



**ТРУБНАЯ  
МЕТАЛЛУРГИЧЕСКАЯ  
КОМПАНИЯ**

**APPROVED BY**  
the General Director of PAO TMK  
Order No. 65 of 26 February 2019

**AGREED BY**  
the Board of Directors of PAO TMK  
Minutes No. 16 of 08 February 2019

A stylized illustration of an industrial cityscape or factory complex, rendered in shades of orange, grey, and white. The scene includes various industrial buildings, chimneys, a crane, and an airplane flying in the sky. The illustration is set against a solid orange background and is partially enclosed by a large white circle that frames the title text.

# **CODE OF ETHICS**

## **TMK Group**

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## INTRODUCTION

The Code of Ethics of the TMK Group is a statement of the highest ethical standards and moral principles, which we undertake to observe in all spheres of our activity, as well as practical guidelines for correct decision-making in our daily work. The Code is based on the best Russian and foreign practices for doing business, corporate governance and relations with personnel.

The Code applies to all companies of the TMK Group<sup>1</sup> (hereinafter, separately or together, the Company) and all employees of these Companies.

The success of our Company depends totally and entirely on all its employees, so it must be understood and always borne in mind that each of our employees is, to one extent or another, the face of our Company. The actions and decisions of any employee create and consolidate the prestige and reputation of the Company as a whole.

The fundamental principle of all our work is strict observance of the law. Yet we clearly understand that the world around us is diverse and constantly changing, so not all changes can be predicted and covered by law in advance. Nor is it possible to foresee all situations, develop and document rules of conduct for them in advance. Consequently, the Code is a vital tool for establishing our corporate culture and the core values of the TMK Group. We expect that, using the principles and values of the Code, our employees will be able to assess each situation separately and make correct decisions.

The Code determines how to run and develop our business, by performing one's job correctly and conscientiously, respecting colleagues, partners and clients on a daily basis. The rules of conduct applicable to each and every one of us will allow us not only to retain our leading position on the market but also consolidate our reputation, raise our prestige and the quality of our business.

That is why all employees must read the Code carefully and thoughtfully, comprehend and uphold our values, while strictly observing the Code's demands, instructions, guidelines and principles in their daily tasks.

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<sup>1</sup> In this Code, the TMK Group is understood as PAO TMK together with all other legal entities consolidated in the latest IFRS financial statements of PAO TMK.

## OUR VALUES

### 1. Legality



The key element of the Company's activities is strict observance of the applicable legislation, the Articles of Association and policies of the Company (including this Code), and good business practices. The image and reputation of the Company, as well as that of each and every one of its employees, depend on these rules being enforced.

The Company undertakes to abide conscientiously by the generally accepted principles and rules of international law, treaties and legislation of the countries in which the Company operates.

### 2. Orientation on the client



The Company's main function and our primary obligation to its shareholders consist in orientation on the client and profitability of our business. Our priority goal is for both the Company and all its employees to achieve higher results than expected. Each employee must orientate themselves on self-improvement, learning and development, on the needs of the client/customer (both internal and external) and fulfil their work by the agreed time.

### 3. Efficiency



High results must be achieved through maximum efficiency and result-orientation. The Company's resources must be used effectively, economically and strictly for purpose. Waste and other than designated use of the Company's property are unacceptable.

### 4. Safety and security



The principle of safety and security is implemented by the Company in three directions: safety of life and health, safety of property and information security. The safety of our employees, their life and health is the Company's priority. Safe work means success for the Company and high achievements.

### 5. Respect



Our success depends on relationships. Team spirit, respect for colleagues (both superiors and subordinates), shareholders, partners and clients are the Company's hard-and-fast rules. Mutual respect allows each of our talents and skills to come to the fore, so the Company can achieve more and better.

### 6. Openness



The Company pursues a policy of information openness and business transparency for shareholders, employees and third parties. It uses all available information sources to provide all stakeholders with free access to the Company's disclosed information.

## OUR DUTY TO OUR SHAREHOLDERS AND INVESTORS



### YOU SHALL:

- ✓ *Be polite and attentive to shareholders*
- ✓ *Assist shareholders in exercising their legitimate rights and interests*
- ✓ *If you doubt that your actions or those of shareholders are correct or you lack competence on a matter, hand over the decision-making to your superior and/or the Compliance Risk Committee*



### YOU SHALL NEVER:

- ✗ *Ignore queries, requests or complaints from shareholders*
- ✗ *Be discourteous to shareholders, demonstrate indifference or be otherwise disrespectful*
- ✗ *Disclose personal and private data of shareholders*

### 1.1 Relations with shareholders

1.1.1 The Company's main function in relation to shareholders<sup>2</sup> is to generate profit, increase capitalisation, ensure the Company's financial and reputational stability and reduce business risks.

1.1.2 The Company key principle in its relations with shareholders is observance of their rights and legitimate interests under the effective legislation, constituent and corporate documents and policies of the Company, as well as comprehensive protection of the given rights and assistance to shareholders in exercising them.

1.1.3 The Company ensures that the rights of all shareholders are observed, irrespective of their participation share in the Company. The Company's information disclosure policy is designed for providing shareholders with accurate, up-to-date and timely information.

1.1.4 Every Company employee must, for its part, apply their maximum endeavours to implement the above Company approach to its shareholders.

### 1.2 Relations with investors

1.2.1 To develop and consolidate its business, the Company needs investors. Relations with investors are based on the Company's highly effective activities and information openness.

1.2.2 The Company follows global best practices in relation to openness and accessibility of corporate information. It provides investors with timely information that could impact on the Company's investment appeal and the price of its securities.



*For more detail on the Company's public relations policy, see the relevant Company policies.*

<sup>2</sup> Since the TMK Group includes various types of legal entity, in this Code, the term "shareholder" means both actual shareholders (in joint stock companies belonging to the TMK Group) and participants (in other legal entities belonging to the TMK Group).

1.2.3 The Company publishes in open sources its annual and quarterly financial statements, annual and quarterly reports, information about all material facts in the Company's activities, various financial, information and analytical materials, presentations, etc.

1.2.4 The Company provides all investors with equal access to information about the Company, does not grant preferences to individual investors and monitors the competitiveness of investment in the Company.

### 1.3 Public communications



#### YOU SHALL:

- ✓ *Be circumspect in communications on matters relating to the Company's activities and shareholders and take the Company's business interests into account*
- ✓ *Send all enquiries concerning the Company's activities and shareholders, as well as persons making such enquiries, to authorised Company personnel*



#### YOU SHALL NEVER:

- ✗ *Make any comments on behalf of the Company and its shareholders without having them approved and agreed by authorised persons*
- ✗ *Disclose confidential information and personal data of other employees, members of the Board of Directors, other Company management and control bodies or its shareholders*

1.3.1 Only authorised Company personnel are entitled to make public announcements on behalf of the Company and its shareholders.

1.3.2 Company employees (other than authorised persons) are prohibited from commenting on the financial status of the Company and its shareholders, disclosing confidential Company information or commercial secrets, disseminating personal data of other employees, members of the Board of Directors, other Company management and control bodies or shareholders.

1.3.3 If an employee is asked to comment on any aspects of the activities of the Company or its shareholders, they must answer politely that they are not authorised to furnish any information, details or comments on behalf of the Company and all such enquiries should be addressed to the Company's management.

1.3.4 Our employees' Internet activities in their free time on personal social networks, using their own email addresses, are protected by the rights to a private life and freedom of speech.

1.3.5 If, however, an employee indicates on a social network that they belong to the Company, going forward they must show care and take the Company's business interests into account. Negative, discrediting, hate-inciting, indecent, scathing and slanderous statements are absolutely unacceptable and are prohibited.

### 1.4 Conflict of interest

1.4.1 The Company understands conflict of interest to mean a situation or potential situation when an employee's financial, professional or personal rights, obligations, preferences or wishes might impede due performance of their job duties, affect their ability to act in the interests of the Company and its shareholders or have a negative effect on the activities or reputation of the Company or its shareholders.

1.4.2 Timely identification of a conflict of interest in the activities of Company employees is key to precluding corruption offences.

1.4.3 The Company's work to manage conflicts of interest is based on the following principles:

- mandatory disclosure of information about an actual or potential conflict of interest;
- individual consideration of any conflict of interest identified, assessment of the reputation risks for the Company and resolution of the situation;
- confidentiality of the procedure for disclosing information about a conflict of interest and for resolving the situation;
- a balance of the interests of the Company and employees in resolving conflicts of interest;
- protection of employees against persecution for notifying of a conflict of interest that was disclosed and resolved (prevented) by the Company in a timely manner.

1.4.4 Each employee shall do their best in performing their job duties and act in the interests of the Company and its shareholders, not in their own interests. They shall also do everything to avoid a conflict with the interests of the Company or its shareholders or a personal interest in completion of any deals.

1.4.5 The Company understands and acknowledges that the rights of employees and their family members to set up or participate in commercial organisations and to run any business not prohibited by law are protected by law. So the Company in no way restricts these rights.



**YOU SHALL:**

- ✓ *Always prioritise the interests of the Company*
- ✓ *Notify the Company of any conflict of interest*

1.4.6 In order, however, to avoid a conflict of interest that might hamper the normal business activities of the Company and be detrimental to its shareholders, employees must provide the Company with information about any conflict of interest between the employee or their close relatives and the Company. The employee shall notify the Company's Compliance Risk Committee in writing to this effect.



**YOU SHALL NEVER:**

- ✗ *Act to the detriment of the interests of the Company or its shareholders*
- ✗ *Conceal a conflict of interest from the Company*
- ✗ *Use your official position for personal benefit*

1.4.7 Failure to notify or to notify in a timely fashion of the emergence or existence of a conflict of interest, or provision of false information is considered a disciplinary offence and might result in the employee being held disciplinarily liable under the current legislation.

1.4.8 An employee that performs its duties to the detriment of the Company's legitimate interests in order to gain benefits and advantages for themselves, their close relatives or other persons is acting unlawfully and may be held liable (including criminally) under the law.



*For more detail on the Company's policy on resolving conflicts of interest and on how to notify the Company of any conflict or potential conflict of interest, see the Conflict of Interest Policy.*

## ETHICS AND RESPECT IN THE WORKPLACE

### 2.1 The Company's general obligations

2.1.1 In implementing the principles of respect and safety, the Company undertakes:

- to provide Company employees with equal opportunities, irrespective of their citizenship, race, ethnicity, gender, convictions, age, health, marital status or membership of any group protected by applicable laws or based on principles that do not run counter to the effective legislation;
- not to obstruct political processes or participation therein by anyone; to prevent strictly any discrimination or persecution for political reasons; if participation in political activities is necessary, to act in strict observance of the effective legislation;
- to increase labour safety and take care of employees' health, guided by best global standards and legislative requirements;
- to popularise a healthy lifestyle by legal and non-discriminatory methods and do everything possible to promote it.

### 2.2 Observance of business ethics and rules of communication



#### YOU SHALL:

- ✓ *Always be polite and tactful*
- ✓ *Assist and support your colleagues*
- ✓ *Always act reasonably and logically, to the greatest benefit of the company in any specific situation*



#### YOU SHALL NEVER:

- ✗ *Be impolite to colleagues, denigrate them or use abusive language*
- ✗ *Be distracted from your work or distract others in any way*
- ✗ *Come to work and perform your job under the influence of any intoxicant and to any degree*

2.2.1 The success and good reputation of the Company are based, among other things, on strict enforcement of the general principles of business ethics. Every employee must demonstrate due professionalism and responsibility for maintaining and consolidating the Company's success.

2.2.2 In selecting how best to fulfil their daily tasks, employees must be guided not only by the current legislation, this Code and the Company's constituent documents and policies, orders and directives of the Company management, but also by common sense, logic and the basic rules of conduct.

2.2.3 Employees must be polite, considerate, civil and attentive and demonstrate tolerance in communicating with colleagues, business partners and consumers. Discourtesy, abusive language, any manifestations of discrimination and negative comments about colleagues or the Company's business partners and clients are unacceptable and strictly prohibited.

- 2.2.4 Employees' appearance when at work must meet the mandatory requirements (special clothing and footwear, safety equipment) and/or generally accepted business attire, which implies neat, official, restrained and traditional clothing.
- 2.2.5 Employees are strictly prohibited from being on the Company's territory or doing their jobs under the influence, to any extent at all, of alcohol, drugs, toxic substances or any other intoxicant.
- 2.2.6 Employees who fail to observe the given rules of conduct may be held liable disciplinarily or otherwise under the law, irrespective of their position or years of service in the Company.

### 2.3 Abiding by the law



#### YOU SHALL:

- ✓ Know and observe the legislation applicable to your activities
- ✓ If you have a question or are in doubt, ask the management for help



#### YOU SHALL NEVER:

- ✗ Break the law because "this has been the way things have always been done" or "everyone else does", "it is trivial" or for any other reason
- ✗ Invoke your position or powers
- ✗ Encourage or force others to break the law

2.3.1 The key principle by which the Company runs its business is strict observance of the applicable legislation, which dictates both the image and reputation of the Company and the reputation of all of its individual employees. The duty to abide by the current legislation does not, moreover, depend on the sphere of application or "materiality" of the requirements.

2.3.2 If, in performing their jobs, employees have questions or doubts about the legality of any actions (including of the employee, their colleagues or any third parties), practices or the situation in general, they must address their line manager and/or the Compliance Risk Committee for clarifications.

2.3.3 It is totally unacceptable to violate the current legislation or encourage, prompt or compel others to do so.



## 2.4 **Social activities and activism**

- 2.4.1 The Company's territory is a place for doing and developing business and, for its employees, a place for performing their job duties. So it is strictly prohibited to hold meetings, collect obligatory donations, actively promote or advertise one's personal, religious, political or other views on the Company's territory.
- 2.4.2 Moreover, since employees have the right to choose whether to support any particular events, the Company considers any obligatory collections, active promotion or propaganda of one's personal views as impermissible pressure on employees.
- 2.4.3 Employees who wish to distribute, among their colleagues in the Company, any information not relating to the Company's business or want to use of Company premises for distributing such information and making it generally accessible must obtain prior permission from the Compliance Risk Committee.

## ETHICS AND GOOD FAITH IN BUSINESS RELATIONS

### 3.1 General principles

3.1.1 Relations between the Company's partners, clients and counterparties are based on the principles of responsible partnership. The success of our business is guaranteed by long-term, mutually beneficial relations with partners, clients and suppliers.

3.1.2 The Company's priority in doing business is fair and open competition.

3.1.3 The Company runs its business:

- honestly, showing respect for its partners and agents and for third parties whose activities are connected with those of the Company;
- responsibly, showing concern for the safe-keeping, development and growth of human, intellectual and natural resources not only in its own interests but also those of mankind as a whole;
- transparently, in accordance with the legislation, the listing rules of Russian and foreign stock exchanges, and best Russian and international corporate practices, endeavouring to provide all stakeholders with maximum assistance in obtaining the information they are legally entitled to.

3.1.4 The Company strictly monitors fulfilment of contractual obligations and promotes establishment, development and strengthening of relations with partners, clients and suppliers that have an irreproachable reputation and abide by the law and the generally accepted business standards and ethics.

3.1.5 The Company undertakes to ensure effective co-operation and collaboration with federal and local government bodies if there is a justified and legally valid need.

3.1.6 The Company categorically rejects, does everything to halt and will put a stop to such phenomena as corruption, commercial bribery, fraud and money-laundering.

3.1.7 In order to respond rapidly and effectively to such situations, the Company has set up a variety of communications channels. Any employee of the Company may and must, at any time of the day or night, by telephone or Internet, notify the Company of any of the above by the following means:



by Whistleblower Hotline:  
8-800-700-8072 (you may ring free of charge, from anywhere in the country, round the clock);



by e-mail: [8072@tmk-group.com](mailto:8072@tmk-group.com)  
(you may send the notification from any e-mail address);



by post to: 105062, Moscow,  
Pokrovka St., d. 40, bldg. 2A,  
Hotline.

### 3.2 Fighting corruption

3.2.1 The Company has established and maintains a Zero Tolerance attitude toward corrupt behaviour.

3.2.2 Corruption includes more than bribery. By corruption, the Company also means such actions as: abuse of official position, giving and receiving bribes, abuse of powers, commercial bribery, other unlawful use by an individual of their official position to the detriment of the legitimate interests of the Company, society and the state for the purpose of obtaining benefits in the form of money, valuables, other property or services

of a property nature, other property rights for themselves or third parties, or unlawful provision of such benefits to the given person by other individuals.

3.2.3 The Company will not accept exertion of any forms of unlawful pressure on decisions of government bodies, commercial entities or their officials, including bribery, offering of unpermitted gifts, hiring of relatives of such persons, charitable or sponsorship assistance at the request of persons taking a decision in which the Company has a vested interest.

3.2.4 On the basis of reciprocity, the Company co-operates with authorised bodies, partners and clients in fighting corruption in order to:

- establish those suspected (accused) of corruption, their location and the location of others involved in corruption offences;
- identify property received through corruption or used for committing such offences;
- exchange information on fighting corruption;
- co-ordinate activities to prevent and fight corruption.

3.2.5 The Company's main methods for fighting corruption:

- a unified Company policy for fighting corruption;
- anti-corruption expert assessment of administrative, regulatory and contractual documents, including when they are being drafted and negotiated;
- qualifications required in officials and candidates for management positions in the Company;
- introduction in HR work of rules under which consistent, irreproachable and effective performance of official duties must be taken into account for promotion and incentive purposes;
- a mechanism for TMK Group enterprises to collaborate with government bodies, outside organisations and individuals in fighting corruption;
- administrative and other measures for engaging Company employees in more actively fighting corruption and fostering a negative attitude in the Company towards corrupt behavior;
- introduction of anti-corruption standards, including within the Corporate Quality Management System, in internal auditing, economic security, risk management, etc;
- provision for good faith, openness, fair competition and objectivity in placing orders for supplies of goods, performance of work and services, elimination of unjustified prohibitions and restrictions, especially in the economic field;
- better use of the Company's property and resources, improved procedures for transferring rights to use and dispose of such property.

3.2.6 If a Company employee is prompted to commit a corruption offence, they should refuse to perform any actions leading to such an offence being committed and shall immediately notify their line manager and the Company's Compliance Risk Committee about the situation.

### 3.3 **Fighting money-laundering**

3.3.1 Money-laundering is understood as a process by which individuals or groups of people attempt to conceal criminally derived proceeds and create the impression that they have been obtained legally and activities are being performed legally, too.

3.3.2 The Company abides strictly by all laws and international standards prohibiting money-laundering and financing of unlawful activities.

3.3.3 As an employee of the Company, you must always be sure that you are co-operating with reliable partners, suppliers and clients, that this co-operation serves legal ends and is performed by legally derived means (cash and others).

3.3.4 Should you have any suspicion that you or the Company has witnessed or participated in money-laundering activities, you must notify your line manager and the Company Compliance Risk Committee immediately.

### 3.4 **Business gifts and business hospitality policy**

3.4.1 In order for the Company to maintain proper and friendly relation with existing and potential business partners in accordance with business ethics, the Company establishes rules for accepting/giving gifts and holding events.

3.4.2 If a business gift is addressed to a Company employee, it may be accepted provided the giver is not interested in performance or otherwise of any specific job-related actions by the said employee.

3.4.3 A business gift may be given to a business partner by a Company employee provided the said employee and/or the Company is not interested in performance or otherwise of any specific actions on the part of the recipient related to the latter's participation in deals between the Company and counterparties (buyers, contractors, suppliers, etc.).

3.4.4 Whether a gift, either given or received, is appropriate or permissible depends on its value, which should be determined on the basis of it being reasonable.

3.4.5 Business gifts from Company representatives or business partners are permissible if their purpose is to establish and develop partnership relations between the parties:



- promotional materials (pens, pencils, key-rings, desk-top accessories, diaries, calendars and the like);



- flowers, confectionary and alcoholic beverages;
- invitations to public events (concerts, presentations, sporting events, performances);



- honorary awards and/or titles.

3.4.6 An inappropriate gift received by a Company employee must be politely returned, with an explanation for its refusal. A gift must also be returned if it is of an indeterminable, clearly unreasonably high value.

3.4.7 The following gifts or services may not be accepted/given on a free-of-charge basis or on more preferential terms than officially established:



- cash;



- jewellery;
- performance of work or services;



- transfer of property, including securities and property rights;
- provision of guarantees, including granting of suretyships;



- extension of loans, credit;
- payment for entertainment, leisure pursuits.

3.4.8 Business hospitality is understood as various types of entertainment, including business breakfasts, lunches and dinners at the Company's expense or offered to Company employees by business partners.

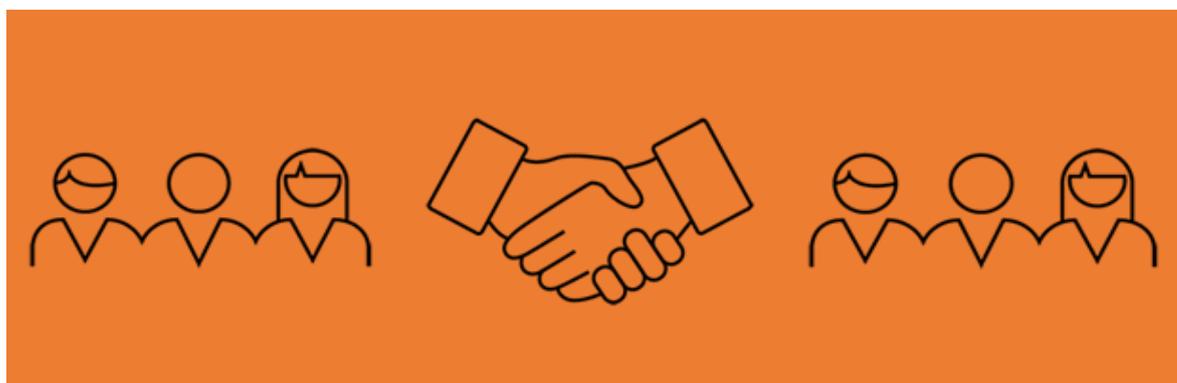
3.4.9 The Company's policy regarding business hospitality is that it should not give rise to any reciprocal obligations on the part of the person invited to the event and/or undermine the objectivity of their business judgement or decisions.

3.4.10 Business hospitality in relations between business partners and counterparties of the Company, on the one hand, and family members of a Company employee, on the other, is covered by the above rules if such business hospitality might affect the objectivity of business decision-making.

3.4.11 A Company employee that organises or is invited to hospitality events is prohibited from participating in the hospitality events if they are: a) unlawful; b) might be perceived by the participants and/or other people as bribery or commercial bribery, that is, as an emolument for a service or an attempt to influence the participant; c) might go against civil ethics and public morality.

3.4.12 Should a Company employee have questions or doubts about the possibility or appropriateness of accepting a gift from or giving a gift to a business partner or as to whether their actions in relation to organising or attending specific events are lawful or ethical, they should consult their line manager before taking any actions.

3.4.13 If it is established that Company employees have breached the above rules on giving or receiving gifts and business hospitality, they may be held liable under the current legislation, Company policies and by-laws.





#### YOU SHALL:

- ✓ *Know and abide strictly by the Company's rules and procedures for fighting corruption and money-laundering as well rules and procedures in relation to business events and gifts*
- ✓ *Observe the Company's rules for verifying the integrity of partners*
- ✓ *Openly declare any doubts you might have*



#### YOU SHALL NEVER:

- ✗ *Give bribes, promise "kick-backs", grant unlawful advantages or perform any other actions to influence business decision-making*
- ✗ *Take part in laundering criminally or otherwise unlawfully derived proceeds*
- ✗ *Close your eyes to corruption, money-laundering or attempts to bypass Company procedures*

### 3.5 Company charity policy

- 3.5.1 The Company has an extremely positive attitude toward charitable works and supports any and all participation in such activities. Even so, it should be remembered that charity must have nothing to do with pressuring or inciting to act in the Company's interests.
- 3.5.2 The Company may donate cash, property, property and non-property rights to legal entities and individuals only in the form of donations in compliance with the current legislation and the Company's Donations Policy.
- 3.5.3 Donations may be made only for socially beneficial purposes.
- 3.5.4 Donations may be made to individuals, medical, teaching, sports, social security, charitable, educational, scientific and other such institutions, foundations, museums and other cultural institutions, social and religious organisations, and other not-for-profit organisations in compliance with the laws of the Russian Federation, constituent entities of the Russian Federation and municipal regulations.



*For more detail on the Company's policy regarding donations, see the Donations Policy.*



### YOU SHALL:

- ✓ Know and abide strictly by the Company's health and safety rules and procedures
- ✓ Perform work for which you have been trained and provided with all the requisite tools and individual protective gear
- ✓ Notify the Company management promptly of any situations jeopardising people's life and health and, if possible, remedy the dangerous situation



### YOU SHALL NEVER:

- ✗ Work if you are ill and this prevents you from performing your job duties properly and safely, or under the influence of alcohol, drugs or medicines
- ✗ In your work, breach the health and safety rules because you think you will "get away with it", it is "not crucial", or you will "just do it quickly", or for any other reasons running counter to the safety requirements
- ✗ **Close your eyes** to other employees breaking the health and safety regulations

## SAFETY AND SECURITY

The Company maintains a high standard of safety and security in three spheres:

- personal safety of employees;
- safeguarding of Company property against theft;
- security of confidential information and personal data.

### 4.1 Access to the Company's territory

4.1.1 Only authorised persons may enter the territory of the Company, its plants and offices and they may be subject to special entry and exit checks. An authorisation is required to remove any items other than personal property of employees. The Company reserves the right to inspect car boots, parcels and bags in the employee's presence and at any time.

4.1.2 When new employees start work, they are issued personal entry passes. Each employee is responsible for keeping the pass safe and, should it be lost, they must notify the authorised Company officer immediately.

### 4.2 Health and safety

4.2.1 It is a Company top priority to provide safe working conditions. Violation of the health and safety rules would seriously and irreparably damage the Company and its image and would be detrimental to its employees. So the Company views even the most trivial breach of the health and safety rules as a substantial breach of labour discipline and imposes the maximum sanctions under the law.

4.2.2 All employees must abide strictly by all the applicable health and safety rules and regulations under the current legislation, as well as the Company policies.

4.2.3 Employees who break the health and safety rules may be held disciplinarily liable, up to and including by being fired, and have any other liability under the law imposed on them, irrespective of their position or years of service in the Company.



For more detail on the Company's health and safety policy, see the Company's applicable policies.

#### 4.3 Use and safekeeping of Company property



##### YOU SHALL:

- ✓ Use Company property as efficiently as possible
- ✓ Handle with care Company property and the property of third parties located at the Company



##### YOU SHALL NEVER:

- ✗ Use Company property (including tools and stocks) for personal ends
- ✗ Remove Company property for personal use or hand it over to third parties.  
Remember: "to remove from work for yourself", "to make off with", "to borrow" or "take because it will come in useful at home" are all **theft!**

4.3.1 In order for the Company to be able to fulfil its obligations to shareholders and employees, all the structural subdivisions must strive for success, dynamic development and protection against potential risks.

4.3.2 All Company employees and officials must use any Company property efficiently, rationally and only for official purposes. It is strictly prohibited to use the Company's property or resources for personal ends.

4.3.3 Each and every employee must, to the best of their abilities, ensure safekeeping of Company property and that of third parties on Company premises, make reasonable and careful use of such property, no matter where it might be.

4.3.4 Theft (including petty theft) of any Company property, irrespective of what it is worth (including output, materials, stock, etc.) is against the law and offenders will be persecuted by the Company as established by law. An employee found guilty of theft may be held disciplinarily liable (including by being fired) or otherwise liable (including criminally) irrespective of their position or years of service in the Company.

#### 4.4 Information security



##### YOU SHALL:

- ✓ Reliably and carefully protect official information and documents against disclosure to unauthorised persons
- ✓ Warn colleagues and subordinates against making careless use of confidential information
- ✓ If you become aware of any inappropriate storage of confidential information or its disclosure or unlawful use, promptly notify the Company management

4.4.1 The Company is very serious about ensuring security of confidential information, takes the measures needed to restrict access to such information by unauthorised persons and steps for physical and electronic protection of commercial and other secret information, production secrets, personal data and other confidential information.

4.4.2 Information security within the Company is based on:

- determining the categories of information to be secured;
- determining critically important software subject to special protection;
- modelling threats to the Company's information security;
- implementing organisational, administrative and technical measures to protect



**YOU SHALL NEVER:**

- × Use official information for personal ends or disclose it to third parties*
- × Be negligent or careless in storing confidential or official information*
- × Somehow obtain access to information you are not authorized to access*

information in the information security management system;

- adopting and ensuring that all employees fulfil Company policies relating to information security.

4.4.3 All information used (generated) by Company employees in their work belongs to the Company.

4.4.4 Within the scope of their work, employees of the Company might gain access to confidential information intended only for internal use. This could, for instance, be information about incomes, prices and transactions entered into by the Company and its shareholders, forecasts, business plans and strategies, research data, information about development of new products, production secrets, personal data of other employees and shareholders of the Company and other such information.

4.4.5 Employees working with any information they gain in doing their jobs must assume it is confidential and not to be disclosed unless the Company expressly states that it is for public consumption or publishes it.

**THE BASIC RULE:**

**“DISCLOSURE OF EVERYTHING IS PROHIBITED UNLESS EXPRESSLY PERMITTED”.**

4.4.6 Each and every employee must always take reasonable and necessary measures to protect Company information. Employees must carefully protect confidential information, not disclose it to third parties (including relatives and friends), or colleagues whose jobs do not grant them sanctioned independent access to the given confidential information. Employees are also prohibited from using any confidential information they gain for personal ends or in the interests of any third parties.



*For more detail about the Company's information security policy, see the Company's Information Security Policy and Insider Information Policy.*

## CODE OF ETHICS ENFORCEMENT

### 5.1 Mandatory nature of the Code and liability for breaches

5.1.1 The success of the Company's business, stable development, provision for the interests of shareholders and employees depend directly on all employees and the management of the Company abiding strictly by this Code of Ethics.



#### YOU SHALL:

- ✓ *Strictly observe this Code*
- ✓ *Read and abide unconditionally by the Company's Articles of Association and policies*
- ✓ *Immediately notify the Company of all and any breaches of the Code, the Articles of Association and policies coming to your attention*
- ✓ *Assist the Company in conducting internal investigations*

5.1.2 Failure to observe the Code might have serious consequences for both the Company and its shareholders, as well as its employees. So failure to observe or duly observe the Code is totally unacceptable and entails liability (disciplinary, administrative, criminal) under the law.

### 5.2 Notification of Code breaches

5.2.1 All Company employees, irrespective of their position and competence, must notify the Company immediately of any and all breaches of this Code and unlawful actions. Information about any breaches of the Code committed or clearly intended and about failure to comply with its requirements must be furnished to the Company's Risk Compliance Committee.

5.2.2 The Company does not investigate anonymous notifications of breaches of this Code. At the same time, the Company ensures that the whistleblower's details are kept confidential. The Company also guarantees that a whistleblower notifying of Code breaches will be protected by the Company against any persecution (including any discrimination or harassment).

5.2.3 Failure to notify or notify promptly of any breaches of this Code and the Company's policies and/or of unlawful conduct might have serious consequences for the Company's property and reputation, and entail officials being held liable under the law.



#### YOU SHALL NEVER:

- ✗ *Violate the Code or disregard its individual provisions*
- ✗ *Sabotage or otherwise impede internal investigations conducted by the Company*

### 5.3 Internal investigations

- 5.3.1 All employees, irrespective of their position and competence, must assist the Company in conducting internal investigations, provide any verbal and written explanations requested, produce for inspection Company property provided to the employee for performing their job duties (PC, laptop, telephone, documents and materials, etc.), and must observe the access and on-site regime on the Company's territory.





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