

Direct economic value generated and distributed

Through our operations we create value for our stakeholders, including shareholders, investors, employees, suppliers and contractors, government authorities, and local communities. The direct economic value generated and distributed demonstrates the wealth that we create through our operations and the subsequent allocation of revenue by stakeholder group.

The difference between the value created and the value distributed is explained by some economic value being retained – we use this to further develop and bolster our business. We endeavour to boost the value generated and distributed, increase our contribution to society, maintain transparency, and act with integrity when it comes to information disclosure.

We used information from the audited IFRS Financial Statements of the Group to prepare Table 5 in accordance with GRI recommendations for Disclosure 201–1. In 2019, the value generated by EVRAZ amounted to US\$11,935 million, the value distributed US\$11,306 million, and the value retained US\$629 million.

GRI 201-1

EVRAZ's direct economic value generated and distributed⁴, \$ million

Item	Stakeholder	2019
Direct economic value generated		11,935
Revenue from the sale of goods	A wide variety of stakeholders	11,569
Revenue from providing services		336
Revenue from financial investments		8
Other operating income		22
Economic value distributed		(11,306)
Operating expenses	Suppliers and contractors	(7,875)
Wages and other payments to employees	Employees	(1,451)
Payments to providers of capital	Shareholders and investors	(1,422)
- payments to shareholders		(1,086)
- payments to creditors		(336)
Payments to the government	Government authorities	(532)
- including income tax expenses		(532)
Community investments	Local communities	(26)
Economic value retained		629

⁴ Information from the audited IFRS Financial Statements of the Group was used to prepare Disclosure 201–1 in accordance with the GRI recommendation. Data are presented on an accrual basis.