

Strategic Goals, Priorities and Values

STRATEGIC GOALS

- Sustain competitive advantages in steelmaking through vertical integration
- Strengthen positions in strategic markets
- Achieve business excellence through best practice

STRATEGIC PRIORITIES

- Enhance sustainability
- Strengthen low-cost producer position
- Enhance product portfolio to strengthen position in key strategic markets
- Focus on customer needs
- Pursue selective acquisition opportunities

 For more information about the Group's strategic goals and priorities, see pages 16-17 of Metinvest's 2020 annual report.

Corporate Values

GRI 102-16

Life, health and environment

- We create safe working conditions.
- We each feel responsible for the life and health of ourselves and our colleagues.
- We strive to have a minimal environmental impact in manufacturing our products.
- We use natural resources carefully.
- We support healthy ways of life.

Customer focus

- We are open and honest with our customers.
- We are attentive to the needs of our customers.
- We are willing to change to meet the needs of our customers.
- We strive every day to refine our processes in the best interest of our customers.

Professionalism

- We create an environment in which people can demonstrate their abilities.
- We continually improve our knowledge and skills, and openly share our expertise with colleagues.
- We set high job standards and adhere to them.
- We implement clear executive discipline requirements.
- We strive to achieve outstanding results by ensuring the optimal use of resources.

Leadership

- We set ambitious goals and achieve them.
- We take initiative and encourage others.
- We make our own decisions and act independently in difficult circumstances, and take responsibility for our own decisions.
- We share the Group's core values by adhering to them in our actions and decisions.
- We promote the implementation of beneficial changes.

Teamwork

- We are confident that working in unison as a team in which each person accepts individual responsibility for the overall result will foster effective operations.
- We are open to cooperation, help our colleagues and support each other.
- We aim to act as partners in a dialogue who show the utmost respect for other people.
- We listen carefully to other people's opinions and are open to feedback.
- We all strive to achieve common goals with confidence that our colleagues will fulfil their obligations.

Technological Strategy

In 2020, Metinvest continued to implement its technological strategy. This strategy serves as a roadmap for fulfilling the Group's strategic commitment to introducing cutting-edge technology while improving product quality, as well as increasing the overall operational efficiency and eco-friendliness of production cycles.

During the reporting period, Metinvest began to update its technological strategy. This was driven by the risk of significant pressure on global steel and iron ore markets in the future; greater focus on premium iron ore products; and a new decarbonisation challenge requiring innovative solutions.

In 2020, Metinvest completed several investment projects. As part of Ilyich Steel's hot strip mill (HSM) 1700 upgrade, a new hydraulic down coiler was installed that is capable of producing 32-tonne hot-rolled coils. Central GOK implemented a major initiative to modernise its processing plant, which has allowed it to begin producing iron ore concentrate with an Fe content of 70.5% and pellets with an Fe content of 67.5% for use in direct reduced iron (DRI) technology.

Environmental investment projects aimed at reducing emissions include the modernisation of the gas cleaning system at Ilyich Steel's sinter plant, the replacement of gas purifiers at Northern GOK's Lurgi 552-A roasting machine, and the upgrade of the gas cleaning systems at Azovstal's basic oxygen furnace (BOF) shop.



For more information on the Group's environmental modernisation projects, see the Environmental Action section.