

EVRAZ BUSINESS MODEL

OUR BASES

STRATEGIC PRIORITIES

OUR VISION

To be the leading manufacturer of steel for infrastructure.

GLOBAL MARKET TRENDS

In 2021, the steel industry was mostly driven by demand-side fluctuations. Steelmakers increased output in anticipation of more robust demand from the construction and manufacturing sectors. Unable to keep up with the accelerated pace of recovery, steel prices rose to their highest in years.



SUSTAINABLE
DEVELOPMENT



EVRAZ BUSINESS
SYSTEM

For additional information, pls see [the EVRAZ Sustainability Report for 2021](#), which will be published in May 2022

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

BUSINESS SEGMENTS

COMPETITIVE ADVANTAGES

THE VALUE WE CREATE FOR STAKEHOLDERS

STEEL

EVRAZ Steel segment uses locally sourced raw materials to produce steel products in Russia and Kazakhstan, 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 [page 48](#)

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 [page 50](#)

COAL

The Coal segment sells almost half of its volumes to the the EVRAZ steel mills, supplies coking coal to major domestic coke and steel producers, and exports its products to foreign customers.

Read more on [page 52](#)

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 a firm footprint in Russian, North American and global markets.

VERTICALLY INTEGRATED LOW-COST OPERATIONS

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

LEADER IN VANADIUM PRODUCTION GLOBALLY

Second largest vanadium producer in the world, with the unique technology and lowest production cost.

In the reporting period, EVRAZ announced the demerger of its coal business.

The demerger will result in the creation of two distinct publicly listed businesses with leading positions in their respective fields, and will allow each to pursue tailored strategic, capital allocation and sustainability objectives.

SHAREHOLDERS AND INVESTORS

EVRAZ strives to act in shareholders best interest by building an experienced management team, implementing corporate governance best practices and by providing robust total shareholder return.

CUSTOMERS

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

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.

MEDIA

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

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.

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.

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.

INDUSTRY ORGANISATIONS

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

The section 172(1) statement, describing how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duty under section 172, is [pages 98–99](#)