

# DIGITAL TRANSFORMATION

#### **EVRAZ DIGITAL TRANSFORMATION PATH**

#### 2017-18

- Pilot projects and proof of concept.
- Outcome analysis.

#### 2019

- Broad discussion of digital transformation approach, objectives and outcomes.
- Decision to systematically employ digital tools on a large scale throughout enterprises and business units.

#### 2020

- Decision to make digital transformation a strategic priority of EVRAZ.
- Launch of major digital transformation projects.
- 68 projects.
- Implemented with an annual effect of US\$17 million.

#### 2021 Results

176 projects implemented with an economic effect on 2021 EBITDA of

US\$ 5 m and an annual run-rate effect of

US\$ 150 m

#### 2022-23 plans

Implementation of new digital transformation projects with an annual runrate effect of

>US\$ 100 m

## DIGITAL TRANSFORMATION IN 2021: KEY FACTS

- An ambitious programme of digital projects was successfully completed and the economic effect target was achieved.
- More than 80% of the effect in production came from improving technical drivers.
- Digital technologies are making a substantial contribution to improving production safety.
- A 'conveyor belt' of digital products was put into operation.
- A data-based management approach was consistently introduced at all levels of the Group.
- A portfolio of digital initiatives for 2022 was created.

### PLANS FOR 2022

- Maintain the implementation speed for digital projects and the economic effect achieved.
- Focus more on working with a 'funnel' of digital transformation ideas.
- Become one of the world's digital transformation leaders (a 'beacon company', based on World Economic Forum terminology).