

# SOCIAL BENEFITS

GRI 401-2

**In 2019, Metinvest continued to improve social benefits and create comfortable and safe working conditions for its employees.**

## ENCOURAGING EMPLOYEES TO IMPROVE PRODUCTION EFFICIENCY

We believe that increased employee engagement in production efficiency translates directly into improved business productivity. Metinvest conducts Lean Asset and Labour Competition programmes, which provide staff with an opportunity to receive a bonus for submitting a winning proposal for improving the efficiency of materials usage or other performance metrics at the asset. In 2019, the Labour Competition engaged approximately 49,000 employees representing 11 assets of the Group and resulted in around 16,000 winners.

As part of these efforts, the Group made the My Choice Individual Social Package programme available at all its major Ukrainian assets<sup>4</sup>. The programme allows employees to create customised social benefit plans based on their individual preferences. In 2019, the list of benefits was expanded to include 79 unique options in such categories as health, learning and development, travel and transportation, additional income, entertainment and leisure, as well as benefits for family and home. About half of these options were designed for children and close family members: additional paid leave for family celebrations, as well as a variety of different learning opportunities, including English language and IT courses. In addition to My Choice benefits, employees receive New Year gift boxes and school kits for their children.

The Group is introducing additional employee benefits aimed at reducing living costs. More than half of the assets covered by the My Choice programme provide reduced public transportation fares to their employees. Ingulets GOK is currently testing a programme to provide bus passes to employees' children.

Understanding that working conditions are important for staff, in 2019, we continued retrofitting changing rooms, washrooms, restrooms, meeting rooms and common areas as part of the Working Life programme, for which we allocated around US\$6 million.

<sup>4</sup> The My Choice Individual Social Package is provided to all staff members at production assets, including employees on maternity/paternity leave, employees serving in the Armed Forces of Ukraine and part-time employees. The benefits are not provided to temporary employees.

