance of human rights and prohibit degrading treatment of employees and visitors while providing security services'. However, no details found how the Company implements its security approach and no example of implementation was found. [2021 Sustainability report, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Ensures Business Partners/JVs follow security approach • Not Met: Security and HRs assessment includes input from local communities • Not Met: Two examples of working with local communities to improve security
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes preventative/corrective action plans for water and sanitation risks: The Company discloses its approach to rational water use. However, no information was found regarding the implementation of this approach. [MANAGEMENT OF USED WATER RESOURCES, 01/02/2021: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Sets targets on water stewardship that consider water use by local communities: The Company formulates goals of rational water use measures. However, it does not set clear targets and no information was found as to whether the Company takes into account other users. [MANAGEMENT OF USED WATER RESOURCES, 01/02/2021: severstal.com] • Not Met: Reports progress in meeting targets and trends demonstrating progress
D.3.9	Women's rights (in own extractive operations, which include JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes processes to stop harassment and violence against women: The Company states 'Severstal acknowledges the importance of timely and appropriate response to statements of harassment and abusive behaviour. The Company makes every effort to avoid any signs of harassment and is committed to conduct corresponding investigations and take actions in accordance with internal standards and policies.' However, no gender specific approach to stop harassment and violence was found. [2021 Sustainability report, 2022: severstal.com] • Not Met: Working conditions take into account gender issues • Not Met: Measures and steps to address gender pay gap at all levels of employment: The Company states that 'The Company strictly follows the principles of gender equality and provides equal salary for each category of employees regardless of their gender in all business units.' However, no information was found as to what steps the Company takes to address the gender pay gap. [2021 Sustainability report, 2022: severstal.com] Score 2 <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Provides analysis of trends demonstrating closing gender pay gap

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 10.68 out of 80 points scored in themes A-D has been applied to produce a score of 2.67 out of 20 points for theme E.

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