



Interpipe report

for the

UNITED NATIONS GLOBAL COMPACT

on the results achieved and progress in 2020



TABLE OF CONTENTS

STATEMENT FROM OUR CEO	2
1. INTERPIPE AT A GLANCE, 2020	3
2. ABOUT INTERPIPE	4
2.1 Financial and operational results	13
2.2 Corporate governance	14
2.3 Interpipe management	18
3. INTERPIPE GLOBAL RESPONSIBILITY	20
4. HUMAN RIGHTS AND EMPLOYEE'S DEVELOPMENT	21
4.1 Protecting Human Rights and Promoting Diversity	21
4.2 Professional Development and Support of Interpipe Employees	25
4.3 Ethics Alert Procedure	28
5. HEALTH AND SAFETY	29
5.1 Interpipe Health and Safety Policy	29
5.2 Contractors' Health and Safety Requirements	31
5.3 Occupational Health and Safety Performance	31
6. ENVIRONMENTAL PROTECTION	34
6.1 Environmental Management	34
7. ANTI-CORRUPTION AND BUSINESS ETHICS	41
7.1 Interpipe Code of Ethics	41
7.2 Interpipe Anti-corruption Policy	42
7.3 Anti-competitive behaviour	44
7.4 Information Security	46
7.5 Internal Audits	48
8. RESPONSIBLE PURCHASING	49
8.1 Cooperation with Suppliers	50
8.2 ESG Practices of Suppliers	50
8.3 Work with Buyers	51
8.4 Raw Materials	52
9. SUPPORT FOR LOCAL COMMUNITIES	53
9.1 Investing in Infrastructure Development	53
9.2 Engineering Development and Popularization of Technical Education	56
9.3 Supporting a Healthy Lifestyle	60
Annex 1 – Data on Personnel Structure and Injury Rates	61

STATEMENT FROM OUR CEO



Dear colleagues and partners,

The year 2020 proved to be challenging for the entire world due to the COVID-19 pandemic and all the economic consequences that it entailed. The global health, social, economic, and human rights crises emphasized the importance of multilateral cooperation – and tested it to the limit.

The impact of the pandemic both on our Company and the industry was significant. Nevertheless, I'm proud of the way we came through this vulnerable period. Our clear priority was to protect our 10 000 employees and provide medical centers in the region with basic medical equipment. In addition to our contribution, we joined forces of our partners and clients to supply first aid medicines to the hospitals. We continue to monitor and satisfy the needs of the local communities for personal protective equipment for healthcare professionals, oxygen concentrators, ALV units, medical gas analyzers, and other equipment during the pandemic. In 2020 more than UAH 58 mln was allocated to support hospitals in the regions where our business operates.

2020 has also become a year when a lot of countries declared firm intentions to fight against climate change. Reduction of CO₂ emissions has become prerequisite for humanity's survival. Being a production company, Interpipe has already contributed to the reduction of CO₂. Nine years ago, we closed the open-hearth furnace mill and built an EAF steel mill with USD 1 billion invested that enabled our 10 time reduction of GHG emissions.

Nowadays we continue to invest in energy efficient technologies to minimize our impact on the environment. Contributing to green technologies, we supply products for the construction of environmentally friendly alternative energy projects like geothermal power plants in Turkey and Hungary and offshore wind farms located in the North Sea.

New technologies for a better world need highly qualified personnel to manage, enhance, and develop new products and technologies. Responding to this challenge, we are building an ecosystem for training the highly demanded technical specialists at construction laboratories of local schools and the university with a total investment of UAH 2.7 mln allocated for the project as of the date of the report publication.

In order to keep the well-qualified personnel in the region that is a home base for Company mills we make efforts to enhance their infrastructure. We are implementing a continuous program of urban space renovation in the cities hosting our production assets. As part of the program, in 2019-2020 we conducted the reconstruction of 2 public gardens in Dnipro and of the city embankment in Nikopol, repaired 11 playgrounds for children, and arranged 4 workout sites in Dnipro.

While 2020 was a challenging year, meeting those challenges confirmed our collective resiliency and commitment to our people, our communities, and our environment. Interpipe broadly supports the 10 Principles of the UN Global Compact. I'm confident that these universally accepted principles in the areas of human rights, labor, environment, and anti-corruption focus companies across the globe on mutual resolving of the most challenging problems.

Sincerely yours,
Mr. Fadi Hraibi
Interpipe CEO

1. INTERPIPE AT A GLANCE, 2020

#1

producer of seamless pipes and railway wheel products in Ukraine

The company operates a newly built Electric Arc Furnace (EAF) with an annual capacity of 1.32 mln tons

TOP-5

manufacturer and TOP-3 exporter of railway products in the world

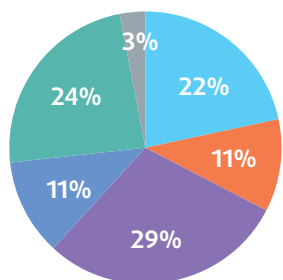
Sales geography comprising more than **80 countries** of the world

TOP-10

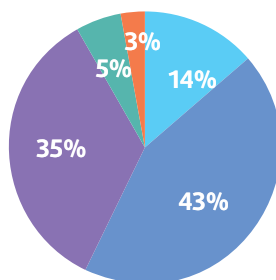
seamless pipe producer in the world

SALES

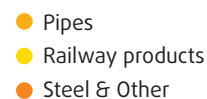
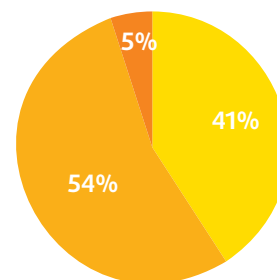
Pipe Sales by region



Wheel sales by region



Revenue by segment



PERSONNEL



5 387

employees underwent professional training



UAH 63 million

for anti-epidemic measures at Interpipe production assets



0.92

LTIFR (Lost Time Injury Frequency Rate)



38%

of personnel – female



27%

of women in the top management and 34% at the middle management

ECOLOGY & LOCAL COMMUNITIES



UAH 145.6 million

for environmental improvements at plants



USD 10 million

to help Ukrainian hospitals fight against COVID-19 (together with Olena and Victor Pinchuk Foundations)



UAH 2.7 million

to build up-to-date educational technical laboratories

2. ABOUT INTERPIPE

Interpipe is a vertically integrated manufacturer of steel pipes, railway wheels and steel billets in Ukraine. The company is a part of the TOP-10 seamless pipe producer in the world, TOP-5 manufacturer and TOP-3 exporter of railway products in the world.

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

- Pipe Products: specialises 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.

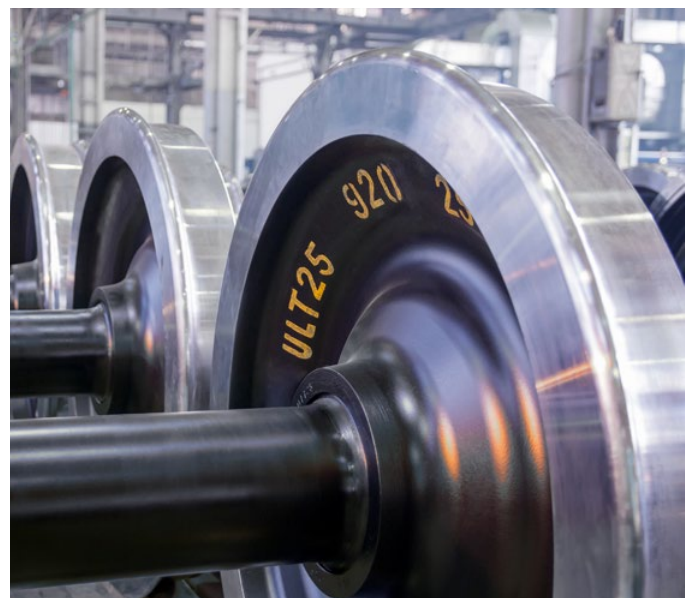
In the Pipes division, Interpipe operates three principal production facilities in Ukraine: Interpipe NMPP, Interpipe Niko Tube (Nikopol), Interpipe Niko Tube (Dnipro). Interpipe Niko Tube produces seamless pipes, while Interpipe NMPP concentrates on manufacturing welded pipes.

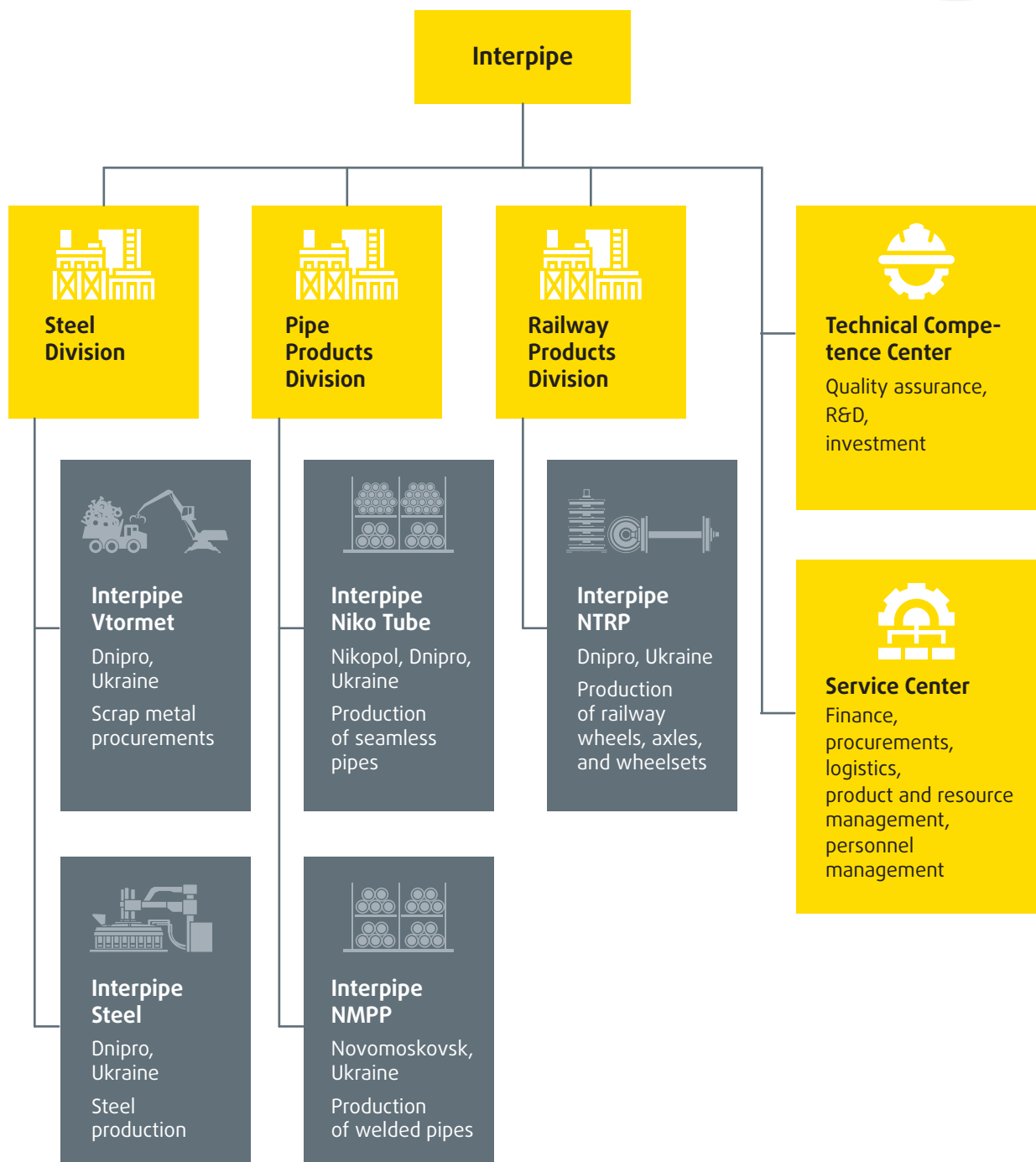
In the Steel division, Interpipe has in-house steel-making capabilities through Interpipe Steel, a metallurgical plant and the largest electric steel-melting complex for production of round steel billets in Eastern Europe. In 2020, over 95 per cent. of the steel billets produced by Interpipe Steel were used for production in the Pipes and Railway Products divisions.

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 satisfies the Interpipe’s total needs in scrap by approximately 65 per cent.

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, the CIS and Russia. For the year ended 31 December 2020, Ukraine represented 26 per cent., the CIS represented 23 per cent., Europe represented 28 per cent., the Americas represented 8 per cent. and the Middle East represented 14 per cent. of the Group's revenues, respectively.

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 2020, Interpipe's sales volumes amounted to 470,000 tonnes of steel pipes and 192,500 tonnes of railway wheels, and the Group had total revenues of U.S.\$865.1 million, Adjusted EBITDA of U.S.\$273.1 million and profit for the year of U.S.\$195.1 million. Pipes accounted for 54 per cent., Railway Wheels accounted for 42 per cent. and Steel accounted for 3 per cent. of the revenues for the year ended 31 December 2020, respectively.

For the year ended 31 December 2019, Interpipe's sales volumes amounted to 595,100 tonnes of steel pipes and 203,400 tonnes of railway wheels, and the Group had total revenues of U.S.\$1,122.4 million, Adjusted EBITDA of U.S.\$258.6 million and profit for the year of U.S.\$828.7 million. Pipes accounted for 59 per cent., Railway Wheels accounted for 38 per cent. and Steel accounted for 2 per cent. of the revenues for the year ended 31 December 2019, respectively.

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

Based on the Interpipe's internal analysis and data, Interpipe believes it was the number one supplier of seamless pipes and railway wheels in Ukraine by sales volume in 2020, accounting for approximately 66 per cent. And 96 per cent. of the Ukrainian seamless pipes and railway wheels markets, respectively.

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 2020, sales in the Pipe Products division comprised 18 per cent. OCTG pipes, 17 per cent. welded pipes, 61 per cent. line pipes and 4 per cent. industrial pipes. In 2020, 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 gas 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. Since 2018, the Ukrainian private sector has seen increased investment in drilling of new wells by 60 per cent. In 2020, independent producers reached an all-time high gas production volume of 4.9 billion cubic metres.

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. Beginning in 2018, the company has invested significant capital into modernising 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 2020, sales in the Railway Products division comprised 86 per cent. wheels, 2 per cent. axles, 10 per cent. wheelsets and 2 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. In 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 2020, 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 and SCI Verkehr market information.

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 "Ukrindustryexpertise" ("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 capitalise 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 plans to expand 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 in-house 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 as of 31 December 2020. For the same year, exports represented 75 per cent. of Interpipe's revenues of pipe products and 78 per cent. of Interpipe's volume of pipe products. 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 revenues for the year ended 31 December 2020, Europe accounted for 24 per cent., the Middle East and North Africa region ("MENA") accounted for 26 per cent., the America region accounted for 13 per cent., the CIS countries (excluding Russia) accounted for 9 per cent., and Russia accounted for 3 per cent. For the year ended 31 December 2020, exports represented 79 per cent. of Interpipe's revenues of railway wheels products and 87 per cent. of volumes of railway wheels products. Out of the total Railway Wheels revenues for the year ended 31 December 2020, Russia accounted for 35 per cent., Europe accounted for 32 per cent., other CIS countries accounted for 6 per cent., MENA accounted for 4 per cent., and the America region for 2 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. In the year ended 31 December 2020, the company's top-five largest railway wheels customers accounted for 30 per cent. of its Railway Wheels sales and top 10 largest railway wheel customers accounted for 41 per cent. of its Railway Wheels sales, and the Intrepipe's top-five largest pipe customers accounted for 16 per cent. of its Pipes sales and the top 10 largest pipe customers accounted for 24 per cent. of its Pipes sales.



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

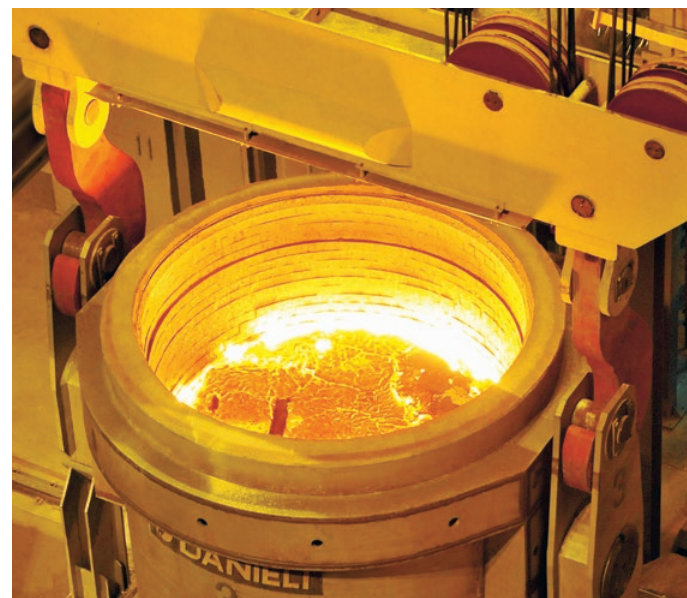
Interpipe is a vertically integrated pipe and wheel producer. In particular, the company meets almost all of its own needs for steel billets via Interpipe Steel and scrap through in-house production and collection via Interpipe Vtormet and the company's network of scrap collection yards.

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 2020, Interpipe Steel produced 758 thousand tonnes of steel products, supplying over 95 per cent. of the company's steel billets requirements for the production of its seamless pipes and 100 per cent. of the ingots used in the production of its 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 steelmakers 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 specialised network of scrap collection yards in different regions of Ukraine to supply its pipes and wheels production. In 2020, Interpipe Vtormet supplied 75 per cent. of the scrap that Interpipe used.

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 is committed 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 (it spent over U.S.\$10 million in support of local healthcare). In 2020, Interpipe contributed over U.S. \$97 million 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, technical and managerial skills and have been with the business on average for 16 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 recognised experience.





2.1 FINANCIAL AND OPERATIONAL RESULTS

	Unit	2016	2017	2018	2019	2020
Steel production	thousand tons	617	850	973	855	759
Railway product production	thousand tons	112	175	187	208	191
Pipe production	thousand tons	445	587	677	587	464

Revenue	million US dollars	507	806	1,074	1,122	865
EBITDA[*]	million US dollars	46	120	158	259	273
EBITDA margin	%	9%	15%	15%	23%	32%
Capex^{**}	million US dollars	38	43	44	60	44
Free cash flow^{***}	million US dollars	8	41	66	133	121

* - 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).

** - 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



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. Mr. Hraibi combines his current position as CEO with 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 agro 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 speciality of radiophysics and electronics. He attended graduate school for Radio and Quantum Physics and was a researcher of the Department of Microwave Frequencies.



Yakiv Konstantynivskiy 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. Konstantynivskiy 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. Konstantynivskiy 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. Konstantynivskiy 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 Supelec 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.





2.3 INTERPIPE MANAGEMENT

The members of the Interpipe's Management are:

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

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

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, he 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.

Denys Morozov as Deputy Chief Executive Officer of Strategic Projects is responsible for the non-operational issues of the Company. Mr. Morozov has been working at Interpipe since 2000 and previously served as the Company's 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.

Sergiy Kuz'menko was appointed as Chief Financial Officer of Interpipe in February 2021. Mr. Kuz'menko 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. Kuz'menko was appointed to the position of the Deputy CFO of the Company.

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



Vira Zolotuhina was appointed as Director of the Pipes Division in February 2019. In her previous positions at Interpipe, she was responsible for the sales of industrial application pipes since 2005 and for the sales of pipes and tubular products to CIS since 2016. In 2018 she was appointed as a Deputy Director of the Pipes Division and is responsible for sales and operations. Ms. Zolotuhina has been working in the pipes and wheels business for 10 years.

Ms. Zolotuhina graduated from Dnepropetrovsk State University in 1998 with a diploma in philology (Chinese language and literature) and from the Dnepropetrovsk University of Economics and Law in 2004 with a diploma in finance.

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 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.

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, Vitaliy 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, Vitaliy 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).

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.

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

4.1 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.

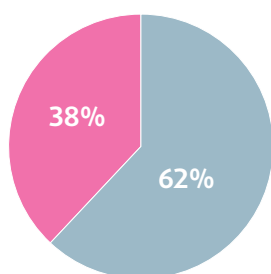


Case 1. Promoting equality at Interpipe

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 2020, women accounted for 38% of the Company's employees and occupy leadership positions at various levels: 27% of women in the top management, 34% at the middle management level, and 23% of the lower management level positions are held by women.

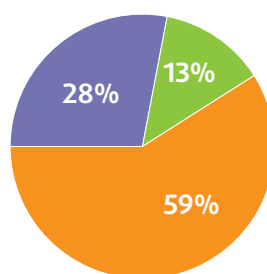
The structure of Interpipe personnel in 2020:

by gender



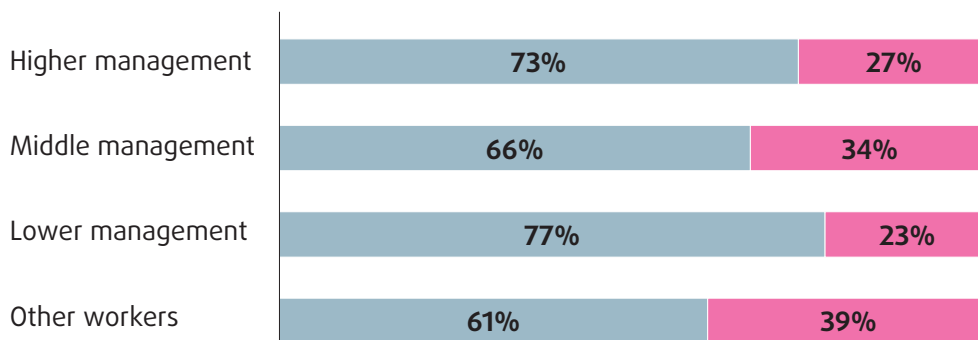
● Male ● Female

by age groups



● under 30 ● 30-50 ● over 50

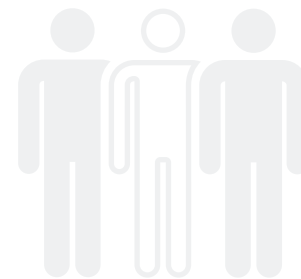
Gender structure of management in 2020:



● Male ● Female

For more detailed information on personnel structure by each asset in 2019-2020 see Annex 1.

Interpipe stands for the empowerment of women and promotes these principles in society. In doing so, in 2020, the Company became the initiator and organizer of a STEM project school for girls aged 12 to 16. More than 100 girls from Dnipro City and the Dnipropetrovsk region, who were interested in technologies and engineering specialties, got registered to participate in the project, created together with the Dnipro Academy of Continuing Education.



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 2020, 4.3% 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 2020, the veteran organizations of Interpipe industrial assets listed approximately 10.3 thousand people. The Company allocates funds for targeted assistance to such people. During the COVID-19 pandemic in 2020, to protect the persons of this venerable age, Interpipe organized the delivery of 3,500 food kits for former employees of its production facilities.

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 plans to conduct such training for the maximum number of employees in the period from October 2021 to March 2022.

See information on implementing the initiative aimed at improving employees' knowledge of the provisions of the Company's key regulatory documents through the self-study platform also in paragraph 7.1 (page 41) of this Report.



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 2020, 1604 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 potential 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, 5,387 employees underwent professional training in 2020.
- Development of managerial competencies.
There is a program of training the succession pool for leading personnel of various levels ("Succession Benches"). In 2019-2020, 141 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 2019, 236 people completed such internship and practical training, while in 2020 we had 99 people completing these activities.

The average number of training hours per employee of Interpipe in 2020 accounted for 171 (calculated per total number of employees).

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 2019, more than 30 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, Mexico, Turkey, Vietnam, Bangladesh, India, and Kazakhstan.





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

- technical English language;
- professional training, including cross-train;
- 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.

In 2020, the program was temporarily suspended due to the deployment of the COVID-19 pandemic.



Case 2. Support Employees with Families

Interpipe supports young families and annually purchases school backpacks for first graders of its employees' families. In 2020, 530 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, gyroscooters 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 communication (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: +38 067 622 56 10
- 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



5.1 INTERPIPE HEALTH AND SAFETY POLICY

Our priorities

- Create safe working conditions for our own employees and the contractors' personnel.
- Minimize / prevent occupational injuries and illnesses.
- Provide systematic health and safety training for employees.
- Create the culture of safety at work and promote a healthy lifestyle.
- Ensure compliance with health and safety requirements of the Ukrainian legislation and continuous improvement of the health and safety management system according to the most stringent international standards.

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. In means that in terms of the number of employees, more than 70% of Interipe 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.

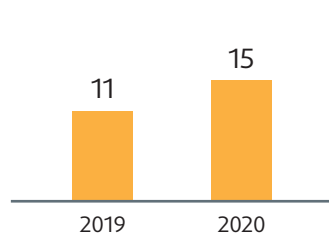
Before starting the work at the production sites, all representatives of contractors have to get through the health and safety briefing and become familiarized with Interpipe health and safety policies and other corporate safety requirements for contractors.

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.

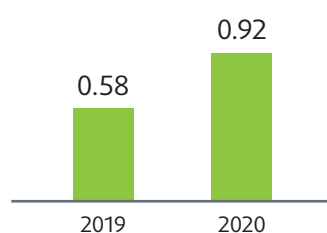
- In 2019 and 2020 there were no fatal injuries at Interpipe production facilities².
- The number of lost time injuries (LTI) was 11 and 15 respectively.
- Lost Time Injury Frequency Rate (LTIFR)³ amounted to 0.58 in 2019 and 0.92 in 2020.
- Lost Time Injury Severity Rate (LTISR)⁴ amounted to 0.027 in 2019 and 0.037 in 2020.

LTI in 2019-2020



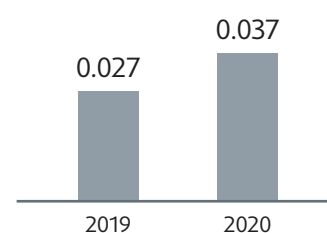
■ LTI

LTIFR in 2019-2020



■ LTIFR (per 1 mln man-hours)

LTISR in 2019-2020



■ LTISR (per 1 thousand man-hours)

² The number of injuries, presented in this section, covered the main Interpipe assets such as: Interpipe NTRP, Interpipe Niko Tube, Interpipe NMPP, Interpipe Steel, Interpipe Vtormet, Interpipe Ukraine, Novomoskovskaya Posuda

³ Calculated per 1 million man-hours worked

⁴ Calculated per 1 thousand man-hours worked



Case 1. Investments in occupational safety and labour protection

Interpipe constantly invests in occupational safety at its production facilities. The amount of investments for 2019-2020 reached UAH 44.7 million. Measures taken include the following:

- restoration of fences, installation of additional steps and bridges at the production facilities;
- installation of automatic alarms and blocking devices;
- repairs and modernization of equipment and working tools;
- training of personnel on the World-Class Manufacturing principles;
- replenishment of traffic control signs – both railway and automobile ones – at the territory of the production facilities;
- replacement and upgrade of electric bridge and overhead cranes;
- purchase and installation of industrial air conditioners and split systems at the production shops; and
- capital repairs of floors in places of massive pedestrian traffic.

Case 2. Support for Interpipe 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 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.
- All business trips were suspended.
- 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.



Certain measures were relaxed gradually with a relief of pandemic during 2021.

In 2020, the company allocated UAH 63 million for anti-epidemic measures aimed at protecting employees of Interpipe production assets:

- UAH 41 million was spent on ensuring the operation of the corporate transport (the number of routes was increased to 49);
- UAH 9.2 million – organization of PCR testing for the company's employees;
- UAH 7 million was spent on additional disinfection of buses, personnel service premises, and offices; and
- UAH 5.4 million – provision of employees with personal protective equipment and antiseptics.

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. As October 1, 2021 64% of employees of Interpipe had received at least 1 dose and over 56% completed the vaccination having received 2 doses.



6. ENVIRONMENTAL PROTECTION



6.1 ENVIRONMENTAL MANAGEMENT

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. Also, the Company applies a precautionary principle to the risk management of its environmental impact. For this, every year the Company's plants assess their impact on various areas of the environment and identify key environmental aspects that require special attention.

For 2021, for example, environmental targets have been set to reduce the risks of negative impacts by ensuring comprehensive monitoring of emissions, discharges, and soil conditions. There are also plans to reduce the consumption of natural gas and 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>

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 has developed a decarbonization action plan and set targets. The decarbonization action plan provides equipment and operational initiatives for increasing operational efficiency, strengthening ESG performance and covers all the Company's sites. For this purpose, the Company is considering the creation of ESG committee to add credibility or stakeholders and effective implementation of environmental and decarbonization agenda as a next step.

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.

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. For this purpose 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 site visits 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. In 2020, SDG 13 "Combating Climate Change" was identified as one of the priority goals of sustainable development.

In December 2019, the Ukrainian Parliament adopted the Law of Ukraine "On basics of monitoring, reporting, and verification of greenhouse gas emissions" which became effective on January 1, 2021. The greenhouse gas accounting method was changed based on this law. The new methodology for greenhouse gas accounting rests is premised on the full carbon balance at the installation's input and output points. Interpipe is currently evaluating its carbon footprint and recalculating CO₂ emissions in accordance with the adopted legislation of Ukraine.

The new methodology will be applied from 2021. Requirements of the law do not provide for recalculation of GHG emissions until 2021. Nevertheless, Interpipe has recalculated its CO₂ emissions under the new methodology for the 2020 just for the sake of information.

In the meantime, together with external consultants, both direct and indirect emissions from the Company's assets are being calculated under GHG Protocol Guidance. More precise final calculation of all Scopes is considered to be carried out in 2022.

Item	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total gross Scope 1 GHG emissions, th. tons	324.44	162.13	61.54	98.21	0.81	1.75
Total gross Scope 2 GHG emissions, th. tons	319.49	75.37	55.69	172.74	1.70	13.98

The Company's sites annually report on its emissions of key pollutants, VOCs and dust. Monitoring of pollutants allows the Company's sites to observe local pollution and take measures to reduce their impact on the environment.

Name	Substances, tones													Total
	Metals and their compounds	Substances in the form of suspended solids (microparticles and fibers)	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	
Interpipe NTRP	1.753	84.062	192.841	6.631	453.157	0.000	0.217	60.569	0.291	7.530	0.159	0.000	0.000	807.210
Interpipe Niko Tube	1.033	36.228	124.185	5.133	109.547	0.000	0.000	23.416	0.300	0.552	0.340	0.000	0.000	300.734
Interpipe Steel	2.438	212.219	751.140	182.902	2179.791	0.000	0.000	0.031	0.995	0.000	13.810	0.000	4.750	3348.076
Interipe Vtormet	0.337	3.772	2.057	0.245	3.833	0.000	0.000	0.474	0.006	0.000	0.006	0.000	0.000	10.730
Interpipe NMPP	2.155	4.838	1.527	0.003	2.589	0.064	0.000	14.583	0.023	0.002	0.002	0.007	0.000	25.793
Total	7.716	341.119	1071.75	194.914	2748.917	0.064	0.217	99.073	1.615	8.084	14.317	0.007	4.75	4492.543



Interpipe anticipates that its reported GHG emissions will increase under the new methodology (despite the absence of any changes in its operations). At the same time, as the new methodology is more closely comparable to the approach adopted by the EU, it will likely make the Company's GHG intensity metrics more directly comparable with those of its EU-based peers.

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.

We promote our point of view on climate and energy policy in discussions with industry associations to raise the awareness of greenhouse gas emissions 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.

Item	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total energy consumption, GJ*	8,129,352.98	3,871,240.88	1,690,111.96	2,195,358.90	59,893.49	312,747.75
Total renewable energy consumed, MWh	105,769.65	24,794.62	13,544.01	61,807.72	658.21	4,965.08

* "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.

Item	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total water withdrawal, th m³	8,799.40	5,163.50	3,137.90	309.00	79.40	109.60

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:

Item	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total weight of waste, tons	215,405.72	15,141.61	51,188.71	138,913.41	291.76	9,870.23
Total weight of waste recovered, tons	99,659.33	12,077.52	50,082.04	27,737.35	53.06	9,709.37
Total weight of hazardous waste emitted, tons	2,888.65	2,469.93	376.20	10.64	10.64	24.48
Total weight of non-hazardous waste emitted, tons	212,517.07	12,671.68	50,812.52	138,902.77	284.36	9,845.75

Scrap steel 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.

Item	Total	Interpipe NTRP	Interpipe Niko Tube	Interpipe Steel	Interpipe Vtormet	Interpipe NMPP
Total weight of recycled input materials, tons	833,107.36	-	-	833,107.36	-	-



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 2020 Interpipe allocated UAH 145.6 million in environmental improvements (thousands of UAH):

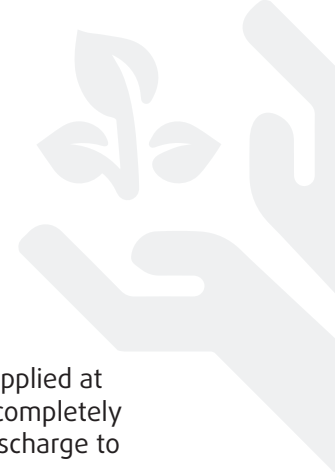
Name	Capital investments in environmental protection	Current costs of environmental protection	Specialized environmental services	Total
Interpipe NTRP	0.0	20,582.0	33,033.5	53,615.5
Interpipe Niko Tube	161.6	57.9	13,106.6	13,326.1
Interpipe Steel	0,0	77,358.4	98,2	77,456.6
Interipe Vtormet	0,0	5,2	171.9	177.1
Interpipe NMPP	0,0	201.9	874.2	1,076.1
Total	161.6	98,205.4	47,284.4	145,651.4

Case 1 . 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, Fihntner. Even after the construction was completed, environmental inspectors from the European Union inspected Interpipe Steel for compliance with eco-standards.

Case 2. Interpipe 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 2019-2020, the company allocated UAH 197.5 million to ensure environmental protection measures and implement investment projects on environment preservation. The following is among the main activities:

- Protection of atmospheric air;
- Circulating water treatment in the closed-loop production cycle;
- Rational waste management;
- Protection and rehabilitation of soil, groundwater, and surface water;
- Mitigation of noise and vibration impacts;
- Green planting at the territory of facilities;
- Measuring of background concentrations of emissions into the atmosphere at Interpipe Steel;
- Installation of energy-saving lighting (LED-lamps) at facilities;
- Purification of oil in a bath of preservation of pipe bundles from mechanical impurities and water;
- Monitoring the state of atmospheric air and soil at the border of the sanitary protection zone and in the zone of influence of facilities;
- Procurement of dust collection units for Interpipe production assets;
- Modernization of the heat supply system at Interpipe NMPP; and
- Carrying out recertification audits for Environmental Management and Occupational Safety Management systems in accordance with the requirements of international standards.

Case 3. 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



7.1 INTERPIPE CODE OF 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

In October 2020, Interpipe launched a new 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 company has set an ambitious goal that the maximum number of employees will be 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 should pass 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.



7.2 INTERPIPE ANTI-CORRUPTION POLICY

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.

Special attention is paid to the revealed facts of corruption. During 2019-2020, 44 people were prosecuted for confirmed facts of corruption. Also, 274 people were brought to disciplinary and administrative responsibility, and 103 people were fired for discrediting reasons.

Criminal, disciplinary, and administrative proceedings due to confirmed cases of corruption, number of cases at Interpipe

	2019	2020
Criminal proceedings initiated	54	39
Persons prosecuted	30	14
Disciplinary and administrative proceedings	151	123
Fired for discrediting reasons	43	60

A criminal group, which illegally shipped pipes from Interpipe NTRP, was caught by the police

- In the night of June 20, 2019, a criminal group, which has been operating at Interpipe NTRP for 2 years, was caught.
- 1,700 tons of Oil country tubular goods (OCTG) have been illegally shipped from the mill over 2 years.
- Stolen products have been illegally sold through one of the Company's existing customers.
- Total damage was \$ 2 million.
- The Economic Security Department uncovered the illegal scheme of the group, including employees of the production shop, the security company, and the consumer.
- A criminal case was opened up.



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.

Suspicion of the distortion of the results of tenders for the purchase of the wheeled products

On 29th of October 2020 the Antimonopoly Committee of Ukraine adopted resolution № 677-p «On violation of the legislation on the protection of economic competition and the imposition of a fine».

Under this resolution, the Antimonopoly Committee of Ukraine considers that LLC Interpipe Ukraine has violated the Law of Ukraine «On the protection of economic competition» (anticompetitive concerted actions that relate to the distortion of the results of tenders for the purchase of wheel products). As a result of the aforesaid violation, LLC Interpipe Ukraine got an imposed fine in the amount of 69,331,383.00 UAH.

Disagreeing with this decision, LLC Interpipe Ukraine has filed a lawsuit to the Economic Court of Kyiv with the requirement to invalidate and cancel the decision of the Antimonopoly Committee of Ukraine.





On 27th of April 2021 the Economic Court of Kyiv issued a judgment, by which the Court fully satisfied the claim of LLC Interpipe Ukraine and canceled the said decision of the Antimonopoly Committee of Ukraine. The findings of the Court were based, among other facts, on conclusions of the Comprehensive Forensic Economic Examination with involvement of specialists in the field of economics, valuation, and communication.

According to Examination's summary, the conclusion about the usage of the same means of communications, as well as the simultaneous receipt (execution) of documents for participation in the tender by the bidders (e-mail) is not confirmed by the investigation materials of the Antimonopoly Committee of Ukraine. All in all, the behavior of the participants during the tenders was defined as being economically justified and no signs of distortion of the tender results were detected.

Nevertheless, in June 2021 the Antimonopoly Committee of Ukraine filed an appeal against the judgement of the Economic Court of Kyiv. On 9th of August 2021 the Northern Economic Court of Appeal rendered a judgement, by which it canceled the ruling of the Court and fully denied the satisfaction of LLC Interpipe Ukraine claim.

Considering the text of the Court of Appeal's judgement, the plaintiff's arguments, the conclusions of the Court, as well as the judicial practice of the Supreme Court were ignored. So, in August 2021 LLC Interpipe Ukraine filed the cassation appeal against the judgement of the Northern Economic Court of Appeal.

On October 28, 2021, the Supreme Court of Ukraine annulled the decision of the Northern Commercial Court of Appeal dated 09.08.2021. in case №910 / 20229/20.

According to Article 287 of the Commercial Procedure Code of Ukraine incorrect application by previous courts of substantive or procedural law or their application without taking into account the conclusion, stipulated in the decision of the Supreme Court, on the application of the rule of law in such legal relations are the grounds for appealing of rulings to the Supreme Court of Ukraine.

In this case, it should be noted that in accordance with Part 2 of Art. 300 of the Commercial Procedure Code of Ukraine, the Supreme Court has no right to establish or consider as proven circumstances that were not established in the decision or ruling of the court (first instance or appellate court) or rejected by it, to decide on the reliability of evidence, the superiority of some evidence over others, collect or accept new evidence or further verify the evidence.

Consequently, in the event that the Supreme Court concludes that the court of previous instance did not examine or did not take into account the evidence relevant to the case, then in accordance with the rules of Art. 310 of the Commercial Procedure Code, the Supreme Court annuls the relevant decision and sends the case for retrial to this court with appropriate instructions to clarify the essential circumstances of the case, which are binding on the courts of first and appellate instance.

Therefore, as of the time of preparation of this Report, the Supreme Court has concluded that the Court of Appeal did not take into account or examine the evidence which witness that the allegations of the Antimonopoly Committee of Ukraine are based. The Supreme Court upheld decision of the the first-instance declaring that the decision of the Antimonopoly Committee of Ukraine was wrongful and is 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 corporate users. Additionally, Interpipe has an automatic anti-phishing system, which is used to analyze the incoming mail of all employees. Every month, the system detects approximately 500 emails with malicious links and approximately 900 emails with malicious 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. In November 2020, the project was at the testing stage.

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 2020:

- All managers and external partners of Interpipe became familiarized with policies and procedures on information protection,
- 40% of senior and middle managers and 25% of other employees of the Company have undergone training on information security in Microsoft Teams,
- Five business partners were involved in the provision of training on data protection and information security, and
- Fifteen employees of Information Security and Information Technology Departments attended additional specialized seminars on the Information Security subject.

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 – in particular, in 2019 we received 5 appeals, and 9 reports were sent in 2020. Notably, 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 2020, 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 2019-2020 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 Dneprovttormet (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.

In 2021 it is planned to conduct 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.

In 2020 Interpipe started to build up 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. In 2019, 97.0% of suppliers of metal scrap were local suppliers, while in 2020 this indicator reached 100%. For another key category of procured products – the other raw materials – the indicator of local suppliers in 2020 was 87.2%.

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.

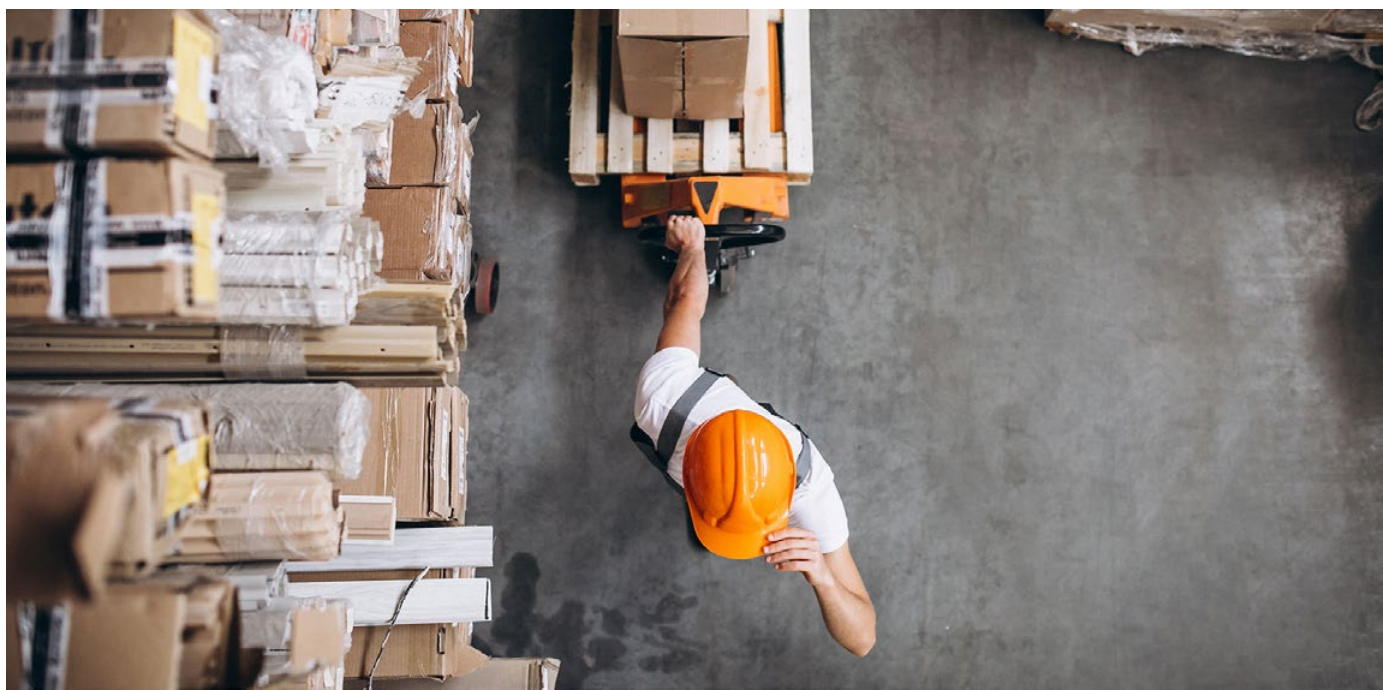
Interpipe plans to further improve the qualifications of its buyers regarding sustainable procurements. In 2021, Interpipe introduced a new KPI for buyers, which integrates ESG performance of suppliers into buyer performance reviews.



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.



9. 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.

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**.

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.



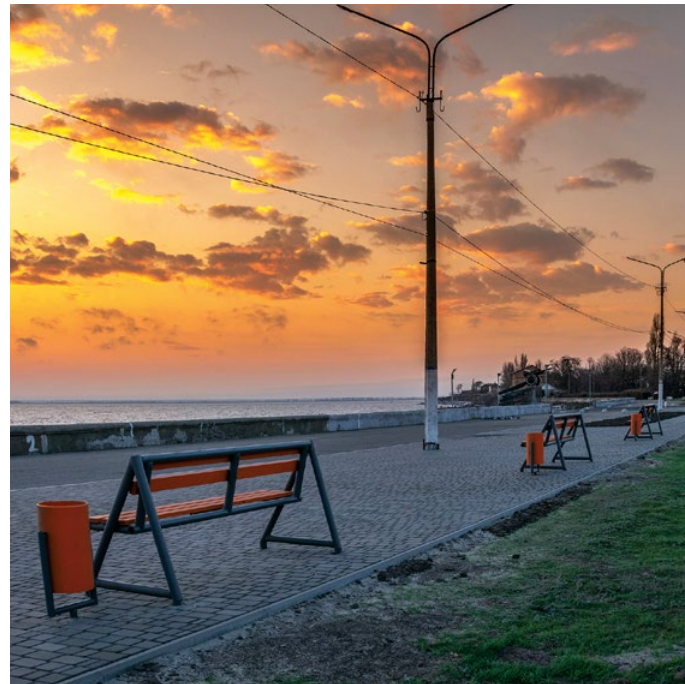


Case 2. City embankment reconstruction in Nikopol

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 2 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. In 2021, a new stage of the embankment improvement has begun.



Case 3. Greening projects in the Dnipropetrovsk region

At the end of the 3rd quarter of 2020, Interpipe became a regional partner of the Greening Ukraine all-Ukrainian environmental action ("A million trees in 24 hours").

In addition to supporting the campaign, the company planted about 1,000 trees at the territory of its production assets and in the cities of its operation.

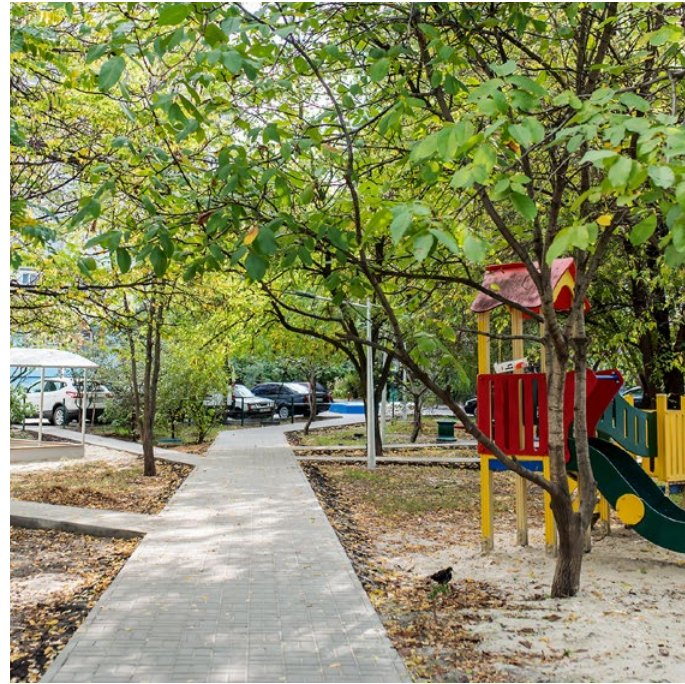




Case 4. Improving conditions for leisure and recreation in the Dnipro City Left Bank area

Three production assets of Interpipe are located in the Left Bank area of Dnipro city. Therefore, the company pays considerable attention to the support and development of local communities. Thus, the following projects were implemented with the Company's assistance in 2020:

- Reconstruction of the adjacent garden square in the Livoberezhny 3 residential area (laying of paving slabs, perimeter fencing for safe recreation with children, and arrangement of street lighting, benches, and children's area);
- Reconstruction of the adjacent garden square in the Berezhynsky residential area (laying of paving slabs, installation of fencing, and arrangement of street lighting).





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.

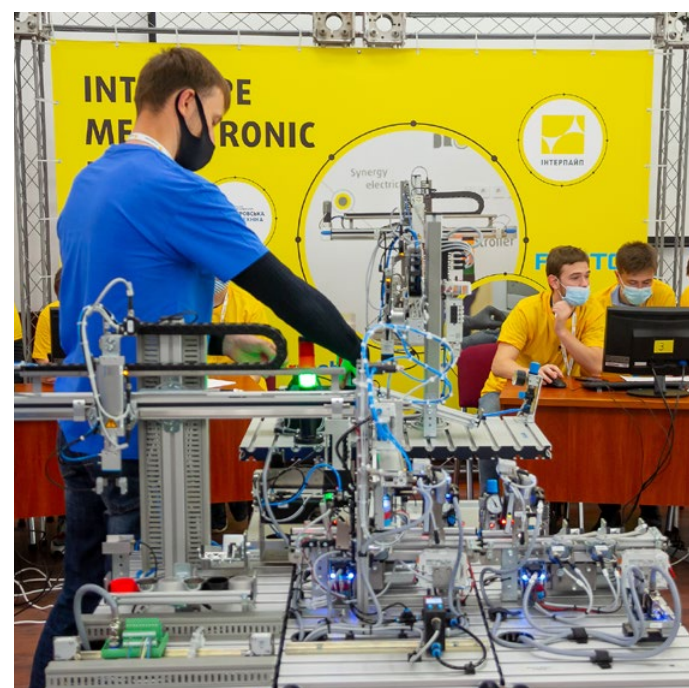
Case 1. Mechatronics ecosystem development in Dnipro

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 equipment Fishertechnik 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.

At present, Interpipe continues to develop the mechatronics ecosystem by opening school laboratories in this discipline at the upper secondary school № 3 and school № 129 in Dnipro.





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 cooperation 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.





Case 3. Holding the Interpipe TechFest technical festival

Interpipe is the initiator and organizer of the all-Ukrainian festival Interpipe TechFest.

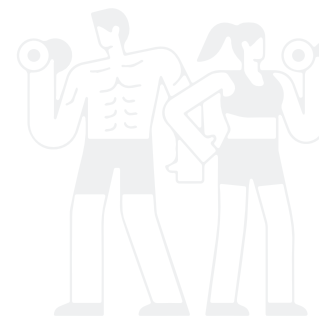
Interpipe TechFest is the main engineering show of Ukraine – a festival of science, engineering, and modern technologies. It had been held annually from 2016 to 2019 (and was suspended for the duration of the pandemic). The purpose of the event is to return engineering, science, and industry to the agenda of the modern Ukrainian people, heighten the interest of youngsters in the exact and natural sciences, and stimulate the choice of technical occupations among adolescents.

The festival includes an exhibition of modern engineering, wow-activities, technical contests, and lecture courses. Leading educational institutions (universities, colleges, schools, out-of-school institutions, etc.), industrial companies and engineering bureaus, and Ukrainian scientists and experts from various fields are involved in the festival activities.

In 2019, the festival locations managed to gather 120 organizations and enterprises, more than 220 participants in technical competitions, 36 lecturers of the lecture center, and more than 30 robots. Interpipe TechFest-2019 became the largest event in the history of the festival. During the two days, 20,000 guests attended the event.

In 2020, the festival was not held due to the acute epidemiological situation in the region and the spread of COVID-19.





9.3 SUPPORTING A HEALTHY LIFESTYLE

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 5th Interpipe Dnipro Half Marathon was held in November 2020. Due to COVID-19 pandemic, the event took place online. More than 2,000 runners from 22 countries took part in the race. Out of them, 170 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. 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 Berezynsky 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

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)**	
	2019	2020	2019	2020	2019	2019	2019	2020
Year	2019	2020	2019	2020	2019	2019	2019	2020
Interpipe (total)	11	15	0	0	0.58	0.92	0.027	0.037
Interpipe NTRP	4	4	0	0	0.47	0.56	0.012	0.027
Interpipe Niko Tube	3	5	0	0	0.63	1.19	0.029	0.023
Interpipe Steel	0	4	0	0	0	4.40	0	0.134
Interpipe NMPP	2	0	0	0	1.48	0	0.089	0
Interpipe Vtormet	2	2	0	0	2.70	3.27	0.215	0.309
Novomoskovskaya Posuda	0	0	0	0	0	0	0	0
Interpipe Ukraine	0	0	0	0	0	0	0	0

* Calculated per 1 million man-hours worked

** Calculated per 1 thousand man-hours worked

Table 2 – 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	
	2019	2020
Year	2019	2020
Interpipe (total)	4.2%	4.3%
Interpipe NTRP	3.9%	4.2%
Interpipe Niko Tube	4.0%	4.6%
Interpipe Steel	4.5%	4.2%
Interpipe NMPP	4.9%	4.0%
Interpipe Vtormet	4.7%	4.3%
Novomoskovskaya Posuda	4.0%	4.1%
Interpipe Ukraine	4.8%	4.5%
Other assets	7.5%	4.7%

Table 3 – The personnel structure by gender

Name of the asset	2019		2020	
	Male	Female	Male	Female
Interpipe (total)	62%	38%	62%	38%
Interpipe NTRP	69%	31%	67%	33%
Interpipe Niko Tube	60%	40%	65%	35%
Interpipe Steel	75%	25%	75%	25%
Interpipe NMPP	69%	31%	68%	32%
Interpipe Vtormet	76%	24%	73%	27%
Novomoskovskaya Posuda	27%	73%	27%	73%
Interpipe Ukraine	43%	57%	43%	57%
Other assets	68%	32%	64%	36%

Table 4 – The personnel structure by age groups

Name of the asset	2019			2020		
	under 30	30-50	over 50	under 30	30-50	over 50
Interpipe (total)	15%	57%	28%	13%	59%	28%
Interpipe NTRP	13%	55%	32%	12%	57%	30%
Interpipe Niko Tube	17%	62%	21%	14%	63%	23%
Interpipe Steel	22%	67%	12%	19%	69%	12%
Interpipe NMPP	8%	44%	48%	8%	44%	49%
Interpipe Vtormet	12%	55%	33%	12%	56%	32%
Novomoskovskaya Posuda	20%	45%	35%	14%	49%	36%
Interpipe Ukraine	20%	64%	16%	17%	66%	17%
Other assets	6%	65%	30%	5%	64%	31%

Table 5 – The structure of management by gender

Name of the asset	Management category	2019		2020	
		Male	Female	Male	Female
Interpipe (total)	Higher management	76%	24%	73%	27%
	Middle management	66%	34%	66%	34%
	Lower management	79%	21%	77%	23%
	Other workers	61%	39%	61%	39%
Interpipe NTRP	Higher management	78%	22%	88%	13%
	Middle management	52%	48%	46%	54%
	Lower management	89%	11%	86%	14%
	Other workers	68%	32%	65%	35%
Interpipe Niko Tube	Higher management	100%	0%	100%	0%
	Middle management	77%	23%	78%	22%
	Lower management	80%	20%	83%	17%
	Other workers	58%	42%	63%	37%
Interpipe Steel	Higher management	83%	17%	83%	17%
	Middle management	83%	17%	81%	19%
	Lower management	93%	7%	92%	8%
	Other workers	73%	27%	73%	27%
Interpipe NMPP	Higher management	91%	9%	92%	8%
	Middle management	78%	22%	100%	0%
	Lower management	90%	10%	90%	10%
	Other workers	67%	33%	67%	33%
Interpipe Vtormet	Higher management	80%	20%	80%	20%
	Middle management	70%	30%	71%	29%
	Lower management	84%	16%	87%	13%
	Other workers	76%	24%	72%	28%
Novomoskovskaya Posuda	Higher management	67%	33%	38%	63%
	Middle management	71%	29%	71%	29%
	Lower management	40%	60%	33%	67%
	Other workers	26%	74%	26%	74%
Interpipe Ukraine	Higher management	50%	50%	50%	50%
	Middle management	61%	39%	61%	39%
	Lower management	52%	48%	50%	50%
	Other workers	40%	60%	40%	60%
Other assets	Higher management	67%	33%	62%	38%
	Middle management	65%	35%	60%	40%
	Lower management	41%	59%	37%	63%
	Other workers	92%	8%	95%	5%