

SALES STRATEGY

Sales, along with production, have traditionally been a key focus area of Nornickel's business.

When it comes to nickel products, the sales strategy focuses on achieving a balance between supplies to stainless steel manufacturers and other industries to secure a stable position in the market.

Electric vehicles and batteries are a priority segment in the **nickel consumption structure**, as its growth rates suggest that in a longer range it can become the key source of demand for high-grade nickel. Therefore, the Company is running a programme to support high-growth nickel applications, primarily in the battery sector. Cooperation with the growing battery sector relies on our wide range of nickel products, high reliability of supplies, availability of the Company's own global sales platform and a long track-record of partnering with automotive manufacturers and chemical companies. The Company also maintains an ongoing, proactive dialogue with new leading players

in this area. All these factors make Nornickel well-positioned to become a key element in the battery components value chain. In the battery segment, the Company is set to support the electric-vehicle (EV) market and related value chains while maintaining a strong focus on building long-term partnerships with key industry players.

Nornickel's sales team is closely monitoring changes in the technical requirements for nickel and cobalt products in the sector. The Company is actively engaging major players in the battery segment, as evidenced by its agreement with BASF, signed in 2018. Under the agreement, pilot production facilities were launched, commencing supplies of precursors for certification by automakers in 2019. The Company also confirms its plans to arrange for battery recycling.

In the alloys and special steels sector, the Company seeks to maximise the benefits of its product portfolio and improve product quality to boost its share in high-quality, premium segments.

In the electroplating sector, Nornickel is optimising its product offering to better meet customer needs and acquire new customers in other markets.

Accordingly, in order to secure a stable position in the nickel market, the Company seeks to achieve a balanced presence across all segments of the market.

As the world's largest producer of palladium, the Company continues to implement its strategy of entering into direct long-term contracts with end consumers to bolster sustainable and **strong demand for platinum group metals**.

One of Nornickel's priorities is to ensure stable supply of palladium as the world palladium market remains significantly undersupplied. As the leading supplier of this metal, the Company's strategy includes a number of measures to maintain the long-term stability of the palladium market and the launch of the new South Cluster project.