

Metinvest to invest US\$1.2 billion in Ukraine in 2022

Metinvest Group intends to invest over US\$1.2 billion in the modernisation of its enterprises in 2022.



During 2022, the Group will continue the environmental modernisation of its facilities. A key project is the reconstruction of the dedusting systems in Azovstal's basic oxygen furnace shop. The new dedusting systems are due to be commissioned in phases during the period 2022-23. It is expected to be the largest environmental project in the Group's history, with investments exceeding US\$180 million.

In addition, this year the Group plans to complete the reconstruction of the gas-cleaning units of the casthouses and the stockhouses of blast furnace No.4 and the construction of the air separation unit at Ilyich Steel. The Group is also replacing the gas cleaning units of the Lurgi-552A pelletising machine at Northern GOK.

In 2021, Metinvest completed several major investment projects, including the commissioning of cyclic-flow technology complexes at Northern and Ingulets GOKs.

Also last year, the Group launched a major project to build a new cold-rolled, galvanised and colour-coated coil production facility at Ilyich Steel. Total investments in the project will exceed US\$1 billion. The project will make it possible to replace over a million tonnes of imports with high-quality domestic products.

Another major environmental project in 2021 was the reconstruction, including new construction work, of the gas-cleaning units of the casthouses and the stockhouses of blast furnace No. 5 at Ilyich Steel.

The Group did not just invest in its own production assets during 2021. In Mariupol, construction began of Metinvest Polytechnic, Ukraine's first private, state-of-the-art technical university. The new institution, the construction and launch of which will require an investment of over €30 million, will incorporate technologies from the world's leading manufacturers. Metinvest Polytechnic will set a new standard for quality education in the country and will be free of charge for Ukrainian citizens.

During its 16-year history, Metinvest Group has invested over US\$11 billion in production modernisation. Among the largest investment projects implemented over this period are the construction of continuous caster No.4, the reconstruction of gas-cleaning units at the sinter plant and hot strip mill 1700 at Ilyich Steel Works and the modernisation of the concentration plant at Central GOK, which has launched the production of iron ore concentrate and pellets for direct reduction of iron (DRI technology).

Over this period, Metinvest, together with its associates and joint ventures, has paid over UAH 217 billion in taxes to public budgets at all levels in Ukraine, including a record UAH 52.7 billion in 2021 alone. These taxes made it possible to support the economy of Ukraine as a whole and the cities where the Group has operations, all of which were affected by the coronavirus pandemic.

Metinvest continues to develop infrastructure in its local communities, upgrade hospitals and invest in education, culture and sports. The social investments of the Group over the past 16 years have exceeded UAH 3.4 billion.

Metinvest was one of the first institutions in the country to engage in the fight against the coronavirus pandemic. Since it began, the Group has allocated over UAH 280 million to this purpose. Metinvest continues to donate needed medicines and equipment to hospitals. Medical institutions in Mariupol, Zaporizhia, Pokrovskoe, Avdiivka and Kryvyi Rih have installed six oxygen stations and set up 1,067 oxygen points to treat coronavirus patients. In 2021 alone, Metinvest has transferred around 7,500 tonnes of oxygen free-of-charge to more than 110 Ukrainian hospitals in 17 Ukrainian regions.

Metinvest Group shareholder Rinat Akhmetov:

“We have the same purpose – strong and successful enterprises, a strong, peaceful and successful Mariupol, and a strong, peaceful, united and independent Ukraine. We love Mariupol. We love Ukraine. We believe in Mariupol. We believe in Ukraine. Together we will achieve great success. We keep building, we keep investing. Metinvest Group will invest more than US\$1 billion this year. And a new university will be built in Mariupol.”

Metinvest Group shareholder Vadym Novinskiy:

“In recent years, Mariupol has become one of the most beautiful and progressive cities in Ukraine. Metinvest Group, working with the local authorities, has invested a significant amount of money into creating a modern city with developed infrastructure. There's still a lot to do, but now, the development model of Mariupol, where business and the local authorities have achieved the highest degree of cooperation, is a good example for other municipalities in Ukraine. I'm sure that, owing to such investment level in production, environmental and educational projects, the citizens of Mariupol are proud of their city and their children would desire to stay here.”

CEO of Metinvest Group Yuriy Ryzhenkov:

“Metinvest has demonstrated the highest level of patriotism and belief in the state by investing a record sum of money in the Group's history into the industrial development in Ukraine. Last year, we invested over US\$1 billion in projects that make Ukrainian industry more modern, competitive and environmentally friendly. At the same time, our investments are not limited to production. We do everything possible to make cities comfortable places to live and work in and to make Ukrainians proud of their country.”