

Metinvest to raise salaries of its workers in Ukraine from 1 March

Metinvest Group will increase the salaries of production personnel at its Ukrainian enterprises beginning on 1 March of this year. Over the course of 2022, the Group's labour costs will increase by 10% as a result.



Metinvest monitors the level of inflation in the country and employee attrition rates, so that the decision to revise the salaries of specific groups of workers will be calibrated appropriately. During March, the company will apply a differentiated approach to salary revisions and report on how much the salaries of specific categories of employees will be increased.

Metinvest continues to follow the principle of building a fair remuneration system for work of comparable complexity and will continue to unify salaries within the same professional category and among employees with similar qualifications. For now, the increase in salaries will not include the executives and management personnel of the enterprises or the employees of the management company.

In terms of remuneration management, Metinvest is targeting skilled technical and maintenance personnel. In this way, the Group is motivating the employees who make the most significant contribution to the efficiency of technological processes and product quality. This approach encourages employees in other categories to develop and master new knowledge and qualifications.

In April, Metinvest is due to finish its annual personnel appraisal process for 2021. As of 1 April, the annual appraisal will also be revised and new individual bonuses will be set for workers, ranging from 5% to 25% of the basic salary level.

In addition to wage increases, Metinvest maintains its traditionally broad set of tools that allow employees to increase their incomes through participation in operational improvement programmes and submitting proposals related to safety and efficiency improvements. The Group's current motivational tools allow it to increase the salaries of employees by up to 10% through growth in actual production output and reduction in unplanned equipment downtime.

For many years, Metinvest Group employees have been the highest paid in Ukraine's mining and metals industry. Metinvest's salaries are 5-8% higher than those of its competitors. The attraction and retention of the most qualified personnel on the Metinvest team enables the Group to maintain its leading positions on the steel market. As of February 2022, the average monthly salary at Metinvest's Ukrainian companies is UAH 22,000. This is 8% higher than the industry average and 26% higher than the average salary in Ukraine.

The turnover of technical personnel at Metinvest Group has not exceeded 8.5% on average, which is in line with the normal practice for the mining and metals industry. The Group has achieved the lowest employee attrition rate in the industry over the past decade through the constant development of initiation, retention, training and

motivational systems.

Metinvest Group shareholder Rinat Akhmetov:

“We do our best for Mariupol to promote development and for Mariupol’s citizens to have decent work, a decent salary and a happy life. I would like to thank all of our employees for their hard work, sense of responsibility and, the main thing, for their love of their home factories, their hometown and their home country.”

Metinvest Group shareholder Vadim Novinsky:

“Increasing the social guarantees of our workers is a traditional practice for our company. Metinvest retains and attracts new employees with the help of various motivational systems, among which is the level of our salaries, which exceeds both the average Ukrainian level and the industry average.”

Yuriy Ryzhenkov, Director General of Metinvest Group:

“Metinvest greatly appreciates the contribution of its employees to the overall results of the Group and intends to remain the leader in terms of personnel motivation. This year, we decided to raise salaries earlier than usual, starting from 1 March. As we did last year, we will also recognise employees who have made a significant contribution to the operational improvement programme.”

<https://metinvestholding.com/en/media/news/metinvest-s-1-marta-povisit-zarplati-rabochim-v-ukraine>