



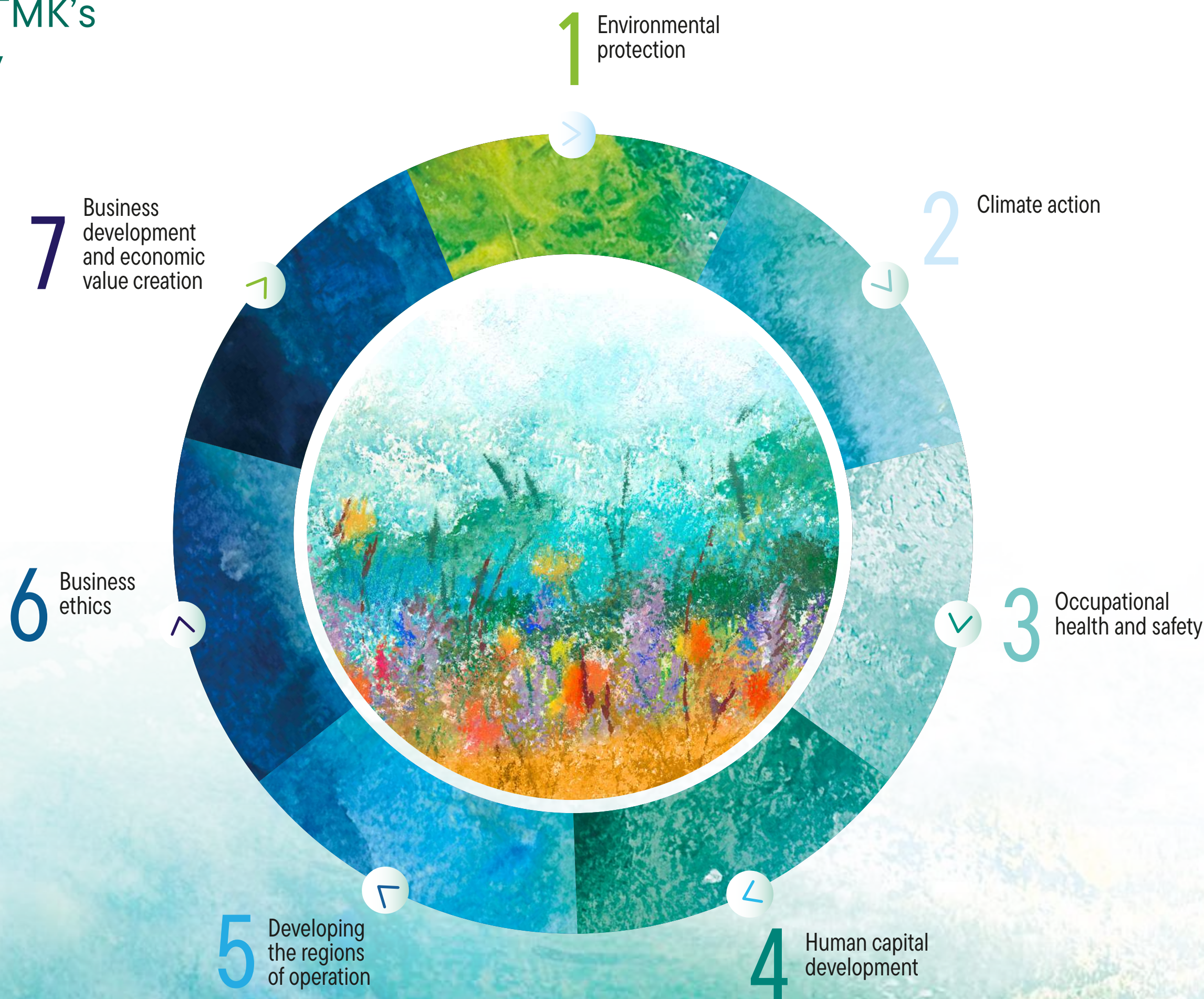
TMK's sustainability performance in

2024



TMK'S KEY SUSTAINABILITY FOCUS AREAS

Seven focus areas of TMK's Sustainability Strategy



TMK's Sustainability Strategy comprises:

7

focus areas

17

objectives

33

KPIs

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

6

CLEAN WATER AND SANITATION

7

AFRORDABLE AND CLEAN ENERGY

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

11

SUSTAINABLE CITIES AND COMMUNITIES

12

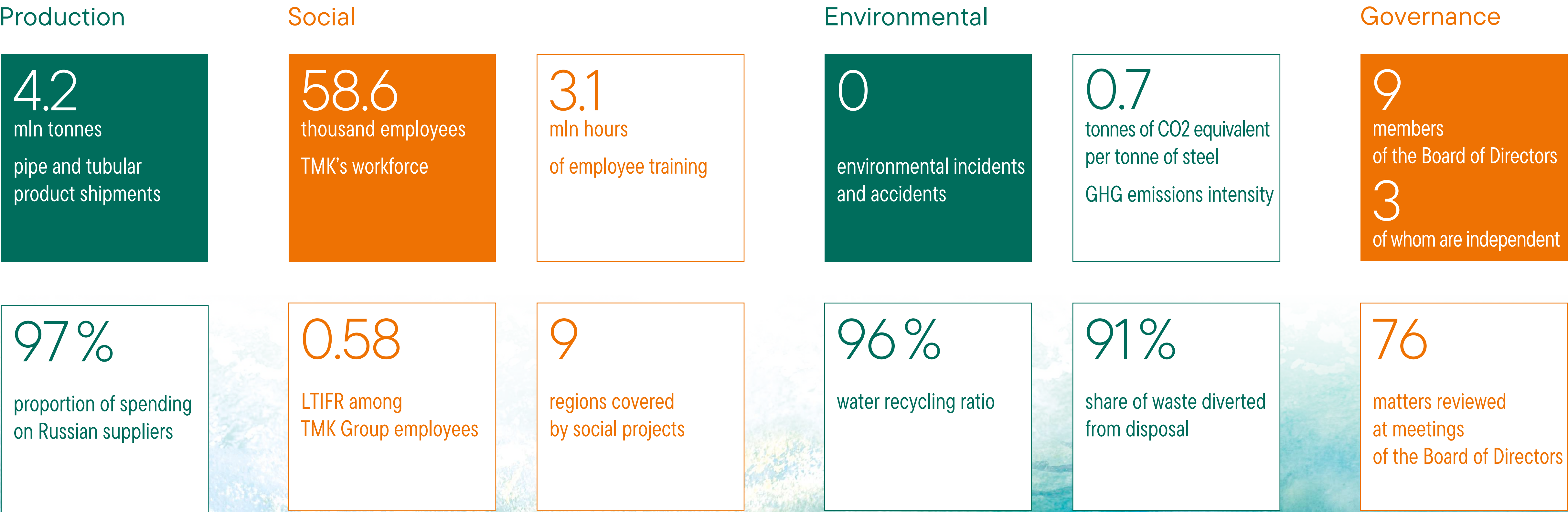
RESPONSIBLE CONSUMPTION AND PRODUCTION

13

CLIMATE ACTION

9 priority UN SDGs

KEY 2024 HIGHLIGHTS



AWARDS AND ACHIEVEMENTS

Competitions and awards

ECOTECH-LEADER 2024 award

- > The AQA Balance and AQA Crystal projects, aimed at reducing industrial impact on water, topped the Improving the Environmental Safety of Operations category

Our Contribution national award

- > Partner of National Projects status awarded for contributions to the implementation of the Healthcare and the Tourism and Hospitality Industry national projects

Company of the Future 2024 award

- > Winner in the Scientific Capital category

Champions of Good Deeds all-Russian competition of corporate volunteering projects

- > Second place in the Health and Sports category for the From Heart to Heart corporate program to promote donorship

Corporate Philanthropy Leaders national competition

- > Third place for grant competitions aimed at identifying and developing best practices of non-profits and supporting local communities

Flagships of Russian Business: Dynamics, Sustainability, and Responsibility 2023 national competition held by RSPP

- > Award for the Business Service Center’s Digital Assistant and Order Book Management Through the CHTPZ Corporate Information System projects and honorable mentions in the Progress in Human Resources Development and Contribution to Sustainable Development of Territories categories

Ratings

ESG rating by NRA

- > An AA.esg rating: a very high level of ESG agenda integration into the Company’s operations and ESG compliance

ESG ranking by NRA

- > Group 1, companies with advanced sustainability practices

ESG index by NCR and RBC

- > Group 2 (above average)

Best Employers Ranking by Forbes

- > Gold category

Corporate Philanthropy Leaders rating

- > A+ category (the highest rating)

Anti-Corruption Ranking of Russian Business by RSPP

- > Class AAA, a very high level of anti-corruption compliance



ENVIRONMENTAL PROTECTION

2024 results

4.6
RUB bln

environmental
expenditures, including
RUB 1 bln in green
investments

32 %

reduction in total weight
of waste generated

82 %

share of scrap metal
in total materials used

96 %

water recycling ratio
in production cycles

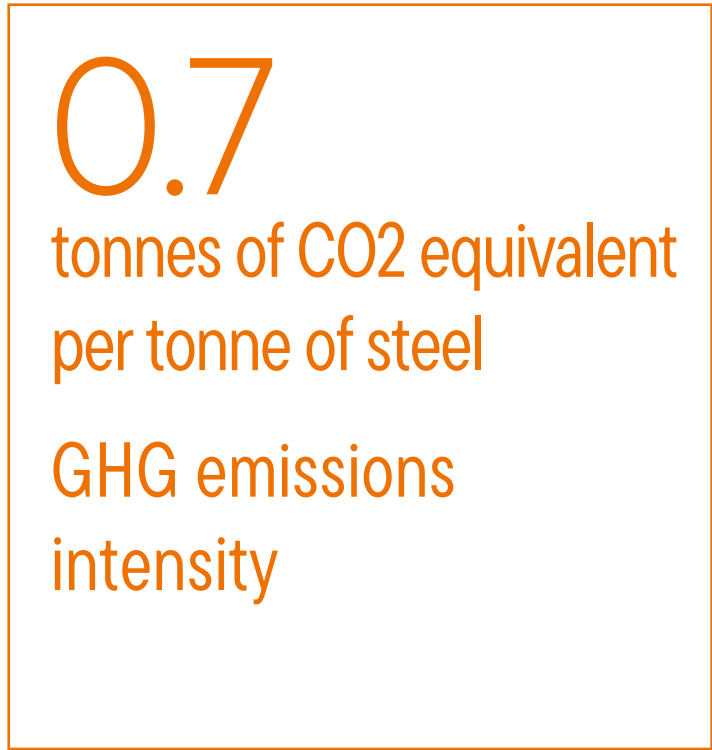
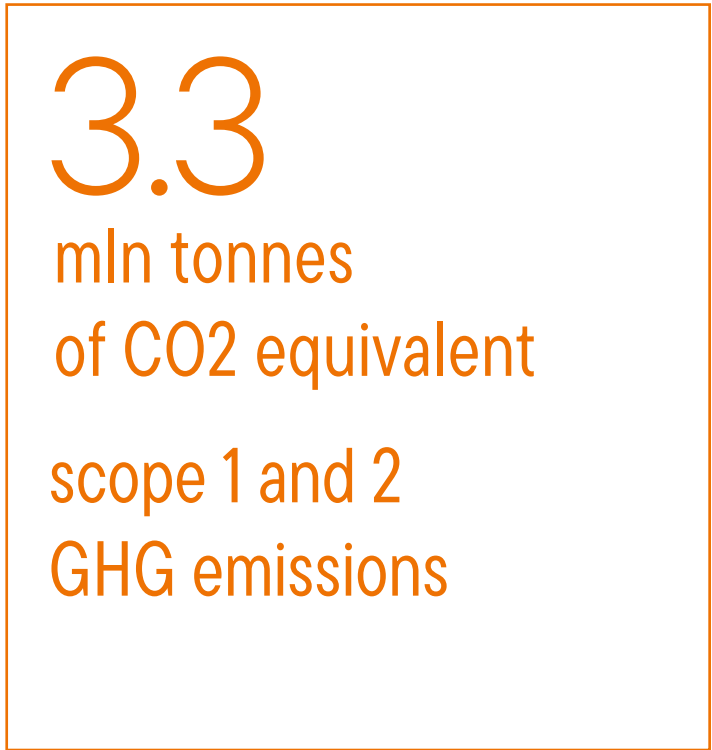
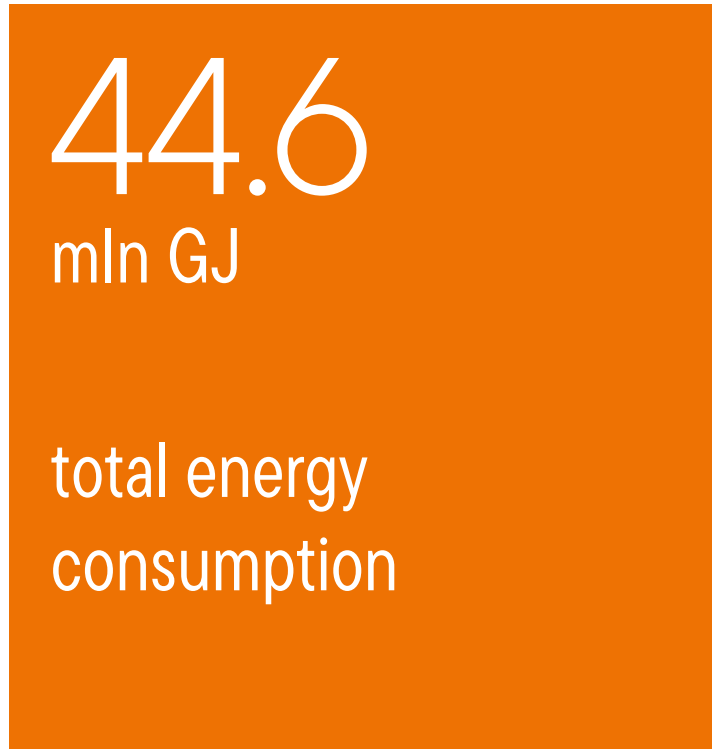
Key highlights

- > TMK developed its Environmental Strategy to 2036
- > Six integrated environmental permits were obtained
- > A Waste and By-Product Management Program for 2024–2027 was developed and approved
- > TMK enterprises inventoried PCB-containing equipment and updated the relevant transfer-for-disposal schedules for 2025–2027
- > Under the Clean Air federal project, the Company continued retrofitting gas cleaning systems at CHTPZ and upgraded the gas cleaning units in the plasma-cutting area at TMK PS
- > CHTPZ did pre-commissioning of the AQA Balance complex, which treats industrial and storm water at the enterprise



CLIMATE ACTION

2024 results



Key highlights

- > TMK approved its Low-Carbon Development Strategy to 2036
- > The Greening Program for Enterprises and Regions of Operation for 2024–2027 was developed and approved
- > TMK’s Green Initiative, a corporate greening program, was launched, with a series of tree planting events held across the Company’s operating regions
- > GHG emission calculations were verified, and an auditor’s opinion was obtained
- > The Low-Carbon Energy Transition Framework for TMK Enterprises was developed
- > Activities under the Energy Efficiency Program were implemented across operations



OCCUPATIONAL HEALTH AND SAFETY

2024 results

2.9

RUB bln

costs of OHS initiatives

0

fatalities

0.58

LTIFR among
employees

0.82

TRIFR

0.08

the rate
of high-consequence
work-related injuries

Key highlights

- > Safety Days were held across all production sites, involving 46 thousand Company employees and 4 thousand contractor personnel
- > Seven enterprises, including all TMK Group pipe plants, were certified to ISO 45001
- > The rollout of digital safety management tools continued, including the OTPB.Online system, the Incident Investigation Library digital archive, and the Bank of Best Practices digital portal
- > The Workplace Safety Culture project was launched to review existing processes, methodologies, and tools to strengthen the safety culture
- > VTZ, TAGMET, STZ, SinTZ, PNTZ, and CHTPZ are running a large-scale cardiovascular disease prevention program, which focuses on five key areas: medical care, healthy eating, physical activity and fitness, health resort treatment, and awareness-raising



HUMAN CAPITAL DEVELOPMENT

2024 results

58.6
thousand employees
in TMK's workforce

42
average employee age

14.9 %
employee turnover

3.1
mln hours
total hours
of employee training

72 p.p.
employee engagement
level at TMK Group

Key highlights

- > The HR Policy was updated
- > Engagement surveys were conducted, followed by plans to further improve employee engagement
- > Wages were indexed
- > Under the Professionalitet federal project, the Company held career guidance events for students and organized internships for teachers
- > The Horizons forum and the Master Games corporate vocational skills competition were held
- > Under the Effective Mentoring program, 1,300 employees received training. By the end of 2024, TMK had a total of 5,503 mentors



DEVELOPING THE REGIONS OF OPERATION

2024 results

2.9
RUB bln
social investments,
with 34% allocated
to infrastructure projects

9
TMK Group's regions
of operation

> 1
thousand people
participated
in employee
volunteering projects

> 50
thousand tourists
visited
TMK's production
enterprises

Key highlights

- > Taxes were paid in full to the federal and regional budgets
- > Social and economic partnership agreements between plants and municipal authorities remained in force
- > Over 50 initiatives aimed at developing infrastructure in our regions of operation were implemented
- > The first Volunteer Forum was held
- > Over 500 volunteer projects were carried out as part of broader efforts to support volunteer engagement
- > Two annual grant competitions were held, providing project-based support for non-profit and public sector organizations and support for local communities
- > Industrial tourism projects were implemented at TMK Group enterprises



BUSINESS ETHICS

2024 results

357
reports received
by the hotline
and reviewed

0
cases of confidentiality
breaches or unlawful
disclosure
of personal data

4
confirmed cases
of violations
of the Code of Ethics

14
thousand employees
trained in corporate
ethics and compliance

Key highlights

- > All TMK Group enterprises underwent a corruption risk assessment, which found no significant corruption risks
- > 125 senior managers of the Company took training on anti-trust regulation, which covered, in particular, liability for corruption offenses
- > Reports received through the hotline from employees and other stakeholders were processed, and investigations were conducted into identified and suspected violations



BUSINESS DEVELOPMENT AND ECONOMIC VALUE CREATION

2024 results

27.4

RUB bln

total investment in innovation projects

26 %

proportion of spending on local suppliers

16

key suppliers screened using sustainability criteria

97 %

proportion of spending on Russian suppliers

4.5 out of 5

overall customer satisfaction score

Key highlights

- > Supply channels were optimized, with import purchases designated as a separate segment
- > Key suppliers underwent the annual assessment against sustainability criteria
- > Strategic sessions with suppliers were held
- > Digitization of the procurement process was continued
- > Meetings with customers, including during customer days, and discussions with technical functions of customers were held
- > The TMK Quality Leader 2024 competition and corporate conference were held





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