

WAR IMPACT ON METINVEST

The full-scale war has materially-impacted all aspects of Metinvest's operations. In response, in 2022, the Group prioritised safety and maintaining production and supply chains to meet wartime reality, while also taking steps to prepare for Ukraine's post-war reconstruction.

On 24 February 2022, Russia launched a full-scale military invasion of Ukraine (here and further "the Russian Aggression"). While the initial stage saw Russian forces occupy northern regions of Ukraine, reaching the outskirts of Kyiv, they were later repelled. Active fighting has since mainly been concentrated in the southern and eastern areas of the country. Between September and November 2022, Ukrainian forces executed an effective counteroffensive in the Kharkiv and Kherson regions, marking a shift in strategic initiative in favour of Ukraine. Nonetheless, Russia's attacks on Ukrainian territory and critical civilian infrastructure continue to cause both civilian and military casualties.

The war has materially impacted the performance of the Group, including operational, financial and sustainability results.

Throughout this challenging time, the flexibility and diversification of Metinvest's business model, as well as its experienced team, have enabled adjustments to the supply chain and product portfolio, as well as the reorganisation of logistics flows.

Despite the war, the Group's values remained the foundation of its corporate culture and continued to define its strategy for navigating 2022.

The key values of Metinvest are as follows:

Life, health and environment. Human life as a priority in seeking to achieve business goals.

Professionalism. Professionalism in every endeavour.

Customer focus. Ensure best value for customers through cooperation by offering the best ways of meeting their needs.

Leadership. Demonstrate leadership regardless of position and occupation.

Teamwork. Work as one team, sharing common goals and acting for the benefit of the Group.

The Group's strategic priorities will need to be reviewed comprehensively once the active conflict is over and the impact of the war is assessed in full. Metinvest strives to play a central role in Ukraine's reconstruction.

OUTPUT

Crude steel	2,918 kt	69% ▼	Merchant pig iron and steel products	3,799 kt	64% ▼
Iron ore concentrate	10,712 kt	66% ▼	Merchant iron ore products	7,903 kt	55% ▼
Coking coal concentrate	4,959 kt	11% ▼	Coke	1,653 kt	64% ▼

FINANCES

Revenues	US\$8,288 mn	54% ▼	CAPEX	US\$354 mn	72% ▼
EBITDA	US\$1,873 mn	73% ▼	EBITDA margin	23%	16% ▼ ^{PP}
Total debt	US\$2,077 mn	7% ▼	Net debt to EBITDA	0.9x	0.7x ▲

SUSTAINABILITY

Employee headcount	74,416	14% ▼	Taxes paid globally	US\$750 mn	53% ▼
Aid to Ukraine	US\$92 mn		People received support under Saving Lives	350,000	
LTIFR	0.977	23% ▲	CO ₂ emissions (Scope 1)	6.7 mt	73% ▼