

LOCAL COMMUNITY DEVELOPMENT

OUR APPROACH

GRI 203-2; GRI 413-1

Wherever it operates around the world, Metinvest is an integral part of the local community, linking its future as a business with the wellbeing of local residents. As part of a lasting commitment to our communities, we look beyond superficial or performative acts and strive to make a comprehensive, meaningful impact on their way of life.

The Group underscores the importance of making strategic long-term investments in the sustainable development of the cities and towns where it operates, engaging with communities as it contributes to social infrastructure development, education, healthcare, sport, culture and environmental stewardship. With these initiatives, we seek to improve the overall quality of life for local residents, which also helps us to retain the talented local professionals who work at Metinvest's main mining and steelmaking assets in Mariupol, Zaporizhia, Kryvyi Rih and Avdiivka. Rolling out its community development projects, the Group confirms its role as an economic anchor for these regions.

To ensure that its sustainability efforts make a difference in the long run, Metinvest is enhancing its strategic social partnership programmes with local city development funds. In 2019, the Group widened its cooperation network with the Kryvyi Rih Foundation of the Future and the Zaporizhia Joint Action Platform, which are based on the successful model of partnership that it launched with the Mariupol Development Fund in 2016.

GRI 103-2; 103-3

A well-organised network of internal governing bodies helps to ensure continuity in our strategic community development and social partnership programmes, which the Sustainable Development and People Management Directorate oversees at the Group level. The Regional Development Department is responsible for implementing social projects at the regional level. All social partnership programmes are approved by the Group's Supervisory Board and CEO. The Social Research Department provides support by regularly monitoring and analysing public opinion to ensure that our initiatives meet the needs of local communities. We use the results of these studies to evaluate existing programmes and form a basis for future decision-making.



A FEEDBACK THAT MATTERS

Aiming for a broader response to community needs, Metinvest conducts surveys in the cities where it operates to gain insights into public opinion on its community programmes through its Social Research Department. To gather information, the department applies both quantitative (mass and short surveys) and qualitative (focus group studies and in-depth interviews) methods. Respondents are asked to provide their perspective and feedback covering three dimensions: the quality of city infrastructure and services; environmental conditions and Metinvest's impact on the environment; and the overall relevance of its programmes to improving community wellbeing. Each of these dimensions corresponds to a wider area of social impact that the Group aims to make.

SUSTAINABLE UKRAINE

In its 2019 ranking, Sustainable Ukraine recognised the Group's community engagement approach. The first professional rating for corporate sustainability in Ukraine, it draws upon leading international practices of evaluating corporate governance, corporate social impact, non-financial risk and opportunities, overall sustainability performance and running peer benchmarking.

The Group received an "A" grade and was ranked among the eight top performers out of Ukraine's 250 largest taxpayers. All companies were assessed on various sustainability criteria, with Metinvest scoring the highest among other participants in local community engagement and human rights protection.

