

# OUR HOME, OUR NEIGHBOURS

Metinvest's home is in the local communities around the world where it operates and the people who live in them are its neighbours. The Group's social partnership programmes focus on the development of these cities and towns and form a core component of its sustainability efforts.

## A RESPONSIBLE APPROACH

Large companies such as Metinvest exist in close intertwinement with society and play a vital role in the broader dialogue about sustainable development, which the Group views as more than just a sophisticated phrase. The Group strives to devote as much attention, effort and energy to people as it does to business development because it understands that they are the foundation for prosperity. These include the people who work at the Group's facilities, their families, neighbours and others connected to these assets. They are its contractors and customers, as well as representatives of its partners, including international organisations.

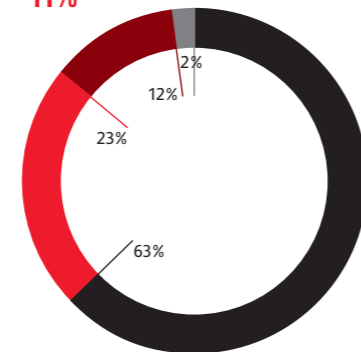
Metinvest recognises that an important aspect of this responsible approach is practicing good corporate citizenship wherever it operates, regardless of the circumstances. The social partnerships that it has formed are a core part of its efforts in local communities. The Group is proud to come together with local authorities, business and society to implement joint projects and programmes aimed at improving the quality of life of local residents and enhancing the overall appeal of the areas where they live and work.

In many of these towns, cities and regions, Metinvest acts as an economic anchor and is often the largest employer, which underscores the importance of strategic, long-term investments to improve the liveability of these communities. This includes aiding educational, recreation, sporting and cultural initiatives as vital elements of society. The central role that the Group plays in many of these areas also highlights the importance of being there

## Spending on communities

US\$11M

-11%



2019

- City development funds
- Social partnership programme
- Green Centre
- Benevolence

to support its neighbours in their times of greatest need, including providing humanitarian assistance during emergencies.

In 2019, Metinvest invested a total of US\$11 million in its communities. These funds were targeted based on a dialogue with stakeholders to reach the maximum possible number of beneficiaries, including more than 1.8 million people in Ukraine, 300,000 people in the UK, 250,000 people in Italy, 200,000 people in Bulgaria and 65,000 people in the US.

## STRENGTHENING TIES

In 2019, Metinvest enhanced social partnership programmes with local city development funds that implement community improvement projects. First piloted in Mariupol in 2016, this approach has proven to be a successful role model for community relations and has been rolled out to Kryvyi Rih and Zaporizhia. The Group works with local, non-governmental urban development agencies, which in turn engage with municipal authorities and reputable, reliable international donors to jointly implement larger, more complex, longer-term projects.

During the year, Metinvest worked with the Mariupol Development Fund, which improved public spaces, built and refurbished academic facilities, and upgraded medical centres. Metinvest collaborated with Foundation of the Future in Kryvyi Rih, which repaired and refurbished local universities and training centres, upgraded medical centres, modernised city libraries and improved sport facilities. In Zaporizhia, Zaporizhstal, the Group's Metallurgical JV, worked with the Joint Action Platform, which opened a local hub for implementing urban improvement projects, organised events dedicated to sport, youth, music and literature, as well as performed design work for the reconstruction of infrastructure facilities. In 2019, Metinvest and Zaporizhstal contributed around US\$7 million and US\$2 million, respectively, to these development funds and, through them, the community projects that they implement.

Metinvest also continued to implement social partnership projects in the towns of Avdiivka and Novhorodsk, where it is improving social infrastructure, upgrading healthcare and educational facilities and bringing local residents together to contribute to the development of these communities.

In addition, the Group's financial input helped to ensure the implementation of 16 projects for Mariupol's 'We Improve the City' competition, 17 projects for Kryvyi Rih's 'FestMetinvest' competition, 100 projects for Zaporizhia's 'We Are the City' competition and 24 projects for Avdiivka's 'Transforming Avdiivka Together' competition.

Metinvest also continued its "Green Centre" development initiatives, which help local residents to improve urban landscaping and clean up public spaces. In 2019, the number of requests fulfilled under this programme totalled 663 in Mariupol, 566 in Kryvyi Rih and 21 in Zaporizhia. This programme also included green educational initiatives in these cities.

Furthermore, Metinvest supported sport and cultural events in Italy, where its re-rolling facilities are located. This included sponsoring local football teams and the Genoa Half Marathon, as well as supporting the Rolli days in Genoa and Arena Opera Festival in Verona.

## RE:THINK MARIUPOL

In October 2019, Mariupol hosted the RE:THINK investment forum, which was attended by the Ukrainian president. Metinvest worked with the local authorities to organise and sponsor the event. The choice of Mariupol to highlight Ukraine's economic opportunities underlines the importance of the city as a vibrant investment destination in Southeastern Ukraine. The event was a vital platform for interaction with the international community, including investment funds, banks and multi-lateral organisations.

The conference served as an occasion for the Group to champion a city where it is a major employer and proud citizen. It also served as a forum for the signing of an important memorandum that will act as a roadmap for the sustainable development of Mariupol, Zaporizhia and Kryvyi Rih, setting a clear agenda for the greener future.

## IMPROVING ACCOUNTABILITY

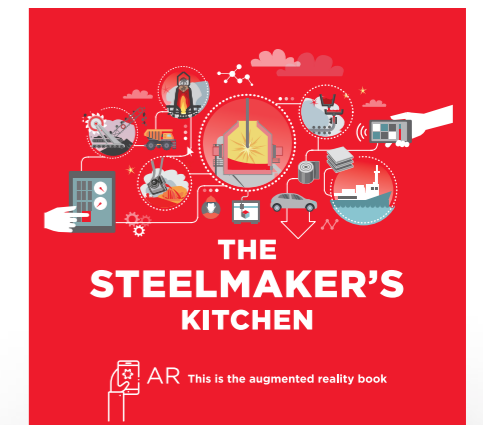
Metinvest recognises the growing importance of sustainability information for all stakeholders, including employees, communities, customers, suppliers, contractors, lenders and investors. To improve accountability, the Group is now preparing its Sustainability Report annually starting with the report covering the year 2019, which will be published in 2020.

The most recent Sustainability Report, covering the years 2017-18, was published in 2019 and was prepared in accordance with the international Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI 4.0) and the principles of the UN Global Compact.

## OUTLOOK FOR 2020

In 2020, Metinvest will continue to strengthen the ties that it has forged with local residents, authorities and non-governmental organisations in its communities. This includes contributing to social partnership programmes to open new opportunities for the long-term development of these cities and towns.

As part of its unwavering commitment to employees and communities during this time of tremendous need, Metinvest began taking unprecedented measures in early 2020 to mitigate the risks and hazards associated with the COVID-19 pandemic. The Group understands that clear and deliberate actions on the part of major businesses are more important than ever before. The Group's swift and comprehensive action across its global business played an important role in contributing to local and national prevention and relief efforts. More information about measures taken by the Group can be found in Metinvest's 2019 Sustainability Report.



In 2019, Metinvest published an augmented-reality book titled The Steelmaker's Kitchen as part of an effort to generate interest in the industry among the younger generation. The book describes how metallurgy and mining are organised in layman's terms. Readers can download a special app on their smartphone or tablet and watch a video about the different stages of steelmaking.

The book is a charitable publication that was released in Ukrainian, Russian and English. In addition, the Ukrainian Ministry of Education and Science has approved it for use as a textbook in secondary schools. It will be provided free of charge to libraries, schools and specialised higher and secondary educational institutions of Mariupol, Kryvyi Rih, Zaporizhia and Avdiivka.

The Steelmaker's Kitchen was recognised by the 2019 Partnership for Sustainability Award, held under the auspices of the UN Global Compact in Ukraine.

