

OCCUPATIONAL INJURY PREVENTION AND RESPONSE



Metinvest follows international best practices by using the lost-time injury frequency rate (LTIFR) and fatality frequency rate (FFR) metrics, which are measured in terms of incidents per million man-hours worked, to monitor its performance. In 2019, the Group improved the health and safety performance at nearly all production assets, achieving the lowest LTIFR in its history. Notably, Ingulets GOK delivered its first year without lost-time injuries, while Ilyich Steel reported 153 days without lost-time injuries, its longest period on record.

In addition, United Coal's vice president, Don Jones, was honoured with the title of Director of Coal Safety in 2019 from the Joseph A. Holmes Safety Association⁴ for his outstanding contributions to preventing and reducing accidents and injuries in the industry.

GRI 403-9

In 2019, despite experiencing a total of 83 workplace injury incidents at the Group's assets, Metinvest was able to decrease its LTIFR to 0.790, which is the lowest rate that it has ever achieved.

Recorded workplace incidents were mostly related to slipping, moving around or falling on a level surface (24% of all injuries), moving or rotating mechanisms (17%), collapse of structures or equipment (10%) and electricity (9%). To prevent such hazards in the future, the Group enhanced fall prevention and electrical safety programmes. In addition, Metinvest continues to provide employees with certified and up-to-date PPE that meets the most rigorous safety

standards. In 2019, the Group adopted new corporate requirements for PPE based on national and international standards and regulations. The updated requirements are related to the operating and protective features of PPE, as well as their physical and mechanical properties.

GRI 403-2

In line with our commitment to respect and protect human rights, our employees have the right to refuse to perform hazardous work or tasks that they believe could have a negative impact on their health.

Although the FFR was nearly halved to 0.053 in 2019 from 0.099 in 2018, demonstrating the coherence of our health and safety measures and controls, we deeply regret that six fatal incidents occurred at Metinvest assets during the reporting period. Three incidents resulted from a deviation from dismantling rules, two incidents resulted from failure to perform a LOTO procedure, while one incident was caused by deviation from the rules for working at height.

We fully investigated each of these incidents and introduced measures aimed at preventing their recurrence. Following a fatal accident in which a worker at Kryvyi Rih Machining and Repair Plant fell from a ladder during a deaerator inspection, we conducted targeted safety audits to check the availability of ladders and set up storage areas for ladders with restricted access. Moreover, we adopted a regulation that defines the rules for the inventory and storage of ladders and gaining access to them. We also issued instructions for shift meetings, which require drawing workers' attention to the importance of strict compliance with the permit-to-work system and safety requirements when performing high-risk tasks.

⁴ The Joseph A. Holmes Safety Association (JAHS) is a non-profit organisation in the US that promotes health and safety in the mining industry.

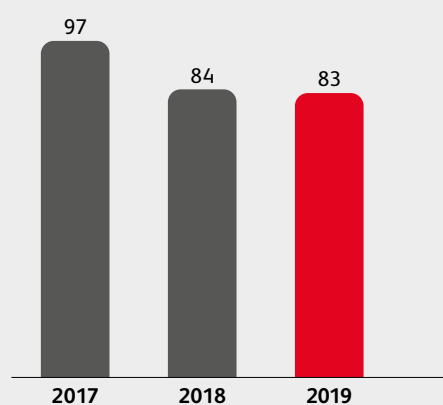
OCCUPATIONAL HEALTH AND SAFETY

OCCUPATIONAL INJURY PREVENTION AND RESPONSE CONTINUED

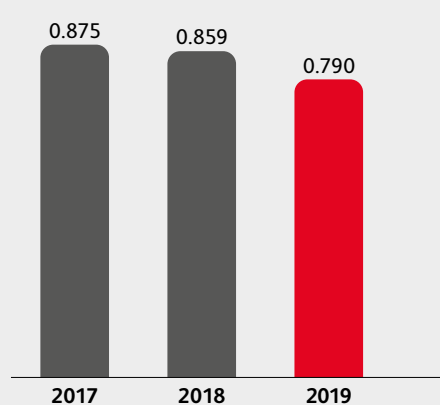
Following a fatal incident where a worker of Metinvest-Promservice lost his life due to the ignition of an electric locomotive while taking measurements, we introduced preventive measures related to LOTO procedures.

We arranged training sessions on maintaining pneumatic system equipment and installing locks and tags, in addition to purchasing special locks to fix pneumatic system cranes in the open position.

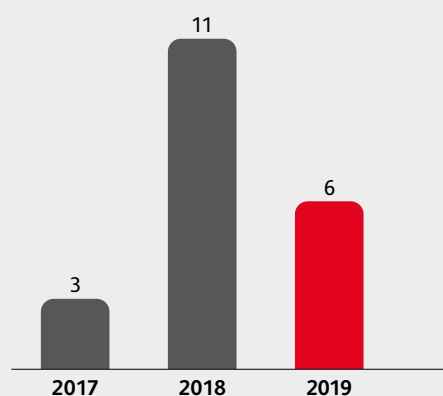
Total number of lost-time injury incidents among Metinvest employees*



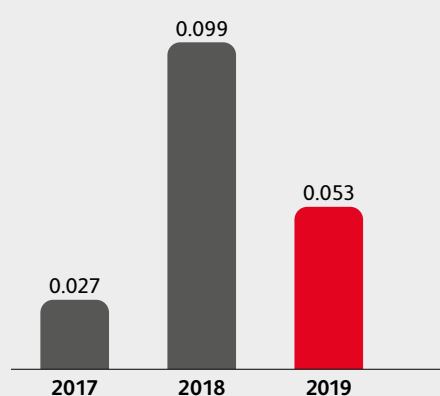
Lost-time injury frequency rate (LTIFR)**



Total number of fatal incidents among Metinvest employees



Fatality frequency rate (FFR)***



* Figures for lost-time injury incidents and LTIFR were recalculated for 2017 and 2018 to reflect adjustments made by United Coal, which introduced an updated calculation methodology. According to the methodology, incidents initially recorded as non-lost time may be later classified as lost time in the event that health complications occur within a year following an incident.

** The lost-time injury frequency rate (LTIFR) is calculated as the number of lost-time incidents per 1 million hours worked.

*** The fatality frequency rate (FFR) is calculated as the number of fatalities that result from work-related injuries per 1 million hours worked.



ACTING ON INCIDENTS

The Group's assets have an incident reporting system in place to inform managers about incidents 24/7, allowing them to take prompt action and minimise consequences. According to Metinvest's internal procedures, the CEO is informed within two hours of any fatal incident and within 24 hours of any lost-time incident.

We thoroughly investigate every incident in accordance with legislative requirements and the Group's internal

procedures. When unsafe working conditions are identified or an injury occurs, we perform root-cause analysis to determine the circumstances and causes of the incident. Subsequently, we review the results of the analysis and adopt the necessary preventative measures. Employees and contractors are required to report incidents or hazardous situations to their supervisor and health and safety specialist. Deliberately concealing information is deemed a serious disciplinary offence.

"THE EARLIER WE KNOW ABOUT AN INCIDENT, THE MORE SAFETY RISKS WE CAN AVOID. WE ENCOURAGE EVERYONE TO TAKE RESPONSIBILITY FOR IMMEDIATE REPORTING. SOMETIMES A POSITIVE OUTCOME IS JUST ONE TIMELY CALL, ONE TIMELY ACTION APART FROM WHAT CAN TURN INTO A SERIOUS ISSUE."

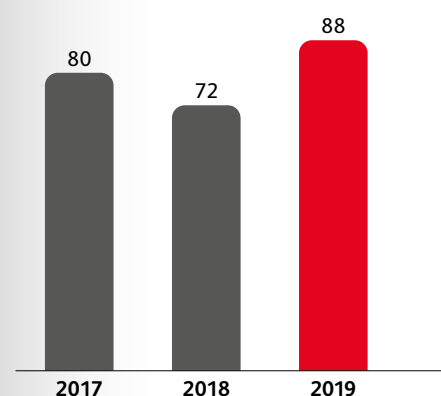
Yuriy Ryzhenkov, Chief Executive Officer

GRI 403-6

EMPLOYEE HEALTH

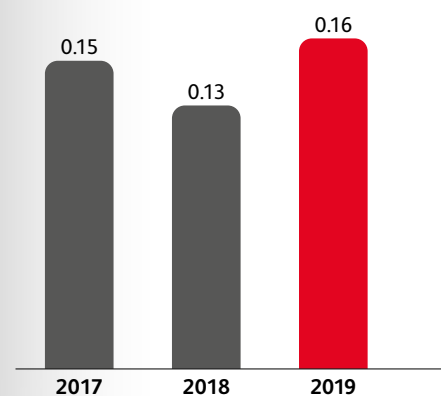
Excellence in health and safety requires continuous support of the physical and mental health of our employees. As a responsible employer, Metinvest develops a healthcare strategy with a view to improve employee wellbeing and promote a healthy lifestyle, reduce the number of workplace illnesses and lost-time injuries, as well as offer effective and qualified first aid.

Total number of cases of workplace illness among Metinvest employees*



* In 2017-18, while Ukraine's State Sanitary and Epidemiological Service was in the process of reorganisation, it did not issue workplace regulations. After the procedure was reinstated in 2019, a greater number of employees were referred to healthcare institutions for workplace illnesses, which led to an increase in the reported rate of workplace illness among employees.

Workplace illnesses frequency rate**



** The workplace illness frequency rate is calculated as the number of workplace illness cases per 200,000 hours worked.

OCCUPATIONAL HEALTH AND SAFETY

OCCUPATIONAL INJURY PREVENTION AND RESPONSE CONTINUED

GRI 403-10; 403-6

The most common types of work-related diseases among Metinvest employees are respiratory diseases, which account for 32% of all work-related illness, followed by musculoskeletal conditions – 68%. To prevent workplace illnesses, Metinvest provides voluntary medical insurance for workers and conducts regular medical checks, including in-depth examinations for cardiovascular pathologies. Certain categories of workers undergo mandatory medical examinations before they begin their shifts or drive a vehicle.

GRI 403-3

Metinvest regularly audits its health services to ensure that they are highly effective in mitigating health risks and promptly diagnosing occupational illnesses, including an annual assessment of the quality of medical examinations. Moreover, we calculate a health index⁵, regularly analyse the dynamics of workplace illness involving a temporary loss of ability to work, and evaluate the psychophysiological causes of workplace injuries. The results are used to develop individual measures for groups of employees who suffer from frequent illnesses.

📄 **For more information about Metinvest's voluntary health insurance and employee wellbeing programmes, please refer to the "Social Benefits" section of the Report.**



COVID-19 RESPONSE

Regardless of the circumstances that we find ourselves in, taking care of our people's health and safety will always be our priority. Since the COVID-19 outbreak began in early 2020, we have been taking all possible measures to prevent the spread of the virus. We have been providing employees with necessary means for personal protection recommended by international and national health organisations, including face masks, respirators, gloves and hand sanitiser.

All premises and Metinvest transport are properly cleaned, disinfected and operate under strict safety requirements.

We have also introduced a #DoctorMetinvest video blog led by our Head of Health Protection Department to equip our staff with knowledge on situations that COVID-19 may cause. The employees receive useful safety tips related to the virus and guidelines on what to do if they experience symptoms.

"WE ATTRACT EMPLOYEE ATTENTION TO THE MOST RELEVANT SITUATIONS CAUSED BY COVID-19 AND GIVE PRACTICAL ADVICE IN A STRAIGHTFORWARD MANNER."

Oleg Vatansky, Head of Health Protection Department

📄 **For more information about Metinvest's response to COVID-19, please visit our STOP CORONAVIRUS website.**

⁵ The health index is an indicator that displays the absolute number of employees who did not suffer from a workplace illness resulting in a temporary loss of working ability during the year, presented as a percentage of the total number of employees of the asset.

GRI 403-7**CONTRACTOR SAFETY**

Metinvest hires contractor organisations to perform certain work at its production sites. Contractors are subject to the same occupational health and safety rules as Metinvest employees. On top of that, they are required to comply with the Safety Standard for Contractor Organisations, which sets out the rules and procedures for work performed by contractors.

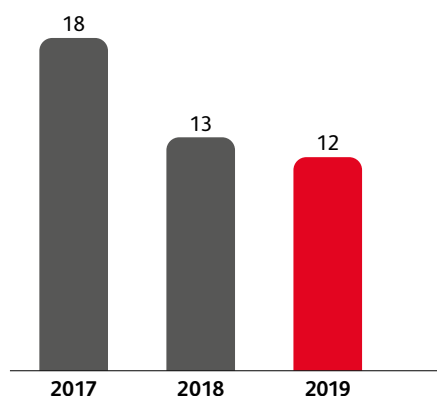
During the contractor selection process, we assess the risks of planned work and contractors' compliance with health and safety regulations. Each contractor has a supervisor responsible for overseeing work and engaging with workers on health and safety matters. If the contractor is involved in high-risk work, Metinvest also assigns a specialist from the Occupational Health and Safety Department at entity level to closely monitor safety compliance. Contractors are required to report all high-risk activities planned the day prior to their start.

We regularly perform safety audits of contractor organisations and provide safety briefings to their employees. Upon the completion of the work, we assess contractors' performance against a set of health and safety criteria to decide on further cooperation.

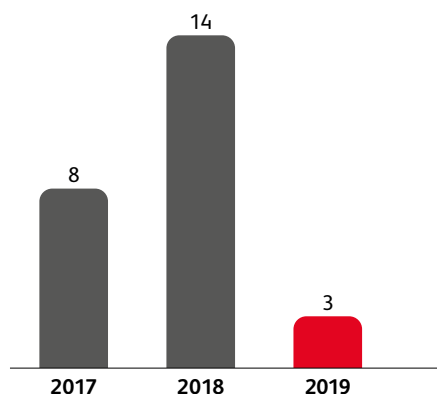
GRI 403-9

Regrettably, there were 12 lost-time incidents and three fatalities among contractors during the reporting period. For all incidents, we conducted full investigations and adopted the measures necessary to prevent similar cases in the future.

Total number of lost-time injury incidents among contractors



Total number of fatal incidents among contractors



In 2020, we aim to centre our efforts on enhancing contractor safety to further improve the overall safety performance of the Group. Our plans include reviewing the contractor selection process by introducing additional health and safety requirements for both pre-qualification and bidding stages. Contractors bidding for projects with high safety risks will be required to provide health and safety management plans for Metinvest to ensure that contractual relations are initiated with those who have highly effective risk control measures in place. In addition, if a contractor organisation has previously performed work for Metinvest, historical health and safety performance records will be taken into consideration.

