

Metinvest's social investments as of 2010

Metinvest, an international vertically integrated group of metals and mining companies, has summarized consolidated efforts of its enterprises with regards to social investments. The investments into the social, sponsorships, charitable and corporate programs in the areas of presence comprised UAH 1.46 bln. as of 2010.

In 2010, Ukrainian enterprises of Metinvest paid UAH 11 062 bln. of taxes and levies, including UAH 1.599 bln. to the Pension Fund. All payments were performed on time, in full and meet the principles of transparent and responsible business practices. Metinvest Group operates in full compliance with the legislation currently in force. The Company is an exemplary tax payer.

Decent working conditions and stable salaries growth are the priorities of Metinvest Group. Such approach allows attracting the best specialists and developing the human resources potential of the Company. In 2010, total labor costs exceeded UAH 5 bln., which is by 23% more than the previous year. Average monthly salary of one employee comprised UAH 5372 including bonuses, which is almost double of the average salary Ukraine-wide (according to the State Statistics Department, as of March 2011, the average salary in Ukraine comprised UAH 2 531).

Social benefits are an integral part of the social security program enjoyed by Metinvest employees. Total volume of the funds directed for the payment of social benefits comprised UAH 132.339 mln. as of 2010.

Improved living standards and quality of life of people in the areas of presence are important components of the social strategy. Investment into the regional development programs is one of the most effective social investing mechanisms. In 2010 UAH 40.9 mln. was spent for these purposes. Investments into city infrastructure facilities comprised UAH 24.96 mln. as of 2010.

«Metinvest's social investment strategy – is the basis of improving the living standards in the Group's areas of presence, and in the country as a whole. We invest into infrastructure development, create jobs, pay decent salaries, cooperate with the local communities: we invest into the development of the regions and the country. Metinvest's social activity is the prospect of improved life of every Ukrainian citizen», - noted Igor Syry, the CEO of Metinvest Holding, LLC in his comment on the Company performance as of 2010».

Editorial note:

Metinvest is a vertical-integrated group of mining and steel companies managing assets in every link of production chain starting from iron ore materials and coal mining and coke production ending with semi-finished and finished products manufacturing from steel, pipe products and coils production as well as other high value added products. The Group consists of mining and steelmaking facilities in Ukraine, Europe and USA and has sales network covering all key world markets. Major shareholders are "SCM Group" (71.25%) and "Smart-Holding" (23.75%), which take part in "Metinvest Group" management on terms of partnership.

METINVEST HOLDING LLC is the managing company of Metinvest group.