

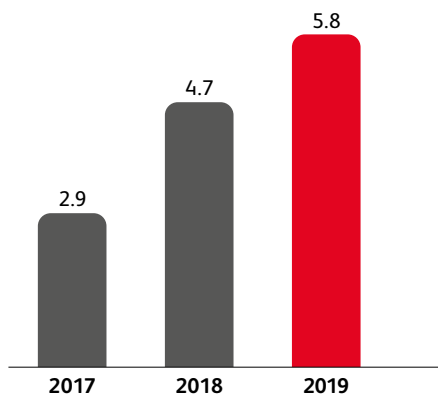
PEOPLE MANAGEMENT AND DEVELOPMENT

STAFF TRAINING AND DEVELOPMENT

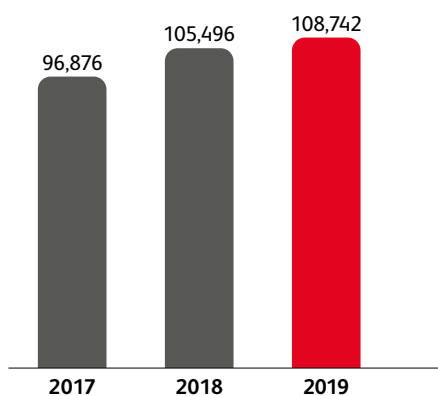


Metinvest provides a variety of training and development opportunities to ensure continuous professional and career growth for employees at all levels. In 2019, the Group invested US\$5.8 million in human potential through its expanded training programmes to ensure that employee knowledge and skills correspond to today's changing job requirements.

Investments in employee training,
US\$ million



Number of training enrolments



Note: These figures represent the cumulative number of training sessions attended by employees during the reporting period.

Metinvest's learning and development system is represented by two core learning providers: our Corporate University and training centres at the assets. The Group offers a variety of mandatory and voluntary learning opportunities tailored for specific functions and grade levels, with a focus on developing both hard and soft skills.

GRI 404-2

Metinvest's Corporate University learning programmes target diverse groups of personnel, including onboarding training for new hires, as well as managerial and professional training. The Corporate University programmes aim to improve professional performance by equipping staff with the relevant skills and developing their leadership capabilities. The Corporate University also actively collaborates with educational institutions to ensure that the learning content and chosen teaching methods are effective and translate into the desired outcomes. We continue to integrate e-learning tools into our programmes, including the Eduson online learning management platform, which offers multiple training courses. The Corporate University website serves as a gateway to a Wiki-Master database, which contains a collection of useful articles and learning materials prepared by Metinvest's experienced specialists and field experts.

GRI 404-1

40,238

employees completed corporate learning and development programmes

73 hours

per year is the average amount of training received by one employee

51.5%

of the Group's employees participated in e-training

The Group also has separate e-learning programmes on health and safety, the Code of Ethics and cybersecurity. New hires receive hands-on, supervised onboarding training at the workplace and get access to training machines and simulators. For mid-level managers, the Group's strategy is focused on addressing key skill areas. We have created 12 technical academies for line managers of production shops to cover crucial engineering and business disciplines, fill potential skills gaps and teach new techniques.

SIMULATORS FOR SKILL DEVELOPMENT

To ensure that the chosen training formats lead to the desired outcomes and engage learners effectively, all training centres at the assets have adopted strategies to integrate digital solutions into their learning experiences. In 2019, a number of simulators were introduced for welders, repairmen, electricians and blast furnace operators to practice job tasks and problem solving. In 2020, we plan to integrate simulated tutorials into training programmes for five other professions.

DEVELOPING MANAGEMENT SKILLS

Metinvest offers over 20 managerial programmes designed to develop leadership competencies and valuable skills. A dedicated team of 35 internal trainers conducts interactive sessions that help attendees to experience real-life situations and practice effective decision-making. In 2019, we provided 21,861 training sessions, including managerial training tailored to increase professional skills in specific areas, such as the Sales Academy, HR Academy and Project Management Academy.

In 2019, we carried out two programmes to improve management skills for workshop foremen, one of which focused on effective meeting behaviour and another on building economic literacy relevant to production processes.

We also finalised the three-module Metinvest Tomorrow Builders programme, which has been developed in collaboration with the INSEAD business school and the

Group's management. The programme is designed for high-potential managers being considered for executive positions; it aims to develop strategic thinking, corporate governance and leadership skills. In 2019, 39 managers participated in the programme.

During the reporting period, senior managers of the Group took part in a new international leadership development programme that has been organised in partnership with the Wharton Business School. Participants were invited to visit six assets in China, explore best practices and meet with Chinese business leaders to share their experiences.

Metinvest has developed a Talent Pool programme, which is designed for candidates for leadership positions, including senior, middle and junior management positions. The programme helps to identify the most promising leaders and support their career development. In 2019, talent pool candidates filled 66% of the senior management and middle management positions, as well as 39% of junior management positions.



NUMBER OF EMPLOYEES WHO COMPLETED INTERNAL MANAGEMENT PROGRAMMES IN 2019

18,196

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STAFF TRAINING AND DEVELOPMENT CONTINUED

DEVELOPING YOUNG TALENT

Empowered, skilled and engaged young minds drive the future of sustainable business. Metinvest actively invests in training and development programmes for talented young employees to motivate them and create an engaging work environment. Since 2013, Metinvest has been coordinating the activities of its own Youth Organisation, which brings together over 30,000 young employees. The organisation holds over 50 employee engagement activities across the Group each year.

The Metinvest Young Leaders programme provides a unique opportunity for employees under the age of 30 to work in cross-functional teams, receive professional guidance from the Group's senior management and develop solutions to improve production processes. Since 2013, when the contest was launched, 5,000 young employees have participated, around 600 of them have received promotions and 190 projects have been approved for implementation at the Group's assets. The winners of the 2018-19 contest were offered internships at the Group's Bulgarian and Italian re-rollers.





INVESTING IN NEXT GENERATIONS

Metinvest's human capital management strategy envisages promoting the Group as an employer of choice. We strive to attract the next generation of employees and support them in their efforts to attain university degrees in technical fields. We have strengthened our close relationships with key educational institutions in Ukraine by signing long-term cooperation agreements. As of 2019, our assets collaborated with 26 educational institutions and offered almost 3,000 internships to students, over 400 of whom were hired upon graduation.

We have introduced the Metinvest Scholarship Programme, targeting top-performing students enrolled in technical degree programmes (majoring in metallurgy, earth sciences, energy management, mechanic engineering, computer science or similar fields) at five universities in Kryvyi Rih, Mariupol and Zaporizhia⁶. In 2019, 874 students received scholarships from Metinvest.

Metinvest has also developed dual education programmes for local universities. They combine classroom and workplace learning for students, enabling them to become familiar with the production process and interact with the Group's employees.

We promote various contests among young leaders. Among them, in 2019, Metinvest held a math competition in collaboration with the Minor Academy of Sciences of Ukraine that attracted 128 school students from Mariupol, Zaporizhia and Kryvyi Rih.

Metinvest experts and experienced specialists provide career-counselling sessions on school premises to introduce future university applicants to the metals and mining industry, as well as to give them an overview of the relevant skills and knowledge.

In 2019, we developed the Map of Professions, a career guidance programme for school students that includes a set of interactive booklets on metallurgical and mining professions, as well as a series of career guidance lessons for students

in grades 5-10. We plan to launch the programme next year in schools in the regions where the Group operates.

Supporting education in Ukraine, we have continued to develop professional standards to help the government align existing professional qualification requirements with the present needs of employers. In total, 50 educational standards and 45 professional standards have been introduced in the country with Metinvest's support.

Metinvest has traditionally served as a partner and sponsor for WorldSkills Ukraine⁷, a professional skills competition that aims to promote vocational professions among young people. During the competition, students and employees aged 18-22 years demonstrate their professional skills by performing practical tasks in a limited time. In 2019, WorldSkills Ukraine took place for the fourth time, while Mariupol, Zaporizhia and Kryvyi Rih first held regional qualifying rounds that engaged a total of 254 participants. The competition resulted in 77 winners, including 22 employees from Metinvest's assets.

6 Kryvyi Rih National University, Kryvyi Rih Metallurgical Institute of the Ukrainian National Metallurgical Academy, Zaporizhia Polytechnic National University, Zaporizhia National University and Pryazovskyi State Technical University.

7 WorldSkills Ukraine is a part of the WorldSkills International competition, which is held in 74 countries.

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M.STUDENT CHAMP

M.Student Champ is a case competition where students try to develop the best solution to production issues at real manufacturing sites. Students have a chance to show their knowledge and skills in 11 categories, encompassing more than 100 real cases on the CASERS.org platform. This provides a great opportunity for participants to gain practical experience, win a cash prize and receive a job offer at Metinvest.

The competition was first introduced two years ago at a single asset in Kryvyi Rih. Due to its great success, in 2019, we rolled it out in Avdiivka, Zaporizhia and Mariupol.

“WE HAVE DEVELOPED A NEW LABOUR PROTECTION SOLUTION: CAMERAS WITH ARTIFICIAL INTELLIGENCE HELPING TO DETECT WHETHER PRODUCTION SITE EMPLOYEES USE PERSONAL PROTECTIVE EQUIPMENT. WE’VE CHOSEN THIS TOPIC, BECAUSE WE KNOW THAT SAFETY IS A TOP PRIORITY FOR METINVEST.”

Sergiy Zuyev, M.Student Champ participant