

EVRAZ BUSINESS MODEL

OUR BASIS

STRATEGIC PRIORITIES

BUSINESS SEGMENTS

Our vision

EVRAZ is a global steel and mining company, the leading producer of infrastructure steel products with low-cost production along the value chain.

Global market trends

In 2020, global finished steel consumption declined by 1.1% primarily driven by the impact of COVID-19. China continues to be the main driver of global demand, with growth of 9.0%. Despite lockdowns in the early part of 2020, consumption of iron ore continued to grow, rising by 0.7% in 2020. In 2020, global metallurgical coal consumption declined by 1.8% year-on-year. Despite COVID-19 containment measures, global vanadium demand increased 5% year-on-year, with increased consumption from rebar producers in China offsetting a decline in demand in other regions.



Sustainable development



EVRAZ Business System

EVRAZ strategic priorities reflect current focus areas that are driven by market conditions and business fundamentals.

Debt management and stable dividends

Prudent CAPEX

Retention of low-cost position

Development of product portfolio and customer base

Steel

EVRAZ Steel segment uses locally sourced raw materials to produce steel products in the CIS, which it sells for domestic infrastructure and construction projects while taking a flexible approach to exports. The Group's vanadium business is based on processing vanadium slag from steelmaking operations.

Read more on [pages 46-49](#). →

Coal

EVRAZ Coal segment provides raw materials for the Group's steel mills, supplies coking coal to major domestic coke and steel producers, and exports its products to foreign customers.

Read more on [pages 50-51](#). →

Steel, NA

The Steel, North America segment focuses on the premium markets in the Western US and Canada, offering high value-added products including infrastructure steel, rails, large-diameter pipes and oil country tubular goods.

Read more on [pages 52-55](#). →

Read more on [pages 20](#). →

For additional information, pls see the [EVRAZ Sustainability Report for 2020](#), which will be published in May 2021 →

Read more on [pages 24-27](#). →

COMPETITIVE ADVANTAGES

THE VALUE WE CREATE FOR STAKEHOLDERS

EVRAZ uses the synergies derived from its competitive advantages to ensure that its overall operations are able to generate, sustain and capture value over the long-term.

Leader in infrastructure steel products

A premium portfolio of railway, construction and tubular products with firm footprint in Russian, North American and global markets.

Strong position in coking coal market

The largest coking coal producer in Russia with an attractive portfolio of hard and semi-hard coking coal grades.

Vertically integrated low-cost operations

A sound base of steel and coal assets in the first quartile of the global cost curve.

→ Shareholders and investors

EVRAZ strives to act in shareholders' best interest by building an experienced management team and implementing corporate governance best practices.

→ Employees

EVRAZ is among the most sought-after employers in its regions of operation partly due to its staff development programmes and best-in-class working conditions.

→ Customers

EVRAZ generates value for its global clientele by prioritising value-added products, offering better shipping terms and running a client oriented business model.

→ Suppliers and contractors

EVRAZ honours its position as a vital purchaser of auxiliary materials by fostering the advancement of its customers' industries and running fair, transparent tenders.

→ Local communities

EVRAZ believes that conducting its business in a sustainable manner helps to promote regional prosperity where it operates and strives to create healthier, happier local communities by sponsoring social and economic development programmes.

→ Government and regulatory authorities

EVRAZ is one of Russia's largest taxpayers and employers, and plays a valuable role for the state by providing construction and railway products for the development of infrastructure.

→ Media

EVRAZ proactive engagement with the media boosts the quality and transparency of information about the Group.

→ Industry organisations

EVRAZ cooperates and supports various industry organisations through joint initiatives and proactively participates in conferences and forums.