

APPROVED BY
the decision of the Board of
Directors of
METALLOINVEST MC LLC
dated April 30, 2021
Minutes of the Absentee
Meeting of the Board of
Directors (unnumb.) dated April
30, 2021

ANTI-CORRUPTION POLICY
OF METALLOINVEST GROUP

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1. General provisions

1.1. This Anti-Corruption Policy of METALLOINVEST Group (hereinafter referred to as the "Anti-Corruption Policy" or the "Policy") sets out the commitment of METALLOINVEST MC LLC (hereinafter referred to as the "Management Company" or the "MC") and organizations with which the Management Company has made up agreements on exercising the powers of the sole executive body (hereinafter referred to as the "Managed Companies", "MdC"), (hereinafter jointly referred to as the "Group", "Group Companies" or "Companies"), and the Group management to comply with provisions of Russian and applicable foreign anti-corruption laws and regulations, high ethic standards and principles of open and fair business conduct, as well as the intention to follow the best practices of corporate governance and maintain a good business reputation.

1.2. The Anti-Corruption Policy establishes the intentions and directions for the development of the Group's anti-corruption activities (as defined below), sets the goals and objectives for the Group's anti-corruption activities, defines the scope of this Policy and the circle of persons it is applicable to, the fundamental principles of anti-corruption activities of the Group's Companies, employees of the Group's Companies responsible for implementing the Anti-Corruption Policy, duties of the employees and Companies in relation to the preventing and countering corruption.

1.3. The Policy has been developed in accordance with the anti-corruption laws of the Russian Federation, applicable international regulations, and Articles of Association of the Management Company subject to the recommendations of the Ministry of Labour and Social Protection of the Russian Federation ("Guidelines for Development and Implementation of Measures for Preventing and Countering Corruption by Organizations", "Measures for Prevention of Corruption at Organizations") and standards ISO 37301:2021 (Compliance Management Systems – Requirements with Guidance for Use) and ISO 37001:2016 "Anti-bribery Management Systems – Requirements with Guidance for Use).

1.4. The Policy forms the basis for the development of regulatory and guidance documents of the Group's Companies in the field of countering corruption.

2. Scope of application

2.1. The Anti-Corruption Policy is binding on the employees of the Group's Companies, regardless of their position.

2.2. Certain provisions of the Policy apply to the Group's counterparties in cases when the relevant obligations are provided for by agreements concluded with them or are expressly stipulated by law.

For the purposes of effective and successful interaction, the Group expects that the counterparties will collaborate with the Group's Companies in preventing corruption and notify the Group of suspected corruption activities, and communicate the rules and principles of the Group's anti-corruption activities to their employees.

3. Key terms and definitions

3.1. The following terms and definitions are used in this Policy:

– *anti-corruption activities* – activities aimed at preventing and countering corruption, identifying, studying, limiting or eliminating the causes and conditions that give rise to corruption offenses and conflicts of interest;

– *anti-corruption assessment* – activities aimed at identifying and eliminating factors that give rise to corruption in draft local regulations, pre-contractual and contractual documents;

– *anti-corruption monitoring* – a continuous process of collecting and analysing information about the activities of the Group's Companies and the measures taken in the field of preventing and combating corruption, which is conducted in order to determine the effectiveness of the measures taken, identify factors that give rise to corruption, and predict corruption-related risks;

– *business process* – a set of inter-related actions (functions) that are performed sequentially and/or simultaneously for the purpose of transforming the source material or/and information flows into the final product (service) or corresponding information flows with other properties;

– *contractual documents* – contracts, arrangements or agreements made up between two or more persons on the establishment, modification or termination of civil rights and obligations, as well as the accompanying documents (invoices, certificates, memorandums, specifications, estimates, charts, etc.);

– *context* – external and internal factors that are significant for the objective of activities carried out by the Group and its Companies and make an effect on the achievability of the goals of the anti-corruption management system;

– *counterparty* – any Russian or foreign legal entity or individual that the Company enters into contractual relations with, except for labour relations;

- *check* – events, actions, automatic operation of information systems or a combination of these processes, designed to provide reasonable assurance that the risk inherent in a business process is responded to efficiently, timely and consistently at different management levels and that the probability and/or impact of the risk(s) inherent in the business process is minimized;
- *conflict of interests* – a situation in which the personal interest (both direct or indirect) of a person holding a position, the replacement of which provides for the obligation to take measures to prevent and resolve a conflict of interests, affects or may affect the proper, fair and impartial performance of their official (job) duties (exercise of powers);
- *business process that may give rise to corruption* – a business process that is exposed to corruption risks;
- *corruption/corruption activities* – abuse of official position, bribery, abuse of powers, kickback or other illegal use by an individual of his (her) official position not in compliance with the legitimate interests of the society, the state and the Group with the purpose of obtaining benefits in the form of money, valuables, other property or property-related services, or other property rights in favour of himself (herself) or third parties, as well as illegal provision of such benefits to the said person by other individuals or commission of the said actions on behalf or in the interest of the Group or Group Companies;
- *corruption activities* – activities related to the commission of corruption actions;
- *corruption offence* – corruption actions/omission to act that entail disciplinary, civil, administrative or criminal liability;
- *corruption manifestations* – various forms of corruption appearance;
- *corruption risks* – potentially possible events resulting from actions/omission to act and/or decisions of citizens, entities and/or their officials that hinder and/or threaten the exercise of the rights and legitimate interests of the Group and/or its companies, both for the purpose of obtaining personal benefits and for the purpose of obtaining benefits by third parties;
- *personal interest* – possibility of receiving additional (except for payment of wages, bonuses, etc. received from the Company) income in the form of cash, other property, including property rights, property-related services, results of works or any benefits (advantages) by an employee and/or his (her) relatives, citizens or organizations with whom the employee and/or his (her) relatives have property, corporate or other close relations;
- *pre-contractual documents* – documents that ensure the conclusion of a future agreement between the parties (documents that record the fact of holding meetings and negotiations; documents that record the preliminary results of negotiations; documents that have the effect of a preliminary agreement;

documents intended for settlement of controversies);

- *anti-corruption activities* – activities aimed at the implementation of elements of corporate culture, organizational structure, rules and procedures that ensure the prevention of corruption offences;
- *employees* – persons who have labour relations with the Group Company in accordance with the labour laws of the Russian Federation;
- *effectiveness* – the degree to which the planned activities are completed and the goals and objectives set are achieved;
- *relatives* – persons who are closely related by virtue of family ties or law¹ (parents, spouses, children, brothers, sisters, as well as brothers, sisters, parents, children of spouses, spouses of children);
- *management system* – a set of related or interacting elements of the Group aimed at defining policies, objectives and processes for the achievement of these objectives;
- *structural subdivision* – a subdivision of the Group Company that is in charge of performance of individual processes, functions, works, and participates in the business activities of the Company but is not economically independent.

4. Anti-corruption objectives and tasks of the Group

4.1. The objective of anti-corruption activities of the Group is to comply with the applicable anti-corruption laws, prevent and suppress corruption offences in the course of activities of the Group Companies, and to form an anti-corruption culture providing for zero tolerance of employees and contractors to corruption manifestations.

4.2. To achieve the anti-corruption objectives, the following tasks shall be solved:

- ensuring the functioning and development of the anti-corruption management system at the Group;
- ensuring the existence of legal framework and organizational mechanisms aimed at countering corruption;
- corruption risk management;
- implementation of a system of measures aimed at preventing and countering corruption and its manifestations in the course of activities of the Group Companies;
- formation of a corporate culture providing for zero tolerance to

¹ In-law relations are relations between people arising from the marriage of one of their relatives such as relations between a spouse and relatives of another spouse or between relatives of spouses. Attributes of in-law relations: a) arise from marriage; b) are not based on blood relationship; c) arise if there are living relatives of the husband and (or) the wife at the moment of marriage.

corruption;

- ensuring the transparency and accessibility of the Group's anti-corruption activities;
- development and maintaining the effectiveness of local anti-corruption regulations.

5. Principles of anti-corruption activities

5.1. Legality.

The anti-corruption management system shall be created at the Group in accordance with the requirements of applicable law with account for the best world practices. The Group shall continuously keep it updated.

5.2. Zero tolerance to corruption.

The Group shall not tolerate any forms and manifestations of corruption in the course of its activities, in particular, in the course of interaction with shareholders, investors, counterparties, authorities, public officials, political parties (their representatives), and other persons.

5.3. Understanding the Group's context.

The Group Companies shall carry out anti-corruption activities with account for external and internal factors that are significant for the objective of their activities and the objective of the activities of the Group as a whole and make an effect on the achievability of the goals of the anti-corruption management system.

5.4. Personal example of the management ("tone at the top").

Members of the management bodies and leadership of the Group Companies shall play a key role in the formation of a culture of zero tolerance to corruption and in the creation of the anti-corruption management system.

5.5. Engagement of employees in anti-corruption activities.

All employees of the Group Companies shall take an active part in the formation and implementation of anti-corruption measures.

5.6. Ensuring the possibility of confidential reporting corruption offences without fear of retaliation.

The Group shall ensure the operation of a hotline for receiving reports on violations of the rights and legitimate interests of employees and other persons, cases of fraud, corruption, embezzlement, violations of laws and local regulations of the Group.

The hotline shall be accessible to the Group's employees and third parties, as a minimum, by e-mail (hotline@metalloinvest.com), telephone (8-800-700-10-55), and the module for receiving electronic messages on the Group's web-site <https://www.metalloinvest.com/about/compliance/>.

The Group shall ensure the confidentiality of persons contacting the hotline and the confidentiality of the information received, as well as the protection of

callers. Hotline callers may not be brought to the disciplinary, administrative and civil responsibility by the Group, save in cases expressly provided for by the laws of the Russian Federation.

5.7. Mandatory application and inevitability of punishment.

The anti-corruption rules and requirements established by the Group are binding on all employees (regardless of their position, work experience and other circumstances). In case of violation of the said rules and requirements, the violators shall be brought to the responsibility provided for by the applicable laws and internal regulations of the Group Companies. The Group shall make all possible reasonable and legitimate efforts to prevent violations as quickly and inevitably as possible.

5.8. Priority of corruption prevention measures.

The Group shall give priority to preventive anti-corruption measures and implementation of procedures aimed at the prevention of violations of established rules and requirements. The implemented anti-corruption measures and procedures shall be consolidated into the anti-corruption management system, which is integrated into all business processes of the Group Companies.

5.9. Risk-based approach.

The set of measures aimed at reducing the probability of involvement of the Group or managers and employees of the Group Companies in corruption activities shall be developed and implemented taking into account the existing corruption risks in their activities.

5.10. Effectiveness.

The Group shall implement anti-corruption measures that are affordable, easily implemented and and bring significant results.

5.11. Due diligence.

The Group shall make the necessary efforts to avoid entering into business relations with counterparties that may be involved in corrupt activities.

5.12. Refusal to pursue.

No sanctions may be applied to employees and/or counterparties of the Group Companies who have reported in good faith that other employees or counterparties of the Group have committed corruption offences/actions or who have refused to participate in corruption offences/actions, even if such refusal may lead to business losses.

5.13. Openness and transparency.

The Group shall communicate the anti-corruption business standards adopted by the Group to its employees, contractors and the public.

5.14. Independence of employees responsible for anti-corruption activities.

Employees responsible for anti-corruption activities shall have a

guaranteed direct access to the Board of Directors of the Management Company and the Top Management of the Management Company for reporting and solving issues related to this area of activities and/or the anti-corruption management system.

6. Subjects of the anti-corruption management system

6.1. The Group shall ensure the proper separation of powers among persons and structural subdivisions being part of the anti-corruption management system and their effective interaction with each other.

The subjects of the anti-corruption management system at the Group are:

- Board of Directors of the Management Company;
- Audit Committee of the Board of Directors;
- General Director of the Management Company, Managing Directors of the Managed Companies;
- managers of the Group Companies responsible for anti-corruption activities;
- structural subdivisions of the Group Companies responsible for anti-corruption activities;
- employees and structural divisions of the Group Companies within their competence and scope of responsibilities established by the relevant local regulations and administrative documents.

6.2. Managers responsible for anti-corruption activities and heads of structural divisions responsible for anti-corruption activities shall be employees having the required competence, status and independence provided for in clause 5.14. of this Policy.

6.3. The Management Company's Board of Directors shall approve the Group's Anti-Corruption Policy, determine the intentions and directions for the development of the Group's anti-corruption activities in accordance with the Group's Strategy and also shall oversee, through the analysis of incoming information, the implementation, development of the Group's anti-corruption management system and its effectiveness, as well as the allocation and provision of sufficient and appropriate resources necessary for the effective functioning of this system.

6.4. The Audit Committee of the Board of Directors shall provide the necessary assistance to the Board of Directors of the Management Company by supervising the reliability and effectiveness of the anti-corruption system, including:

- review of reports on the results of external audit of conformity of the anti-corruption management system to the standards and maturity of the function, the Internal Audit of the Management Company on the results of

assessment of the anti-corruption management system as part of the reports on the results of internal audits, reports of the Group's executive bodies on the assessment of the effectiveness of the risk management and internal control system, as well as on the results of functioning of the anti-corruption management systems of the Group Companies;

- supervision over the functioning of the system of reporting corruption offences (hotline) and implementation of measures taken by the executive bodies of the Group Companies within the framework of functioning of this system.

6.5. The functions of the General Director of the Management Company and Managing Directors of the Managed Companies as subjects of the anti-corruption management system shall include:

- organization and implementation of the anti-corruption management system, maintaining its operability and reviewing it order to ensure an adequate response to corruption risks of the Group Company;

- appointment of managers and structural subdivisions responsible for anti-corruption activities at the Group Companies;

- ensuring the integration of the anti-corruption management system's requirements into the business processes of the Group Companies;

- ensuring the availability of sufficient and appropriate resources for the effective functioning of the anti-corruption management system;

- organization of communicating the Policy and implemented anti-corruption measures both at the Group Companies and to the public;

- implementation of a culture of zero tolerance of corruption at the Group Companies;

- organization of promotion at the Group Companies of the significance of effective anti-corruption management and compliance with the requirements of the anti-corruption management system;

- providing guarantees that the developed and implemented anti-corruption management system will ensure the achievement of its objectives;

- engagement of employees and obtaining their support in efforts aimed at increasing the effectiveness of the anti-corruption management system;

- encouraging the continuous improvement of the anti-corruption management system;

- providing support to top managers of the Group Companies in demonstrating the leadership in anti-corruption activities within the limits of their responsibilities;

- making decisions on providing incentives to employees who have reported corruption offenses;

- providing guarantees to employees who have reported in good faith

about the commission of corruption offenses/actions by other employees or contractors of the Group or who have refused to participate in corruption offenses/actions, even if such refusal may lead to business losses;

- making decisions on the issues related to contemplating transactions/conducting operations entailing a high corruption risk.

The functions of the General Director of the Management Company, in addition to those listed above, shall include the organization of scheduled reporting to the Board of Directors of the Management Company/the Audit Committee of the Board of Directors on the allocated resources, the formation, functioning and results of functioning of the anti-corruption management system of the Group Companies and the system for reporting corruption offences (hotline). The frequency of such reporting shall be determined by the decision of the Board of Directors of the Management Company.

6.6. The anti-corruption functions of the responsible managers of the Group Companies as subjects of the anti-corruption management system shall include:

- organization of methodological support for anti-corruption activities;
- organization of conformity of the Group's anti-corruption activities to the requirements of applicable law;
- ensuring the conformity of the anti-corruption management system to the requirements of this Policy;
- monitoring the activities of the respective structural subdivision responsible for anti-corruption activities;
- scheduled reporting to the General Director of the Management Company/Managing Director of the respective Managed Company on the results of anti-corruption activities.

The anti-corruption functions of the responsible manager of the Management Company, in addition to those listed above, shall include scheduled reporting to the Board of Directors of the Management Company/the Audit Committee of the Board of Directors on the results of anti-corruption activities.

6.7. The functions of the structural subdivisions of the Group Companies responsible for anti-corruption activities shall include:

- development of a general methodology and provision of the necessary methodological support to the structural subdivisions of the Group Companies in the field of anti-corruption activities;
- control of compliance with the requirements of local anti-corruption regulations by the structural subdivisions of the respective Group Company;
- interaction with the structural subdivisions of the respective Group Company on anti-corruption issues;
- control of business processes that may give rise to corruption;

- anti-corruption assessment;
- monitoring of applicable anti-corruption legislation;
- anti-corruption monitoring;
- development of recommendations for the elimination of causes and conditions that contribute to commission of corrupt actions by employees;
- updating the local anti-corruption regulations of the respective Group Company;
- provision of consulting support to employees of the respective Group Company who have doubts about the compliance of their actions with the rules of the applicable anti-corruption laws and/or principles and requirements of local anti-corruption regulations;
- scheduled reporting on the results of anti-corruption activities of the respective Group Company to the manager responsible for anti-corruption activities at the respective Group Company.

The functions of the structural subdivision of the Management Company responsible for anti-corruption activities, in addition to those listed above, shall include scheduled reporting on the results of the Group's anti-corruption activities to the manager responsible for anti-corruption activities at the Management Company.

7. Functioning of the anti-corruption management system.

7.1. The functioning of the anti-corruption management system shall be based on a process management model that provides for continuous improvement and includes the following recurring stages:

- Planning: setting the objectives for the functioning of the anti-corruption management system and the processes necessary to achieve them.
- Implementation: implementation of planned activities and anti-corruption processes.
- Verification: monitoring the effectiveness of implemented control procedures and ongoing anti-corruption measures, assessing their sufficiency, proportionality and relevance.
- Action: improvement of anti-corruption measures taking into account the identified shortcomings of the control environment, changes in the applicable anti-corruption legislation and/or best world practices.

7.2. In accordance with the Internal Audit Plan of the Group approved by the Board of Directors of the Management Company, the anti-corruption management system shall be subject to internal audit. In addition, external audit of the anti-corruption management system and the financial and economic activities of the Group's Companies shall be conducted on a regular basis, internal control systems shall be checked, and corruption risks shall be

assessed.

7.3. All information confirming the functioning of the anti-corruption management system and/or being necessary to ensure its effectiveness shall be documented, taking into account the requirements for its conformity, accessibility, suitability for use and security.

8. Responsibility

8.1. Employees of the Group, regardless of their position, shall be responsible for compliance with the requirements of this Policy.

8.2. Employees who violate the requirements and principles of the Anti-Corruption Policy may be brought to disciplinary, administrative, civil or criminal responsibility in accordance with the procedure and on the grounds provided for by the laws of the Russian Federation, local regulations of the Group Companies and employment contracts.