

Metinvest strives to understand and proactively respond to the various concerns of its key stakeholder groups. By adhering to the principles of sustainability, the Group is better prepared to meet the diverse needs of its employees, customers, suppliers and contractors, local communities, equity and debt providers and government authorities.

Striking _____ a balance



EMPLOYEES

IMPORTANCE FOR METINVEST

Metinvest's people are its most valuable assets. Without them, none of its achievements would be possible. Following recent additions to the Group, some of which were after the reporting period, it now employs more than 80,000 people around the world. Everyone plays a vital role: production workers in making the goods that define the business, and office personnel in supporting them.

ENGAGEMENT

The Group carries out regular engagement surveys to measure and improve the effectiveness of actions taken to increase employee satisfaction. Socially distanced communication channels are in place to allow staff to liaise with senior managers, who can act on the ideas and concerns raised. Metinvest conducts internal training to deliver comprehensive health and safety instruction. In addition, it provides internal courses to develop work skills and partners with universities to enable managers to gain additional qualifications. The Group also maintains a confidential Trust Line, giving staff a secure channel for reporting concerns and complaints.

RESULTS FOR 2020

Despite the pandemic, Metinvest continued to meet its social obligations to employees and did not change base salaries. In 2020, the Group transformed its bonus system to incentivise such priorities as health and safety, operational improvements and customer focus. It also expanded its My Choice individual social package to cover more employees and offered additional coverage options under the programme. In addition, Metinvest invested about US\$7 million as part of an initiative aimed at improving the amenities and other services provided to staff. Its employee retention efforts helped to further reduce overall staff turnover to around 5%. The Group also integrated 2,800 employees from recently acquired assets into the team during the reporting period.



CUSTOMERS

IMPORTANCE FOR METINVEST

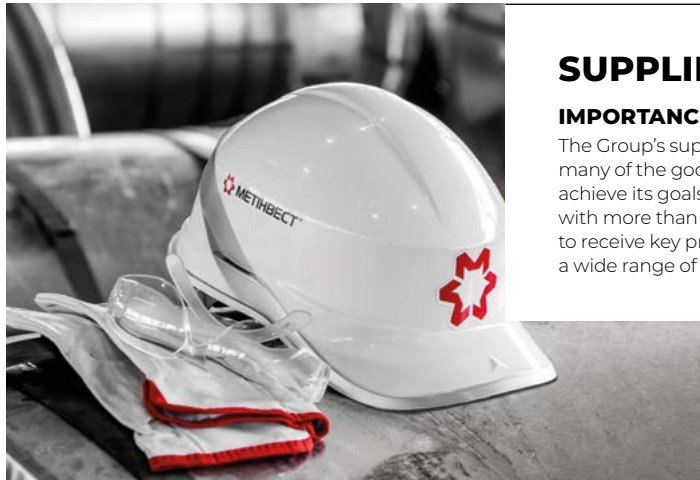
The Group's core mission as a business is to meet the needs of its customers. In 2020, its global network of 45 sales offices served more than 6,800 customers from nearly 100 countries.

ENGAGEMENT

Metinvest strives to achieve excellence in customer service. Its efforts in the area include to enhance the quality of existing products, develop new ones tailored to customers' needs and optimise logistics to minimise delivery times. The Group regularly communicates with customers to measure satisfaction and swiftly address concerns. However, because of the COVID-19 pandemic, the communication format changed.

RESULTS FOR 2020

In 2020, Metinvest advanced the development of its Key Account Management programme by updating the methodology for segmentation and selection of key customers. This helps to improve the customer service culture. Cross-functional teams continue to work actively with such accounts, as in the previous year, in order to provide a complex solution. During the reporting period, the Group's steelmakers developed 46 new steel products: semis, plates, hot-rolled coils, cold-rolled products, galvanised products and electric welded pipe. A key new product for Central GOK was pellets used in DRI technology, a new market segment for Metinvest.



SUPPLIERS AND CONTRACTORS

IMPORTANCE FOR METINVEST

The Group's suppliers and contractors provide many of the goods and services needed to achieve its goals. In 2020, Metinvest engaged with more than 8,300 suppliers and contractors to receive key production inputs and perform a wide range of services at its facilities.

ENGAGEMENT

The Group engages with suppliers aiming to ensure a fair and level playing field for everyone. It has established an extensive, yet clear set of requirements to ensure strict compliance with the Code of Ethics, as well as health and safety rules. Metinvest also recently introduced the Code of Business Partnership to establish clear standards of compliance with ethical principles and business requirements that should guide both existing partners and new potential suppliers.

RESULTS FOR 2020

During the year, to improve the efficiency of procurement for all parties and increase the transparency of this process, the Group added nine assets to its electronic trading system, which now covers 18 assets in total. As part of the introduction of the SAP ARIBA SLP Module reported in the previous annual report, Metinvest has unified the pre-qualification procedures for all suppliers and made it possible to self-register, in line with the overall drive to automate processes. During 2020, there were around 5,100 pre-qualification reviews, which resulted in the selection of about 560 new suppliers, while some 70 existing ones were disqualified.



LOCAL COMMUNITIES

IMPORTANCE FOR METINVEST

The local communities where the Group operates are more than just the home of the business and its workforce. Metinvest plays a major role in the social, economic and environmental wellbeing of its 2.9 million neighbours in cities and towns throughout Ukraine, Italy, Bulgaria, the UK and the US.

ENGAGEMENT

The Group maintains partnerships with local communities to implement development programmes and improve quality of life. It supports and organises public environmental, sporting and educational initiatives. In addition, it regularly communicates with community representatives to identify key issues and carry out investment projects. Notably, the COVID-19 pandemic added a new urgency and change in focus to many aspects of its community engagement efforts.

RESULTS FOR 2020

During the year, Metinvest deepened its social partnerships with non-governmental organisations in Ukrainian cities. In addition to Mariupol, Kryvyi Rih and Zaporizhia, this successful model for community relations has been rolled out to Avdiivka. These partnerships help to improve social infrastructure, protect the environment and support initiatives in education, healthcare, sport and culture.



EQUITY AND DEBT PROVIDERS

IMPORTANCE FOR METINVEST

The Group's equity and debt providers help to ensure that it has the financial flexibility to overcome market turbulence. With the ongoing support of shareholders and more than 600 investors, bank lenders and a wide range of international financial institutions, Metinvest continues to implement its investment programme.

ENGAGEMENT

Being present on debt capital markets since 2010, the Group has regularly disclosed relevant financial and non-financial information. It reports publicly available annual and sustainability reports with a strong emphasis on open discussions with the investment community. The communication channels have changed since March 2020. In the absence of face-to-face meetings, everything from conferences to deal roadshows has gone online.

RESULTS FOR 2020

During the year, Metinvest published monthly and quarterly financial results, quarterly operating results, semi-annual and annual financial statements, and corporate presentations and other materials. The Group worked diligently to maintain the trusted relationships developed with the financial community. Regular communication allowed Metinvest to proactively improve its bond portfolio quality when debt market conditions were favourable. The Group also received continued support from banking partners, signing several new facilities that provided an additional liquidity cushion. Recognising the heightened attention that equity and debt providers are paying to ESG matters, Metinvest is working towards expanding the scope of disclosure in this area.



GOVERNMENT AUTHORITIES

IMPORTANCE FOR METINVEST

The Group must comply with the requirements of around 800 government authorities in the various jurisdictions in which it operates. It works with regulatory agencies in key areas such as environmental protection, occupational health and safety, ethical business practices, labour rights and financial activity.

ENGAGEMENT

Metinvest fosters partnership by meeting local legal obligations, assisting in the socio-economic development of regions and being a responsible taxpayer. The main approach is regular direct communication or communication via public meeting platforms.

RESULTS FOR 2020

During the reporting period, the Group maintained an active dialogue with government authorities in the cities, regions and countries where it is present. It sought balanced outcomes to ensure that it and the broader industry can operate under a reasonable regulatory burden, while contributing to community development on the local and national scale. To continue providing much-needed budget revenues to local government stakeholders in Ukraine, Metinvest decided to forego tax holidays offered as a form of pandemic relief for businesses. In 2020, the Group paid US\$612 million in taxes globally.