

Ukraine's Pillar: Metinvest Spent UAH 4 Billion to Support Ukraine over 18 Months of War

For half of independent history of Ukraine, Metinvest has stood shoulder to shoulder with Ukrainians, in good times and in bad. Over the 18 months of the full-scale war, the Group has spent around UAH 4 billion to support the country and its citizens, including UAH 2 billion for the needs of the Armed Forces of Ukraine and other forces as part of Rinat Akhmetov's Steel Front defence initiative. Since the first day of the Russian invasion, the Group has been a reliable pillar for the country in these extremely difficult times, acting to strengthen the defence capability of the armed forces, taking care of its employees and Ukrainian civilians, and supporting the economy.



"Over its 17 years history, Metinvest has invested in the development of production and the welfare of Ukraine. With the beginning of the full-scale war, we faced another, and most important challenge – to help the country to defeat the enemy and preserve its sovereignty and independence. Therefore, over this past 18 months, the Group's enterprises have become not just witnesses, but also active participants in the struggle. We work for the needs of the front line, to deliver humanitarian aid to the victims, and, despite everything, to continue to make Ukrainian steel. All our thoughts, aspirations and actions are for Ukraine and for the sake of its peaceful future."



Yuriy Ryzhenkov
CEO of Metinvest



Metinvest's businesses are operating under the constant threat of enemy shelling. The Group's assets in Mariupol and Avdiivka have been affected by enemy actions, and Mariupol is temporarily occupied. In addition, Metinvest's operations have been impacted by logistical constraints, power outages, increases in production costs and decreases in the prices for certain products. At the same time, the Group's other businesses are operating at different levels of capacity utilisation, depending on safety, logistics, energy, economic and other factors.

Since the beginning of 2023, after the stabilisation of the electricity supply, the Group has gradually increased the utilisation of its mining assets in Kryvyi Rih to at least 30% of pre-war levels and maintained a focus on production of high grade pellets and other iron ore goods. The restoration of power supply has also ensured more stable operations and flexibility in the product mix at Kamet Steel, which is operating two blast furnaces, and the Zaporizhstal JV, which is operating three blast furnaces. Zaporizhstal's blast furnace No.3 resumed operation after being shut down in the late spring. A major overhaul made it possible to increase the efficiency of the furnace and the entire blast furnace process.

Pokrovske Coal is operating at a high level of capacity utilisation. Construction of mine block No.11 is underway.

In July, the four-year modernisation of the flotation department at Sviato-Varvynska Beneficiation Factory was successfully completed, despite the invasion.

Metinvest's priority is to take care of the employees who are ensuring the production process. All enterprises have bomb shelters equipped to accommodate people for a long period of time. The shelters have water, food, and medicines.

Since 1 June 2023, Metinvest has introduced an additional bonus for employees of its manufacturing and repair enterprises in Ukraine. The size of the bonus can reach 25% of the employee's base salary or more – depending on the team's performance.

The most important task of business in the wartime is to work together with the whole country to achieve victory. This includes paying taxes, supporting the defence forces and the economy, and taking care of people. In the first quarter of 2023, Metinvest, including its associates and joint ventures, paid over UAH 6.3 billion in taxes and duties to budgets at all levels in Ukraine.

Metinvest continues to fight against theft by the Russian Federation, which illegally removed more than 234,000 tonnes of the Group's steel products from Mariupol. In particular, 27 Group companies have filed claims with the European Court of Human Rights against Russia for damages caused to Metinvest's property and possessions in the city of Mariupol and other territories of Ukraine since 24 February 2022.



Metinvest joined Rinat Akhmetov's Steel Front defence initiative, which aims to protect the lives of Ukraine's defenders, in the first days of the full-scale war. Around UAH 2 billion has been already spent for the needs of the Ukrainian army.

One of the main areas of support is the manufacture of steel products for the needs of the front line. Metinvest has launched the production of a special steel grade used to make armoured plates used in protective body armour. The Group's steelmakers have been able to significantly reduce the weight and thickness of the gear, while maintaining a high class (Level 4+) of protection. The Group provides the plates free of charge on request to everyone who needs reliable protection.

Since the beginning of the full-scale war, Metinvest has worked independently and with partners to manufacture or purchase around 150,000 bulletproof vests. The Group has also purchased and donated over 25,000 helmets. Personal protective equipment is provided to the servicemen of the Armed Forces of Ukraine, rescuers, utility workers and volunteers that are working in dangerous regions. These donations make Metinvest one of the largest suppliers of such gear in Ukraine.



The Group's special steel is also used to make armoured shields to protect vehicles of the Armed Forces of Ukraine. Metinvest's experts plan to equip 200 vehicles operating on the front lines with such armour. The production of shields will require 150 tonnes of armoured steel. So far, 120 armoured personnel carriers and M-113s have received them, and another 80 armoured vehicles will be reinforced in the near future.

For the manufacture of protective elements for vehicles operating on the line of fire, Metinvest-SMC, a sales entity of the Group, supplies special steel sheets free of charge. Metinvest's steel products were also used to manufacture 22 mobile buggies.

Metinvest delivered 212 special mobile shelters to some of the most active areas of the front line. These are modern hideouts that can serve both as field housing and as a protection from artillery shelling. Metinvest's specialists developed the shelters, and the Group manufactures them at its enterprises.

Metinvest has also produced more than 80,000 anti-tank hedgehogs and spiked chains to defend against wheeled vehicles. The Group has provided 43 tonnes of wire rod for the manufacture of mini-bastions, 820 tonnes of sand and 33,000 tonnes of slag, and ensured the production of 147,000 construction staples and other items.

At the same time, Metinvest's steel products are helping servicemen in everyday life. The Group manufactured 5,000 field stoves for the military and civilians in the frontline regions. Also, individually or together with partners, the Group is producing grappling hooks, flame arresters, adapters for sleeves, small infantry shovels and multiple washbasins.

To strengthen the defence capability of the Ukrainian army, Metinvest has set up a systematic supply of military equipment to the front lines. The defenders have already received over 1,500 drones, making Metinvest one of the largest private suppliers of drones to the army. In July, a large batch of UAVs – 10 Valkyries, 40 DJI Mavic 3s and 100 special purpose drones – was delivered to the border guards.



Also, Metinvest delivered almost 2,000 thermal imagers, 875 units of communication equipment, 441 vehicles for various purposes, including almost 100 ambulances, to the servicemen. At the same time, the Group's experts have overhauled vehicles for the army. Recently, two upgraded trucks were delivered to the defenders in the Zaporizhzhia area.

In winter, when the enemy shelled the energy infrastructure of Ukraine, Metinvest provided about 450 backup power systems, batteries and portable chargers to help servicemen survive difficult times.

Currently, more than 8,000 employees of Metinvest and its joint ventures are defending Ukraine, which is virtually one in six employees. Each of them is provided with a bulletproof vest, a helmet and a set of warm clothes. The Group has spent UAH 12 million to purchase winter gear.

Metinvest, together with the PULSE charitable foundation, is developing tactical medicine in Ukraine. The Group has spent almost UAH 9.1 million to develop military training in the combat zone. In addition, the defenders have received 31,500 first aid kits and haemostatic tourniquets.



The Saving Lives project was created in coordination with the Rinat Akhmetov Foundation to prevent a humanitarian crisis in Ukraine. Since the start of the full-scale war, the project has raised EUR2.7 million from foreign donors. The initiative has been joined by ten foundations, NGOs, and more than 400 volunteers from

among Metinvest employees. More than 250 companies from around the world became donors to the project.

Approximately half a million people in 70 communities have already received aid from Saving Lives, making the project one of the largest humanitarian initiatives in Ukraine. Around 4,200 tonnes of food, personal care products, and other essentials have been delivered to vulnerable categories of people.

Saving Lives also cares about the physical and psychological rehabilitation of Ukrainians affected by the war. In 2022, in cooperation with the Protez Hub project, it launched a project to help members of the military and civilians with amputations to return to a full life. Currently, 60 people are undergoing prosthetics and treatment at various stages, of whom 20 have already received prostheses worth up to EUR30,000.

Saving Lives and the Protez Hub also launched the first online educational portal in Ukraine for prosthetics specialists and injured people. Offline training was also arranged for Ukrainian specialists in prosthetic limbs and related rehabilitation fields. And, together with our partners, we also provided postoperative care kits to Ukrainians who have lost limbs and are preparing to receive a prosthesis.

Saving Lives' work in the mental rehabilitation of Ukrainians affected by the war is equally important. The project has joined the Unbreakable Mum rehabilitation programme run by the Masha Foundation. Since 2022, the programme has worked in joint shifts to help nearly 300 mothers and their children to recover from war trauma.

In July, Saving Lives and the UN Global Compact in Ukraine, with the assistance of the Zaporizhzhia Regional Council and other partners, opened the first Oplich HUB community centre for the psychological rehabilitation of Ukrainians affected by the war. So far, 125 people have asked the hub for support. The humanitarian project plans to open such centres in other cities where Metinvest has operations.



Saving Lives has also launched additional projects to support the mental health of young Ukrainians. In particular, the initiative launched the “Strong Generation Camp – Future” psychological rehabilitation programme. Its participants include the children of Metinvest employees mobilised to the defence forces and internally displaced employees from the Group’s operations around Ukraine, together with children who lost loved ones in the war or were injured in shelling. In total, the programme will include 400 children over this summer.

As part of the Saving Lives project, since the beginning of the full-scale war, hospitals in the cities where Metinvest operates have received medicines, consumables, and modern equipment worth EUR250,000.

Also, humanitarian supplies were delivered to hospitals in Zaporizhzhia, Kryvyi Rih, Kamianske, Pokrovsk, and Avdiivka under a separate programme from Metinvest and the Rinat Akhmetov Foundation. The combined aid provided by the two projects for doctors is around UAH 223 million.

In a time of uncertainty, Metinvest continues to be a reliable source of support for its employees. Despite the hostilities, Metinvest managed to evacuate around 20,000 people from Mariupol and Avdiivka. To provide shelter for Ukrainians, it prepared more than 6,000 temporary shelters.

Metinvest also helps employees from other cities where it operates to rebuild residential buildings damaged by Russian attacks. Housing restoration programmes have been launched in Zaporizhzhia and Kryvyi Rih.

Since the start of the full-scale invasion, the Group has employed more than 8,200 people at its facilities in Pokrovsk, Zaporizhzhia, Kryvyi Rih and Kamianske, including people from Mariupol and Avdiivka. Metinvest

also offers people the opportunity to retrain for another profession. Currently, Metinvest has more than 680 vacancies available for both internally displaced people and local residents in the cities where it operates.

The "Metinvest Together" project provides psychological support to the Group's employees. Over 18 months of operation, the service's specialists have provided nearly 4,100 individual and group counselling sessions to employees and their family members.

Metinvest offers its employees and their children the opportunity to become students at the first private metals and mining university in Ukraine, Metinvest Polytechnic, on preferential conditions. Currently, the second admission campaign is underway, and an additional admissions drive has been announced. Metinvest aims to prepare a new generation of Ukrainians who will take part in rebuilding Ukraine after the victory.

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