

# Goal: sustainable growth of value

## INPUTS

### NATURAL CAPITAL



Iron ore mining  
**71,318KT**



Raw coking coal extraction  
**7,281KT**



Electricity  
**8,186GWh**



Natural gas  
**1,147MCM**



Water intake  
**603MCM**



Overburden removal  
**76MCM**

### HUMAN CAPITAL



Employee headcount<sup>4</sup>  
**80,000+**



Suppliers and contractors  
**8,300+**



Average monthly salary  
**US\$965**



Employee training sessions  
**111,197**

### FINANCIAL CAPITAL



Total assets  
**US\$13,454M**



Total debt  
**US\$2,937M**

## STRATEGIC GOALS

Sustain competitive advantages in steelmaking through vertical integration

Strengthen positions in strategic markets

Achieve business excellence through best practice

## VALUE CHAIN



**INBOUND LOGISTICS**



**MINING OF RAW MATERIALS**



**PROCESSING OF RAW MATERIALS**



**PRODUCTION OF STEEL**

## FUNDAMENTALS

Health, safety and environment

Vertical integration

Quality

Transparency

<sup>4</sup> As of March 2021, following the consolidation of Pokrovske Coal into the Group.

**STRENGTHS**

- Global sales network
- Geographic location
- Vast resource base
- Diversified product mix
- Strong institutions
- Lean manufacturing
- Financial prudence
- Human capital
- Solid relationships
- Corporate social responsibility



**CASTING OF SEMI-FINISHED PRODUCTS**      **ROLLING OF FINISHED PRODUCTS**      **OUTBOUND LOGISTICS**      **SALES AND SERVICE**

**SUPPORTING ACTIVITIES**  
**HR | FINANCE | LEGAL | PROCUREMENT | LOGISTICS | PR | IT**

**GOVERNANCE PRINCIPLES**

- Specialisation
- Vertical integration
- Unified strategic management
- Centralisation
- Growth and investments
- Global best practices
- Tradition and innovation
- Commitment to leadership
- Personal commitment

**OUTPUTS AND OUTCOMES**

**EXTERNAL SALES**

|                        |                             |                                    |                   |
|------------------------|-----------------------------|------------------------------------|-------------------|
|                        |                             |                                    |                   |
| ISO 9001 certification | Pig iron and steel products | Pig iron and steel product resales | Iron ore products |
| <b>16 ASSETS</b>       | <b>9,288KT</b>              | <b>6,160KT</b>                     | <b>19,271KT</b>   |

**FINANCIAL CAPITAL**

|                    |                   |                 |                 |
|--------------------|-------------------|-----------------|-----------------|
|                    |                   |                 |                 |
| Revenues           | EBITDA            | Net profit      | Interest paid   |
| <b>US\$10,453M</b> | <b>US\$2,204M</b> | <b>US\$526M</b> | <b>US\$215M</b> |

**HUMAN CAPITAL**

|                         |                            |                 |
|-------------------------|----------------------------|-----------------|
|                         |                            |                 |
| ISO 45001 certification | Health and safety spending | Labour costs    |
| <b>10 ASSETS</b>        | <b>US\$106M</b>            | <b>US\$915M</b> |

**NATURAL CAPITAL**

|                         |                         |                        |
|-------------------------|-------------------------|------------------------|
|                         |                         |                        |
| ISO 50001 certification | ISO 14001 certification | Environmental spending |
| <b>10 ASSETS</b>        | <b>12 ASSETS</b>        | <b>US\$450M</b>        |

**SOCIAL CAPITAL**

|                 |                           |
|-----------------|---------------------------|
|                 |                           |
| Taxes paid      | Investment in communities |
| <b>US\$612M</b> | <b>US\$15M</b>            |