

EVRAZ business model

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 2018, global steel and raw materials markets enjoyed favourable momentum. Rising prices were mainly driven by heightened demand for steel products, ongoing supply-side reforms and changes to China's environmental regulations. In 2019, we believe that the market could cool off somewhat, however fundamentals mainly remain strong.

[For more information, see pages 26–27.](#)

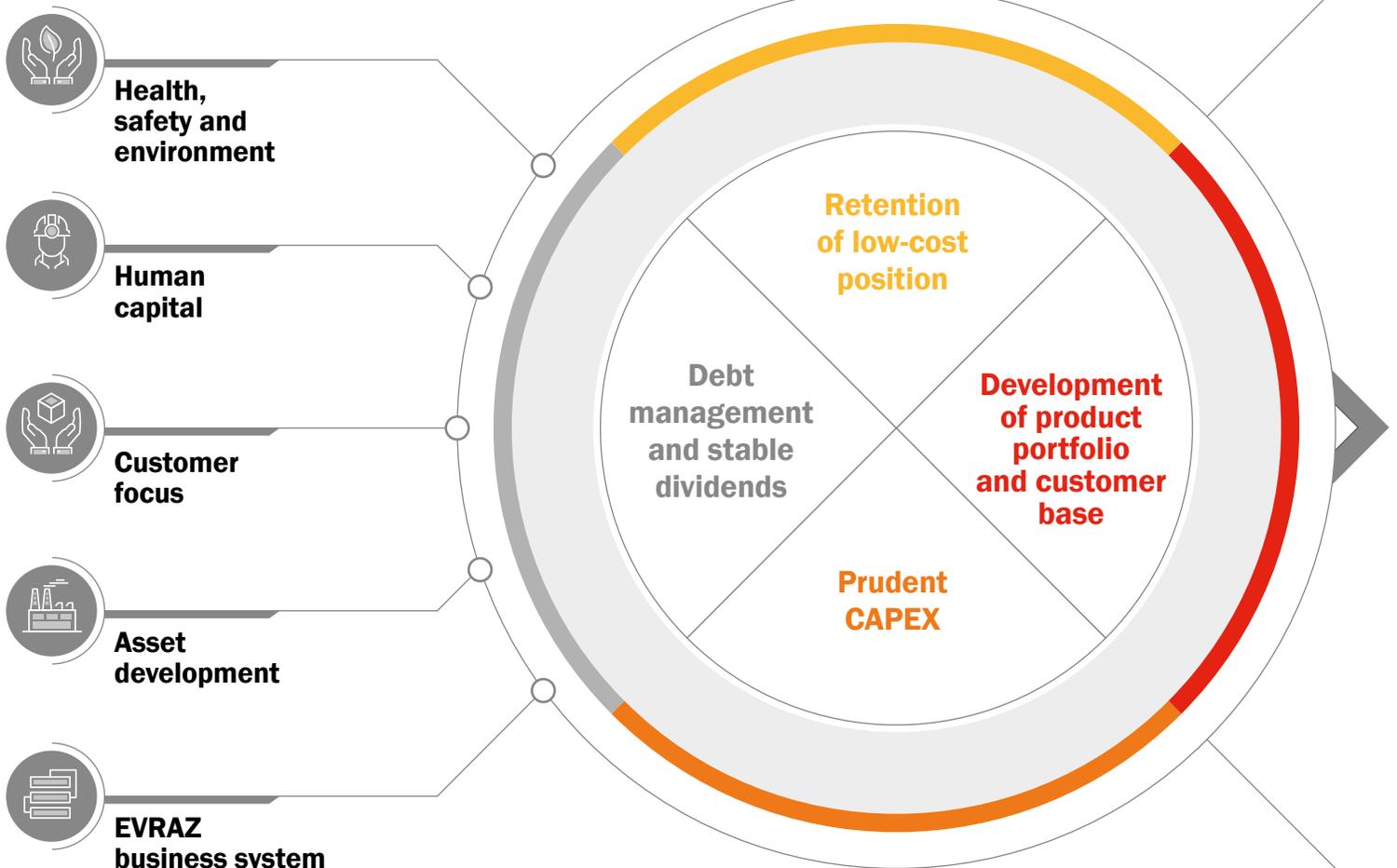
Success factors

Strategic priorities

As part of its leadership drive, EVRAZ is implementing its strategy based on five success factors:

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

[For more information, see pages 28–29.](#)

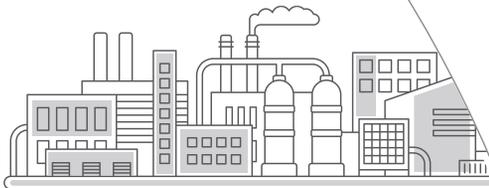




Business segments

Competitive advantages

The value we create



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.

For more information, see pages 44–53.

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.

For more information, see pages 54–61.

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.

For more information, see pages 62–69.

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

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 business partners

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

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.