



BUSINESS ETHICS AND COMPLIANCE

FUNDAMENTAL PRACTICES

For Metinvest, upholding ethical and compliance norms is one of its core commitments. In 2023, the Group continued to refine its internal regulations to ensure adherence to its values and international best practices.

CODE OF ETHICS

Metinvest's Code of Ethics serves as the backbone of ethical business behaviour throughout the Group. It incorporates fundamental human rights and needs, including freedom of thought, religion, opinion and expression, health and safety, decent work, non-discrimination, access to a healthy environment, social responsibility and privacy. The Group promotes these values through the personal example of leadership, as well as training and communication campaigns to raise awareness about this document.

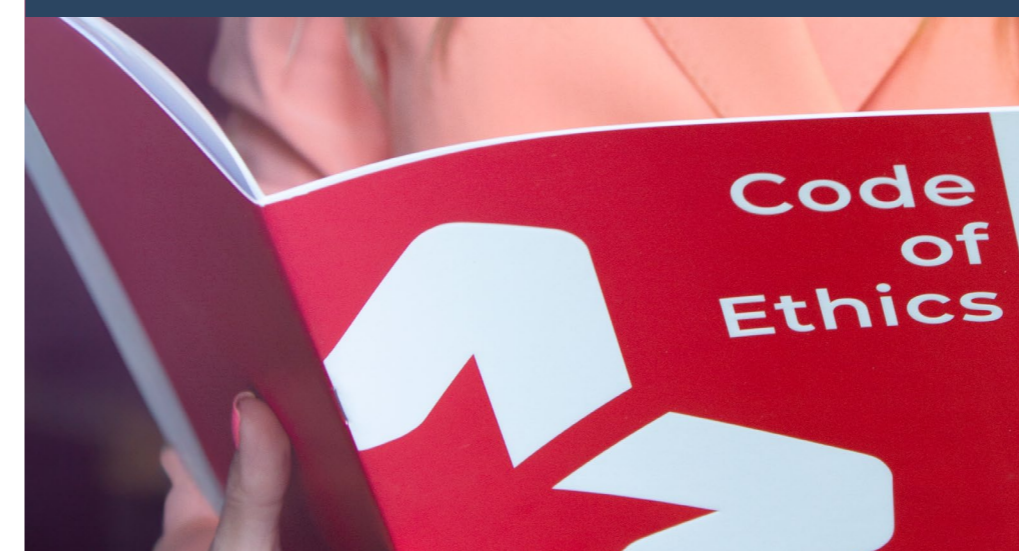
Metinvest trains employees on its Code of Ethics and tests their knowledge of its provisions. Although the Group has paused mandatory Code of Ethics training since the outbreak of the war, around 540 employees voluntarily completed the course during the reporting period.

As part of its ongoing commitment to ethical conduct, Metinvest continues to introduce and update other vital documents that address key aspects of business ethics, reinforcing its dedication to integrity and transparency. They include the Code of Business Partnership and the Human Rights Policy, each playing a crucial role in shaping the ethical foundation of the Group's operations and partnerships.

To foster equitable commercial relationships, Metinvest's Code of Business Partnership establishes explicit criteria for adherence to sustainable practices and business requirements by current and potential suppliers. For more information, please see page 66.

In early 2024, after the reporting period, the Group also adopted the Human Rights Policy, which aims to promote, support and ensure the observance of human rights. Supplementing the Code of Ethics and Code of Business Partnership, it strives to mitigate risks of human rights violations across Metinvest's operations and business partners. For more information, please see page 39.

10TH ANNIVERSARY OF CODE OF ETHICS



In September 2023, Metinvest celebrated the 10th Anniversary since adopting its Code of Ethics. It remains a vital aspect of the Group's corporate culture, reinforcing the core elements of responsible business conduct and reputation. The document defines the following key principles:

- comply with all health and safety regulations, standards, policies and principles applicable to the Group's business
- develop and maintain a work environment free from discrimination
- avoid activities where there are conflicts of interest between employees and Metinvest
- work with counterparties and business partners with reputations free from corruption and bribery

- fully comply with relevant anti-trust laws
- take a proactive stance on ecology and environmental protection, and carefully manage natural resource use
- promote social responsibility among each employee, and encourage them to play active roles in local communities and society
- work with contractors and business partners who share the Group's business standards, including:
 - providing working conditions that meet the highest standards of health and safety
 - minimising negative environmental impacts
 - respecting the rights of employees and the local community

The Group's adherence to the principles embodied in the Code of Ethics has always defined it as a socially responsible business. The document sets the framework of ethical parameters and rules that employees and business partners must use as a guide in their daily work. It reflects the Group's core values: professionalism; customer focus; life, health and environment; leadership; and teamwork.



COMPLIANCE PROGRAMME

Metinvest's Compliance Programme is a crucial tool that promotes equitable business practices and serves as an anti-corruption mechanism. The Compliance Programme's progress is reported quarterly at meetings of the Supervisory Board's Audit and Finance Committee and annually at a meeting of the Supervisory Board. At the executive team level, the Ethics Committee monitors its performance.

The Compliance Officer function oversees compliance strategy, high-risk transactions, legal support and other key matters. Part of the Legal Directorate, it reports to the Ethics Committee, the Audit and Finance Committee and the Supervisory Board.

To enhance efficiency, in 2023 the Group centralised compliance for its Ukrainian assets through the establishment of the Compliance Risks Department at Metinvest Business Services. It focuses primarily on operational issues, sanctions risks, personal data protection and conflict of interest administration.

Across the Group's non-Ukrainian assets, compliance coordinators are responsible for managing compliance risks and conflicts of interest, as well as promoting an ethical business model through training and communication.

In 2023, counterparty sanctions compliance screening remained a key focus for Metinvest's activity in this area. At the same time, during the year the Group took the following new measures:

- identified additional risks to be considered during counterparty compliance checks
- developed a risk assessment matrix for counterparties
- introduced new sanctions and anti-corruption clauses for contracts to address relevant compliance risks.

ETHICS COMMITTEE

Metinvest's Ethics Committee is chaired by the CEO and includes senior management. It convenes quarterly to discuss the functioning of the Compliance Programme across the Group, to make decisions regarding conflicts of interest and to review reports received through the Trust Line.

In 2023, the full-scale war impacted the scope of issues that the Ethics Committee addressed. In addition to standard matters, it covered topics such as the results of economic sanctions checks and blocked counterparties.

DEMANDING JUSTICE

In 2023, Metinvest remained committed to seeking justice and compensation for damages inflicted on its assets by the Russian Aggression through international legal avenues, including the European Court of Human Rights (ECHR) and investment arbitration under the Ukraine-Russia bilateral investment treaty.

The claims centre on Russia's violation of Metinvest's rights under Article 1 of Protocol 1 to the European Convention on Human Rights. This includes causing significant damage and destruction to Group assets; denying control over them, in many cases to the point of effectively depriving it of ownership; and depriving it of their business use and income-generating potential.

The Group tasked dedicated personnel to review open sources to record the damage inflicted, primarily on the Mariupol plants. Metinvest also has initiated a number of criminal proceedings. The legal strategy is coordinated in unison with SCM.

This effort underscores Metinvest's unwavering dedication to upholding its core values and rights under international law, even as it faces protracted legal battles.

BUSINESS ETHICS FRAMEWORK

REGULATORY DOCUMENTS	INSTRUMENTS	GOVERNANCE
<ul style="list-style-type: none"> • Code of Ethics • Code of Business Partnership • Human Rights Policy 	<ul style="list-style-type: none"> • Compliance programme • Compliance checks¹ • Anti-monopoly procedures • Trust Line 	<ul style="list-style-type: none"> • Supervisory Board • Audit and Finance Committee • Ethics Committee

¹ Checks include: conflicts of interest; anti-corruption and anti-bribery; and AML/CFT

**TRUST LINE**

Metinvest uses the Trust Line maintained by SCM, one of the Group's shareholders, to enhance transparency and accountability.

The Trust Line enables stakeholders to anonymously report any legal infractions, violations of business practices and ethical standards, or non-compliance with the norms and principles outlined in the Code of Ethics. It also offers a channel for employees and local communities to voice their concerns, including those related to environmental or safety issues.

The Trust Line is accessible around the clock and an authorised representative is always on hand for consultations. Submissions can be made through various methods, including email and text message, in any of the working languages applied within the Group. The Trust Line's operations are regularly monitored by the Internal Audit Directorate, which reports on the findings to both the Audit and Finance Committee and the Supervisory Board.

Metinvest's Procedure for Routing, Investigating and Closing Reports Received through the Trust Line establishes the requirements and departments responsible for investigations, determines the format and content of reports, and mandates the monitoring of corrective action.

In 2023, the Trust Line received a total of 331 reports, of which 144 were confirmed, compared with a respective 392 and 113 in 2022. The most common matters reported were violations of HR and other internal policies and procedures, as well as breaches of contractual obligations. Overall, during the reporting period, the Group reduced the average amount of time taken to consider Trust Line reports by 22% year-on-year.

THE TRUST LINE IS AVAILABLE THROUGH THE FOLLOWING CHANNELS:

Toll free number within the borders of Ukraine:
0 800 60 07 77

International number: **+38 044 224 72 32**

Email: **trustline@scm.com.ua**

Web: **www.scm.com.cy/trust-line**

CONFLICTS OF INTEREST

Metinvest recognises that employees have valid personal interests and supports their development, especially when they benefit the broader community. It also understands the need for employees to avoid conflicts between their and the Group's interests.

Metinvest's Procedure for Declaring Conflicts of Interest stipulates that employees must promptly inform their direct supervisor and the legal team of any actual or potential conflict of interest. It also mandates that managers submit declarations confirming the absence of conflicts of interest or declaring any issues. The Group requires initial (upon assuming a management role), current (if any real or potential conflict arises during the year) and annual declarations (once a year, irrespective of the existence of a conflict) to be submitted.

During the reporting period, Metinvest piloted a new approach to determining the list of mandatory declarants. Instead of basing the determination on the level of an employee's position, it is now linked to their functions and tasks, as well as the business areas of the asset at which they work. This led to an increase in the number of declarants at the Group's Ukrainian assets. Prior to filing their declarations, 1,354 declarants participated in a voluntary webinar on managing conflicts of interest that clarified the procedure.

In 2023, 92% of declarants submitted annual declarations, compared with 84% in 2022. Overall, 82 forms disclosed a conflict of interest, compared with 35 in 2022.

ANTI-CORRUPTION AND ANTI-BRIBERY

Metinvest strictly complies with applicable relevant anti-corruption and anti-bribery laws in its business activity.

The Group's corruption and fraud-risk strategy is grounded in specific evaluation criteria, unambiguous definitions and well-defined responsibilities for monitoring this risk.

Metinvest applies a multi-tiered anti-corruption approach. It promotes employee awareness of its zero-tolerance corruption policy and conducts mandatory anti-corruption screenings for suppliers and customers. Transactions involving public sector representatives and social project financing programmes receive increased scrutiny.

The Group subjects every internal and external applicant for senior and high-risk positions to compulsory internal security checks. It applies more comprehensive assessment protocols for former government officials and politicians. In 2023, a total of 208 candidates for high-risk positions were screened, compared with 74 in 2022.

In 2023, there were no reported or confirmed cases of corruption violations.

AML/CFT

Metinvest's Procedure on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) requires that all counterparties undergo comprehensive due diligence screenings, including watchlists related to sanctions, terrorism, money laundering, corruption and other areas of concern. The Group also conducts automated sanctions checks for all counterparties registered in SAP.

In 2023, Metinvest checked more than 8,000 transactions for potential violations of economic sanctions and AML/CFT regulations, of which it blocked 53 counterparties in the SAP system. This was a significant reduction compared with the 4,450 counterparties blocked in 2022, most of which were from or related to Russia and Belarus.

ANTI-MONOPOLY COMPLIANCE

Metinvest recognises the importance of fair competition in its Code of Ethics and adheres to the applicable regulations in the countries in which it operates. The Group has anti-monopoly policies in place at its largest entities.

Metinvest has a dedicated anti-trust compliance function staffed by a legal team that oversees enquiries and requests from relevant government authorities. It also provides expert advice on potential anti-trust risks and conducts clarifications as needed.

In addition, the Group offers annual training to assist managers in identifying and preventing actions that could potentially be deemed breaches of these laws.

In 2023, no fines or other sanctions were imposed on Metinvest for anti-competitive behaviour or violations of anti-trust and monopoly legislation.

ANTI-CRISIS MANAGEMENT

Metinvest's anti-crisis management system plays an important role in maintaining operational stability in the face of challenges. Governed by the Anti-Crisis Management Regulation and Business Security Policy, the system ensures a unified approach to security management across the Group. It strives to minimise the impact of security risks on its operational assets and safeguard employees and material resources.

Metinvest continuously monitors military, socio-political and other factors that may affect its business processes. The Group conducts comprehensive risk assessments and performs audits at its facilities, allowing it to identify potential risks, analyse their impact on business processes and implement appropriate preventive measures. Metinvest classifies crisis situations as operational or strategic, depending on the potential consequences.

Headed by the CEO, the Group's anti-crisis headquarters serves to ensure an appropriate response to urgent situations. There is a 24-hour emergency hotline in place for timely communication on incidents. This reporting channel extends to Metinvest's CEO and upwards to the Supervisory Board members and shareholders. Prompt notifications help the Group to mitigate any threats that may arise.

In the reporting period, the Group conducted employee training at its assets to ensure preparedness in case of crisis situations such as industrial accidents or shelling.