

# SALES

Despite the constraints caused by the COVID-19 pandemic, in 2020 Nornickel successfully maintained its long-standing reputation as a reliable supplier of high-quality products. The integrated index of customer satisfaction with the Company's products and services fully matched the target level.

Overall, the pandemic had a significant impact on consumption in the Company's markets in 2020, which declined as a result of the global effort to curb the spread of COVID-19. Demand for some products declined by as much as 20%. Faced with uncertainty, consumers sought to reduce their stock and increase the share of call options/spot trades in procurement. However, the overall decline in demand did not lead to a proportional decrease in the Company's sales. The Company's strong sales performance in 2020 despite external headwinds can be seen as a testament to the effectiveness of the sales strategy chosen by the Company to position itself in its sales markets through developing Nornickel's own sales platform that relies on direct long-term relationships with key consumers and diversified client base.

As a top global producer of base and platinum group metals, Nornickel sees its role as leading the industry on building an improved ecosystem for all market players. The Company continues to advance its innovative

project that embeds its business into a digital ecosystem for higher performance and transparency throughout the metals supply chain, including enabling responsible sourcing for customers. The Company plans to digitise some of its metal supply contracts via Atomyze, an advanced DLT (Distributed Ledger Technology) platform. In 2020, Nornickel's Global Palladium Fund issued its first tokens to digitise the Company's contracts with several of its major customers. Digital investment instruments will also be issued as part of the project, representing a new class of investment products that open up access to commodity markets to a wide range of investors.

Nornickel's products are listed on the London Metal Exchange and the Shanghai Futures Exchange. Registration at the world's top exchanges ensures the necessary liquidity for the Company's products. In early 2020, NORNICKEL full-plate nickel cathodes produced by Kola MMC were registered at the Shanghai Futures Exchange, the leading metals trading platform in China and Asia. Another highlight of the year was the rebranding of NORNICKEL (formerly NORILSK I) cobalt cathodes on the London Metal Exchange.

The Company's products are supplied to 37 countries around the world, with Europe as the major consumer.



«The tokens issued via Atomyze will enable the Global Palladium Fund to market Nornickel's products in an effective and transparent way to a wide range of customers interested in using digital solutions. We are confident that this will give the mining industry the ability to guarantee responsible sourcing».

**Anton Berlin,**

Nornickel's Vice President, Sales and Distribution

## SALES BY REGION (%)

