



Marketing, sales, services and logistics

Operations and facilities

Raspadskaya Coal Company | Raspadskaya Coal Company is based in Russia. It sells coal in Russia and Ukraine, and is the largest supplier of coking coal on the domestic market.

EVRAZ East Metals | EMAG East Metals is a trading company based in Switzerland. It exports coal mined by EVRAZ to Southeast Asia and European countries. The bulk of the exported coal is transported through the EVRAZ NMTP sea port to Japan, Korea and China.

EVRAZ NMTP | **EVRAZ NMTP** is one of the largest stevedoring companies in Russia's Far East. The port is located in the eastern part of Peter the Great Bay, in Nakhodka Bay. It is capable of processing 500 railcars with various loads a day and has more than 300 thousand square metres of warehouse space. Its turnover in 2015 was 9.2 million tonnes, including 6.2 million tonnes of coal and 3.0 million tonnes of metals.

Customer focus strategy

Customer focus initiatives, 2015 results | In 2015 EVRAZ maintained its leading position on the Russian coal market and achieved its ambitious export goals. It did so by focusing on its customers, developing partnerships and earning customers' loyalty, and working closely with major buyers in Russia and abroad.

Russia is EVRAZ main market, and the Group works closely with the largest Russian metals companies. It offers a wide range of products, including Zh, GZh and K grades (hard coking coal and semi-hard coking coal), and KS and GZhO grades (semi-soft coking coal). Around 65% of its coal was sold to Russian consumers.

The Group has a stable client base built on long-term partnerships. In 2015, most of its domestic sales were under long-term contracts, for two years or more.

EVRAZ clients receive individual product offerings, competitive prices and flexible financial terms. The Group works closely with technologists at metals companies to provide comprehensive solutions that include recommendations for optimising coal blends.

EVRAZ supplies metals companies with high-quality Zh / Zh+GZh coal grades (hard coking coal). Both Russian and foreign customers appreciate EVRAZ high-quality GZh / GJ+GZhO grades (semi-hard coking coal).

In 2015, exports accounted for c.35% of EVRAZ sales and went mainly to Ukraine, Japan and Korea. Some volumes were also sold in China and Vietnam under spot contracts.



In 2015, the Nakhodka Commercial Sea Port handled a record amount of

>6 million tonnes of coal



KEY DEVELOPMENTS

Raspadskaya Coal Company

- Maintained its leading position on the Russian coal market.
- Concluded long-term contracts for supplying coal to major customers.

EVRAZ East Metals

- Increased export sales by 20%.

EVRAZ NMTP

- Improved the quality of coal cleaning.
- Completed a project to increase warehouse space to 26 thousand square metres.

MARKETING STRATEGY

In 2016, EVRAZ plans to maintain its leadership in the Russian coal market, based on its high and stable coal quality and excellent customer service. In addition, it aims to strengthen its presence in the Ukrainian, Japanese and Korean markets.