SUSTAINABILITY REPORT

2024

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Approved
by the Board of Directors of PAO TMK

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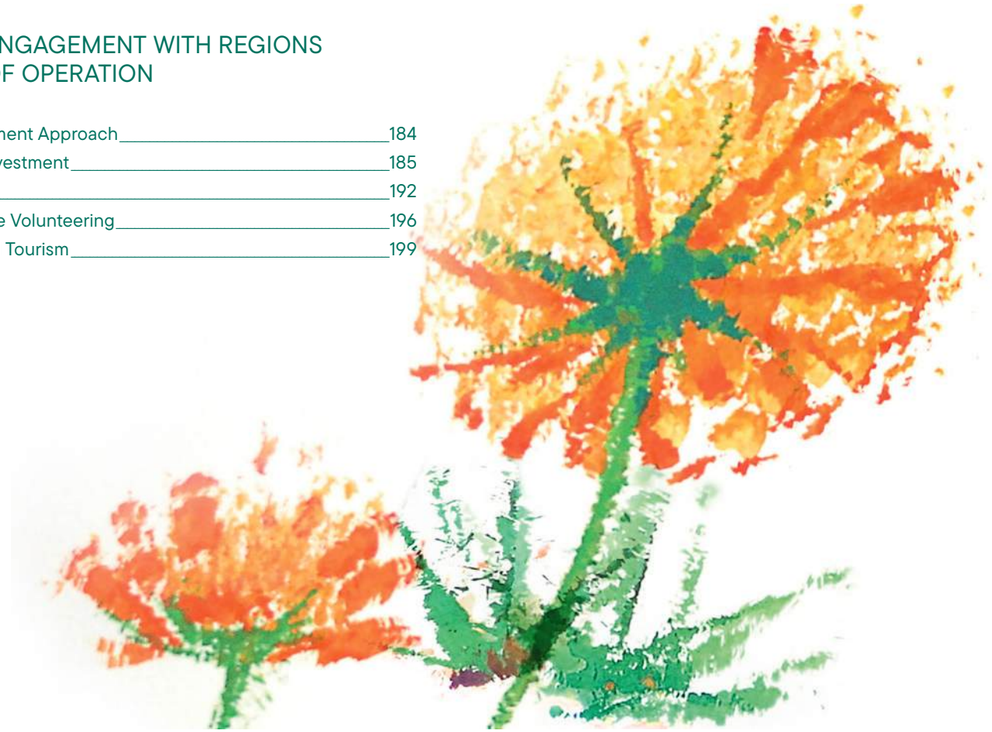


A JOURNEY THROUGH
PIPE INNOVATION

ANCIENT CRETE

CLAY, 4,000 BC

One of the oldest human-made pipelines is believed to be the water conduit on the Greek island of Crete. Archeologists suggest that the structure is more than 6,000 years old. To construct it, ancient engineers used cone-shaped tubes of fired clay, inserted into one another. Ceramic pipe was typical for most pipelines of that time.

1. ABOUT THE REPORT

12
material topics

11.5
thousand employees surveyed to determine material topics

The Report was reviewed by the Strategy and Sustainability Committee and approved by the Board of Directors

The Report passed Independent assurance

Standards and guidance used

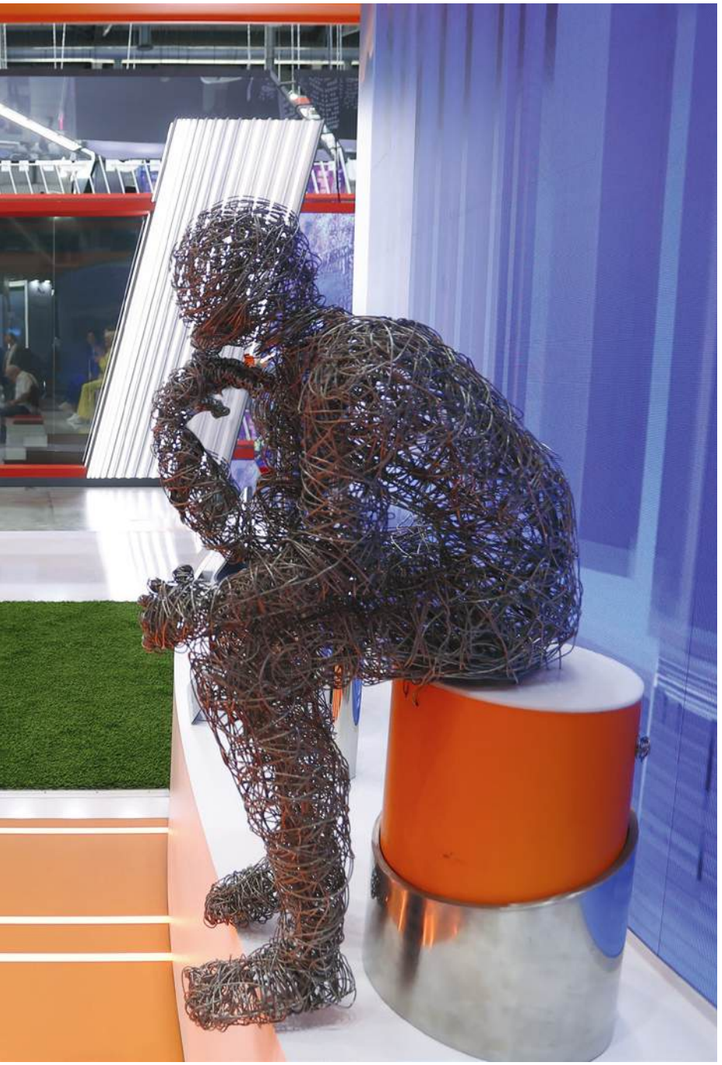
International standards and guidance:

- GRI Standards (main standard)
- SASB
- TCFD

Russian guidance:

- Methodological Recommendations of the Russian Ministry of Economic Development
- Recommendations of the Bank of Russia on non-financial disclosures

APPROACH TO REPORTING



PAO TMK[1] is pleased to present its 2024 Sustainability Report (the “Report”). GRI 2-1

This is the Company’s fourth non-financial report, prepared in accordance with the Global Reporting Initiative Standards (GRI Standards)[2] and with reference to the Sustainability Accounting Standards Board’s (SASB) sustainability accounting standard for iron and steel producers. The Report also details the Company’s contribution to the 2030 United Nations Sustainable Development Goals (UN SDGs).

Information on our climate impact in this Report is presented in line with recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Since 2023, the Company’s reporting has also been guided by the Methodological Recommendations of the Russian Ministry of Economic Development[3] and applicable recommendations of the Bank of Russia[4] on non-financial disclosures.

The Company’s highest governance bodies are involved in the preparation and approval process for its sustainability reports. For example, the Board’s Strategy and Sustainability Committee reviews the Report, and the Board of Directors approves it. Deputy CEO for Marketing, a member of TMK’s Management Board, oversees the Report’s publication. GRI 2-14

The Report includes information on management approaches for various sustainability aspects and key performance results disclosed in accordance with applicable non-financial reporting standards. The reliability of the information has been confirmed through independent assurance.

GRI 2-3 The Report contains information about TMK Group enterprises in Russia, with reported information covering the period from January 01 to December 31, 2024.

GRI 2-2 In 2024, there were changes to the scope and structure of the Company that impacted the Report’s disclosures. Specifically, LLC TMK-YMZ and LLC PNTZ-Service exited the Group and are therefore not covered in the Report.

At the same time, the 2024 quantitative indicators include, for the first time, data for LLC TMK Energoresurs, which joined TMK Group in 2023, as well as for LLC CHERMET Group and LLC Uralsky Dvor, both of which joined the Group in 2024.

The methodology for calculating the Report’s indicators remains largely unchanged from the 2023 reporting cycle. However, we updated the measurement methodology for certain indicators, which resulted in restatements of information from previous reporting periods. For each such case, there is a footnote or explanation in the relevant section of the Report. GRI 2-4

TMK Group pursues a wide range of sustainability initiatives and projects. Each reporting period, we select one of our enterprises to highlight its best practices in greater detail. This year’s Report showcases the best practices of Chelyabinsk Pipe Plant (CHTPZ), one of the largest steel pipe producers in Russia. All CHTPZ cases are accompanied by an image of a camel, the symbol of Chelyabinsk and the Chelyabinsk Region. Known for its proprietary unique production technologies, CHTPZ manufactures seamless hot-rolled pipes of both large and small diameters as well as seamless cold-rolled pipes. CHTPZ products are in demand among companies in fuel and energy, machine building, construction, agriculture, and other industries.

GRI 3-1 Principles for defining Report content and Report quality

Principles for defining Report content and Report quality	
Stakeholder engagement In preparing the Report, we collect the views of stakeholders, actively reaching out to them to determine material topics through surveys	**Sustainability context** Information on TMK’s sustainability efforts is disclosed based on applicable regulations, international standards, and regulatory guidelines as well as in line with best practices
Materiality We conducted a comprehensive materiality assessment, reviewed TMK’s environmental, social, and economic impacts, and interviewed a wide range of stakeholders	**Completeness** Topics determined as material based on stakeholder surveys are disclosed in greater detail in the Report

Defining Report quality

Accuracy

The Report presents reliable qualitative and quantitative information, as confirmed by an independent assurance process. All assumptions are described as such in relevant chapters of this Report

Balance

The Report discloses not only TMK Group's sustainability successes but also areas for improvement that the Company continues to address

Clarity

Information in the Report is presented in language accessible to a broad audience. Graphs, tables, and other visualization formats are used to ensure the information is as clear and easy to understand as possible

Comparability

Where applicable, quantitative data is disclosed for the past three years to enable stakeholders to track trends and make informed decisions regarding their engagement with TMK

Timeliness

The Report was prepared in the first half of 2025 and covers the Company's activities for the period from January 01 to December 31, 2024

Reliability

The data disclosed in the Report was provided by TMK's relevant functions. Data requests were prepared in line with the GRI, SASB, and TCFD standards as well as the guidelines of the Russian Ministry of Economic Development and the Bank of Russia

Independent Assurance

GRI 2-5

This Report has undergone an independent assurance process, for which we engaged AO "Business Solutions and Technologies". The assurance confirms the accuracy, adequacy, completeness, and high quality of the Report disclosures, helping to strengthen stakeholder confidence in the disclosed information. The independent assurance process was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and provides limited assurance.

For more details on assurance of the Report, see the Independent Assurance appendix.

DETERMINING MATERIAL TOPICS

GRI 3-1

In line with the GRI Standards, we have conducted an annual comprehensive materiality assessment of topics. The assessment aims to identify the Company's most significant actual and potential impacts on the environment, people, and economy as well as assess the significance of such impacts for stakeholders. The process to determine material topics included five steps, with some changes made in 2024 to steps four and five.

Step 1. Conducting a benchmarking exercise and longlisting topics relevant to the Company's business

For step one, we benchmarked topics determined as material in reports of Russian and foreign peers — leaders in the metals and mining industries. We also analyzed the list of material topics for steel producers according to the SASB industry standard and used the results to longlist our topics.

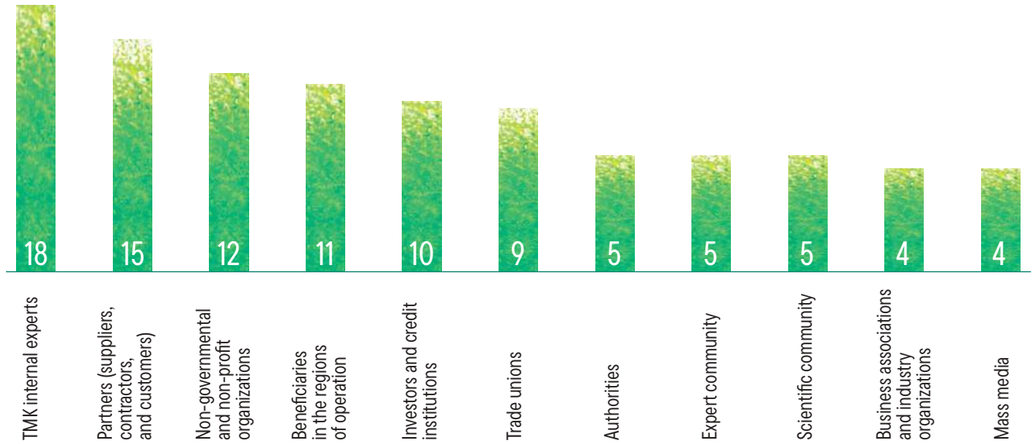
Step 2. Shortlisting relevant topics for in-depth analysis

The analysis of longlisted topics confirmed that the list of material topics for 2023 was aligned with industry best practices.

Step 3. Identifying positive and negative impacts within the reviewed topics

We reviewed the list of material topics and their corresponding impacts from the 2023 Sustainability Report against stakeholder expectations gathered during last year's materiality assessment and made only minor adjustments based on the findings.

Stakeholder groups participating in the expert survey, respondents



The processing of the survey responses

Step 4. Assessing the identified impacts and material topics through stakeholder surveys

At this step, we invited stakeholders to take part in an online survey. We conducted two separate stakeholder surveys, tailored to respondents' familiarity with sustainability matters:

- An internal survey of TMK employees (11,475 respondents) to assess the relevance of material topics
- An impact assessment questionnaire survey of experts (98 respondents across 11 stakeholder groups)

The updated survey approach significantly expanded respondent coverage compared to 2023 by involving a wide range of TMK Group employees in the assessment process.

Step 5. Preparing the final list of material topics

The survey responses were processed in several stages.

See the processing of the survey response matrix above.

In the reporting year, we changed the methodology for calculating relevance scores for material topics:

- Scores for material topics are now calculated as the average of the positive and negative impact scores based on expert survey results (in 2023, these scores were summed)
- An additional step was added with the launch of the second survey type: the overall scores for the topics were calculated by averaging the overall scores from the two survey types

Based on the resulting scores, we prepared a ranked final list of topics and divided them into three groups across three priority levels: top 25% (priority 1), bottom 25% (priority 3), and the middle range (priority 2).

A total of 12 topics classified as priorities 1 and 2 were determined as material, and information on them is disclosed in the Report in greater detail. Topics that received low scores for both positive and negative impacts were classified as priority 3 relevant topics. Information on these topics is also disclosed in the Report, although in less detail.

GRI 3-2 There were several changes to the list of material topics compared to the previous reporting period:

- The topic Employment and decent working conditions increased in relevance, moving up from priority 2 to priority 1
- The topics Human rights and Employee training and development moved up from priority 3 to priority 2 and are now considered material
- The topic Water consumption and discharge moved down from priority 1 to priority 2
- The topics Local development and charity and Contribution to climate change were reclassified as immaterial, moving from priority 2 to priority 3

GRI 3-2

Final list of material topics

The topic priority: ↗ increased ↘ decreased = did not change

Priority	Topic	Change from 2023	GRI disclosure
1	Occupational health and safety	=	GRI 403
	Customer focus and product quality assurance	=	GRI 418
	Economic performance	=	GRI 201
	Employment and decent working conditions	↗	GRI 202, 401, 402, 405
2	Sustainable supply chain	=	GRI 204, 308, 414
	Air pollutant emissions	=	GRI 305
	Water consumption and discharge	↘	GRI 303
	Waste management	=	GRI 306
	Business ethics and anti-corruption	=	GRI 205, 206
	Human rights	↗	GRI 405, 406, 407, 408, 409
	Employee training and development	↗	GRI 404
	Use of raw and other materials	=	GRI 301

Final list of relevant topics

The topic priority: ↗ increased ↘ decreased = did not change

Priority	Topic	Change from 2023	GRI disclosure
3	Local development and charity	↘	GRI 203, 413
	Contribution to climate change	↘	GRI 305
	Energy consumption and energy efficiency	=	GRI 302
	Remediation and biodiversity conservation	=	GRI 304

A JOURNEY THROUGH
PIPE INNOVATION

ANCIENT EGYPT

COPPER AND BRONZE, 3,000 BC

About 5,000 years ago, pipelines made of copper and bronze came into use. Such pipes were discovered, for example, in the necropolis and palace of an Egyptian pharaoh. Unlike their brittle ceramic counterparts, these pipelines were more durable and reliable. They were made from thin copper or bronze sheets bent into tubes with overlapping edges joined in a seam.

2. COMPANY OVERVIEW

4.2

mln tonnes — pipe and tubular product shipments

32%

the Company's share of the Russian steel pipe market

2.5%

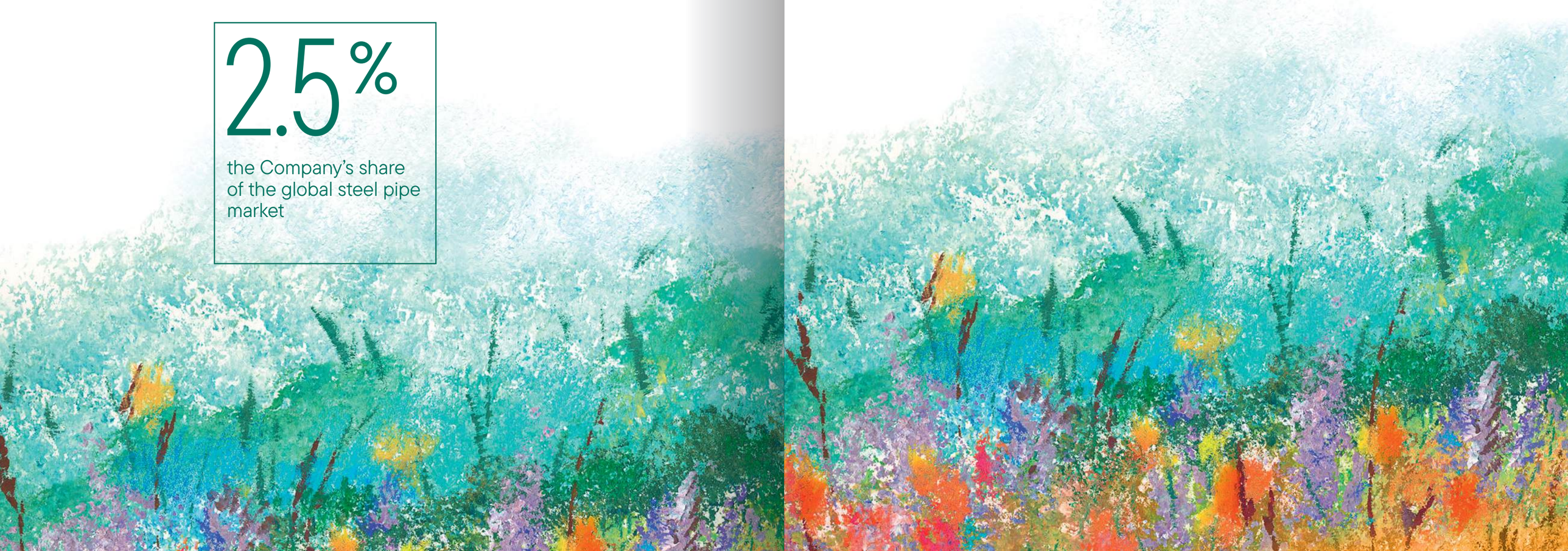
the Company's share of the global steel pipe market

Credit ratings

- NCR: A+.ru, stable outlook
- Expert RA: ruA+, negative outlook

Sustainability ratings

- ESG rating by NRA: AA.esg, 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
- NCR and RBC: Group 2 (above average) in the ESG Index of Russian Business



COMPANY AT A GLANCE

GRI 2-1
GRI 2-6
GRI 3-3

PAO TMK is an industrial engineering company and a leading supplier of tubular solutions, structural materials, and related services. TMK manufactures steel pipes, piping systems, and other products for the energy, chemical, machine-building, construction, and other sectors. TMK enterprises provide comprehensive services in pipe repairing, threading, warehouse management, pipe coating, and supervision of running strings. TMK shares are listed on the Moscow Exchange.

TMK Group's values

- Legality
- Customer focus
- Efficiency
- Safety and security
- Respect
- Openness

TMK's mission is to be a responsible supplier of environmentally efficient and safe solutions for pipe consumers and integrated engineering solutions for various economy sectors. GRI 2-23

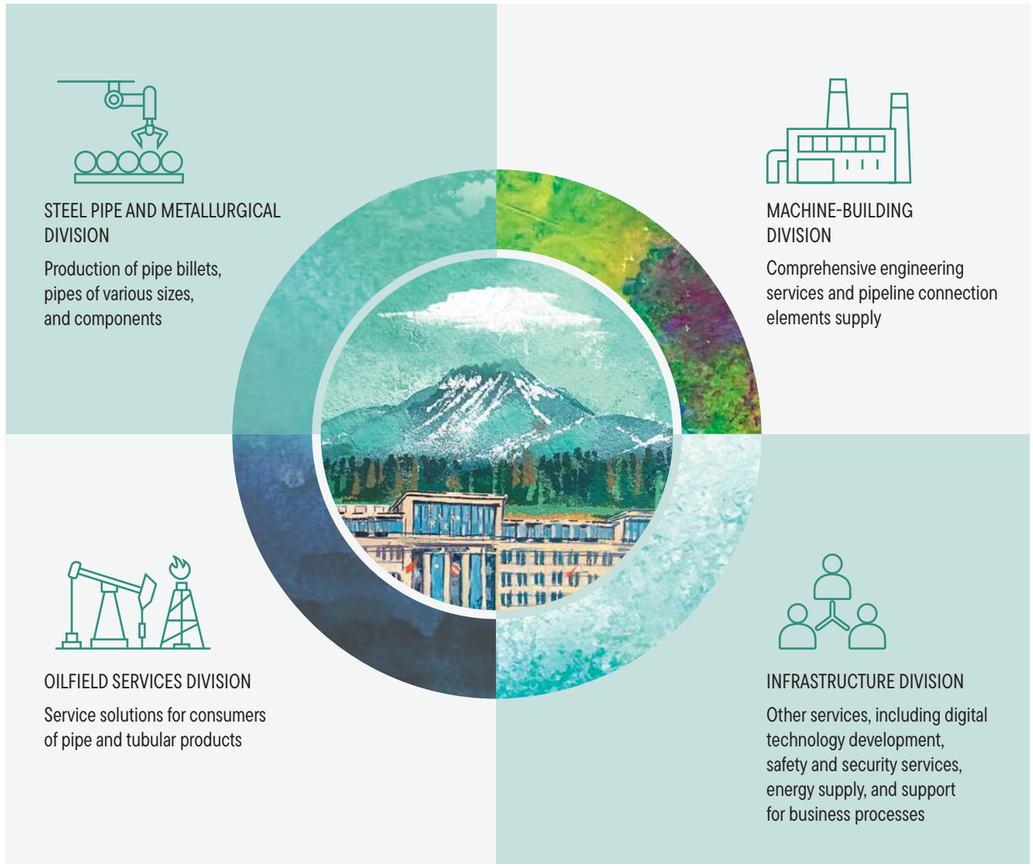
TMK's Geography

GRI 2-1
GRI 2-6

TMK's key industrial enterprises are located in eight regions of Russia. Most production sites are concentrated in the Sverdlovsk and Chelyabinsk Regions. TMK also has plants in the Volgograd, Orenburg, Rostov, and Belgorod Regions as well as in the Khanty-Mansi and Yamal-Nenets Autonomous Areas. The Company's headquarters are located in Moscow. TMK Group enterprises are grouped into four divisions depending on their operational profile. In addition, the Company has its own warehouse operations, comprising 15 sites across 14 regions of Russia.

Historically, the key consumers of TMK products are oil and gas companies and enterprises from various machine-building sub-sectors. In response to market demands, we are expanding our range of pipes and components and working on new products and technology solutions.

TMK divisions



TMK Group's Position in the Industry

Global steel pipe consumption in 2024 was affected by adverse market conditions and general economic turbulence, declining by more than 3% y-o-y. Along with the falling demand, there was growing pressure on the market from Chinese suppliers, who stepped up their activity significantly in external markets and exported a record 11 million tonnes of steel pipes over the past decade.

CHTPZ performance highlights

Over the course of its history, Chelyabinsk Pipe Plant (CHTPZ) has successfully deployed multiple unique technology solutions. For example, it was Russia's first enterprise to start the industrial production of water and gas pipes using continuous furnace welding as well as cold-rolled pipes with improved mechanical properties and with variable section.

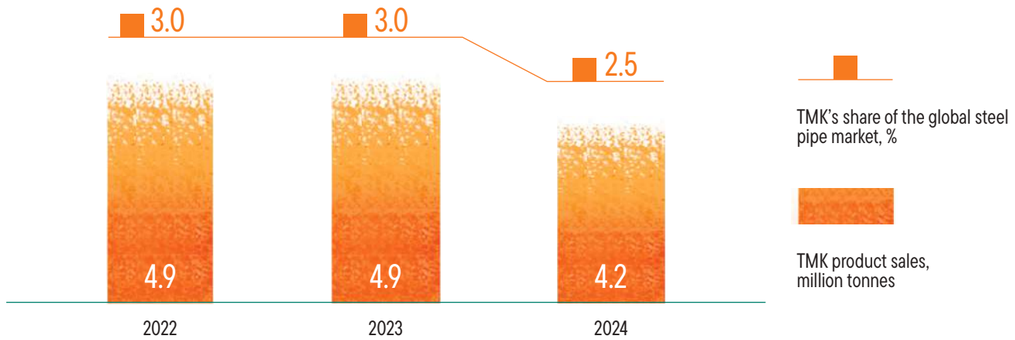
In 2024, CHTPZ produced the first batches of high-strength pipes made from a special TMK-C alloy, which can be used at oil and gas fields in particularly aggressive environments thanks to the alloy's high corrosion resistance, including to acid corrosion.

The plant has capabilities for industrial-scale heat treatment of large diameter pipes for oil and gas processing facilities, including stainless steel pipes. It also produces cold-deformed hexagonal pipes used to transport molten lead for cooling reactors at nuclear power plants.

Consumption of steel pipe and tubular products in Russia also decreased across all economy sectors that are significant to the Company. For example, demand for large diameter pipes dropped in the absence of new large trunk pipeline construction projects. In the field development pipe segment, demand decreased along with oil production and the number of new commissioned wells. Demand for pipes used in agricultural and tractor machinery, infrastructure, construction, and utilities fell as a result of lower consumption and sales to traders due to high loan rates. The overall decline in gross demand for steel pipe and tubular products in Russia reached 7%.

Nevertheless, TMK was able to retain its status as Russia's largest steel pipe manufacturer. In 2024, we traditionally prioritized the needs of domestic customers, covering about one-third of the Russian market total demand. TMK's total sales of pipe and tubular products amounted to 4.2 million tonnes, with the domestic market sales accounting for over 85% of the total.

TMK's product sales and share of the global steel pipe market[5]



TMK products and services

Industry applications	Items
Oil and gas industry: production and transportation	Oil country tubular goods (OCTG)
	OCTG made of special steels and alloys
	Insulated tubing
	Line pipes
	Large diameter pipes
	Premium threaded connections
Oil and gas, chemical, and nuclear industries	Pipeline parts
	Valves
	Pipeline units
Chemical, petrochemical, food, and nuclear industries	Seamless industrial pipes
Machine building, construction, and utilities	Welded industrial pipes
Machine building, nuclear, chemical, oil refining, and food industries	Stainless pipes
Industrial and civil construction	Metal structures
Metallurgy	Metallurgical equipment
Related services	Tubing and drill pipe repair
	Manufacture of downhole filters
	Insulating pipes, casing strings, and bends with PU foam[6]
	Anti-corrosion coating
	Submersible equipment rental
	An integrated production tubing and casing string solution
	Well paraffin removal (scraping)
	Maintenance of downhole equipment

2024 PERFORMANCE HIGHLIGHTS

Caring for employees and local communities

58.6 ↓2.7%
thousand people
headcount
2023: 60.2 thous. people

36% ≈
proportion of women in the workforce
2023: 36%

3.1 ≈
mln hours
of employee training
2023: 3.1 mln hours

2.9 ↑53%
RUB bln
expenditures on OHS
2023: 1.9 RUB bln

0.58 ↓3%
LTIFR
2023: 0.60

0 ↓
number of fatalities
2023: 1

2.9 ↑17%
RUB bln
social investment
2023: 2.4 RUB bln

Adhering to business ethics

357 ↓3.6x
reports received by the hotline and investigated
2023: 1,275

4 ≈
cases
of violations of the Code of Ethics
2023: 4 cases

Mitigating our environmental footprint

4.6 ↑2%
RUB bln
environmental protection expenditures
2023: 4.5 RUB bln

3.3 ↓7%
mln tonnes of CO_2 equivalent
GHG emissions (Scope 1 and 2)
2023: 3.6 mln tonnes

96% ≈
water recycling ratio
2023: 96%

AWARDS AND ACHIEVEMENTS

MED-39

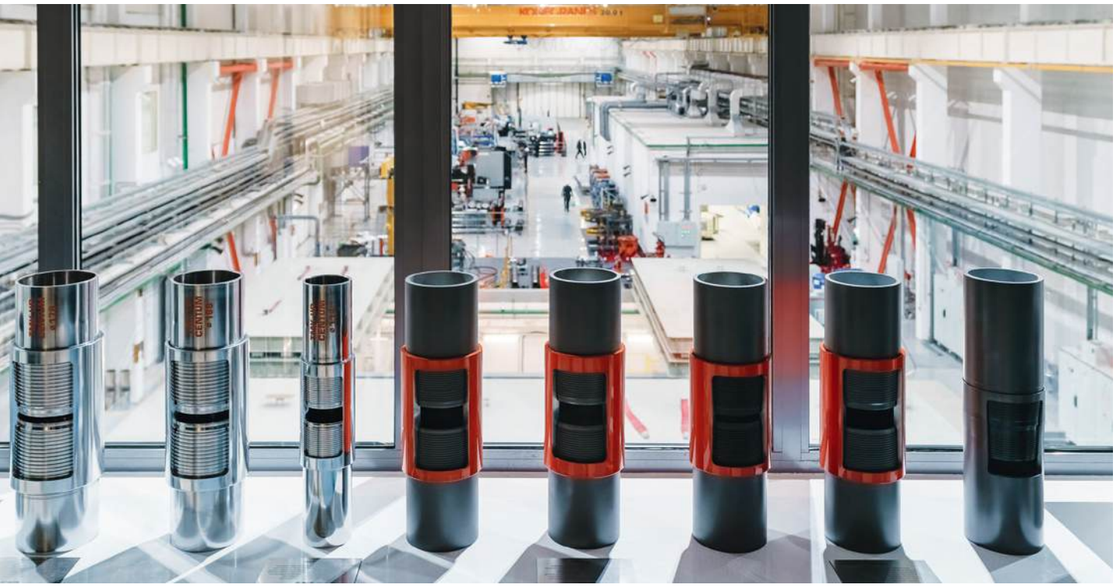
Organizer	Rankings and awards	Achievement
SUSTAINABILITY		
National Rating Agency (NRA)	ESG rating	An AA.esg rating: a very high level of ESG agenda integration into the Company's operations and ESG compliance
	ESG ranking of Russian industrial companies	Group 1, companies with advanced sustainability practices
NCR rating agency in cooperation with RBC	ESG Index of Russian Business	Group 2 (above average)
Russian Union of Industrialists and Entrepreneurs	Flagships of Russian Business: Dynamics, Sustainability, and Responsibility 2023 national competition	Honorable mentions in the Progress in Human Resources Development and Contribution to Sustainable Development of Territories categories
ENVIRONMENTAL PROTECTION		
Business League Communication Group	ECOTECH-LEADER 2024 national award	Winner in the Improving the Environmental Safety of Operations and Future-Ready Solution categories
CARING FOR EMPLOYEES AND LOCAL COMMUNITIES		
Responsible employer		
Forbes	Russia's Best Employers Ranking 2024	Gold category
HeadHunter	Russia's Employers Ranking 2024	Top 100
Developing the regions of operation		
National Priorities autonomous non-profit organization	Our Contribution national award	Status of a Partner of National Projects The social initiatives Pain-Free Children's Hospital and Promoting Industrial Tourism won the award for their contribution to the Healthcare and the Tourism and Hospitality Industry national projects
Donors Forum	Corporate Philanthropy Leaders rating	A+ category (the highest rating)
	Corporate Philanthropy Leaders competition of social programs	Third place for grant competitions aimed at identifying and developing best practices of non-profits and supporting local communities
National Council on Corporate Volunteering and the Russian Managers Association	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
RESPONSIBLE GOVERNANCE PRACTICES		
Financial stability		
Expert RA rating agency	Credit rating[7]	ruA+ Negative outlook
NCR rating agency	Credit rating[8]	A+.ru Stable outlook
INNOVATION AND DIGITALIZATION		
Russian Union of Industrialists and Entrepreneurs	Flagships of Russian Business: Dynamics, Sustainability, and Responsibility 2023 national competition	Award for the Business Service Center's Digital Assistant and Order Book Management Through the CHTPZ Corporate Information System projects
Company business magazine	Company of the Future 2024 award	Winner in the Scientific Capital category
BUSINESS ETHICS		
Russian Union of Industrialists and Entrepreneurs	Anti-Corruption Ranking of Russian Business 2024	Class AAA, a very high level of anti-corruption compliance
CORPORATE COMMUNICATIONS		
Russian Association of Communication Directors and Corporate Publishing	Digital Communications AWARDS	Awards in the categories: Intranet / Corporate Social Network Digital Media & Tools: Web Media Digital Media & Tools: Long Read
	Best Corporate Media competition	Awards in the categories: Informational Videos ESG Videos, Social Responsibility, and Sustainable Development EXPO Videos (Promo Video, Video Presentation) Corporate Museum Videos, Virtual Tours, and Industrial Tourism Best Presenter
Communication and Information Academy	Silver Threads corporate media contest	Trubnik Online, TMK's brand media, ranked first in the Best Digital Publication category. Individual projects of TMK enterprises were recognized in the Best Quality and Variety of Content Offered, For Excellence in Directing and Editing, and Best Content Solutions in Corporate Media categories
Metal-Expo'2024 international trade fair	Best Corporate Media in the Steel Sector in Russia and the CIS 2024 competition	The proTMK corporate newspaper received an award for the quality of content promoting the Company's mission, values, and development strategy

R&D AND INNOVATION

As a leader in the pipe industry, TMK is at the forefront of research and technological innovation in the sector. The Company engages in proprietary research and development, partners with leading institutions to undertake joint research and pursue new technology solutions, and fosters internal innovation by supporting employee initiatives. This approach enables the implementation of projects that align with current market demands while maintaining our competitive edge.

Approach to Innovation

The Company's research efforts and research and development (R&D) activities are spearheaded by TMK's R&D Center, TMK's Research Center, and the Russian Research Institute of the Tube & Pipe Industries (RUSNITI). At the level of individual enterprises, responsibility in this area is assigned to onsite test facilities and laboratories, which participate in the development of new product types, conduct research on the properties of various metals and alloys, and carry out related testing.



Managing innovation at TMK

TMK's innovation engine

TMK's R&D Center

Responsible for developing, digital modeling, and testing innovative materials, structures, and technologies

2024 highlights:

> The installation of two test benches for pipe strength and durability testing was successfully completed

RUSNITI

Carries out R&D activities to create pipe and tubular products and upgrade equipment, develops regulatory documents, and coordinates standardization processes across the industry

2024 highlights:

> A total of 52 standardization documents were reviewed by experts

TMK's Research Center

Develops new steel grades and alloys, pipe manufacturing and processing technologies, and digital solutions supporting production

2024 highlights:

> For the first time in Russia, hot-pressed and shaped pipes were successfully manufactured using centrifugally cast metal

TMK's plant-level test facilities and central laboratories

Study the chemical composition and microstructure of metals and alloys and physical and chemical properties and performance characteristics of anti-corrosion coatings. Focus on technology improvements and technological support for operations, participate in product innovation

2024 highlights:

> Tubing production from high-chromium steels was advanced further

> A new technology for the production of tool joints was developed and successfully implemented

> In digitalization, an automated pipe quantity tracking system was developed and launched in pilot operation

TMK's Corporate Accelerator

Proposes innovative ideas to solve business problems of TMK's units and business partners

2024 highlights:

> 15 projects were implemented in production

> 30 projects are currently in the research and pilot implementation phase

All of TMK's research and scientific facilities are equipped with state-of-the-art experimental equipment and test benches used to study and develop high-performance materials and technologies. When planning R&D efforts, the Company applies its corporate standard, Formulation and Execution of an R&D Plan to Improve Technology and Develop New Product Types.

In 2024, employees from the Company's R&D teams participated in the Youth Scientific and Technical Conference (YSTC), held as part of the Horizons international corporate forum. The winning research project focused on the development of a set of high-temperature downhole equipment for the production of hard-to-recover hydrocarbon reserves. Participating employees were also recognized with awards in thematic sections for their presentations on current challenges and the results of scientific research in seamless pipe production technology.

Collaboration for Innovation

We continue to collaborate with R&D centers of other companies and with higher education institutions. In 2024, within our partnership with Ural Federal University, several projects were implemented, including the development of steels and alloys for hydrogen energy applications, the creation of computational models for power grids, automated product labeling recognition, and the advancement of soil remediation technologies. In addition, data-driven solutions were proposed to support equipment failure prevention and enhance monitoring of operational processes.

In the reporting year, TMK, in collaboration with its partners, successfully launched the production of new types of hot-pressed and hot-rolled alloy and steel pipes for the nuclear industry, developed science-based hot rolling processes, and manufactured pilot batches of these this pipes.

MED-4 Spending on innovation projects, RUB billion

Innovation Performance in 2024

In 2024, TMK invested RUB 27.4 billion in innovation, resulting in the implementation of 214 projects. The bulk of these expenditures — over 83% — was allocated to projects aligned with the sustainability agenda. These include upgrades of process equipment, implementation of retrofitting programs, and the deployment of new technologies aimed at enhancing production efficiency and minimizing negative environmental impacts.

TMK's Intellectual Property Management Service is responsible for securing patents for our new technological solutions and facilitating their integration into operations. TMK currently holds over 400 patents, including 16 granted in 2024.

DIGITALIZATION

Digitalization at TMK is led by the Deputy CEO for IT, who has functional authority over a centralized team united under the single TMK++ employer brand. It comprises the DIP internal IT integrator, IT offices at TMK enterprises, and a corporate IT management center. TMK++ is responsible for the development of digital and IT solutions to streamline the Company's production and business processes as well as for providing technical support and advisory services to internal business customers.

Our digitalization efforts are guided by TMK's 2025 Digital Vision. This Vision aims to expand the application of digital technologies both across the Company's internal processes and in its engagement with stakeholders. To this end, the Company is strongly focused on the automation of operational processes and the enhancement of its IT infrastructure.

The Company is implementing the TMK's Digital Production program, under which key digital projects are scheduled for completion by 2027, paving the way for the transition to smart manufacturing. Deputy CEO — Technical Director is responsible for the Program implementation. The Program includes the automation of core production processes, which is expected to improve productivity and business efficiency.

To enhance operational speed and quality and reduce the risk of errors and downtime, the Company employs a range of digital technologies designed to automate administrative and production tasks.

TMK's awards

In 2024, TMK won the Flagships of Russian Business: Dynamics, Sustainability, and Responsibility 2023 national competition, held by the Russian Union of Industrialists and Entrepreneurs (RSPP), in the Digital Projects category. The Business Service Center's Digital Assistant and Order Book Management Through the CHTPZ Corporate Information System projects received high praise from experts.

TMK++ structure and focus areas

DIP	IT offices at enterprises	IT management center
IT infrastructure	Control over the implementation of local IT projects	IT methodology
Cybersecurity and technical support	Contractor engagement	Service catalogue and customer service
Business intelligence, development and testing		Procurement, budgeting, and contracting
Contractor engagement		Contractor engagement
		Control over the implementation of global IT projects

Key projects within the TMK's Digital Production program

Projects	Description
Manufacturing Execution System (MES) rollout project	Deployment of a system to track core manufacturing, warehouse, and technical control operations. Enables employees to effectively monitor and coordinate manufacturing processes, manage priorities, assign tasks, and eliminate downtime by leveraging complete and reliable data around manufacturing processes readily available from the system. **In 2024, the pilot project was completed. Implemented at STZ and PNTZ, implementation is underway at SinTZ**
Deployment of production data collection and storage systems and product identification and traceability systems — FLOW	Enables real-time collection of data regarding the status of production processes, the identification of individual product units, and the tracking of their movement, thereby providing data for production accounting. These systems can also be used to analyze and enhance process procedures, improve the quality of monitoring the condition of production equipment and its performance. In addition, a framework for predictive analytics, including the use of artificial intelligence, has been established. **In 2024, FLOW was implemented at STZ, VTZ, SinTZ, and TAGMET, with implementation launched at CHTPZ and PNTZ**
Deployment of product test management systems at enterprise laboratories — LIMS	Helps reduce testing time and improve the performance of the Company's laboratories by automating calculations, reporting, and generation of documents on product quality.
Equipment maintenance and repair management automation — TORO	Enables employees to improve the efficiency of MRO[9] management, optimize timelines for diagnostic and maintenance activities, and improve the reliability and operational availability of production equipment. **In 2024, the TORO system was implemented at STZ, VTZ, SinTZ, and TAGMET. There are plans to scale the system across CHTPZ and PNTZ. STZ and SinTZ also use a dedicated mobile application**

TMK's digital tools

The advancement of digital tools is driven by the need for effective management of big data. To address this challenge, the Company established a dedicated data management team in the reporting year, comprising three areas: business intelligence, data warehousing, and data quality.

Scaling digital systems across the majority of TMK enterprises promotes greater transparency into production processes and enables more effective data analysis. Consequently, ensuring the security of these systems becomes an imperative. To this end, in 2024, the Company implemented information security enhancement projects and developed a cross-regional disaster recovery system to ensure the continued operation of critical IT systems in the event of data center disruptions. In addition, the importance of maintaining IT infrastructure stability and robust cybersecurity measures was a key topic of discussion at the Horizons corporate forum, which incorporated an IT-focused track in the reporting year.

For more details on information security, see the Information Security and Personal Data Protection chapter.

For more details on the Horizons forum, see the Training and Development section.

Automation of administrative tasks

Business Service Center's Digital Assistant

A suite of 30 interconnected software robots that handle routine tasks for the finance and HR functions. Over 40 processes have been automated so far, including sick leave registration, bank statement processing, certificate issuance, and the maintenance of an electronic document archive
The system has been rolled out across the entire TMK Group

2024 highlights:

- Migration to a Russian platform was completed
- Functionality was added to support the automatic modification of fixed-term employment contract terms and conditions
- Over 2,000 working hours per year were additionally saved

TyoMKa corporate chatbot

Designed to automate the resolution of administrative and general matters. Used to submit IT service requests, collect employee suggestions, and facilitate the issuance of employment-related certificates
The system has been rolled out across the entire TMK Group

2024 highlights:

- The number of supported scenarios was increased to 76, including those powered by GPT technologies
- Over 2,500 reports are handled monthly

AR/VR Center of Excellence

Implements corporate projects in employee training using AR/VR (augmented and virtual reality) technologies
The system has been rolled out across the entire TMK Group

2024 highlights:

- A VR training simulator was added to enable users to practice procedures for hazardous operations, including the monitoring of compliance with occupational health as well as industrial and fire safety

Production tasks automation

Production digital twins

Include computer vision and data collection and processing systems as well as predictive analytics modules. Enable equipment performance monitoring to timely detect defects during pipe production, to generate recommendations for operators and prevent equipment downtime
The system has been rolled out at PNTZ, STZ, VTZ, and TAGMET

2024 highlights:

- The automated process control systems' equipment was upgraded at VTZ, SinTZ, and STZ

Steelmaker's Digital Assistant for ladle furnace units

Streamlines the steelmaking process by using artificial intelligence. The system provides real-time recommendations to steelmakers on the amount of materials to be fed automatically
The system has been rolled out at PNTZ, STZ, VTZ, and TAGMET

2024 highlights:

- The Energoraport module was successfully scaled at VTZ
- KPI monitoring and management processes have been established for the EAF shop

Tube count computer vision

Enables the determination of pipe quantities per package at the time of shipment, thereby streamlining inspection and counting processes
The system is used at STZ

2024 highlights:

- A decision was made to scale the technology at CHTPZ. The project is currently at the design stage

A JOURNEY THROUGH
PIPE INNOVATION

ANCIENT ROME

POZZOLANIC CONCRETE,
8TH CENTURY BC

The unprecedented scientific and technological boom during the heyday of the Roman Empire also extended to water supply: this was when aqueducts appeared. These structures are tiered arch bridges with laid pipes, made from a mixture of crushed stone, sand, and pozzolanic concrete (volcanic ash). Built in the 7th–6th centuries BC, many aqueducts have survived to this day.

3. SUSTAINABILITY MANAGEMENT

7

focus areas of the Sustainability Strategy

33

ESG KPIs

UN SDGs

Sustainability Strategy focus areas

- Environmental protection
- Climate action
- Human capital development
- Occupational health and safety
- Developing the regions of operation
- Business ethics
- Business development and economic value creation

Key documents

Sustainability Strategy

Sustainability Policy updated

Organizational structure

MANAGEMENT APPROACH

GRI 2-22

“Sustainability issues remain top of mind for TMK, as they have been in the past. In the reporting year, we continued to deliver on initiatives under our Sustainability Strategy to 2027, which sets out priority areas of focus, related objectives, and performance indicators.

Three years into our Strategy, we can confidently say that we are making steady progress across all its focus areas. A number of key performance indicators (KPIs) have already been achieved, and the progress made is consistently maintained year after year, while we aim to hit the remaining targets by the end of 2027.

When developing our Sustainability Strategy, we primarily focused on the operations of TMK Group’s pipe plants. However, it is essential for us that all of the Company’s key businesses incorporate sustainability principles and assume related commitments. That is why, during the reporting year, the newly established Oilfield Services and Machine-Building Divisions made a focused effort to define sustainability objectives aligned with their specific business profile and subsequently approved the corresponding KPIs. Integrating all enterprises and business units into the sustainability agenda is one of our top priorities.

This Report details our sustainability progress and future plans. For instance, it covers the adoption of TMK’s Low-Carbon Development Strategy to 2036, the deployment of new environmentally friendly technologies, the advancement of the TMK’s Digital Production program, the reduction in work-related injury rates, and the expansion of social support in TMK’s operating regions.

We are pleased that the sustainability agenda resonates with our employees. The Sustainability Strategy training course remains highly popular, with over 10 thousand people completing it during the reporting year. Another example is the initiative undertaken by the TAGMET team: in 2024, the plant held its own sustainability-themed grant competition, where employees proposed various environmental and social initiatives. The best proposals were awarded grants for implementation.

Our commitment to responsible business conduct is evidenced by our strong performance in various Russian ratings, rankings, and competitions. TMK’s most notable achievement during the year was the ESG rating assigned to the Company in December 2024. The National Rating Agency (NRA) assessed the integration of the sustainability agenda into the Company’s operations and the quality of relevant practices as “very high”, giving TMK an AA.esg rating.

We remain committed to staying the course and continuing to grow our business in line with best practices in sustainability.”

PAO TMK’s management

SUSTAINABILITY MANAGEMENT SYSTEM

GRI 2-9
GRI 2-12
GRI 2-13
GRI 2-14
GRI 2-24

TMK’s sustainability management is organically embedded across its governance structure at both strategic and operational levels. At the highest level, sustainability oversight is provided by the Strategy and Sustainability Committee of the Board of Directors and the Management Board’s Sustainability Working Group.

The sustainability function collaborates closely with this working group, coordinates the implementation of objectives outlined in the Sustainability Strategy (the “Strategy”), provides expert support to TMK enterprises, prepares non-financial reports, and engages with rating agencies.

At the level of TMK’s industrial enterprises, dedicated sustainability working groups have been established. Plant-level sustainability functions are responsible for the practical implementation of initiatives and for preparing monthly progress reports.

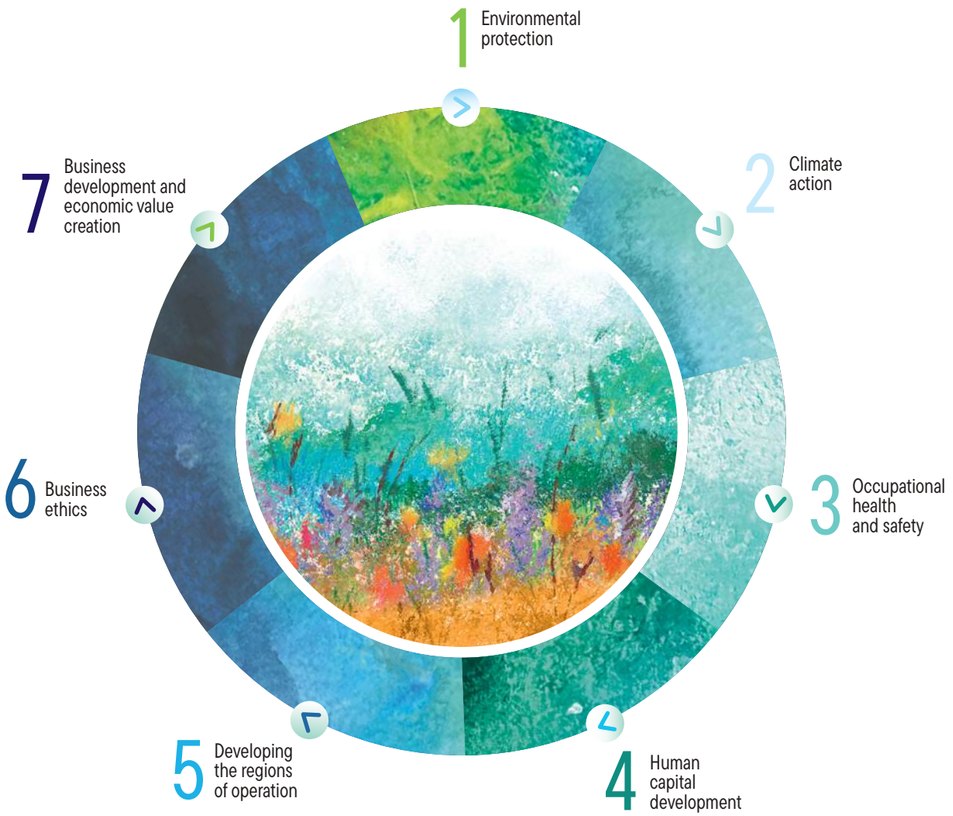
TMK’s Sustainability Management System

GRI 2-23
MED-35

TMK’s key document shaping the Company’s sustainability agenda is its Sustainability Strategy to 2027. The Strategy outlines seven sustainability areas, with specific objectives and corresponding KPIs set for each:

- 6 objectives and 11 KPIs relating to environmental matters
- 8 objectives and 16 KPIs relating to social matters
- 3 objectives and 6 KPIs relating to governance matters

Seven focus areas of TMK's Sustainability Strategy



To support the Strategy's implementation, a dedicated Action Plan was developed for the period of 2022–2027. Based on the outcomes of this implementation and an analysis of progress in meeting the KPIs outlined in the Strategy, an annual report is prepared and submitted for review by the Strategy and Sustainability Committee of the Board of Directors.

By implementing measures to achieve the Strategy's objectives, TMK contributes to the global United Nations Sustainable Development Goals (UN SDGs).

Nine UN SDGs have been identified as priorities in TMK's Sustainability Strategy:

- SDG 3, Good Health and Well-Being: Ensure healthy lives and promote well-being for all at all ages
- SDG 4, Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- SDG 6, Clean Water and Sanitation: Ensure availability and sustainable management of water and sanitation for all
- SDG 7, Affordable and Clean Energy: Ensure access to affordable, reliable, sustainable and modern energy for all
- SDG 8, Decent Work and Economic Growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9, Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- SDG 11, Sustainable Cities and Communities: Make cities and human settlements inclusive, safe, resilient and sustainable
- SDG 12, Responsible Consumption and Production: Ensure sustainable consumption and production patterns
- SDG 13, Climate Action: Take urgent action to combat climate change and its impacts

In the third year of the Strategy, our focus was on streamlining the Company's commitments around environmental protection and climate action. This effort resulted in the approval of targeted programs — the Waste and By-Product Management Program and the GHG Reduction Program — for 2024–2027 as well as the Low-Carbon Development Strategy. In addition, we continued to implement initiatives under existing programs. TMK aspires to consistently reduce pressure on water resources, land, and atmospheric air, while preserving biodiversity and improving environmental quality.

In response to today's challenges in talent acquisition and employee development, we actively worked throughout the year to attract and retain talent by indexing wages, enhancing employee skills, and offering career guidance to prospective colleagues. Industrial safety and the health of our people remained top of mind for us. All TMK Group pipe plants have confirmed their conformity to ISO 45001 Occupational health and safety management systems — Requirements with guidance for use.

We also continued to build a responsible supply chain. In particular, we conducted an assessment of key suppliers against sustainability criteria and participated in similar customer-led initiatives.

Further staff engagement on the sustainability agenda was equally important for TMK. Between its launch in autumn 2023 and the close of the reporting period, over 20 thousand employees completed the Sustainability Strategy training course.

The Company's commitment to sustainability was further demonstrated by the My Contribution to Sustainable Development grant competition held at TAGMET during the reporting period. Conducted with the financial support of the plant's administration and trade union, the competition aimed to identify and support initiatives contributing to the achievement of the Company's sustainability objectives. The competition's requirements were straightforward: any employee could submit a project proposal addressing one of the Strategy's seven key focus areas. The award in the environmental category went to a project designed to mitigate atmospheric carbon dioxide emissions. Two projects topped the social category: TMK Employee's Salary Calculator and Organization of a Futsal Tournament Among Taganrog Trade Schools.[10] Both projects are already in the implementation phase.

Progress in the implementation of sustainability initiatives and activities under the Strategy

Strategy's focus areas and objectives	TMK's progress in 2024
ENVIRONMENT	
Environmental protection > Waste management and resource efficiency > Water impact mitigation > Reduction of air emissions > Environmental safety across operations	A Waste and By-Product Management Program for 2024–2027 was developed and approved TMK enterprises inventoried all PCB-containing equipment and updated the relevant transfer-for-disposal schedules for 2025–2027 STZ, SinTZ, CHTPZ, and PNTZ implemented measures under the Program to reduce their environmental impact on natural water bodies
Climate action > Decarbonization journey > Low-carbon energy and energy efficiency	TMK Group's Low-Carbon Development Strategy was developed and approved GHG emission calculations were verified, and an auditor's opinion was obtained Activities under the Energy Efficiency Program were implemented across operations A Landscaping and Greening Program was developed and approved A number of tree planting events were held across TMK's operating regions as part of a corporate campaign — TMK's Green Initiative

Strategy's focus areas and objectives	TMK's progress in 2024
SOCIAL RESPONSIBILITY	
Human capital development > Respect for human rights and non-discrimination > Boosting employee engagement > Talent attraction and retention > Employee training and development	New training programs and e-courses were developed at TMK2U Corporate University Career guidance events were held across our regions of operation, reaching over 5,000 people Engagement surveys were conducted, followed by plans to further improve employee engagement TMK Group employees' salaries were indexed to account for inflation
Occupational health and safety > Reduction of injury rates > Improvement of the OHS management system	Activities under the Comprehensive OHS Management Development Program were implemented Internal investigations were conducted for every accident that occurred in the reporting year Safety Days were held across all production sites Seven enterprises, including all TMK Group pipe plants, are certified to ISO 45001
Developing the regions of operation > Social investment and infrastructure development > Social projects and charity	TMK enterprises developed long-term corporate programs contributing to the development of local communities, which are now underway Over 50 initiatives aimed at developing infrastructure in our regions of operation were implemented Over 500 volunteer projects were carried out at Company enterprises as part of broader efforts to support volunteer engagement
CORPORATE GOVERNANCE	
Business development and economic value creation > Development of governing bodies > Sustainable supply chain	Key suppliers were assessed for compliance with TMK's sustainability requirements
Business ethics > Anti-corruption, compliance, and ethics	Measures were implemented to monitor the Company's areas of activity most exposed to corruption risks All reports received through the hotline from employees and stakeholders were processed, and investigations were conducted into identified and suspected violations

SUSTAINABILITY DOCUMENTS

The Company's sustainability documents have been developed in line with the requirements of Russian laws and recommendations of Russian regulators, as well as provisions of international standards and global best practices, and are updated on a regular basis.

In the reporting year, the Board of Directors approved a new version of PAO TMK's Sustainability Policy. This high-level document sets out the Company's goals and principles, along with the key focus areas of its sustainability activities.

Documents guiding TMK's sustainability efforts

GRI 2-23
GRI 2-24

INTERNATIONAL	RUSSIAN	
UN Global Compact	Constitution of the Russian Federation	Federal Law On Protection of Ambient Air
Universal Declaration of Human Rights	Strategy of Socio-Economic Development of the Russian Federation with a Low Level of Greenhouse Gas Emissions Until 2050	Federal Law On Industrial and Consumer Waste
ILO Declaration on Fundamental Principles and Rights at Work	Strategy for the Development of the Metallurgical Industry of the Russian Federation Until 2030	Law of the Russian Federation On Subsoil
	Labor Code of the Russian Federation	Federal Law On Limiting Greenhouse Gas Emissions
	Water Code of the Russian Federation	Federal Law On Industrial Safety at Hazardous Facilities
	Land Code of the Russian Federation	RSPP's Social Charter of Russian Business
	Bank of Russia Corporate Governance Code	Anti-Corruption Charter of Russian Business
	Federal Law On Environmental Protection	

All key documents regulating specific aspects of sustainable development can be found on TMK's official website in the Sustainable Development: Documents section or in the List of Key Sustainability Documents appendix to this Report.

STAKEHOLDER ENGAGEMENT

GRI 2-29

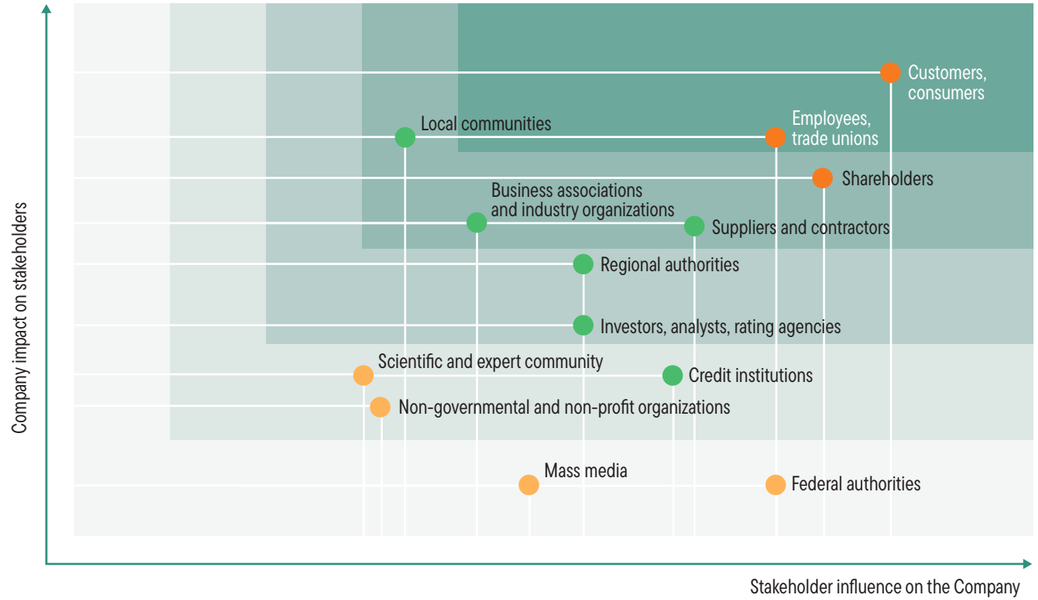
TMK recognizes the importance of open dialogue with stakeholders. Robust communication with employees, customers, and consumers, suppliers and contractors, regional and federal authorities, business associations, and local communities enables us not only to provide timely updates on our activities but also to strengthen their loyalty to the Company. We use stakeholder feedback to improve our business processes.

In 2021, TMK Group identified its key stakeholders through a survey conducted among senior management and functional heads. The findings of this survey remained relevant in the reporting period.

Our stakeholder engagement principles and approaches are outlined in the Company's corporate documents:

- Sustainability Policy
- Code of Ethics
- Regulations on the Information Policy
- TMK Group's Counterparty Management Policy
- Collective bargaining agreements

Stakeholder map



Stakeholder engagement is guided by the Company's current objectives and stakeholder requests. Responsibility in this area rests with functional heads. The main communication channels include:

- publication of information about the Company's activities
- provision of comments upon request
- distribution of information materials
- business meetings and negotiations
- programs to support employees and local communities
- participation in industry-specific events (conferences, forums, etc.)
- handling of inquiries and complaints.

For more details on TMK's approaches to stakeholder engagement, see the Stakeholder Engagement appendix.

Each year, representatives of all stakeholders are invited to evaluate the Company's positive and negative impacts and to identify material topics as part of the sustainability reporting process — 2024 was no exception.

For more details on impact assessment, see the About the Report section.

PARTICIPATION IN EXTERNAL INITIATIVES AND INDUSTRY ASSOCIATIONS

GRI 2-28 TMK recognizes the importance of productive engagement with the business community to advance its strategic objectives, improve the business climate in Russia, and share best practices with other metals industry players and sustainability leaders. To that end, we are building long-term partnerships with non-governmental organizations and industry associations, key among which are the following:

- Russian Union of Industrialists and Entrepreneurs (RSPP), including its regional chapters and industry-specific committees and commissions
- Russian Steel Association
- Chamber of Commerce and Industry of the Russian Federation
- Russian Association of Metals and Mining Industrialists (AMROS)
- Pipe Industry Development Fund
- Russian Union of Metal and Steel Suppliers
- Pipe Producers Association
- Autonomous non-profit organization Institute of Oil and Gas Technology Initiatives (INTI)

HUMAN RIGHTS

GRI 3-3 TMK acknowledges the importance of upholding human rights in its operations and therefore strives to prevent any violations. Human rights risks are incorporated into the Company's overall list of sustainability risks and are assessed annually.

GRI 2-23 Our commitment to human rights is embedded in TMK's internal documents, which are based on relevant international and Russian regulatory frameworks.

The Company relies on feedback mechanisms to prevent human rights violations. Human rights concerns can be submitted through the hotline channels. Every credible report is reviewed with the involvement of the relevant units. In 2024, the hotline received nine reports related to human rights violations (classified under the "Other" category). These reports addressed issues such as the payment of sick leave, provision of time off for blood donors, forced resignations, and personal data breaches. A single confirmed human rights violation involved forced resignation. Disciplinary action was taken against the offender.

For more details on feedback channels, see the Business Ethics and Anti-Corruption chapter.

Key human rights documents

International

- Universal Declaration of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Conventions Nos. 29, 87, 98, 100, 105, 111, 138, 182
- UN Guiding Principles on Business and Human Rights

Russian

- Constitution of the Russian Federation
- Labor Code of the Russian Federation
- RSPP's Social Charter of Russian Business

Corporate

- Sustainability Policy
- Code of Ethics
- Counterparty Management Policy
- Policy on Processing and Protection of Personal Data
- Employee Volunteering Policy

Approaches to upholding TMK's human rights principles

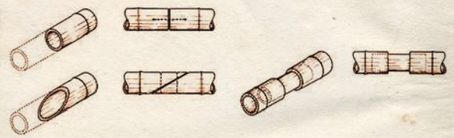
Human rights	TMK approach	Stakeholders	
Preventing child labor	TMK strictly complies with legal requirements, prohibiting child labor at its enterprises, and monitors compliance with these requirements by contractors operating at TMK sites. No instances of child labor were identified at TMK in 2024		GRI 408-1
Preventing forced or compulsory labor, zero tolerance for any form of slavery	TMK condemns the use of forced labor and all forms of slavery. No such cases were identified at Company enterprises or among key suppliers in 2024		GRI 409-1
Non-discrimination, promoting diversity and inclusion	The Company guarantees equal opportunities for all employees throughout their career path. TMK maintains a zero-tolerance policy toward any form of discrimination and seeks to foster diversity in both its workforce and corporate culture. However, during the reporting period, one instance of workplace discrimination was recorded, involving the forced resignation of an employee. Disciplinary action was taken against the offender. As stipulated by Russian legislation, TMK enterprises maintain employment quotas for individuals with disabilities. In 2024, the Company's workforce included 476 employees falling under this category		GRI 406-1
The right to safe working conditions	TMK is committed to ensuring the health and safety of its employees and contractors across all its operations. The Company complies with all applicable occupational health and safety regulations. Employees are provided with voluntary health insurance (VHI), take part in health-improving activities, and undergo regular health checks		
The right to favorable working conditions	TMK respects the rights of its employees to work and rest. Employment contracts include provisions on working hours, vacation time, and compensation for overtime. Employees may take leave for valid reasons, such as personal illness or the need to care for a family member. TMK offers competitive pay and a broad array of social benefits to ensure favorable working conditions		
Employees' rights to freedom of association	The Company cooperates with trade associations and unions that protect labor rights and represent employee interests. The majority of TMK enterprises are unionized		GRI 407-1
The right to privacy	TMK respects the right to privacy and ensures the confidentiality of personal information. This commitment is set forth in its Policy on Processing and Protection of Personal Data. TMK Group enterprises do not retain data or original documents without the explicit consent of employees. The Company also complies with all regulations covering the handling of information related to suppliers, contractors, or beneficiaries		
The right to education	TMK is committed to improving the quality and accessibility of education for its employees. Participation in internal and external training programs is a continuous practice among TMK employees. In addition, TMK actively supports youth development in its regions of operation through career guidance initiatives and partnerships with educational institutions		
MED-40 **Respect for the rights of local communities**	TMK respects the rights of local communities in its operating regions and does not tolerate any violations. The Company holds regular public consultations to identify and promptly address pressing local issues, while also implementing initiatives to improve the quality of life for local communities. TMK Group operations do not involve the resettlement of local residents and do not affect the rights of indigenous minorities		
The right to a healthy environment	TMK recognizes the right of employees and local communities to a healthy environment and is therefore committed to minimizing its negative impact on ecosystems and to promoting environmental awareness		

TMK employees
Local communities
Partners (customers, suppliers, and contractors)

A JOURNEY THROUGH
PIPE INNOVATION

ANCIENT CHINA

BAMBOO,
2ND CENTURY BC — 3RD CENTURY AD



In ancient China, bamboo was the most readily available material for pipelines. Back during the Han dynasty, the Chinese employed bamboo pipes in wells up to 600 meters deep to draw up brine, which was then evaporated to produce salt. A little later, bamboo pipes were also used for extracting and transporting oil and natural gas.

4. CORPORATE GOVERNANCE

3

independent directors on the Board

100%

attendance at meetings of the Board of Directors

357

reports received by the hotline and reviewed

Sustainability Strategy objectives

- Development of governance bodies
- Anti-corruption, compliance, and ethics

Material topics

- Business ethics and anti-corruption

Key documents

- Articles of Association **updated**
- Sustainability Strategy
- Strategy to Ensure and Improve Cybersecurity
- Bank of Russia Corporate Governance Code
- Code of Ethics
- Anti-Corruption Policy
- Anti-Trust Compliance Policy
- Counterparty Management Policy
- Risk Management Policy
- TMK Group's Internal Control Policy
- Information Security Policy **updated**
- Policy on Processing and Protection of Personal Data

MANAGEMENT APPROACH

GRI 3-3

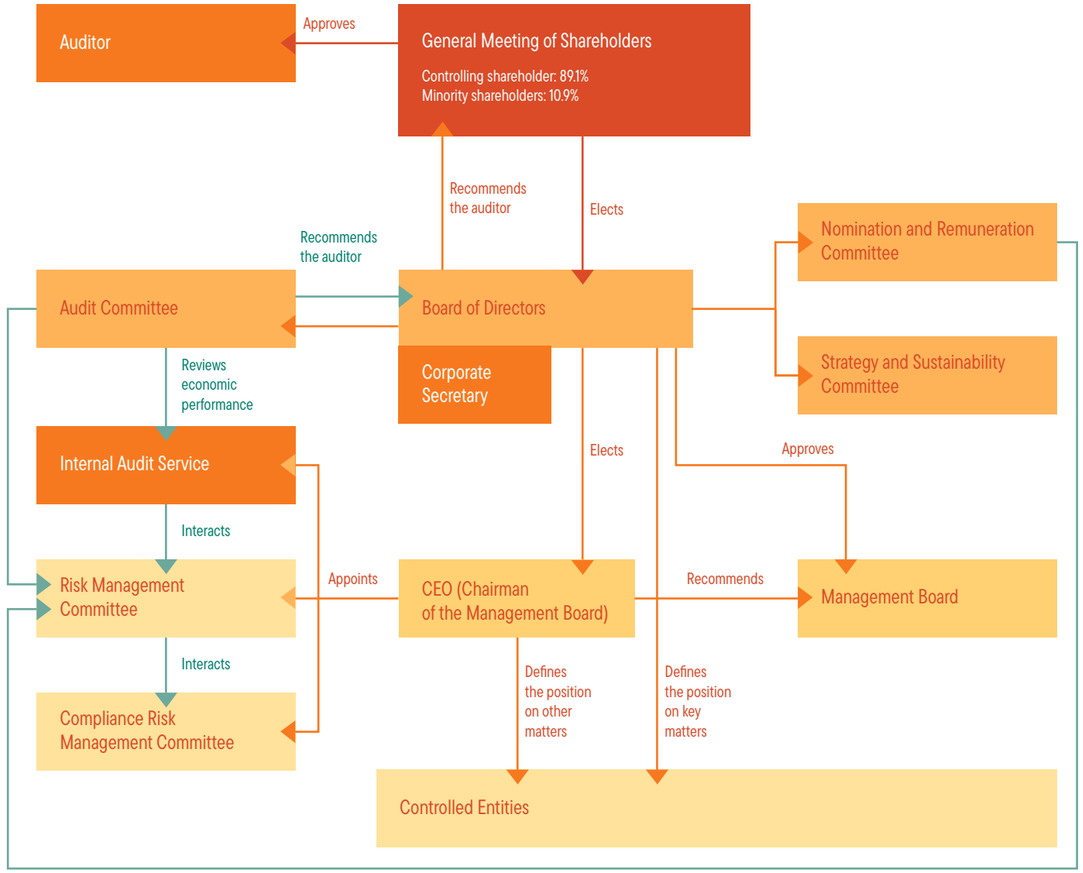
TMK aligns its corporate governance system with the requirements of Russian laws, Listing Rules of PJSC Moscow Exchange, and recommendations of the Bank of Russia's Corporate Governance Code. We also strive to integrate international best practices, such as assigning responsibility for sustainability matters across all levels of corporate governance.

Our fundamental responsible business principles are reflected in TMK Group's Code of Ethics. Activities of senior management are governed by the Articles of Association and relevant regulations on governance bodies. These documents were updated in 2024.

All key documents regulating the Company's areas and basic principles of corporate governance are available on the TMK website and in the List of Key Sustainability Documents appendix.

CORPORATE GOVERNANCE SYSTEM

GRI 2-9 PAO TMK's corporate governance and control framework



General Meeting of Shareholders

TMK Group's highest governance body is the General Meeting of Shareholders, which makes key decisions concerning the Company's operations. The Meeting elects members of the Board of Directors, selects the Company's external auditor, amends the Articles of Association, and distributes profits, including dividend payments. Its activities are governed by the Articles of Association and the Regulations on the General Meeting of Shareholders.

The Company guarantees shareholders equal rights and opportunities to participate in the General Meeting, furnishing them with all necessary information about the Company's performance. 2024 saw two General Meetings of Shareholders held in absentia, an annual and an extraordinary one.

Board of Directors

The Board of Directors is the Company's collegial governance body responsible for the general governance of the Company's activities. The Board of Directors sets strategic directions for the Group's development, appoints members of executive bodies, and oversees the work of its committees.

GRI 2-10 Members of the Board of Directors are elected annually by the Annual General Meeting of Shareholders for a period until the next Annual General Meeting of Shareholders. The procedure for electing candidates to the Board is set forth in the Regulations on the Board of Directors. The election is based on candidates' professional competencies (track record, education background), ability to exercise independent judgment, and impeccable business and personal reputation. No discrimination on any grounds, including gender and age, is tolerated against candidates.

GRI 2-9 There were no changes in the composition of the Board of Directors in 2024. It comprised nine members, including three independent and six executive directors. All Board members are men. The Chairman of the Board of Directors has a wealth of experience and a deep understanding of the Company's business and enjoys authority among both the governance bodies and employees. The Chairman of the Board of Directors is an executive director.

The members of TMK's Board of Directors have diverse knowledge in metallurgy, economics, and finance, helping them make informed decisions that reflect the Company's operational profile and market outlooks. GRI 2-17

The Board of Directors regularly reviews analytical reports and fact sheets on economic, environmental, and social aspects as well as updates on emergencies, incidents, and other critical concerns. The involvement of Board members in the Company's activities is evidenced by their regular meetings with division heads and site visits to production facilities. GRI 2-16

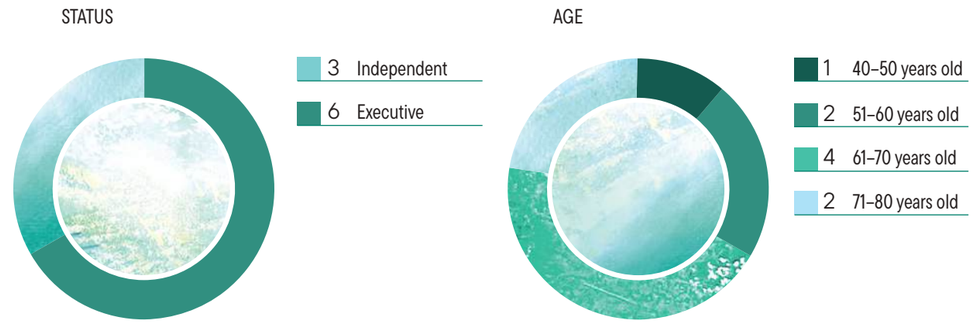
TMK takes measures to advance the skills of Board members. At induction, the Company familiarizes new Board members with their scope of authority and Board procedures and arranges meetings with executive management and key employees of the Company. Members of the Board of Directors are regularly kept informed on a wide range of matters, including sustainability. In 2024, to dive deeper in this area, management studied materials on trends and best practices in non-financial reporting of Russian metals companies as well as on key compliance risks. GRI 2-17

MED-36 The Board of Directors holds meetings in person and in absentia as necessary, but at least once a quarter. A total of 19 meetings were held in 2024, with the attendance rate at 100%.

To enhance its corporate governance system, the Company conducts an annual internal performance evaluation of the Board of Directors and an external evaluation every three years. In 2024, a self-evaluation of the 2023 performance was made through a survey, and in the first quarter GRI 2-18

GRI 2-9
MED-37
MED-44

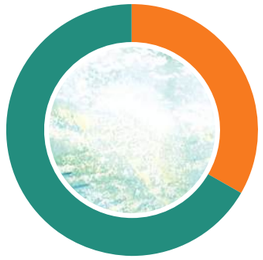
Board of Directors profile in 2024, members



Board of Directors performance in 2024

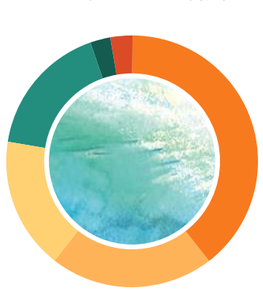
GRI 2-12
MED-36

NUMBER OF MEETINGS: 19



7 In person
12 In absentia

MATTERS DISCUSSED AT BOARD MEETINGS: 76



30 Corporate governance
16 Finance
13 Management and financial reporting, budget
13 Shareholding in other organizations
2 HR management
2 HSE (Health, Safety, Environment)

ATTENDANCE RATE:[11] 100%

of 2025, an external evaluation was carried out for the 2024 performance. For the latter, an independent advisor was engaged. The evaluation through a survey covered aspects such as Board composition and structure, strategic activities, business efficiency assessment, the corporate governance framework, and the proceedings of the Board of Directors, Board committees, and the Corporate Secretary. The external evaluation confirmed the efficiency of the Board of Directors' performance in 2024 and its compliance with applicable laws and the Bank of Russia Corporate Governance Code.

Committees of the Board of Directors

GRI 2-10

The Board of Directors has three committees responsible for the preliminary review of matters within TMK's key business areas and for issuing recommendations. The committees' scope of authority, key functions, structure, and formation procedure are governed by dedicated regulations updated in 2024. Committee members are elected by the Board of Directors in line with the functions of each committee.

The committees are headed by chairs appointed by the Board of Directors. In the reporting year, these positions were held by independent directors, which bolstered the transparency and efficiency of the proceedings of corporate governance bodies.

GRI 2-9

Board committees profile in 2024, members

	Nomination and Remuneration Committee	Strategy and Sustainability Committee	Audit Committee
Number of members	3	4	3
Status			
Executive	1	2	0
Independent	2	2	3
Gender			
Men	3	4	3
Women	0	0	0
Age			
40–50 years old	0	0	1
51–60 years old	0	0	0
61–70 years old	2	3	1
71–80 years old	1	1	1
Education and skills			
Engineering and technical	1	2	1
Economics	2	2	2

Board committees functions and performance in 2024

GRI 2-12
GRI 2-14
MED-38

	Nomination and Remuneration Committee	Strategy and Sustainability Committee	Audit Committee
Key functions	Preparing recommendations on improving corporate governance Building effective and transparent remuneration practices Reviewing remuneration of the Company's executives, key performance indicators, and terms of remuneration Analyzing information on changes to the Company's organizational structure and HR policy	Determining strategic and operational priorities Providing strategic sustainability management Reviewing progress on Corporate and Sustainability strategies Reviewing sustainability reports and programs	Evaluating the internal control system Overseeing the effectiveness of risk management and corporate governance systems Monitoring the preparation of financial statements Reviewing internal and external audit matters Reviewing the investment program of TMK Group enterprises Contributing to the development of the corporate strategy
Key matters discussed at committee meetings	Organizational and HR changes Determining management remuneration and performance indicators Performance evaluation of the Board of Directors Reviewing the unified remuneration system at enterprises Planning human resources and payroll budget Analyzing the system of social benefits for employees	Implementing measures to improve the Company's efficiency and labor productivity Assessing TMK's position in target markets and the potential for supplying TMK Group products to these markets Reviewing TMK's product marketing strategy R&D performance and new product offerings Reviewing TMK Group's budget Reviewing the investment program of enterprises Reviewing the 2023 Annual Report and the 2023 Sustainability Report Reviewing the 2023 progress report on the Sustainability Strategy Discussing process digitization and automation, including RPA Reviewing environmental performance at enterprises	Reviewing annual financial statements and IFRS consolidated financial results Evaluating the external auditor's performance Reviewing the Internal Audit Service's performance report Discussing the risk materialization report Reviewing the results of anti-corruption efforts and effectiveness of the anti-trust compliance system Assessing the progress of the operational efficiency program Analyzing the structure of selling and administrative expenses
Attendance rate at committee meetings	100 %	100 %	100 %

For more details on attendance at meetings of the Board of Directors and its committees, see the Attendance at Meetings of the Board of Directors and Board Committees in 2024 appendix.

Management Board and the CEO

The Management Board and the CEO are the executive bodies of the Company that jointly manage its day-to-day operations and are responsible for implementing resolutions of the General Meeting of Shareholders and the Board of Directors. The Management Board, including the CEO, aligns its activities with the Articles of Association and the Regulations on the Management Board.

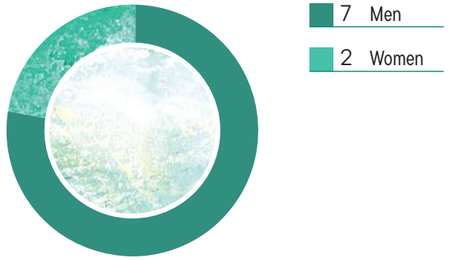
The CEO is elected by the Board of Directors for a one-year term and also acts as the Chairman of the Management Board. The CEO did not change in 2024

The Management Board is appointed by the Board of Directors for a one-year term, taking into account the candidates recommended by the CEO. In the reporting year, the size of the Management Board increased from eight to nine members.

GRI 2-9
MED-44

Management Board profile in 2024, members[12]

GENDER

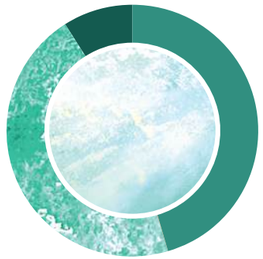


7 Men
2 Women

AGE

4 35–50 years old
3 51–60 years old
2 61–70 years old

EDUCATION AND SKILLS



5 Engineering and technical
5 Economics
1 Military science

Internal Audit Service

To enable better internal control, risk management, and corporate governance, TMK has in place the Internal Audit Service providing advisory services to, and running audits of, TMK enterprises.

The Service functionally reports to the Board of Directors' Audit Committee and administratively to the CEO, which ensures internal audit independence and objectivity. The governance bodies are also involved in planning the Service's processes: the Audit Committee reviews a risk-based internal audit plan, subject to subsequent approval by the Board of Directors.

The Internal Audit Service operates in line with international professional standards, Russian laws, the Code of Ethics for Internal Auditors, and the Company's internal regulations.

In 2024, the Service ran internal audits of:

- production processes
- sales and procurement
- assessment of risk management and internal control systems.

Based on the audit results, recommendations and corrective actions were developed and approved. Their implementation is regularly monitored by the Service.

To monitor the effectiveness of internal audit and its legal compliance, the Head of the Internal Audit Service prepares and oversees the implementation of the Internal Audit Quality Assurance and Improvement Program.

Prevention of Conflicts of Interest

GRI 2-15

TMK has a system for managing conflicts of interest in place, governed by TMK Group's Regulations on Conflicts of Interest, with a new version approved in 2024, as well as the Articles of Association and relevant regulations on corporate governance bodies. The system is designed to prevent, identify, and manage conflicts of interest.

The CEO's Compliance Risk Management Committee and dedicated subcommittees at each enterprise are responsible for managing conflicts of interest. The Committee analyzes and responds to reports of misuse and irregularities submitted to the hotline and also provides training on conflicts of interest to senior management and regular workshops to all employees.

Members of the Board of Directors are to:

- refrain from actions that will or may result in a conflict between their personal interests and those of TMK and promptly disclose any relevant information to the Company should such a conflict arise
- notify the Board of Directors of TMK securities owned by them, disclose their shareholdings in TMK and/or its subsidiaries (affiliates) and contemplated or completed transactions with securities in TMK or its subsidiaries (affiliates)
- notify the Board of Directors of any potential transactions in which they can be deemed interested; such existing interest and its grounds must be promptly disclosed to the Board of Directors
- notify the Board of Directors of any other significant circumstances that may affect their service as a Board member as well as any subsequent changes to such circumstances.

Remuneration Policy

Remuneration of Members of the Board of Directors

GRI 2-19
GRI 2-20

Remuneration of Board members depends on their position and comprises fixed and additional parts as well as reimbursement of expenses. The decision regarding the amount of remuneration and reimbursable expenses is taken by the Board of Directors based on recommendations by the Nomination and Remuneration Committee. The relevant provisions are outlined in the Policy on Remuneration and Compensation of the Board of Directors of PAO TMK.

BoD-related expenses, RUB million

	2023	2024
Remuneration for service on the Board of Directors and its committees	61.52	85.70
Reimbursement of expenses	1.15	1.14
Other remuneration	0	0
Total	**62.67**	**86.84**

Remuneration of Key Executives

Remuneration of members of executive bodies offers incentives to support the performance of key management by linking the amount of remuneration to their personal contribution to the achievement of the Company's goals, maintaining a reasonable balance of fixed and variable parts, and ensuring competitive pay. The variable part depends on the achievement of KPIs. The relevant provisions on the remuneration of Management Board members are set out in the Policy on Remuneration of Key Executives of PAO TMK.

Remuneration of Management Board members, including the CEO, RUB million

	2023	2024
Salary	430.17	429.94
Bonuses	470.74	382.07
Other remuneration	0	0
Total	**900.91**	**812.01**

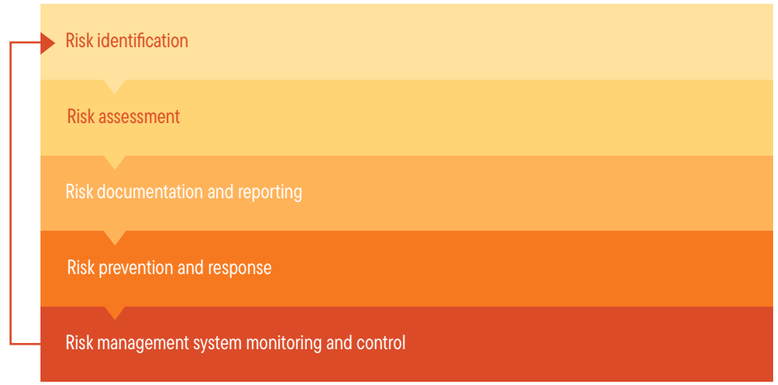
SUSTAINABILITY RISK MANAGEMENT

TMK has a multilevel risk management system in place, which helps us protect assets, ensure compliance with legal and corporate requirements, and improve business processes. The principal approaches to risk management are reflected in the Company's internal documents, including the Risk Management Policy and Internal Control Policy.

TMK Group's risk management system

GRI 2-12

Risk management process



Risk Management Governance Structure

GRI 2-12

Risks are managed at both the operational level and at the level of the Board of Directors, which makes strategic decisions in this area and approves internal regulations. The Audit Committee of the Board of Directors defines the principles and methods of setting up the risk management system and annually reviews reports on its performance.

The CEO provides overall risk management, approves requirements for risk management processes and procedures, and ensures that TMK's activities comply with applicable laws. In addition, he is responsible for promoting a risk management culture within the Company that helps engage all employees in risk management processes and compliance.

The Risk Management Committee evaluates the risk portfolio, develops response measures, and monitors enterprise-level risk management efforts. It also analyzes the effectiveness of the system, adjusts it as necessary, and reports the results to the Board's Audit Committee.

GRI 2-12

The performance of the risk management system is evaluated by TMK's Internal Audit Service and, if necessary, by external auditors. The evaluation results are reviewed by the Audit Committee of the Board of Directors. Following the 2024 evaluation, TMK's risk management and internal control system was recognized effective. For some areas, potential improvements have been outlined in view of business development.

TMK's risk management is driven by the precautionary principle, according to which we identify and assess risks during both project development and implementation. In assessing its risks, the Company uses quantitative methods to determine the potential damage, probability, and frequency of incidents. The results are included in key risk data sheets and followed up by measures to mitigate and minimize the consequences of realized risks.

During 2024, the Company monitored its risk management processes on a quarterly basis, reviewing the risk materialization status and mitigants.

To inform employees about the Group's risks and effective ways to manage them, the Company provides regular training for them. In 2024, TMK employees deepened their understanding of the topic through the You Can Control Risks course.

Sustainability Risk Management

As sustainability risk analysis and management are becoming especially important in the context of growing stakeholder expectations, such risks are integrated into the overall risk management system. This approach reflects the Company's commitment to responsible management of its impact on the environment and people.

In a bid to improve the quality of climate change risk management, in 2023, the Company introduced methods for identifying and assessing operational and climate risks as part of the risk management system. These methods are applied across TMK Group enterprises.

TMK's key sustainability risks

Environmental

- Environmental risks (including in the supply chain)
- Climate risks

Social

- Risks of skills shortages (staffing shortage)
- Risks of occupational accidents
- Human rights risks
- Employee loyalty risks

Governance

- Risks of supply chain disruption
- Sanctions risks
- Corruption risks (including corruption in procurement, sales, and investment program)
- Anti-trust risks

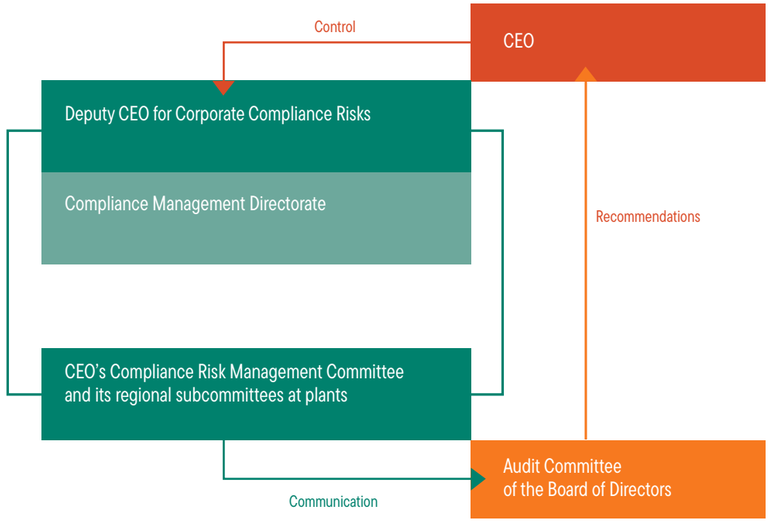
BUSINESS ETHICS AND ANTI-CORRUPTION

GRI 3-3

TMK's corporate governance is driven by commitment to business ethics and zero tolerance for any corrupt practices. TMK Group's ethical standards and moral principles governing everything it does are set out in its Code of Ethics. The Code applies to all TMK employees.

Our independent compliance system, overseen by the CEO, enables us to monitor compliance with ethical and legal standards, detect violations, and take corrective actions.

Compliance system



Anti-Corruption

GRI 3-3

TMK strictly complies with anti-corruption laws and takes all necessary measures to prevent corruption offenses. The goals, objectives, and principles of the Company's anti-corruption efforts, including prevention, are outlined in its Anti-Corruption Policy. Another relevant document in this area is the Counterparty Management Policy, which sets out our requirements for business partners regarding their compliance with business ethics and anti-corruption standards. All counterparties are required to familiarize themselves with this Policy when registering on the electronic trading platform. In addition, anti-corruption clauses are included in all standard-form contracts.

As a signatory to the Anti-Corruption Charter of Russian Business, the Company complies with its provisions and implements the outlined measures, demonstrating a strong commitment to high standards of business ethics and anti-corruption.

GRI 205-1

The Compliance Management Directorate is responsible for managing compliance risks at TMK. The Directorate annually assesses and compiles a map of corruption risks. The 2024 corruption risk assessment exercise covering all TMK Group enterprises found no significant corruption risks.

On top of this, PAO TMK has the Compliance Risk Management Committee, with regional subcommittees established at most of its enterprises. They annually assess these risks and monitor them on a quarterly basis, enabling prompt response to situations with a high corruption risk. In 2024, subcommittees reviewed 11 cases of potential conflicts of interest, some of which were confirmed and followed by appropriate management decisions.

GRI 205-3
MED-43

In 2024, no confirmed incidents of corruption were reported with respect to TMK, and no administrative action for corruption offenses was taken against the Company or its subsidiaries and affiliates.

RSPP's Anti-Corruption Ranking

2024 was the fourth year running for TMK to receive a high score in RSPP's Anti-Corruption Ranking of Russian Business. The assigned Class AAA rating indicates the Company's robust anti-corruption efforts. Our anti-corruption practices were also highlighted among the best in the ranking's review.

Training and Building Awareness

GRI 205-2

The Company takes consistent steps to foster a strong anti-corruption culture and employee understanding of the principles of ethical business conduct. To this end, TMK posts anti-corruption information materials on corporate resources and runs themed training courses every year, among other things.

For instance, in 2024, we ran three themed online and offline courses, which were taken by a total of 5,154 people: Compliance Risk Management; Anti-Corruption: How to Prevent Corrupt Behavior; and Conflicts of Interest. Along with traditional training formats, in the reporting year, we held 11 in-person off-site training sessions on various aspects of anti-corruption compliance.

Additionally, in the reporting year, 125 senior managers of the Company took specialized training on anti-trust regulation, which covered, in particular, liability for corruption offenses.

MED-42

The average duration of an anti-corruption training course is 1 hour.

GRI 205-2

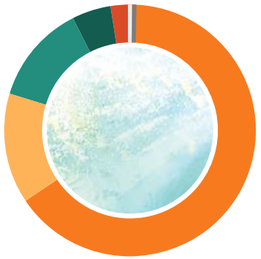
Communication with employees about anti-corruption

Target audience	Communication	Training
A wide range of employees	Anti-corruption information on information resources of TMK Group enterprises	E-courses In-person courses and seminars In-person off-site training **10 thousand employees trained**
Senior management	Information about regulatory changes and realized compliance risks	Themed courses on ethics and anti-corruption Annual training session

GRI 205-2

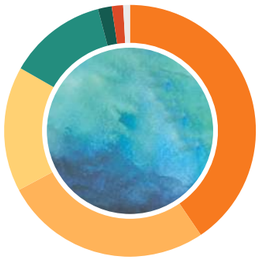
Number of employees trained in ethics and compliance by course topic[13]

ONLINE TRAINING



6,947	TMK Group's Code of Ethics
1,475	Compliance Risk Management
1,321	Anti-Corruption Compliance and Conflicts of Interest
526	AML/CFT/PWMD System
214	Sanctions Compliance
30	Insider Information
30	Anti-Trust Compliance

IN-PERSON TRAINING



1,424	Anti-Corruption Compliance and Conflicts of Interest
934	Compliance Risk Management
564	Anti-Trust Compliance
443	Personal Data Protection Non-Compliance Risks
62	Tax Risks
50	Sanctions Compliance
35	Risk Management: Risk Maps and Data Sheets

Hotline

GRI 2-25
GRI 2-26
GRI 3-3

TMK Group operates a hotline for whistleblowers, including to report corruption. The hotline is available to Company employees and other stakeholders. TMK guarantees confidentiality and non-retaliation of whistleblowers.

Each report submitted via the hotline is forwarded for review to the relevant member of the Compliance Risk Management Committee, who reports to the CEO, or to the head of a relevant function. Probes into such reports may involve the Economic Security Service, HR Management Directorate, and other business units. The Company takes remedial actions in some cases and disciplinary ones where alleged violations are confirmed.

In 2024, a total of 5,994 reports[14] were received via the hotline, of which most (5,637) were classified as spam,[15] 225 were addressed to TMK but were not complaints and referred to general matters,[16] and only 132 reports were received from Company employees or stakeholders and related to business ethics. All 132 reports were investigated for potential compliance risks. As a result, 18 violations were confirmed, and appropriate actions were taken against the offenders. As at the end of the reporting period, five reports were pending.

In 2024, four confirmed violations of the Code of Ethics were identified. The Company undertook disciplinary procedures against the offenders and interviewed them to clarify the provisions of the Code of Ethics.

Ethics-related reports in 2024

Report topic	Number of reports
Procedures run on the electronic trading platform	33
Conflicts of interest	16
Abuse, corruption, corporate fraud, or embezzlement	10
Unethical behavior	6
Use of alcohol	2
Violation of OHS requirements	3
Other (labor relations, human rights, product quality, or personal relations)	62
Total ethics-related reports	**132**

Hotline contacts

Whistleblower Hotline	Mailing address	E-mail
8 800 700 80 72 (24/7, free to call from anywhere in the country)	40 Pokrovka St., Bld. 2a, Moscow, Russia, 101000 Compliance Risk Management Committee	8072@tmk-group.com

Anti-Trust Policy

GRI 3-3

TMK operates an anti-trust compliance system to identify and prevent relevant compliance risks. The system is regulated by the Anti-Trust Compliance Policy, which sets forth the goals and principles of its operation and assigns responsibility. TMK ensures that its internal regulations in this area are aligned with current anti-trust laws and reflect changes in the Company's business processes.

We annually evaluate the effectiveness and adequacy of our anti-trust compliance system. The review covers anti-trust risks, reports by TMK employees, and regulator queries. The evaluation also includes checking whether anti-trust risk monitoring measures and methods are effective.

GRI 206-1

TMK Group conducts its operations in strict compliance with anti-trust laws. In 2024, there were no legal proceedings against the Company related to restrictive business practices or relevant violations.

GRI 205-2

The Company regularly organizes anti-trust compliance training for its employees. In 2024, 594 employees completed this training in both online and in-person formats.

INFORMATION SECURITY AND PERSONAL DATA PROTECTION

Information Security Management System

TMK pays particular attention to protecting its IT infrastructure in order to promptly detect and address cyber threats, ensure uninterrupted operation of electronic services, and minimize financial and reputational risks. The Company is committed to high standards for information security and personal data protection.

TMK's efforts in this space are guided by a set of corporate documents, the key ones being the Strategy to Ensure and Improve Cybersecurity and Information Security Policy.

For more details on the documents regulating information security and personal data processing, see the List of Key Sustainability Documents appendix.

TMK Group's information security governance structure

Deputy CEO — Head of the Economic Security Service

Deputy CEO for IT

TMK Group has built a comprehensive information security management system (ISMS), which monitors the status of information systems and technologies and enables prompt response to threats. The ISMS integrates a model of information security threats and a set of preventive measures, combining information security and cybersecurity parts that complement each other.

The Deputy CEO for Security — Head of the Economic Security Service, and the Deputy CEO for IT are responsible for the ISMS operation at the TMK Group level.

The Deputy CEO for Security — Head of the Economic Security Service is charged with setting up and monitoring information security processes as well as developing, implementing, and updating internal regulations on information security in line with up-to-date legal and industry requirements. The Deputy CEO for Security continuously monitors information systems to detect unauthorized activity and potential threats, organizes incident response, manages incident investigation, takes remedial measures, runs regular evaluation of information security risks, develops and implements risk mitigants, and tracks the effectiveness of launched protection measures. His responsibilities also include engagement with government and supervisory bodies to ensure compliance with laws and regulations on information security.

The Deputy CEO for IT organizes and oversees the development and deployment of virus protection means at the Company, detection of attempts and prevention of intrusions and cyber attacks, and protection of critical information infrastructure.

Key information security matters are reviewed at meetings of the Board of Directors.

To evaluate the ISMS performance, the Company conducts annual internal audits and, if necessary, organizes independent external audits. For internal audits, TMK applies a proprietary technique to evaluate the maturity level of its information security processes that was developed to national standards and laws.

Key Information Security Activities

TMK maintains strong IT infrastructure security through a range of measures in five areas: vulnerability monitoring, anti-virus, import substitution, phishing protection, and two-factor authentication.

One of the key developments in IT infrastructure protection in 2024 was the launch of an automated SGRC[17] platform for information security risk accounting. The platform automated and systematized risk management processes and internal control procedures and also aggregated data on critical information infrastructure and audit results. The project has increased the maturity of information security in the Company.

To assess the level of IT infrastructure protection against potential cyber threats, the Company regularly conducts penetration tests of its information systems. These include modelling real cyber attack scenarios, including simulating hacks, in order to detect information security vulnerabilities. The tests allow to comprehensively assess the reliability of security mechanisms, analyze the infrastructure resistance to possible attacks, and evaluate the effectiveness of measures to prevent unauthorized access. The testing results are translated into corrective actions to remediate identified deficiencies and bolster the Company's cybersecurity.

Information system protection

Vulnerability monitoring
Regular scanning to quickly detect and address weaknesses in the IT infrastructure

Anti-virus
Anti-virus software covers every necessary stage, from e-mail, servers, and workstations to automated process control systems

Import substitution
The use of predominantly Russian software and data protection tools ensures independence from imported technologies and robust protection against cyber attacks

Phishing protection
About 5,000 domains similar to the corporate domains have been blacklisted to minimize the threat of phishing attacks

Two-factor authentication
Two-factor authentication using TMK ID reduces the risk of unauthorized access to employee accounts by requiring an additional confirmation code

The Company has developed response measures to counter information security threats, described in the Information Security Policy and the Procedure Rules for Responding to Information Security Incidents. These documents outline detailed response scenarios for employees to follow in case of cyber threats, preparing the Company to withstand potential cyber attacks and minimize their consequences. In 2024, we also issued two information security bulletins providing clear guidance for addressing specific challenges in this area.

Building Employees' Awareness

Recognizing that information and IT infrastructure protection is the responsibility of every employee, we place particular emphasis on training, awareness, and the development of digital skills among TMK employees. Regular trainings and seminars on information security help to shape a security culture within the Company.

Training and building awareness in information security

For all employees

Information Security and Digital Hygiene e-courses on the SOTA2U platform
Assigned on a mandatory basis upon hiring and, if necessary, during the course of employment

Preventive training and simulated phishing attacks
Employees failing a drill must take further preventive training

Briefings, memos, and guidelines outlining rules of conduct in cyberspace
The materials are updated as needed and circulated internally to keep employees informed

For IT teams

Advanced IT training as part of the Horizons forum
Participants enhance their skills to design, develop, and improve business-critical software

Cyber Battle at SOC Forum 2024
In the 2024 competition, teams of attackers and defenders simulated real cyber threats to practice repelling attacks and regaining control over infrastructure

Personal Data Protection

TMK provides reliable protection for the personal data of its customers, partners, and employees in accordance with applicable laws and corporate security standards.

All data processing procedures are aligned with the principles of legality, fairness, and confidentiality.

TMK systematically analyzes threats, assesses possible risks and potential damage, and uses proven and effective data security tools. The Company has also established rules for accessing personal data, which must be reviewed by all employees responsible for processing it.

The Personal Data Protection Commission monitors compliance with requirements for personal data processing. The process of ensuring personal data security also involves key Company divisions, including the legal unit, the IT unit, and the Economic Security Directorate.

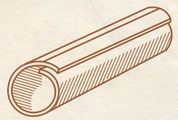
Each TMK Group enterprise has employees responsible for providing personal data processing and monitoring of compliance with corporate procedures. To upskill them and ensure proper performance of their duties, TMK organizes training in personal data processing rules via the SOTA2U platform.

No breaches of confidentiality or unlawful disclosure of personal data of TMK enterprise customers or employees were registered in 2024. No complaints against data leaks were recorded either. GRI 418-1

A JOURNEY THROUGH
PIPE INNOVATION

ANCIENT ROME

LEAD, 1ST CENTURY BC



The invention of the world-famous Roman baths brought changes in pipe manufacturing technology, with lead becoming a popular pipe material. Ductile and easy to work with, lead was an optimal choice at the time. The edges of lead sheets were overlapped in a longitudinal seam, which was reinforced by forge welding. The pipes were then laid in stone trenches and covered with sand.

5. RESPONSIBLE SUPPLY CHAIN

97%

proportion of spending on Russian suppliers

16

key suppliers screened using sustainability criteria

4.5 out of **5**

overall customer satisfaction score

UN SDGs

Sustainability Strategy objectives

> Sustainable supply chain

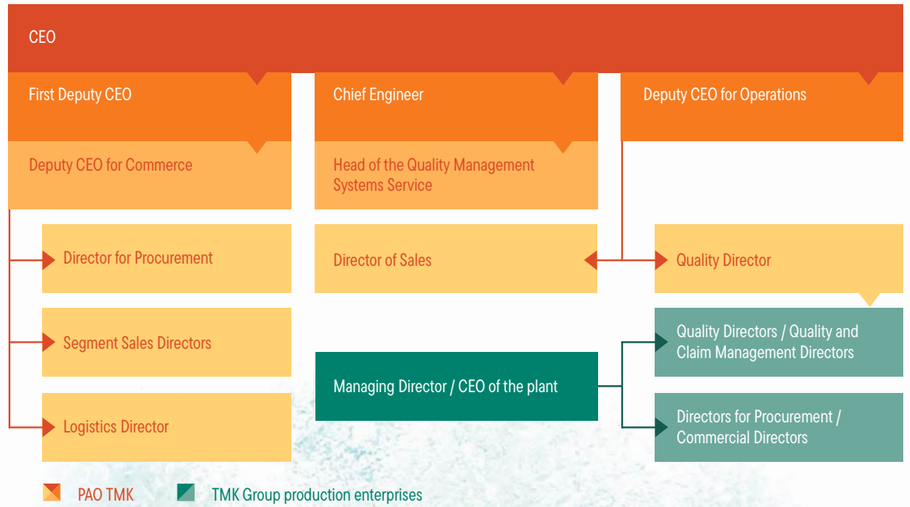
Material topics

> Sustainable supply chain

Key documents

- Counterparty Management Policy
- Quality Policy
- Corporate Quality Management System — PAO TMK Supplier Evaluation Procedure standard» updated
- Corporate Quality Management System — Customer Satisfaction Analysis standard

Organizational structure



MANAGEMENT APPROACH

GRI 3-3

TMK is committed to meeting today's expectations for building a responsible supply chain.

This objective is set out in the Company's Sustainability Strategy. Requests from customers further underscore the relevance of this topic — especially from oil and gas companies, which assess TMK against sustainability criteria. For example, in the reporting year, TMK successfully completed a sustainability certification process conducted by one of Russia's major oil companies and was awarded the highest ESG category.

The Company's supply chain management encompasses relations with suppliers and customers as well as cooperation between plants (i.e., the transfer of billets and finished products between TMK Group enterprises). These processes are governed by a set of internal documents, including standards, policies, and procedure rules.

For more details on documents governing relations with contractors and customers as well as product quality assurance, see the List of Key Sustainability Documents appendix.

SUPPLIER ENGAGEMENT

TMK adheres to the principles of business ethics, transparency, and information openness in its interactions with suppliers — and expects the same from its counterparties. We are committed to conducting procurement in a way that upholds efficiency, fairness, competitiveness, and good faith competition. These principles are set out in our Counterparty Management Policy, which all partners must review prior to entering into any agreements. If a supplier is found to be non-compliant, TMK reserves the right to suspend the contract until the issue is resolved or to terminate it entirely.

Procurement activities are managed both centrally by PAO TMK and independently by each enterprise. The centralized procurement of high-value materials is managed by the unit accountable to the Director for Procurement while other materials and goods are purchased directly by individual plants from suppliers. TMK prioritizes long-term partnerships and prefers to work directly with manufacturers or official dealers.

The Company has implemented a category management system that ensures supply reliability and enables effective control over the timely delivery of key raw materials. Increasing the volume of procurement covered by category management remained a key focus during the reporting year. To that end, we included additional procurement items — previously managed by individual plants — in the centralized system.

To optimize supply channels, TMK created a dedicated function responsible for import purchases. In 2024, this effort focused on the Asian supplier market, where we continued to prioritize direct engagement with manufacturers, avoiding intermediaries.

One of our strategies to enhance procurement stability is the digitalization of routine processes, which helps reduce request processing time. In 2024, we successfully transitioned more than 90 suppliers involved in centralized sourcing to electronic document management (EDM). We also

implemented intra-group EDM for signing specifications. This solution was successfully piloted at TAGMET and will be rolled out across other TMK Group plants in 2025.

Digitalization also enables effective tracking of procurement performance. TMK has implemented an automated reporting system, which is continuously being expanded. For example, in 2024, in addition to tracking the timeliness and completeness of product deliveries, we were able to incorporate supply performance indicators into our reporting.

Requirements for Suppliers

We take a responsible approach to supplier selection, as the quality of raw materials has a direct impact on product quality and the continuity of production processes. Procurement teams assess both current and prospective suppliers based on criteria outlined in the Company's internal regulations.

Certain categories of counterparties — specifically those supplying products from an approved list — undergo additional assessment by RUSNITI, which assesses supplier qualifications. The assessment includes on-site inspections and audits of quality management systems. Following the assessment, a rating of suppliers is compiled and subsequently used by the Company as part of the contractor selection process.

Sustainability Assessment

In 2024, we assessed our key suppliers[18] against sustainability criteria for the second time. The assessment methodology was developed in 2023, when TMK's key suppliers first completed a questionnaire with 43 indicators grouped into six domains:

- Corporate governance and sustainability management
- Environmental aspects
- Climate aspects, energy efficiency
- Internal social policy
- Occupational health and safety, industrial safety
- External social policy, developing the regions of operation

In 2024, the methodology remained unchanged. 16 out of the 17 suppliers identified as TMK's key suppliers participated in the assessment. The survey results showed that the majority of companies (ten) demonstrated a high level of maturity in their sustainability practices, five were assessed at an intermediate level, and only one company was found to be slightly below average.

Questionnaires were evaluated by TMK specialists with expertise and competencies in sustainability — in general and in specific areas. In designing the questionnaire, the Company proceeded from the understanding that it could not expect a higher level of sustainability from its suppliers than it had achieved itself, and that the responses would be provided in good faith and without distortion of facts. Nevertheless, in certain cases, TMK specialists conducted selective checks of questionnaire responses using publicly available sources.

Procurement Performance and Support for Local Suppliers

The key raw materials used in our production include metal scrap, plates, and coils, which together account for more than half of the Company's total procurement volume.

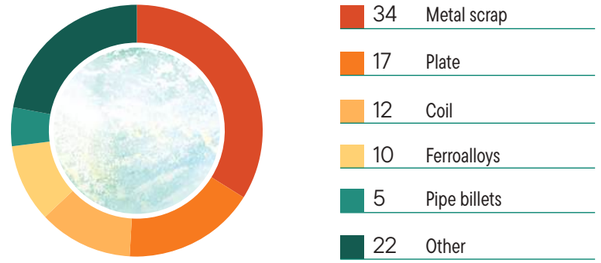
GRI 204-1
MED-8

We place particular emphasis on the supply of key raw materials and closely monitor the stability of supplies, redistributing inventories between plants when necessary. To reduce the risk of supply chain disruptions, TMK consistently implements import substitution initiatives and tests alternative materials. This approach helps strengthen the Company's independence from foreign suppliers. In 2024, we achieved a record: 97% of key raw materials were sourced from Russian suppliers.

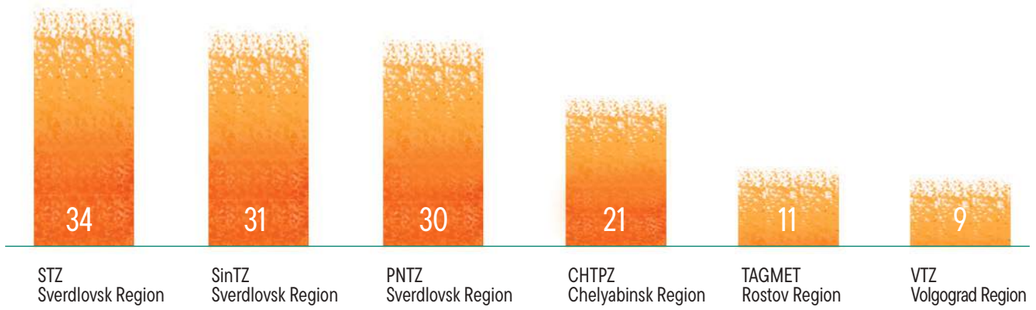
Working directly with local suppliers[19] in the regions hosting our production facilities often enables us to cut delivery times and reduce the cost of raw and other materials. TMK conducts open procurement procedures and gives preference to local suppliers, provided their products meet the required quality standards. In the reporting year, the proportion of spending on local suppliers in the regions hosting the Company's pipe plants accounted for an average of 26%[20] of total procurement. In the Sverdlovsk Region, local suppliers accounted for one third of all purchases.

At several TMK facilities, comprehensive efforts to source suitable alternative materials have enabled us to meet nearly all demand for certain material categories through purchases from local suppliers. For instance, SinTZ sources over 90% of non-standard spare parts and technological tools from local manufacturers, including small and medium-sized enterprises (SMEs). At TAGMET, SMEs accredited on TMK's electronic trading platform participate in tenders on equal terms with large companies and account for a significant share of product supplies.

Procurement mix by category, %



Proportion of spending on local suppliers (by number of suppliers),[21] %



GRI 2-6

TMK's supply chain

Suppliers

STEEL SCRAP
- Scrap companies

FERROALLOYS AND ALLOYING ELEMENTS
- Ferroalloys plants, metallurgical plants
- Commercial enterprises and individual entrepreneurs (including intermediaries)

ELECTRICITY, GAS, WATER
- Electricity networks
- Regional gas networks
- Water utilities

EQUIPMENT AND SPARE PARTS, OTHER MATERIALS
- Machine-building enterprises
- Commercial enterprises and individual entrepreneurs (including intermediaries)

SHEET AND ROLLED PRODUCTS, PIPE BILLETS
- Metallurgical plants

CARRIERS:
- State companies (Russian Railways — railway transport)
- Commercial enterprises and individual entrepreneurs (motor transport, river and sea transport)

Internal chains

Electric arc furnace shops of TMK plants

PIPE BILLETS

Pipe rolling shops and electric-weld pipe shops of TMK plants

Other TMK production facilities

MARKETABLE CONTINUOUS CAST BILLETS

WELDED AND SEAMLESS PIPES

CYLINDERS, TMK NGS AND TMK ETERNO PRODUCTS

Clients

END CONSUMERS
- Oil and gas, machine-building, energy, chemical, and oil refining industries, construction and utilities sectors, metals and mining companies, and enterprises in other industries
- State-owned companies
- Individuals

TRADE AND INTERMEDIARY ENTERPRISES
- Commercial enterprises (including metal trading companies)
- Individual entrepreneurs

CUSTOMER RELATIONS

GRI 3-3 TMK builds long-term mutually beneficial relations with its customers and responds promptly to customer needs. The Office for Consumer Engagement on Quality Matters oversees the interactions between the Company, the manufacturing plant, and customers, monitors queries and claims, and participates in developing corrective actions for deliveries of sub-par products. The customer experience unit within Trade House TMK conducts surveys and optimizes business processes based on feedback.

We are working to enhance customer service throughout the interaction process – from handling product inquiries to gathering customer feedback and suggestions. A key role in this effort is played by the development of automation, which enables faster processing of requests and more efficient document management. For example, in 2024, we automated the quoting process. Documents are now generated and signed within a unified system.

Reviewing Feedback

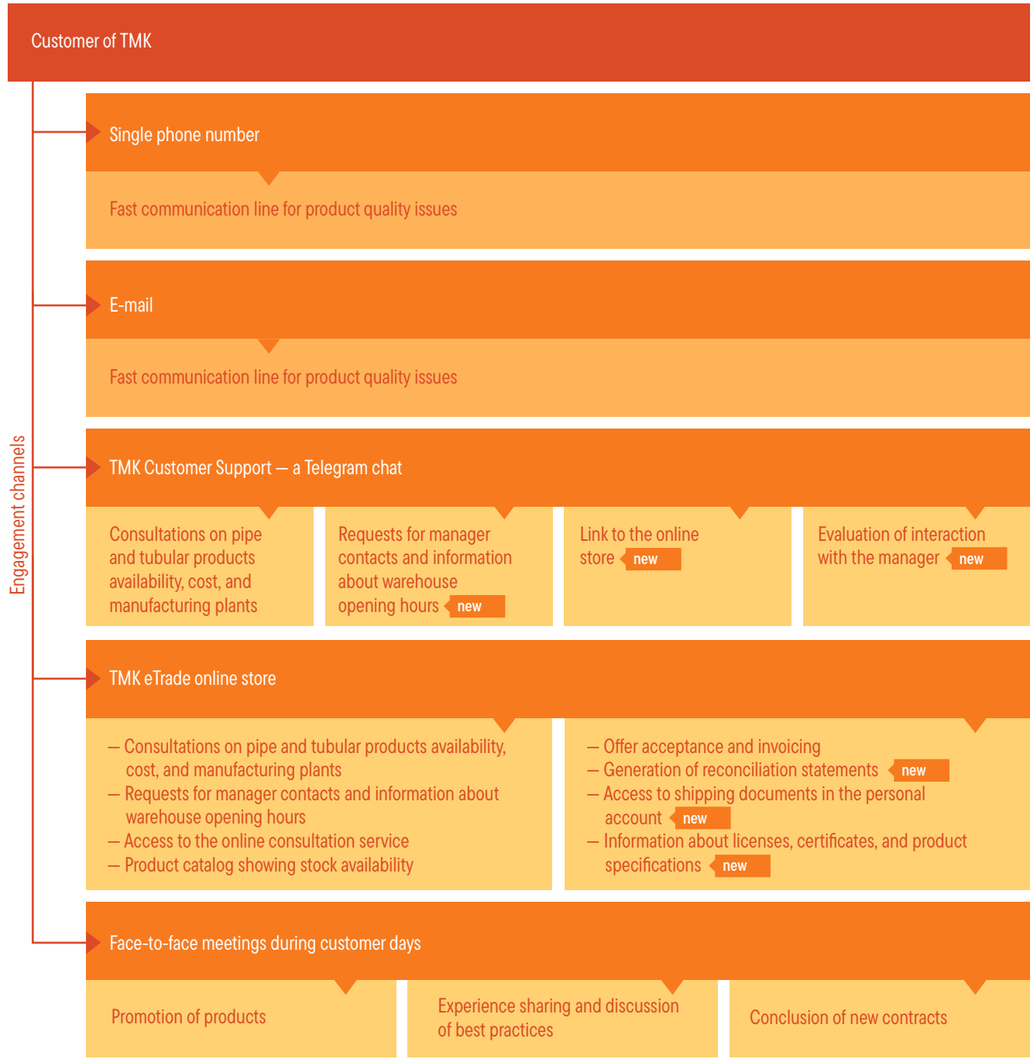
TMK values customer feedback and strives to respond promptly to inquiries concerning product requirements as well as the accessibility and convenience of services. The Company offers multiple communication channels through which customers can submit questions and receive a consultation from TMK managers.

TMK's Quality Director coordinates the review of queries and efforts to improve feedback mechanisms. Routine queries are handled by specialists of the single call center while customer complaints and claims are escalated to the heads of responsible units.

Face-to-face meetings with customers, visits to production sites, and participation in industry forums are integral components of TMK's efforts to build and maintain long-term customer relations. In 2024, TMK took part in various exhibitions and forums and hosted meetings with key customers and major oil and gas design institutes at TMK's R&D Center and plants. On top of this, we held over 100 meetings with our customers' technical teams to discuss product requirements and approaches to quality control.

We pay close attention to product quality as well as its safety. TMK pipes are used across a wide range of industries — often under extreme conditions — and the Company takes it into account throughout the manufacturing and delivery process to minimize operational risks associated with Company products. We tailor materials and product types to meet customer needs, regularly update operating manuals, and deliver customer training on the specifics of line pipe manufacturing and use under the TMK2U Corporate University's program.

Customer engagement channels



Measuring Customer Satisfaction

To measure customer satisfaction, TMK conducts surveys, analyzes queries and complaints, and provides timely feedback to customers. Customer satisfaction is measured on a five-point scale and covers a range of criteria, including product quality, delivery timelines, and service. In 2024, the overall satisfaction score averaged 4.5 out of 5, based on 291 completed questionnaires.[22] Improvements were recorded across all criteria. Areas for improvement included production and delivery timelines as well as payment terms.

In addition, in 2024, Trade House TMK conducted its own customer satisfaction and loyalty survey, which was completed by 343 counterparties. The results showed positive trends across the key indicators assessed — satisfaction, loyalty, and the likelihood of repeat purchases.

TMK supports open dialogue with customers throughout the product life cycle. In cases where there are concerns about the quality of delivered products, the Company is committed to resolving such issues out of court, maintaining a strong customer focus. If legal proceedings do arise, TMK advocates a constructive approach. In 2024, TMK was involved in seven disputes concerning the quality of pipe and tubular products, either as a defendant or a third party. Most of these cases extended beyond the reporting date into 2025 and were successfully resolved.

Training on Customer Focus

TMK2U Corporate University has developed an e-course, Customer Focus: How to Win the Hearts of Customers, as part of its customer relations training program. Since its launch in 2019, the course has been completed by 283 employees.

PRODUCT QUALITY ASSURANCE

GRI 3-3

Ensuring high product quality is a strategic priority for TMK. To achieve this, we invest in employee training, adopt advanced technologies, and upgrade our production facilities. The quality assurance process is integrated across the production chain, from steelmaking to the manufacturing of a wide range of pipe and tubular products.

To ensure a uniform approach to quality assurance, TMK operates a corporate quality management system (CQMS) across all its enterprises. The Quality Policy outlines the relevant strategic goals and employees' responsibilities. The CQMS facilitates cross-functional collaboration between Company units, supports certification efforts, and strengthens customer engagement.

It aligns with best practices and complies with ISO 9001:2015 Quality management systems.[23] Performance evaluation criteria for the CQMS are defined in TMK Group's Quality Guidelines. The system's effectiveness is monitored through regular internal audits, with the findings used to develop corrective actions. Implementation of these actions is monitored by the Quality Management Systems Service and units accountable to the Quality Director.

In 2024, TMK held meetings with key customers to present CQMS performance results as well as initiatives aimed at its further development and improvement. These meetings reiterate TMK's transparency and accountability to customers as regards product quality.

In addition, the Company sets internal quantitative targets, including the acceptable rejection rate and the rate of on-time order

fulfillment. To meet these targets, we regularly implement measures at all TMK enterprises to prevent equipment downtime and the delivery of non-conforming products. TMK plants also run internal campaigns and dedicated competitions to promote quality. One example is the Day Without Defects initiative, where internal experts assess, among other things, the reliability and objectivity of the technical control system, progress against shipping plans, and compliance with product quality standards.

The Day Without Defects is also one of three categories in TMK's annual Quality Leader corporate competition, which involved ten TMK plants in 2024: VTZ, STZ, PNTZ, CHTPZ, SinTZ, TAGMET, OMZ, TMK-INOX, TMK Steel Technologies, and TMK Pipe Service. The results of the Quality Leader competition are announced at TMK's annual conference. In 2024, the conference focused on the use of digital solutions in quality assurance. Metals companies presented tools designed to enhance the efficiency of business process and quality performance management, improve collaboration across the supply chain, and strengthen corporate culture. The winner of the 2024 competition was VTZ.

Quality Control

TMK's quality system encompasses both process-level control — aimed at preventing deviations in the production process — and inspection of finished products. All TMK plants have implemented technical control systems as part of the CQMS and operate in line with the Corporate Non-Destructive Testing System Development Strategy for 2024–2027.

Non-destructive testing is performed using ultrasonic, eddy current, and X-ray television methods, with specialized equipment applied at various manufacturing stages. On top of this, TMK employs artificial intelligence-powered digital verification technologies — machine vision, big data analytics, and VR solutions.

The Company regularly upgrades its existing non-destructive testing equipment and introduces new systems. In 2024, relevant initiatives were implemented simultaneously at several plants, including CHTPZ, STZ, SinTZ, and TMK PS. Along with the adoption of new technical solutions and process automation, TMK actively supports improvement projects proposed by employees. Ideas that prove effective during pilot implementation at one TMK Group enterprise are subsequently rolled out to other sites.

Digital initiatives for quality control

Electronic product quality certificates	Product labeling system	Voice-to-text system recording the control results	Automated pipe counting
The authenticity of quality certificates is checked via a blockchain ledger that contains information about the certificate number and issue date, the manufacturing plant, and the product name **The system is used at VTZ, TAGMET, STZ, SinTZ, CHTPZ, PNTZ, OMZ, and TMK NGS-Nizhnevartovsk**	The system consists of a laser marking unit and a recognition system, enabling automated end-to-end product traceability **The system is used at VTZ**	Recording of the control results of individual parameters of pipes and couplings in a digital format **The system is used at VTZ and TAGMET**	Identification of each pipe in a bay and automatic counting **The system is used at STZ**

Training on Quality Management

We regularly conduct face-to-face assessments and training sessions to evaluate employee competencies and enhance their qualifications in quality management. We use 3D and VR simulators to support the development of practical skills — including techniques for pipe quality control. In addition, employees have access to supplementary e-courses on related topics through the SOTA2U corporate platform.

In 2024, more than 5,000 employees completed the Manufacturing Culture video course designed to increase accountability and motivation around quality. The video course targets employees involved in the manufacturing and certification of pipe and tubular products and clearly illustrates the negative consequences of delivering non-conforming products to customers. In the reporting year, over 200 employees completed specialized training on various aspects of quality assurance, including non-destructive testing methods and matters related to product use.

A JOURNEY THROUGH
PIPE INNOVATION

PERU

STONE, 1ST–2ND CENTURIES AD

In ancient times, pipeline technology was equally advanced in the Old World and in the Americas, which remained “undiscovered” at the time. For example, in Peru, aqueducts were built to supply water to communities and irrigate farmland. Most of these structures consisted of limestone blocks with drilled holes, fitted together to form a continuous pipeline.

6. ENVIRONMENTAL STEWARDSHIP

4.6
RUB bln environmental expenditures

95.8%
water recycling ratio in production cycles

32%
reduction of total weight in waste generated

0
environmental incidents and accidents

UN SGDs

Sustainability Strategy objectives

- Waste management and resource efficiency
- Water impact mitigation
- Reduction of air emissions
- Environmental safety across operations

Material topics

- Air pollutant emissions
- Water consumption and discharge
- Waste management
- Use of raw and other materials

Key documents

- Environmental Policy
- Environmental Policy Implementation Framework
- Sustainability Policy — updated
- Air Pollution Reduction Program
- Water Pollution Reduction Program
- Waste and By-Product Management Program — new

Organizational structure

MANAGEMENT APPROACH

GRI 3-3

In order to prevent and mitigate our environmental footprint, we apply best available technologies (BATs) and optimize production processes. TMK strictly complies with environmental laws and is focused on improving its environmental control methods.

Environmental matters are managed at the corporate level within TMK and directly at enterprises. The management company's Environmental and Climate Service reviews and coordinates the environmental efforts of enterprises, oversees the permitting process, and manages environmental risks. At the production enterprise level, environmental protection is the responsibility of chief engineers, with industrial ecology offices carrying out relevant day-to-day activities.

The Company's approach is outlined in TMK Group's Environmental Policy and its Implementation Framework as well as in the Sustainability Policy. In 2024, we started working on TMK's Environmental Strategy to 2036. To this end, we arranged for an independent audit of TMK Group's environmental management system as well as environmental and technical audits of production sites, and considered stakeholder requests.

In addition, during the reporting year, thanks to coordinated multi-stage work, all TMK enterprises classified as Category 1 negative-impact facilities timely obtained integrated environmental permits. For this purpose, the enterprises created an inventory of emission sources, calculated standard levels for emissions and discharges as well as waste generation rates and disposal limits, and developed the required environmental performance improvement programs and environmental operational controls.

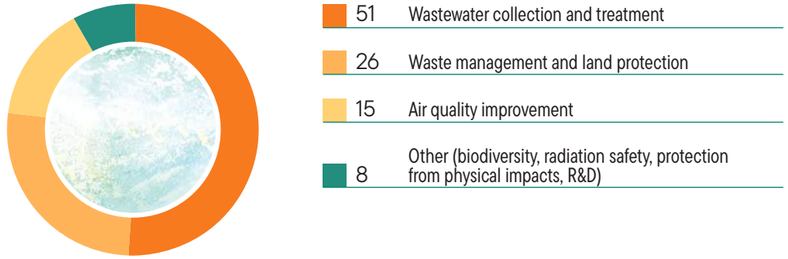
Financing of Environmental Activities

MED-10
MED-21

In 2024, the Company's total environmental expenditures exceeded RUB 4.6 billion, with 23% invested in green technologies.

Total environmental expenditures of TMK Group enterprises, RUB million

TMK's operating expenses on environmental protection by focus area in 2024, %



Environmental Management System

Most of TMK Group production sites maintain an environmental management system certified to ISO 14001:2015. To confirm the existing certificates, we arrange for external independent audits and internal performance audits. In the reporting year, each certified enterprise underwent an external audit by an authorized certification body and a series of internal audits as scheduled.

In addition, the Company annually updates its environmental risk map.

Environmental Monitoring and Operational Control

Environmental operational control at Company enterprises is carried out by in-house and third-party accredited chemical analysis laboratories. Environmental operational control activities include keeping records of waste and by-product generation, monitoring emission volumes, the state of atmospheric air and water bodies, the quality of wastewater and groundwater, and the level of physical impact (noise pollution), as well as monitoring land and soils at production sites and waste disposal facilities.

The results are submitted to regulatory and supervisory authorities. To boost the effectiveness of environmental operational control, analytical centers design and deploy dedicated corporate methodologies to support such activities, expand accreditation coverage, and increase the number of tests performed.

To additionally improve the quality of environmental controls, in 2024, we launched environmental audits to identify any violations of legal requirements, prevent materialization of environmental risks, and help environmental engineers in addressing complex legal compliance issues. In the reporting year, the audits were conducted at four plants classified as Category 1 negative-impact facilities (SinTZ, CHTPZ, VTZ, and TAGMET). Apart from identifying gaps and areas for improvement, the audits also found best practices, which were recommended for scaling across other Company enterprises (to be adjusted to the profile of each production site). Such practices include internal regulations on engagement with contractors on environmental compliance; equipment for effective mill scale deoiling with subsequent sale; regular updates of the production waste inventory; high-tech methods for cleaning/recovering used cutting fluids and emulsions and feeding them back into production; water recycling and reuse systems to avoid discharge into water bodies; and other.

TMK enterprises pay environmental charges as required by environmental laws. In 2024, the charges totaled RUB 55 million. GRI 2-27

Environmental Education and Training

The Company provides environmental training for employees both via TMK2U Corporate University and external platforms. We are strongly focused on environmental safety, implementation of the environmental management system, and waste management.

Environmental protection training in 2024

Course title	Number of employees trained
TMK2U courses	
Ecology for Non-Ecologists. Module 1. Strategy for Ensuring Environmental Safety	1,654
Ecology for Non-Ecologists. Module 2. Requirements of Environmental Laws and Risks of Non-Compliance	1,498
Ecology for Non-Ecologists. Module 3. Environmental Aspects of Production Activities and Employees' Responsibility	1,497
Ensuring Environmental Safety When Handling Hazard Classes 1 to 5 Waste	348
Additional training	
Environmental Management System	3,995
Permission to Handle Waste of Hazard Classes 1 to 4	142
Ensuring Environmental Safety by Managers and Specialists of General Management Systems	6
Industrial and Consumption Waste Management	56

SUSTAINABLE MATERIALS

GRI 3-3

To ensure both high quality and environmental safety of our finished products, we pay particular attention to sourcing raw materials for production.

GRI 301-2

The main recyclable used in the Company's products is scrap metal, which serves as the key raw material for smelting steel. In 2024, it accounted for 82% of the total weight of all recycled materials[24] used.

When purchasing materials, TMK specialists not only check the supporting documentation but also assess the safety of materials for humans and the environment: for example, scrap metal is tested for radiation levels and the presence of hazardous inclusions and impurities.

Digital technology is key to monitoring the quality of scrap metal. Using an AI-driven algorithm, we identify and sort out scrap with impurities that may disrupt the production process. In electric steelmaking, AI offers the ability to select optimal materials and smelting parameters, and in rolling shops, it monitors the condition of equipment, the production chain, and the parameters of finished products. This way, the Company can not only improve its economic performance but also reduce pollutant emissions and thus make its production more environmentally friendly.

TMK plants take resource conservation steps across the product life cycle stages, reusing scrap metal in production, optimizing the use of packaging, and further improving the materials accounting system. At PNTZ, STZ, VTZ, and TAGMET, the sustainable use of raw materials and additives is enabled through the Steelmaker's Assistant information system, which streamlines the steelmaking process by analyzing the chemical composition of steel while maintaining the required properties of the finished product.

GRI 301-1

In 2024, the total weight of materials used by TMK to produce and package its primary products was 4.6 million tonnes of non-renewable materials.[25] Since the Company does not have its own natural resource base, we purchase most of our materials from third parties (except for those that are fed back into production).

Resource conservation activities carried out at TMK enterprises in 2024

Enterprise	Activities
STZ	Consumption control over slings and clamps used for loading finished goods: > Development of procedure rules for using slings and assignment of responsibility for their use > Weekly monitoring and reporting > Organization of storage and allocation of storage space
	Use of scrap metal and chips in production as secondary raw materials
	Reuse of wood waste for repairs in the shops
VTZ	Use of scrap metal and chips in production as secondary raw materials
SinTZ	Use of waste oil, waste paper, containers, and metal chips as secondary raw materials
PNTZ	Use of scrap metal and chips in production as secondary raw materials
TMK NGS-Buzuluk	Reuse of couplings designed for connecting tubing in oil wells. In 2024, remanufactured couplings made up almost 60% of the total couplings used in repair

GRI 301-1

Materials used by EAF shops for producing primary products,[26] thousand tonnes

Indicator	2022	2023	2024
Non-renewable materials, including:	5,303.1	5,424.1	4,645.1
materials for production	5,286.7	5,377.1	4,613.8
associated materials	16.4	47.0	31.3

TMK plants produce packaging for the safe storage, transportation, and use of pipe and tubular products. Such packaging includes pipe blanks, tape, wire, paper, cardboard, and wood and cork containers that keep products intact. In 2024, following updates to national legislation, the Company adjusted its approach to tracking and reporting packaging production volumes.[27] In the reporting year, the Company used 1,900 tonnes of non-renewable and 4,100 tonnes of renewable raw materials for packaging production.

The Company's enterprises are actively working to convert production waste into by-products, helping to reduce the volume of waste sent for disposal. Each plant has developed relevant documents as required by law. By-products are either reused in production or transferred to third parties.

POLLUTANT EMISSIONS

Since TMK's production generates air pollutant emissions, we take consistent steps to reduce these emissions, upgrade facilities, and implement best available technologies. GRI 3-3

In 2024, we continued implementing the Air Pollution Reduction Program, aimed at minimizing environmental risks in this area and ensuring compliance with permissible impact levels. Since the Program was launched at eight TMK Group enterprises,[28] we have managed to reduce gross pollutant emissions by 11%.

To reduce negative air impacts, TMK enterprises use dust and gas collection units and aspiration systems. We regularly replace gas cleaning filters and provide timely maintenance, repair, and upgrade of such equipment to ensure its effective operation.

TMK uses instrumental and calculated methods to establish the amount of air pollutant emissions. In 2024, pollutant emissions from Company enterprises totaled 18.7 thousand tonnes, down by 2.7 thousand tonnes y-o-y. GRI 305-7 SASB EM-IS-120a.1

GRI 305-7 MED-19

Gross pollutant emissions, tonnes

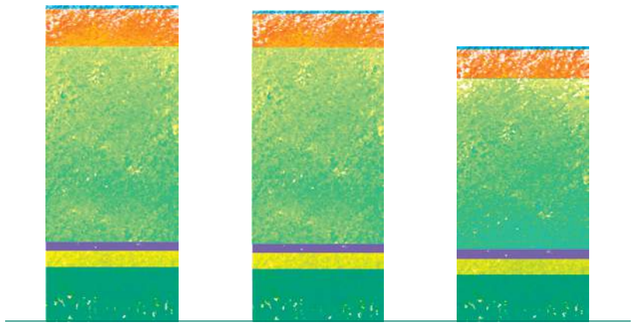
Over 60% of total pollutant emissions, or 11.6 thousand tonnes, are carbon monoxide (CO) emissions generated by fuel combustion in various production processes. The weight of hazardous air pollutant emissions decreased by 4% to 152.2 tonnes in the reporting year.

GRI 305-7 SASB EM-IS-120a.1

Gross pollutant emissions intensity increased by 5.1% y-o-y due to changes in legislation regarding the inventory of emission sources and introduction of new calculation methods.

In the reporting year, environmental operational control revealed isolated instances of emissions exceeding established limits at stationary sources across STZ, SinTZ, CHTPZ, TMK-INOX, and TAGMET. To resolve the gaps, the enterprises carried out repairs to ensure effective capture of pollutants. Subsequent emissions monitoring confirmed the adequacy of the measures taken. In addition, in 2024, VTZ, STZ, CHTPZ, TMK-INOX, SinTZ, and PNTZ further maintained their inventories of emission sources, updating source data, determining standard levels, and outlining emissions limits.

Gross pollutant emissions by compound, tonnes[29]



	2022	2023	2024
Nitrogen oxides (NO_x)	3,773.4	3,707.8	3,271.5
Sulfur oxides (SO_x)	1,167.5	1,178.9	1,042.4
Volatile organic compounds (VOCs)	538.6	695.2	675.1
Carbon monoxide (CO)	13,319.0	13,297.0	11,638.3
Particulate matter (PM)	2,587.7	2,351.6	1,932.4
Other	150.4	176.1	162.6

Air protection activities carried out at TMK enterprises in 2024

Enterprise	Activities
VTZ	Retrofit and effective operation of gas cleaning units
	Purchase of equipment for the automatic emission control system
PNTZ	Installation and commissioning of a dust extractor that can deliver an air filtration level of up to 98%
	Upgrade of dust and gas collection units
	Construction of an additional gas cleaning facility
STZ	Replacement of gas cleaning system components
TAGMET	Construction of a dust screen along the perimeter of the slag pit
	Replacement of gas cleaning system components
SinTZ	Installation of a gas cleaning plant to reduce iron oxide emissions
TMK-INOX	Replacement of a dust and gas collection unit

As participants in the Clean Air federal project, we contribute to Russia's national emissions reduction targets. TMK is represented in the project by CHTPZ and TMK PS, which are based in Chelyabinsk — a city with significant air pollution. In the reporting year, we continued retrofitting gas cleaning systems at CHTPZ, achieving an almost 300 kg reduction in sulfuric acid emissions per year, and upgraded the gas cleaning units in the plasma-cutting area at TMK PS.

In 2024, the Company spent RUB 702 million on air protection initiatives, including more than RUB 590 million allocated to fund ongoing activities, such as maintenance and efficient operation of gas cleaning equipment. MED-21

WATER USE AND DISCHARGE

GRI 3-3

Our enterprises use water for various production processes, which means significant volumes of water consumption and discharge. For this reason, we place a heightened emphasis on sustainable water use and effective wastewater treatment. The Company's commitments in this area are set out in TMK Group's Environmental Policy.

We assess risks related to water use, considering them within environmental risks. Preventive and corrective actions are developed for each potential or actual event included in the risk map.

TMK enterprises draw water from surface[30] and underground sources for industrial and general usage / drinking purposes as well as to supply water to local communities.[31] Water supply services are partially provided by contracted third parties. GRI 303-1

GRI 303-1

Water withdrawal by TMK Group enterprises

Environmental control services at enterprises are responsible for water withdrawal and discharge as well as for monitoring the volume and quality of withdrawn and discharged water from natural water bodies. Chief power engineers are responsible for the operation of water intake and discharge equipment, water supply for industrial and general usage, and water withdrawal and discharge through third-party networks.

Company enterprises use water in accordance with relevant permits: licenses (for water withdrawal from underground wells), permissions to use water bodies (for water withdrawal from surface water bodies), water use agreements, and integrated environmental permits. Each water intake is equipped with metering devices.

All water intakes and water discharge facilities are included in the environmental operational control program, under which TMK's own or third-party accredited laboratories analyze the quality of water withdrawn and wastewater discharged for compliance with established standard levels.

GRI 303-1
SASB EM-IS-140a.1

According to the Aqueduct Water Risk Atlas of the World Resources Institute (WRI), a number of TMK Group enterprises operate in areas with water stress. These include PNTZ, STZ, SinTZ, TMK-INOX, and TMK NGS (Uralchermet and Truboplast) in the Sverdlovsk Region and CHTPZ, TMK PS (Chelyabinsk), and TMK ETERNO (TMK Steel Technologies, Pipeline Bends, and CSSP) in the Chelyabinsk Region.[32] For them, we set additional water-related goals and targets, including increasing the water recycling ratio.

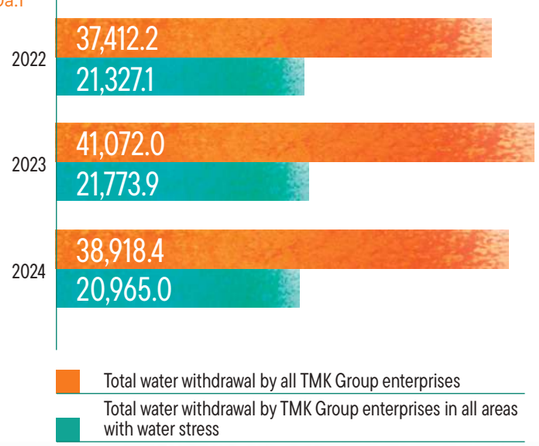
GRI 303-3
SASB EM-IS-140a.1

In 2024, TMK Group's total water withdrawal,[33] including storm and drainage water, reached 38.9 million m³, with freshwater accounting for 27 million m³ (almost 70%).[34] The volume of water withdrawal by enterprises operating in areas with water stress amounted to 20.9 million m³, or 54% of total water withdrawal. Freshwater accounts for most of this volume — 19.9 million m³, or almost 95%.

For more details on quantitative indicators on water withdrawal, see the Environmental Indicators appendix.

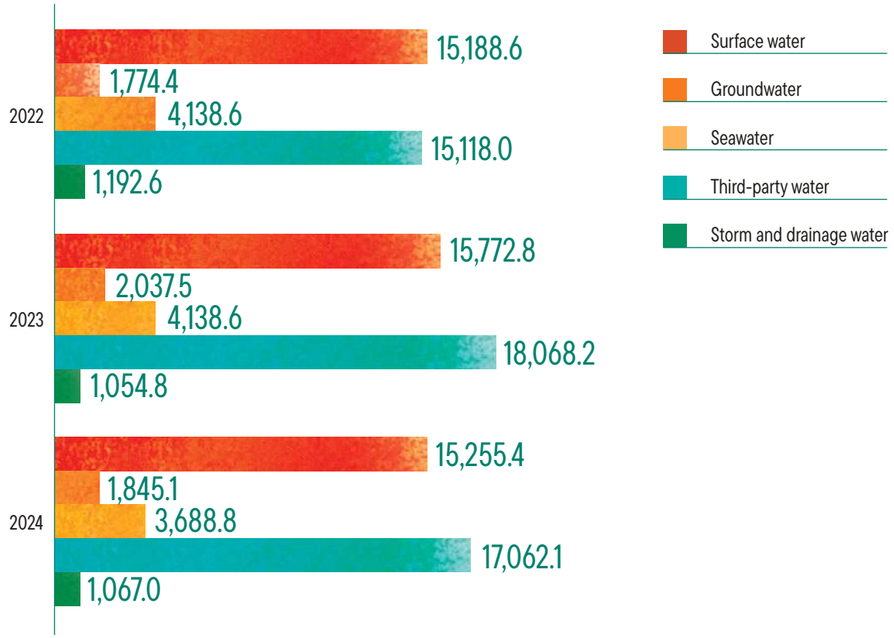
GRI 303-3
SASB EM-IS-140a.1

Total water withdrawal,[35] thousand m³



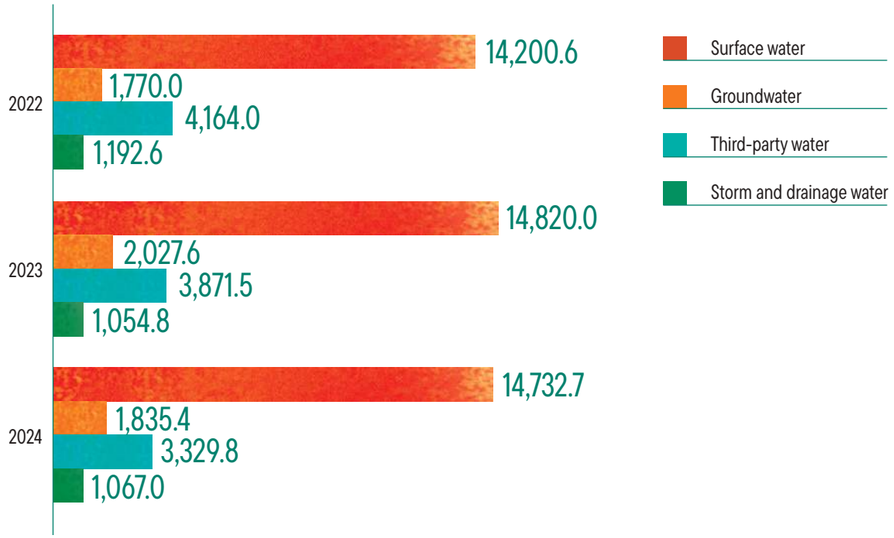
GRI 303-3

Total water withdrawal by source,[35(1)] thousand m³



GRI 303-3

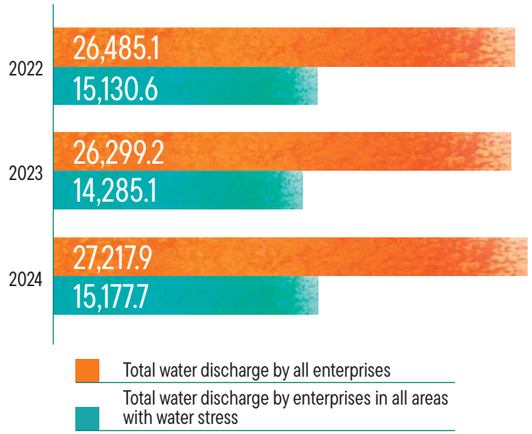
Total water withdrawal by source in all areas with water stress, thousand m³



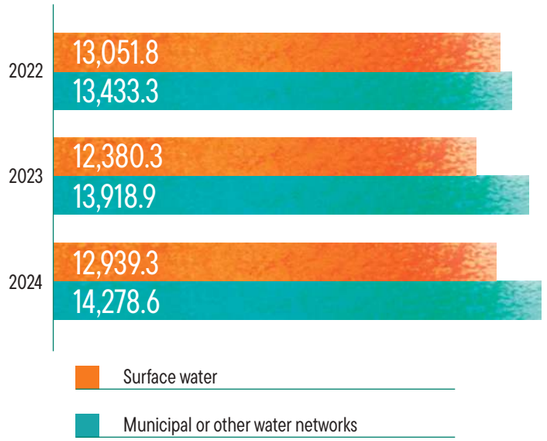
GRI 303-2 In line with applicable environmental laws, wastewater discharge at TMK enterprises is authorized through permissions to use water bodies, water use agreements, and wastewater discharge permits. These documents establish water discharge quality standards that take into account permissible environmental impact levels and the water body's baseline data.

GRI 303-4 Total wastewater discharge from all Company enterprises in 2024 amounted to 27 million m³, including 15 million m³ in areas with water stress. No freshwater is discharged.

GRI 303-4 Total water discharge,[36] thousand m³



GRI 303-4 Water discharge by destination, thousand m³



For more details on quantitative indicators on water discharge, see the Environmental Indicators appendix.

GRI 303-1 Wastewater discharge methods at TMK Group

Water discharge at TMK Group enterprises

Direct

Pakhotka River, Bolshaya Shaytanka River (Sverdlovsk Region) — PNTZ
Severushka River (Sverdlovsk Region) — STZ
Iset River (Sverdlovsk Region) — SinTZ
Lake Shelyugino (Chelyabinsk Region) — CHTPZ
Pond 1 in Kuleshovka Arroyo (Belgorod Region) — RAZ

Indirect

VTZ, PNTZ, TAGMET, SinTZ, CHTPZ, OMZ, TMK-INOX, TMK NGS, TMK PS (Volzhsky), RAZ, and CSSP

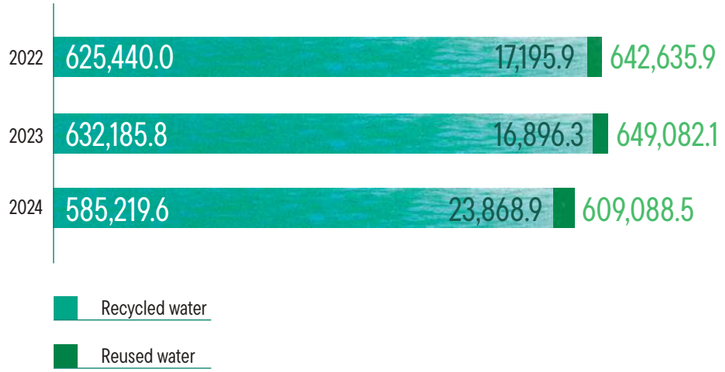
GRI 303-4 The Company's priority substances of concern include suspended particles, iron, and petroleum products. These are the most typical marker substances found in wastewater from steel smelting and pipe rolling operations.

TMK enterprises run various activities aimed at reducing their water-related impacts and promoting sustainable water use, including the development of circulating and recycled water supply systems.

Water protection activities carried out at TMK enterprises in 2024

Enterprise	Activities
VTZ	Installation of new pumps for the water recycling system
PNTZ	Preparation for the construction and installation of a neutralization station at new treatment facilities
STZ	Introduction of hydromechanical wastewater treatment methods Testing the use of microalgae for wastewater treatment
SinTZ	Revamp of the water recycling system Retrofit of the wastewater treatment facility to treat wastewater without a neutralization station Commissioning of an upgraded pumping station Cleaning of a water intake with a fish-protection system and pumping station sediment basins
TAGMET	Upgrade of pumping station equipment and its repair Cleaning of horizontal-flow sedimentation tanks at a pumping station Cleaning of rectangular and circular sediment basins, cooling tower reservoirs, and water intake chambers of water recycling pumping stations Replacement of water recycling system pipelines
CHTPZ	Pre-commissioning of industrial and storm water treatment facilities Repairs of existing industrial and storm water treatment facilities to reduce pollutant concentrations in wastewater

MED-14 Recycled and reused water, thousand m³



MED-21 In 2024, TMK's expenditures on water protection totaled RUB 2.5 billion, including RUB 1.7 billion allocated to fund current environmental expenses, in particular, on maintenance and operation of treatment facilities.

GRI 303-5 SASB EM-IS-140a.1 MED-13 Total water consumption across all TMK enterprises was 11.7 million m³ in 2024, while water consumption in areas with water stress totaled 5.8 million m³. Water consumed in these areas accounted for approximately 49% of total water consumption.

MED-14 TMK enterprises actively deploy various technologies to develop their water recycling systems. In 2024, the volume of recycled or reused water at the Company exceeded 609 million m³, or 95.8% of the total water consumption.[37]

TMK plants constantly upgrade their water use systems: for example, CHTPZ and PNTZ have advanced AQA water treatment complexes, where effluents undergo multilevel treatment and are then returned to the water recycling system at the pipe production facilities. The complexes are fully equipped to ensure compliance with all environmental safety standards and preserve water resources. The Company currently operates three such complexes: AQA Genesis at PNTZ and AQA Crystal and AQA Balance at CHTPZ.

Awards

In 2024, TMK received the ECOTECH-LEADER 2024 national award in the Improving the Environmental Safety of Operations category. Experts highly rated AQA Balance and AQA Crystal, CHTPZ's facilities that help reduce the industrial impact on water.

Modern wastewater treatment systems

CHTPZ is one of TMK's leaders in water treatment. Back in 2020, the plant was the first to launch the unique AQA Crystal complex, marking the beginning of a large-scale upgrade of industrial wastewater treatment facilities. In 2024, the enterprise did pre-commissioning of its second complex, AQA Balance, which treats both industrial and storm water.

AQA Balance

TREATMENT OF INDUSTRIAL AND STORM WATER

Part of a single closed-loop water treatment system at the enterprise, the complex helps completely eliminate the discharge of insufficiently treated wastewater from the production site. The system treats wastewater from pipe production operations as well as storm water runoff from natural precipitation and flooding. Water is treated to remove petroleum products, suspended and organic substances, metals, and salts

AQA Crystal

TREATMENT OF INDUSTRIAL WASTEWATER

The complex prevents acidic wastewater discharges from industrial etching operations into Lake Shelyugino. The multilevel treatment system cleans waste acidic solutions to near-distilled water quality, free of hardness salts, organic compounds, with minimal content of petroleum products and heavy metals and neutral acidity (pH)

WASTE

GRI 3-3

Waste management is one of the most important aspects of TMK's environmental protection efforts. Our commitment to reduce waste generation and increase the rate of recycling is outlined in TMK Group's Environmental Policy. To fulfil it, in 2024, we developed and launched the Waste and By-Product Management Program to 2027. The program activities are aimed at waste recycling and reuse, driving our consistently high waste recovery rates.

GRI 306-2

In line with applicable environmental laws, all TMK production enterprises have established waste generation standard levels and waste disposal limits. Waste management requirements and rules are set out in relevant internal regulations.

Primary data on Company enterprises' waste management activities is recorded in logs of waste movement. STZ, VTZ, and PNTZ also use specialized software for this purpose. Data on waste of Hazard Class 1 and 2 is entered into the dedicated federal state information system, as required by law.

Every year, TMK enterprises submit reports in the prescribed form to the supervisory authorities that contain data on waste generation volumes and waste management methods.

GRI 306-1

TMK Group's waste mainly results from manufacturing (steel smelting, production of pipe and tubular goods and other products) as well as from water and gas treatment and administrative activities. The bulk of waste generated is Hazard Classes 4 and 5, including scrap, metallurgical slag, mill scale, gas cleaning dust, uncontaminated refractory waste, polypropylene waste, ceramic insulator waste, and electrode stubs.

Waste generation and management at TMK Group

GRI 306-1
GRI 306-2

Waste from manufacturing

- VTZ operates an advanced waste disposal facility (landfill) entered in the State Register
- Our enterprises release some of their waste to specialized licensed contractors under relevant contracts
- Part of the waste is treated onsite for further reuse
- Part of the waste is converted into by-products for further use or transfer for use

Key types of TMK enterprises' waste by hazard class

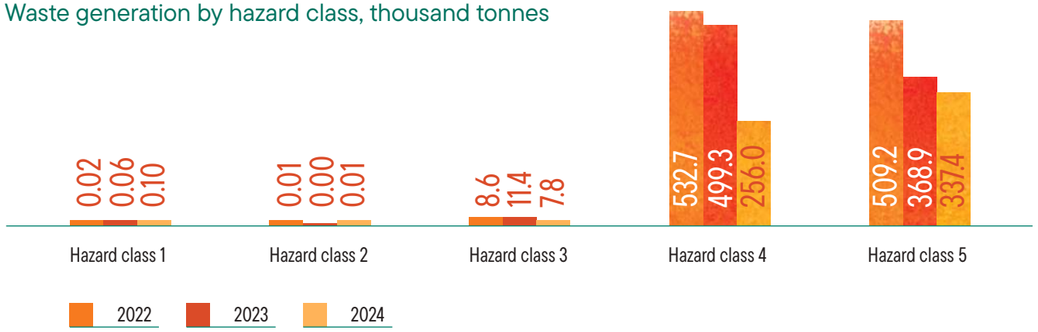
Class 1	Transformer waste containing pentachlorobiphenyl Mercury-vapor lamps, quartz mercury-vapor lamps, and fluorescent lamps that are no longer usable
Class 2	Undamaged used lead batteries with electrolyte UPS units that are no longer usable
Class 3	Sludge resulting from cleaning tanks and pipelines of oil and petroleum products Mineral oil waste Oily mill scale with oil content exceeding 15% Oil-contaminated wiping rags Emulsion mixtures Oil-contaminated sawdust
Class 4	Steel-making slag Dust from EAF emissions cleaning Oily scale from rolling mills Sediment after mechanical cleaning Building debris Filter cloth
Class 5	Scrap and waste containing uncontaminated ferrous metals Uncontaminated refractory waste Polypropylene scrap Used silica gel Ceramic insulator waste Electrode stubs

GRI 306-3
SASB EM-IS-150a.1
MED-17
MED-18

In the reporting year, the total weight of waste generated exceeded 600 thousand tonnes, with hazardous waste[38] accounting for only 1.3%. Through the Waste and By-Product Management Program activities, with conversion of waste into by-products in particular, waste generation reduced by almost one third from the 2023 level.

GRI 306-3
MED-17

Waste generation by hazard class, thousand tonnes



GRI 306–4
SASB EM–IS-150a.1
MED-18

In 2024, a total of 643 thousand tonnes of waste were diverted from disposal, including 7.5 thousand tonnes of hazardous waste (1.2% of the total).

Hazardous and non-hazardous waste is recovered both internally and externally. Over a half of waste diverted from disposal (54.8% in 2024, including 3.7% of hazardous waste) is transferred for recovery to third-party organizations. The bulk of waste diverted from disposal is scrap, slag, deoiled mill scale, gas cleaning dust, broken bricks and glass, waste oils, used electrodes, paper, cardboard, wood waste, and end-of-life office equipment. In 2024, waste diverted from disposal accounted for 91% of the total weight of waste generated.[39]

Recovery is TMK's priority waste management method. However, in cases when waste is unsuitable for recycling or the necessary technologies are unavailable, the waste is sent for disposal to landfill.

GRI 306-2

At TMK enterprises, waste is treated solely using specialized equipment, which allows us to reclassify waste to lower hazard classes, prepare it for transfer for reuse, and reduce the weight of waste sent to landfill. We treat own waste for further use in production or construction in two steps:

1. We sort metallurgical scrap out of slag and return it to the process line as a raw material for steelmaking
2. We screen the remaining waste according to size and then certify it as products for construction or land rehabilitation

GRI 306-5
MED-18

The total weight of waste transferred for disposal (storage and landfilling) in 2024 was 63.5 thousand tonnes (with 99.9% of non-hazardous waste), including 18.5 thousand tonnes sent to VTZ's own landfill and 4.6 thousand tonnes placed in TMK's sludge storage facility.

Waste management activities carried out at TMK enterprises in 2024

Enterprise	Activities
VTZ	Voluntary conformity certification for by-products
PNTZ	Sorting of scrap brickwork and refractory brick rubble for subsequent transfer for sale Introduction of color coding for sorting industrial waste in the tube drawing shop
STZ	Conversion of waste to by-products Processing of wood waste that is no longer usable into wood chips for use in the power supply shop
SinTZ	Use of geotextile containers for dewatering wet industrial waste: liquid slurry is pumped into the geotextile container, then free water is filtered through the container walls, and the dewatered waste is transferred to a licensed contractor
TAGMET	The ECO-SOZH unit, designed to extend the life cycle of cutting fluids used in process equipment, was commissioned in a pilot mode. As a result, their consumption at the plant decreased by 78% compared to 2023 Conversion of more than 20 types of waste into by-products with appropriate documentation Installation of 25 modules for separate collection of paper, plastic, and mixed waste at the enterprise and in the city
TMK NGS	Development of a waste management program for electrical appliances, tools, and computer and household equipment that are no longer used. Under the project, they are sorted and sold to interested third-party organizations. By 2024-end, the weight of landfilled waste was reduced by 11% Separation of by-products for transfer to third-party organizations for recovery
CHTPZ	Arrangement with a third-party organization to process open-hearth production waste placed in the plant's slag dump and convert it into crushed stone and oily mill scale for subsequent sale

Since 2017, the Company has been also running the Program for Disposal of PCB-Containing Equipment,[40] under which we retire and replace such equipment with more environmentally friendly options. Currently, STZ and TAGMET have fully completed the transformer retirement program, while PNTZ and TMK NGS have completed the capacitor retirement program. As at 2024-end, the Program implementation costs have exceeded RUB 67 million.

MED-21

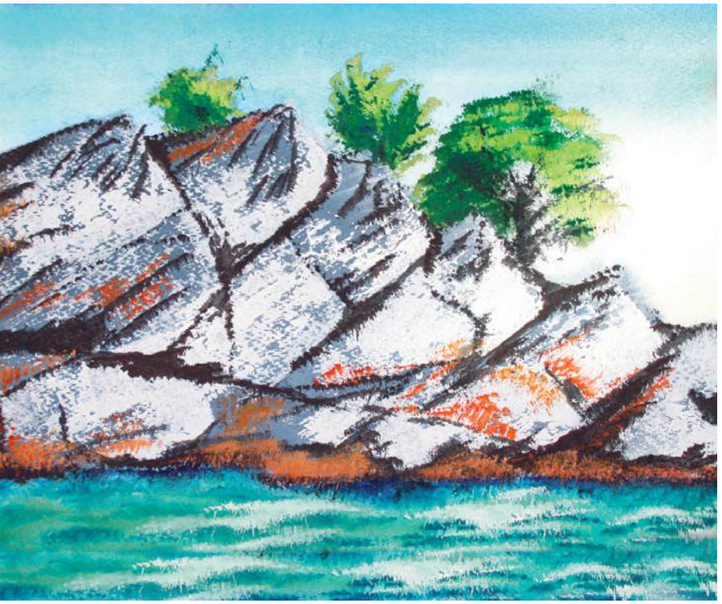
In the reporting year, TMK spent RUB 1.2 billion on waste management activities. The bulk of expenditures was allocated to fund day-to-day operations, including equipment maintenance and operation and waste recycling and treatment services.

BIODIVERSITY

While TMK enterprises do not produce significant negative impacts on biodiversity, the Company still takes biodiversity conservation and preservation measures. The Company's priorities in this area are set out in TMK Group's Environmental Policy and its implementation framework.

GRI 304-1
GRI 304-4

Located in industrial lands, TMK enterprises do not have operational sites in, or adjacent to, protected areas or areas of high biodiversity value. The sites do not contain habitats of plant and animal species included in the IUCN Red List or national conservation lists.



GRI 304-2

In line with its environmental operational control program, the Company regularly monitors compliance with the established environmental impact standard levels within the enterprises' buffer zones. Monitoring in 2024 did not find any significant direct or indirect impact on biodiversity from the Company's operations.

MED-21

We are implementing various preventive and compensatory measures to conserve biodiversity in TMK's regions of operation. These include, among other things, biodiversity monitoring and fish stocking. The Company's expenses on relevant activities in 2024 exceeded RUB 4 million.

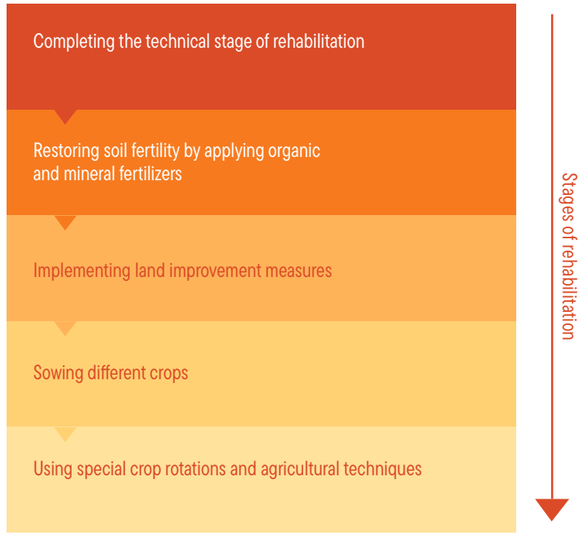
PNTZ's cooperation with the Visim State Biosphere Nature Reserve is an example of a partnership project dealing with biodiversity research and conservation within a protected area. In 2024, using camera traps and specialized devices purchased with PNTZ's financing, the reserve organized data collection and monitoring of parameters to characterize the state of mammal populations.

TAGMET specialists also conduct biodiversity monitoring, observing aquatic biological resources in the Taganrog Bay of the Sea of Azov. One of the enterprise's environmental initiatives was fish-protection systems installed at the water intake of the Beregovaya pumping station, part of its energy operations. These systems prevent adult fish and fry from entering the intake structures.

Our enterprises have been supporting reproduction of aquatic biological resources for several years. In 2024, families of steelworkers from VTZ released 2,500 Russian sturgeon fry (species included in the Red Data Book) into the Volga River, while TAGMET employees released more than 28 thousand fry of this fish into the Azov–Black Sea Fishery Basin. During the five years of TAGMET contributing to the project, over 140 thousand fry have been released into this basin to restore the sturgeon population.

In 2024, PNTZ joined initiatives to conserve aquatic biological resources and signed an agreement with the Ministry of Natural Resources and Environment of the Sverdlovsk Region to develop fishery facilities. The enterprise took patronage over the Verkhne-Makarovskoye and Volchikhinskoye Reservoirs to improve the ecological condition of protected areas in the region. The first step in this area was a complex environmental campaign — release of more than 53 thousand common carp fry into the Volchikhinskoye Reservoir. Experts from the Russian Federal Research Institute of Fisheries and Oceanography assessed the reservoir environment in advance and chose optimal species for stocking to help regulate water purity and maintain the ecosystem.

TMK Group's land rehabilitation efforts



Land Rehabilitation

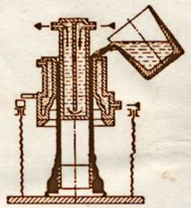
After closure of waste disposal facilities, we proceed to rehabilitate disturbed industrial lands in order to restore them. Land rehabilitation works are carried out in accordance with the requirements of Russian laws.

In 2024, TMK enterprises spent over RUB 113 million on land rehabilitation. At SinTZ, a rehabilitation plan was developed for a closed sludge pit site, and at PNTZ, a rehabilitation project for a sludge storage facility for treated wastewater was adjusted, and a project design for an industrial waste dump was finalized. STZ continued the technical stage of decommissioning a waste storage facility (Sludge Dump No. 1) and almost completed technical works to rehabilitate the Shtangovy stone quarry.

A JOURNEY THROUGH
PIPE INNOVATION

GERMANY

PIG IRON, 15TH CENTURY



Cast pig iron pipe was introduced and began spreading on the European continent in the mid-15th century. The manufacturing of such pipe was pioneered by German foundrymen who created a cast iron pipeline for Dillenburg Castle. The pipeline lasted for 300 years, and the technology developed back then is still in use today, with no fundamental changes.

7. CLIMATE AND ENERGY EFFICIENCY

3.3 mln tonnes

of CO_2 equivalent — Scope 1 and 2 GHG emissions

0.7 tonnes

of CO_2 equivalent per tonne of steel — GHG emissions intensity

0.06

GJ per RUB 1,000 of value added — energy intensity of production

UN SDGs

Sustainability Strategy objectives

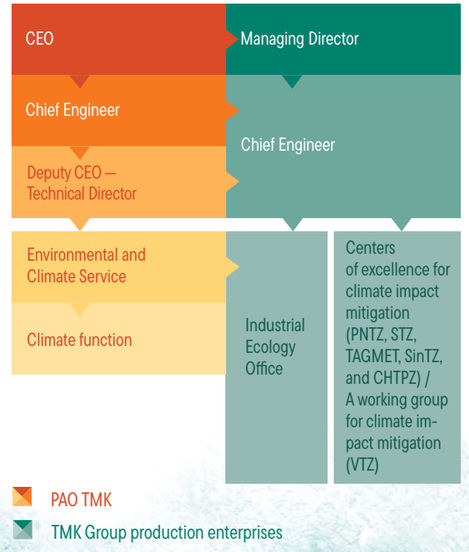
> Decarbonization journey

Key documents

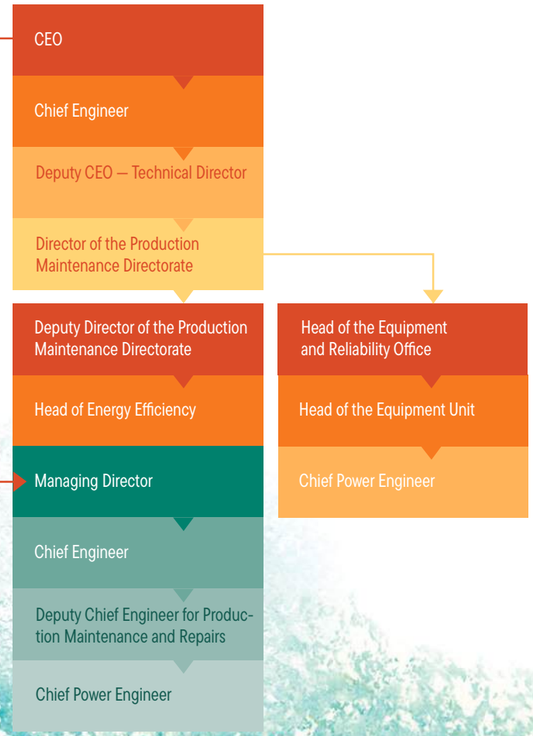
- TMK's Low-Carbon Development Strategy to 2036 — new
- Greenhouse Gas Emissions Reduction Program for 2024–2027 — updated
- TMK Group's Energy Efficiency Program for 2023–2027
- Greening Program for Enterprises and Regions of Operations for 2024–2027 — new

Organizational structure

Climate change governance structure



Energy consumption and energy efficiency governance structure



MANAGEMENT APPROACH

GRI 3-3

We recognize the importance of action to combat climate change and its impacts, and therefore take measures to reduce GHG emissions.

In 2024, TMK approved its Low-Carbon Development Strategy to 2036, which sets emissions intensity reduction targets versus the base year of 2021 across two time horizons:[41]

- Short-term: 10% by 2027
- Medium-term: 20% by 2036

In developing the Strategy, the Company was guided by applicable Russian laws, recommendations of international standards, industry practices, and the best available technologies.

The Strategy outlines two target scenarios to 2036, reflecting international goals for GHG emissions reductions and Russia's economic capacity to achieve low-carbon transition. SASB EM-IS-110a.2

- The first scenario, Energy Efficiency, provides for a 20% reduction in Scope 1 and 2 emissions intensity. This scenario takes into account the actual reductions achieved in 2022 and 2023, the targeted effect of the Greenhouse Gas Emissions Reduction Program, and the extrapolation of the impact from the Energy Efficiency Program measures into the future.
- The second scenario, Path to Decarbonization, provides for a 45% reduction in GHG emissions intensity across all three Scopes as a result of measures under the first scenario and the effect from replacing 30% of electricity with renewable energy through the purchase of green certificates and improvements in the sustainability profiles of third-party billets and strips. This scenario outlines a trajectory to reduce TMK Group's GHG emissions in line with the goals of the Paris Agreement to limit the global temperature rise.

In 2024, in addition to the new Strategy, we amended some existing documents and introduced new ones:

- PAO TMK's Greenhouse Gas Emissions Reduction Program for 2024–2027 to meet the Sustainability Strategy target
- The Greening Program for Enterprises and Regions of Operation for 2024–2027 to establish a systematic approach in this area and set relevant targets. The list of program initiatives includes greening urban areas and production sites, reforestation, and annual TMK's Green Initiative campaigns
- The Low-Carbon Energy Transition Framework for TMK Enterprises, based on the analysis of electricity consumption by source and the impact of these sources on the Company's carbon footprint

Climate-related matters fall under the remit of senior management of PAO TMK and its production enterprises. Managers overseeing the Company's climate-related activities have relevant key performance indicators assigned to them annually. PAO TMK's Board of Directors is responsible for the timely identification and management of material climate risks. Climate-related matters are included in the Board meeting agenda at least once a year. In 2024, the Company introduced the role of GHG accounting and monitoring specialists at its enterprises, whose job responsibilities include the development of a plant-level climate performance management system.

Cooperation on Climate Change

We build and maintain partnerships with the government, industry associations, and other organizations and alliances to share experience and consolidate efforts to reduce GHG emissions. TMK is strongly involved in advancing the national climate agenda, including as:

- a member of Russian Steel Association, RSPP, and the working group of the Russian Ministry of Economic Development
- a participant in working groups of the Environmental Industrial Policy Center (Russian BAT Bureau) involved in developing databooks on the best available technologies
- the industrial partner of the Ural-Carbon project, a carbon landfill in the Sverdlovsk Region.

Training on Climate Action and Energy Efficiency

We believe it is essential to continuously improve the climate-related knowledge and competencies of our relevant personnel. To this end, in 2024, we developed and launched dedicated webinar courses the SOTA2U platform.

In addition, employees took training on the following topics:

- Specifics of Calculating Scope 3 GHG Emissions: 28 environmental engineers from TMK enterprises (offline and online training)
- Energy Efficiency: 5 employees (online training)
- Advanced training under the Head of the Decarbonization Department professional program: 1 employee (online training)

Training on climate change in 2024

Topic	Duration	Number of employees trained
Global climate change and company-level GHG emissions management	12 hours	10
Quantification of GHG emissions and carbon footprint of products: basic requirements, standards, and calculation methodologies	16 hours	14
Climate risk management and climate change adaptation at TMK Group enterprises	24 hours	7

MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

GRI 201-2

In the reporting year, the results of the climate risk assessment[42] conducted in 2023 remained relevant. Since the identified risks were considered insignificant, we have scheduled their reassessment for 2026, which will include a more detailed analysis of the vulnerability of risk-exposed assets and their potential impacts. No climate-related risks materialized in 2024. We are currently monitoring and keeping records of climate risk factors that may realistically affect the vulnerability of our enterprises.

The 2023 assessment was guided by the corporate guidelines as well as international and national standards. The identified risks were incorporated into TMK's risk management system. Based on the assessment, we developed a Climate Change Adaptation Plan and an Energy Transition Roadmap. In the reporting year, initiatives were implemented at the enterprise level in accordance with these plans. In 2024, our costs under the plans totaled about RUB 800 million. We are currently formalizing a procedure for monitoring climate-related risks and assessing the effectiveness of climate change adaptation measures.

Physical Climate Risks

GRI 201-2

The most likely physical risks for TMK Group enterprises were identified at TAGMET and are associated with higher expenses for the forced reduction in the temperature of process water used to cool equipment and for chemical water treatment. According to the assessment, these risks are not expected to have any material economic impact on the Company.

For the medium term, we have identified insignificant risks of higher operating expenses and costs of repairing and replacing equipment. In the longer term, risks include lower income and higher costs due to negative impact on employee health, higher operating expenses, lost profits, and higher costs of repairing and replacing equipment.

Transition Climate Risks

GRI 201-2

Key transition risks in the medium term include tax-related costs due to the potential introduction of carbon regulation at the national level and lower revenue due to weaker demand for TMK products. These risks, however, are assessed as insignificant. In the long term, the Company also identified risks of increased costs of low-carbon transition as well as lower investability. No risks were identified in the short term, as TMK uses the least carbon-intensive steelmaking method — smelting in electric arc furnaces.

Climate-Related Opportunities

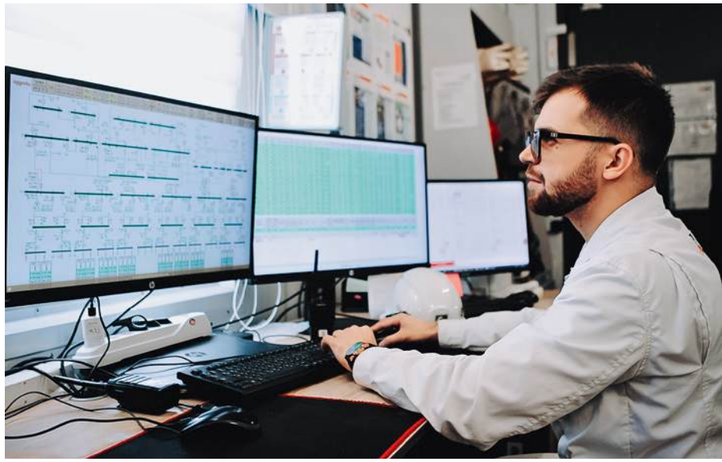
In addition to risks, TMK has also identified climate-related opportunities, primarily associated with the transition to lower-carbon, particularly renewable, energy sources. This transition will enable TMK to expand its market presence and, in the long term, position itself as a supplier of pipe and tubular products for energy generation, including low-carbon energy.

In addition, the Company continues to supply its products for combined-cycle gas and nuclear power generation and can also offer solutions for fuels such as green ammonia, biodiesel, and biomethane, as well as for GHG capture, distribution, transportation, and storage. TMK's R&D Center continues to work on solutions for hydrogen production, storage, transportation, and use. The Company is preparing to launch new pipe product ranges developed for hydrogen energy: Sputnik H, which includes pipes for the production, distribution, transportation, and storage of hydrogen, and Sputnik C, intended for CO_2 capture, distribution, transportation, and storage facilities.

GHG EMISSIONS METRICS AND TARGETS

SASB EM-IS-110a.2

TMK's Low-Carbon Development Strategy sets short- and medium-term targets for GHG emissions intensity reduction from a 2021 baseline. Using this particular year as the base year, the Company ensures alignment and consistency of GHG targets across its strategic documents.



Approach to Calculating GHG Emissions

GRI 305-1
GRI 305-2
SASB EM-IS-110a.1

To calculate its GHG emissions, the Company follows its corporate methodology, Estimating GHG Emissions for TMK Group Enterprises. In 2024, the document was updated to:

- expand the categories of GHG emission sources included in the inventory and subject to calculation
- extend the list of documents used for input data analysis and cross-verification
- define approaches to accounting for emissions from the activities of tenants based at the production sites of our enterprises.

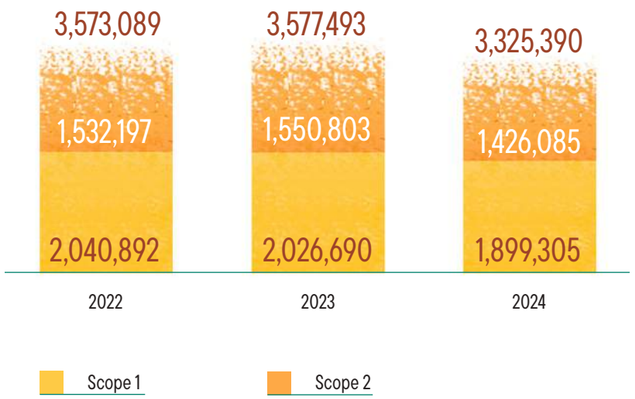
GHG emissions are quantified at VTZ, PNTZ, STZ, SinTZ, TAGMET, CHTPZ, and TMK PS. The GHG emissions calculation covers all enterprises where energy efficiency programs are in place, with the exception of OMZ, since energy-saving initiatives directly affect GHG emissions.

When calculating its carbon footprint, TMK considers its direct GHG emissions from operations (Scope 1) and energy indirect emissions (Scope 2). In the reporting year, the Company launched a project to incorporate calculations of other indirect (Scope 3) emissions into its corporate accounting system.

The first stage of this project involved corporate training for TMK's environmental engineers on the specifics of Scope 3 emission calculations. At the second stage, GHG emissions models were developed for each TMK enterprise and the Group as a whole to support calculations.

GRI 305-1
GRI 305-2
SASB EM-IS-110a.1.
MED-20

Scope 1 and 2 GHG emissions,[43] tonnes of CO_2 equivalent



Our calculation includes greenhouse gases emitted from operations — carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). Emissions of perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) are considered insignificant and are therefore excluded from the calculation. TMK enterprises do not produce hydrofluorocarbon (HFC) emissions or emissions from biomass combustion.

Energy indirect emissions from all Company enterprises result from purchases of electricity and heat. TMK's estimation does not include:

- energy losses in external networks
- energy supplied to third-party consumers.

In 2024, TMK voluntarily verified its Scope 1 and 2 GHG emissions for 2021–2023. The verification results confirmed that the Company's methodologies for calculating direct and indirect emissions are consistent with the Greenhouse Gas Protocol (GHG Protocol) international standard.

Quantification of GHG Emissions

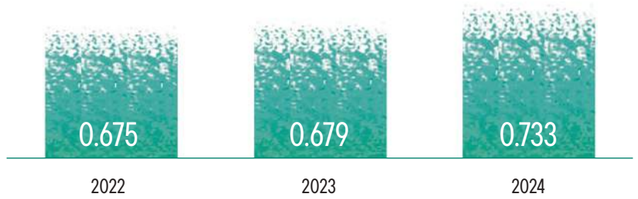
GRI 305-1
GRI 305-2
SASB EM-IS-110a.1
MED-20

In 2024, the Company reduced its total direct and indirect GHG emissions by 7% year-on-year, from 3.6 million to 3.3 million tonnes of CO2 equivalent. This reduction was primarily driven by lower steel output in the reporting year.

In 2024, emissions intensity increased by almost 8%, which was also due to the decline in steel output and the divestment of TMK-YMZ from TMK Group.[44]

GRI 305-4

GHG emissions intensity, tonnes of CO_2 equivalent/tonne of steel



TMK accounts for direct GHG emissions from operations by emissions source category. Stationary fuel combustion makes up the bulk of emissions (72%). Steelmaking operations account for 23%. Lime production and mobile fuel combustion represent 4% and 1%, respectively.

GRI 305-1
GRI 305-2
MED-20

GHG emissions by GHG type, Scope 1 and 2, tonnes of CO_2 equivalent

Greenhouse gas	2022	2023	2024
CO_2 (carbon dioxide)	3,568,853	3,573,257	3,321,671
Scope 1	2,039,064	2,024,882	1,897,651
Scope 2	1,529,789	1,548,375	1,424,019
CH_4 (methane)	1,364	1,501	1,447
Scope 1	693	810	746
Scope 2	671	691	701
N_2O (nitrous oxide)	2,872	2,735	2,273
Scope 1	1,135	998	908
Scope 2	1,737	1,737	1,365
Total for Scope 1 and 2	**3,573,089**	**3,577,493**	**3,325,390**

GHG EMISSIONS REDUCTION INITIATIVES

GRI 305-5
SASB EM-IS-110a.1.
MED-21

TMK implements a diverse range of programs with initiatives to cut its GHG emissions. These include the Greenhouse Gas Emissions Reduction Program, the Energy Efficiency Program, and annual enterprise-level operational efficiency programs. In 2024, these initiatives collectively reduced GHG emissions by nearly 39 thousand tonnes of CO_2 equivalent. Total costs of these measures exceeded RUB 140 million.

Key GHG emissions reduction initiatives implemented in 2024

GRI 305-5

Enterprise	Initiative	Emissions reduction, tonnes of CO_2 equivalent
VTZ	Lighting system upgrades	6,846
	Reduction in electricity purchase costs	1,081
	Optimization of rotary hearth furnace operation	5,956
PNTZ	Reduction in energy intensity of equipment	445
SinTZ	Shop lighting system upgrades	1,063
	Installation of a low energy-intensive compressor	1,528
STZ	Lighting system upgrades	3,233
	Deployment of a heat recovery unit at an electric arc furnace to heat water	7,822
	Replacement of a centrifugal compressor	1,234
	Improvement of the metering system to reduce gas consumption	579
	Optimization of smelting operations to reduce electricity consumption	5,014
	Update of furnace performance specifications	521
TAGMET	Lighting system upgrades	1,008
CHTPZ	Installation of a recuperator to reduce natural gas consumption	468
	Reduction in electricity consumption	786
	Reduction in gas consumption	1,207

Carbon Farm

In addition to decarbonization efforts, TMK Group partnered with the Innovative Technology Center at Bauman Moscow State Technical University to explore GHG removal potential for VTZ's industrial waste landfill. The goal of the Carbon Farm project is to identify plant species that are most effective at capturing carbon dioxide and other greenhouse gases while also remediating soil pollutants in a dry steppe climate.

In the reporting year, more than 5,000 cuttings of various poplar species were planted on the farm. In addition, an irrigation system was designed and installed at the site, with ongoing efforts to analyze seedling survivability and growth rates, as well as to carry out instrument-based monitoring of plant condition and soil gas flux.

Greening Initiatives

Greening initiatives in the regions of operation are an important part of TMK's environmental efforts, both within plant sites and beyond. In 2024, these activities reached a new level with the launch of TMK's Green Initiative, a corporate greening program for production sites and regions of operation to 2027. The program places particular emphasis on selecting seedlings best suited to the specific climate and soil conditions of each area as well as on preparatory activities and further silvicultural care for the planted trees.

In the reporting year, the Company held tree-planting campaigns under the program in its key regions of operation — the Volgograd, Rostov, Sverdlovsk and Chelyabinsk Regions, and Moscow. We planted trees and shrubs at our plant sites, in urban spaces, and in forest areas. At several TMK enterprises (PNTZ, CHTPZ, VTZ, TAGMET, and TMK's R&D Center), the grounds were further beautified with saplings of blue spruce, linden, and pine. In total, more than 37 thousand shrubs and trees were planted under TMK's Green Initiative in 2024. In addition to our corporate greening program, our enterprises also support standalone tree-planting campaigns.

The Company's total spending on greening initiatives exceeded RUB 128 million in 2024. MED-21

Greening activities of TMK enterprises in 2024

Enterprise	Activities
VTZ	Planting more than 4,000 tree saplings in urban and forest areas in the Volgograd Region
PNTZ	Planting an avenue of 45 willows in Pervouralsk Joint campaign with the City of Firsts non-governmental initiative to plant more than 90 young Siberian crab apple trees to mark the plant's 90th anniversary
STZ SinTZ	Volunteer campaign to plant 30 thousand pine trees within the Sysertskoye Forestry in the Sverdlovsk Region to reforest areas previously affected by logging
TAGMET	Planting 100 pine trees to green the city embankment
CHTPZ	Planting more than a thousand spruce trees in the Chelyabinsk urban pine forest

Reduction of energy consumption

CHTPZ has taken steps to reduce electricity consumption of the pit furnace unit, which comprises two furnaces. The unit uses electric heating elements for pipe heat treatment. The CHTPZ team has optimized the operation of the heating elements, cutting electricity consumption by nearly 2.5 million kWh and lowering GHG emissions by approximately 786 tonnes of CO_2 equivalent.

ENERGY CONSUMPTION AND ENERGY EFFICIENCY

TMK's approach to energy consumption management is based on the principles of resource and energy efficiency across all stages of production. The Company's efforts in this area are guided by national laws, international standards, and internal regulations. TMK's Environmental Policy sets out the Company's commitment to the sustainable and efficient use of resources and energy in its operations.

Several Company enterprises[45] have been certified to energy management standards ISO 50001 and GOST R ISO 50001. TMK plants have energy efficiency programs in place,[46] aimed at cutting energy consumption by optimizing equipment operating modes and using energy-saving solutions.

Energy Consumption

GRI 302-1
SASB EM-IS-130a.1
SASB EM-IS-130a.2

In 2024, the Company's fuel consumption totaled 33.5 million GJ. Natural gas is TMK's primary energy source for its operations (99%).

In the reporting year, TMK's energy consumption totaled 44.5 million GJ, down by 7% y-o-y. For consumption within the organization, the Company purchases electricity and heat from non-renewable sources (in the form of steam and hot water). Purchased electricity accounted for 13.6 million GJ, or about 30% of total energy consumption. This was due to lower production volumes and the implementation of measures under energy efficiency programs aimed at cutting energy consumption.

In addition, some enterprises independently generate heat energy, part of which is subsequently sold to third-party consumers. The Company does not sell electricity to third parties.

In 2024, VTZ installed a small-scale solar power plant that supplies electricity to the building housing the plant's environmental function, part of the lighting system at the landfill site, and a modular facility for separate waste collection. As a result, electricity consumption at these facilities was reduced by 70%. MED-22

In 2024, the energy intensity of TMK's operations[47] decreased slightly year-over-year to 0.06 GJ per RUB thousand of net value added. GRI 302-3 MED-23

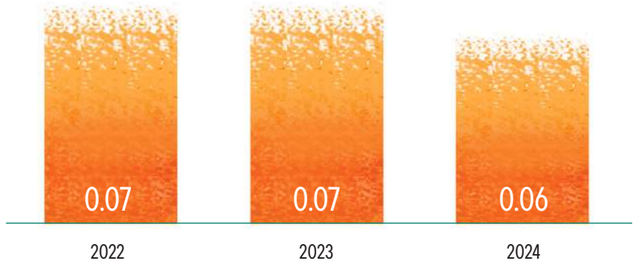
GRI 302-1
SASB EM-IS-130a.1
SASB EM-IS-130a.2

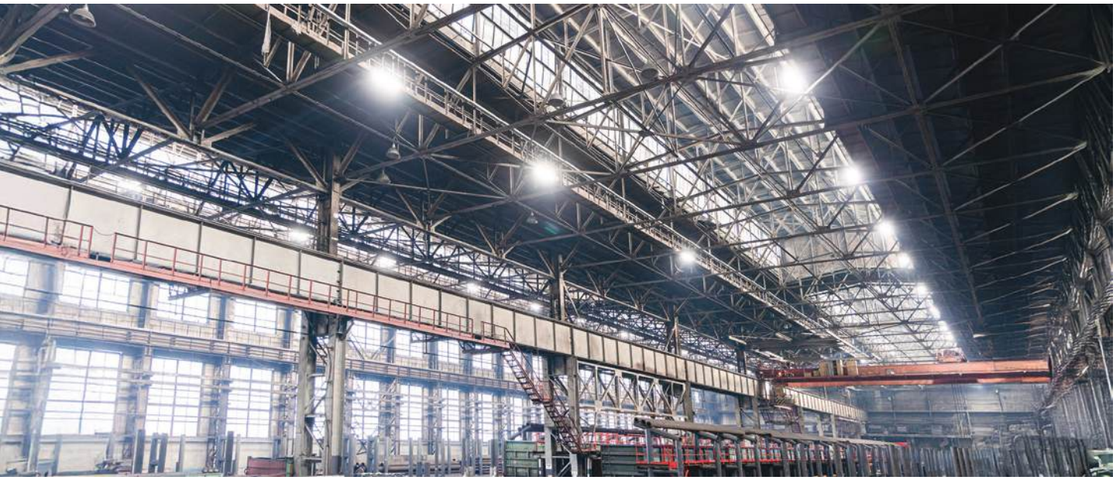
Energy consumption,[48] GJ

Indicator	2022	2023	2024
Fuel consumption	**35,544,489.1**	**35,355,795.7**	**33,517,853.9**
Natural gas	35,192,151.9	34,986,536.5	33,188,597.6
Gasoline	19,361.9	20,764.9	18,338.0
Diesel fuel	306,573.0	323,133.1	296,224.0
Heating oil	26,402.3	25,361.2	14,694.4
Purchased energy consumption	**16,702,855.6**	**17,036,866.3**	**15,478,771.9**
Purchased electricity consumption	15,014,593.4	15,242,937.7	13,573,639.2
Purchased heat consumption	1,688,262.2	1,793,928.5	1,905,132.7
Heating sold	**4,601,588.9**	**4,446,674.7**	**4,448,048.5**
Total energy consumption	**47,645,755.8**	**47,945,987.2**	**44,548,577.3**

GRI 302-3

Energy intensity, GJ/RUB thousand





Energy Efficiency Measures

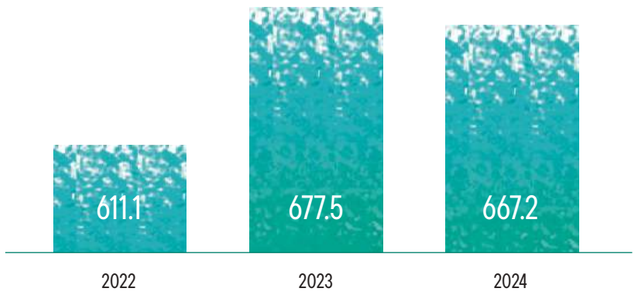
GRI 302-4

TMK implements energy-saving measures in line with its internal energy efficiency programs. In 2024, these efforts enabled a reduction in total energy consumption by 667.2 thousand GJ.

To enable real-time monitoring of electricity consumption, the Company expanded its automated metering systems at several plants during the reporting year. STZ and PNTZ replaced outdated meters with new ones, SinTZ installed additional meters, and VTZ replaced outdated meters with microprocessor-based ones and installed data cable lines.

GRI 302-4

Reduction of total energy consumption, thousand GJ



Unique control desk at CHTPZ

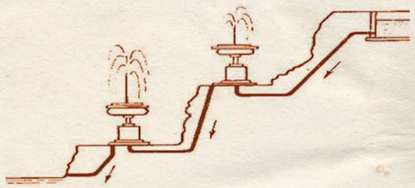
CHTPZ has set up an advanced control room that integrates several software and hardware solutions to enhance the efficiency of power grid operations and ensure reliable power supply, while minimizing the risk of human error and emergencies. The control room is also equipped with a video wall that provides real-time visualization of the plant's energy system status.

Software and hardware solutions				
Automated control room operation system	Automated information and measurement system (hardware and software)	Emergency detection system	Video surveillance system for outdoor switchgear equipment at electrical substations	Video monitoring of operational staff
Designed to automate the electricity transmission and distribution process. Enables diagnostics of core equipment and early detection of potential and actual emergency situations. The system includes a backup server that automatically takes over if the primary server fails	Tracks consumption of electricity and various energy resources. Allows for verification of measurement accuracy, calculation of total energy use for facility groups, and generation of consolidated reports	Takes measurements, processes the data, and transmits it to the control room operator in real time. Automatically detects emergencies based on deviations in any monitored parameter. Alerts the control room operator via an alarm signal and generates an incident report	Designed to provide visual monitoring of production processes and equipment condition as well as to help prevent emergencies. Ensures the safety of operators	Designed to provide additional oversight for control room operators and help prevent erroneous actions by line employees. The monitoring data collected helps coordinate employee actions and can be further used for training and post-incident analysis

A JOURNEY THROUGH
PIPE INNOVATION

RUSSIA

WOOD, 18TH CENTURY



In times past, water pipes in Russia were made of wood — primarily oak, valued for its strength and durability. Under Peter the Great, in 1721, the Peterhof fountains were constructed, with oak pipelines delivering water from specially built reservoir ponds. The last wooden pipeline in Russia was the one used to supply water to Peterhof's Samson Fountain.

8. OUR EMPLOYEES

58.6
thousand employees in TMK's workforce

14.9%
employee turnover

91%
of employees covered by collective bargaining agreements

UN SDGs

Sustainability Strategy objectives

- Respect for human rights and non-discrimination
- Boosting employee engagement
- Talent attraction and retention

Material topics

- Employment and decent working conditions

Key documents

- HR Policy **updated**
- Sustainability Policy **updated**
- Employee Volunteering Policy

HR governance structure

MANAGEMENT APPROACH

GRI 3-3

TMK values every employee and is committed to creating comfortable and safe working conditions that foster both professional and personal development. We consistently enhance our HR management system in response to external challenges and have successfully adapted to them as a result.

By offering competitive working conditions, social guarantees, and opportunities for employees to unlock their potential, we remain among the top employers in the industry. For instance, in 2024, TMK was included in HeadHunter's list of top 100 Russian employers and ranked third in the Metallurgy and Metal Treatment category. In addition, the Company was named a "golden" employer by Forbes for the fourth year running.

TMK's HR Policy was updated in 2024. The Policy sets out the Company's goals in recruitment and retention, maintaining an optimal workforce structure and enhancing employee motivation to support our strategic business goals. The Policy's objectives are detailed in TMK Group's internal documents, including plans, programs, and regulations, which are regularly updated. Specifically, in 2024, the Internal Labor Rules and regulations on recruitment, remuneration, financial incentives, and performance appraisal were updated. Additional documents were developed to govern recreation opportunities for employees and their families, participation in professional competitions and other activities as well as the provision of material support and scholarship payments.

For more details on HR documents, see the List of Key Sustainability Documents appendix.

HR management matters are addressed across all levels of the Company's governance structure. The most significant matters are reviewed by TMK's Board of Directors. The Deputy CEO for Human Resources — Director of TMK2U Corporate University is responsible for coordinating HR management at the corporate level within TMK and sits on the boards of most of the largest plants.

BREAKDOWN OF EMPLOYEES

GRI 2-7

At 2024-end, TMK's total headcount was 58,600 people, down 3% y-o-y. The slight decrease was due to the divestment of TMK-YMZ from TMK Group. We aim to build lasting employment relationships, which is why 96.4% of our workforce are employed under open-ended contracts, and nearly all work on a full-time basis (99.7%). Among other things, this approach enables efficient workload planning and ensures that employees with fixed-term contracts are engaged only for specific tasks as needed.

GRI 2-7

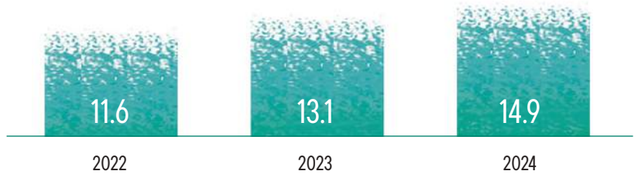
Headcount as at year-end, thousand people

GRI 401-1
MED-33

In the reporting year, the labor market was marked by workforce shortages and growing competition among employers, which led to an increase in employee turnover from 13.1% to 14.9%. To mitigate this trend, all TMK enterprises focused on improving recruitment practices and strengthening the attractiveness of the Company's employer brand. Specifically, we reduced time-to-hire, standardized referral programs across enterprises, indexed wages, provided relocation allowances, and expanded other social benefits.

GRI 401-1
MED-33

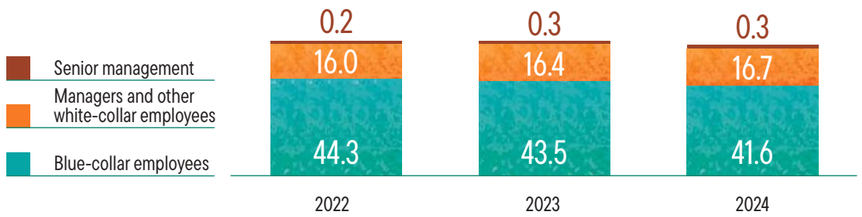
Employee turnover,[49] %



Since TMK Group includes large production enterprises, 71% of the workforce are blue-collar employees, another 28.5% are managers and other white-collar employees, and only 0.5% are senior management.

GRI 405-1

Breakdown of employees by category, thousand people



The breakdown of TMK employees by gender and age remains stable year over year, reflecting the specifics of the industry and the range of professions relevant to the Company. Men make up the majority of the workforce in heavy production, including hot shops. This is attributable to national laws that restrict women from working in certain occupations. At the same time, the Company has positions that are predominantly held by women, such as crane operators, quality controllers, environmental experts, laboratory technicians, and others. The proportion of women in the total workforce stands at 36%, which is in line with industry best practices.

We support our female employees in their professional and personal development and assist those balancing work and parenting responsibilities.

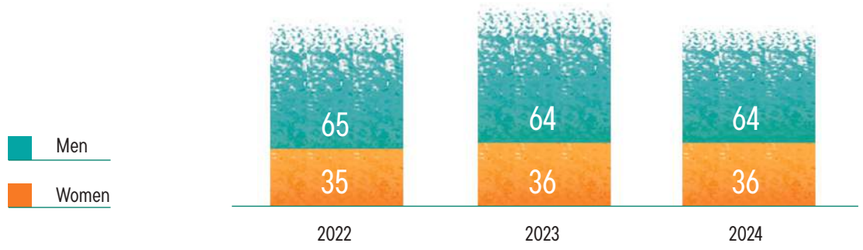
Under collective bargaining agreements in place across TMK Group enterprises, financial support is provided to large families as well as to women on maternity and childcare leave.

In addition, individual enterprises run their own support programs. For example, the Machine-Building Division, CHTPZ, and PNTZ offer additional financial assistance to large families on Mother's Day, while TAGMET provides similar assistance on Children's Day.

Female employees participate in vocational skills competitions and sports events. Specifically, in 2024, general physical fitness and women's polyathlon competitions were held at PNTZ and STZ.

GRI 2-7
GRI 405-1

Breakdown of employees by gender, %



The employees' age profile, with an average age of 42, is also influenced by the demands of the production process. Most roles at plants require a high level of expertise, which employees acquire over time through hands-on experience.

The plants maintain strong ties with long-serving employees, engaging them in training the next generation of pipe manufacturers. Such initiatives are in place at PNTZ, where Meetings Across Generations are held regularly, as well as at TAGMET, CHTPZ, and STZ. TMK also places special value on labor dynasties, where members of the same family not only share professional knowledge but also pass down core values and long-standing traditions.

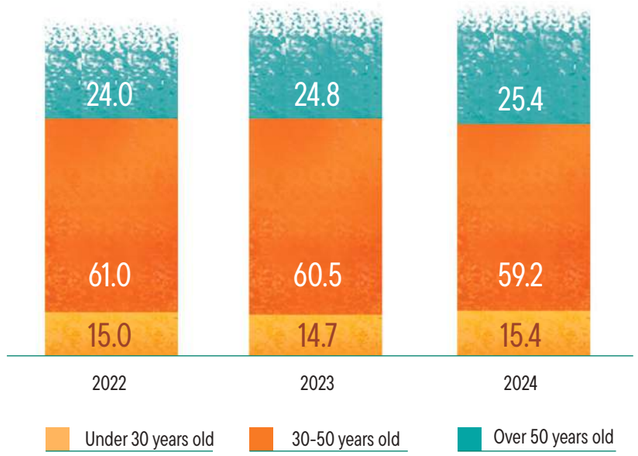
GRI 405-1
MED-25

In accordance with applicable laws, TMK enterprises establish employment quotas for people with disabilities. Our plants cooperate with local employment centers in the regions where we operate to identify suitable job opportunities for such candidates based on available vacancies. As at the end of 2024, TMK employed 476 people with disabilities.

To support these employees, we provide specially equipped workstations supplied with additional appliances as needed. The Company complies with the recommendations of a medical panel to ensure working conditions matching individual rehabilitation programs for each employee with a disability. On top of this, they are entitled to benefits and compensation in full compliance with applicable laws as well as health resort treatment and other additional support measures outlined in collective bargaining agreements.

Breakdown of employees by age group, %

GRI 405-1



Long-serving employees of CHTPZ

CHTPZ employees take pride in the plant's more than 80-year history and value long-serving pipe manufacturers, who, over many years, contributed to its development, created unique technologies, and improved product quality. The plant has a council of long-serving employees, whose members remain involved in the enterprise's activities: they participate in social initiatives, share their experience with the younger generation, and serve as mentors. Long-serving employees of CHTPZ are also eligible for treatment at the Chisty Klyuch health resort in Kamensk-Uralsky.

TALENT RECRUITMENT AND RETENTION

TMK consistently develops talent recruitment and retention programs and promotes its employer brand. These efforts help the Company remain competitive in the search for highly qualified professionals. To attract new employees, TMK uses both traditional channels — such as job postings on dedicated platforms — and internal referral programs. For instance, TMK Group companies run a Bring a Friend program: an employee receives a bonus for each candidate hired by the Company based on their recommendation.

In addition, we implement a wide range of initiatives to attract young specialists to our enterprises. To do this, we have in place a structured, multistage career guidance system, beginning as early as elementary school and continuing through to the employment of students and graduates of universities and secondary vocational schools. All enterprises also participate in job fairs held in partnership with regional universities and host open house events.

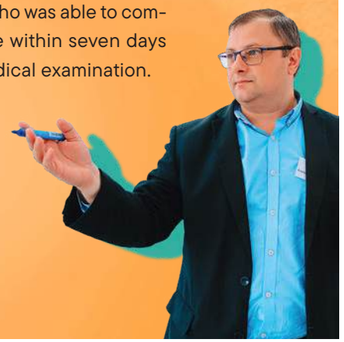
For more details on activities to attract university graduates, — see the Training and Development section.

Referral programs at CHTPZ

CHTPZ runs a variety of talent attraction programs that are regularly updated to match the plant's demand for skilled blue-collar employees and reflect current trends in the labor market. For example, blue-collar employees from other regions are reimbursed for housing rental costs. In addition, employees recently discharged from military service are eligible for financial assistance payment upon employment. Students and graduates who join the plant for the first time may also receive payments under a relevant referral program.

In 2024, CHTPZ launched a new fast-track hiring program. It is open to any candidate who was able to complete the employment procedure within seven days from receiving a referral for a medical examination.

Total spending on CHTPZ's referral programs in 2024 amounted to RUB 4.3 million.



Onboarding and Mentoring

TMK has in place an onboarding system that helps employees successfully integrate into the work process — whether they are new to the company, transitioning to new roles or enterprises, or returning to work after an extended absence. For each employee undergoing onboarding, individual plans are created in SOTA2U. These plans outline key documents to be reviewed during the probation period, assigned tasks, and a list of mandatory e-courses.

Our plants implement additional onboarding activities. For example, at VTZ, new employees are trained twice a month under the Fundamentals of Steel and Pipe Production program that provides an overview of the production process.

All TMK enterprises run a mentoring program, where experienced employees share their expertise with new hires and help them adapt to the new workplace. In 2024, TMK had a total of 5,503 mentors.

To prepare mentors for this role, TMK2U Corporate University offers the Effective Mentoring program. In the reporting year, the program was expanded to include a new section, Production System Development. During the reporting year, more than 1,300 employees completed training under the Effective Mentoring program, and 505 of them were subsequently assigned as mentors to new hires. To further encourage engagement in mentoring, we held a company-wide TMK's Best Mentor competition, while individual enterprises ran similar contests at the local level. For example, STZ holds an annual Mentor of the Year competition. Winners receive a cash award, and the top finalist is additionally awarded a stay at a countryside park hotel.

Management Talent Pool and Talent Management

The Company's management talent pool spans four levels, from entry-level jobs to senior management. This approach enables the development of professional competencies and helps train future leaders. The number of employees included in the talent pool grows each year and exceeded 6,000 people as at 2024-end.

These efforts are governed by the Regulations on TMK Group's Management Talent Pool, updated during the reporting year.

Key initiatives to engage talent and build management skills include meetings of the UniLeader management case club that facilitate experience sharing among leaders, training programs focused on developing management skills, and relevant e-courses.

In addition to existing training programs, 2024 saw the launch of the Manager's Handbook course, the rollout of advanced management internships across TMK Group, and continued enrollment in two dedicated master's programs — Metallurgical Enterprise Management and HR Strategy for Organizational Development. For senior-level talent pool members, TMK has introduced a tailored development program, Dimensions of Leadership Growth and Development.

EMPLOYEE MOTIVATION

TMK's motivation system includes competitive salaries, an enhanced benefits package, and corporate incentive programs.

Remuneration System

TMK production enterprises use the Unified Remuneration System based on a time-rate plus bonus system with a unified wage scale and a system of bonuses and supplementary payments. The Company runs various financial and non-financial employee motivation initiatives. In particular, TMK is implementing an incentive program for key production staff, and top-performing employees are recognized with awards and badges.

Wages are indexed annually. In the reporting period, wages were indexed in two stages, with increases outpacing inflation: a 5% raise in March and a differentiated adjustment of up to 17.5% in October.

TMK applies equal pay rates and salaries for positions and occupations of the same grade, regardless of gender or age. In all regions where the Company operates, the minimum wage for entry-level employees exceeds the statutory minimum wage. GRI 202-1 GRI 405-2

For more details on how TMK's pay compares to the markets in which it operates, see the Workforce Indicators appendix.

Non-financial employee motivation is governed by the Regulations on Non-Financial Incentives, which outline the Company's approach to awarding employees for fulfilling production tasks. In 2024, over 1,000 awards were presented to TMK employees, including Certificates of Merit, Letters of Gratitude, and badges.

Employee Engagement

It is important for us to maintain a positive work environment and employees' high motivation. To track shifts in employee sentiment and implement timely corrective actions, TMK conducts two engagement surveys each year:

- A global survey of all engagement elements and metrics
- An in-depth survey of risk areas identified in the global survey

In June 2024, TMK Group enterprises arranged for an in-depth employee engagement study, offering varying levels of detail — both enterprise-wide and at individual units. The survey covered 41% of the headcount across the participating facilities. Its objective was to explore in greater depth the risk factors identified by the previous global survey.

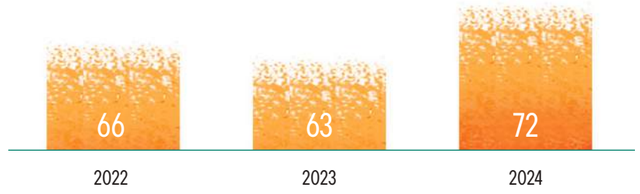
On top of this, a new global survey of employee engagement was conducted in November of the reporting year. The survey involved approximately 31,500 respondents across 36 TMK Group facilities. The results showed a 9 p.p. y-o-y increase in employee engagement level.

As a result of the in-depth study, 249 business-unit heads received detailed reports outlining development areas and risk factors. In addition, more than 150 facilitation sessions were held across TMK enterprises to develop engagement improvement plans.

We place a strong emphasis on keeping employees informed about engagement-related initiatives and promoting the exchange of best practices across the Company. For instance, the Mobi2U mobile app has an Engagement section featuring posts about plant-level activities.

TMK plants also operate an engagement ambassador program, where designated employees promote engagement initiatives and organize surveys. In the reporting year, the number of engagement ambassadors grew by 10%.

Employee engagement level, p.p.



Digital Communications AWARDS — 2024

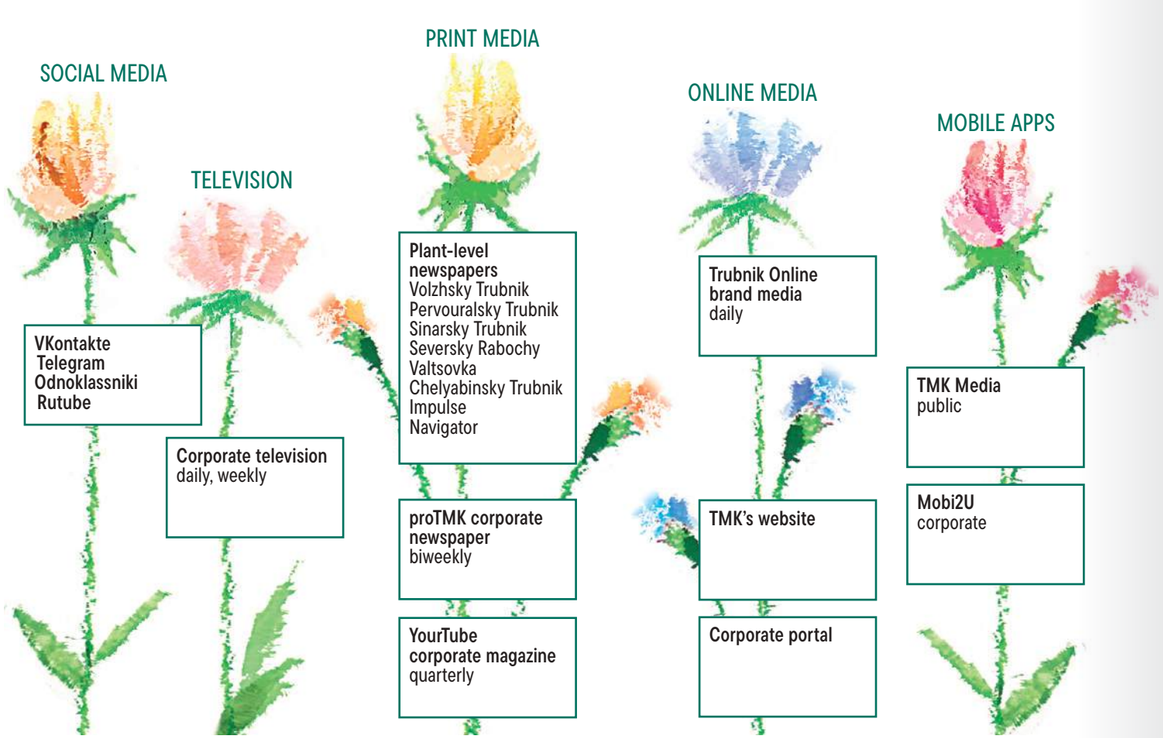
The Mobi2U corporate mobile app won in the Intranet/ Corporate Social Network category of Digital Communications AWARDS 2024.

Corporate Communication Channels

Our employees are informed about Company and industry developments through an extensive system of corporate communication channels. TMK enhances the quality of information delivery by adopting modern formats for audience engagement.

Some of our corporate media platforms are accessible not only to employees but also to a broader audience. This enables customers, partners, local communities, and other stakeholders to stay up to date on TMK's news and various initiatives in a timely manner.

TMK's corporate communication channels



SOCIAL SUPPORT TO EMPLOYEES

TMK views personnel costs as long-term investments in the Company's development. The return on these investments is reflected not only in improved business performance but also in greater employee engagement. We offer a wide range of social support programs to our employees, including:

- VHI
- medical services provided at plants' first-aid stations
- meals for employees
- corporate pension plan
- reimbursement of health resort treatment and health camp costs for employees and their families
- financial assistance
- sports, cultural, and mass participation events, contribution to municipal and social projects
- assistance to young specialists, including allocation of scholarships, work placement internships, and reimbursement of housing rental costs.

VHI programs cover most of TMK Group's key production facilities. The scope and duration of these programs are determined independently by each facility and may vary. VHI provides a wide range of medical services, including outpatient and inpatient treatment, as well as vaccinations.

For more details on employee health improvement initiatives, see the Workplace Health and Disease Prevention chapter.

Relations with Trade Unions

GRI 2-29

One of the Company's key objectives is building relations with the workforce, trade unions, communities, and associations based on social partnership principles. Most TMK Group enterprises have trade unions that are party to the Russian metals and mining industry agreement, as well as other sectoral and regional agreements aligned with the enterprise's line of business.

TMK's Public Council was established in 2005 to support dialogue between trade unions, employees, and the management company on addressing social matters. The Council includes HR executives and chairpersons of primary trade union organizations from TMK's pipe plants. Relying on its social partnership framework, TMK can effectively address emerging issues and drive employees' confidence in the future.

Trade unions are actively involved in resolving labor issues together with plant management. An employee can appeal orally or in writing directly to the chairperson of their primary trade union organization or the chairperson of the trade union committee of the employee's unit.

GRI 2-30
MED-32

Most TMK enterprises are covered by collective bargaining agreements that define social guarantees and mutual obligations between employees and the Company. In 2024, the agreements covered 91% of employees. The agreements were renewed in the regular course of business as their terms expired.

A JOURNEY THROUGH
PIPE INNOVATION

RUSSIA

STEEL (ROLLING, WELDING),
19TH CENTURY

The early 19th century saw the first steel pipes, made from sheet metal rolled on specialized rolling mills. Russian scientists played a key role in this invention. First, in 1802, Vasily Petrov discovered the electric arc effect. Then, in 1882, Nikolay Benardos was the first to apply electric arc welding using a carbon electrode. Shortly after that, in 1888, Nikolay Slavyanov invented the method of arc welding with a consumable metal electrode.

9. TRAINING AND DEVELOPMENT

>80%

of employees covered by training programs

>3

mln hours — total hours of employee training

760

RUB mln invested in employee training and development

UN SDGs

Sustainability Strategy objectives

> Employee training and development

Material topics

> Employee training and development

Key documents

- HR Policy — updated
- Regulations on TMK Group's Employee Training
- Regulations on TMK2U Corporate University — updated
- Regulations on TMK Group's Management Talent Pool — updated

Training governance structure

MANAGEMENT APPROACH

GRI 3-3

TMK pays close attention to employee development and professional training. To this end, we offer a wide range of internal training programs focused on building competencies and sharing accumulated expertise while supporting employee training in external educational institutions.

The procedure for internal and external training is set out in TMK's HR Policy. Training goals, objectives, and principles as well as the procedure for evaluating the effectiveness of training programs are outlined in the Regulations on Employee Training.

For more details on documents governing employee training and development, see the List of Key Sustainability Documents appendix.

GRI 404-2

Internal training is delivered through programs developed by TMK2U Corporate University or by our individual enterprises. Courses are tailored to the needs of the Company, the industry, and employees. To ensure high-quality education, we use both standard training plans — applicable across all units — and customized programs adapted to the specific needs of individual enterprises.

External training implies upskilling courses and educational programs, which may be fully or partially paid for by the Company. Full payment is provided when the training is required due to regulatory changes, mandatory certification, or the implementation of specialized projects.

TMK2U CORPORATE UNIVERSITY

TMK2U is our corporate university. It develops educational and career guidance programs as well as employee assessment and certification methods, oversees the recruitment and onboarding system, and conducts sociological research. Its operations are governed by dedicated regulations updated in 2024.

GRI 404-2

TMK2U Corporate University offers training in six core areas, covering essential job-related skills, master's degree programs, continuing professional education, and upskilling programs. As at 2024-end, TMK2U's internal training portfolio comprised over 750 courses available in face-to-face, remote, and hybrid formats. More than 80% of employees were covered by training programs.

TMK2U's training areas

UniTech
Skill development programs for key production and technology areas

UniPro
Programs aimed at expanding knowledge and building professional skills

UniEx
Management skills development programs and business education courses

Training programs offered by TMK2U Corporate University

UniCom
Commerce-related skills development programs

UniUp
Programs to build corporate and personal skills and acquire basic professional skills

UniTeam
Programs focused on teamwork and strategic planning

MED-30

In the reporting year, total spending on employee training and development by TMK2U Corporate University and TMK Group enterprises amounted to RUB 760 million. This amount includes costs related to the development of educational programs, research activities, and the enhancement of the SOTA2U platform and the Mobi2U mobile app. It also covers funding for external training, including upskilling courses and participation in conferences.

In addition, TMK2U provides training and assessment services to external customers, acting as a methodological partner and advisor on HR management and business

process organization. For example, in 2024, TMK2U Corporate University developed a program to boost employee motivation and loyalty and delivered training sessions focused on technical expertise and management performance improvement.

Corporate Training and Communication Tools

The SOTA2U corporate HR platform is TMK's key tool for employee training and development, accessible to all Company employees. The platform offers courses and learning materials on a variety of topics, knowledge assessment tools, and features for conducting surveys and sociological research. In 2024, SOTA2U supported the rollout of TMK's new automated Goal-Setting System, helping managers learn to use the tool, which simplifies the calculation of KPI achievement.

In addition, TMK continues to operate its corporate social network, Mobi2U, which serves both as an internal communication platform for TMK employees and a source of updates on important Company news and achievements as well as cultural and sports events. Our employees actively use Mobi2U to access up-to-date information on HR and accounting matters as well as health resort treatment programs and to sign up for sports classes. In the reporting year, the number of registered users grew by 18% y-o-y.

EMPLOYEE CERTIFICATION

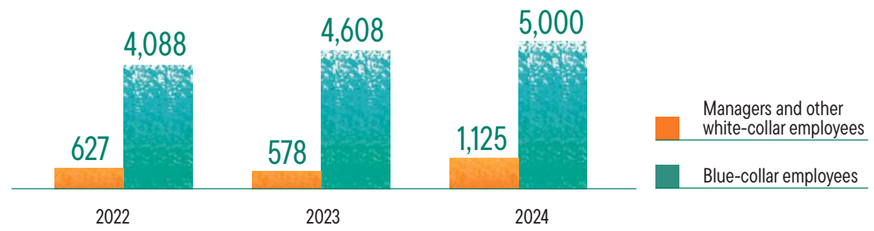
TMK uses employee certification to regularly assess the qualifications, knowledge, and competencies of its employees. The assessment procedure is governed by the Regulations on the Certification of Enterprise Employees, which were updated in the reporting year.

In 2024, certification procedures were passed by 6,125 employees across TMK Group enterprises.

For more details on employee performance evaluation, — see the Workforce Indicators appendix.

GRI 404-3

Number of employees who have passed the official performance evaluation (certification), people



CAREER GUIDANCE PROGRAMS

TMK has built a structured, multistage career guidance system for school and university students, aimed at attracting young talent to the Company. For school students, TMK employees deliver thematic lessons that introduce children to blue-collar jobs in a playful, accessible format. Activities include plant tours, gamified class sessions, educational cartoons, career guidance tests, hands-on lab workshops, and more — all designed to promote blue-collar jobs and engineering careers. For college and university students, TMK organizes educational forums, competitions, job fairs, and open house events. On top of this, the Company collaborates with industry-specific colleges and universities to develop targeted educational programs,

A quiz for students

In 2024, CHTPZ held the first quiz as part of its career guidance efforts targeting students. Young people from five colleges formed teams and answered questions about the plant's history and careers in metallurgy, and CHTPZ's corporate business trainers held a master class on public speaking.

scholarship initiatives, internships, apprenticeships, and guided tours for students. In 2024, more than 2,000 students completed internships at TMK enterprises, and over 2,500 college and university graduates were hired by the Company.

To attract promising young talent to its plants, TMK has for many years acted as the general partner of the I Am a Professional All-Russian Olympiad. In the reporting year, the Company, together with Ural Federal University named after the First President of Russia B.N. Yeltsin, developed assignments in Materials Science and Materials Technologies as well as Software Engineering and co-organized the Engineering Olympus educational forum. TMK2U Corporate University traditionally supports the olympiad's educational program by providing speakers who present relevant topics and case studies and by inviting corporate business trainers to deliver master classes. Following the event, participating students are invited to TMK's Youth Scientific and Technical Conference, complete work placement internships, and may be offered employment with the Company.

Professionalitet Federal Project

TMK's participation in the Professionalitet federal project is another way the Company promotes blue-collar professions and attracts motivated graduates from industry-specific technical colleges and vocational schools to its production facilities. As part of the project, the Company actively contributes to upgrading partner educational institutions and helps develop and adapt educational programs to match current industry and labor market needs.

In 2024, 12 TMK enterprises took part in the Professionalitet project, engaging a total of 1,600 students. More than 1,000 of these students were trained at TMK2U under dedicated programs.

The Company also supports faculty upskilling by offering internship opportunities for teachers. In the reporting year, over 180 teachers from partner colleges and vocational schools completed internships at TMK as part of the federal project. Training activities were hosted at VTZ, STZ, SinTZ, and CHTPZ as well as at the sites of JSC DIP.

Master Games Championship

Every year, we hold the Master Games corporate vocational skills championship. The competition aims to promote technical excellence, a strong manufacturing culture, and the prestige of blue-collar jobs while helping to improve labor productivity.

The tasks of the Master Games championship are developed by TMK specialists with the involvement of invited experts, supervised by TMK2U. Competitions take

place at the training facilities and on the shop floor, featuring real-life equipment and training simulators that mimic every nuance of the production process.

In 2024, the championship was held in an open format, with employees from partner companies taking part. This created an opportunity to benchmark TMK employees against other professionals. Participants competed in a range of skill areas, including welding technology, metalworking, laboratory chemical analysis, industrial automation, and magnetic and ultrasonic inspection.

Horizons Forum

The Horizons corporate forum gives talented and proactive employees an opportunity to enter TMK's management talent pool and subsequently move up the career ladder, while students get a chance to showcase their potential and be employed at TMK. In 2024, more than 1,000 people participated in the event.

Held annually, the forum fosters the exchange of ideas, experience, and best practices, engages young people in social initiatives, and identifies innovative solutions and ideas for production upgrades. The annual economic benefit from projects proposed at the Horizons forum exceeds RUB 2 billion. Over the 20-year history of the forum, the total benefit has surpassed RUB 80 billion.

In addition to presenting their innovation projects, participants receive training in various areas, including soft skills, and take part in chess and futsal tournaments as well as a KVN comedy sketch festival.

An important feature of the Horizons forum is its IT track. In 2024, it included cross-functional IT exercises in the format of a virtual company team competition: mixed teams (comprising employees of TMK and partner companies as well as students) brought together specialists from three IT domains — infrastructure, cybersecurity, and software development. Throughout the competition, participants worked toward business objectives set by the organizers. These included deploying IT infrastructure, developing a new and unique application, ensuring uninterrupted IT system performance, and protecting IT systems from external security threats.

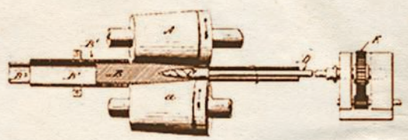
According to the rules, a virtual company earned profits when its IT systems functioned reliably. If problems arose — for example, if an IT service was disrupted by a simulated hacker attack — the team incurred financial losses. Performance was evaluated based on profit vs loss outcomes as well as the quality and speed of the teams' responses.

This unique format enables IT specialists from different functional areas to build their competencies and broaden their professional perspective while enabling more effective interaction with colleagues in adjacent IT domains going forward.

A JOURNEY THROUGH
PIPE INNOVATION

GERMANY

SEAMLESS PIPE, 1886



Seamless pipe marked a major breakthrough in steel pipe technology. The original manufacturing method was invented by German brothers Reinhard and Max Mannesmann in the late 19th century. Their method involves two key steps: piercing a billet into a thick-walled shell in a piercing mill, and then rolling it into a thin-walled pipe in pilger mills.

10. OCCUPATIONAL HEALTH AND SAFETY

2.9
RUB bln — costs of OHS initiatives

0
fatalities

0.58
LTIFR among TMK Group employees

26.5
thousand — number of employee training completions in OHS

UN SDGs

Sustainability Strategy objectives

- Reduction of injury rates
- Improvement of the occupational health and safety management system

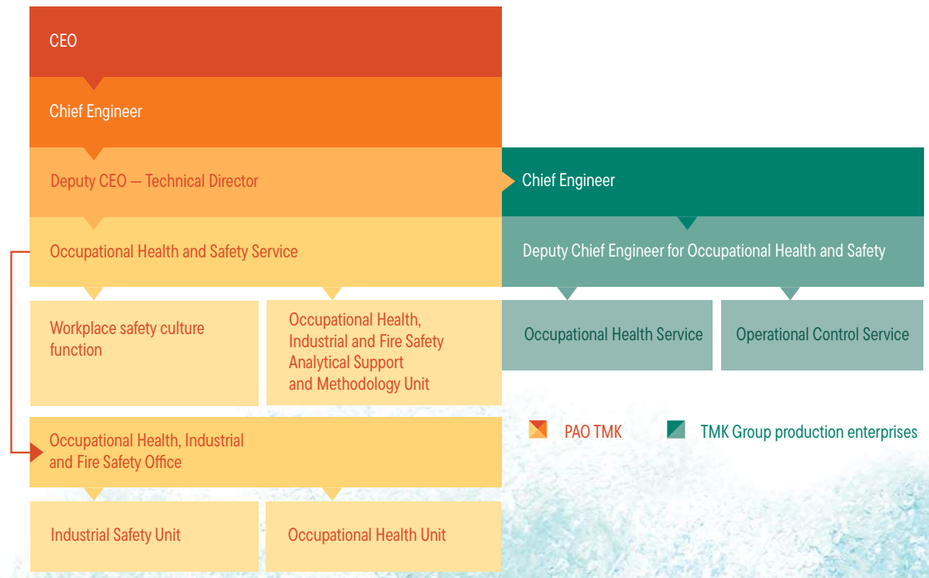
Material topics

- Occupational health and safety

Key documents

- Occupational Health and Safety Policy
- Industrial Safety Policy

Organizational structure



MANAGEMENT APPROACH

GRI 3-3

With people at the heart of TMK's values, occupational health and safety of our employees remain top of mind for us. We take a risk-based approach in managing our occupational health and safety (OHS) efforts to promptly identify and address threats while minimizing the risk of injury.

In our operations, we strictly comply with legal requirements, continuously improve existing safety tools, and implement best practices to strengthen our OHS management system.

As part of its Sustainability Strategy, TMK sets goals to reduce its injury rate, one of which — achieving zero fatalities — was reached in 2024. In working toward its second goal of reducing the injury frequency rate, the Company continues to implement planned measures and introduce new initiatives aimed at minimizing injury risks.

GRI 403-1
GRI 403-8

We are continuously improving our occupational health and safety management system (OHSMS), which operates across all TMK Group enterprises and covers 100% of Company employees. Our OHSMS is subject to regular internal and external audits. As at the end of 2024, eight (40%) of TMK's production enterprises (VTZ, STZ, SinTZ, TAGMET, PNTZ, CHTPZ, OMZ, and TMK-INOX) were certified to GOST R ISO 45001-2020. As at 2024-end, the certified OHSMS covered 79% of TMK employees.

GRI 403-1

In addition to audits for compliance with the standard, in 2024, the Company organized an independent diagnostic audit of the OHSMS across enterprises of its Pipe and Metallurgical Division. Based on its results, we have revised the OHS governance structure. For example, in 2024, changes were made to the structure of PAO TMK's Occupational Health, Industrial and Fire Safety Service, with new units set up, including the Workplace Safety Culture function and the Occupational Health, Industrial and Fire Safety Analytical Support and Methodology Unit. The Occupational Health, Industrial and Fire Safety Office now also reports to the Service. There were no changes in the OHS governance structure at the level of production enterprises.

GRI 403-4

Safety management involves not only dedicated personnel but also managers at all levels, from the Board of Directors and the Deputy CEO — Technical Director at the strategic level to OHS committees across operational sites.

Distribution of key functions across different levels of OHS management

Board of Directors	— Oversees TMK Group's OHS efforts — Reviews key safety matters
Deputy CEO — Technical Director	— Monitors the achievement of OHS targets by enterprises — Holds meetings with technical leaders twice a year to plan safety improvements
OHS committees led by the managing directors of production enterprises	— Support the operation of the OHS management system across enterprises — Hold quarterly meetings led by the managing directors — PAO TMK specialists are invited to committee meetings to analyze injury rates, accident causes, and overall OHS performance

The Company's senior management is actively engaged in driving production safety. In 2024, the Board of Directors reviewed accident analysis findings, progress on Workplace Safety Culture (a new project), financial support for OHS activities, and the results of an independent OHSMS diagnostic audit across pipe production enterprises.

In addition, workplace safety KPIs have been established for senior management and plant-level managers. KPIs focused on lowering LTIFR and achieving zero fatalities were assigned to managing directors (CEOs) of enterprises, chief engineers (technical directors), deputy chief engineers for occupational health and safety (heads of OHS departments), as well as selected shop managers.

MED-27

To build a strong safety culture and foster a comfortable and safe working environment, we invest in a range of OHS initiatives. In 2024, the Company ramped up its OHS investments by 53%, with total spending exceeding RUB 2.9 billion. Spending was primarily directed toward technical and technological measures as well as hygiene protocols, with allocations for each increasing by a factor of 2.6 compared to the previous year.

Employee Involvement in OHS Management

GRI 403-4

Regular internal cross-audits of occupational health, industrial and fire safety at enterprises are an integral part of our OHS management system. To ensure independent assessment, OHS specialists from other Company production facilities conduct audits of plants and production sites. This approach also enables sharing experience and best practices, systematizing identified risks and violations, and evaluating the effectiveness of OHS measures.

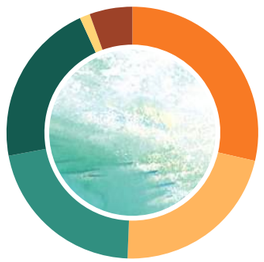
In 2024, a total of 24 enterprises were audited, involving 200 subject specialists. The audit results were used to identify areas for improvement in the OHSMS.

To enhance internal audits, the Company developed the OHS System Audit special e-course in 2024. The course explains the objectives and principles of internal audits. In 2024, over 400 specialists took the course.

TMK encourages proactive employee involvement in managing safety-related matters. For instance, the Company maintains the Idea Exchange, a continuous improvement engine featuring functionality that enables employee feedback and process improvement suggestions, including those related to safety. In 2024, a total of 250 employee ideas related to occupational safety were implemented.

Moreover, every employee takes part in the daily process of identifying hazards both before and during work. When hazards are identified, employees must report them via any communication channel: at shift meetings or via the phone hotline, message box, or problem-solving board. Every employee, including contractors, has the right to refuse work that may affect their health and safety and that of others. This right is outlined in the Company's Industrial Safety Policy, and the Company guarantees that no disciplinary action will be taken against those who exercise it. Each instance of work refusal is carefully reviewed, and the root causes are addressed to prevent similar situations in the future.

TMK's expenditures on occupational health and safety in 2024,[50] RUB million



838	Safety workwear and footwear, other personal protective equipment
642	Organizational measures
636	Technical and technological measures
621	Hygiene protocols
36	Employee training in occupational health
162	Other expenses

Digital Safety Management Projects

TMK is actively developing corporate digital tools to improve the efficiency of its OHS management system. These tools streamline data collection and analysis, facilitate the sharing of best practices, and support informed decision making to enhance safety management.

Problem-solving board

All CHTPZ production sites are fitted out with problem-solving boards, where employees can report identified equipment malfunctions, OHS violations, or other non-compliances. Identified issues are handled by shop managers, who assign responsibility for their resolution, set due dates, and monitor progress.

At the end of 2023, a QR code-based electronic version of the tool was launched to enhance usability, linking to a dedicated page in the corporate mobile app.

Project	Description	2024 highlights
OTPB.Online system	A digital platform that records the results of behavioral audits and tiered OHS control. The system enables prompt risk response, facilitates digital data storage and analysis, and supports effective incident investigation.	The Process Safety Control module is deployed at 14 TMK Group enterprises and allows users to enter information about deviations directly via smartphones A special section was added for OHS officers from trade union organizations Data analytics capabilities were added to enable automatic report generation
Incident Investigation Library digital archive	The database contains records of the Company's injury cases over the past ten years. This supports analysis of accident causes and recurring violations, helps identify at-risk employee groups, and assesses the effectiveness of corrective actions taken	The Occupational Diseases module was deployed to track the causes of diseases and assess the effectiveness of preventive measures
The Bank of Best Practices digital portal	The portal showcases successful enterprise initiatives, including in OHS, helping share experience and spread best practices across the entire TMK Group	CHTPZ installed an infrared light barrier in the transfer buggy area to prevent personnel from entering the area SinTZ introduced exoskeletons to support hammer and press operators, helping to reduce physical strain

PRODUCTION SAFETY

OHS Risk Management

GRI 403-2
GRI 403-9
GRI 403-10

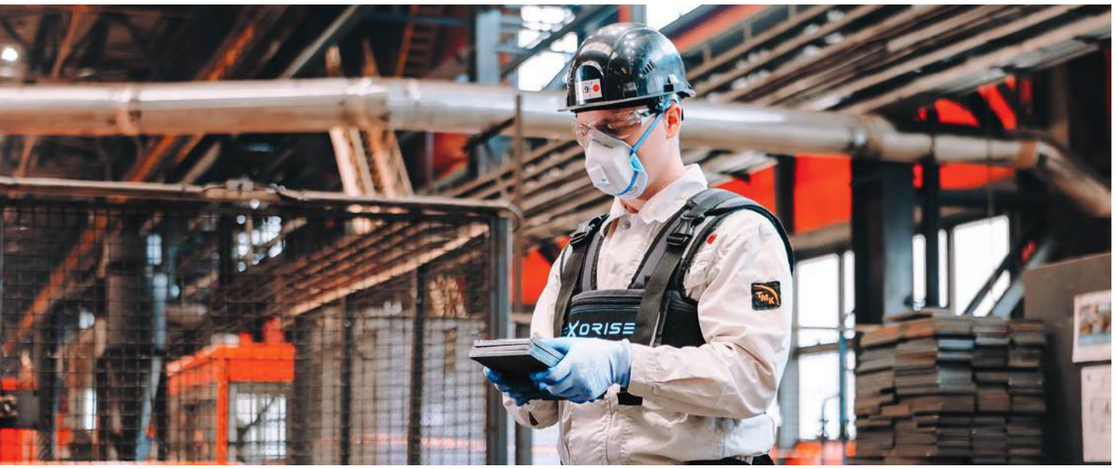
We recognize that safety at work is impossible without effective risk management, so our OHS management system is based on timely and systematic hazard identification, risk analysis, and risk assessment.

TMK regularly reviews the register of hazards and risks and identifies work-related hazards in accordance with GOST 12.0.003-2015. Risk identification is integrated into the tiered control system for occupational health and safety as well as the periodic special assessment of working conditions. The three-tier OHS control system, managed at different levels of the organization, enables effective monitoring of safety compliance.

To monitor work-related hazards and their impact on employee health, TMK periodically conducts special assessments of working conditions at its enterprises. The assessment is carried out by specialized organizations at all workstations across each TMK Group enterprise.

In 2024, the assessment covered 22,623 workstations, leading to improved working conditions at 202 of them. We achieved this result through the consistent implementation of measures aimed at improving working conditions. These include the replacement and modernization of ventilation and exhaust systems, the purchase of mobile aspiration units for workplace air purification, the upgrading of lighting systems, and the acquisition of vibration protection equipment.

Identified risks guide updates to the Company's approach to work process organization and the development of targeted safety measures, including:



- addressing hazards (e.g., using digital and technology solutions to replace manual labor)
- technical measures (installing fences and lockout systems)
- organizational measures (assessing working conditions, mapping hazardous areas, monitoring via the OTPB.Online system)
- behavioral measures (a video monitoring and machine vision system to detect violations; conducting trainings and briefings)
- individual measures (use of PPE).

The Company grants employees the right to refuse or suspend work that may pose a risk of injury. This right is formalized in its internal OHS regulations and communicated through the Five Steps to Safety training course.

TMK enterprises maintain safe working conditions by fitting out production sites with safeguards, upgrading equipment, and implementing other safety measures. We place a particular focus on monitoring safety compliance. To this end, enterprises are developing video monitoring systems that provide 24/7 oversight of production processes, enable the recording of violations, and facilitate prompt response. Such systems are installed at TAGMET, SinTZ, PNTZ, CHTPZ, STZ, and Pipeline Bends.

Injury prevention measures in 2024

Enterprise	Measures	Results
TAGMET	The system for recording OHS violations was enhanced through the installation of additional video cameras in loading and unloading areas	Over 500 violations were identified, and corrective actions were developed
	The plant continued using its computer vision system to monitor OHS compliance	Over 300 violations were identified, and corrective actions were developed
	Additional lockout devices featuring light and audio alarms were installed in hazardous areas to prevent employees from freely accessing equipment operation areas	More than 20 new lockout devices were installed
VTZ	The plant launched the development of a machine vision system designed to detect flashes in electrical rooms and diagnose the causes of electrical faults	Pilot operation of the system has begun
SinTZ	The plant replaced equipment, revamped fences at hazardous areas as well as crossover bridges and ladders, and repaired utility rooms	Shop equipment was upgraded and production safety was enhanced
	A new bay design was developed to make loading and unloading operations safer and more convenient	Four newly designed bays were installed, with further phased retrofitting planned
Pipeline Bends CSSP	Gobo projectors — devices that project images onto surfaces — were installed at production sites to mark hazardous work areas	Two gobo projectors were installed (one at Pipeline Bends and one at CSSP)
STZ	Industrial exoskeletons were acquired to protect employees' musculoskeletal systems from overload and injury and to help reduce fatigue	Four exoskeletons were purchased for specialists working with refractory materials

Video surveillance

CHTPZ is engaged in comprehensive efforts to improve its system for video surveillance and safety violation analytics. To this end, a unified analytics center with an integrated video surveillance system has been established at the plant. Video surveillance operators, who are employees of the OHS service, monitor production shops on a 24/7 basis, recording any violations in the OTPB.Online system. Notifications are automatically routed to supervisors responsible for tiered control. When a violation is confirmed, corrective actions are developed, preventive measures are taken, and, if necessary, disciplinary action is imposed on the violators. In 2024, video surveillance operators from the security service were also engaged in the monitoring process.

CHTPZ also plans to deploy a machine vision system that will automatically detect safety violations and hazardous conditions and immediately shut down process equipment to prevent accidents. In 2024, the plant tested equipment that detects PPE-use violations and generates reports with supporting photo and video evidence.

Injury Rates

GRI 403-9
MED-29

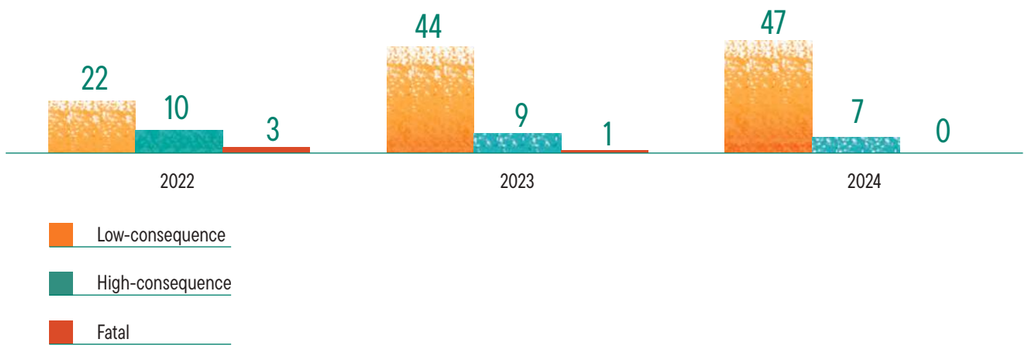
TMK Group enterprises keep records of accidents and work-related injuries. A total of 54 work-related injuries among Company employees were recorded in 2024. No fatalities took place in the reporting period.

The Company tracks changes in key injury metrics, including the lost time injury frequency rate (LTIFR).[51] LTIFR decreased year-on-year. At the same time, the Company succeeded in reducing its total recordable injury frequency rate (TRIFR)[52] and the rate of high-consequence work-related injuries.

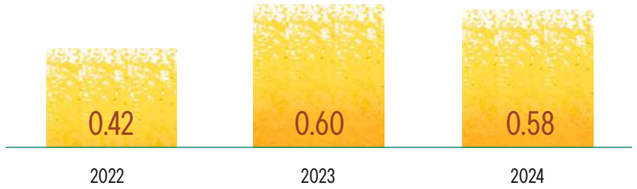
Since 2022, TMK has also included no-lost-time injuries in its OHS statistics. In 2024, a total of 22 such cases were recorded among Company employees, half the number reported in the previous year.

Number of TMK employees who sustained work-related injuries, people

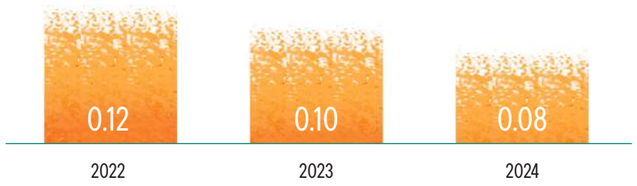
GRI 403-9
MED-29



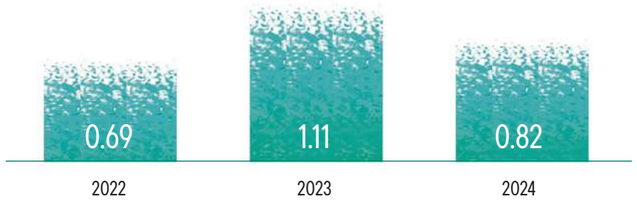
GRI 403-9 Lost time injury frequency rate (LTIFR) among TMK employees



GRI 403-9 The rate of high-consequence work-related injuries among TMK employees



GRI 403-9 Total recordable injury frequency rate (TRIFR) among TMK employees



For more details on injury rates at TMK, see the Occupational Health and Safety Indicators appendix.

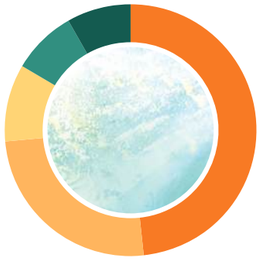
Incident Investigation

GRI 403-2

For all accidents and no-lost-time injuries, TMK conducts mandatory investigations in accordance with legal requirements, as well as internal investigations supervised by PAO TMK's Occupational Health, Industrial and Fire Safety Service. The Service's specialists analyze the circumstances and root causes of accidents and prepare reports recommending additional measures to prevent recurrence.

For each accident, an incident report sheet is drawn up, detailing the circumstances, lessons learned, and the preventive measures developed. These sheets are posted on information boards and discussed with staff during shift meetings. In addition, information about risk factors related to such accidents is promptly shared with the managing directors of all enterprises.

Causes of work-related injuries among TMK and contractor employees in 2024, by number of people injured



- 29 Impact of moving and rotating objects and parts
- 15 Falls on flat surfaces
- 6 Falls from height or into depth
- 5 Falling objects, structural collapses, and material or earth cave-ins
- 5 Other

CHTPZ's gas emergency service

CHTPZ maintains a gas emergency service, comprising a team of qualified fire and emergency safety professionals trained in response and rescue operations. The team is engaged in comprehensive efforts to improve the plant's emergency response system and organizes technical operations and employee training.

The service is fitted out with all the necessary equipment for performing its functions, including two fire trucks and a service vehicle equipped for response and rescue operations. In addition, in the reporting year, ten compressed air breathing apparatuses were purchased and used in firefighting operations.

In 2024, the main causes of high-consequence injuries included exposure to moving machinery and equipment, falling objects, the release of hazardous substances, and exposure to fire and flame. To prevent such incidents from recurring, we developed and implemented a number of corrective measures. These included, in particular, the retrofit of hazardous facilities, the development of a process sheet for loading and unloading operations that eliminates employee presence in hazardous areas, and the introduction of other controls to ensure safe work practices. GRI 403-9

Emergency Prevention

We maintain a high level of preparedness at all our enterprises for emergencies of both natural and man-made origin. Each plant has in place emergency response plans aligned with legal requirements, along with schedules for theoretical and practical drills. Production sites conduct routine audits and induction briefings for personnel. To ensure an effective response to emergencies, the Company's relevant specialists thoroughly explore emergency risk scenarios and organize regular drills to practice a wide range of emergency situations.

Fire safety is another key focus at TMK enterprises. To this end, enterprises implement a range of fire safety measures, including checking and upgrading firefighting and alarm systems, ensuring the timely purchase of firefighting equipment and personal protective equipment, and annually maintaining fire breaks around their production sites. Some TMK Group plants have their own gas emergency services and emergency response and rescue teams to ensure prompt action in case of accidents.

To maintain a high level of firefighting training for our employees, we regularly provide emergency response and first aid training, conduct joint drills with local firefighting services, and perform scheduled and unscheduled drills and exercises.

Experts commend our comprehensive approach to organizing the fire safety system at our enterprises. For example, in 2024, SinTZ's gas emergency service won a civil defense competition and was recognized as the Best Auxiliary Emergency Response and Rescue Team in the Sverdlovsk Region.

TRAINING AND PROMOTING A SAFETY CULTURE

OHS Training

GRI 403-5 We systematically train our employees on topics related to safety culture and the assessment of operational risks. Our mandatory training programs cover occupational health as well as fire and industrial safety requirements. In addition, our employees undergo mandatory briefings, on-the-job training, first aid training, and training in safe work practices and techniques.

In addition to mandatory training, TMK offers a range of courses, workshops, webinars, and e-learning programs aimed at strengthening OHS skills and enhancing employee qualifications. In collaboration with TMK2U Corporate University, OHS specialists develop and regularly update educational materials. Courses developed in 2024 include:

- Five Steps to Safety, a course that teaches a risk assessment methodology to support effective dialogue during behavioral conversations and safety audits
- Five Whys, a course that introduces tools and techniques for identifying the root causes of incidents
- OHS System Audit, a course that explains the objectives and principles of internal audits.

Results of OHS training in 2024

GRI 403-5

Training format	Course content/title	Number of training completions[53]
In-person event	Upskilling programs, programs to train in safety requirements for various industries, safe equipment maintenance and repair practices, safe working at height	14,867
E-course / webinar recording	Health and Safety Induction, Health and Safety for Managers and Specialists, Five Steps to Safety	10,264
Webinar	General requirements for, and changes in, OHS and fire safety	714
A series of events	Training in safe work practices and techniques in limited and confined spaces, during exposure to work-related health and safety hazards	627
Total		**26,472**

TMK enterprises implement their own OHS training programs and activities for employees and expand educational tools to build and train safe work skills.

OHS training activities carried out at TMK enterprises in 2024

Enterprise	Activities	Results
VTZ	Supported by TMK Group's IT team, the plant's managers and specialists developed a VR training simulator to test safe work skills	Pilot operation scheduled
	High-tech safety rooms were opened at the plant, where occupational safety briefings and lectures are delivered using multimedia technologies	Over 4,000 people trained
PNTZ	The plant incorporated a VR training simulator into the training of rolling mill operators. The tool simulates the pipe cold rolling process and is designed for practicing operational procedures in accordance with safety regulations. The simulator features three modes: training, testing, and examination	Training for 90 rolling mill operators is planned, followed by testing on a VR training simulator
	The plant has a Volunteer Rescuer movement in place, with participants trained to provide first aid	19 employees completed the training and qualified as instructors
TAGMET	A training ground for crane operators and slingers was opened, divided into dedicated zones for practicing the safe operation of lifting equipment	Over 50 employees practiced hands-on skills
	A dedicated stand with PPE was used to deliver hands-on training in safe work practices at heights and in confined spaces. This approach helps employees gain practical experience	Over 100 employees trained

Safety Culture

TMK is creating the conditions for fostering an informed approach to safety and strengthening employee motivation to comply with OHS rules. For example, in 2024, we launched the Workplace Safety Culture project, aimed at reviewing existing processes, methodologies, and tools to strengthen the safety culture. One of PNTZ's shops was selected as a pilot site. Following a diagnostic audit, the shop's employees, together with the plant's OHS services, began updating OHS management processes. In 2024, the following activities were carried out:

- Theoretical and practical (on-the-job) training was organized on risk assessment methodologies, including Five Steps to Safety, Behavioral Safety Audits, and Intervention Practice
- The structure of OHS meetings was revised: each now begins with a Safety Contact — a brief update on a recent safety-related event
- The Regulations on the Occupational Health and Safety Committee were also revised

We consider employee awareness to be an essential element of workplace safety culture. To ensure that every employee remains informed about relevant updates, we use a variety of communication channels. These include the corporate newspapers proTMK and Probezopasnost, which cover workplace emergencies as well as their causes and consequences. Additionally, employees are regularly briefed on safety updates during meetings with management.

To further promote safety culture, TMK organizes company-wide OHS events and competitions. In 2024, employees from TMK Group enterprises, together with students

Safety starts at the top

At CHTPZ, line managers and their deputies are trained at the School of Foremen. The program enables specialists to upskill and gain both professional and cross-disciplinary knowledge across a wide range of topics, including OHS. Training covers topics such as building a safety culture, managing accidents, working with hazardous facilities, and ensuring fire safety.

A total of 71 employees successfully completed the program in 2024.

from universities and colleges, competed in OHS skills at the Master Games vocational skills competition. Participants completed regulatory forms and demonstrated correct use of PPE items as well as first aid skills.

Armor of Pipe Workers

At CHTPZ, a new video project titled Armor of Pipe Workers was launched to promote compliance with safety rules and highlight the importance of using PPE. In a series of videos, protective equipment was tested for strength to clearly demonstrate how it protects employees from workplace hazards and what can happen when PPE is not used. The tests included a helmet, flame-resistant suit, boots, gloves, and face shield.

The videos were produced with the involvement of OHS officers and featured real shop-floor employees. In 2024, five episodes were released and immediately distributed across the corporate media ecosystem, including the plant's information screens and CHTPZ's social media channels.

At the Horizons forum, several employees presented projects aimed at improving safety management practices. In 2024, a PNTZ employee developed the Digital Communications project, which introduced a digital assistant to support crane operators during loading and unloading operations. The assistant provides crane operators with real-time safety prompts when operating in blind spots, helping to eliminate or reduce injuries resulting from miscommunication with slingers.

Safety Day

TMK enterprises hold annual Safety Days, which involve not only Company employees but also contractor personnel. These events aim to foster a strong safety culture by encouraging dialogue on improving working conditions and collecting employee feedback.

Each year, our enterprises identify priority areas based on an analysis of the number of safety violations and accidents recorded in previous years. These areas are audited onsite, involving the Company's senior management and production site managers.

In 2024, Safety Day's key topics included: impact of electric current; pinching between objects, parts, or machines; electrical and gas welding operations; operation of manual tools; and the effectiveness of monitoring at 1st and 2nd tiers. In the reporting year, the event involved over 46 thousand Company employees and almost 4,000 contractor employees. As a result, about 1,000 labor safety improvements were planned, with more than 900 of them implemented as at the end of 2024.

A Day with a Foreman

In 2024, CHTPZ launched a new program titled A Day with a Foreman, under which plant managers visit the shop floor and accompany line managers throughout their shifts. They check compliance with occupational health and safety and document management requirements, assess the robustness of production processes, and review the format of shift meetings. Management provides feedback at each stage, and at the end of the Day with a Foreman, a report outlining corrective actions is drawn up and sent to the relevant unit. In 2024, Days with a Foreman were held quarterly and proved effective, so the practice is expected to continue.

WORKPLACE HEALTH AND DISEASE PREVENTION

GRI 403-3

TMK prioritizes the health and overall well-being of its employees by fostering a supportive work environment and ensuring timely access to professional medical care. Each pipe production enterprise of TMK has a 24/7 medical aid post in place, fitted with advanced medical equipment. These posts are staffed by certified and accredited professionals who regularly upgrade their qualifications.

Medical aid posts offer mandatory preliminary and scheduled (pre-shift and pre-trip) health screening as well as, where necessary, unscheduled medical checkups. Pre-shift and pre-trip health screening was automated through an electronic medical checkup system operating across all plants of the Pipe and Metallurgical Division. Checkups also include employees whose work is related to freight movement: crane operators and special-purpose machinery drivers. The use of the electronic medical checkup system enables early detection of symptoms in employees that may indicate the potential onset of cardiovascular diseases.

Plant-level sanitary medical officer

In 2024, CHTPZ introduced the position of a sanitary medical officer who monitors compliance with sanitary requirements across production and public areas. The sanitary medical officer is also responsible for reviewing employee feedback and developing appropriate corrective actions.

Thanks to the involvement of an experienced and qualified doctor, we introduced a range of measures to enhance employee working conditions, such as refurbishing plant canteens, installing showers in shops, equipping utility blocks with the necessary facilities, and much more.

In 2024, CHTPZ spent over RUB 78 million on hygiene protocols. Having proven effective, the introduction of the sanitary medical officer role is now part of TMK's Bank of Best Practices.

The Company prohibits its own staff and contractor employees from being present at workplaces or production areas under the influence of alcohol or drugs. Breathalyzers are used at plants as part of the access control system.

In addition to mandatory medical services, TMK offers its employees a voluntary health insurance (VHI) program, which covers both outpatient and inpatient treatment and telemedicine. The scope of VHI programs may differ across enterprises, depending on the region of operation and the healthcare institutions available locally. GRI 403-6

A large-scale cardiovascular disease prevention program has been in place at the Company since 2023. The program aims to lower the risk of conditions associated with high blood pressure, elevated cholesterol and glucose levels, excess weight, smoking, and other contributing factors. It focuses on five key areas: medical care, healthy eating, physical activity and fitness, health resort treatment, and awareness-raising. In 2024, the program was extended to TMK Group's largest plants: VTZ, TAGMET, STZ, SinTZ, PNTZ, and CHTPZ.

In addition to company-wide health and wellness programs, our plants also implement their own initiatives to improve employee access to medical services, promote healthy lifestyle, and enhance awareness in this area.

Employee health promotion initiatives in 2024

Healthcare area

Health assessment

Special analyzers enable the assessment of key physical health parameters, guiding the further development of an individualized nutrition and fitness plan

Over 2,000 studies conducted

Blood pressure monitoring

The electronic medical check-up system measures blood pressure and pulse rate and records the results for future reference. In cases of elevated blood pressure, employees are referred for follow-up medical checkups

Over 8,300 employees examined

Cholesterol screening

Conducted during annual health screening or periodic medical checkups

TMK Goes Tobacco-Free project

Participants receive a full course of nicotine replacement therapy at the Company's expense, with mentors offering guidance on how to quit tobacco through meetings and counseling sessions

Over 40% of participants abandoned smoking

Healthy eating

Healthy Plate campaign

This promotion campaign is held across all plant and office canteens to encourage employees to eat healthy and save money at the same time. Employees receive increased compensation for making healthy food choices

Fitness and sports

Gyms and memberships

Gyms are available at all plants, and employees are offered memberships or discounts for local sports clubs and activity groups

Sports events and marathons

Campaigns were held to promote healthy lifestyle:

- 10,000 Steps to Life
- 10,000 Steps to a Healthy Heart

Over 3,000 employees took part in the campaigns

Recreation

Recreation at corporate health resorts

Employees who work in a harmful environment or require medical treatment for health reasons are prioritized for health resort treatment vouchers, which they can use at a discount together with their children and spouses

Over 1,300 families/employees used health resort vouchers
Three new recreation destinations were added in the south of Russia

Information support

Weekly health promotion publications in the proTMK corporate newspaper and plant newspapers

Daily publications in Health2U in Mobi2U, sports drives in Mobi2U

Webinars on health and healthy lifestyle on SOTA2U

Healthy Eating course on SOTA2U

Healthcare activities carried out at TMK enterprises in 2024

Enterprise	Activities	Results
TAGMET	The local healthcare unit organizes health screening using an electronic patient record system	The medical checkup process was accelerated
TMK-INOX	A new fluorography unit with high diagnostic image quality and low radiation exposure was installed at the enterprise's medical aid post	More than 2,000 employees received preventive and diagnostic checkups
STZ	As part of the Find Out Your HIV Status annual campaign, employees were tested at the enterprise's medical aid posts Four Health School events were held at the plant's health center	A total of 71 employees participated in the outreach sessions on healthy lifestyle
PNTZ	An employee vitamin supplementation program is conducted in the fall and spring to prevent seasonal illnesses	More than 8,000 employees received vitamin and mineral supplements A total of 16 thousand vitamin supplements worth over RUB 5 million were purchased
	The plant offers ophthalmologist services to check the eyesight of employees who wear glasses or contact lenses. Special safety glasses with vision correction were ordered for employees whose jobs involve a high risk of eye injuries	110 employees had their eyesight tested

Prevention of Occupational Diseases

GRI 403-10 The Company organizes periodic medical checkups to ensure the timely detection of work-related ill health in employees exposed to work-related hazards. These employees are routinely referred for extended medical checkups, during which medical officers provide recommendations and, if necessary, develop treatment plans or prescribe rehabilitation courses.

Thanks to a comprehensive approach to improving working conditions and implementing treatment and preventive care measures, the Company maintained a consistently low incidence of work-related ill health during the reporting year. In 2024, ten cases of occupational diseases were registered among TMK Group employees: three at PNTZ, two each at TAGMET and CHTPZ, and one each at STZ, CSSP, and TMK PS (Volzhsky).

The most common occupational diseases reported during the year were those caused by exposure to industrial noise and dust.

MANAGEMENT OF CONTRACTORS

GRI 403-7 TMK pays no less attention to the safety of contractor employees performing work at its facilities.

We take a responsible approach to contractor selection and verify their compliance with legal requirements and internal OHS regulations. The obligations and responsibilities of contractors regarding safety compliance are set out in contract agreements as well as in TMK Group's Counterparty Management Policy and its Industrial Safety Policy.

Dedicated units at each enterprise are responsible for inspecting contractors for compliance with OHS requirements. Before work begins, these units monitor compliance with all applicable regulations and conduct mandatory induction briefings. This includes familiarization with TMK's safety requirements, proper use of personal protective equipment, and an overview of potential risks specific to the Company's production sites. Hazardous work on the shop floor and across enterprise sites is permitted only upon issuance of a work permit and is subject to additional checks of equipment and employee credentials. A work execution plan is mandatory for certain tasks and must be prepared before the work begins. On top of that, contractor compliance with safety requirements is tracked throughout the duration of the task.

In the event of OHS violations, designated enterprise representatives notify the contractor's management. Depending on the severity of the violations, the Company may impose penalties or terminate the contract.

Contractors working at production facilities are also covered by regular internal safety audits. Based on the audit results, findings and recommendations for improving safety management practices are shared with contractors. Contractor employees are also involved in Safety Day activities.

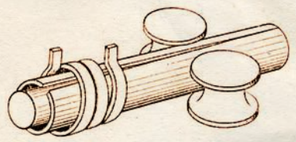
Contractor oversight

To improve contractor oversight, CHTPZ introduced the Regulations on the Admission of Contractors to Perform Work and Provide Services on the Company's Sites and Facilities and the Instruction on the Collection of Fines for Violations of Occupational Health and Safety, Industrial Safety, Environmental Protection, Transport Safety, Access Control, and On-Site Protocol Requirements. The Regulations outline the procedure for contractor admission to the site and include OHS requirements, which are considered and verified during the tender process. To ensure a high level of workplace safety, the plant involves contractor employees in Safety Day activities.

A JOURNEY THROUGH
PIPE INNOVATION

TMK

LARGE DIAMETER PIPE



Large diameter pipe — ranging from half a meter to several meters in cross-section — is widely used in the construction of trunk oil and gas pipelines and heat networks, in the operation of nuclear power plants, and as load-bearing structural elements. TMK plants use high-frequency welding to manufacture such pipe, with diameters of up to 2,520 mm.

11. ENGAGEMENT WITH REGIONS OF OPERATION

2.9

RUB bln — social investments

>1

thousand people participated in employee volunteering projects

>50

thousand tourists visited TMK's production enterprises

UN SDGs

Sustainability Strategy objectives

- Social investment and infrastructure development
- Social projects and charity

Key documents

- Policy on Social Investment, Charitable and Sponsorship Activities
- Employee Volunteering Policy
- Regulations on the Charity Policy
- Regulations on Charity (Endowment, Donation)

Organizational structure

MANAGEMENT APPROACH

GRI 3-3

TMK enterprises are located in nine regions of Russia. All plants, along with the parent company, PAO TMK, strongly contribute to improving the quality of life in their host cities.

The Company believes that, in addition to driving a positive social impact, the implementation of community support projects helps increase the level of community loyalty to the Company and supports its business growth. By enhancing regional infrastructure and backing local civic initiatives, we build our social capital, attract new talent, and ensure TMK's long-term growth.

The Company's activities in this area are governed by its Policy on Social Investment, Charitable and Sponsorship Activities as well as by internal regulations, which outline the procedure for providing financial assistance and other forms of support.

For more details on the documents governing engagement with regions, see the List of Key Sustainability Documents appendix.

Charitable and social projects are implemented either through the corporate Sinara Charitable Foundation or directly by TMK enterprises.

The involvement of the Sinara Charitable Foundation enables us to implement cross-regional projects across all key TMK locations. Each Group enterprise is represented on the Foundation's management board by a manager or deputy director for social policy, responsible for the implementation of social and charitable projects. The Foundation's management board approves charitable and social assistance projects across TMK's footprint and develops mechanisms for implementing these initiatives. TMK Group enterprises make annual contributions to the Foundation to support these efforts.

GRI 203-2
GRI 413-1

The majority of charitable and social projects — by total spending — are implemented directly by TMK enterprises in their respective regions of operation. The allocation of funds is overseen by managing directors. Such projects are informed by the needs of local communities, municipal authorities, and social institutions. TMK enterprises carry out their own initiatives, contribute to various community campaigns, support relevant non-profits and sponsored institutions, and provide targeted assistance. After the events, we collect feedback from beneficiaries.

SOCIAL INVESTMENT

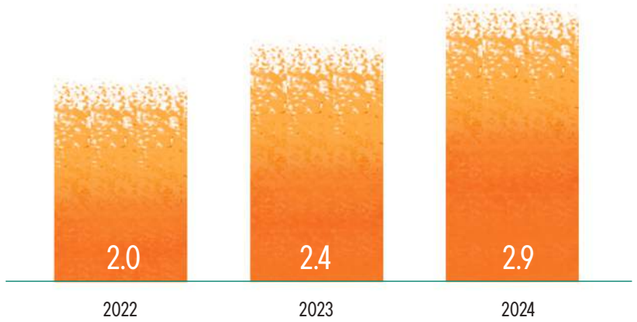
GRI 413-1

TMK's funds charitable and sponsorship activities for the benefit of local communities across its regions of operation. The Company's key social investment areas include support for culture, arts, sports, education, and healthcare as well as targeted assistance to non-profit organizations and certain social groups.

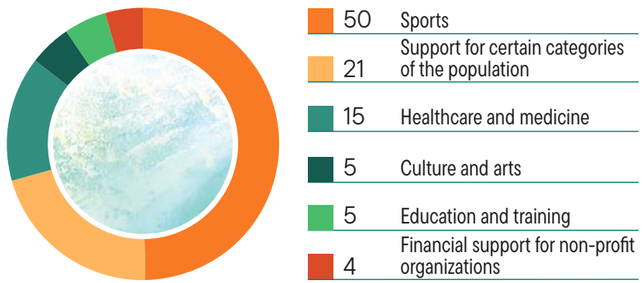
In the reporting year, social investments totalled RUB 2.9 billion. This increase (17% y-o-y) was primarily driven by higher investment in infrastructure projects. In 2024, these projects accounted for one-third (34%) of total social expenditures.

GRI 203-1

Social investments,[54] RUB billion



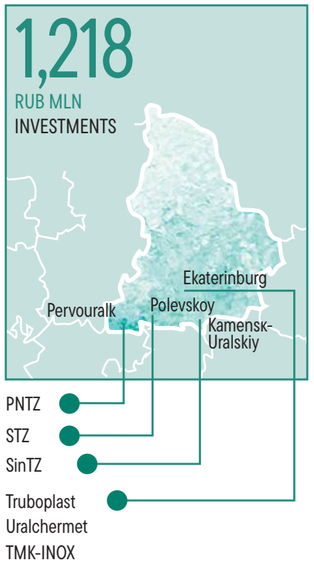
Social investment areas in 2024, %



Contribution of enterprises to regional development in 2024

GRI 203-2

SVERDLOVSK REGION



HEALTHCARE AND MEDICINE

- Improving the outdoor areas of hospitals and health centers, opening a new medical center

EDUCATION AND TRAINING

- Providing assistance to universities, colleges, and sponsored schools and childcare centers (upgrading facilities and improving the outdoor areas)

CULTURE AND ARTS

- Providing assistance to cultural institutions with renovation
- Supporting creative teams
- Supporting an innovative cultural center, opening an art gallery
- Holding mass cultural events
- Decorating public spaces for holidays

FINANCIAL SUPPORT FOR NON-PROFIT ORGANIZATIONS

- Supporting civic initiatives and community groups
- Supporting industry and professional associations

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

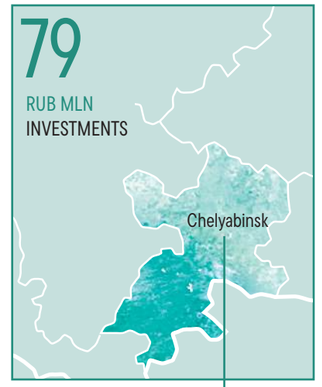
- Providing assistance to long-serving enterprise employees and veterans' organizations
- Maintaining holiday centers and health camps
- Supporting churches
- Revamping urban utility systems

SPORTS

- Building an ice arena
- Supporting sports teams, purchasing sports uniforms
- Sponsoring hockey and soccer clubs, a rifle club, and regional sports federations
- Organizing sports events

Infrastructure projects

CHELYABINSK REGION



HEALTHCARE AND MEDICINE

- Providing assistance to hospitals

EDUCATION AND TRAINING

- Supporting the Russian Economic Forum
- Supporting universities, awarding scholarships, assisting sponsored schools and childcare centers
- Holding career guidance events

CULTURE AND ARTS

- Organizing theatrical performances
- Maintaining community centers
- Holding events and competitions for gifted children and youth, supporting art festivals

FINANCIAL SUPPORT FOR NON-PROFIT ORGANIZATIONS

- Supporting environmental and charitable foundations and non-governmental organizations
- Holding charity fairs

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

- Helping seriously ill children and people with disabilities
- Providing assistance to orphanages
- Providing assistance to churches and monasteries
- Supporting veterans' organizations

SPORTS

- Purchasing sports uniforms and equipment
- Supporting children's sports
- Supporting regional sports federations

VOLGOGRAD REGION

HEALTHCARE AND MEDICINE

- Assisting with renovation at a city outpatient clinic
- Providing assistance to a rehabilitation center for children with disabilities

EDUCATION AND TRAINING

- Providing assistance to a technical college, school, and vocational school (purchasing equipment for laboratories, fitting out classrooms)

CULTURE AND ARTS

- Providing assistance to a museum and exhibition complex
- Financing a history exhibition
- Financing city-based public celebrations and festivals
- Supporting creative teams

FINANCIAL SUPPORT FOR NON-PROFIT ORGANIZATIONS

- Renovating the building of the Foundation for Community-Led Social Support
- Supporting the Volzhsky City Charitable Children's Foundation
- Providing assistance to the regional branch of the Russian Children's Foundation
- Participating in the organization of projects for people with disabilities
- Providing assistance to animal shelters

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

- Providing assistance to orphanages (purchasing stationery supplies, organizing celebrations and education)
- Supporting churches and monasteries (renovation, area improvement)
- Providing assistance to urban and rural administrations with local area improvements
- Supporting veterans' organizations

SPORTS

- Purchasing sports uniforms and equipment
- Supporting children's sports
- Supporting regional sports federations
- Renovating sports facilities

Infrastructure projects

ORENBURG REGION

HEALTHCARE AND MEDICINE

- Providing assistance to a children's hospital

EDUCATION AND TRAINING

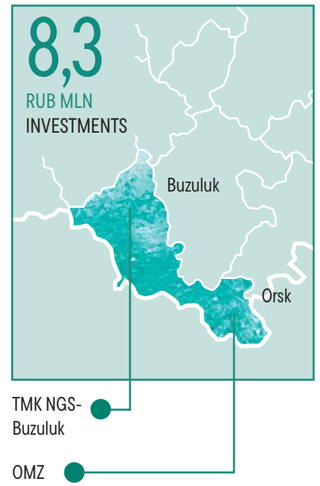
- Supporting universities and sponsored colleges, purchasing equipment

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

- Providing assistance to a children's center and orphanage
- Helping spring flood victims

SPORTS

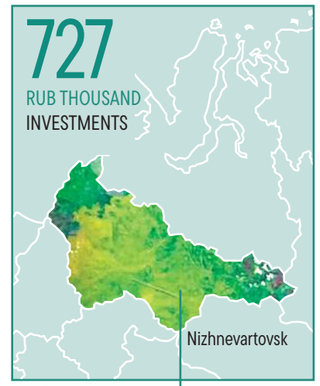
- Holding charitable sports events
- Supporting children's sports
- Participating in the organization of sports events (laser tag, hockey, and futsal competitions)



KHANTY-MANSI AUTONOMOUS AREA — YUGRA

SPORTS

- Renting a gym for employees
- Organizing the Mom, Dad, and Me fun sports competitions



ROSTOV REGION

HEALTHCARE AND MEDICINE

- Providing assistance to healthcare facilities (equipment, renovation, furniture)

EDUCATION AND TRAINING

- Holding career guidance events
- Providing assistance to childcare centers (area improvements)

CULTURE AND ARTS

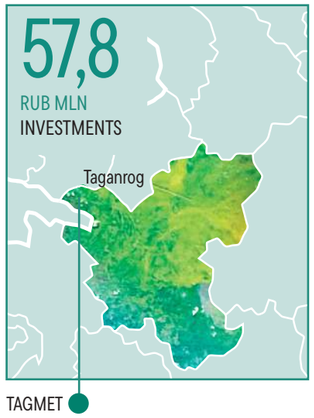
- Financing the Sambek Heights project
- Supporting an art museum
- Contributing to the organization of festivals

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

- Caring for long-serving enterprise employees and providing assistance to veterans' organizations
- Providing assistance to orphanages
- Beautifying the host city and its embankment, repairing roads
- Running environmental campaigns, cleaning urban areas

SPORTS

- Financing a sports organization



Infrastructure projects

MOSCOW AND OTHER REGIONS WHERE PAO TMK OPERATES

HEALTHCARE AND MEDICINE

- Providing assistance to blood transfusion centers

EDUCATION AND TRAINING

- Supporting Ural Federal University through a scholarship program

CULTURE AND ARTS

- Supporting theater arts
- Financing the Sinara Foundation for Support and Implementation of Cultural Initiatives

FINANCIAL SUPPORT FOR NON-PROFIT ORGANIZATIONS

- Making contributions to the Poznaniye charitable foundation
- Supporting the Khoroschool educational foundation

SUPPORT FOR CERTAIN CATEGORIES OF BENEFICIARIES

- Helping flood victims
- Supporting charitable projects
- Providing assistance to churches
- Making membership contributions to industry and professional associations

SPORTS

- Sponsoring soccer, volleyball, and hockey clubs as well as a futsal club
- Financing rugby, diving, chess, and judo sports federations
- Building sports facilities

CHARITY

GRI 203-2
GRI 413-1

The Sinara Charitable Foundation is the sole operator of TMK Group's charitable activities.[55] It is included in the register of social-impact non-profits and, in 2024, was granted the official status of a Partner of National Projects, recognizing the Foundation's contribution to Russia's national goals.

Awards

In the reporting period, the Sinara Charitable Foundation was granted the status of a Partner of National Projects. The Tochka Opory (Foothold) and Employee Volunteering initiatives, aimed at supporting the Education national project, were highly praised by experts and named among the finalists of the Our Contribution award.

The Foundation has a robust management system in place, which provides, among other functions, oversight of expenditures. The Foundation's management board, its highest executive body, includes HR directors from key TMK Group enterprises. The management board is responsible for making strategic decisions, approving budgets, and selecting winners of various competitions organized by the Foundation. The board of trustees and the revision commission oversee the Foundation's activities.

The Foundation implements long-term social-impact programs and projects across all focus areas of the Company's social support efforts and coordinates employee volunteering initiatives in the regions where TMK operates.

Programs and projects of the Sinara Charitable Foundation

Initiative	Description
Named projects	Projects pursued by non-profit or non-governmental organizations under the Foundation's ongoing patronage
Joint projects	Projects implemented jointly with museums, sports clubs, galleries, and other organizations
Grant competitions	Competitions aimed at supporting local communities and social projects by awarding grants
Targeted aid	Assistance provided upon request from schools, childcare centers, hospitals, orphanages, or cultural and sports institutions for the purchase of equipment, furniture, sports equipment, or textbooks, or for organizing events
Targeted support for non-profit organizations	Assistance to non-governmental organizations in the regions of operation for specific purposes
Volunteer activities	Centralized management of employee volunteering at enterprises

Named projects

Project	2024 results
Tochka Opory (Foothold) An interactive project to introduce high-school students to blue-collar jobs in demand in Russian regions. Master classes, quests, and trainings are organized for school students and teachers, along with guided tours to familiarize them with the production process	6,000 school students from 16 cities took part in the project 46 dedicated classrooms equipped 45 teachers participated in trainings
The Managers League The project is designed to identify, train, and support talented project leaders across TMK's regions of operation	9 participating cities 18 winners received grants
Rostochek (Little Sprout) The program is designed to enhance facilities and conditions for preschool children in municipal educational institutions	39 childcare centers in 8 cities received assistance 1,600 sets of bed linen given to preschools
Great Music for Little Hearts Music education for children from orphanages. The initiative involves a series of developmental music classes inspired by advanced methods of working with children and an immersive approach	9 orphanages took part in the project 18 concert lessons were held for 500 children
ABC of the Theater As part of the project, children from orphanages and rehabilitation centers in the Sverdlovsk and Chelyabinsk Regions are introduced to the best productions of partner theaters	5 partner theaters participated in the project 9 performances were shown
Happy New Year Under the project, children from orphanages attend New Year's shows and receive gifts from the Foundation	Tickets for New Year shows were purchased for children from 4 orphanages
The Great Ural Trail (GUT) A project to mark biking and hiking trails along the longest mountain route in Russia	8 volunteers from Yekaterinburg, Polevskoy, Pervouralsk, and Chelyabinsk walked along the Chistop Ridge–Ushma River–Dyatlov Pass route 65 km of the GUT marked A description of the new GUT segment was compiled for tourists
Daily Charity A fundraising project through which all proceeds are directed toward purchasing medicines and conducting medical examinations for children undergoing oncology and hematology treatment in Yekaterinburg and Kaluga	Reagents purchased to equip the laboratory of the Center for Pediatric Oncology in Yekaterinburg
Bezhim s Dobrom (Run for the Good) Under the project, anyone can take part in a "run of kindness", making a meaningful contribution to the pool of support for children in need	Runs held in 4 cities The funds were used to purchase medical equipment, furniture, and hygiene items for children from families in difficult circumstances
Mercy Bus The Mercy Bus project aims to provide food, clothing, footwear, and disinfection station vouchers for homeless and elderly people. Volunteers assist in locating family members, purchasing travel tickets, and providing basic medical aid	Tickets were purchased to help people return home Assistance was provided in restoring identification documents Homeless and elderly people were supplied with clothing and food

Project	2024 results
Pain-Free Children's Hospital The project aims at promoting the latest low-invasive manipulations and surgical interventions in the treatment of children and creating comfortable conditions for children and their parents staying in the hospital	10 children's hospitals received assistance 16 electric vehicles purchased to help children move around the hospital grounds 180 pieces of medical equipment and furniture purchased as well as an operating table, a laparoscope, and bulking substance
The Nutcracker Invites The biannual competition held under the patronage of the Bolshoi Theater of Russia aims to foster children's creative potential	680 people participated in the festival-competition 16 winners were awarded cash prizes
Petrushka the Great An international puppet theater festival aimed at promoting cultural exchange and strengthening creative ties among theaters worldwide	12 productions by masters from 9 Russian cities and from China
Support for the Sverdlovsk State Academic Philharmonic Society The Sinara Charitable Foundation supports the artistic activities of the Academic Philharmonic Orchestra. The ensemble takes part in major music festivals around the world	Financial support totaling RUB 1 million was provided to the Philharmonic Orchestra

Joint projects

Project	2024 results
I Dream The project is implemented in partnership with the Moskva soccer club and aims to help children with musculoskeletal disorders or in need of high-tech bionic prostheses	The family of a child with a musculoskeletal condition received RUB 300 thousand to enable participation in a swimming competition

Targeted support

Project	2024 results
Helping spring flood victims	In 2024, the Sinara Charitable Foundation organized a fundraising campaign to help flood victims in the Orenburg and Kurgan Regions. Employees of TMK and other trustee companies received financial assistance totaling RUB 62.5 million

Grant Competitions

The Sinara Charitable Foundation holds two annual grant competitions covering project-based support for non-profit and public sector organizations and support for local communities. Eligible participants include non-governmental organizations, charitable foundations, associations, unions, local self-governance bodies, religious organizations, and non-profit partnerships.

Competition	Goal	2024 results
Project-based support for organizations Maximum grant amount: RUB 200 thousand	To identify and support best practices among social-impact non-profits, promote volunteering, and bring together people who are taking the initiative to tackle the problems facing society	11 Russian cities 145 applications submitted RUB 9 million — total funding
Support for local communities Maximum grant amount: RUB 500 thousand	Financial support for the day-to-day activities of non-profit organizations: holding festivals, purchasing equipment and stationery supplies, paying rent, covering utility bills and transportation costs, and paying staff salaries	11 Russian cities 81 applications submitted RUB 5.4 million — total funding

The Sinara Foundation for Support and Implementation of Cultural Initiatives

TMK's large-scale cultural and arts projects are implemented through the corporate Sinara Foundation for Support and Implementation of Cultural Initiatives, established in 2022. The Foundation's key areas of activity include organizing theatrical tours and exhibition events as well as supporting cultural institutions and festivals. The Foundation council is the highest collegial governing body, responsible for determining priority focus areas and approving project budgets, while the board of trustees oversees the Foundation's activities.

The Foundation actively participates in implementing exhibition projects in collaboration with various museums, including the State Tretyakov Gallery and the Moscow Museum of Modern Art. It also focuses on emerging art forms, actively supporting digital creativity and multimedia projects, including the Play DigitalArt festival.

The highlight of the reporting year was the organization of a tour of the Theater of Nations in Yekaterinburg as part of the Integration program.

In addition, the Foundation implemented the Curator School educational project, aimed at enhancing the professional qualifications of curators and specialists in museum development.

EMPLOYEE VOLUNTEERING

TMK employees are actively engaged in volunteer activities and events organized by the Sinara Charitable Foundation and Group enterprises. Since 2022, TMK has operated an Employee Volunteer Center, which coordinates volunteering efforts and encourages employee participation in Foundation-led initiatives.

Volunteer activities are guided by the principles outlined in the Employee Volunteering Policy.

Each enterprise has designated supervisors who organize volunteer efforts on the ground and have biweekly meetings with the head of the Center to discuss current matters. In 2024, the supervisors completed specialized training in effective coordination of volunteer activities.

Corporate digital tools also help manage our volunteering efforts. The Mobi2U app, for example, features a dedicated Volunteering section and a chat used to coordinate activities and keep employees informed. In the reporting year, we also launched a new section on the SOTA2U platform, automating the process of registering as a volunteer.

This holistic approach to promoting employee volunteering helped drive engagement, with more than 1,000 employees participating in volunteering initiatives and projects in 2024. Overall, we allocated about RUB 2.4 million to support volunteer efforts.

In the reporting year, the Company organized its first Volunteer Forum, bringing together volunteers from across TMK enterprises to share experiences. During the Forum, participants discussed elements of the volunteer motivation program and proposed their own volunteering ideas, with the best ones implemented as quickly as by the year-end. In addition, we awarded the most distinguished volunteers and volunteer teams. A total of 140 plant employees participated in the Forum.

The Volunteer Center also runs annual company-wide events, such as the From Heart to Heart blood donation program and the GivingTuesday initiative. On top of this, in 2024, the Sinara Charitable Foundation initiated new projects — Cleaning Heroes and Lessons of Kindness — involving TMK employee volunteers.

Awards

In 2024, TMK's volunteer initiatives were recognized by the professional community.

In particular, the corporate blood donation development program received a letter of appreciation from the Civic Chamber of Russia and its Coordination Council for Blood and Bone Marrow Donation.

TMK came second in the Health and Sports category of the Champions of Good Deeds competition with its From Heart to Heart corporate program to promote donorship.

On top of this, plant volunteers provide targeted support to orphanage residents, elderly people, low-income families, and animal shelters and take part in local environmental campaigns across their host regions.

Company-wide volunteer events

From Heart to Heart blood donation program

Power of Plasma campaign (blood plasma donation)
Almost 300 volunteers participated
Over 140 liters of plasma donated

Let Children Smile Again! campaign (blood donation)
600 volunteers participated
270 liters of blood collected

Healthy Responsibility campaign (educational lectures and bone marrow donation)
More than 700 volunteers attended the lectures
162 employees added to the register of potential donors

GivingTuesday

The highlight of 2024 — a fundraising campaign to support senior citizens
Almost RUB 900 thousand directed to support the elderly

Cleaning Heroes environmental cleanup day

Large-scale environmental clean-up campaigns at social institutions, public spaces, and natural sites
176 volunteers participated

Lessons of Kindness interactive activities for children

An educational project aimed at promoting humane treatment of animals and encouraging children to care for nature. As part of the project, volunteers and children visited a wildlife rehabilitation center
More than 200 children took part in the activities

Volunteer activities carried out at TMK enterprises in 2024

Enterprise	Activities
CHTPZ	Assistance to flood victims: setting up a temporary shelter and delivering medicines and food Targeted aid to veterans Handicraft workshops Environmental festivals, cleanup events in and around the host city, and participation in marking the Great Ural Trail Events for children from social institutions: ice skating, Dumpling Day, Children's Day celebration, and sports events Get a Child Ready for School campaign, holding Lessons of Kindness
VTZ	The Christmas Star campaign to collect funds and gifts for children from sponsored organizations Let's Pack the Schoolbag Together campaign Individual visits and patronage of sponsored families Candy for a Cigarette campaign Participation in the Blood Group donor campaign
STZ	The Birthday Celebration with Friends campaign to provide personalized greetings to children in care Charity laser tag tournaments, fun relays, and other sports events The Apple Pie Queen charity contest to raise funds for treating employees' children requiring ongoing treatment A flower-planting campaign in a host city park
SinTZ	Charity campaigns for children from the host city's social rehabilitation centers Cleanup days on plant grounds, in city areas, and in animal shelters Targeted aid to veterans
TAGMET	Collecting food and clothes for a women's support center City cleanup days and cleanup days at a local baby orphanage A tree-planting campaign Travelling Grandfather Frost campaign
PNTZ	Support for the Great Eco Festival of the First Clean Games environmental quest to collect waste Employee fundraising campaigns for an orphanage Cleanup days on plant grounds and in the host city
OMZ	Good Caps — a national environmental campaign promoting plastic bottle cap recycling Collection of used batteries and plastic bottles Area improvements in the city after the spring flood, cleanup days Assistance to flood victims: setting up a temporary shelter and delivering medicines and food
Machine-Building Division	Environmental campaigns in the Zyuratkul and Taganay national parks in the Chelyabinsk Region Participation in blood donation campaigns

INDUSTRIAL TOURISM

TMK is systematically developing industrial tourism, viewing it as part of its strategic communications. These efforts help preserve and promote historical and industrial heritage, showcase technological achievements and environmental stewardship, boost employee engagement, and support the regional economy.

Since the Company's inception, we have been giving shop-floor tours for business partners. TMK Group now has eight plants offering guided tours to production sites for various categories of visitors — CHTPZ, STZ, PNTZ, VTZ, TAGMET, SinTZ, CSSP, and TMK Steel Technologies. In 2024, interest in guided tours to TMK's production sites and corporate museums grew significantly: more than 50 thousand people visited the Company's industrial facilities.

Four plants — CHTPZ, STZ, PNTZ, and VTZ — have established a well-developed infrastructure and tourist routes that include visits to modern production shops and corporate museums or guided shop-floor tours highlighting the plants' historic milestones.

At each plant, industrial tourism is coordinated by different departments depending on site-specific business profile. At the TMK Group level, these matters are overseen by the Head of Industrial Tourism.

In 2024, the Company developed a set of guidelines for organizing industrial tourism at its facilities and training responsible employees. This has enabled TMK to enhance the quality of guided tour programs at the plants and formalize the related processes.

The Company has established a unified system for internal and external communications around industrial tourism.

During guided tours, a heightened emphasis is placed on the safety of the routes. Each plant is required to provide visitors with appropriate personal protective equipment and workwear.

Awards

In 2024, TMK's industrial tourism practices were recognized by several awards and competitions.

At the Our Contribution national awards, TMK was granted the status of a Partner of National Projects for its contribution to the implementation of the Tourism and Hospitality Industry national project.

CHTPZ, VTZ, STZ, and TAGMET earned top positions in the Industrial Tourism: Russia's Leaders 2024 ranking.

STZ and PNTZ were recognized at the National Corporate Museum Awards, winning the Exhibition of the Year and Best Museum Event categories, respectively.

STZ also received the Route Is Built national industrial tourism award, while its flagship tourist site — the Severskaya Blast Furnace museum complex — was awarded the Heritage of the Middle Urals status.

TMK's industrial tourism-related communications system

Internal communications

- Inter-plant exhibition projects
- Corporate tourism
- Professional museum community
- Events for employees in corporate museums
- Interaction with the Sinara Charitable Foundation, Sinara Foundation for Support and Implementation of Cultural Initiatives, and Sinara Center cultural and exhibition complex

External communications

- Engagement with the professional museum community
- Project-based collaboration with cultural institutions
- Engagement with universities and colleges
- Cooperation with regional tourism development centers, non-governmental organizations, and government bodies

STZ

> 20 thousand tourists visited the enterprise in 2024

The Severskaya Blast Furnace museum complex is a key industrial tourism site at one of the oldest enterprises in the Urals, where 19th-century buildings and metallurgical equipment have been preserved. Strong interest in the museum inspired STZ to create the Metallurgy Through the Ages: From a Finery Hammer to a Digital Plant route, where tourists can see both the blast furnace of the distant past and modern high-tech production in the plant's electric arc furnace shop and rolling shop. In 2024, STZ's museum served as one of the principal venues for events celebrating the plant's 285th anniversary.

PNTZ

> 10 thousand tourists visited the enterprise in 2024

In 2024, following an extensive upgrade, the plant relaunched its museum, transforming it into a modern exhibition and museum center at the PNTZ grounds. The new space features an interactive multimedia exhibition dedicated to the origins of metallurgy in Pervouralsk in the 18th century and all historical milestones of the plant's development. The center has become the starting point for industrial tour routes. In the absence of a local history museum in the city, the center now serves as the primary museum space for the local community.

As part of The Pipes Are Calling! project to promote industrial tourism, in 2024, the plant hosted a week of industrial tours to mark its 90th anniversary, attracting around 200 visitors.

CHTPZ and TMK PS

> 9 thousand tourists visited the enterprise in 2024

The Vysota 239 shop, part of TMK PS, focused on the manufacturing of large-diameter pipe, has long been a major tourist attraction. A diverse range of cultural events is held at CHTPZ and the Vysota 239 shop, the 2024 highlight being the Chronicle of the Modern Plant art residency organized in collaboration with the Sinara Art Gallery. Over the course of a month, five artists were engaged in the workshop and on the shop floor, creating original projects inspired by the history of CHTPZ, its architectural space, and the people who work there. In total, 17 works of art were created and added to the Company's museum collection. In addition, the plant welcomed the writer Alexey Ivanov, who explored the industrial tour route and delivered a lecture to plant employees.

VTZ

> 3 thousand tourists visited the enterprise in 2024

At Volzhsky Pipe Plant, the Company's industrial tourism route includes several locations. It begins at the plant's administrative office, where guests are introduced to the Perspicillum educational project and the Steel Safety Room — a unique media space that uses audio and visual effects to explain the occupational safety rules in place, showcase the protective equipment used, and immerse visitors in the Company's culture of safety. On the plant grounds, tourists are drawn to the creative design elements of the Safety Invention Center and ECO HOUSE TMK, the control room of the plant's continuous rolling mill, and a trade union library styled as an English drawing room.

A significant milestone in 2024 was the launch of a new guided tour at the recently commissioned stainless steel pipe finishing facility, along with the establishment of a dedicated industrial tourism office.

A JOURNEY THROUGH
PIPE INNOVATION

TMK

QUICK-ASSEMBLY CONNECTIONS,
21ST CENTURY

It's not enough to produce pipes — a reliable way to connect them into a pipeline is also essential. This is especially important in oil and gas production and hydrocarbon transportation, where pipelines must be assembled quickly and efficiently. TMK plants have developed and manufacture quick-assembly connections that can be used in any offshore projects, at any depths, and in the most challenging climatic conditions.

12. APPENDICES

Boundaries of Material Topics[56]

GRI 2-2
GRI 3-1

Entity	Occupational health and safety	Customer focus and product quality assurance	Water consumption and discharge	Sustainable supply chain	Business ethics and anti-corruption	Waste management	Employment and decent working conditions	Air pollutant emissions	Human rights	Employee training and development	Use of raw and other materials
PAO TMK	+	+		+	+		+		+	+	
JSC Chelyabinsk Pipe Plant	+	+	+	+	+	+	+	+	+	+	
JSC Chelyabinsk Steel Structure Plant	+	+	+	+	+	+	+	+	+	+	+
LLC CHERMET Group				+	+		+		+	+	
JSC Pervouralsk Pipe Plant	+	+	+	+	+	+	+	+	+	+	+
JSC Sinarsky Pipe Plant	+	+	+	+	+	+	+	+	+	+	+
JSC Seversky Pipe Plant	+	+	+	+	+	+	+	+	+	+	+
JSC Taganrog Metallurgical Plant	+	+	+	+	+	+	+	+	+	+	+
JSC TMK-CPW				+	+		+		+	+	
LLC TMK-INOX	+	+	+	+	+	+	+	+	+	+	
LLC TMK Pipeline Solutions	+	+	+	+	+	+	+	+	+	+	
JSC Volzhsky Pipe Plant	+	+	+	+	+	+	+	+	+	+	+
LLC Blagoustroistvo				+	+		+		+	+	
JSC Zhilevskaya Metal Store				+	+		+		+	+	
LLC TMK Pipe Service	+	+	+	+	+	+	+	+	+	+	+
LLC TMK Taimyr				+	+		+		+	+	
LLC TMK NGS-Buzuluk	+	+	+	+	+	+	+	+	+	+	+
JSC TMK Power Network Company	+	+		+	+		+		+	+	
LLC TMK Steel Technologies	+	+	+	+	+	+	+	+	+	+	
LLC TMK Oilfield Services	+	+	+	+	+	+	+	+	+	+	
JSC Orsky Machine Building Plant	+	+	+	+	+	+	+	+	+	+	+
JSC Rakityansky Valve Plant	+	+	+	+	+	+	+	+	+	+	+
JSC Sinarskaya Power Plant				+	+		+		+	+	
LLC TMK Energoresurs				+	+		+		+	+	
JSC Pipeline Bends	+	+	+	+	+	+	+	+	+	+	+
LLC TMK TechService	+	+		+	+		+		+	+	
LLC Truboplast	+	+	+	+	+	+	+	+	+	+	+
JSC Uralchermet	+	+	+	+	+	+	+	+	+	+	
JSC TMK NGS-Nizhnevartovsk	+	+	+	+	+	+	+	+	+	+	+
LLC TMK-Premium Service	+	+		+	+		+		+	+	
JSC Trade House TMK		+		+	+		+		+	+	
JSC The Russian Research Institute of the Tube & Pipe Industries	+			+	+		+		+	+	
LLC TMK's Research Center	+			+	+		+		+	+	
LLC TMK's R&D Center	+			+	+		+		+	+	
LLC TMK Business Service Center	+			+	+		+		+	+	
Sosnovy Bor, PNTZ Holiday Center				+	+		+		+	+	

Entity	Occupational health and safety	Customer focus and product quality assurance	Water consumption and discharge	Sustainable supply chain	Business ethics and anti-corruption	Waste management	Employment and decent working conditions	Air pollutant emissions	Human rights	Employee training and development	Use of raw and other materials
LLC CHTPZ — Service				+	+		+		+	+	
JSC DIP				+	+		+		+	+	
CHTPZ Culture Center				+	+		+		+	+	
JSC Ekorus-Pervouralsk				+	+		+		+	+	
LLC FIRE SAFETY				+	+		+		+	+	
LLC Pokrovka 40				+	+		+		+	+	
IC LLC Rockarrow Investments				+	+		+		+	+	
LLC Promtrans				+	+		+		+	+	
LLC TMK ETERNO				+	+		+		+	+	
LLC Uralsky Gorizont				+	+		+		+	+	
LLC Priazovye				+	+		+		+	+	
LLC Uralsky Dvor				+	+		+		+	+	

GRI Content Index

Statement of use	PAO TMK has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024.
GRI 1 USED	GRI 1: Foundation 2021

GRI standard	Disclosure	Location	Comments
GRI 2: GENERAL DISCLOSURES 2021			
1. The organization and its reporting practices			
2-1	Entities included in the organization's sustainability reporting	About the Report, Approach to Reporting, page 8, Appendices, Boundaries of Material Topics, page 18	The Company's controlling shareholder is IC LLC TMK STEEL HOLDING, registered in Russia on June 9, 2023. As of December 31, 2024, 10.9% of shares were free float. Among PAO TMK's shareholders, no persons other than IC LLC TMK STEEL HOLDING own at least 5% of voting shares or at least 5% of the Company's authorized capital. PAO TMK's core business activity is holding company operations.
2-2	Entities included in the organization's sustainability reporting	About the Report, Approach to Reporting, page 9, Appendices, Boundaries of Material Topics, page 204	
2-3	Reporting period, frequency, and contact point	About the Report, Approach to Reporting, page 9, Appendices, Contacts, page 249	This Report was published in 2Q 2025.
2-4	Restatements of information	About the Report, Approach to Reporting, page 9	
2-5	External assurance	About the Report, Approach to Reporting, page 10, Appendices, Independent Assurance, page 244	
2. Activities and workers			
2-6	Activities, value chain, and other business relationships	Company Overview, Company at a Glance, page 18, Responsible Supply Chain, Management Approach, page 82	TMK Group does not manufacture products or provide services that are banned in any markets. There were no significant changes in TMK Group's sectors, value chain, or other business relationships in the reporting year.
2-7	Employees	Our Employees, Breakdown of Employees, pages 139, 140, Appendices, Additional Sustainability Disclosures, pages 236 and 237	Items b. iii; iv (breakdown by region); and v (breakdown by region) are not disclosed, as the Company does not keep relevant statistics.
2-8	Workers who are not employees		This information is not disclosed, as the Company does not keep relevant statistics.
3. Governance			
2-9	Governance structure and composition	Sustainability Management, Sustainability Management System, page 37, Corporate Governance, Corporate Governance System, pages 53, 54, 55, 57 and 59, Additional Sustainability Disclosures, page 228	TMK is guided by the provisions of Resolution of the Russian Government No. 1102, On the Specifics of Disclosure and/or Submission of Information, Which Is Subject to Disclosure and/or Submission Under the Federal Law On Joint Stock Companies and the Federal Law On the Securities Market, dated July 04, 2023.
2-10	Nomination and selection of the highest governance body	Corporate Governance, Corporate Governance System, pages 54 and 56	

GRI standard	Disclosure	Location	Comments
2-11	Chair of the highest governance body		The CEO is not the Chairman of the Board of Directors.
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Management, Sustainability Management System, page 37, Corporate Governance, Corporate Governance System, pages 41 and 43, Sustainability Risk Management, page 63	
2-13	Delegation of responsibility for managing impacts	Sustainability Management, Sustainability Management System, page 37	The Board of Directors holds meetings with functional heads as necessary to discuss economic, environmental, and social matters.
2-14	Role of the highest governance body in sustainability reporting	About the Report, Approach to Reporting, page 8, Sustainability Management, Sustainability Management System, page 37, Corporate Governance, Corporate Governance System, page 58	
2-15	Conflicts of interest	Corporate Governance, Corporate Governance System, page 60	No conflicts of interest were identified with members of the Board of Directors in the reporting year.
2-16	Communication of critical concerns	Corporate Governance, Corporate Governance System, page 54	Information on the total number and the nature of critical concerns communicated to the Board of Directors in the reporting year is not disclosed, as it is sensitive to the Company.
2-17	Collective knowledge of the highest governance body	Corporate Governance, Corporate Governance System, page 54	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance, Corporate Governance System, page 55	The evaluation of the performance of the highest governance body conducted in the reporting year identified no critical areas for improvement; the current level is in line with best practices.
2-19	Remuneration policies	Corporate Governance, Corporate Governance System, page 61	
2-20	Process to determine remuneration	Corporate Governance, Corporate Governance System, page 61	Remuneration consultants were not involved in determining the remuneration.
2-21	Annual total compensation ratio		TMK is guided by the provisions of Resolution of the Russian Government No. 1102, On the Specifics of Disclosure and/or Submission of Information, Which Is Subject to Disclosure and/or Submission Under the Federal Law On Joint Stock Companies and the Federal Law On the Securities Market, dated July 04, 2023, and does not report the ratio of the annual compensation for the organization's highest-paid individual to the median annual total compensation for all employees, as this information is sensitive for the Company.
4. Strategy, policies, and practices			
2-22	Statement on sustainable development strategy	Sustainability Management, Management Approach, page 36	TMK is guided by the provisions of Resolution of the Russian Government No. 1102, On the Specifics of Disclosure and/or Submission of Information, Which Is Subject to Disclosure and/or Submission Under the Federal Law On Joint Stock Companies and the Federal Law On the Securities Market, dated July 04, 2023, and does not disclose personal data of senior managers.

GRI standard	Disclosure	Location	Comments
2-23	Policy commitments	Company Overview, Company at a Glance, page 18, Sustainability Management, Sustainability Management System, page 37, Sustainability Documents, page 42, Human Rights, page 45	
2-24	Embedding policy commitments	Sustainability Management, Sustainability Management System, page 37, Sustainability Documents, page 42	
2-25	Processes to remediate negative impacts	Corporate Governance, Business Ethics and Anti-Corruption, page 68	
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance, Business Ethics and Anti-Corruption, page 68	
2-27	Compliance with laws and regulations	Environmental Stewardship, Management Approach, page 97	
2-28	Membership of associations	Sustainability Management, Participation in External Initiatives and Industry Associations, page 44	
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	Sustainability Management, Stakeholder Engagement, page 43, Our Employees, Social Support to Employees, page 147, Appendices, Stakeholder Engagement, page 222	
2-30	Collective bargaining agreements	Our Employees, Social Support to Employees, page 147, Appendices, Additional Sustainability Disclosures, page 237	The working conditions and terms of employment are the same for all Company employees, whether covered by a collective bargaining agreement or not.
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	About the Report, Approach to Reporting, page 9, Determining Material Topics, page 11, Appendices, Boundaries of Material Topics, page 204	
3-2	List of material topics	About the Report, Determining Material Topics, page 13	
GRI 200: ECONOMIC			
Material topic: Economic Performance			
GRI 201: ECONOMIC PERFORMANCE			
3-3	Management of material topics	Company Overview, Company at a Glance, page 18	
201-1	Direct economic value generated and distributed	Appendices, Additional Sustainability Disclosures, page 227	
201-2	Financial implications and other risks and opportunities due to climate change	Climate and Energy Efficiency, Managing Climate-Related Risks and Opportunities, page 123	

GRI standard	Disclosure	Location	Comments
201-3	Defined benefit plan obligations and other retirement plans		TMK is guided by the provisions of Resolution of the Russian Government No. 1102, On the Specifics of Disclosure and/or Submission of Information, Which Is Subject to Disclosure and/or Submission Under the Federal Law On Joint Stock Companies and the Federal Law On the Securities Market, dated July 04, 2023, and does not disclose information on benefit plan obligations and other retirement plans, as this information is sensitive for the Company.
201-4	Financial assistance received from government		This information is confidential and not disclosed.
Material topic: Local Development and Charity			
GRI 203: INDIRECT ECONOMIC IMPACTS			
3-3	Management of material topics	Engagement with Regions of Operation, Management Approach, page 184	
203-1	Infrastructure investments and services supported	Engagement with Regions of Operation, Social Investments, page 185	
203-2	Significant indirect economic impacts	Engagement with Regions of Operation, Management Approach, page 184, Social Investments, page 186, Charity, page 192	
GRI 413: LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programs	Engagement with Regions of Operation, Management Approach, page 184, Social Investment, page 185, Charity, page 192, Appendices, Stakeholder Engagement, page 223	As required by law, all new production sites undergo an environmental impact assessment (EIA). EIA results are available to all stakeholders via public sources. Local community members can submit their reports via the Company's hotline.
413-2	Operations with significant actual and potential negative impacts on local communities		TMK does not conduct operations with significant actual and potential negative impacts on local communities.
Material topic: Business Ethics and Anti-Corruption			
GRI 205: ANTI-CORRUPTION			
3-3	Management of material topics	Corporate Governance, Business Ethics and Anti-Corruption, page 65	
205-1	Operations assessed for risks related to corruption	Corporate Governance, Business Ethics and Anti-Corruption, page 66	All TMK Group companies have been assessed for risks related to corruption.
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance, Business Ethics and Anti-Corruption, pages 67, 68, and 69	c. The Company's anti-corruption policies and procedures have been communicated to 100% of business partners. The training covered employees in all regions where the Company operates. The Company does not keep records with a breakdown by region.
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance, Business Ethics and Anti-Corruption, page 66	In the reporting year, there were no incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.
GRI 206: ANTI-COMPETITIVE BEHAVIOR			
3-3	Management of material topics	Corporate Governance, Business Ethics and Anti-Corruption, page 69	

GRI standard	Disclosure	Location	Comments
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance, Business Ethics and Anti-Corruption, page 69	
GRI 300: ENVIRONMENTAL			
Material topic: Use of Raw and Other Materials			
GRI 301: MATERIALS			
3-3	Management of material topics	Environmental Stewardship, Sustainable Materials, page 98	
301-1	Materials used by weight or volume	Environmental Stewardship, Sustainable Materials, pages 98 and 99	
301-2	Recycled input materials used	Environmental Stewardship, Sustainable Materials, page 98	
301-3	Reclaimed products and their packaging materials		No records are kept to enable the required breakdown.
Topic: Energy Consumption and Energy Efficiency			
GRI 302: ENERGY			
302-1	Energy consumption within the organization	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, pages 130 and 131	Sources of conversion factors: 1) Appendix No. 2 to the Guidelines for Filling in Federal State Statistical Monitoring Form No. 4-TER "Information on the Use of Energy Resources" approved by Order of the Federal State Statistics Service of Russia No. 591 dated November 22, 2023 2) Guidelines for Conducting a Voluntary Inventory of Greenhouse Gas Emissions in the Constituent Entities of the Russian Federation (Instruction No. 15-r dated April 16, 2015) 3) Resolution of the Russian Government No. 879, On Approval of the Regulations on the Units of Magnitudes Allowed for Use in the Russian Federation, dated October 31, 2009
302-3	Energy intensity	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, pages 130 and 131	The ratio uses energy consumption within the Company only.
302-4	Reduction of energy consumption	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, page 132	
Material topic: Water Consumption and Discharge			
GRI 303: WATER AND EFFLUENTS			
3-3	Management of material topics	Environmental Stewardship, Water Use and Discharge, page 103	
303-1	Interactions with water as a shared resource	Environmental Stewardship, Water Use and Discharge, pages 103, 104, and 107	The Company has no conflicts with stakeholders concerning water-related impacts.
303-2	Management of water discharge-related impacts	Environmental Stewardship, Water Use and Discharge, page 106	Item iii is not applicable due to the lack of specific standards for the metallurgical industry.

GRI standard	Disclosure	Location	Comments
303-3	Water withdrawal	Environmental Stewardship, Water Use and Discharge, pages 104 and 105, Appendices, Additional Sustainability Disclosures, page 232	Water withdrawal is measured with flowmeters.
303-4	Water discharge	Environmental Stewardship, Water Use and Discharge, pages 106 and 107, Appendices, Additional Sustainability Disclosures, pages 233	TMK discharges the following pollutants: fluoride anion, anionic synthetic surfactants, suspended solids, dry residue, manganese, copper, nickel, iron, chloride anion, sulfate anion, chromium, petroleum products, nitrate anion, nitrite anion, calcium, and magnesium. The list of substances and discharge limits are set in line with applicable laws. Water discharge is measured with flowmeters.
303-5	Water consumption	Environmental Stewardship, Water Use and Discharge, page 108, Appendices, Additional Sustainability Disclosures, page 234	The indicator is calculated in accordance with the GRI 303 (2018) methodology using the following formula: water consumption = total water withdrawal — total water discharge.
Topic: Rehabilitation and Biodiversity Conservation			
GRI 304: BIODIVERSITY			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Stewardship, Biodiversity, page 114	
304-2	Significant impacts of activities, products, and services on biodiversity	Environmental Stewardship, Biodiversity, page 114	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environmental Stewardship, Biodiversity, page 114	
Material topic: Air Pollutant Emissions; topic: Contribution to Climate Change			
GRI 305: EMISSIONS			
3-3	Management of material topics	Environmental Stewardship, Pollutant Emissions, page 100, Climate and Energy Efficiency, Management Approach, page 120	
305-1	Direct (Scope 1) GHG emissions	Climate and Energy Efficiency, GHG Emissions Metrics and Targets, pages 125, 126, and 127	e. The global warming potential values from the Sixth Assessment Report of the IPCC are used by the Company to convert GHG emissions to CO_2 equivalents. g. TMK Group uses the carbon mass balance method based on the balance of carbon-containing resources at the electric arc furnace shop to calculate carbon dioxide emissions from steel production. Carbon dioxide emission factors for natural gas combustion at TMK enterprises are calculated based on suppliers' actual data on components of the supplied natural gas and use the methodological guidelines to Order of the Russian Ministry of Natural Resources and Environment No. 371 dated May 27, 2022. GHG emission factors for stationary and mobile combustion of other fuels as well as lime production are calculated in line with the IPCC recommendations and Order of the Russian Ministry of Natural Resources and Environment No. 371.
305-2	Energy indirect (Scope 2) GHG emissions	Climate and Energy Efficiency, GHG Emissions Metrics and Targets, pages 125, 126, and 127	g. Carbon dioxide emission factors for grid electricity at TMK were informed by data provided by JSC Trading System Administrator of Wholesale Electricity Market Transactions, while emission factors for purchased heat were calculated based on data on specific consumption of fuel equivalent.
305-3	Other indirect (Scope 3) GHG emissions		TMK does not measure other indirect (Scope 3) emissions. The Company is developing a framework for calculating such emissions and plans to disclose the relevant data in future reporting periods.
305-4	GHG emissions intensity	Climate and Energy Efficiency, GHG Emissions Metrics and Targets, page 127	Item d. Greenhouse gases included in the calculation: CO_2, CH_4, and N_2O.
305-5	Reduction of GHG emissions	Climate and Energy Efficiency, GHG Emissions Reduction Initiatives, page 128	GHG emissions reductions were achieved across Scope 1 and 2. The reductions were calculated based on actual reductions in fuel and energy consumption (savings), using GHG emission factors specific to each type of energy resource that were current at the time of calculation.
305-6	Emissions of ozone-depleting substances (ODS)		TMK enterprises do not produce, import, or export ozone-depleting substances.
305-7	Nitrogen oxides (NO_X), sulfur oxides (SO_X), and other significant air emissions	Environmental Stewardship, Pollutant Emissions, pages 100 and 101, Appendices, Additional Sustainability Disclosures, pages 230 and 231	TMK does not emit persistent organic pollutants. b. to estimate emissions from each emissions point using the calculation-based approach, the Company relies on the pollutant emissions calculation methods included in the list of methods compiled and maintained by the Russian Ministry of Natural Resources and Environment.
Material topic: Waste Management			
GRI 306: WASTE			
3-3	Management of material topics	Environmental Stewardship, Waste, page 110	
306-1	Waste generation and significant waste-related impacts	Environmental Stewardship, Waste, page 110	Only direct impact of waste management-related activities is assessed.
306-2	Management of significant waste-related impacts	Environmental Stewardship, Waste, pages 110 and 112	
306-3	Waste generated	Environmental Stewardship, Waste, page 111, Appendices, Additional Sustainability Disclosures, page 234	The Company does not accept waste from third parties.
306-4	Waste diverted from disposal	Environmental Stewardship, Waste, page 112, Appendices, Additional Sustainability Disclosures, page 234	
306-5	Waste directed to disposal	Environmental Stewardship, Waste, page 112, Appendices, Additional Sustainability Disclosures, page 235	No industrial waste is incinerated across TMK's operations.

GRI standard	Disclosure	Location	Comments
Material topic: Sustainable Supply Chain			
GRI 204: PROCUREMENT PRACTICES 2016			
3-3	Management of material topics	Responsible Supply Chain, Management Approach, page 78	
204-1	Proportion of spending on local suppliers	Responsible Supply Chain, Supplier Engagement, page 81	TMK's significant locations of operation are the regions listed in the Company at a Glance section in the Company Overview chapter.
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1	New suppliers that were screened using environmental criteria		TMK does not screen (audit) suppliers against environmental criteria. However, the Company evaluates key suppliers using sustainability criteria, which include environmental criteria.
308-2	Negative environmental impacts in the supply chain and actions taken		
GRI 414: SUPPLIER SOCIAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria		TMK does not screen (audit) suppliers against social criteria. However, the Company evaluates key suppliers using sustainability criteria, which include social criteria.
414-2	Negative social impacts in the supply chain and actions taken		
GRI 400: SOCIAL			
Material topic: Employment and Decent Working Conditions			
GRI 202: MARKET PRESENCE			
3-3	Management of material topics	Our Employees, Management Approach, page 138	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Our Employees, Employee Motivation, page 144, Appendices, Additional Sustainability Disclosures, page 237	TMK's significant locations of operation are the regions listed in the Company at a Glance section in the Company Overview chapter.
202-2	Proportion of senior management hired from the local community		100% of senior management are hired from the local community. This category includes CEO and CEO-1 levels. The local community in this case means citizens of the Russian Federation.
GRI 401: EMPLOYMENT			
401-1	New employee hires and employee turnover	Our Employees, Breakdown of Employees, page 139, Appendices, Additional Sustainability Disclosures, page 237	Partially disclosed. Records by age, gender, or region are not kept as per the GRI-recommended breakdown.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		All benefits stipulated in Russian laws apply to all Company employees. In addition, a number of additional benefits are available to employees (VHI, health resort treatment, catering, corporate pension scheme, etc.).
401-3	Parental leave		All Company employees are entitled to parental leave, regardless of gender. Records are not kept as per the GRI-recommended breakdown.
GRI 402: LABOR/MANAGEMENT RELATIONS			
402-1	Minimum notice periods regarding operational changes		TMK notifies employees of significant operational changes in accordance with applicable Russian labor laws but no later than two months in advance; this procedure is set out in the collective bargaining agreement.
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (ALSO THE HUMAN RIGHTS MATERIAL TOPIC)			
405-1	Diversity of governance bodies and employees	Our Employees, Breakdown of Employees, pages 140 and 141, Appendices, Additional Sustainability Disclosures, page 237	
405-2	Ratio of basic salary and remuneration of women to men	Our Employees, Employee Motivation, page 144	b. TMK's significant locations of operation are the regions listed in the Company at a Glance section in the Company Overview chapter.
Material topic: Occupational Health and Safety			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
3-3	Management of material topics	Occupational Health and Safety, Management Approach, page 162	
403-1	Occupational health and safety management system	Occupational Health and Safety, Management Approach, page 162	
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, Production Safety, pages 166 and 169	
403-3	Occupational health services	Occupational Health and Safety, Workplace Health and Disease Prevention, page 175	
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, Management Approach, pages 163 and 164	
403-5	Worker training on occupational health and safety	Occupational Health and Safety, Training and Promoting a Safety Culture, pages 171 and 172	
403-6	Promotion of worker health	Occupational Health and Safety, Workplace Health and Disease Prevention, page 176	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, Management of Contractors, page 179	

GRI standard	Disclosure	Location	Comments
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety, Management Approach, page 162, Appendices, Additional Sustainability Disclosures, page 239	This disclosure is based on the average headcount. The Company manages OHS matters in line with Article 214 of the Russian Labor Code (Federal Law No. 197-FZ dated December 30, 2001).
403-9	Work-related injuries	Occupational Health and Safety, Production Safety, pages 168, 169, and 170, Appendices, Additional Sustainability Disclosures, pages 239, 240, 241, 242, and 243	Information about injury rates among contractors is not disclosed, as there is no system to keep relevant records.
403-10	Work-related ill health	Occupational Health and Safety, Production Safety, page 166, Workplace Health and Disease Prevention, page 178	The main causes of occupational diseases were the impact of physical (noise) and chemical (dust) work-related hazards. The Company does not collect data on work-related ill health among contractors. There were no fatalities directly related to occupational diseases.
Material topic: Employee Training and Development			
GRI 404: TRAINING AND EDUCATION			
3-3	Management of material topics	Training and Development, Management Approach, page 152	
404-1	Average hours of training per year per employee	Appendices, Additional Sustainability Disclosures, page 238	
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development, Management Approach, page 152, TMK2U Corporate University, page 153	
404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development, Employee Certification, page 155, Appendices, Additional Sustainability Disclosures, page 238	The Company has established a schedule of certification procedures. In 2024, certification was conducted at JSC VTZ, JSC PNTZ, JSC STZ, JSC SinTZ, JSC TAGMET, JSC CHTPZ, JSC Orsky Machine Building Plant, LLC TMK-INOX, JSC TMK-CPW, LLC TMK-Premium Service, JSC RUSNITI, LLC TMK's R&D Center, JSC Trade House TMK, TMK NGS (division), TMK ETERNO (division), LLC TMK Business Service Center, JSC Sinarskaya Power Plant, JSC DIP, LLC TMK PS, LLC Promtrans, LLC TMK TechService, and LLC TMK's Research Center. All the above entities are included in the indicator disclosure boundary.
Material topic: Human Rights			
GRI 406: NON-DISCRIMINATION			
3-3	Management of material topics	Sustainability Management, Human Rights, page 45	
406-1	Incidents of discrimination and corrective actions taken	Sustainability Management, Human Rights, page 46	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Management, Human Rights, page 46	The Company did not assess operations in which the right to freedom of association and collective bargaining may be violated or be at significant risk, as these risks are immaterial to the Company.
GRI 408: CHILD LABOR			
408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainability Management, Human Rights, page 46	The Company did not assess its operations and suppliers to identify significant risk for incidents of child labor, as these risks are immaterial to the Company.
GRI 409: FORCED OR COMPULSORY LABOR			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Management, Human Rights, page 46	The Company did not assess its operations and suppliers to identify significant risk for incidents of forced or compulsory labor, as these risks are immaterial to the Company.
ADDITIONAL MATERIAL TOPICS			
Material topic: Customer Focus and Product Quality Assurance			
3-3	Management of material topics	Responsible Supply Chain, Customer Relations, page 84, Product Quality Assurance, page 87	
418-1	Customer privacy	Corporate Governance, Information Security and Personal Data Protection, page 73	

SASB Content Index

Topic	Code	Location	Comments
Greenhouse Gas Emissions			
(1) Gross global Scope 1 emissions (2) Percentage covered under emissions-limiting regulations	EM-IS-110a.1	Climate and Energy Efficiency, GHG Emissions Metrics and Targets, pages 125, 126, and 128	Item (2): Not applicable, as there are no approved legislative requirements and programs to reduce GHG emissions.
Discussion of a long-term and short-term strategy or plan to manage Scope 1 emissions as well as emissions reduction targets and an analysis of performance against those targets	EM-IS-110a.2	Climate and Energy Efficiency, Management Approach, page 125	
Air Emissions			
Air emissions of the following pollutants: (1) Carbon monoxide (CO) (2) Nitrogen oxides (NOX), excluding N2O (3) Sulfur oxides (SOX) (4) Particulate matter (PM10) (5) Manganese oxide (MnO); (6) Lead (Pb) (7) Volatile organic compounds (VOCs) (8) Polycyclic aromatic hydrocarbons (PAHs)	EM-IS-120a.1	Environmental Stewardship, Pollutant Emissions, pages 100 and 101, Appendices, Additional Sustainability Disclosures, pages 230, and 231	Item (8): Emissions are insignificant, information may be disclosed in future periods.

Topic	Code	Location	Comments
Energy Management			
(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	EM-IS-130a.1	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, pages 130 and 131	Item (3): The Company does not consume fuel from renewable energy sources. Metering renewable electricity supplied from the grid is currently not possible.
(1) Total fuel consumed (2) Percentage coal (3) Percentage natural gas (4) Percentage renewable	EM-IS-130a.2	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, pages 130 and 131	Item (4): The Company does not consume fuel from renewable energy sources.
Water Management			
(1) Total freshwater withdrawn (2) Percentage recycled (3) Percentage in regions with high or extremely high baseline water stress	EM-IS-140a.1	Environmental Stewardship, Water Use and Discharge, pages 104 and 108, Appendices, Additional Sustainability Disclosures, page 232	Item (2): Percentage of recycled water in total water withdrawn is 61% as per the SASB methodology.
Waste and Hazardous Materials Management			
(1) Amount of waste generated (2) Percentage hazardous (3) Percentage recycled	EM-IS-150a.1	Environmental Stewardship, Waste, pages 111 and 112	
Workforce Health and Safety			
(1) Total recordable incident rate (2) Fatality rate (3) Near miss frequency rate (NMFR) for full-time employees and contract employees	EM-IS-320a.1		Item (1): Not disclosed, as the Company does not keep records of no-lost-time injuries. Item (2): Partially disclosed, as the Company has no system to keep records of injury rates among contractors. Item (3): Not disclosed, as the Company does not keep records of near misses.

TCFD Compliance Table[57]

Recommendations	Location
Governance Disclosure of information on governance around climate-related risks and opportunities	Climate and Energy Efficiency, Management Approach, page 120
Strategy The actual and potential impacts of climate-related risks and opportunities on the Company's business, strategy, and financial planning where such information is material	Climate and Energy Efficiency, Management Approach, page 120, Managing Climate-Related Risks and Opportunities, page 123
Risk management The Company's processes for identifying, assessing, and managing climate-related risks	Climate and Energy Efficiency, Managing Climate-Related Risks and Opportunities, page 123
Metrics and targets Metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Climate and Energy Efficiency, Greenhouse Gas Emissions Metrics and Targets, page 125

Methodological Recommendations of the Russian Ministry of Economic Development Content Index

Recommendation	Disclosure	Comments or value of the indicator	Location
Economic			
MED-1	Revenue (or a similar indicator)	RUB 532.2 billion	
MED-2	Value added	RUB 189.6 billion	
MED-3	Net value added	RUB 163.8 billion	
MED-4	Total R&D spending	RUB 27.4 billion	Company Overview, R&D and Innovation, page 28
MED-5	Labor productivity	RUB 3.7 million per employee	
MED-6	Total accrued compulsory payments (excluding fines and penalties), including:	RUB 98.3 billion	
	taxes and fees	RUB 76.4 billion	
	insurance contributions	RUB 21.9 billion	
	other compulsory payments	Records are not kept	
MED-7	Total paid compulsory payments (excluding fines and penalties), including:	RUB 88.2 billion	
	taxes and fees	RUB 66.4 billion	
	insurance contributions	RUB 21.8 billion	
	other compulsory payments	Records are not kept	
MED-8	Proportion of spending on Russian goods, works, and services in total spending on goods, works, and services	97%	Responsible Supply Chain, Supplier Engagement, page 81
MED-9	Proportion of spending on goods, works, and services procured from small and medium-sized enterprises in total procurement from Russian organizations	Records are not kept for TMK Group	
MED-10	Sustainable, including green, investments	RUB 976.3 million TMK classifies targeted nature conservation expenditures on environmental protection and sustainable use of natural resources as green investments	Environmental Stewardship, Management Approach, page 95
MED-11	Investments in projects related to achieving technological sovereignty and structural adaptation of the Russian economy	This information is confidential and not disclosed	
MED-12	Extent of economic vulnerability of business and other activities to climate risks	Records are not kept	
Environmental			
MED-13	Water consumption from all sources	11.7 million m³	Environmental Stewardship, Water Use and Discharge, page 108

Recommendation	Disclosure	Comments or value of the indicator	Location
MED-14	Volume of recycled and reused water supply		Environmental Stewardship, Water Use and Discharge, page 108
MED-15	Total volume of polluted wastewater discharged, including untreated wastewater	Volume of polluted (insufficiently treated) wastewater discharged: 12.4 million m³	
MED-16	Water efficiency (water intensity)	0.07 thousand m³/RUB million	
MED-17	Total waste generated across Hazard Classes 1–5, including: > Hazard Class 1 > Hazard Class 2 > Hazard Class 3 > Hazard Class 4 > Hazard Class 5		Environmental Stewardship, Waste, page 111, Appendices, Additional Sustainability Disclosures, page 234
MED-18	Hazard Classes 1 to 5 waste management, total, including by category: > Waste recovered > Waste treated > Waste landfilled > Waste reused > Waste recycled > Reduction in waste generation		Environmental Stewardship, Waste, page 111, Appendices, Additional Sustainability Disclosures, pages 234 and 235
MED-19	Weight of air pollutant emissions from stationary sources		Environmental Stewardship, Pollutant Emissions, page 100, Appendices, Additional Sustainability Disclosures, page 230
MED-20	Greenhouse gas emissions		Climate and Energy Efficiency, GHG Emissions Metrics and Targets, pages 126 and 127
MED-21	Total expenditures on the implementation of environmental protection activities, including: > air protection and prevention of climate change > wastewater collection and treatment > waste management > biodiversity conservation and the protection of natural areas		Environmental Stewardship, Management Approach, page 95, Water Use and Discharge, page 108, Biodiversity, page 114, Climate and Energy Efficiency, GHG Emissions Reduction Initiatives, pages 128 and 129
MED-22	Renewable and low-carbon energy consumption	TMK purchases energy for consumption from non-renewable sources only	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, page 130
MED-23	Energy efficiency: energy consumption per unit of net value added	272 GJ/RUB million	Climate and Energy Efficiency, Energy Consumption and Energy Efficiency, page 130
Social			
MED-24	Total payroll expenses	This information is confidential and not disclosed	
MED-25	Total average headcount, including disabled employees		Our Employees, Breakdown of Employees, page 141, Appendices, Additional Sustainability Disclosures, page 236
MED-26	Total average monthly pay, including: > by occupation group > by gender > by age group	This information is confidential and not disclosed	
MED-27	Total occupational health and safety costs, including average costs per employee	RUB 51,500	Occupational Health and Safety, Management Approach, page 163
MED-28	Expenses on organizing and holding social, fitness and recreational, and healthcare activities for employees and their families	No records are kept to enable the required breakdown	
MED-29	Number of work-related accidents with at least one lost day or resulting in fatalities, including fatal accidents		Occupational Health and Safety, Production Safety, page 168, Appendices, Additional Sustainability Disclosures, page 239
MED-30	Total employee training costs, including average costs per employee	RUB 760 million RUB 13 thousand per employee	Training and Development: TMK2U Corporate University, page 153
MED-31	Average hours of training per year per employee by occupation group		Appendices, Additional Sustainability Disclosures, page 238
MED-32	Percentage of total employees covered by collective bargaining agreements in average headcount		Our Employees, Social Support to Employees, page 147, Appendices, Additional Sustainability Disclosures, page 237
MED-33	Employee turnover rate		Our Employees, Breakdown of Employees, page 139
MED-34	Total expenses on supporting social programs not aimed at employees and their families, including: > charitable programs > housing programs > healthcare programs > educational programs > programs to support people in need of social assistance	No records are kept to enable the required breakdown	
Governance			
MED-35	Availability of a sustainable development policy and/or other relevant strategy documents		Sustainability Management, Sustainability Management System, page 37
MED-36	Number of meetings of the board of directors and attendance rate		Corporate Governance, Corporate Governance System, pages 55 and 56, Appendices, Additional Sustainability Disclosures, page 228
MED-37	Total number of members of the board of directors, including a breakdown by age group		Corporate Governance, Corporate Governance System, page 55
MED-38	Number of meetings of the audit committee and attendance rate		Corporate Governance, Corporate Governance System, page 58 Appendices, Additional Sustainability Disclosures, page 228
MED-39	Participation in sustainability (ESG) indices and ratings		Company Overview, Awards and Achievements, page 24
MED-40	Number of recorded instances of violations involving the rights of indigenous peoples of the Russian Federation	TMK's operations do not affect the rights of indigenous peoples	Sustainability Management, Human Rights, page 47

Recommendation	Disclosure	Comments or value of the indicator	Location
MED-41	Proportion of employees in positions exposed to a high risk of corruption	TMK does not keep records of employees in positions exposed to a high risk of corruption	
MED-42	Average hours of anti-corruption training per year per employee		Corporate Governance, Business Ethics and Anti-Corruption, page 67
MED-43	Number of administrative actions for corruption offenses taken against the organization or its subsidiaries and affiliates		Corporate Governance, Business Ethics and Anti-Corruption, page 66
MED-44	Total proportion of women in management positions, including on the board of directors (supervisory board)	All members of the Board of Directors are male	Corporate Governance, Corporate Governance System, pages 55 and 59

Stakeholder Engagement

Stakeholder engagement in 2024

GRI 2-29

Approach to engagement	Stakeholder interests and expectations	Engagement objectives and frequency	Engagement results
SHAREHOLDERS			
TMK's approach is aimed at ensuring the Company's stable profitability. **Engagement mechanisms:** Annual and Extraordinary General Meetings of Shareholders, providing information in response to shareholder requests, publishing information on TMK's activities, and distributing dividends	Stronger financial performance Articulation of short- and long-term strategy Transparency and openness in disclosing information	Election of the Board of Directors: on an annual basis Amendments to the Articles of Association and regulations: as necessary Profit distribution: by decision of the General Meeting of Shareholders Approval of the auditor: on an annual basis	New versions of the Articles of Association and internal regulations on governance bodies were approved (regulations on the General Meeting of Shareholders, the Board of Directors, Board committees, the Management Board, and the Corporate Secretary) The external auditor was approved A secondary public offering (SPO) of ordinary shares was conducted with subsequent placement of additional shares Final dividend for 2023 was paid
EMPLOYEES AND TRADE UNIONS			
TMK provides safe work conditions and fair compensation to its employees, while employees contribute to the Company's development and stronger financial and operational performance. **Engagement mechanisms:** meetings with employees and trade unions, keeping employees informed through internal communication channels, training programs, and social support measures (including those stipulated in collective bargaining agreements)	Occupational health and safety Decent compensation Providing conditions for development and career growth Social benefits, guarantees Respecting employee rights	Ensuring safe working conditions: on an ongoing basis Talent attraction and retention: on an ongoing basis Upskilling employees: on a regular basis Updating collective bargaining agreements: on a regular basis Communicating the Company's performance to employees: on a regular basis Collecting feedback: on a regular basis	The HR Policy was updated CSSP, TMK's R&D Center, and RUSNITI were switched to the unified remuneration system Safety Day was held The Youth Scientific and Technical Conference, the Horizons forum, and the Master Games corporate vocational skills competition were held Cross-functional IT exercises were held as part of the IT track of the Horizons forum The first Volunteer Forum was held A dedicated section for TMK Group volunteers was added to the SOTA2U HR platform Employee reports submitted through the hotline were processed

Approach to engagement	Stakeholder interests and expectations	Engagement objectives and frequency	Engagement results
CUSTOMERS, CONSUMERS			
TMK strives to build a responsible supply chain and fosters partnerships with customers and consumers of its products. **Engagement mechanisms:** handling requests and quoting, collecting and reviewing feedback, communicating the Company's product range and quality	Compliance with standards and policies by all parties Openness and transparency High product quality, timely delivery of products	Collecting feedback: on a regular basis Product quality assessment: on a regular basis Providing information: on request In-house events and participation in external themed forums: on a regular basis	Meetings with customers were held (including during customer days) More than 100 meetings with technical functions of customers (clients) were held The TMK Quality Leader 2024 competition and corporate conference were held Communication and feedback channels were expanded
SUPPLIERS AND CONTRACTORS			
The Company embraces responsible business practices and pays particular attention to ensuring that its partners are reliable and responsible. **Engagement mechanisms:** procurement procedures, supplier assessment	Compliance with standards and policies by all parties Sustainable partnerships Openness and transparency	Procurement procedures: on a regular basis Supplier and contractor assessment: on a regular basis Collecting feedback: on a regular basis	Strategic sessions with suppliers were held Supply channels were optimized, with import purchases designated as a separate segment Key suppliers underwent the annual assessment against sustainability criteria Digitization of the procurement process was continued
FEDERAL AND REGIONAL AUTHORITIES			
In its day-to-day operations, the Company interacts with federal, regional, and municipal authorities under its social and economic partnership agreements. **Engagement mechanisms:** participation in interagency working groups to improve legislation and elaborate industry initiatives, entering into social and economic partnership agreements	Legal compliance Tax payments Reporting Delivering on partnership obligations	Reporting: annual and on request Tax payments: in accordance with legal requirements Preparation of initiatives to amend existing legislation: as necessary Implementation of social and economic projects: in accordance with approved plans	Taxes were paid in full to the federal and regional budgets Social and economic partnership agreements between plants and municipal authorities remained in force TMK continued participating in the Professionalitet federal project CHTPZ continued participating in the Clean Air federal project
LOCAL COMMUNITIES IN THE REGIONS OF OPERATION			
The Company cares about the well-being of people in its regions of operation and runs support programs for them. **Engagement mechanisms:** social and economic partnerships, development of operating regions, open dialogues	Delivering on obligations under signed agreements Developing and running social and charitable programs Implementing infrastructure projects	Holding social and charitable events: on a regular basis Reduction of the enterprises' environmental and climate impacts in the regions of operation: on an ongoing basis Preservation of cultural heritage: on a regular basis Tours of TMK enterprises (industrial tourism): on a regular basis	Social investments totaled RUB 2.9 billion A new grant competition to support local communities was run Industrial tourism projects were implemented at TMK Group enterprises The Greening Program for Enterprises and Regions of Operation for 2024–2027 was approved, and trees were planted as part of TMK's Green Initiative Assistance was provided to flood victims in the Orenburg and Kurgan Regions

GRI 413-1

Approach to engagement	Stakeholder interests and expectations	Engagement objectives and frequency	Engagement results
INVESTORS AND ANALYSTS, CREDIT AND RATING AGENCIES, CREDIT INSTITUTIONS			
TMK's activities are aimed at long-term value creation for shareholders, with investors providing the capital to support the Company's growth. **Engagement mechanisms:** maintaining a dedicated page on the Company website, holding meetings with potential investors, publishing information materials and documents, including upon investor requests	Openness and transparency Providing information on request	Publication of mandatory disclosures: in accordance with legal requirements and the approved plan Cooperation with rating agencies: on a regular basis Site visits to plants: as necessary Participation in committees and working groups: on a regular basis	Published the summary consolidated IFRS financial statements for 2024 Maintained communication with rating agencies Maintained strong performance in credit ratings from NCR and Expert RA Received high sustainability ratings from NRA, NCR, and RBC
SCIENTIFIC AND EXPERT COMMUNITY			
TMK cooperates with higher education institutions and research centers to recruit promising employees and young talent and conduct R&D activities. **Engagement mechanisms:** creating strategic partnerships, entering into agreements, publishing information on research findings and developments	Effective partnership Internships and traineeships	Launching R&D projects: in accordance with the approved plan Participation in expert discussions: on a regular basis Signing new agreements: as necessary	48 scientific articles by TMK employees were published 15 research presentations were prepared Around 1,300 business ideas were submitted to TMK's Corporate Accelerator R&D collaborations with partners
NON-GOVERNMENTAL AND NON-PROFIT ORGANIZATIONS			
To deliver high social impact, the Company partners with non-profit organizations and runs employee volunteering programs. **Engagement mechanisms:** co-organizing events with other organizations through the Sinara Charitable Foundation, arranging interviews and press conferences	Financial, informational, and expert support Effective partnership	Running grant competitions: on a regular basis Participation in volunteering initiatives: on a regular basis	A grant competition to support non-profit organizations was run The employee volunteer center continued its work, Volunteer Forum 2024 was held
BUSINESS ASSOCIATIONS AND INDUSTRY ORGANIZATIONS			
TMK cooperates with business associations and industry organizations to jointly develop initiatives for the business community, share experience, and drive further development in line with best practices. **Engagement mechanisms:** participation in business associations and industry organizations	Openness and transparency Sustainable partnerships	Participation in industry events (discussions of initiatives to develop the industry, exhibitions, etc.): on a regular basis	TMK plants took part in meetings of the RSPP, SOSPP, AMROS, Miners' and Metallurgical Workers' Union of Russia, Russian Steel Association, and Pipe Industry Development Fund The Company took part in trade fairs in Russia

Approach to engagement	Stakeholder interests and expectations	Engagement objectives and frequency	Engagement results
MASS MEDIA			
The Company is working to increase its visibility and raise awareness about its projects. **Engagement mechanisms:** publishing Company news, arranging interviews, and holding press conferences and media tours to production sites	Information transparency, accuracy of data provided	Holding interviews and press conferences: as necessary Publishing press releases, articles, reports: on a regular basis	277 press releases were published Four issues of the corporate YourTube magazine were published TMK's corporate TV news programs are broadcast weekly on external and internal channels (social media, online resources, etc.) Over 19,900 stories mentioning TMK were published in the media, with more than 6,700 media mentions of TMK as the main focus Movies about TMK Group plants (PNTZ, SinTZ, and STZ) were released

Additional Sustainability Disclosures

List of key sustainability documents

COMPANY OVERVIEW

Digitalization

TMK's 2025 Digital Vision

IT Service Continuity Program updated

SUSTAINABILITY GOVERNANCE

Sustainability Strategy

Sustainability Policy updated

Code of Ethics

Counterparty Management Policy

Policy on Processing and Protection of Personal Data

Regulations on Processing and Protection of Personal Data

Employee Volunteering Policy

GOVERNANCE

Corporate governance system

Articles of Association updated

Sustainability Strategy

Bank of Russia Corporate Governance Code

Regulations on the General Meeting of Shareholders updated

Regulations on the Board of Directors updated

Regulations on the Management Board updated

Regulations on the Nomination and Remuneration Committee of the Board of Directors updated

Regulations on the Strategy and Sustainability Committee of the Board of Directors updated

Regulations on the Audit Committee of the Board of Directors updated

Regulations on the Corporate Secretary updated

Internal Audit Service

Regulations on the Internal Audit Service

Functional Strategy of the Internal Audit Service for 2021–2025

Sustainability risk management

Risk Management Policy

Internal Control Policy

Regulations on Risk Management

Regulations on the Compliance Risk Management Committee

Regulations on Foreign Exchange Risk Management

The Company's Standard on Managing Risks and Opportunities

Guidelines for Evaluating Risk Management and Internal Control Reliability and Effectiveness

Business ethics and anti-corruption

Code of Ethics

Anti-Corruption Policy

Anti-Trust Compliance Policy

Counterparty Management Policy

Regulations on Conflicts of Interest updated

Information security and personal data protection

Strategy to Ensure and Improve Cybersecurity

Information Security Policy updated

Policy on Processing and Protection of Personal Data

Regulations on Protecting Trade Secret Information

Regulations on Processing and Protection of Personal Data

Regulations on Setting Up Anti-Virus Protection

Procedure Rules on Managing Information Security Vulnerabilities

RESPONSIBLE SUPPLY CHAIN

Counterparty Management Policy

TMK Group's Quality Policy

Corporate Non-Destructive Testing System Development Strategy for 2024–2027

Corporate Quality Management System — Customer Satisfaction Analysis standard

Corporate Quality Management System — CQMS Process (Procurement) standard updated

Corporate Quality Management System — Supplier Evaluation Procedure standard

Regulations on Category Management in Procurement

List of Products, Components, and Services Subject to Supplier Certification by RUSNITI in 2023–2025

Regulations on Procurement on the Electronic Trading Platform updated

Regulations on the Tender Committee and on the Procedure for Centralized and Non-Centralized Procurement of Goods, Works, and Services

Regulations on Inventory Procurement Planning updated

TMK Group's Quality Guidelines

Procedure Rules on the Procurement of Works and Services

Procedure Rules for Accreditation and Selection of Suppliers of Works and Services

Procedure Rules for Managing Non-Moving Inventories at TMK Group Enterprises updated

ENVIRONMENTAL PROTECTION

Sustainability Strategy

Sustainability Policy updated

Environmental Policy

Air Pollution Reduction Program

Water Pollution Reduction Program

Waste and By-Product Management Program new

Program for Disposal of PCB-Containing Equipment

Greening Program for Enterprises and Regions of Operation new

Procedure for Environmental Audits and Visits at TMK Group Enterprises

CLIMATE AND ENERGY EFFICIENCY

Sustainability Strategy

TMK's Low-Carbon Development Strategy new

Sustainability Policy updated

Environmental Policy

TMK Group's Energy Efficiency Program for 2023–2027

Greening Program for Enterprises and Regions of Operation new

PAO TMK's Low-Carbon Energy Transition Evaluation Framework updated

Guidelines for Estimating GHG Emissions

OUR EMPLOYEES

HR Policy updated

Sustainability Strategy

Sustainability Policy updated

Employee Volunteering Policy

Regulations on Recruitment at Enterprises updated

Regulations on Internal Competition to Fill Job Vacancies

Regulations on the Management Talent Pool updated

Regulations on Employee Onboarding at Enterprises

Regulations on the Certification of Enterprise Employees updated

Regulations on Remuneration of Employees updated

Regulations on Non-Financial Incentives for Enterprise Employees

Regulations on the Uniform System of Remuneration, Guarantees, and Compensations updated

Regulations on the Recreation of TMK Employees at Russian Health Resorts

Regulations on Conducting Social Research and Surveys

Regulations on the Recognition Corporate Award updated

TRAINING AND DEVELOPMENT

HR Policy updated

Regulations on TMK Group's Employee Training

Regulations on TMK Group's Management Talent Pool updated

Regulations on TMK2U Corporate University updated

Regulations on the Certification of Employees at TMK Group Enterprises updated

Regulations on the Recognition Corporate Award updated

Regulations on Vocational Skills Competitions Among Workers at TMK Group Enterprises new

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety Policy

Industrial Safety Policy

Comprehensive Occupational Health and Safety Program until 2027

ENGAGEMENT WITH REGIONS OF OPERATION

Policy on Social Investment, Charitable and Sponsorship Activities

Employee Volunteering Policy

Charity Policy new

Regulations on the Charity Policy

Regulations on Charity (Endowment, Donation)

Economic Performance Indicators

GRI 201-1 Direct economic value generated and distributed, RUB million

	2022	2023	2024
Direct economic value generated	**632,460**	**547,572**	**543,986**
Sales revenue	629,185	544,265	532,165
Income from financial investments	3,213	3,119	5,538
Other income/expenses[58]	62	188	6,283
Economic value distributed	**590,814**	**518,140**	**580,703**
Operating expenses[59]	458,113	369,866	398,818
Employee wages and benefits[60]	69,190	74,217	89,003
Payments to providers of capital	44,700	51,962	78,818
including dividends paid (paid out)	10,841	20,838	9,939
including finance costs (accrued)	33,859	31,124	68,879
Payments to government	16,606	19,134	10,525
including income tax (accrued)	13,076	15,554	6,077
including other tax payments, import duties, and penalties (accrued)	3,530	3,580	4,448
Community investments	2,205	2,961	3,539
Non-distributed economic value	**41,646**	**29,432**	**(36,717)**

Governance Indicators

Attendance at meetings of PAO TMK's Board of Directors and Board committees in 2024

GRI 2-9
MED-36
MED-38

Status of Board members	Participation in committees	Attendance at meetings of the Board of Directors			Attendance at Board committee meetings					
					Audit Committee		Strategy and Sustainability Committee		Nomination and Remuneration Committee	
		Total	In person	In absentia	In person	In absentia	In person	In absentia	In person	In absentia
		19 meetings	7 meetings	12 meetings	10 meetings	4 meetings	7 meetings	0 meetings	6 meetings	1 meeting
After the Annual General Meeting of Shareholders on May 24, 2024										
Independent Director / Chairman of the Strategy and Sustainability Committee	Nomination and Remuneration Committee, Strategy and Sustainability Committee, Audit Committee	14/14	5/5	9/9	5/5	3/3	5/5	–	4/4	1/1
Executive Director	Nomination and Remuneration Committee, Strategy and Sustainability Committee	14/14	5/5	9/9	3/5	0/3	5/5	–	4/4	1/1
Independent Director / Chairman of the Nomination and Remuneration Committee	Nomination and Remuneration Committee, Strategy and Sustainability Committee, Audit Committee	14/14	5/5	9/9	5/5	3/3	5/5	–	4/4	1/1
Executive Director	–	14/14	5/5	9/9	4/5	0/3	5/5	–	0/4	0/1
Executive Director	Strategy and Sustainability Committee	14/14	5/5	9/9	0/5	0/3	5/5	–	1/4	0/1
Independent Director / Chairman of the Audit Committee	Audit Committee	14/14	5/5	9/9	5/5	3/3	4/5	–	0/4	0/1
Executive Director	–	14/14	5/5	9/9	1/5	0/3	5/5	–	2/4	0/1
Executive Director / Chairman of the Board of Directors	–	14/14	5/5	9/9	1/5	0/3	3/5	–	2/4	0/1
Executive Director	–	14/14	5/5	9/9	0/5	0/3	0/5	–	0/4	0/1
Before the Annual General Meeting of Shareholders on May 24, 2024										
Independent Director / Chairman of the Strategy and Sustainability Committee	Nomination and Remuneration Committee, Strategy and Sustainability Committee	5/5	2/2	3/3	4/5	0/1	2/2	–	2/2	–
Executive Director	Nomination and Remuneration Committee, Strategy and Sustainability Committee	5/5	2/2	3/3	0/5	0/1	2/2	–	2/2	–
Independent Director / Chairman of the Nomination and Remuneration Committee	Nomination and Remuneration Committee, Audit Committee	5/5	2/2	3/3	5/5	1/1	0/2	–	2/2	–
Executive Director	–	5/5	2/2	3/3	5/5	0/1	2/2	–	0/2	–
Executive Director	–	5/5	2/2	3/3	1/5	0/1	1/2	–	2/2	–
Independent Director / Chairman of the Audit Committee	Audit Committee	5/5	2/2	3/3	5/5	1/1	1/2	–	0/2	–
Executive Director	Strategy and Sustainability Committee	5/5	2/2	3/3	1/5	0/1	2/2	–	2/2	–
Executive Director / Chairman of the Board of Directors	–	5/5	2/2	3/3	3/5	0/1	1/2	–	1/2	–
Executive Director	Strategy and Sustainability Committee, Audit Committee	5/5	2/2	3/3	5/5	1/1	2/2	–	0/2	–

Environmental Indicators[61]

Pollutant emissions by plant, tonnes

GRI 305-7
SASB EM-IS-120a.1.
MED-19

Enterprise	2022	2023	2024
VTZ	1,924.4	1,994.5	1,742.0
PNTZ	3,689.1	3,322.8	3,254.6
STZ	8,961.8	8,990.7	8,615.2
TAGMET	4,717.1	4,309.7	3,234.3
SinTZ	186.1	188.3	238.4
CHTPZ	955.7	851.8	830.8
OMZ	47.3	29.6	24.7
TMK-YMZ	890.4	890.4	–
TMK-INOX	25.3	24.8	27.7
TMK NGS	119.7	79.6	69.7
TMK PS	–	276.5	236.9
TMK ETERNO[62]	19,7	448,1	447,9
TOTAL	**21,536.5**	**21,406.6**	**18,722.2**

Sulfur oxide (SO_x) emissions by plant, tonnes

GRI 305-7
SASB EM-IS-120a.1.

Enterprise	2022	2023	2024
VTZ	13.9	39.1	31.6
PNTZ	62.3	60.1	65.2
STZ	925.3	921.9	897.8
TAGMET	41.3	36.0	32.6
SinTZ	0.0	0.0	0.1
CHTPZ	15.3	14.6	14.4
OMZ	0.2	0.2	0.2
TMK-YMZ	105.9	105.9	–
TMK-INOX	0.0	0.0	0.0
TMK NGS	3.0	0.9	0.3
TMK PS	–	0.1	0.1
TMK ETERNO[62(1)]	0.1	0.1	0.1
TOTAL	**1,167.5**	**1,178.9**	**1,042.4**

Volatile organic compound (VOC) emissions by plant, tonnes

GRI 305-7
SASB EM-IS-120a.1.

Enterprise	2022	2023	2024
VTZ	75.2	43.4	31.5
PNTZ	84.0	85.7	83.9
STZ	15.0	14.0	13.8
TAGMET	134.8	129.6	131.8
SinTZ	29.9	29.3	28.2
CHTPZ	155.9	152.8	152.9
OMZ	8.7	4.9	4.6
TMK-YMZ	3.8	3.8	–
TMK-INOX	0.8	0.8	1.2
TMK NGS	28.3	17.9	17.5
TMK PS	–	5.8	2.6
TMK ETERNO[62(2)]	2.2	207.2	207.2
TOTAL	**538.6**	**695.2**	**675.1**

Nitrogen oxide (NO_x) emissions by plant, tonnes

GRI 305-7
SASB EM-IS-120a.1.

Enterprise	2022	2023	2024
VTZ	517.4	487.2	426.5
PNTZ	668.6	616.2	543.1
STZ	1,262.4	1,264.6	1,200.6
TAGMET	695.1	571.8	473.6
SinTZ	40.1	43.0	65.3
CHTPZ	423.1	402.5	395.6
OMZ	3.1	2.7	1.5
TMK-YMZ	141.9	141.9	–
TMK-INOX	6.4	6.1	7.9
TMK NGS	11.7	13.4	6.0
TMK PS	–	62.8	55.9
TMK ETERNO[62(3)]	3,6	95,6	95,5
TOTAL	**3,773.4**	**3,707.8**	**3,271.5**

SASB EM-IS-120a.1.

Carbon oxide (CO_x) emissions by plant, tonnes

Enterprise	2022	2023	2024
VTZ	777.4	970.7	909.0
PNTZ	2,157.2	1,949.1	2,032.1
STZ	6,420.1	6,451.8	6,169.6
TAGMET	2,987.7	2,810.8	2,017.2
SinTZ	27.9	29.7	65.5
CHTPZ	257.3	232.6	222.4
OMZ	31.4	19.5	15.7
TMK-YMZ	603.6	603.6	–
TMK-INOX	9.0	8.9	10.2
TMK NGS	37.7	8.2	9.5
TMK PS	–	108.0	83.1
TMK ETERNO[62(4)]	9.8	104.1	104.0
TOTAL	**13,319.0**	**13,297.0**	**11,638.3**

GRI 305-7

Other standard categories of air emissions by plant, tonnes

Enterprise	2022	2023	2024
VTZ	25.0	17.2	18.4
PNTZ	22.3	27.3	26.1
STZ	15.8	15.9	15.6
TAGMET	24.6	27.1	25.1
SinTZ	12.4	11.3	15.4
CHTPZ	22.6	24.6	22.9
OMZ	0.3	0.1	0.1
TMK-YMZ	2.0	2.0	–
TMK-INOX	3.5	3.6	3.1
TMK NGS	21.8	23.5	18.2
TMK PS	–	7.3	1.3
TMK ETERNO[62(5)]	0.1	16.4	16.4
TOTAL	**150.4**	**176.1**	**162.6**

GRI 305-7

Particulate matter emissions by plant, tonnes

Enterprise	2022	2023	2024
VTZ	515.5	436.9	325.0
PNTZ	694.8	584.4	504.4
STZ	323.2	322.6	317.8
TAGMET	833.6	734.4	553.9
SinTZ	75.7	75.0	64.0
CHTPZ	81.5	24.8	22.7
OMZ	3.6	2.1	2.5
TMK-YMZ	33.0	33.0	–
TMK-INOX	5.6	5.4	5.3
TMK NGS	17.3	15.7	18.2
TMK PS	–	92.4	93.9
TMK ETERNO[62(6)]	3.9	24.8	24.8
TOTAL	**2,587.7**	**2,351.6**	**1,932.4**

GRI 305-7
SASB EM-IS 120.a.1

Emissions of hazardous air pollutants, including manganese oxides (MnO_x) as well as lead (Pb) and its compounds in 2024 by plant, tonnes

Enterprise	Hazardous air pollutants	Manganese oxides (MnO_x)	Lead (Pb) and its compounds
VTZ	12.1	2.4	0.7
PNTZ	42.1	25.7	1.8
STZ	19.0	10.4	0.5
TAGMET	31.0	13.7	–
SinTZ	16.0	0.1	–
CHTPZ	25.8	–	–
OMZ	0.1	–	–
TMK-YMZ	–	–	–
TMK-INOX	2.6	–	–
TMK NGS	0.1	–	–
TMK PS	2.3	0.8	–
TMK ETERNO[62(7)]	1,0	1,0	–
TOTAL	**152.2**	**54.1**	**3.0**

Total water withdrawal,[63] thousand m³

GRI 303-3
SASB EM-IS-140a.1

Indicator	2022	2023	2024
Surface water	**15,188.6**	**15,772.8**	**15,255.4**
including freshwater	15,188.6	15,772.8	15,255.4
including other water	–	–	–
Groundwater	**1,774.4**	**2,037.5**	**1,845.1**
including freshwater	1,774.4	2,037.5	1,845.1
including other water	–	–	–
Seawater	**4,138.6**	**4,138.6**	**3,688.8**
Produced water	**–**	**–**	**–**
including freshwater	–	–	–
including other water	–	–	–
Third-party water, including:	**15,118.0**	**18,068.2**	**17,062.1**
Third-party wastewater	**4,216.0**	**7,257.6**	**7,092.4**
including freshwater	–	–	–
including other water	4,216.0	7,257.6	7,092.4
Municipal or other water discharge utilities	**10,902.0**	**10,810.6**	**9,969.7**
including freshwater	10,902.0	10,810.6	9,969.7
including other water	–	–	–
Drainage water	**1,123.2**	**964.8**	**992.1**
Storm water	**69.4**	**90.0**	**74.9**
Total water withdrawal[64]	**37,412.2**	**41,072.0**	**38,918.4**
including freshwater	27,865.0	28,620.9	27,070.2
including other water	9,547.2	12,451.1	11,848.2

Total water withdrawal from all areas with water stress,[63(1)] thousand m³

GRI 303-3

Indicator	2022	2023	2024
Surface water	**14,200.6**	**14,820.0**	**14,732.7**
including freshwater	14,200.6	14,820.0	14,732.7
including other water	–	–	–
Groundwater	**1,770.0**	**2,027.6**	**1,835.4**
including freshwater	1,770.0	2,027.6	1,835.4
including other water	–	–	–
Seawater	**–**	**–**	**–**
Produced water	**–**	**–**	**–**
including freshwater	–	–	–
including other water	–	–	–

Indicator	2022	2023	2024
Third-party water, including:	**4,164.0**	**3,871.5**	**3,329.8**
Third-party wastewater	**–**	**–**	**–**
including freshwater	–	–	–
including other water	–	–	–
Municipal or other water discharge utilities	4,164.0	3,871.5	3,329.8
including freshwater	4,164.0	3,871.5	3,329.8
including other water	–	–	–
Drainage water	**1,123.2**	**964.8**	**992.1**
Storm water	**69.4**	**90.0**	**74.9**
Total water withdrawal[64(1)]	**21,327.1**	**21,773.9**	**20,965.0**
including freshwater	20,134.6	20,719.1	19,898.0
including other water	1,192.6	1,054.8	1,067.0

Total water discharge,[63(2)] thousand m³

GRI 303-4

Indicator	2022	2023	2024
Surface water bodies	**13,051.8**	**12,380.3**	**12,939.3**
including freshwater	477.1	477.5	–
including other water	12,574.7	11,902.8	12,939.3
Municipal or other water discharge utilities	**13,433.3**	**13,918.9**	**14,278.6**
including freshwater	–	–	–
including other water	13,433.3	13,918.9	14,278.6
Total water discharged[65]	**26,485.1**	**26,299.2**	**27,217.9**
including freshwater	477.1	477.5	–
including other water	26,008.1	25,821.7	27,217.9

Total water discharge to all areas with water stress,[63(3)] thousand m³

GRI 303-4

Indicator	2022	2023	2024
Surface water bodies	**12,061.3**	**11,456.5**	**12,420.3**
including freshwater	–	–	–
including other water	12,061.3	11,456.5	12,420.3
Municipal or other water discharge utilities	**3,069.3**	**2,828.6**	**2,757.4**
including freshwater	–	–	–
including other water	3,069.3	2,828.6	2,757.4
Total water discharged[65(1)]	**15,130.6**	**14,285.1**	**15,177.7**
including freshwater	–	–	–
including other water	15,130.6	14,285.1	15,177.7

Water consumption, thousand m³

GRI 303-5

Indicator	2022	2023	2024
Total water consumption	10,927.0	14,772.8	11,700.5
Total water consumption in all areas with water stress	6,196.5	7,488.8	5,787.3

Total weight of waste received from third parties, thousand tonnes

GRI 306-3

Indicator	2022	2023	2024
Hazardous waste (Hazard Classes 1–3)	–	–	0.01
Non-hazardous waste (Hazard Classes 4–5)	0.28	4.51	3.05
Total	**0.28**	**4.51**	**3.07**

Waste generation by hazard class,[66] thousand tonnes

GRI 306-3
MED-17

Indicator	2022	2023	2024
Hazard Class 1	0.02	0.06	0.1
Hazard Class 2	0.01	0.00	0.01
Hazard Class 3	8.6	11.4	7.8
Hazard Class 4	532.7	499.3	256.0
Hazard Class 5	509.2	368.9	337.4
Total	**1,050.5**	**879.7**	**601.4**

Total weight of waste directed to recovery operations, tonnes

GRI 306-4
MED-18

Indicator	2022	2023	2024
Total weight of waste directed to recovery	**1,095,269.9**	**950,807.1**	**643,069.6**
Hazardous waste	**18.7**	**26.1**	**7,512.9[67]**
At TMK plants	**–**	**–**	**3,833.3**
Waste recycling	–	–	359.0
Other recovery operations	–	–	3,474.3
Transferred to third parties	**18.7**	**26.1**	**3,679.5**
Waste recycling	0.4	3.0	1,744.7
Preparation for reuse	–	–	–
Other recovery operations (treatment)	18.3	23.1	1,934.8
Non-hazardous waste	**1,095,251.2**	**950,781.0**	**635,556.7**
At TMK plants	**446,479.6**	**289,850.4**	**287,108.3**
Waste recycling	442,305.5	285,776.7	287,108.3
Other recovery operations (treatment)	4,174.1	4,073.7	–
Transferred to third parties	**648,771.6**	**660,930.7**	**348,448.4**
Waste recycling	628,301.9	635,961.2	337,033.9
Preparation for reuse (processing)	422.6	9.2	57.9
Other recovery operations (treatment)	20,047.1	24,960.3	11,356.7

Total weight of waste directed to non-recovery operations, tonnes

GRI 306-5
MED-18

Indicator	2022	2023	2024
Total weight of waste directed to non-recovery operations	**86,394.1**	**70,828.6**	**63,503.1**
Hazardous waste	**–**	**–**	**55.1**
At TMK plants	**–**	**–**	**55.1**
Directed to landfill	–	–	55.1
Transferred to third parties	**–**	**–**	**–**
Directed to landfill	–	–	–
Sent for storage	–	–	–
Non-hazardous waste	**86,394.1**	**70,828.6**	**63,448.1**
At TMK plants	**29,848.0**	**16,542.9**	**18,416.1**
Directed to landfill	29,848.0	16,542.9	18,416.1
Transferred to third parties	**56,546.1**	**54,285.7**	**45,032.0**
Directed to landfill	53,653.3	51,134.9	40,231.6
Sent for storage	35.5	–	–
Municipal solid waste transferred to the regional operator	2,857.4	3,150.8	4,800.4

Stored on-site (in the sludge storage facility), tonnes

Indicator	2022	2023	2024
Stored onsite (in the sludge storage facility)	337.4	185.6	4,572.9[68]

Workforce Indicators

Average headcount

MED-25

Indicator	2022	2023	2024
Total, thousand people	56.9	58.0	56.9
including the total number of employees with disabilities, people	405	442	476

Breakdown of employees by gender and employment contract type,[69] thousand people

GRI 2-7

	2022	2023	2024	2022	2023	2024
	Permanent employment contract			Fixed-term employment contract		
Women	20.6	20.6	20.4	0.7	0.9	0.9
Men	38.3	37.7	36.1	0.9	1.0	1.2
Total	**58.9**	**58.3**	**56.5**	**1.6**	**1.9**	**2.1**
	Full-time employment contract			Part-time employment contract		
Women	21.2	21.4	21.2	0.07	0.11	0.10
Men	39.2	38.6	37.2	0.02	0.06	0.10
Total	**60.4**	**60.0**	**58.4**	**0.09**	**0.17**	**0.2**

Breakdown of employees by region in 2024, thousand people

GRI 2-7

Operating region	Number of employees
Sverdlovsk Region	26.1
Volgograd Region	10.5
Chelyabinsk Region	8.7
Rostov Region	6.4
Orenburg Region	3.0
Moscow	1.3
Khanty-Mansi Autonomous Area — Yugra	1.0
Yamal-Nenets Autonomous Area	0.6
Belgorod Region	0.3
Perm Territory	0.1
Moscow Region	0.1
Other regions	0.5

Percentage of total employees covered by collective bargaining agreements, %

GRI 2-30
MED-32

2022	2023	2024
89	91	91

Total number of new employee hires, thousand people

GRI 401-1

2022	2023	2024
12.5	11.4	10.8

Employees by category, thousand people

GRI 405-1

	2022	2023	2024
Blue-collar employees	44.3	43.5	41.6
Managers and other white-collar employees	16.0	16.4	16.7
Senior management	0.2	0.3	0.3

Employees by age group, %

GRI 405-1

	2022	2023	2024
Under 30 years old	15.0	14.7	15.4
30–50 years old	61.0	60.5	59.2
Over 50 years old	24.0	24.8	25.4

Employees by gender, thousand people

GRI 2-7
GRI 405-1

	2022	2023	2024
Women	21.3 (35%)	21.5 (36%)	21.3 (36%)
Men	39.2 (65%)	38.7 (64%)	37.3 (64%)

Ratios of standard entry-level wage compared to local minimum wage across the Company's significant locations of operation at the end of 2024[70, 71]

GRI 202-1

Operating region	Entry-level minimum wage, RUB	Regional minimum wage, RUB	Ratio of wage to minimum wage
Sverdlovsk Region	35,825	19,242	1.86
Volgograd Region	37,975	21,166	1.79
Chelyabinsk Region	35,825	19,242	1.86
Rostov Region	37,258	23,090	1.61
Orenburg Region	35,825	19,242	1.86
Moscow	87,500	29,389	2.98
Khanty-Mansi Autonomous Area — Yugra	23,974	19,242	1.25
Yamal-Nenets Autonomous Area	29,011	19,242	1.51
Belgorod Region	35,825	19,242	1.86
Perm Territory	27,759	19,242	1.44
Moscow Region	35,834	21,000	1.71

Total hours of employee training[72]

GRI 404-1
MED-31

Indicator	2023	2024
Hours of employee training[73]	**3,110,125**	**3,116,482**
By gender		
Men	2,186,144	2,233,293
Women	923,981	883,188
By position		
Senior management	25,687	9,332
Managers and other white-collar employees	699,620	606,315
Blue-collar employees	2,384,818	2,500,835
Headcount as at December 31, 2024, people	**60,237**	**58,553**
By gender		
Men	38,685	37,302
Women	21,552	21,251
By position		
Senior management[74]	280	282
Managers and other white-collar employees	16,447	16,779
Blue-collar employees	43,510	41,550
Average hours of training per employee[75]	**51.6**	**53.2**
By gender		
Men	56.5	59.9
Women	42.9	41.6
By position		
Senior management	91.7	33.1
Managers and other white-collar employees	42.5	36.1
Blue-collar employees	54.8	60.2

Employee performance evaluation,[76] people

GRI 404-3

Indicator	2023	2024
Total number of employees who have passed official performance evaluation (certification)	**5,186**	**6,125**
By gender		
Men	3,394	4,096
Women	1,792	2,029
By position		
Senior management	0	0
Managers and other white-collar employees	578	1,125
Blue-collar employees	4,608	5,000

Occupational Health and Safety Indicators[77]

TMK and contractor employees covered by the corporate occupational health and safety management system (OHSMS) in 2024

GRI 403-8

Indicator	OHSMS coverage	Including the OHSMS that passed an internal audit	Including the OHSMS that passed an external audit
Number of employees at TMK enterprises covered by the OHSMS	50,051	50,051	39,464
Proportion of employees at TMK enterprises covered by the OHSMS in TMK's total headcount	100%	100%	79%
Number of contractor employees at TMK enterprises covered by the OHSMS	54,832	54,832	49,410
Proportion of contractor employees at TMK enterprises covered by the OHSMS in TMK's total contractor employee headcount	100%	100%	90%

Number of TMK Group employees who sustained work-related injuries, including no-lost-time injuries

GRI 403-9
MED-29

Indicator	2022	2023	2024
Number of work-related injuries, including:	35	54	54
number of fatalities as a result of work-related injury	3	1	0
number of high-consequence work-related injuries	10	9	7
number of low-consequence work-related injuries	22	44	47
Number of no-lost-time injuries	23	46	22

Number of contractor employees who sustained work-related injuries, including no-lost-time injuries

GRI 403-9

Indicator	2022	2023	2024
Number of work-related injuries, including:	4	1	6
number of fatalities as a result of work-related injury	1	0	0
number of high-consequence work-related injuries	1	1	1
number of low-consequence work-related injuries	2	0	5
Number of no-lost-time injuries	2	8	0

Work-related injury rates among TMK Group employees

GRI 403-9

Indicator	2022	2023	2024
Total recordable injury frequency rate (TRIFR)	0.69	1.11	0.82
Lost time injury frequency rate (LTIFR)	0.42	0.60	0.58
Fatal accident rate (FAR)	0.04	0.01	0.00
The rate of high-consequence work-related injuries	0.12	0.10	0.08

Number of work-related injuries at TMK Group

GRI 403-9

Enterprise	2022	2023	2024
VTZ	1	1	2
PNTZ	6	12	14
STZ	3	2	8
TAGMET	1	6	4
SinTZ	5	6	7
CHTPZ	3	5	1
OMZ	2	0	1
TMK-YMZ	2	1	–
TMK-INOX	0	0	0
TMK NGS:	7	7	8
Truboplast	1	1	1
TMK NGS-Nizhnevartovsk	4	0	3
TMK NGS-Buzuluk	0	3	1
Uralchermet	0	1	2
TMK Pipe Service	1	2	1
TMK ETERNO:	2	5	2
TMK Steel Technologies	1	0	0
Pipeline Bends	1	1	0
RAZ	0	0	0
CSSP	–	4	2
TMK ESK	0	1	0
TMK PS:	0	2	1
TMK PS (Volzhsky)	–	1	0
TMK PS (Chelyabinsk)	–	1	1
RUSNITI	1	1	0
TMK TechService	–	5	4
TMK's R&D Center	–	0	1
TMK's Research Center	–	0	0
TMK-Premium Service	–	0	1
TMK	–	–	0
TMK BSC	–	–	0
TOTAL	**35**	**54**	**54**

Number of high-consequence work-related injuries at TMK Group

GRI 403-9

Enterprise	2022	2023	2024
VTZ	1	1	1
PNTZ	1	0	2
STZ	1	0	0
TAGMET	1	2	1
SinTZ	1	0	1
CHTPZ	0	1	0
OMZ	1	0	0
TMK-YMZ	0	1	–
TMK-INOX	0	0	0
TMK NGS:	3	2	2
Truboplast	0	1	0
TMK NGS-Nizhnevartovsk	1	0	0
TMK NGS-Buzuluk	0	0	1
Uralchermet	0	0	1
TMK Pipe Service	1	1	0
TMK ETERNO:	1	0	0
TMK Steel Technologies	1	0	0
Pipeline Bends	0	0	0
RAZ	0	0	0
CSSP	–	0	0
TMK ESK	0	0	0
TMK PS:	0	1	0
TMK PS (Volzhsky)	–	0	0
TMK PS (Chelyabinsk)	–	1	0
RUSNITI	0	–	0
TMK TechService	–	1	0
TMK's R&D Center	–	0	0
TMK's Research Center	–	0	0
TMK-Premium Service	–	0	0
TMK	–	–	0
TMK BSC	–	–	0
TOTAL	**10**	**9**	**7**

GRI 403-9

Number of fatalities as a result of work-related injury at TMK Group

Enterprise	2022	2023	2024
VTZ	0	0	0
PNTZ	2	0	0
STZ	0	0	0
TAGMET	0	0	0
SinTZ	0	0	0
CHTPZ	1	0	0
OMZ	0	0	0
TMK-YMZ	0	0	–
TMK-INOX	0	0	0
TMK NGS:	0	0	0
Truboplast	0	0	0
TMK NGS-Nizhnevartovsk	0	0	0
TMK NGS-Buzuluk	0	0	0
Uralchermet	0	0	0
TMK Pipe Service	0	0	0
TMK ETERNO:	0	0	0
TMK Steel Technologies	0	0	0
Pipeline Bends	0	0	0
RAZ	0	0	0
CSSP	–	0	0
TMK ESK	0	0	0
TMK PS:	0	0	0
TMK PS (Volzhsky)	–	0	0
TMK PS (Chelyabinsk)	–	0	0
RUSNITI	0	1	0
TMK TechService	–	–	0
TMK's R&D Center	–	0	0
TMK's Research Center	–	0	0
TMK-Premium Service	–	0	0
TMK	–	–	0
TMK BSC	–	–	0
TOTAL	**3**	**1**	**0**

GRI 403-9

Lost time injury frequency rate (LTIFR) at TMK Group

Enterprise	2022	2023	2024
VTZ	0.06	0.07	0.15
PNTZ	0.48	0.97	1.12
STZ	0.30	0.23	0.92
TAGMET	0.10	0.60	0.40
SinTZ	0.45	0.53	0.61
CHTPZ	0.34	0.71	0.15
OMZ	0.59	0.00	0.24
TMK-YMZ	1.06	0.51	–
TMK-INOX	0.00	0.00	0.00
TMK NGS:	1.79	1.60	1.56
Truboplast	3.12	3.36	3.44
TMK NGS-Nizhnevartovsk	3.31	0.00	1.88
TMK NGS-Buzuluk	0.00	4.30	1.00
Uralchermet	0.00	2.40	5.07
TMK Pipe Service	0.85	1.36	0.58
TMK ETERNO:	0.88	0.92	0.40
TMK Steel Technologies	1.29	0.00	0.00
Pipeline Bends	1.07	0.98	0.00
RAZ	0.00	0.00	0.00
CSSP	–	1.45	0.81
TMK ESK	0.00	1.36	0.00
TMK PS:	0.00	0.41	0.22
TMK PS (Volzhsky)	–	0.37	0.00
TMK PS (Chelyabinsk)	–	0.48	0.52
RUSNITI	4.21	5.47	0.00
TMK TechService	–	1.45	1.08
TMK's R&D Center	–	0.00	13.84
TMK's Research Center	–	0.00	0.00
TMK-Premium Service	–	0.00	1.62
TMK	–	–	0.00
TMK BSC	–	–	0.00
TOTAL	**0.42**	**0.60**	**0.58**

Total recordable injury frequency rate (TRIFR) at TMK Group

GRI 403-9

Enterprise	2022	2023	2024
VTZ	0.06	0.07	0.15
PNTZ	1.28	2.01	1.92
STZ	0.30	1.02	1.04
TAGMET	0.10	0.60	0.40
SinTZ	0.89	0.61	0.95
CHTPZ	0.57	1.14	0.46
OMZ	1.46	0.00	0.24
TMK-YMZ	1.06	0.51	–
TMK-INOX	0.76	0.00	0.00
TMK NGS:	1.79	1.83	1.56
Truboplast	3.12	3.36	3.44
TMK NGS-Nizhnevartovsk	3.31	0.00	1.88
TMK NGS-Buzuluk	0.00	4.30	1.00
Uralchermet	0.00	2.40	5.07
TMK Pipe Service	0.85	2.04	0.58
TMK ETERNO:	0.88	3.87	0.99
TMK Steel Technologies	1.29	1.06	1.37
Pipeline Bends	1.07	2.93	0.00
RAZ	0.00	0.00	0.00
CSSP	–	6.18	1.62
TMK ESK	0.00	1.36	0.00
TMK PS:	3.20	0.41	0.44
TMK PS (Volzhsky)	–	0.37	0.00
TMK PS (Chelyabinsk)	–	0.48	1.03
RUSNITI	4.21	5.47	0.00
TMK TechService	–	2.90	1.35
TMK's R&D Center	–	0.00	13.84
TMK's Research Center	–	0.00	0.00
TMK-Premium Service	–	0.00	1.62
TMK	–	–	0.00
TMK BSC	–	–	0.00
TOTAL	**0.69**	**1.11**	**0.82**

The rate of high-consequence work-related injuries at TMK Group

GRI 403-9

Enterprise	2022	2023	2024
VTZ	0.06	0.07	0.08
PNTZ	0.08	0.00	0.16
STZ	0.10	0.00	0.00
TAGMET	0.10	0.20	0.10
SinTZ	0.09	0.00	0.09
CHTPZ	0.00	0.14	0.00
OMZ	0.29	0.00	0.00
TMK-YMZ	0.00	0.51	–
TMK-INOX	0.00	0.00	0.00
TMK NGS:	0.77	0.46	0.39
Truboplast	0.00	3.36	0.00
TMK NGS-Nizhnevartovsk	0.83	0.00	0.00
TMK NGS-Buzuluk	0.00	0.00	1.00
Uralchermet	0.00	0.00	2.53
TMK Pipe Service	0.85	0.68	0.00
TMK ETERNO:	0.44	0.00	0.00
TMK Steel Technologies	1.29	0.00	0.00
Pipeline Bends	0.00	0.00	0.00
RAZ	0.00	0.00	0.00
CSSP	–	0.00	0.00
TMK ESK	0.00	0.00	0.00
TMK PS:	0.00	0.21	0.00
TMK PS (Volzhsky)	–	0.00	0.00
TMK PS (Chelyabinsk)	–	0.48	0.00
RUSNITI	0.00	0.00	0.00
TMK TechService	–	0.29	0.00
TMK's R&D Center	–	0.00	0.00
TMK's Research Center	–	0.00	0.00
TMK-Premium Service	–	0.00	0.00
TMK	–	–	0.00
TMK BSC	–	–	0.00
TOTAL	**0.12**	**0.10**	**0.08**

GRI 403-9

Fatal accident rate (FAR) at TMK Group

Enterprise	2022	2023	2024
VTZ	0.00	0.00	0.00
PNTZ	0.16	0.00	0.00
STZ	0.00	0.00	0.00
TAGMET	0.00	0.00	0.00
SinTZ	0.00	0.00	0.00
CHTPZ	0.11	0.00	0.00
OMZ	0.00	0.00	0.00
TMK-YMZ	0.00	0.00	0.00
TMK-INOX	0.00	0.00	0.00
TMK NGS:	0.00	0.00	0.00
Truboplast	0.00	0.00	0.00
TMK NGS-Nizhnevartovsk	0.00	0.00	0.00
TMK NGS-Buzuluk	0.00	0.00	0.00
Uralchermet	0.00	0.00	0.00
TMK Pipe Service	0.00	0.00	0.00
TMK ETERNO:	0.00	0.00	0.00
TMK Steel Technologies	0.00	0.00	0.00
Pipeline Bends	0.00	0.00	0.00
RAZ	0.00	0.00	0.00
CSSP	–	0.00	0.00
TMK ESK	0.00	0.00	0.00
TMK PS:	0.00	0.00	0.00
TMK PS (Volzhsky)	–	0.00	0.00
TMK PS (Chelyabinsk)	–	0.00	0.00
RUSNITI	0.00	5.47	0.00
TMK TechService	–	0.00	0.00
TMK's R&D Center	–	0.00	0.00
TMK's Research Center	–	0.00	0.00
TMK-Premium Service	–	0.00	0.00
TMK	–	–	0.00
TMK BSC	–	–	0.00
TOTAL	**0.04**	**0.01**	**0.00**

INDEPENDENT ASSURANCE

GRI 2-5

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INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

To the Board of Directors of PJSC TMK

Scope of limited assurance engagement

We performed an assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) to provide limited assurance of data prepared in accordance with the Global Reporting Initiatives Standards (the "GRI Standards") presented in the Sustainability Report of PJSC TMK (the "Company") for the year ended 31 December 2024 (the "Report"). The Subject matter of engagement contains data prepared in accordance with the GRI Standards and presented in the Report ("Subject matter").

Our key limited assurance procedures

To achieve limited assurance, the ISAE 3000 (revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our limited assurance conclusion.

To form our conclusion, we undertook the following procedures:

- Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;
- Interviewed employees of the Company responsible for sustainability performance, policies and corresponding reporting;
- Visited JSC Chelyabinsk Pipe Plant and conducted interviews with representatives responsible for environmental protection, occupational and industrial safety, energy efficiency, personnel management and training, charitable activities;
- Conducted selective substantive testing to confirm accuracy of received data to the selected key performance indicators;
- Inquired management and senior executives to form an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of the sustainability issues and selected performance indicators;
- Performed selective review of disclosures in the Report on compliance with the GRI Standards.

1

Inherent limitations and restriction on use

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, errors or non-compliance may occur and not be detected. Additionally non-financial information, such as that included in the Report is subject to more inherent limitations than financial information, given the nature and methods used for determining, calculating and sampling or estimating such information.

Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this Report, or for the conclusions we have formed.

Our engagement provides limited assurance as defined in ISAE 3000 (revised). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Roles and responsibilities

The Board of Directors is responsible for the preparation, accuracy and completeness of the sustainability information and statements contained within the Report. It is responsible for determining the Company's sustainability objectives and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Our responsibility is to express a conclusion on the Subject matter based on our procedures. We conducted our engagement in accordance with the ISAE 3000 (revised).

Independence and quality control

We are independent of the Company in accordance with the Auditor's Independence Rules and the Auditor's Professional Ethics Code, that are relevant to our audit of the financial statements in the Russian Federation together with the ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

The firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

2

Limited assurance conclusion

Based on the procedures performed and evidence obtained as part of limited assurance engagement, nothing has come to our attention that causes us to believe that the Subject matter is not prepared in accordance with the GRI Standards or is materially misstated.

Tursunov Timur Musliddinovich
Engagement partner
AO “Business Solutions and Technologies”
(ORNZ № 12006020384)

Moscow, Russia
19 June 2025

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FOOTNOTES

1 The Company is hereinafter referred to as “we”, “PAO TMK”, “TMK”, the “Company”, “TMK Group”, or the “Group”.
2 The most recent version. The “GRI Standards” or “GRI”.
3 Order of the Russian Ministry of Economic Development No. 764, On Approval of Methodological Recommendations for the Preparation of Sustainable Development Reports, dated November 01, 2023.
4 The Bank of Russia’s Information Letter No. IN-06-28/49, On Recommendations for Public Joint Stock Companies to Disclose Non-Financial Information Related to Their Activities, dated July 12, 2021.
5 2023 sales include sales of pipe and tubular products of TMK Group and TMK PS.
6 PU — polyurethane.
7 Updated on April 03, 2025.
8 Updated on January 13, 2025.
9 MRO — equipment maintenance, repair, and overhaul.
10 Vocational schools or technical colleges.
11 The attendance rate is calculated using the methodology of the Russian Ministry of Economic Development as a ratio of the number of Board members attending its meetings to the total number of Board members.
12 As at December 31, 2024, two members of the Management Board combined degrees in two fields.
13 AML/CFT/PWMD means anti-money laundering, combating the financing of terrorism and proliferation of weapons of mass destruction.
14 Each report to the hotline is registered separately. One whistleblower can submit several reports on the same subject, and each of them will be registered.
15 Spam includes bulk commercial e-mails, reports meant for a different organization, erroneous reports, and calls with no message left.
16 This category includes, for example, requests for quotations for TMK products, bids for tenders, invitations to conferences, etc.
17 Security Governance, Risk, Compliance — a class of software products designed to manage an organization’s information security processes and automate its security management system.
18 By key suppliers, TMK means those with whom the Company has long-term relationships and who meet either of the following two criteria: 1) financial criterion — the monetary value of inventories purchased from the supplier is significant (at least 50% of procurement), and 2) uniqueness criterion — the supplier is the only or one of several producers of inventories required for TMK’s production.
19 By local suppliers, TMK means suppliers in the regions where TMK enterprises are present (operate).
20 A weighted average, taking into account the number of local suppliers in each region.
21 Data is consolidated for TMK Group pipe plants.
22 The survey covered customers of the following TMK Group enterprises: PNTZ, SinTZ, STZ, CHTPZ, TAGMET, VTZ, TMK-CPW, TMK Pipeline Solutions, OMZ, TMK-INOX, Pipeline Bends, TMK NGS-Nizhnevartovsk, TMK Steel Technologies, CSSP, Truboplast, TMK NGS-Buzuluk, RAZ, TMK Pipe Service, and Uralchermet.
23 The full list of enterprises covered by certification is provided in the Appendix to the Certificate of Conformity of the Quality Management System to ISO 9001:2015.
24 Recycled materials include by-products and industrial waste, recyclable materials generated during pipe manufacturing and used in the next production cycle, as well as materials received from third parties. Only the materials that are returned to the process (smelting) are taken into account.
25 According to the definitions given in the GRI Standards, non-renewable materials are raw materials that do not renew in a short time period (scrap metal, metallurgical scrap, ferroalloys, etc.), while renewable materials are those derived from plentiful resources that are quickly replenished by ecological cycles or agricultural processes (paper, cardboard, etc.). This indicator is calculated based on data for electric arc furnace shops at four of the Company’s plants — VTZ, PNTZ, STZ, and TAGMET.
26 The 2022 and 2023 figures have been adjusted due to improvements to the indicator calculation approach made in 2024.
27 The consumption of materials for packaging is disclosed for enterprises that manufacture packaging for pipe and tubular products: PNTZ, SinTZ, OMZ, RAZ, Pipeline Bends, CSSP, TMK NGS-Buzuluk, TMK NGS-Nizhnevartovsk, Truboplast, and TMK Pipe Service.
28 The Program covers eight TMK enterprises: VTZ, STZ, SinTZ, PNTZ, CHTPZ, TAGMET, TMK-INOX, and TMK PS.
29 Total pollutant emissions in 2022–2024 do not equal the sum of emissions broken down by compound in 2022–2024 due to rounding of figures to one decimal place.
30 PNTZ, STZ, TAGMET, SinTZ, and RAZ draw water from the following sources: the Chusovaya, Iset, and Dnieper Rivers, the Severskoye and Nizhne-Shaitanskoye Reservoirs (Sverdlovsk Region), the Mazulinsky water intake (wells), Pond 1 in Kuleshovka Arroyo (Belgorod Region), and the Taganrog Bay of the Sea of Azov (Rostov Region).
31 STZ has social obligations to provide water supply for a part of Polevskoy in the Sverdlovsk Region. In 2024, a total of 4,049.8 thousand m³ was supplied to the town.

32 TMK-INOX, TMK NGS, TMK PS (Chelyabinsk), CHTPZ, and CSSP do not withdraw and/or discharge water themselves but use the services of third parties (suppliers) or other Company enterprises. TMK NGS, CHTPZ, and CSSP use the services of third parties, with CHTPZ's and CSSP's suppliers sourcing water from areas with water stress. TMK-INOX withdraws water through SinTZ and partially discharges it through SinTZ and Sinarskaya Power Plant. TMK PS (Chelyabinsk) uses the water withdrawal and discharge services of CHTPZ.

33 Data on TMK's water resources are collected and analyzed based on statutory reporting forms or internal data collection forms (if enterprises do not use 2-TP (water management) forms due to insignificant water withdrawal).

34 TMK classifies water from surface water bodies (excluding seas), underground sources, and municipal water networks as freshwater.

35(1) Data for TMK PS includes only data on TMK PS (Volzhsky), as TMK PS (Chelyabinsk) does not withdraw water itself but uses the services of CHTPZ.

36 The total volume of water discharged to surface water bodies at STZ includes wastewater transferred to the plant from the town. This wastewater is not related to the Company's operations but is directed to the Company's treatment facilities and is then discharged to a river. Data for TMK PS includes only data on TMK PS (Volzhsky), as TMK PS (Chelyabinsk) does not discharge water itself but uses the services of CHTPZ.

37 The data includes VTZ, PNTZ, STZ, SinTZ, TAGMET, CHTPZ, OMZ, TMK-INOX, and TMK PS (Volzhsky) and was calculated by dividing the annual volume of the enterprises' recycled water by the sum of make-up process water added to the recycling loop over the reporting period and the annual volume of the enterprises' recycled water.

38 The Company classifies waste of Hazard Classes 1 to 3 as hazardous and waste of Hazard Classes 4 and 5 as non-hazardous. Hazard Class 3 waste was reclassified by the Company as hazardous starting from 2024.

39 The indicator is calculated as the ratio of the weight of waste diverted from disposal to the total weight of waste diverted from disposal and waste directed to disposal.

40 Equipment using fluids based on polychlorinated biphenyls (PCB) as coolants or liquid dielectrics. PCB-containing waste is classified as Hazard Class 1.

41 The long-term target for 2050 (2060) will be set after 2027.

42 An assessment of physical risks, including financial implications, covered all major TMK Group enterprises: VTZ, TAGMET, STZ, PNTZ, CHTPZ, SinTZ, TMK-INOX, and OMZ.

43 Hereinafter, the total GHG emissions for 2024 may differ from the sum of emissions across scopes due to cumulative rounding to whole numbers. Scope 2 GHG emissions (location-based) totaled 1,432,015 tonnes of CO_2-equivalent in 2024, 1,557,299 tonnes of CO_2-equivalent in 2023, and 1,550,137 tonnes of CO2-equivalent in 2022.

44 GHG emissions intensity was calculated by dividing the total direct (Scope 1) and energy indirect (Scope 2) emissions at enterprises that have emission sources in the Ferrous Metallurgy category by steel output.

45 As of the end of 2024, TAGMET, OMZ, STZ, and VTZ held valid certificates.

46 VTZ, STZ, TAGMET, SinTZ, CHTPZ, PNTZ, and OMZ.

47 Calculated based on the sum of the production costs of finished products for continuous cast billets and pipes. The calculation of energy intensity includes the amount of purchased energy (natural gas and electricity) consumed in product manufacturing processes.

48 The 2022 and 2023 figures have been adjusted due to improvements to the indicator calculation approach made in 2024.

49 Employee turnover rate is calculated as a ratio of the number of terminations in the reporting period to the average headcount.

50 Including costs of VTZ, PNTZ, STZ, TAGMET, SinTZ, CHTPZ, OMZ, TMK-INOX, TMK NGS, TMK ETERNO, TMK ESK, TMK PS, RUSNITI, TMK TechService, and TMK-Premium Service. Other expenses covered fire safety measures; storage, maintenance, repair, and replacement of PPE; the purchase of milk and preventive nutrition for employees; and much more.

51 The lost time injury frequency rate (LTIFR) is calculated by the formula: LTIFR = N × 1,000,000/T, where N is the number of lost time injuries, including fatal accidents, and T is the number of person-hours worked.

52 The total recordable injury frequency rate (TRIFR) is calculated by the formula: TRIFR = N × 1,000,000/T, where N is the number of individuals who sustained injuries from accidents and no-lost-time injuries, and T is the total number of person-hours worked.

53 Reflects the number of courses completed. One employee can take several trainings available.

54 The 2022 and 2023 figures have been adjusted due to improvements to the data collection and accounting approach made in 2024.

55 Projects of the Sinara Charitable Foundation are primarily funded by TMK Group. A full list of Foundation trustees is available on its official website.

56 The table does not include all TMK Group enterprises covered by the consolidated IFRS financial statements, but only those whose data is included in the calculation of indicators for material topics. At the same time, key financial indicators under the Economic Performance material topic are disclosed within the IFRS reporting boundaries.

57 Since 2024, the IFRS Foundation's International Sustainability Standards Board (ISSB) took over the monitoring of the progress of companies' climate-related disclosures from Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD).

58 Other Income/Expenses includes profits/losses from associates and joint ventures.

59 Operating Expenses includes cost of sales, selling and distribution expenses, general and administrative expenses, and other operating income/expenses, excluding expenses that are included in other items within the indicator.

60 Employee Wages and Benefits includes payments to employees working under independent contractor agreements.

61 Hereinafter, totals for environmental indicators may not sum up due to cumulative rounding to one decimal place.

62(1)(2)(3)(4)(5)(6)(7) In 2022, only data on RAZ was disclosed for TMK ETERNO — TMK's Machine-Building Division.

63(1)(2)(3) Data for TMK PS includes only data on TMK PS (Volzhsky), as TMK PS (Chelyabinsk) does not withdraw water itself but uses the services of CHTPZ.

64(1) The calculation of water withdrawal by STZ does not include water intended for use by the town of Polevskoy, which amounted to 5,126.7 thousand m³ in 2022, 4,842.8 thousand m³ in 2023, and 4,049.8 thousand m³ in 2024.

65(1) The total volume of water discharged to surface water bodies includes wastewater transferred to STZ from the host town. This wastewater is not related to the Company's operations but is directed to the Company's treatment facilities and is then discharged to a river. This wastewater amounted to 3,688.4 thousand m³ in 2022, 3,425.9 thousand m³ in 2023, and 2,911.1 thousand m³ in 2024.

66 The Company classifies waste of Hazard Classes 1 to 3 as hazardous and waste of Hazard Classes 4 and 5 as non-hazardous. Hazard Class 3 waste was reclassified by the Company as hazardous in 2024.

67 The significant increase in the weight of hazardous waste generated by TMK in 2024 was due to the revision of the Company's approach to categorizing waste into hazardous and non-hazardous. Starting from 2024, the Company classifies Hazard Classes 1–3 waste as hazardous, in line with GRI guidance.

68 The significant increase in the weight of waste directed to the sludge storage facility in 2024 was due to the suspension of sludge neutralization using specialist equipment.

69 Hereinafter, the breakdown of employees is for average headcount.

70 The entry-level minimum wage and regional minimum wage do not include local pay supplements and pay supplements for working in the Russian North.

71 Entry-level minimum wages are the same regardless of gender.

72 Disclosed under the Employment and Decent Working Conditions material topic.

73 Training refers to all types of vocational training and instruction, paid educational leave, training or education pursued externally and paid for in whole or in part by the organization, and training on specific topics. Training does not include onsite coaching by supervisors.

74 Includes senior and CEO-1 roles.

75 Calculated by dividing the number of hours of training by the number of employees.

76 The Company has established a schedule for certification procedures, meaning that not all enterprises are covered by the certification process each year.

77 In 2024, data on employees of PAO TMK and LLC TMK Business Service Center (TMK BSC) was included in the calculation of OHS indicators.

CONTACTS

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ABBREVIATIONS

Abbreviation	Explanation
AI	Artificial intelligence
AML/CFT/PWMD	Anti-money laundering / combating the financing of terrorism / proliferation of weapons of mass destruction
AMROS	Russian Association of Metals and Mining Industrialists
BoD	Board of Directors
CEO	Chief Executive Officer
CQMS	Corporate quality management system
EAF	Electric arc furnace
EDM	Electronic document management
EIA	Environmental impact assessment
ESG	Environmental, social, and governance
FAR	Fatal accident rate
GRI	Global Reporting Initiative
GHG	Greenhouse gas
HSE	Health, safety, and environment
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
INTI	Institute of Oil and Gas Technology Initiatives
IPCC	Intergovernmental Panel on Climate Change
ISAE	International Standard on Assurance Engagements
ISSB	International Sustainability Standards Board
ISMS	Information security management system
ISO	International Organization for Standardization

Abbreviation	Explanation
IUCN	International Union for Conservation of Nature and Natural Resources
KPI	Key performance indicator
LTIFR	Lost time injury frequency rate
MED	Russian Ministry of Economic Development
MES	Manufacturing execution system
OCTG	Oil country tubular goods
OHS	Occupational health and safety
OHSMS	Occupational health and safety management system
PCB	Polychlorinated biphenyls
PU	Polyurethane
R&D	Research and development
RPA	Robotic process automation
RSPP	Russian Union of Industrialists and Entrepreneurs
SASB	Sustainability Accounting Standards Board
SOSPP	Sverdlovsk Regional Union of Industrialists and Entrepreneurs
SME(s)	Small and medium-sized enterprises
TCFD	Task Force on Climate-related Financial Disclosures
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals
VHI	Voluntary health insurance
YSTC	Youth Scientific and Technical Conference
y-o-y	Year-on-year

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