

DIGITAL REVIEW

A CONSISTENT TRANSFORMATION

Metinvest has maintained a focus on the digital transformation of its business in recent years. In 2021, the Group continued to implement its digital roadmap and launched a number of advanced technological solutions.

DIGITAL ROADMAP

Metinvest's digital roadmap was developed in 2020 as a long-term programme designed to achieve a full-scale strategic transformation. It aims to create additional value and improve the efficiency of processes through the comprehensive integration of digital, cutting-edge technology in all business functions.

The digital transformation of Metinvest, supported by Metinvest Digital, covers all key functions, such as production, sales, supply chain, human resources, finance and legal, among many others. The process starts with defining the requirements of the business, after which initiatives and projects are developed, followed by implementation and support.

Key initiatives of the digital roadmap in the reporting period included the following:

Production. Automation of planning processes of production facilities incorporating a full range of actual data to improve the efficiency of operations and decision making; development of the Digital GOK programme (for more details, see the next page)

Sales. Further progress in the implementation of the SAP-based CRM system, which was extended to Metinvest's trading companies in Ukraine and Western Europe

Logistics. Enhancement of logistical efficiency

Procurement. Automation of the inventory management process throughout the product life cycle

Repairs. Automation of repair and maintenance processes and development of a target data transfer architecture for energy consumption accounting

Quality. Centralisation of digital product quality control and monitoring of production and technological parameters to accelerate decision making and improve product quality

Services. Automation of operational planning for service facilities incorporating a full range of actual data to improve the efficiency of resource allocation for people and equipment

HR. Roll out of SAP HR solutions; development and implementation of a single digital workplace (for more details, see Metapolis on the next page)

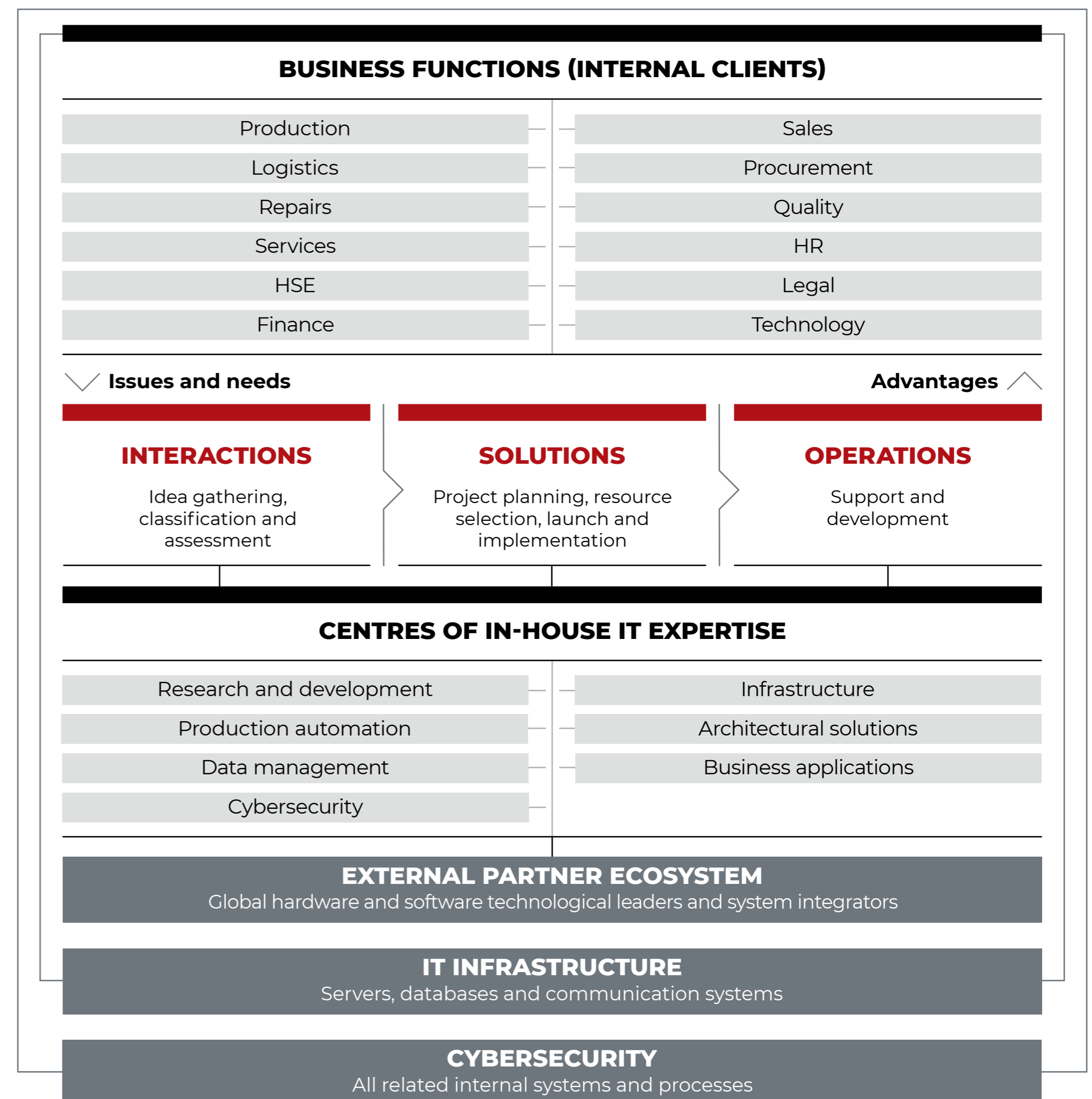
HSE. Automation of safety incident recording and safe employee positioning on site

Legal. Optimisation of the contract management process and automation of land asset management

Finance. Creation of a single information space for the Group's source data and overall enhancement of internal controls

Technology. Automation of various project management and related processes

Digital transformation model



Digital GOK

In 2021, Metinvest continued to implement its Digital GOK programme, aiming to achieve the comprehensive digital transformation of its iron ore assets. During the reporting period, the Group launched the programme's initial pilot projects.

To increase the efficiency of mining and haulage equipment, Metinvest began the implementation of an automated mining and transportation control pilot project, called the Digital Open Pit Mine at Ingulets GOK.

The pilot enabled the remote control, or fully unmanned operation, of 36 excavators, 57 dump trucks, 14 drilling rigs, 21 locomotives and 35 units of auxiliary equipment in the open pit mining fleet.

In 2021, to increase productivity and reduce electricity consumption, the Group worked to develop ten parameters for automated management and over 400 points of control for the Group's iron ore beneficiation plants at Northern GOK and Ingulets GOK.

The introduction of online quality monitoring systems will make it possible to optimise the iron ore enrichment process.

Metapolis

In 2021, Metinvest launched the Metapolis digital workplace, an interactive environment offering 45 corporate client service systems through a 'one-window' approach that can be used on both authorised corporate service devices and personal ones.

It is designed to enable any employee of the Group to fully access business systems, corporate knowledge, communications and internal services, regardless of the position they hold or where they are located.

Metapolis is the solution available through a web and mobile interface.

In December 2021, nearly 2,800 employees were integrated in the Metapolis system at the first two assets: Metinvest Business Services and Central GOK. The rollout continues across the Group's SAP system.

INFORMATION SECURITY

Metinvest takes a comprehensive approach to enhancing its information security measures. The Group is guided by recognised industry standards on information security, such as ISO 27001, NIST 800-53, ISO 27002, ISO 27701 and ISO 27017.

Metinvest also adheres to applicable laws on the collection, use and protection of personal data, including the General Data Protection Regulation (GDPR). The main provisions for protecting confidential information and personal data are set out in the Group's [Privacy Policy Statement](#).

In 2021, the Group continued to ensure multi-layered protection of IT infrastructure through the application of modern solutions to protect the perimeter and track internal activity.

The cybersecurity centre is the core component of Metinvest's information security management system. The centre monitors the Group's IT infrastructure and production processes, preventing cyberattacks and coordinating the work of IT departments during incidents.

In 2021, Metinvest continued to enhance controls on cybersecurity and data protection. This helped to process cybersecurity incidents, detect access control violations and prevent information leaks.

In the reporting period, Metinvest Digital was one of the winners at National Cybersecurity Preparedness: Grid Netwars, a cybersecurity exercise conducted by the National Cybersecurity Coordinating Centre, which is part of Ukraine's National Security and Defence Council. The event was held in Ukraine for the first time and involved 49 teams of cybersecurity professionals working to repel simulated cyberattacks.

WAR IMPACT

Since the start of the war, Metinvest has focused its digital efforts on the provision of operational support to the business by ensuring high-level fault tolerance of the IT infrastructure and uninterrupted operation of IT services, supporting end users, and enhancing information security and cybersecurity practices across the Group.

The project portfolio has been revised to accommodate this shift in focus, while the priority of cybersecurity tasks has increased because of the war. In addition, Metinvest has prioritised flexibility, mobility and responsiveness for end users.