

BUSINESS ETHICS AND COMPLIANCE**CORNERSTONE PRINCIPLES**

Metinvest's commitment to best practices in business ethics and compliance is unwavering. These foundational elements define the Group's approach to upholding its obligations.

CODE OF ETHICS

GRI 2-23; 2-24; 2-25; 3-3

Metinvest's Code of Ethics provides the foundation of ethical business behaviour across the Group. It defines the core values for engaging with stakeholders: life, health and the environment, customer focus, professionalism, leadership and teamwork. It also 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 fosters these values through the personal example of leadership, as well as training and communication campaigns to raise awareness about the Code of Ethics.

In early 2022, Metinvest conducted regular training for employees on its Code of Ethics, and tested staff on their knowledge of its provisions. After the full-scale invasion in February 2022, mandatory employee training was paused. While Metinvest's plans for 2022 included creating new online training materials, face-to-face seminars and communication campaigns to further promote compliance principles within the Group, these steps were put on hold. At the same time, Kamet Steel, integrated into the Group in the second half of 2021, organised voluntary training on the Code of Ethics during the reporting period, which covered around 2,500 employees.

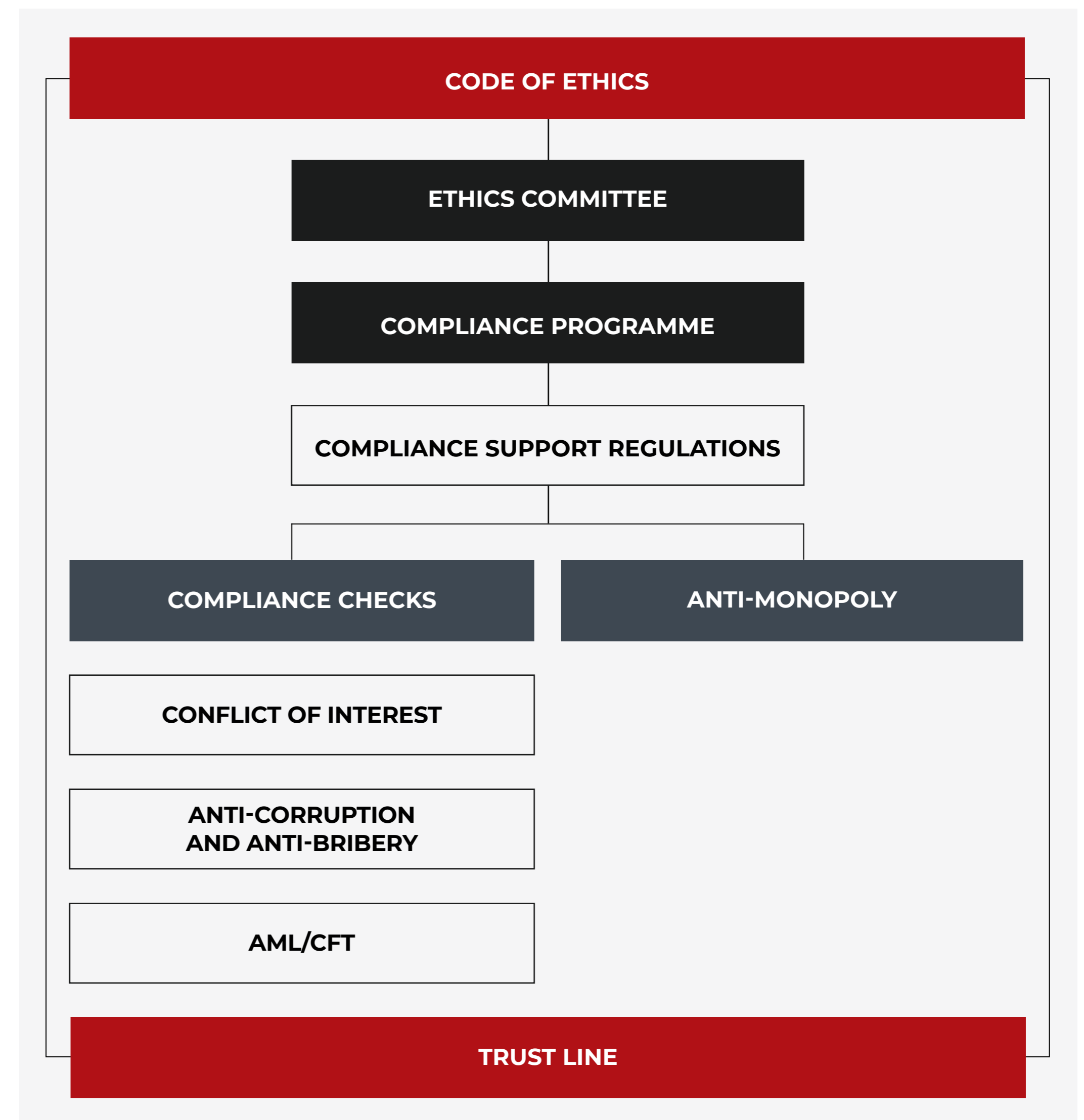
In addition, in recognition of the importance of fair commercial relationships, Metinvest maintains the Code of Business Partnership, which sets clear standards of compliance with sustainable practices and business requirements to guide both existing and potential suppliers. For more details about the Code of Business Partnership, see page 62.

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.

Also, 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.

The imposition of martial law in Ukraine in early 2022 impacted the scope of issues addressed by the Ethics Committee. All committee members participated, discussing topics such as conflicts of interest, sanctions risks, Trust Line reports, approval and monitoring of high-risk positions.

BUSINESS ETHICS FRAMEWORK

COMPLIANCE PROGRAMME

Metinvest's Compliance Programme has been instrumental in fostering fair business practices and serving as an anti-corruption mechanism. The Group's Ethics Committee monitors the performance of the programme quarterly, including an evaluation of the approach to anti-corruption management.

While some projects under the Compliance Programme were suspended in 2022, the primary focus in the reporting period was screening to ensure sanctions compliance related to counterparties.

The Group implemented several new initiatives in this area. For example, it launched the supplier compliance check module in the SAP CRM system for its assets in Western Europe. Also, Metinvest integrated the SAP MDG (Master Data Governance) OpenDataBot to trace and block certain counterparties automatically. Metinvest Polska introduced counterparty sanctions controls in SAP MDG and plans to implement SAP CRM in 2023.

TRUST LINE

GRI 2-26

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

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

The Trust Line enables stakeholders to report anonymously any legal violations, breaches of business conduct and corporate ethics, or non-compliance with the standards and principles of the Code of Ethics. It also allows employees and local communities to report their concerns, including on environmental or safety matters.

The Trust Line operates 24/7 and an authorised representative is available for consultation anytime. It accepts information through various channels, such as email and text message, and allows submissions in any of the working languages applied within the Group. The Internal Audit Directorate routinely oversees the Trust Line's operations and informs the Audit and Finance Committee and the Supervisory Board about the reports received.

In 2022, a total of 392 reports were submitted through the Trust Line, of which 113 were confirmed, compared with a respective 784 and 238 in 2021. The most-reported topics were breaches of internal procedures and contractual obligations, and HR management matters. The decrease in the number of reports was caused by the temporary loss of operational control over assets in Mariupol and the slowdown of business activity since the outbreak of war in Ukraine.

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

In 2022, the Group achieved a 30% year-on-year reduction in the time required to address reports submitted through the Trust line.

CONFLICTS OF INTEREST

GRI 2-15

Metinvest acknowledges that employees have personal interests and supports their development, particularly when they benefit the broader community. It also recognises the need for employees to avoid conflicts between their interests and those of the Group.

Metinvest's Procedure for Declaring Conflicts of Interest mandates that employees promptly notify their direct supervisor and the legal team of any actual or potential conflict of interest. In addition, those in management positions must 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.

In 2022, annual declarations were submitted by 84% of declarants, compared with 95% in 2021. In addition, 35 forms disclosed a conflict of interest, compared with 114 the previous year.

UPHOLDING CORE VALUES

Adhering to the principles of law and fairness, Metinvest continues to uphold its core values. In line with this, it has sought legal redress through the European Court of Human Rights (ECHR). The aim of these lawsuits is to obtain compensation for the harm done to the Group's assets during Russia's unwarranted acts of aggression against Ukraine. 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 around 300 dedicated personnel to review open sources to record the damage inflicted, primarily on the Mariupol plants, resulting in nearly 1,500 individual verified instances. Also, Metinvest has initiated dozens of criminal proceedings and assembled a collection of more than 100 media articles from local and international outlets that covered damage to the Group's property. The legal strategy was coordinated in unison with SCM.

Despite the complex nature of and lengthy process related to the invasion-related claims, Metinvest remains steadfast in its pursuit of justice. While ECHR decisions are typically enforced voluntarily, the Group believes that these lawsuits have not only procedural, but moral value as well. Given the immense devastation and violations of human rights Russia has caused, Metinvest believes that an international legal mechanism for the enforcement of damages against the aggressor state (including those confirmed by ECHR decisions) will be developed by the G7 (Group of Seven) and other countries that share the core values of respect for human rights and international law.

ANTI-CORRUPTION AND ANTI-BRIBERY

GRI 205-1; 205-2; 205-3

Metinvest adheres to the stipulations of relevant anti-corruption and anti-trust laws while conducting business.

The Group's strategy for addressing corruption and fraud risk encompasses distinct evaluation criteria, unambiguous definitions and well-defined responsibilities for monitoring this risk.

Metinvest implements anti-corruption measures at various levels. It fosters employee consciousness of its unyielding stance against corruption and carries out compulsory anti-corruption checks for suppliers and customers. Transactions involving public sector representatives and social project financing programmes undergo heightened examination.

All internal and external applicants for senior and high-risk positions are subject to mandatory internal security screening. Former government officials and politicians undergo more comprehensive verification processes. In 2022, a total of 74 candidates for high-risk positions underwent checks, compared with 172 a year ago.

During the year, no cases of corruption violations involving public officials were reported or confirmed. However, 26 cases were identified involving fraud and private bribes received from counterparties to lobby their interests. The Group applied disciplinary actions appropriate to each incident against the parties involved.

AML/CFT

Metinvest's Procedure on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) mandates thorough due diligence checks for all counterparties, encompassing watchlists related to sanctions, terrorism, money laundering, corruption and other areas of concern. Moreover, automated sanctions checks are implemented for all counterparties registered in SAP.

In 2022, Metinvest scrutinised over 7,000 transactions for potential breaches of economic sanctions and AML/CFT regulations. During the reporting period, the Group blocked 4,450 counterparties in the SAP system, most of which were from or related to Russia and Belarus.

ANTI-MONOPOLY COMPLIANCE

GRI 206-1

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

The Group has a distinct 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 yearly training to assist managers in identifying and averting actions that could potentially be deemed breaches of these laws.

In 2022, there were no fines and/or sanctions imposed on the Group for anti-competitive behaviour or violations of anti-trust and monopoly legislation.

ANTI-CRISIS MANAGEMENT

GRI 2-16; 403-2

Metinvest's anti-crisis management system plays a crucial role in maintaining operational stability in the face of challenges. Governed by the Business Security Policy, most recently revised and updated in 2022, 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 safeguarding employees and material resources.

Metinvest constantly monitors the military, socio-political situation and factors that may affect the Group's 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.

A response is ensured by the Group's anti-crisis headquarters, headed by the CEO. A 24-hour emergency hotline operates for timely communication on incidents. This reporting channel extends to Metinvest's CEO and upwards to the Supervisory Board members, as appropriate. By facilitating prompt notifications, Metinvest can act decisively to mitigate any threats that may arise.

In February 2022, in response to the outbreak of the full-scale war, Metinvest's activated the anti-crisis headquarters. Its work was focused on preserving lives and maintaining operations of the entities. These efforts included personnel evacuation, humanitarian aid, as well as accommodations and employment for those relocated to Ukrainian-controlled territory.

The Group also transformed defensive structures that it was mandated by legislation to maintain prior to the full-scale war into long-term shelters to protect employees and resources. It took additional measures to ensure workforce safety, including purchasing essential supplies and equipment. Metinvest also established voluntary firefighting brigades at some locations to help manage fires resulting from artillery attacks.

