



## CEO'S STATEMENT

# STAYING THE COURSE

The year 2024 brought both opportunities and challenges for Metinvest. The Group gained efficiencies through resumed seaborne shipments while managing ongoing security risks. Despite volatile conditions, Metinvest remained committed to employee safety and demonstrated resilience while staying true to its core values.

**YURIY RYZHENKOV**

Chief Executive Officer

**OPERATIONAL ADAPTATION**

In 2024, Metinvest restored stronger capacity utilisation across its key assets in Ukraine. This was a major achievement for the Group given the war's persistent impact on employees, communities and business activities.

The resumption of Black Sea navigation was decisive for our operations. It provided a reliable export route, enabling higher shipments to distant markets. It also supported a steady uplift in production volumes.

In addition, the contribution of our assets in the EU, UK and US underpinned Metinvest's agility and hardiness. Some of these assets, such as Ferriera Valsider and United Coal, faced operational and market headwinds. However, the Group continued to demonstrate adaptability and maintain overall operational stability in an exceptionally volatile environment.

At the same time, substantial challenges remained. Throughout the year, intermittent power shortages compressed margins, while a shortage of human capital placed additional strain on the business. In addition, after demonstrating remarkable fortitude for much of the year, the shifting front line made it necessary to gradually suspend Pokrovske Coal's operations.

**FINANCIAL RESILIENCE**

During the third year of the full-scale war in Ukraine, Metinvest again proved its financial strength, delivering solid results despite the extraordinary operating conditions.

We made significant strides in optimising business processes to generate over US\$200 million in operational improvements.

We applied a balanced approach to capital expenditure. Recognising the importance of both immediate and long-term requirements, Metinvest invested in critical maintenance and risk mitigation, including power backup solutions at production sites. We also pressed on with key strategic initiatives to shape our future competitiveness, most notably the green steel plant in Italy, which is designed to have substantial synergies with the Group's existing business.

We further reduced financial leverage, allocating more than US\$270 million for this in 2024. Since early 2022, we have repaid around US\$670 million of debt, which is by all means an unprecedented amount of debt repayments for a company with our operational context.

**DEDICATED TO OUR PEOPLE**

The courage and dedication of our workforce have been essential to sustaining our operations and driving progress.

Notably, the number of our colleagues, including those from joint ventures, now on active duty in Ukraine's defence forces is up to 8,000. As they return home from the front lines, we stand ready to reintegrate every one of the nation's heroes who wishes to join the Group. During the year, we took important steps to expand our veteran adaptation and professional development programmes, as well as healthcare and psychological assistance.

Remaining committed to achieving the ultimate goal of zero incidents at Metinvest's assets, we recorded a significant year-on-year reduction in both workplace injuries and fatalities. This improvement reflects the combined effort of our people at all levels of the organisation, enhanced by AI-driven monitoring solutions.

Additionally, in October 2024, we made new senior executive appointments. Ildar Salieiev returned to Metinvest to take on our new role of Chief Strategy Officer. His proven track record in portfolio development, capital allocation and performance improvement will help to refine and implement our strategic agenda. Roman Ognevyuk was promoted internally to the position of Chief Legal Officer. He brings almost twenty years' experience in corporate law, M&A and international arbitration to lead the Group's legal-support function.

I would like to thank Svitlana Romanova, our former Chief Legal Officer, for ten years of dedicated leadership and her contribution to strengthening Metinvest's governance framework and providing sound corporate guidance.

**TOWARDS THE FUTURE**

Throughout the year, Metinvest reinforced its commitment to Ukraine's sovereignty and resilience. We continued to help the country's defence forces, directing significant efforts towards strengthening frontline fortifications. At the same time, we restarted our strategic investment programme, launching several projects within Ukraine that signal our confidence in the nation's future.

Looking ahead, we are closely following developments regarding a potential ceasefire and remain dedicated to Ukraine's eventual recovery. We strongly believe that by supporting our communities, we create economic opportunities that can serve as a foundation for lasting prosperity.

To our employees, partners and stakeholders, thank you for your trust and support. Together, we will continue to endure, adapt and grow, proving that we can stay the course in even the most turbulent times.