



Interpipe Report

for the

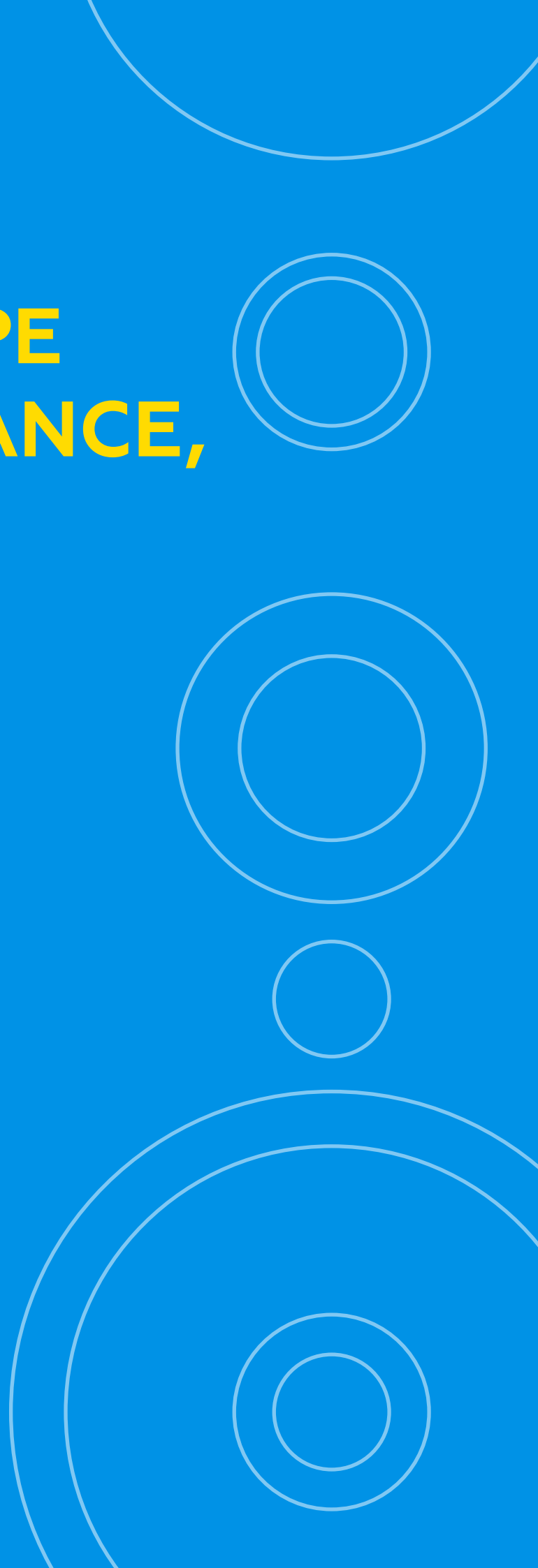
United Nations Global
Compact on the
results achieved and
progress in 2021

TABLE OF CONTENTS

1.	INTERPIPE AT A GLANCE, 2021	2
2.	ABOUT INTERPIPE	5
2.1	Financial and operational results	12
2.2	Corporate governance	12
2.3	Interpipe management	15
3.	INTERPIPE GLOBAL RESPONSIBILITY	17
4.	HUMAN RIGHTS AND EMPLOYEE'S DEVELOPMENT	19
4.1	Protecting Human Rights and Promoting Diversity	20
4.2	Professional Development and Support of Interpipe Employees	22
4.3	Ethics Alert Procedure	24
5.	HEALTH AND SAFETY	26
5.1	Interpipe Health and Safety Policy	27
5.2	Contractors' Health and Safety Requirements	28
5.3	Occupational Health and Safety Performance	28
6.	ENVIRONMENTAL PROTECTION	30
6.1	Environmental Management	31
7.	ANTI-CORRUPTION AND BUSINESS ETHICS	37
7.1	Interpipe Code of Ethics	38
7.2	Interpipe Anti-corruption Policy	39
7.3	Anti-competitive behaviour	40
7.4	Information Security	40
7.5	Internal Audits	42
8.	RESPONSIBLE PURCHASING	43
8.1	Cooperation with Suppliers	45
8.2	ESG Practices of Suppliers	45
8.3	Work with Buyers	46
8.4	Raw Materials	46
9.	SUPPORT FOR LOCAL COMMUNITIES	47
9.1	Investing in Infrastructure Development	48
9.2	Engineering Development and Popularization of Technical Education	49
9.3	Supporting a Healthy Lifestyle	51
	Annex 1 – Data on Personnel Structure and Injury Rates	53

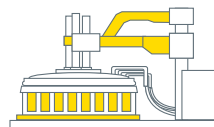
1

**INTERPIPE
AT A GLANCE,
2021**





#1 producer of seamless pipes and railway wheels and wheelsets in Ukraine



**Newly built Electric Arc Furnace (EAF)
1.32 mln tons
annual capacity of
steel production**



**TOP-5 manufacturer of
railway wheels in the world
TOP-3 exporter of railway
wheels in the world**



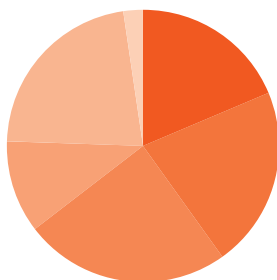
**Sales geography
comprising more than
70 countries of
the world**



**TOP-10 seamless pipe
producer in the world**

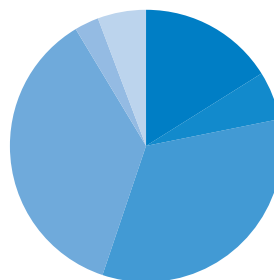
SALES

**Pipe Sales by region,
th. tons**



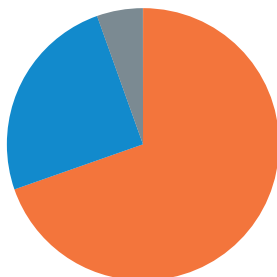
- Ukraine – 112
- America – 129
- Europe – 147
- CIS – 66
- MENA – 133
- Rest of world – 14

**Wheel sales by region,
th. tons**

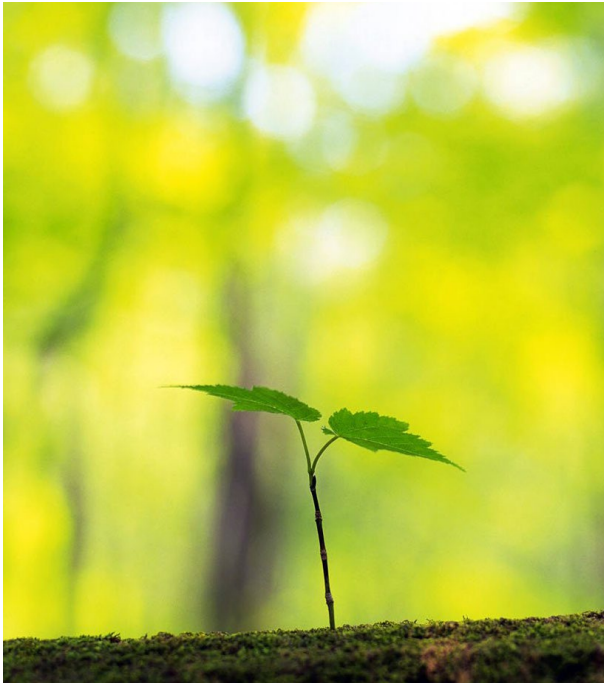


- Ukraine – 28
- America – 10
- Europe – 58
- CIS – 63
- MENA – 5
- Rest of world – 10

**Revenue by segment,
USD mln**



- Pipes – 789
- Railway products – 282
- Steel & Other – 62



ECOLOGY & LOCAL COMMUNITIES



**UAH 157.9 million
for environmental
improvements at plants**



**USD 10 million to support
Ukrainian hospitals in the
fight against COVID-19**
(in cooperation with
Olena and Victor Pinchuk
Foundations)



**UAH 2.7 million
to build up-to-date
educational technical
laboratories**

PERSONNEL



**6 268 employees underwent
professional training**



38% of personnel – female



**UAH 86.6 million for anti-epidemic
measures at Interpipe production
facilities**



**21% of women in the top
management, 31% of women
in the middle management**

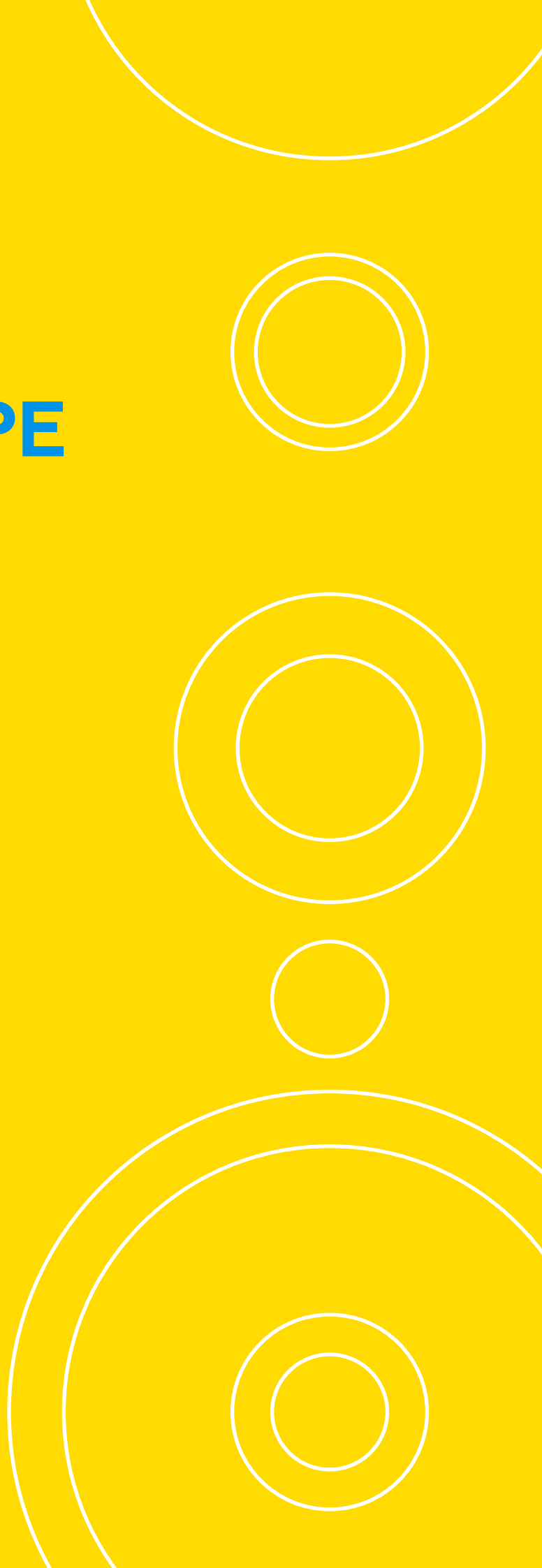


**0.65 LTIFR (Lost Time Injury
Frequency Rate)**



2

ABOUT INTERPIPE



Interpipe is a vertically integrated manufacturer of steel pipes, railway wheels and steel billets based in Ukraine. The company is among the TOP-10 seamless pipe producers in the world, TOP-5 manufacturers and TOP-3 exporters of railway products in the world.

Interpipe business comprises three major divisions – pipes (“Pipe Products”), railway wheels (“Railway Products”) and steel (“Steel”):

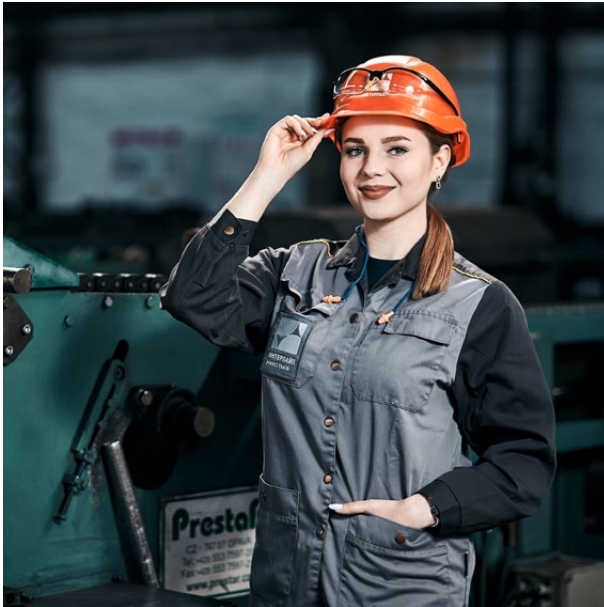
- **Pipe Products:** specializes in the production of a wide range of seamless and welded pipes for use in the oil and gas industry, machine- and shipbuilding, chemical and petrochemical industries, power generation, automotive, construction, aviation and other industries. Interpipe produces approximately 3,000 different sizes of pipes.
- **Railway Products:** focuses on the production and distribution of an extensive range of wheels, axles and tyres for locomotives, passenger and freight railway transport, as well as subway and city railway transport. Interpipe’s product portfolio comprises more than 250 types of different railway wheels and 80 types of railway tyres.
- **Steel:** collects, processes and melts scrap to supply the Interpipe’s pipe and wheel production with steel billets. Over 95 per cent of the Steel division’s products are delivered as inputs to the other two of Interpipe’s divisions.



In the Pipes division, Interpipe operates three principal production facilities in Ukraine: Interpipe NMPP, Interpipe Niko Tube (Nikopol), Interpipe Niko Tube (Dnipro). Interpipe Niko Tube produces seamless pipes, while Interpipe NMPP concentrates on manufacturing welded pipes.



In the Steel division, Interpipe has in-house steel-making capabilities through Interpipe Steel, a metallurgical plant and the largest electric steel-melting complex for production of round steel billets in Eastern Europe.



In 2012, the company began operating its newly built electric arc furnace ("EAF") which has an annual capacity of 1.32 million tonnes for producing steel billets. Interpipe also operates a scrap processing plant, Interpipe Vtormet, and a network of scrap yards throughout Ukraine which collects and processes scrap to supply the Interpipe's Pipes and Railway Products divisions.

Interpipe Vtormet meets approximately 65 per cent of total Interpipe Steel's demand in scrap.

All Interpipe's production facilities operate in the Dnipropetrovsk region, one of the largest industrial centers in Ukraine.

The total company personnel amounts to around 10 thousand employees.

The company's products are marketed in more than 70 countries. Interpipe sells its pipes to a wide range of end customers, including customers in the oil and gas, construction, aviation, power generation, machine- and ship-building and automotive industries.

Interpipe's customers for its railway wheels products are primarily national railway operators and companies engaged in rolling stock construction or repair. The company supplies its pipes and railway wheels products to a wide range of domestic and international customers located in Ukraine, North America, Europe, the Middle East and the CIS.

Interpipe has a network of sales offices and warehouses located in Ukraine, Germany, Switzerland, Dubai and the United States. In addition to facilitating the distribution of sales to end-customers, Interpipe's network of sales offices also provides a number of customer services, such as third-party liability insurance, third-party inspections and logistical services.

For the year ended 31 December 2021, Interpipe's sales volumes amounted to 615,000 tonnes of steel pipes and 172,000 tonnes of railway wheels, and the Group had total revenues of U.S.\$1,133 million, Adjusted EBITDA of U.S.\$228 million. Pipes accounted for 69 per cent., Railway Wheels accounted for 25 per cent. and Steel accounted for 6 per cent. of the revenues for the year ended 31 December 2021, respectively.



Interpipe is a global player with strong position in its product markets and blue-chip clientele

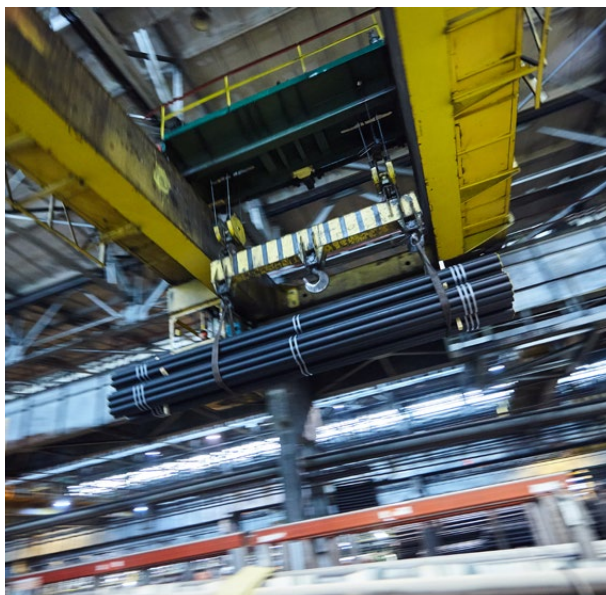
Pipes

In the Pipe Products division, Interpipe produces and distributes 3,000 different sizes of steel pipes: seamless hot-rolled, cold-rolled and cold-drawn pipes and welded pipes of various diameters and wall thickness, which cater for the varying needs of its customers. The company produces seamless oil country tubular goods ("OCTG") casing pipes and tubing and transportation line pipes for the oil and gas industry, as well as seamless industrial and special application pipes for a variety of industrial uses.

For the year ended 31 December 2021, sales in the Pipe Products division comprised 32 per cent. OCTG pipes, 54 per cent. line pipes, 4 per cent. mechanical pipes and 10 per cent. welded pipes.

In 2021, Interpipe was a top-10 exporter of seamless steel pipes globally by sales volume and the number one producer in Ukraine, based on the company's analysis of data from the ISSB and publicly available data.

The market segment for seamless pipes is characterised by a small number of major international producers and high margins relative to welded pipes. The company benefits from established relationships with major multinational oil and gas companies, including ADNOC, SOCAR, Eni, Mitsui, Ukrnafta. As such, Interpipe is able to achieve a meaningful market share in both domestic and international markets, servicing blue-chip clients but not depending on any single client significantly (the share of top-five clients in the Pipes segment represents less than 20 per cent. in total revenue of the Pipe Products division).



The Interpipe's management considers the OCTG market to have significant growth potential. According to Rystad Energy forecast, the global market for OCTG will recover by 20-25 per cent. in the coming years. Major consumption centres will stay in the United States, the CIS and the Middle East. The recovery of oil and fossil consumption and financing of construction projects following the COVID-19 pandemic is expected to further contribute to the recovery of the OCTG pipes market.

The Interpipe's management also believes the Ukrainian OCTG market to have significant growth potential. Key factors driving the potential growth include strategic drilling projects, the residential construction market and industrial and pipeline projects.

As the leading producer of seamless pipes in Ukraine, the company believes it is well positioned to take advantage of future growth in the seamless pipes market, in particular in OCTG pipes, in Ukraine and other key markets.

Interpipe plans to expand its pipe products range, focus on technologically sophisticated high profit margin seamless pipe products and introduce new high-performance pipes ("premium" products), including OCTG pipes with premium and semi-premium connections. By promoting existing premium connections that can better withstand the extreme conditions encountered in high pressure and high temperature environments to its product range, Interpipe believes that it will be able to offer a more attractive product mix to oil and gas companies, command higher prices for such premium products and improve its profit margins. The company intends to increase its OCTG product sales in certain high-growth markets such as the United States, the Middle East and CIS countries like Azerbaijan and Uzbekistan.

As part of its strategic plan, Interpipe plans to increase its share of value-added premium products in total sales. Starting from 2018, the company has invested significant capital into modernizing production equipment and increasing the company's production capacities (the "Investment Plan"), in order to technologically enable Interpipe to focus on market segments with higher margins and stay competitive in the tubular goods and wheels markets. According to this Investment Plan, a new heat treatment line will be built to increase quality and production volume of OCTG pipes with premium connections. In parallel to volume impact, the company continues to expand its premium product portfolio with new OCTG connections, for example Interpipe developed premium connection, UPJ-F.

Wheels

In the Railway Products division, Interpipe offers over 250 different types of railway wheels for freight cars, locomotives and passenger and urban transport cars and approximately 80 different types of railway tyres for locomotives, underground trains and trams. For the year ended 31 December 2021, sales in the Railway Products division comprised 82 per cent. wheels, 3 per cent. axles, 14 per cent. wheelsets and 1 per cent. tyres.

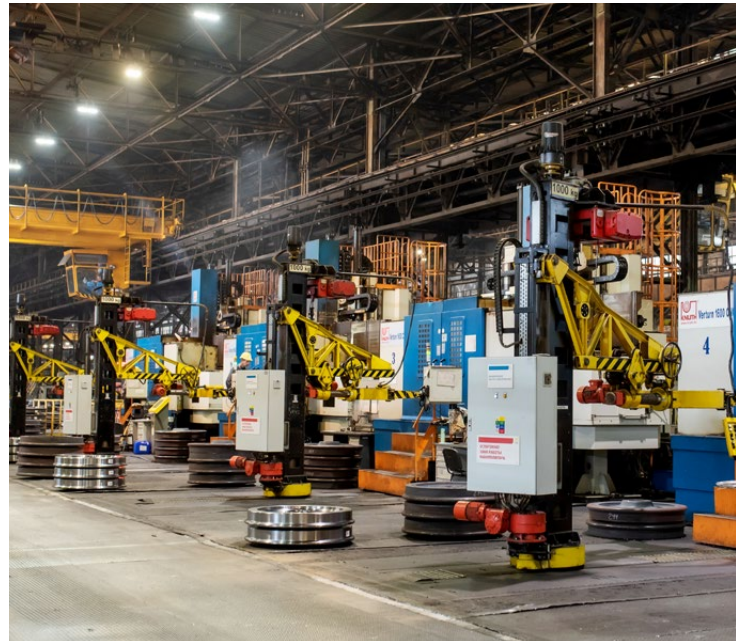
In addition, between 2015 and 2020, Interpipe developed its own production of railway axles and wheelset assembling, which enabled the company to start to supply finished wheelsets to European customers. Since 2020, Interpipe also started wheels sales for high-speed trains in Europe.

The company's management believes that Interpipe has a strong market position in the wheels industry, an infrastructurally critical, stable and attractive infrastructure-oriented industry with high profit margins for cost efficient market players such as Interpipe.

For the year ended 31 December 2021, Interpipe was the leading supplier of railway wheels in the European market (including in the European freight segment), among the top three suppliers of railway wheels in the CIS, and the number one producer of railway wheels in Ukraine in terms of total sales volume, according to the company's estimates.

Demand for railway wheels worldwide is generally stable, driven by regular overhauls of existing rolling stock and by construction of new rolling stock. Interpipe's ability to produce various sizes of wheels in a short time frame allows it to adjust to demand for railway wheels in the local markets and to capture the peak demand levels providing an attractive and stable revenue stream.

The company's management considers the Ukrainian wheels market to have significant growth potential. In 2019, the Ukrainian railway wheels market was bolstered by strong railcar manufacturing, driven by the domestic deficit in freight railcars and export sales and increasing demand volumes from private customers. The age of Ukrainian rolling stock also supports growth potential in the Ukrainian wheels market. According to State Enterprise "Ukrainian Industry Expertise" ("UIE"), given the current age of Ukrainian rolling stock, 68 per cent. of wagons will be written off in the coming five to six years. Interpipe thus expects growing demand for wheels from Ukrainian wagon-builders in the near future and the company believes it is well positioned to take advantage of future growth in the Ukrainian wheels market.



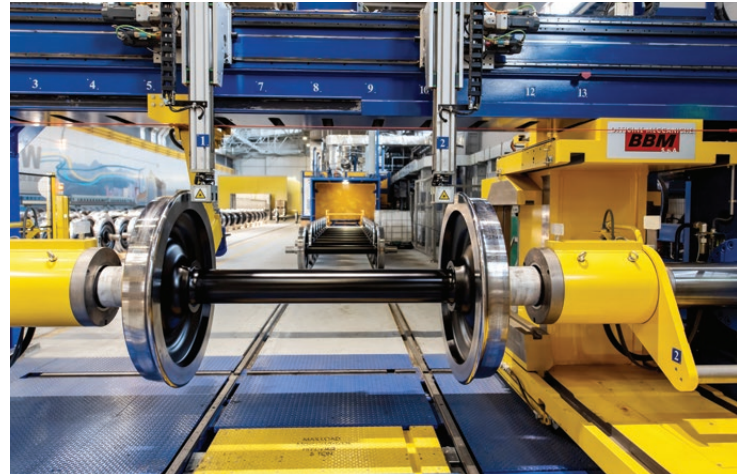
Interpipe intends to focus on growth opportunities in the wheels markets in North America, Europe and Asia, while maintaining its leading position in the Ukrainian and CIS wheels markets.

In its Railway Products division, Interpipe intends to continue to capitalize on its advantageous cost position, strong sales offices network, existing product certifications and history of supplies to all major markets in order to increase its sales to customers in domestic and global markets. Given Russia's ban on import of railway wheels from Ukraine in 2021, Interpipe is diversifying its railway products to shift the focus of its key markets from Russia to other countries in the Eurasian Economic Union, Ukraine and the higher growth and more technologically advanced markets in Europe, Asia and North America. In particular, by enhancing its inhouse axle production and wheelset assembling capacities, Interpipe believes that it can better access the growing passenger and high-speed markets in Europe and Asia.

Interpipe also expands the finishing capacities of its Railway Products division by investing in new wheel and axles processing, as well as wheelsets assembling. Such projects aim to increase capacities and expand the product range to include more value-added products. By enhancing its inhouse axle production and wheelset assembling capacities, Interpipe believes it will be better positioned to enter into the high-speed markets of Europe and Asia as well as expand its presence in the European passenger and Electric Multiple Unit/Diesel Multiple Unit wheels segments, as well as the United States railway market. In addition, Interpipe aims to build a new heat-treatment department for wheels in order to meet a future shift of technical requirements in passenger and high-speed segments.

Interpipe has resilient market position supported by strong barriers to entry in key product markets. Both the pipes and railway wheels markets are characterised by high barriers to entry with production processes that are capital-intensive and involve high technological sophistication.

The complex production processes require experienced workers and engineers to ensure safe and efficient production. In addition, these markets depend on close relationships with steel billet suppliers; via Interpipe Steel, the company meets almost all of its own needs for steel billets.



Interpipe passed successful business transformation leading to robust geographical and product diversification

The company has gone through a substantial business transformation since 2015, which has allowed it to achieve a robust geographical and product diversification. Key pillars of its transformation include redirecting sales to the most attractive markets, investing in new production lines for producing more value-add products and optimising costs.

The company has established a global footprint with sales to approximately 700 customers in over 70 countries. Due to political and economic circumstances Interpipe successfully implemented its effort in redirecting pipe sales from the Customs Union and Russian markets particularly, focusing on the most attractive markets.

Out of the total Pipes sales for the year ended 31 December 2021, Europe accounted for 24 per cent., the Middle East and North Africa region ("MENA") accounted for 19 per cent., the America region accounted for 21 per cent., the CIS countries accounted for 11 per cent.

Out of the total Railway Wheels revenues for the year ended 31 December 2021, Europe accounted for 33 per cent., other CIS countries accounted for 36 per cent., MENA accounted for 2 per cent., and the America region for 6 per cent.

Interpipe maintains a network of sales offices and warehouses located in Ukraine, Germany, Switzerland, Dubai and the United States serving regions it considers attractive from a growth perspective given either strong expected demand growth in the region or potential for increasing market share.

The company supplies its pipes and railway wheels products to international customers in a wide range of end markets. Interpipe's pipe customers operate in industries including oil and gas, machinery and ship building, chemical and petrochemical, power generation, aviation, automotive and construction. Interpipe's railway wheels customers are primarily national railway operators and companies engaged in rolling stock construction or repair.



The strong point is the vertical integration that secures cost control and global competitive advantage

Interpipe is a vertically integrated pipe and wheel producer. In particular, the company meets almost all of its own needs for steel billets via Interpipe Steel and scrap through in-house production and collection via Interpipe Vtormet and the company's network of scrap collection yards.

Interpipe Steel operates an electric arc furnace metallurgical plant – the largest electric steel-melting complex for production of round steel billets in Eastern Europe. In 2021, Interpipe Steel produced 972 thousand tonnes of steel products, supplying it for the production of seamless pipes and railway wheels.

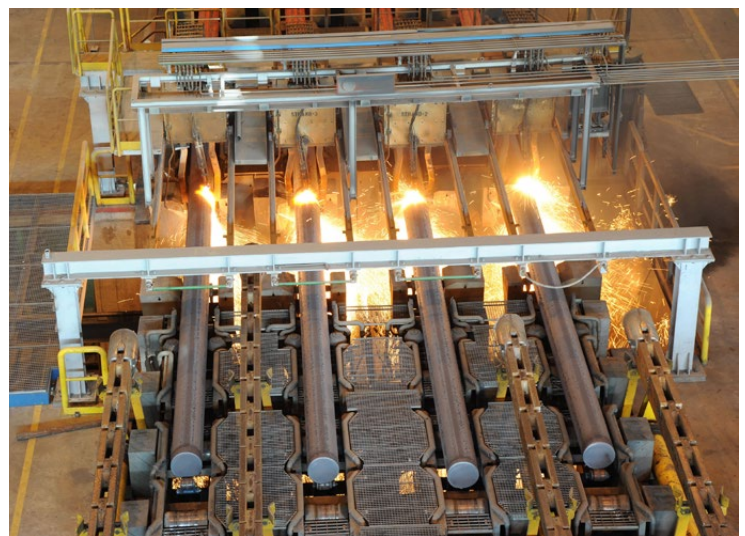
Interpipe's EAF is one of the most modern and efficient EAFs in Europe. EAF production is powered by electricity, which is cheaper than natural gas used in open-hearth furnaces and reduces the cost of energy used for steel production. In addition, EAF production generates lower CO2 emission levels compared to the industry average. For example, when compared to a Soviet open-hearth furnace, EAFs reduced CO2 emissions by a ten-fold decrease and natural gas consumption by an eight-fold decrease. As a result, Interpipe Steel's current CO2 emission is lower than the EU regulatory requirements for steel-makers currently expected for 2050.

Interpipe believes its use of the ecologically clean EAF steel production method will benefit its sales in EU countries in the mid-term.

Interpipe also collects and processes scrap through Interpipe Vtormet and its specialized network of

scrap collection yards in different regions of Ukraine to supply its pipes and wheels production.

Having internal steel-making capabilities enables Interpipe to have a greater degree of control over the quality of the steel used in its pipe and wheel making operations and enables Interpipe to meet current and prospective individual customer requirements in terms of the specific composition and properties of its products. Interpipe's own scrap collection network ensures control over input prices and maintains a balance of bargaining power against scrap distributors and suppliers. With its in-house steel production, Interpipe is able to achieve security of supply and cost advantages by reducing the amount of semi-finished steel products purchased from third-party manufacturers.



Interpipe continuously follows the path to ESG leadership

Environmental. Interpipe remains fully committed to the highest standards of environmental protection and implementation of energy efficiency projects. The company operates one of the most modern and efficient EAFs in Europe, which allows Interpipe to meet the best global practices in CO2 emissions.

Social. Interpipe remains committed to ensuring sustainable production activity across its facilities in light of the COVID-19 pandemic providing all employees with anti-Covid vaccine. In 2021, Interpipe contributed over UAH 3 billion in taxes (including CIT) and duties to the state budgets of all levels and extra-budgetary funds.

Leadership. Members of Interpipe's senior management team combine strong commercial, tech-

nical and managerial skills and have been with the business on average for 17 years. Recent additions to senior management bring an international perspective paired with experience from previous work in leading consulting and audit companies such as McKinsey & Co., the Boston Consulting Group and Ernst & Young. Interpipe also has experienced specialists in production and marketing from leading international metals and industrial goods companies. The company has instituted best practice corporate governance and currently three of the eight members of its board of directors are independent non-executive directors with strong and recognized experience.

Compliance. In February 2022 the company has appointed the Compliance Officer to develop the compliance programs and functions in accordance to the best market practices and applicable laws. Since then, the intensive work is being done to achieve those goals.

2.1

FINANCIAL AND OPERATIONAL RESULTS

	Unit	2016	2017	2018	2019	2020	2021
Steel production	thousand tons	617	850	973	855	758	972
Railway product production	thousand tons	112	175	187	208	190	172
Pipe production	thousand tons	445	587	677	587	464	615
Revenue	million US dollars	507	806	1,074	1,122	865	1,133
EBITDA*	million US dollars	46	120	158	259	273	228
EBITDA margin	%	9%	15%	15%	23%	32%	20%
Capex**	million US dollars	38	43	44	60	44	63
Free cash flow***	million US dollars	8	41	66	133	121	-2

* EBITDA is calculated as operating profit or (loss) plus depreciation and amortisation charge, plus impairment of property, plant, equipment and intangible asset, plus loss / (gain) on disposal of property, plant and equipment, plus foreign exchange cash flow hedges effect, plus extraordinary losses / (gains) and plus operating foreign exchange gain/(loss).

** Capex figure represents line Purchases of property, plant and equipment and intangible assets as part of net cash flow from investing activities.

*** Free Cash Flow is calculated as net cash flow from operating activities less net cash flow from investing activities (excluding non-recurring items).

2.2

CORPORATE GOVERNANCE

The corporate governance structure of Interpipe is comprised of the Board of Directors. The members of the Group's Board of Directors are:

- **Fadi Hraibi, Chief Executive Officer and Chairman**
- **Iuliia Chebotarova, Non-Executive Director**
- **Ganna Khomenko, Non-Executive Director**
- **Oleksandr Kirichko, Non-Executive Director**
- **Yakiv Konstantynivskyi, Non-Executive Director**
- **Philippe Bideau, Independent Non-Executive Director**
- **Fiona Jane Mary Paulus, Independent Non-Executive Director**
- **Thomas Myer Kearney, Independent Non-Executive Director**

Fadi Hraibi joined Interpipe as CEO in October 2016 until January 2021 and was reappointed as CEO in February 2021. As of the end of 2021 Mr. Hraibi holds the position of Chairman of the Board of Directors. Mr. Hraibi has extensive experience in managing industrial companies. Before his appointment as the Chief Executive Officer of Interpipe, Mr. Hraibi held the position of Senior Vice President at Argo Investment and was the Managing Director of the shipbuilding company Nordic Yards.

Mr. Hraibi's previous positions include Director for Product and Resource Management (operational planning of sales and production, development and implementation of product strategy and product portfolio optimisation) and Chief Commercial Officer at Interpipe. Mr Hraibi also worked for the Boston Consulting Group, where he was a Project Leader and led strategy development and operational improvement projects in the industrial goods sector.

Mr. Hraibi has an engineering degree from the American University of Beirut in Lebanon. In 2004, Mr. Hraibi received his Master's Degree in Business Administration from INSEAD Business School in France.

Iuliia Chebotarova joined the Board of Directors in 2012. She also holds a directorship in Geo Alliance Group, a Ukraine-based company engaged in oil, gas and gas condensate exploration, pilot development and production in Ukraine. Ms. Chebotarova is also an Executive Director and Chief Operating Officer of EastOne, a management consulting and advisory company established by Olena and Victor Pinchuk in 2007.

Before joining the Board of Directors, for over 10 years Ms. Chebotarova served as Vice President for Corporate Property for Interpipe Corporation. Her responsibilities during that period included M&A activities and corporate management. Ms. Chebotarova developed management strategies for Interpipe as well as for various companies of machine-building and media sectors.

Ms. Chebotarova also served as a Member of Ukrainian Parliament from 2002 to 2006. Ms. Chebotarova graduated from the faculty of Hydrogeology Engineering from the Dnipropetrovsk National University in 1987, and subsequently obtained qualifications as an economist and financial manager in 2003.

Ganna Khomenko joined the Board of Directors in 2007 as a non-executive Director. She has 20 years of experience in management, consultancy and strategy positions in the legal and finance fields. She was elected to the Board of Directors since inception and has been working closely with the Group since 2009.

Ms. Khomenko is the owner of Fudician Trust (Cyprus) Limited, a licensed trustee and corporate services firm in Cyprus. Prior to this she was the CEO and a member of the Board of Directors of IFG Trust (Cyprus) Limited and also worked in top management positions in large Cyprus law firms. Ms. Khomenko also serves on Boards of Directors of several public companies involved in agrobusiness and construction business in Eastern Europe, where she advises on corporate and compliance matters.

Ms. Khomenko studied International Law in the Institute of International Relations at Kyiv Taras Shevchenko University and continued her academic development in the UK, where she graduated from Keele University with a dual Bachelor's Degree in Law and International Politics. Following that, Ms. Khomenko completed the legal Practice Course (LPC) in Chester, UK. She is a member of the Society of Trust and Estate Practitioners (STEP) and ITPA.

Oleksandr Kirichko joined the Board of Directors in 2007 as an executive Director and was the CEO of Interpipe until 2014. Following a short break, he returned to the Board of Directors in December 2018 as a non-executive Director. Since November 2014 he has also been a member of the Board of KLV-Wheelco SA and Interpipe Europe SA. Before joining the Board of Directors, for over 10 years Mr. Kirichko served as Vice President for Interpipe Corporation. His responsibilities during that period included development of steel pipes and railway wheels business.

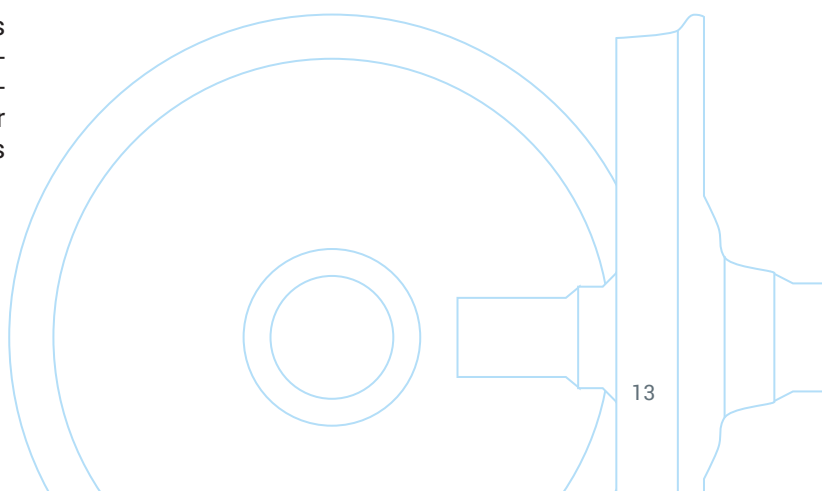
Mr. Kirichko has extensive experience in managing industrial companies, including establishing projects to improve management efficiency, production management in core production facilities of Interpipe with elements of "continuous improvements", 6 Sigma, and developing the first comprehensive strategy for the pipe and wheel business of Interpipe and production optimisation program.

Mr. Kirichko graduated from the Dnipropetrovsk State University in 1991, with a diploma in the specialty of radiophysics and electronics. He attended graduate school for Radio and Quantum Physics and was a researcher of the Department of Microwave Frequencies.

Yakiv Konstantynivskyi joined the Board of Directors in 2011. He is also Director of the Dnipro office of EastOne, a management consulting and advisory company established by Olena and Victor Pinchuk in 2007. For 10 years prior to joining EastOne, Mr. Konstantynivskyi had been running economic security and legal support for the Group. In that role, he managed the development and implementation of the corporate security system and formation of the legal division of the Group.

From 1978 to 1997, Mr. Konstantynivskyi served in law enforcement, and in the later years he held leading positions in the criminal investigation offices of the Ministry of Internal Affairs.

Mr. Konstantynivskyi graduated from the Kharkiv Law Institute in 1981 as a specialist in legal science.



Philippe Bideau joined the Board of Directors in 2016 as an independent director. He is also a Managing Partner of a strategic and financial advisory firm after a 30 year career in International Management Consulting.

Mr. Bideau was Founder and Leader for 10 years of the McKinsey European Operations practice, which currently has more than 350 consultants and lean specialists in Europe. He was also a member of the Leadership of the global McK Metals and Mining Practice for 20 years, the leader of the McK French Industry sector for 10 years, and an advisor to the CEOs of the largest Industrial CAC 40 and Fortune 500 companies on strategy, M&A and operations topics. Previously Mr. Bideau held positions of Director at McKinsey&Co, Managing Partner in Invicem, and Distribution Manager at Hewlett Packard.

Mr. Bideau was educated at Ecole Centrale Paris, with a Master of Science in Industrial Engineering. He also has diplomas from the German Chamber of Commerce, a Master of Science in Electrical Engineering from Supélec and a Master of Science in Economic Systems from Stanford University.

Fiona Jane Mary Paulus joined the Board of Directors in 2019 as a Board Observer and further continued as an independent Director. She is also Managing Director of Redcliffe Advice, an investment and consulting business. In addition, she is building a portfolio of independent board directorships and is currently on the boards of two companies, RHI-Magnesita PLC and Interpipe.

Previously, Mrs. Paulus held the following positions: Head of UK Domestic at Credit Suisse, Head of Investment Banking for Europe, Middle East, Africa & Latin America at CIBC, Head of UK & Nordics Coverage and Investment Banking at Société Générale, Global Head of Energy & Resources (E&R) at ABN AMRO Bank (ABN), Independent Director at Hathaway Pathways, member of the Foreign Investor Council in Kazakhstan (chaired by the President of Kazakhstan), founding Member of ABN AMRO's Global Sustainability Board, founding Member of ABN AMRO's Global Credit Committee, and founding Member of RBS's Risk and Regulatory Capital Committee.

Mrs. Paulus graduated from the University of Durham, UK, with a diploma in economics (higher 2.1) in 1981.

Thomas Myer Kearney joined the Board of Directors in 2019 as a Board Observer and continued as an independent Director. He has also served on the Board of Directors since 2018 at Mriya Farming Plc. He combines the current position of Director with the position of Commissioner at PT Bumi Resources Tbk and Director at T.M. Kearney & Company Limited.

Mr. Kearney has a wealth of experience as a company executive. He has held the following positions as director: PT Bumi Resources Tbk (Indonesia, June 2017 – present), which includes regular participation in investor and shareholder meetings in Europe, North American and Asia and frequent scrutiny of this public company's operations; Mriya Farming Plc (UK, February 2018 – present); T.M. Kearney & Company Limited (UK, January 2012 – present), where he is a founder and managing director of an international energy industry advisory and commodity-broking firm; Bisichi Mining Plc (UK, April 2003 – July 2009), where he was responsible for business development, M&A and coal marketing of listed (full list, LSE) junior miner assets. He was also Executive Director for the company's two South African subsidiaries, Black Wattle Colliery (Pty) Limited (South Africa, November 2004 – July 2009) and Ezimbokodweni Mining (Pty) Limited (South Africa, April 2005 – July 2009).

Mr. Kearney was also a founding member of the global commodity start-up team, managed in-country operations and client relations for the World Bank's power sector lending program, and was an analyst on the World Bank team.

Mr. Kearney has an M.A. in International Relations and Economics from The Johns Hopkins University School of Advanced International Studies and also graduated from Harvard College with a B.A., cum laude, in Slavic Languages and Literatures. In 2001 he endowed the Kearney & Haliv Family Fellowship at the Johns Hopkins School of Advanced International Studies, which is a permanent endowment that provides tuition assistance to students from the former Soviet Union.



The members of the Interpipe's Management are:

- **Fadi Hraibi, Chief Executive Officer**
- **Andrii Korotkov, Deputy Chief Executive Officer**
- **Sergiy Kuz'menko, Chief Financial Officer**
- **Andrii Bibik, Director of Steel Division**
- **Denys Morozov, Director of Pipes Division**
- **Alexandr Garkavij, Director of Railway Products Division**
- **Andrii Lykhomanov, Economic Security Director**
- **Vitalii Pakhomov, Human Resources Director**

Fadi Hraibi joined Interpipe as CEO in October 2016 until January 2021 and was reappointed as CEO in February 2021. As of the end of 2021 Mr. Hraibi holds the position of Chairman of the Board of Directors. Mr. Hraibi has extensive experience in managing industrial companies. Before his appointment as the Chief Executive Officer of Interpipe, Mr. Hraibi held the position of Senior Vice President at Argo Investment and was the Managing Director of the shipbuilding company Nordic Yards.

Mr. Hraibi's previous positions include Director for Product and Resource Management (operational planning of sales and production, development and implementation of product strategy and product portfolio optimisation) and Chief Commercial Officer at Interpipe. Mr. Hraibi also worked for the Boston Consulting Group, where he was a Project Leader and led strategy development and operational improvement projects in the industrial goods sector.

Mr. Hraibi has an engineering degree from the American University of Beirut in Lebanon. In 2004, Mr. Hraibi received his Master's Degree in Business Administration from INSEAD Business School in France.

Andrii Korotkov is responsible for operational and strategic development of the company, as well as the implementation of the production tasks, logistics, procurement, work with personnel and other operational tasks.

Mr. Korotkov has years of experience in managing industrial companies and has been involved in the implementation of large-scale investment and production development projects. He has held managing positions at Interpipe for 17 years – from Pipe Department Manager to Interpipe NTRP Chairman of the Board. Mr. Korotkov also worked as the Managing Director at the Chelyabinsk "Trubodetal" mill (OMK).

Prior to his appointment as Deputy CEO, held the position of Director of the Steel Division of Interpipe.

Andrii Korotkov graduated from Dnipropetrovsk State University in 1990 with a major in Radio Physics.

Sergiy Kuzmenko was appointed as Chief Financial Officer of Interpipe in February 2021.

Mr. Kuzmenko has been working at the company since 2004. Previously he has held positions of Deputy CFO at Interpipe NTRP, Head of Project Management Office of Interpipe NTRP, and CFO of Interpipe NTRP. In 2015 Mr. Kuzmenko was appointed to the position of the Deputy CFO of the company.

Mr. Kuzmenko graduated from the National Metallurgic Academy of Ukraine in 2001 with a Magister's degree in Economics. Mr. Kuzmenko also earned a Global MBA degree from Manchester Business School in 2013.

Andrii Bibik's area of responsibility includes ensuring the operation of Interpipe Steel and Interpipe Vtormet.

Mr. Bibik has been working in Interpipe since 2003. Previously, he held the positions of Pipe Sales Director for the CIS and Ukraine Markets, Commercial Director for the CIS and Ukraine Markets, Sales Director for Mechanical Pipes. Since 2017, he had been in charge of the Procurement and Logistics department of the company. He has been appointed Director of the Steel Division in 2021.

Denys Morozov was appointed as Director of the Pipes Division in December 2021. Mr. Morozov has been working at Interpipe since 2000 and previously served as the company's Deputy CEO, and previously as Chief Financial Officer. Before that he acted as Head of the Budget Division of the Financial and Economic Department of Interpipe.

Mr. Morozov graduated from the Department of Informational Systems in Management at Dnepropetrovsk National University, Ukraine.

Alexandr Garkavij is responsible for the Railway Products Division of Interpipe. Mr. Garkavij has been working for the company since 2014. He previously held positions as the Head of the Wheel Sales Department and as Sales Director for wheel production. Before joining Interpipe, Mr. Garkavij worked at Valdunes for more than five years in the position of Sales Director. In total, Mr. Garkavij has 15 years of experience in the railway industry.

Mr. Garkavij graduated from Malmo University in Sweden in mechanical engineering and later earned an executive MBA degree at EDHEC Business School in France.

Andrii Lykhomanov is responsible for ensuring the economic security of the company, preventing unlawful operations and guaranteeing Interpipe's external business safety.

Previously, Mr. Lykhomanov held identical positions at Interpipe Niko Tube and Nikopol South Steel Plant and for a long time worked at a domestic affairs agency.

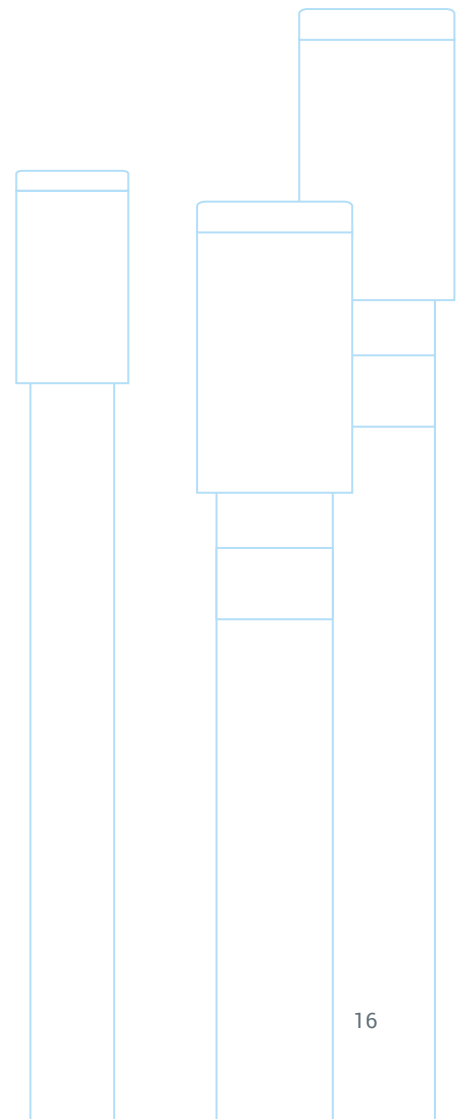
Mr. Lykhomanov has a higher education degree in law. In 2008, Mr. Lykhomanov received an MBA degree from Rasmus in Holland.



Vitalii Pakhomov is responsible for HR management at the company. He was appointed to the post in 2021.

Mr. Pakhomov has over 20 years of experience in HR management in large manufacturing companies. Since 2019 until joining Interpipe, Vitaly held the position of HR Director of the state concern Ukroboronprom. In addition, for more than 10 years, Mr. Pakhomov was in charge of HR services at the assets of Metinvest: Severny GOK, Yuzhny GOK, Central GOK and Kryvyi Rih Mining Equipment Plant.

In 1999, Vitaly Pakhomov received a diploma from the Kiev National Economic University in the direction of Marketing. In addition, he graduated from the British Open University (Great Britain) with a degree in Management, received an MBA from Link International Institute of Management (Russia), graduated from the York University Business School (Canada) and the Human Resources program at Brandon University (University of Manitoba, Canada).



3

**INTERPIPE
GLOBAL
RESPONSIBILITY**

Interpipe supports global sustainable development and fully adheres to the principles of the United Nations Global Compact.



Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2: Business should make sure that they are not complicit in human rights abuses.



Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: Businesses should promote the elimination of forced or compulsory labor.
- Principle 5: Businesses should promote the effective abolition of child labor.
- Principle 6: Businesses should promote the elimination of discrimination in respect of employment and occupation.



Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges.
- Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.



Anti-corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



4

HUMAN RIGHTS AND EMPLOYEE'S DEVELOPMENT

PROTECTING HUMAN RIGHTS AND PROMOTING DIVERSITY

Interpipe advocates the elimination of all forms of discrimination, promotion of diversity, equal opportunities, and equal treatment for all employees. The company supports and respects the protection of internationally proclaimed human rights and fights against discrimination of any kind throughout our supply chain and in society at large. The principles and approaches enshrined in the Code of Ethics, the Charter of Equality, Diversity, and Inclusion, the Charter for Responsible Procurement, and other Company policies are the guidelines in this sphere.

Interpipe and its suppliers undertake not to discriminate between people based on their age, gender, religious beliefs, political beliefs, social or ethnic origin, sexual orientation or identity, disability, marital status, nationality, or appearance.

Interpipe does not tolerate any child, forced, or illegal labor. Our partners and suppliers also undertake not to use any child, forced, or hidden labor and to work exclusively in accordance with the current legislation of the countries where they operate.

The company regularly informs its contractors about the principles of non-discrimination and support for diversity, which it adheres to. Counterparties can become familiarized with the relevant policies on the Interpipe corporate website (ESG/Management & Ethics: https://interpipe.biz/en/esg/governance_and_ethics/code_of_ethics). These clauses are mandatory in contracts for execution of procurement procedures. The company also periodically conducts supplier audits, including in relation to compliance with labor laws and the creation of a healthy work environment.



Interpipe Equality, Diversity, and Inclusion Charter

The company is committed to:

- the prevention of all forms of discrimination;
- the implementation of an approach favoring the diversity; and
- the promotion of equal employment opportunities and equal treatment.

To demonstrate Interpipe's commitment to cultural, ethnic, and social diversity, the company has developed and introduced the Interpipe Equality, Diversity, and Inclusion Charter. Through it, we are implementing a human resources management policy focused on the recognition and development of individual skills. The provisions of this Charter are communicated to all Interpipe employees and distributed among our customers, suppliers, and partners.

In accordance with this Charter, the company is committed to:

1. Educate and train: we raise awareness and train our managers and employees involved in recruitment, training and career management on the issues of non-discrimination and diversity in order to eliminate any possible prejudices and reticence with a view to promoting the integration of all. This awareness must be permanent. A diversity policy requires the involvement of employees to drive change. We aim at keeping the workplace free from all forms of discrimination, harassment, and value mutual respect and the principles of equal treatment.

2. Objectivize our processes by respecting and promoting the application of the principle of non-discrimination in all its forms and in all stages of human resources management, including hiring, training, promotion and career advancement. The respect of the principle of non-discrimination implies that each employee is assured of equal treatment and consideration. We are also committed to promoting a balance between work, family and leisure time, with a harmonization of professional life with the family and personal life of employees.

3. Recruit and promote differently: we seek to provide a fair reflection of the diversity of Ukrainian society among our staff, including its cultural and ethnic diversity, at all levels of qualification and hierarchy. We promote the integration of people with different profiles at all levels of the organization without distinction of gender, sexual orientation, race, nationality, ethnic origin, religion, convictions, age, disability. We aim to maintain and enhance a diverse working environment.

4. Communicate internally and externally our commitment to all our employees as well as our customers, partners and suppliers, in order to encourage them to respect and implement these principles.

5. Establish a social dialogue: Make the development and implementation of the diversity policy an objective for dialogue with employee representatives. The project will be the subject of a dialogue with the staff representatives. If there are no employee representatives in the company, the discussion can be held directly with the employees.



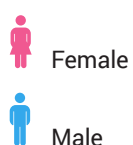
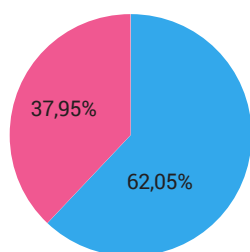
6. Evaluate and promote our actions: Regularly evaluate the progress made by informing of the practical results resulting from the implementation of our commitments. This document will cover the actions implemented, practices and 4 results and will allow us to assess our actions, progress made and difficulties encountered. We will also participate in networks including EU networks to build awareness of and share best practice and the benefits of diversity.

Case 1. Promoting equality at Interpipe

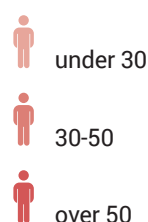
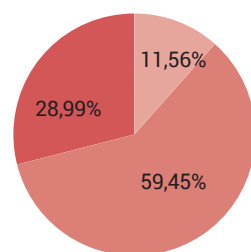
As an employer, Interpipe provides equal opportunities for its employees. The company recognizes the principle of equal remuneration for men and women without any discrimination on grounds of gender, and advocates for gender equality and the empowerment of women. As of the end of 2021, women accounted for 38% of the company's employees and occupy leadership positions at various levels: 21% of women in the top management, 31% at the middle management level, and 23% of the lower management level positions are held by women.

The structure of Interpipe personnel in 2021:

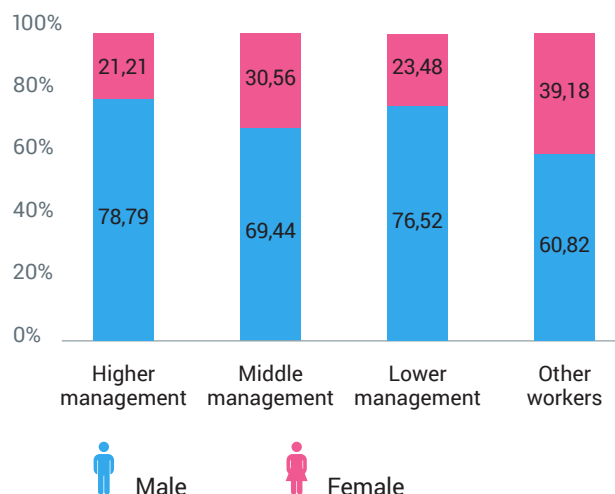
by gender



by age groups



Gender structure of management in 2021:



For more detailed information on personnel structure by each asset in 2021 see Annex 1.

Case 2. Creating inclusive working environment

The company provides employment for physically challenged people, being guided by the law of Ukraine "On the fundamentals of social security for people with disabilities in Ukraine", according to which at least 4% of the average daily number of employees must be physically challenged people. Interpipe fully provides the necessary and comfortable working conditions for such employees. At the end of 2021, 4.1% of the average headcount of Interpipe staff were people with disabilities.

Interpipe supports challenged persons and people of the pension qualification age. In particular, Company's assets have veteran organizations that prop up elderly people who previously worked for Interpipe. As of the end of 2021, the veteran organizations of Interpipe industrial assets listed approximately 10.3 thousand people. The company allocates funds for targeted assistance to such people.

Case 3. Human rights training

Interpipe implements a platform for self-study and testing of employees' knowledge on the company's current Policies, including the ones in the field of ensuring equality and diversity.

The company uses the MOCO distance learning system. This is the software for conducting training and comprehensive assessment of personnel, which allows its users to form dynamic groups of participants, automate the training process, and save reports and training history.

Thus, with the help of the MOCO system, in October 2021 the company started carrying out the remote training and assessment of the knowledge on the key regulatory documents, such as Code of Ethics, Anti-Corruption Policy, Responsible Purchasing Charter, and Equality, Diversity and Inclusion Charter. As part of this project, the company conducted such training for the maximum number of employees in the period from October 2021 to March 2022.

4.2

PROFESSIONAL DEVELOPMENT AND SUPPORT OF INTERPIPE EMPLOYEES

Interpipe creates favorable labor conditions for employees of its enterprises:

- Official salary without any delays
- Delivery of employees of enterprises to their work locations by corporate transport
- Health insurance covers and the in-house medical center
- Maternity leaves
- Reimbursement of part of the costs for health improvement of employees and their children
- Payment of tuition fees, including the ones for higher education
- Compensation for part of the food costs
- Arrangement and holding of corporate events and holidays

In terms of the staff management, all Interpipe assets are guided by a unified personnel policy, which determines the approach to the creation of up-to-date staff selection and assessment systems, preparation of employee training and development programs, development of professional and managerial competencies of the personnel, creation of an effective remuneration and motivation system, and formation of a corporate culture and healthy working environment.



To ensure staffing, the company forms a positive image at the labor market and actively searches for qualified and promising employees. At the same time, it ensures the transparency of selection, uses a unified system for evaluating candidates, and on-boards new employees.

The company has created and operates an effective employee incentive program, which is regulated by the company's Compensation Policy and the Bonus Payment Regulations and is controlled by the HR Committee and Interpipe HR Director.



A system of job grades has been developed and implemented at the company, allowing to determine the value of the position and the level of remuneration at the labor market. The size of the base remuneration is set individually in accordance with the level of qualifications and the level of the position held. In addition, employees get bonuses (monthly, quarterly, annual, etc.) for achieving their goals based on KPIs. To assess the actual compliance of personnel with the stated requirements and revise the level of wages and the bonus system, the company periodically conducts comprehensive assessment of personnel or certain categories of employees.

As part of the social responsibility commitments and to maintain the staff loyalty, the company provides its employees with a package of benefits and social compensations (voluntary medical insurance, mobile telephony, compensation for working conditions, payments at the birth of a child, payments for the health improvement of employees and their children, etc.). Targeted and social payments, as well as other compensations, are regulated by the adopted collective agreements and the current legislation of the countries where Interpipe assets are located. For example, in 2021, 2686 employees received targeted social payments at the company.

In addition, the company has developed a number of methods for non-financial motivation (training programs, programs for human resource development, official recognition and encouragement of employee merits, participation in corporate events, etc.). All of them are aimed at maintaining and developing the corporate culture and the healthy work environment.

Interpipe creates all conditions for the career development of internal candidates, invests in the po-

tential of employees, and provides equal opportunities for career and personal growth. The company has the following training programs:

- Professional training (training of new employees, raising the labor grade, and training in related professions). In total, 6268 employees underwent professional training in 2021.
- Development of managerial competencies. There is a program of training the succession pool for leading personnel of various levels ("Succession Benches"). In 2021, 113 employees took part in it.
- Internships and undergraduate training for students of higher education institutions and vocational schools.

The company has built strong relationships with technical educational institutions in Dnipro, Nikopol, and Novomoskovsk. Every year we admit students to undergo on-the-job internship and pre-graduation practical training at all assets. In 2021, 300 people completed such internship and practical training.

Case 1. Joint project of Interpipe Steel and Danieli on personnel development

A unique program of horizontal staff development was developed at Interpipe Steel. In 2019 (before the start of the pandemic), plant's employees participated in the launch of new metallurgical lines and production facilities around the world. The project partner was the Italian Danieli – a world leader in engineering and manufacture of metallurgical equipment.



In 2021, 35 best employees of the facility in various professions (steelmakers, engineers in management information & control system, shift supervising foremen, ladle men, electric fitters, etc.) took part in the program. They took on the role of experts at metallurgical plants in Croatia, Iran and Birma.

A preliminary training program was developed for the selected groups in the following areas:

- technical English language;
- professional training, including cross-training;
- occupational safety at Danieli's mills;
- culture, customs, and traditions of the host country.

When traveling abroad, employees received an insurance cover at the company's expense, protective clothing, mobile communications, and full online support from the backup group. Upon arrival, employees were met by the inviting company, and while being on a business trip, each employee was provided with comfortable housing for the entire period of stay.

Case 2. Support Employees with Families

Interpipe supports young families and annually purchases school backpacks for first graders of its employees' families. In 2021, more than 500 children received backpacks, all necessary stationery, and lunch boxes.

Another annual activity is the Children Art Contest that has been holding every spring. The last contest gathered more than 1700 children, whose parents work at Interpipe. Each participant got a gift prepared by the company. The authors of the best artworks won smartphones, smart watches, gyroscopes and other gadgets.



4.3 ETHICS ALERT PROCEDURE

Interpipe employees, suppliers, and other stakeholders have the opportunity to report any non-ethical situation through the alert procedure. This procedure is aimed at maintaining proper compliance with the Code of Ethics, policies, and other Interpipe regulations.

Non-compliances about any ethical violations, including suspicions of bribe-taking, abuse of official position, misappropriation, anti-competitive behavior, discrimination, harassment, conflict of interest, information security, and data confidentiality, can be reported through the system for anonymous notification. Information on such a system is communicated to employees on a regular basis through the corporate newspaper, videos, flyers, and brochures.

In 2021, Interpipe launched an initiative to improve

the Alert procedure. A database of all reports received through all communication channels has been created. Then all reports are distributed by areas and sent for processing to the responsible services of the company depending on the area of each report. The following Interpipe services are involved in this process: Information Security Service, Economic Security Service, Marketing Service, Human Resources Service, and Internal Audit Service.

In addition, regular employee meetings with key managers are held at each production facility. At these meetings, employees can ask any questions about their work or report violations. All questions are recorded during meetings and processed by the designated responsible individuals, after which the employees are provided with feedback through the means of internal communica-

tion (corporate newspaper, announcements at the stands, e-mail, etc.) and through communication with their managers.

Interpipe Single Alert Line for anonymous notification:



- Single Alert line: **+380 67 622 5610**
- Single Alert email:
compliance@m.interpipe.biz
- Website notification form:
https://interpipe.biz/en/esg/governance_and_ethics/trust_line

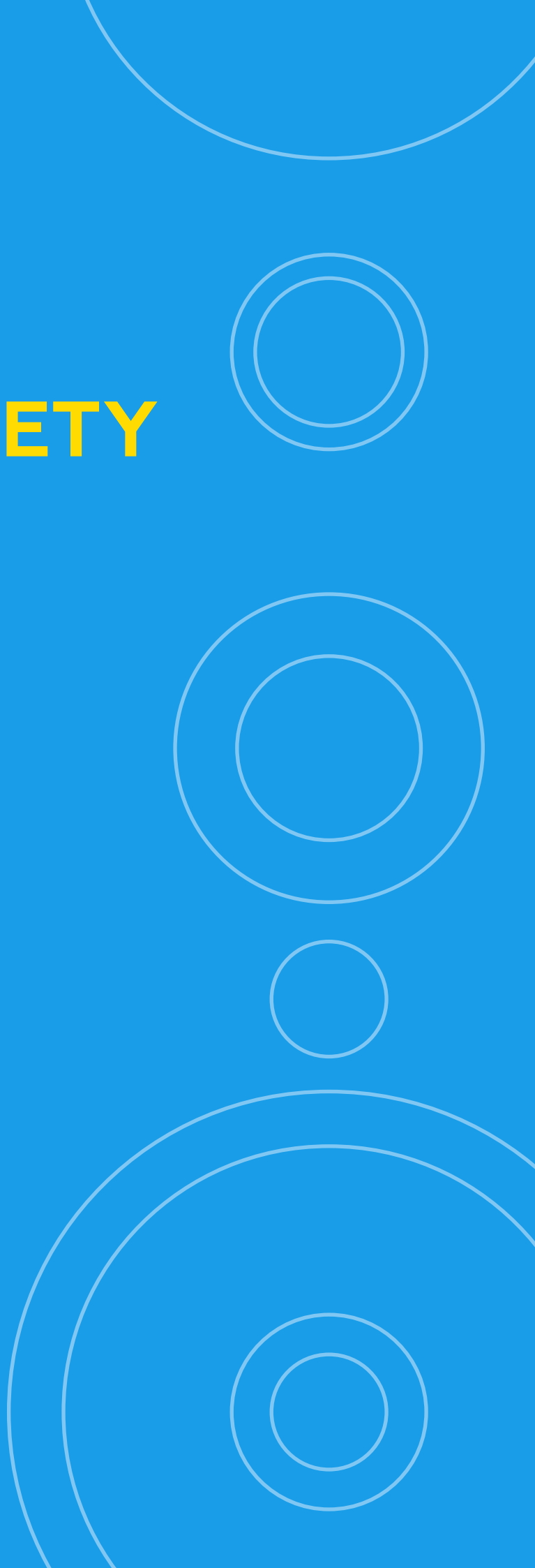
After the receipt of each report, Interpipe Economic Security Service conducts an appropriate investigation. Anonymous communications are treated as confidential in order to maintain the quality of such investigations and to comply with applicable laws. Interpipe employees who report non-compliances are treated fairly and without any risk of reprisal. Corrective actions and disciplinary sanctions are taken based on the results of such investigations.

Interpipe Economic Security Service conducts an appropriate investigation on the identified and possible cases of violations. The results of some of these cases are communicated to employees and stakeholders.



5

HEALTH AND SAFETY



The health and safety, as well as the well-being of employees are the key priorities of Interpipe. We invest in comfortable and safe working conditions, provide employees with working clothes and personal protective equipment, conduct regular employee medical examinations, and provide the access to high-quality medical services for our employees.

Interpipe ensures safe working environment to its employees and operates in full accordance with the Ukrainian legislation, as well as with international norms and standards. Namely, Interpipe NTRP, Interpipe Niko Tube, and Interpipe NMPP developed their occupational health and management systems according to ISO 45001. It means that in terms of the number of employees, more than 70% of Interpipe personnel are covered by ISO 45001.

For the purposes of more precise and efficient management, the health and safety function is currently decentralized. All main Interpipe production assets have independent health and safety subdivisions accountable to the facilities' directors. Interpipe production facilities have developed health and safety policies that set out their priorities, principles and commitments regarding occupational safety. In addition, each facility reviews and approves its health and safety goals annually. Interpipe is committed to taking a proactive approach to minimize hazards and prevent workplace injuries and occupational illnesses. The management of the company is responsible for fulfilling the obligations regarding safe working conditions and for communicating the health and safety policies and requirements to all employees and contractors.

In addition to policies, Interpipe production facilities have a comprehensive system of internal instructions and regulations as well as occupational safety norms in daily activities covering such topics as: specific safety behavior norms for various types of work and professions, fire safety standards, occupational safety requirements for contractors, provision of employees with protective overgarment and protective equipment, etc.

As part of the company's commitment to health and safety, Interpipe regularly identifies and monitors hazards and risks associated with its activities. The company invests substantial financial and organizational resources to minimize and eliminate these risks. If any significant risks are detected, programs are developed to reduce those risks. For the same purpose, the company carries out regular safety training for its personnel and arranges preventive activities and informational sessions with employees on common

circumstances and causes of workplace injuries. To avoid workplace accidents, additional protective devices and fences are installed at production sites, while the personnel are provided with the necessary personal protective equipment.

Interpipe promotes a culture of compliance with industrial safety rules and personal responsibility for occupational safety, encouraging employees to identify and report work related risks. For example, every year, before the International Workers' Memorial Day, Interpipe organizes competitions among employees for the best proposals on risk elimination, as well as for the best team in industrial safety performance.

Health and safety subdivisions of each of Interpipe production facilities regularly conduct trainings for own employees and the contractors' staff working at their sites and test the workers' knowledge of the company's health and safety policies and requirements. All employees are obligated to pass health and safety instructional programs (introductory, primary, and secondary ones). Particular attention is paid to the personnel engaged in high-risk works – they have to undergo special safety training.

Interpipe staff is provided with mandatory accident insurance and additional medical insurance. To avoid the risk of accidents and occupational diseases, Interpipe organizes regular medical examinations with a focus on those employees who are exposed to dangerous workplace hazards.

Interpipe has the in-house Common Medical Centre, which was founded in 2009 in Dnipro to provide quality medical care to all employees of the company in Dnipro, Novomoskovsk, and Nikopol. In addition to preventive medical examinations for Interpipe personnel, the Medical Center also provides emergency medical assistance and qualified multidisciplinary medical services.

5.2 CONTRACTORS' HEALTH AND SAFETY REQUIREMENTS

The provisions of Interpipe health and safety policies and norms of the Interpipe health and safety management system apply to all contractors and to all third parties performing works at the production sites or visiting Interpipe facilities for business purposes. Each production asset developed a comprehensive set of documents regarding health and safety requirement for contractors, admission of contractors' employees to the sites, and worked out safety instructions and safety behavior norms for them.

Interpipe acquaints contractors with health and safety compliance requirements at the stage of contractors selection. Additionally, occupational health and safety norms are mandatory components of contracts signed by contractors. Before starting the work at the production sites, all representatives of contractors have to get through the health and safety briefing and become familiarized with Interpipe health and safety policies and other corporate safety requirements for contractors.

5.3 OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE

Health and safety subdivisions of each of Interpipe production facilities monitor and keep records of occupational injuries. All cases of work-related accidents are investigated in accordance with the Ukrainian legislation and Interpipe corporate regulations.

- In 2021 there were no fatal injuries at Interpipe production facilities.
- The number of lost time injuries (LTI) was 8.
- Lost Time Injury Frequency Rate (LTIFR) amounted to 0.65.
- Lost Time Injury Severity Rate (LTISR) amounted to 0.032.

	2019	2020	2021
Lost time injuries (LTI)	11	15	8
Lost Time Injury Frequency Rate (LTIFR) per 1 million man-hours worked	0,58	0,92	0,647
Lost Time Injury Severity Rate (LTISR) per 1 thousand man-hours worked	0,027	0,037	0,032

Interpipe continuously invests in occupational safety and labour protection

Interpipe constantly invests in occupational safety at its production facilities. The amount of investments for 2021 reached UAH 41.5 million. Measures taken include the following:

- Modernization of existing lighting
- Purchase and installation of air conditioners
- Acquisition of anti-vibration chairs
- Renovation of household premises
- Acquisition and installation of light boards "Attention! Magnetic crane operation zone" and "Danger zone"
- Purchase and installation of coolers
- Installation of fencing for technological equipment
- Installation of air curtains
- Technical re-equipment of the heating system

Interpipe supported its employees during the COVID-19 pandemic

From the very beginning of COVID-19 outbreak the Interpipe has taken very seriously all potential risks related to this disease and been committed to procurement of the sustainable production activity on its facilities with the priority focus on protection of health and wellbeing of employees.



In 2021, Interpipe remains a big backer and promoter of massive vaccination. In cooperation with the Ministry of Healthcare of Ukraine, Interpipe provided its employees with free vaccines against COVID-19.

- Interpipe creates comfort conditions for vaccination process inviting mobile medical teams to first-aid posts at production assets
- As of the end of 2021, more than 7.9 ths employees received the first dose of vaccine – this is 79.6%
- 7.8 ths employees (78.5%) completed the full course of vaccination

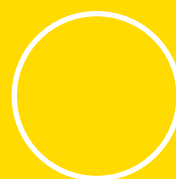
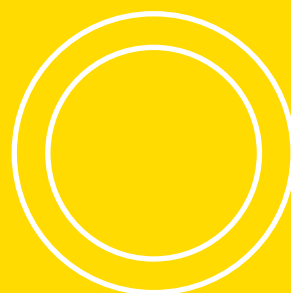
Since 2020, the company introduced additional measures aimed to prevent the coronavirus penetration to its facilities:

- Hand disinfectors have been installed in change houses and offices, employees have been provided with masks and protective gear.
- Interpipe introduced mandatory thermometry for every employee as well as for third-party drivers, contractors, auditors and visitors. People with high temperature are not allowed on Interpipe sites.
- For the period Interpipe also suspended mass activities, including training programs, cultural and sports events.
- Management and production meetings were carried out online.
- Office staff was granted an option to work remotely (later hybrid schedules were introduced).
- Interpipe continues to use corporate transport to deliver employees to its production sites safely.



6

HEALTH AND SAFETY



Environment protection and minimization of negative impact are among the key priorities of Interpipe.

The company's management approach to environment protection is outlined in its Policies on Health, Safety, and Environment, which are designed individually for each plant and include commitments for enhancement of the environmental purity of technologies, the conservation and optimal use of water resources, land restoration, emission reduction, and waste management.

The company applies a precautionary principle to the risk management of its environmental impact. Every year the company's plants assess their impact on various areas of the environment and identify key environmental aspects that require special attention.

The management of the company is fully aware of the responsibility for impact of its production activities on the environment. This approach applies to all plants and guides daily operations to ensure the involvement of managers at all levels. The key environmental issues are being discussed by the Board of Directors and are rolled out at the company's production facilities.

In 2021 the company started the necessary preparations for the creation of ESG committee to add credibility for stakeholders and effective implementation of environmental and decarbonization agenda. The creation itself was not finalized in 2021, but a lot of necessary preliminary analyzes and tasks were accomplished, including appointment of the Environmental and Industrial Safety Director and Compliance Officer early in 2022.

The company assumes the obligations to comply with the requirements of legislative and regulatory acts in the field of environmental protection in Ukraine and provisions of ISO 14001:2015 standard.

Three of Company's plants (or more than 70%, in terms of the number of employees), including Interpipe NMPP, Interpipe NTRP, and Interpipe Niko Tube have already been certified compliant with ISO 14001:2015 environmental standard, while other plants are currently taking steps to obtain such certification. Interpipe expects that all of its facilities will be certified as ISO 14001:2015 compliant within the next several years.

In 2021, main environmental targets were:



- to reduce the risks of negative impacts by ensuring comprehensive monitoring of emissions, discharges, and soil conditions



- to reduce the consumption of natural gas



- to carry out environmental protection measures in the form of capital repairs and cleaning and ensuring the efficient operation of environment protection equipment (dust-trapping and wastewater processing equipment)

For more details, please follow the link:
<https://interpipe.biz/esg/environment>



As part of its operations, Interpipe emits substances into the air, discharges wastewater into natural water bodies, and disposes of waste products. These activities are regulated by various environmental laws and procedures which set standards for health and environmental quality. Company's enterprises adhere to the highest Ukrainian and international standards and practices of metallurgical production.

Interpipe regularly conducts environmental site audits to ensure compliance with environmental legislation, evaluate the effectiveness of technology upgrades and scheduled maintenance, and revise risk registers to monitor environmental protection measures using internally designed checklists.

The environmental protection units at the company's plants additionally carry out the necessary monitoring of indicators and environment protection measures. Some of the plants have also arranged specialized laboratories. In particular, Interpipe NTRP has an environmental laboratory for the protection of water and air basins with two control groups – for emissions into the atmosphere and to water bodies. The company involves certified third-party laboratories for the ambient air monitoring, waste control, and land condition testing.

The Ukrainian State Environmental Inspection carries out periodic audits to ensure that all applicable limits are observed. Besides this, local communities and state agencies with laboratory facilities closely monitor the plants' compliance with these restrictions.

Such a systemic approach to environmental impact monitoring helps to ensure compliance with the applicable legislation and effectively accomplish our environmental goals.

Climate change is a global challenge for the whole community. Supporting the fight against the climate change is one of the most important issues for Interpipe.

Since 2021 the Law of Ukraine "On basics of monitoring, reporting, and verification of greenhouse gas emissions" became effective.

The new methodology for greenhouse gas accounting rests is premised on the full carbon balance at the installation's input and output points. Interpipe evaluates its carbon footprint and CO2 emissions in accordance with the adopted legislation of Ukraine.

	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total gross Scope 1 - GHG emissions, th. tons of CO2	409,854	99,706	204,332	102,342	2,096	1,378
Total gross Scope 2 - GHG emissions, th. tons of CO2	336,296	35,775	82,022	199,799	2,445	16,255

In addition to the national requirements, Company's Management decided to disclose the Carbon Intensity indicator, which is calculated as the sum of Scope 1 and Scope 2 emissions for the baseline year, expressed in tons of carbon dioxide equivalent (t CO2 eq) per million US dollars of revenue for the same baseline year.

	2020	2021
Carbon Intensity, tons of CO2 per million US dollars	744	659

As the emissions from the company's assets are being calculated under GHG Protocol Guidance only starting from 2020, more results will be presented in 2022 report.

	Substances, tones													
	Metals and their compounds	Substances in the form of suspended solids (microparticles and fibres)	Nitrogen compounds	Sulfur compounds	Carbon monoxide	Organic amines	Ozone	Non-methane volatile organic compounds (NMVOCs)	Methane	Chlorine and chlorine compounds	Fluorine and its compounds	Freons	Cyanides	Total
Interpipe NTRP	1,572	67,405	106,560	3,040	249,775	0,000	0,090	46,871	0,231	1,890	0,057	0,000	0,000	477,491
Interpipe Niko Tube	1,965	76,214	285,619	5,413	339,047	0,000	0,280	50,814	0,288	7,992	0,473	0,000	0,000	768,105
Interpipe Steel	1,066	266,104	1 041,916	290,794	1 965,913	0,000	0,000	0,070	0,689	0,006	13,191	0,000	4,291	3 584,040
Interpipe Vtormet	0,414	3,962	2,465	0,394	5,061	0,000	0,000	0,765	0,006	0,000	0,020	0,000	0,000	13,087
Interpipe NMPP	1,601	2,839	1,004	0,003	2,188	0,058	0,000	7,803	0,019	0,001	0,000	0,004	0,000	15,520
Interpipe (total)	6,618	416,524	1 437,564	299,644	2 561,984	0,058	0,370	106,323	1,233	9,889	13,741	0,004	4,291	4 858,243

For the purpose of managing the reduction of the carbon footprint in future, a cross-functional working group has been created to examine the world's best practices in green metallurgy, as well as to interact with the world scientific institutions and research companies to determine the potential for reducing CO2 emissions within the assets of Interpipe.

Having the state-of-the-art steel production, we are among the top benchmark mills in EU regarding CO2 emissions of Scope 1. It is our advantage. But as a Ukrainian company we can't be a benchmark in CO2 emissions for Scope 2 because of a high part of fossil fuel-fired power energy. Comparing with EU competitors, the general UA energy mix is worse than the EU' one – and this is our disadvantage.

Interpipe promotes view on climate and energy policy in discussions with industry associations to raise the awareness of greenhouse gas emis-

sions and to help find a common solution to the climate change.

In accordance with the Ukrainian legislation, the company annually reports on air emissions, water withdrawal, and waste generation. Statistical information reflects the company's environmental footprint, which allows it to monitor the dynamics and take measures to reduce the impact. We strive to minimize our impact and carefully monitor, on a regular basis, the air emissions, quality and quantity of water we use and return to the environment, energy consumption, and amount of the generated waste.

The company's sites support green energy producers and purchase part of the electricity from renewable energy suppliers.

	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total energy consumption, GJ	9 117 514,44	2 082 341,51	4 374 680,75	2 434 588,23	57 468,25	168 435,71
Total renewable energy consumed*, MWh	439 251,00	51 138,00	110 261,00	254 648,00	3 104,00	20 100,00

*The calculation of total energy consumption includes the consumption of natural gas, steam, electricity, diesel fuel and gasoline

Main sources of water for our enterprises are surface water bodies and municipal water supply systems. We do not consume water from areas with a shortage of water resources.

	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total water withdrawal, th m3	11 019,000	4 890,000	5 614,200	349,900	72,600	92,300

We follow the principle of preventive assessment of opportunities to avoid or reduce the generation of any waste. This principle consists in comprehensive consideration of our operations from the standpoint of resource efficiency and recycling of waste:

	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total weight of waste, tons	286 057,690	5 376,217	82 084,085	193 592,497	252,722	4 752,169
Total weight of waste recovered, tons	92 574,534	3 773,797	78 422,436	5 629,400	57,472	4 691,429
Total weight of hazardous waste emitted, tons	9 807,202	1 107,497	3 852,043	4 779,801	35,790	32,071
Total weight of non-hazardous waste emitted, tons	276 250,488	4 268,720	78 232,042	188 812,696	216,932	4 720,098

Ferrous metal scrap is a valuable raw material used in our steelmaking process. It can be used to make any new steel product without iron ore. Melting steel scrap at the end of its useful life allows us to decrease industry emissions and natural resource consumption. Every tonne of scrap used for steel production enables the avoidance of emission of 1.5 tonnes of CO₂ and the consumption of 1.4 tonnes of iron ore, 740 kg of coal, and 120 kg of limestone.

	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total weight of recycled input materials, tons	1 048 940,709	-	-	1 048 940,709	-	-

We follow the principle of preventive assessment of opportunities to avoid or reduce the generation of any waste. This principle consists in comprehensive consideration of our operations from the standpoint of resource efficiency and recycling of waste:

In 2021 Interpipe allocated UAH 157.9 million in environmental improvements (thousands of UAH):

Investments, ths of UAH				
	Capital investments in environmental protection	Current costs of environmental protection	Specialized environmental services	Total
Interpipe NTRP	0,000	14 943,800	34 323,700	49 267,500
Interpipe Niko Tube	826,100	959,500	23 548,500	25 334,100
Interpipe Steel	0,000	81 934,100	0,000	81 934,100
Interpipe Vtormet	0,000	6,700	211,800	218,500
Interpipe NMPP	0,000	386,900	787,700	1 174,600
Total	826,100	98 231,000	58 871,700	157 928,800

Interpipe Steel – Ambassador for Green Steel in Ukraine since 2012

The best available technologies applied in the company's EAF plant. Interpipe Steel – is an innovative EAF complex, launched in 2012 with best available technologies from Danieli. It reduced energy consumption per ton of steel by 2.2 times and shortened the consumption of natural gas by 60 million cubic meters. It enabled Interpipe to achieve one of the lowest GHG emission intensity in the global steel industry – 200 kg per ton of finished product. Zero-emission steel production technologies are still at the R&D and pilot stage, but the state-of-the-art Interpipe Steel plant, built on \$ 1 billion investments, already meets the best practices in global steel industry. Therefore, currently Interpipe products the most closely correspond to the concept of “green steel”.

Low-carbon products from Interpipe could improve environmental performance and sustainability of customers. Volume of GHG emissions intensity of

Interpipe is up to 8x times lower than BF-BOF production.

Interpipe Steel has been equipped with the state-of-the-art gas collection and purification system to reduce the dust content in the emissions. The capacity of this gas purification system allows the efficient collection of gas and dust, generated during the steel-melting process. The dust is precipitated in filters and then granulated. As a result of such process, the atmospheric air will get virtually pure gases.

The mill has been equipped with a unique water supply system. Engineering solutions, applied at the design phase of the electric steel-melting complex construction project, ensure the completely closed circulating water supply system of the mill, without any industrial waste water discharge to the Dnipro River and other ponds.



The construction of Interpipe Steel was financed through the Italian export credit agency Sace. In cooperation with him, Interpipe was obliged to regularly verify compliance with European environmental requirements at each stage of the plant's construction.

The environmental impact audit was performed exclusively by ESA's European accredited partner, Fichtner. Even after the construction was completed, environmental inspectors from the European Union inspected Interpipe Steel for compliance with eco-standards.



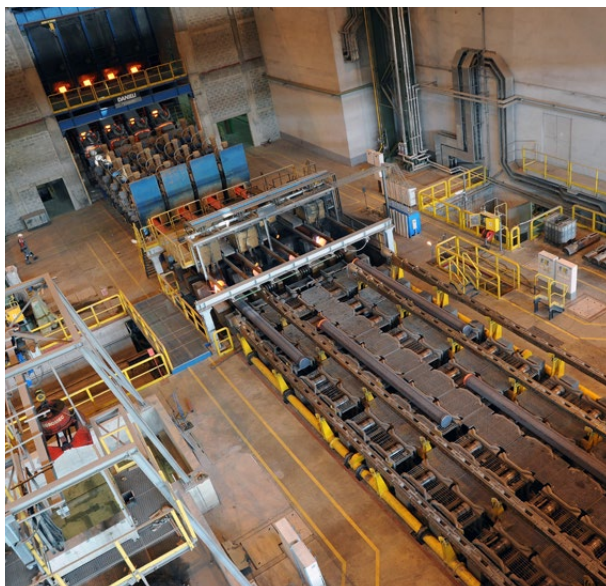
Interpipe continuously invests in energy efficiency, energy saving and environmental protection

Interpipe adheres to the principle of safe production and ensures compliance with stringent environmental standards at its enterprises. In 2021, the company allocated UAH 15.7 million to ensure environmental protection measures and implement investment projects on environment preservation.

In 2021, Interpipe NTRP, Interpipe Niko Tube and Interpipe Steel started developing documentation packages for the monitoring, reporting and verification system for greenhouse gas emissions. The implementation of this procedure is connected with the entry into force of new legislation aimed at supporting the pan-European policy to reduce greenhouse gas emissions, and is a prerequisite for further steps towards decarbonization.

The performance of the local ventilation system was restored at Tube Rolling Shop №2 Interpipe Niko Tube. As a result, the flow of pollutants into the atmospheric air was reduced by 2.145 tons per year.

Two projects for the installation of cooling towers were implemented at the circulation water supply cycle of Interpipe NTRP. The new units operate more efficiently and with less water loss, allowing for less “purge” of the system and less fresh water intake.



Interpipe promotes “green economy”

Interpipe contributes to the development of “green” energy as supplies pipes for the supporting structure of offshore wind turbines in Taiwan, North Sea, geothermal stations in Hungary, Turkey.

Interpipe supplies railway wheels for high-speed Deutsche Bahn trains promoting future of mobility and low-carbon transport.

7

ANTI-CORRUPTION AND BUSINESS ETHICS

Interpipe as a whole is an international group and its employees in different countries may be confronted with different ethical issues. The company's Code of Ethics describes standards of conduct for Interpipe's board members, officers, managers, and all other employees of Interpipe. In addition, the Code outlines the expectations on ethical behavior from Interpipe suppliers to ensure safe and reliable cooperation.

The purpose of the Code is to provide guidance and set common ethical standards each of us must adhere to, on a consistent basis. The Code of Ethics is carried by the entire management of the company and made available to all its stakeholders. The Code must guide the actions of all, regardless of geographic or cultural context, status or position in the organization.

However, it does not replace the laws and regulations applicable in the countries where Interpipe operates, nor existing agreements and commitments. Beyond the legal aspect, the Code of Ethics indicates Interpipe's commitment to the general interest. It may be amended from time to time.

The Code of Ethics is complemented by a whistleblowing system that has been set up when an employee or colleague has doubts about practices that may affect the company.

We require all managers and employees of Interpipe and all business enterprises controlled directly or indirectly by Interpipe, as well as our suppliers, contractors, distributors, contracted, sponsored or supported partners and our further stakeholders to act in compliance with the Code.



It is important that everyone is aware of the Code of Ethics and comply with it. Failure to comply with any or all of the Code of Ethics may result in sanctions, subject to compliance with local disciplinary laws.

Interpipe ensures that all legal and regulatory provisions are respected in its relations with all its partners. In addition to the commitment to respect the conventions of the International Labour Organization (ILO), the company is committed to respecting the UN Universal Declaration of Human Rights of 1948.

Training on the provisions of Interpipe Regulatory documents

Since 2020, Interpipe leads an initiative aimed at improving employees' knowledge of the provisions of the following regulatory documents:

- Code of Ethics,
- Anti-Corruption Policy,
- Equality, Diversity and Inclusion Charter,
- Responsible Purchasing Charter.

The maximum number of employees were thoroughly acquainted with these documents within 6 months from October 2021 to March 2022. A separate introductory session is devoted to each of the documents listed above. Also, employees passed a test to confirm the required level of knowledge after each introductory session. Interpipe monitors the process and intermediate results of the implementation of this initiative.

Today, the fight against bribery, abuse of office, and misappropriation has become an integral part of Interpipe's corporate culture. Economic offenses in any form always harm both the operation and reputation of any company and contribute to the development of corruption.

Interpipe's policy to combat bribery, abuse of office, and misappropriation is intended to ensure transparent cooperation at all production assets of the company. The policy was developed by the Interpipe's Economic Security Service. It sets goals and objectives for the company in the field of countering bribery, abuse of office, and misappropriation. Within the framework of achievement of such goals and objectives, the Interpipe's anti-corruption policy regulates such issues as the conflict of interest, due diligence, participation in political and charitable activities and sponsorship, government relations, verification of potentially risky financial transactions, internal audit, risk assessment, and others. This is a document of the company-wide importance, and its effect extends to all companies and industrial assets of Interpipe.

This policy applies to all cases or suspicions of the above offenses, the commitment of which involve both employees of the company and consultants, suppliers of goods and services, and employees of contractors, who collaborate with Interpipe. Interpipe cooperates only with reliable business partners. Interpipe assesses the tolerance of contractors to bribery, including checking whether they have their own anti-corruption procedures or policies and their readiness to comply with the requirements of Interpipe's anti-corruption policy. Also, Interpipe encourages its contractors to include anti-corruption clauses in contracts, as well as to provide mutual assistance in ethical and anti-corruption issues.

Cases of such actions are investigated and brought to their logical conclusion, including, if necessary, the filing of lawsuits and instituting administrative actions or criminal prosecution. During the conduct of investigations, the length of service, position of the suspects, and their relationship with the company are not taken into consideration.

Provisions of this document apply to all employees of the company and are mandatory for use in their activities by managers of all enterprises and operational divisions. Interpipe takes all necessary measures to ensure that all of its employees know the provisions of the anti-corruption policy. Information seminars and introductory sessions are periodically held for the staff. Also, Interpipe informs its employees about the main provisions of the anti-corruption policy, as well as about cases of corruption and bribery at the company through corporate newspapers, brochures, and emails. In 2021, Interpipe has launched an electronic platform for employees' awareness-raising on the Interpipe policies (incl. the anti-corruption policy) and other regulatory documents and subsequent testing of their knowledge.

Interpipe is responsible for developing and implementing effective policies to prevent and detect cases of economic offenses. Key companies and production facilities of Interpipe have individual Anti-Corruption Programs, which correspond to the Anti-corruption Policy of Interpipe and consider the

specifics of each company/production facility.

Also, the company has created an anonymous report system for suspected bribery, abuse of office, and misappropriation for employees, customers, and partners – hotlines and provision of information through the website and electronic mail.

Ensuring the anti-corruption and anti-bribery measures at Interpipe is one of the main responsibilities of the company's managers. In particular, appropriate KPIs are established for managers at various levels. Such KPIs relate to the effectiveness of measures to compensate for the financial or physical damage caused by illegal actions of the company's management or third parties; suppression of illegal actions, as well as imposing liability on employees or third parties who have committed illegal actions against the company.

In 2021, several major facts of corruption were revealed at Interpipe enterprises:

- In the summer of 2021, after checking Interpipe NTRP primary trade union organization, the Economic Security Service revealed a number of facts of fraud by the trade union management on vouchers for employees, the issuance of material assistance, as well as theft of employee contributions. As a result of the investigation, 4 union leaders were fired. The total loss from their criminal activities amounted to more than UAH 12 million.
- In August 2021, the Economic Security Service conducted a special operation to catch an unscrupulous contractor who offered an Interpipe employee a bribe in the amount of UAH 250 thousand.
- In September 2021, a major corruption scheme was revealed at Interpipe NTRP. Employees of the plant, with the help of employees of the special forces police regiment, which is located on the territory of the enterprise, stole and resold goods and materials previously purchased by the plant. According to preliminary estimates, the amount of damage is UAH 4.8 million.

7.3

ANTI-COMPETITIVE BEHAVIOUR

Interpipe takes all possible measures to improve and maintain its reputation at a high level. Therefore, the company ensures compliance with the principles of fair competition and applicable antitrust and competition laws. According to the Code of Ethics, Interpipe does not allow any anti-competitive behavior and adheres to the principle of fair competition.

The company or its employees do not enter into any agreements with competitors or partners that aim to break applicable antitrust and fair competition rules and laws. Interpipe competes on a legal and fair basis and offers high quality products and services to its customers.

During 2020-2021, Interpipe was involved in litigation under the Antimonopoly Committee of Ukraine resolution № 677-p «On violation of the legislation on the protection of economic competition and the imposition of a fine». However, as a result of litigation in Court of Appeal and subsequent litigation in the Supreme Court, the Antimonopoly Committee imposed fine in the amount of 69,331,383.00 UAH was declared baseless and wrongful. The Antimonopoly Committee decision and fine were annulled.

7.4

INFORMATION SECURITY

Interpipe places a significant importance in data protection and information security of the company, its employees, customers, and partners. To this end, each enterprise of the company has adopted a Policy for personal data protection and information security. This document ensures the protection of personal and confidential information of the staff and partners, or their representatives. The company undertakes not to disclose any such information without the prior informed consent of the person concerned, to protect the information from loss or disclosure, and to keep the data only as long as is needed and to destroy them in an appropriate manner.

Data protection and information security measures

To ensure the confidentiality of any information held by Interpipe, the company conducts internal (monthly) and external audits to assess the risks of data leakage, with a total duration of 45 days a year. On average, audit results include the detection of about 30 problems and / or vulnerabilities that are subsequently eliminated in full. The list of measures to address the identified disorders includes changing or upgrading the antivirus system and resolving hardware and software vulnerabilities.

The process of collecting permits for personal data processing at Interpipe is completely open and transparent. Every Interpipe employee has to sign a consent to the processing of personal data upon entry into employment. All customers and partners of the company also give such consent when signing contracts. In addition, all partners who provide information services to the company enter into a non-disclosure agreement (NDA) with Interpipe.

Interpipe has a password policy that applies to all enterprises of the company, as well as a procedure

for data backup and restoration. Every Interpipe employee becomes familiarized with the password policy and the information security leaflet upon entry into employment. To ensure a high level of protection, the company uses access to confidential information through certificates with a limited validity.

Every employee, who receives any electronic equipment (a computer or a laptop) for the performance of his/her official duties, is obliged to update electronic certificates and change passwords for personal corporate accounts on a monthly basis. As for the third parties, Interpipe provides temporary access through certificates with a limited validity to external contractors who deliver information services. Users of such certificates receive an e-mail notification on the expiration of those certificates, the validity of which will expire soon. At the time of publication of this report, Interpipe has 56 temporary external certificates.

A separate area of minimizing the risks of data leakage at Interpipe is the implementation of approved measures to combat phishing – namely the project called Interpipe Cybersecurity, which aims to prevent the receipt of phishing emails by the corpo-

rate users. Additionally, Interpipe has an automatic anti-phishing system, which is used to analyze the incoming mail of all employees. In 2021, the system detected 9831 emails with malicious links and attachments. In addition, the company raises the awareness of its employees of phishing emails and methods of their detection through regular mailouts of guidelines with the corporate mail. Interpipe also uses an antispam mechanism to filter out unsolicited messages for threats. With this mechanism, 5-6 potentially harmful emails are detected per month.

Interpipe constantly communicates with customers, IT solution providers, and other partners in order to effectively assess the risks of data leakage, to protect information, and to timely identify data leakage cases and respond to them.

Interpipe plans to launch the system for automatic vulnerability detection and risk assessment in 2022. Objectives of the project are: assessment of the security of information resources of corporate networks; determining the presence of known vulnerabilities in the hardware and software; control of compliance with the requirements of policies and standards for the security of corporate networks and risk assessment; conducting tests for penetration through vulnerabilities in operating systems, software and computer security system settings.

Training on data protection and information security

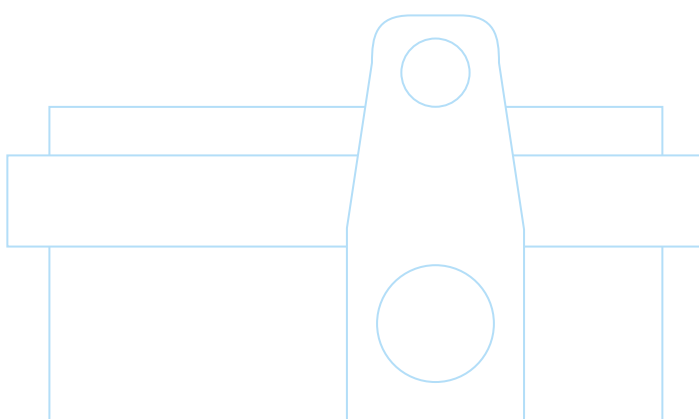
Interpipe staff receives training on the safe work with Office 365 products, as well as training on the information security policies and procedures. As of the end of 2021 all managers and external partners of Interpipe became familiarized with policies and procedures on information protection. Training courses for employees on safe work with e-mail were held as planned. A project was launched to move critical data and services to remote cloud data centers. As a result of the measures taken, there are no critical information and cyber security incidents.

Violation alert procedure

A specialized whistleblowing hotline of the Economic Security Service for information leakage and the Information Security Service operates at the company to promptly report the facts of data leakage and submit complaints on data protection issues. The hotline and specialized email are contacted by Company's employees and external contractors every year. However, there were no substantiated complaints about the breach of confidentiality and loss of customer data in the reporting period.

Interpipe reviews, processes, and responds accordingly to each appeal received. Moreover, there were no confirmed information security incidents in 2021, including data leakage, confidentiality violations and loss of customer data.

The company regularly informs its employees and external contractors about the procedure for notifying the relevant departments of the company on the facts of information leakage. Interpipe publishes contacts and emails of hotlines on information boards and in corporate newspapers, regularly sends reminders by the corporate mail, and publishes messages in the corporate Viber and Telegram chatbots. Messages provided through any of the hotlines are processed promptly and in full.



7.5 INTERNAL AUDITS

Interpipe regularly conducts internal audits of the company's compliance with applicable laws and internal regulations. The Internal Audit Service coordinates its performance with Interpipe management team and the Board of Directors. All audit reports are discussed, and corrective actions are further developed, implemented, and monitored.

Interpipe annually approves an internal audit plan, which contains a list of production assets and Company's departments that are subject to internal audit. Such list is diverse and can include departments of finance, human resources, procurement, and warehousing, as well as the aspects of ESG: labor protection, ecology, sustainable development issues, and others. The list considers the following factors: the results of audits of past periods, strategic goals and top-priority current interests of Interpipe, changes in past periods, and the risks of certain production assets and Company's departments.

Any internal audit is conducted in accordance with the approved "Procedure for conducting internal audits at Interpipe". This document sets out all stages of planning and carrying out the internal audit of each company, as well as the requirements for the Internal Audit Service of Interpipe. In addition to conducting audits, the Internal Audit Service also monitors all problems identified during the internal audits until their final solving or closure.

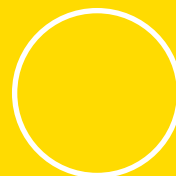
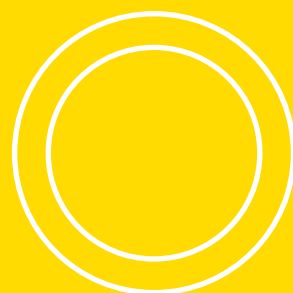
Internal audits conducted during 2021 included:

- analysis of the occupational safety and labor protection system,
- analysis of the company's results,
- audit of the Annual Top Management Awards,
- audit of energy efficiency,
- analysis of the condition of the administrative complex,
- analysis of JSC Interpipe Vtormet (production facilities and site condition),
- analysis of the process of order coordination, pricing and discount programs for customers,
- audit of the scrap procurement efficiency,
- audit of investment projects, and others.
- the analysis of the motivation system
- audit of the HR system (formation of the personnel reserve, training, staff evaluation, etc.)
- audit of payroll calculations, warehousing discipline, internal logistics, analysis of procurement procedures, and others.



8

RESPONSIBLE PURCHASING

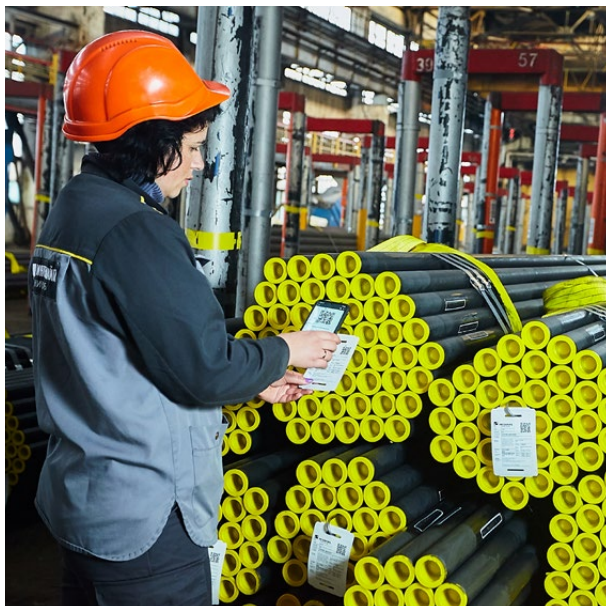


As a responsible and committed player in social and environmental matters, Interpipe respects fundamental rights and reducing the social, environmental and ethical impacts of its purchasing process. The company's policy and collaboration with suppliers is implemented through the Responsible Purchasing Charter.

The Charter, based on a principle of reciprocity, sets out the commitments expected by Interpipe in terms of ethics, fight against corruption, respect for human rights and labor standards, occupation health and safety and environmental protection. The purpose of the Charter is to inform suppliers of Interpipe's commitments in terms of responsible purchasing, and of Interpipe's expectations of suppliers in terms of compliance with these principles. In other words, the Charter clarifies the Interpipe's expectations of its suppliers in terms of corporate social responsibility and sets out the commitments throughout the purchasing and supply chain.

Suppliers play a key role in Interpipe's success. We want to share with them our commitment to sustainable development and involve them in a continuous improvement process. We want to work together with them to build and improve a relationship that is both profitable and responsible. Our CSR ambition has become a real commitment and must be shared with all Interpipe suppliers.

The company expects its suppliers to respect and promote the principles of the Universal Declaration of Human Rights, the Fundamental Conventions established by the International Labour Organization (ILO), the Rio Declaration on the Environment and the United Nations Convention against Corruption, as well as the various applicable laws and regulations.



Interpipe Purchasing Department asks its suppliers to join this approach by adhering to this Responsible Purchasing Charter and to take all appropriate corrective measures in a continuous improvement process. Compliance with the principles of this Charter is essential for the continuity of the relationship between Interpipe and its suppliers.

Interpipe is committed to promote social responsibility in its value chain, and to maintain business relationships with its suppliers based on transparency, integrity and fairness, in accordance with the following principles:

- Fair and equitable treatment of suppliers;
- Fight against corruption;
- Improving our suppliers' performance and local commitment;
- Refusal of economic dependence;
- Transparency and communication;
- Confidentiality.



8.1 COOPERATION WITH SUPPLIERS

Interpipe's supplier network is a diverse and complex system that includes numerous suppliers of scrap metal, raw materials, fuel and energy resources, as well as logistics and various services and products. Interpipe relies heavily on its suppliers and approaches the matter of choosing a reliable supplier with all due responsibility. Supplier accreditation is a transparent and robust process, which includes verification of supplier's registration documents, information on their economic viability, and ESG considerations. Interpipe ensures that 100% of its suppliers comply with national laws, have no debts, and sign contracts which contain clauses on environmental and social matters.

Since 2020 Interpipe continuously builds its ESG practices in cooperation with the suppliers. To incorporate the principles of sustainable development into its supply chain, Interpipe has set an array of goals:

- To increase the number of key suppliers who have signed the Sustainable Purchasing Charter, Code of Ethics, Equality, Diversity and Inclusion Charter;
- To maximize the number of key suppliers who have completed the ESG questionnaire;
- To choose local suppliers over foreign ones when possible.

Interpipe has started to involve suppliers to share its commitment towards sustainability by inviting the key suppliers to sign and adhere to the Sustainable Purchasing Charter, Code of Ethics, Equality, Diversity and Inclusion Charter. In 2021, the number of suppliers who have signed these Policies was 31.0% of all the key suppliers.

The majority of Interpipe's suppliers are local companies. Interpipe relies solely on domestic suppliers for some of the key groups of procured products in the company's supply chain. For instance, 100% of suppliers of natural gas for Interpipe are local suppliers.

8.2 ESG PRACTICES OF SUPPLIERS

While Interpipe strives to create favorable conditions for the development of sustainable practices in cooperation with its suppliers, the company also implements mechanisms to assess its vendors in their progress in ESG activities. Interpipe has developed an ESG questionnaire for its suppliers to promote the importance of social, environmental, and governance factors in the supply chain. This document is designed as a self-assessment for the providers and based on their answers, helping to identify suppliers with high ESG risks. In 2021, 32.2% of all the key suppliers have completed the ESG questionnaire.

The questionnaire is a universal way for the vendors to report to Interpipe on their social and environmental impacts. Such a measure provides a starting point for Interpipe to further build up a mechanism of ESG risks assessment of the suppliers.

Interpipe creates additional opportunities for suppliers who implement corporate social responsibility projects and integrate ESG factors into their business.

In order to motivate suppliers to carry business in a sustainable way, Interpipe offers the "Sustainable

suppliers club" program. The aim of the club is to systematically increase the level of understanding of the principles of sustainable development among Ukrainian suppliers.



"Sustainable suppliers club" program includes:

1. Sustainable alert line – a monthly newsletter about changes in the environmental legislation of Ukraine, new challenges at the global level, best ESG practices in Ukraine and the world;
2. Interpipe Sustainable choice - an annual award for suppliers who have implemented ESG projects. The winners of the award receive the following incentives:
 - Company profiles are posted in the appropriate section of Interpipe's corporate site
 - Articles in the national media about the implemented projects (uaprom.info, minprom.ua)
 - Shooting videos about the top 3 winners
 - Diploma and a unique statuette for the winner
 - Participation in an exclusive networking event

8.3 WORK WITH BUYERS

Sustainable procurement at Interpipe is not only focused on suppliers but also encompasses the development of the procurement staff. One of the key areas for the professional growth of Interpipe's buyers is participation in training courses. In 2021, 13.2% of the buyers have passed a training course on sustainable procurement at Interpipe Procurement Service and Interpipe intends to ramp-up this share. The training course was organized by one of the clients of Interpipe and was focused on the development of sustainable procurement policies and on building trustworthy relationships with the suppliers.

Interpipe plans to further improve the qualifications of its buyers regarding sustainable procurements. In 2021, Interpipe introduced a new KPI for buyers, which integrates ESG performance of suppliers into buyer performance reviews.

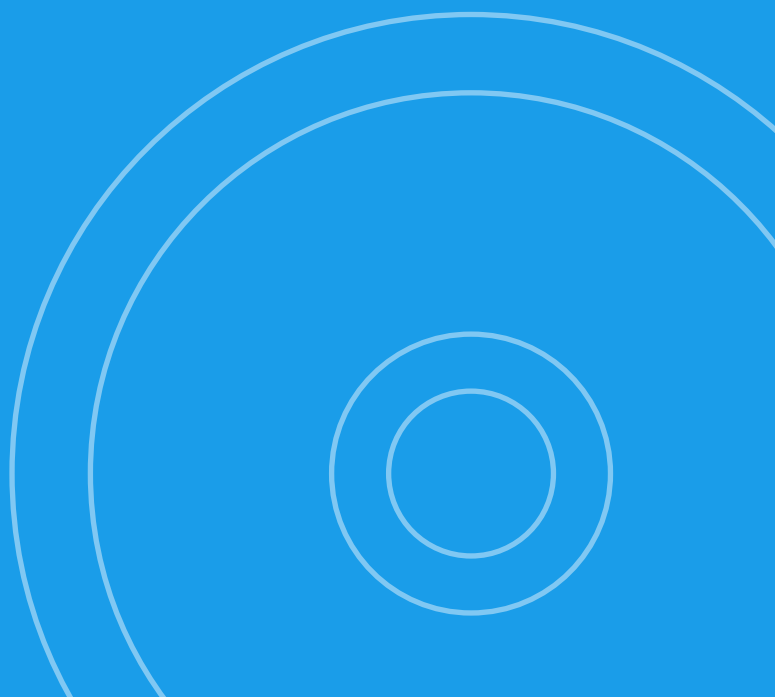
8.4 RAW MATERIALS

Interpipe provides a set of strict requirements in the contracts with its suppliers regarding the characteristics of the procured products and raw materials. Considerable importance is attached to the scrap metal as it is one of the core materials used in the production process of Interpipe facilities. The scrap metal must meet the requirements for explosion, chemical and radiation safety. Interpipe ensures that the level of radiation of the procured goods does not exceed 0.30 $\mu\text{Sv/h}$ (30 $\mu\text{R/h}$) to comply with the industrial safety requirements according to the national laws of Ukraine.

Another important characteristic of Interpipe products is that there is no tin, tantalum, tungsten, or gold remaining in them. These are considered conflict materials since they originate in the Democratic Republic of the Congo or adjoining countries, where the trade of such minerals is organized by armed groups and contributes to destabilization of social order in the region. Interpipe does not use conflict materials in its daily operations, neither it supports the illegal trade and criminal groups.



SUPPORT FOR LOCAL COMMUNITIES



Interpipe is actively involved in improving the quality of life and creating comfortable and safe conditions for its employees and their families. The company also actively supports the communities of the cities of Dnipro, Nikopol, and Novomoskovsk, as well as the Dnipropetrovsk region as a whole.

9.1 INVESTING IN INFRASTRUCTURE DEVELOPMENT

Interpipe invests in the infrastructure of the territories hosting its companies and production assets. Such initiatives include supporting hospitals and libraries, investing in the development of public recreation areas, supporting "green" initiatives, and others.

Case 1. Charitable assistance to hospitals in Dnipro and the Dnipropetrovsk region during the COVID-19 epidemic

In total, during the epidemic, Interpipe, together with the foundations of Olena and Viktor Pinchuk, allocated more than \$10 million for the fight against coronavirus. Part of these funds was donated to the Monsters Corporation Charitable Foundation for assistance at the national level and the purchase of artificial lung ventilation apparatus for various regions of Ukraine.



In total, with the assistance of Interpipe, medical institutions of the Dnipropetrovsk region received the following:

- 10 artificial lung ventilation apparatus;
 - 1 station for automatic extraction of nucleic acids (for PCR diagnostics);
 - 3 medical gas analyzers;
 - 10 electrocardiographs;
 - 160 oxygen concentrators;
 - 350 bactericidal irradiators and recirculators;
 - 330 medical observation beds;
 - 80 pulseoxymetry devices;
 - 10 cardiac monitors;
 - 40 electric suction machines;
 - 107.5 thousand respirators and medical masks;
 - 77.5 thousand biosecurity suits, insulating gowns, and medical aprons;
 - 169 thousand gloves, medical caps, and boot covers; and
 - 4 thousand oxygen masks
- To combat the epidemic at the regional level, the Revival of the Region Charity Fund was established at the Interpipe initiative:
- A total of 105 companies and 79 individuals joined the fund.
 - Since the beginning of the pandemic, more than UAH 60 million has been allocated to help hospitals in the region.
 - Charitable assistance was given to 25 medical institutions of the Dnipropetrovsk region.

Interpipe promotes vaccination against COVID-19:

- As of December 2021, more than 7.9 ths employees received the first dose of vaccine - this is 79,6%
- 7.8 ths employees (78,5%) completed the full course of vaccination
- In 2021 Interpipe held the vaccination motivation program among employees – all fully vaccinated workers took part in the drawing of TVs and smartphones. As of the end of 2021 the gifts were won by 44 Interpipe employees



Case 2. City embankment reconstruction in Nikopol

Since 2017, Interpipe has been gradually implementing a project for the reconstruction of the city embankment in Nikopol.

During the time, part of the pedestrian area of the embankment was reconstructed, including the laying of cobblestones, restoration of the granite stairs to the monument, installation of benches, arrangement of flower beds with greenery, and arrangement of lighting for a 5 km long section.

In total, the company has already allocated over UAH 3 million for the beautification of one of the main recreation areas in Nikopol.



9.2

ENGINEERING DEVELOPMENT AND POPULARIZATION OF TECHNICAL EDUCATION

Interpipe understands the importance of high-quality engineering education for the development of modern Ukrainian industry. Therefore, the company encourages schoolchildren to choose technical specialties at higher education institutions and vocational training schools. Interpipe initiates and actively supports educational STEM-projects at academic institutions of the Dnipropetrovsk region, as well as other popular science and educational events for secondary school and higher education institution students. In order to do that, the company cooperates with educational institutions, the authorities, and providers of the state-of-the-art educational equipment.

Case 1. Mechatronics ecosystem development in Dnipro

In 2018, the company took the initiative to open up-to-date educational laboratories for the training of future universal specialists – mechatronics experts – at the premises of the largest technical university in Dnipro – National Technical University Dnipro Polytechnic. Mechatronics is a new educational discipline that combines electronics, pneumatics, and hydraulics. In the future, such specialists will be able to control, program, and maintain modern industrial lines.

To train schoolchildren and students, Interpipe has opened two laboratories in mechatronics at the premises of NTU Dnipro Polytechnic in 2019-2020. The laboratories are equipped with advanced German STEM and professional training equipment made by Fischertechnik and FESTO. Training stations simulate the operation of industrial lines and are controlled by programmable controllers. Investment in the opening of these laboratories amounted to UAH 1.2 million.

Since 2018, the company, in cooperation with NTU Dnipro Polytechnic, has arranged and implemented a free educational program with workshops for teams of schoolchildren and students from the city of Dnipro and the Dnipropetrovsk region. In total, almost 500 teenagers have undertaken the training program throughout its existence. Every year, competitions are held among the students of the program, and the best teams are selected.



In 2021, Interpipe signed a memorandum with the city government of Dnipro on cooperation for the development of world-class technical education in Dnipro. As part of the joint project, state-of-the-art classrooms and laboratories were opened in schools on the left bank of Dnipro city:

- 4 mechatronics laboratories in schools №129, №138, №139 and gymnasium №3 were renovated and fully equipped with German educational STEM & robotic kits with laptops.
- In schools №69 and №39 of Dnipro, the labor training classrooms were renovated – the company carried out major repairs and purchased turning, grinding, milling and drilling machines.
- In the House of Children's Creativity of Dnipro, the Rocket Modeling Club room was renovated. New furniture was bought, computers and completely updated the equipment and tools for models creating. Thanks to the project, young engineers were able to improve the quality and precision of rocket models assembly.

Together with the Dnipro Academy of Continuing Education and the "STEM on Dnipro" organization, Interpipe also organizes programs and competitions of technical creativity for schoolchildren of the Dnipro region. On the initiative of Interpipe, a competition for the best research videos in physics among schoolchildren of the Dnipropetrovsk region "Explore it now!" was held. More than 270 children from Kryvyi Rih, Dnipro, Zhovti Vody and other settlements participated.



Case 2. Support for WorldSkills Ukraine competitions

Interpipe is a partner of the WorldSkills Ukraine competition in the “Mechatronics” competence. WorldSkills Ukraine is the Ukrainian stage of popular international competitions, which actually represent a championship of vocational professions.

In 2018, for the first time, Mechatronic Battle (the out-of-competition mechatronics contest) was included in the competition program at the initiative of Interpipe and with the support of the Ministry of Education and Science of Ukraine. Interpipe, in co-operation with NTU Dnipro Polytechnic, has been the organizer of competitions in this competence for three years in a row. Students of vocational training schools and higher education institutions, as well as young professionals aged 18 to 22 years participate in the contest.



In 2020, the mechatronics contest was held for the first time as part of the competition program of the WorldSkills Ukraine championship along with the holding of the all-Ukrainian final.

In the fall of 2021, a two-stage WorldSkills Ukraine competition began, the final of which was planned to be held in May 2022. However, due to Russian invasion in Ukraine, the final stage of the competition was rescheduled indefinitely.



Interpipe promotes a healthy lifestyle among its employees and residents of the Dnipropetrovsk region. The company warns employees against bad habits and encourages them to participate in sports events. In particular, Interpipe ensures employee participation in half marathons and marathons throughout the whole territory of Ukraine.

Case 1. Support for the Interpipe Dnipro Half Marathon

Interpipe became the title partner in organization of one of the first regional half marathons in Ukraine. The Interpipe Dnipro Half Marathon has been held annually since 2016. As part of promoting the marathon ideas, the company regularly organizes trainings and lectures in the cities of the region and encourages teams of higher education institutions, vocational schools, and other enterprises in the region to take part in it.

The 6th Interpipe Dnipro Half Marathon was held in November 2021. More than 1 856 runners from 7 countries took part in the race. Out of them, 180 participants were Interpipe employees in Dnipro, Nikopol, and Novomoskovsk.



Case 2. Creating conditions for leisure and street sports

With Interpipe's support, new sports workout locations were arranged in the Left Bank area of Dnipro city, which include horizontal bars, parallel bars, rings, benches to do abdominal crunches, and TRX zones.

Since 2020 modern sports fields were opened in the Ihren and Rybalsk residential areas. In addition, with the assistance of the company, new football woodwork sets were installed at the sports grounds of Berezhynsky and Ihren residential areas, as well as in the Shevchenko village. Playgrounds were equipped with basketball hoops in Kalnyshevsky and Molodogvardiyska streets, as well as in the Shevchenko village; areas for table tennis were arranged in the Kalnyshevsky Street and the Ihren residential area; and a mini-sports complex was arranged in the Pivnichny and Ihren residential areas.



ANNEX 1 – DATA ON PERSONNEL STRUCTURE AND INJURY RATES

Table 1 – Injury rates in total

	2019	2020	2021
Lost time injuries (LTI)	11	15	8
Lost Time Injury Frequency Rate (LTIFR)	0,58	0,92	0,647
Lost Time Injury Severity Rate (LTISR)	0,027	0,037	0,032

Table 2 – Injury rates by asset, 2021

Name of the asset	Number of lost time injury (LTI)	Number of fatalities	Lost Time Injury Frequency Rate (LTIFR)*	Lost Time Injury Severity Rate (LTISR)**
Interpipe (total)	8	8	0,647	0,032
Interpipe NTRP	4	4	0,882	0,050
Interpipe Niko Tube	1	1	0,232	0,020
Interpipe Steel	2	2	2,201	0,038
Interpipe NMPP	0	0	0	0
Interpipe Vtormet	0	0	0	0
Novomoskovskaya Posuda	1	1	0,851	0,036
Interpipe Ukraine	0	0	0	0

Table 3 – The share of people with disabilities employed by Interpipe

Name of the asset	People with disabilities, as the percentage of the average headcount of Interpipe staff
Interpipe (total)	4,11%
Interpipe NTRP	3,99%
Interpipe Niko Tube	4,04%
Interpipe Steel	4,28%
Interpipe NMPP	4,47%
Interpipe Vtormet	4,58%
Novomoskovskaya Posuda	4,31%
Interpipe Ukraine	4,17%
Other assets	3,59%

* Calculated per 1 million man-hours worked

** Calculated per 1 thousand man-hours worked

Table 4 – The personnel structure by gender

Name of the asset	Male	Female
Interpipe (total)	62,05%	37,95%
Interpipe NTRP	67,69%	32,31%
Interpipe Niko Tube	64,04%	35,96%
Interpipe Steel	75,43%	24,57%
Interpipe NMPP	68,99%	31,01%
Interpipe Vtormet	73,85%	26,15%
Novomoskovskaya Posuda	26,64%	73,36%
Interpipe Ukraine	43,38%	56,62%
Other assets	64,53%	35,47%

Table 5 – The personnel structure by age groups

Name of the asset	under 30	30-50	over 50
Interpipe (total)	11,56%	59,45%	28,99%
Interpipe NTRP	11,10%	57,15%	31,75%
Interpipe Niko Tube	12,31%	62,12%	25,58%
Interpipe Steel	14,95%	71,99%	13,06%
Interpipe NMPP	6,79%	42,57%	50,64%
Interpipe Vtormet	8,09%	57,41%	34,50%
Novomoskovs- kaya Posuda	9,90%	47,28%	42,82%
Interpipe Ukraine	13,67%	66,25%	20,08%
Other assets	6,40%	55,81%	37,79%

Table 5 – The structure of management by gender

Name of the asset	Management category	Male	Female
Interpipe (total)	Higher management	78,79%	21,21%
	Middle management	69,44%	30,56%
	Lower management	76,52%	23,48%
	Other workers	60,82%	39,18%
Interpipe NTRP	Higher management	100,00%	0,00%
	Middle management	62,96%	37,04%
	Lower management	83,97%	16,03%
	Other workers	66,68%	33,32%
Interpipe Niko Tube	Higher management	100,00%	0,00%
	Middle management	85,07%	14,93%
	Lower management	84,00%	16,00%
	Other workers	62,49%	37,51%
Interpipe Steel	Higher management	83,33%	16,67%
	Middle management	71,43%	28,57%
	Lower management	97,67%	2,33%
	Other workers	73,63%	26,37%
Interpipe NMPP	Higher management	90,00%	10,00%
	Middle management	100,00%	0,00%
	Lower management	83,33%	16,67%
	Other workers	67,84%	32,16%
Interpipe Vtormet	Higher management	100,00%	0,00%
	Middle management	68,75%	31,25%
	Lower management	90,00%	10,00%
	Other workers	72,27%	27,73%
Novomoskovskaya Posuda	Higher management	62,50%	37,50%
	Middle management	85,71%	14,29%
	Lower management	31,25%	68,75%
	Other workers	25,51%	74,49%
Interpipe Ukraine	Higher management	55,56%	44,44%
	Middle management	59,57%	40,43%
	Lower management	48,94%	51,06%
	Other workers	40,04%	59,96%
Other assets	Higher management	66,67%	33,33%
	Middle management	56,25%	43,75%
	Lower management	20,00%	80,00%
	Other workers	83,17%	16,83%

www.interpipe.biz

