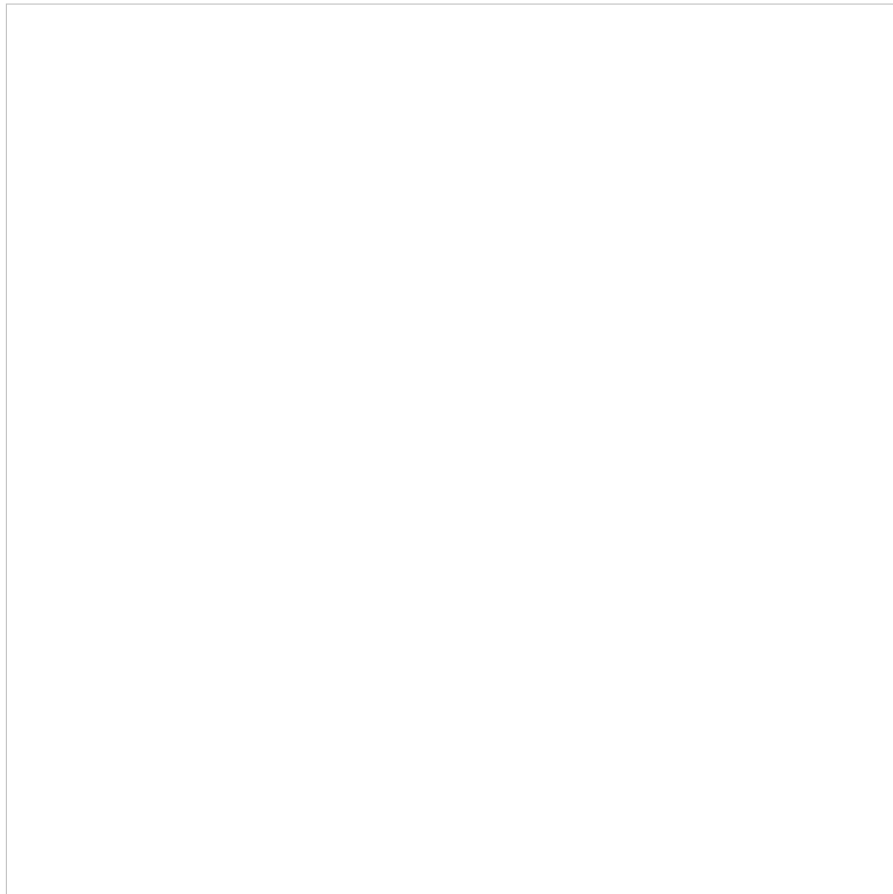


Metinvest releases Sustainability Report 2019

Metinvest Group, the vertically integrated group of steel and mining companies (“Metinvest” or “the Group”), has released its Sustainability Report 2019 in accordance with international non-financial reporting standards and best practices in transparency and accountability.



The Group’s seventh report was published in Ukrainian and English. Starting with the 2019 report, Metinvest will publish sustainability reports annually, rather than every two years, as was previously its practice. The document demonstrates the Group’s progress in achieving sustainable development goals and reveals plans for the future.

Sustainability Report 2019

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The report is based on the Global Reporting Initiative (GRI) international non-financial reporting standards and the recommendations of the Sustainability Accounting Standards Board. Every year, Metinvest aims to improve the report quality while expanding the number and depth of topics disclosed by providing stakeholders with comprehensive, up-to-date information on the Group’s sustainable development performance, as well as its economic, social and environmental impact.

Contribution to UN Sustainable Development Goals

Metinvest Group is a member of the UN Global Compact and contributes to the achievement of the UN Sustainable Development Goals. In 2019, Metinvest continued implementing the best human capital management practices and occupational health and safety standards, creating sustainable infrastructure in its local communities, improving operational efficiency and revamping equipment in accordance with stringent environmental standards. These tasks are aimed at attaining the Group’s sustainable development priorities.



Good corporate governance

Striving to make its business even more open and transparent for its stakeholders, Metinvest continuously enhances its sustainable corporate governance system.

In a comprehensive assessment of the Group's environmental, social and governance (ESG) performance, Sustainalytics commended Metinvest's corporate governance and business ethics standards. In addition, the agency acknowledged the Group's success in human capital management, occupational health and safety, as well as local community engagement. **Metinvest ranked 9th among 140 global metallurgical companies in the ESG rating at the time of the assessment.**

Environmental protection

In 2019, Metinvest increased its investment in environmental protection by 46% year-on-year to US\$384 million. Ecological modernisation projects at the steel plants in Mariupol, Kryvyi Rih and Zaporizhia have resulted in lower emissions, improved energy efficiency and more rational use of resources, which resonates fully with the Group's support for the fight against global climate change.

In particular, Metinvest's steel plants reduced their greenhouse gas (CO₂) emissions by 10% year-on-year, decreased water consumption and discharge by 9% and 10%, respectively, and also increased their energy efficiency by 22%.

Occupational health and safety

In 2019, Metinvest invested US\$102 million into occupational health and safety initiatives. The Group developed and implemented a new five-year roadmap to further improve its health and safety management system with the aim of achieving its ultimate goal of zero injuries. The initial results of these initiatives were quite encouraging: in 2019, Metinvest reported a lost-time injury frequency rate of 0.790, which was the lowest level in the Group's history. **Moreover, it was the first company in Ukraine to receive the Vision Zero Certificate, a prestigious international occupational health and safety certificate.**

Caring for employees

In addition to providing safe labour conditions, staff training and development remains an important aspect of the human capital strategy, as people are the Group's top priority. In 2019, Metinvest dedicated around US\$6 million to this area.

The Group continued implementing e-learning tools by offering greater opportunities for staff to develop their management and professional skills.

To promote metallurgical and mining professions among young people, the Group strengthened its cooperation with universities that focus on the industry and provided internships to almost 3,000 students at its steel plants.

Developing local communities

Metinvest is systematically investing in the development of local communities by strengthening its interaction with municipal authorities and public organisations. In 2019, the Group continued to work with the development funds of Mariupol, Kryvyi Rih and Zaporizhia. In that year, Metinvest Group has invested more than US\$11 million in social partnership projects to improve the quality of life of local residents and increase the attractiveness of the cities where its steel plants are located in Ukraine and abroad. **In 2019, the Group also transferred US\$741 million to state and local budgets, thereby supporting the economy of Ukraine and the cities where it operates.**

Fighting COVID-19

From the very beginning of the pandemic, Metinvest began taking immediate action to contain the spread of COVID-19. This made it possible to care for the health and safety of employees and local residents in the cities where the Group has a presence.

The Group has already allocated around US\$5 million to assist in fighting the pandemic. With these funds, Metinvest purchased medication and equipment for Ukrainian medical professionals, installed oxygen stations in hospitals in Mariupol and financed the delivery of humanitarian aid to Ukraine from China.



- Yuriy Ryzhenkov
CEO of Metinvest Group

“A commitment to sustainable development will always be the basis of our approach to business management. For Metinvest, corporate social responsibility is just as important as creating economic value. This report demonstrates our commitment to become even more open and transparent while we continue to build an environmentally friendly and socially responsible business.”
