

APPROVED BY
Director General
/signed/ D. G. Safin

CODE OF ETHICS

Law Office

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SCOPE

The Code of Ethics is a regulatory document that defines the rules of conduct for employees of JSC “Zagorsk Pipe Plant” (hereinafter referred to as the Company).

The content of the Code shall be communicated to all employees of the Company, as well as to each employee who is newly hired.

TERMS AND DEFINITIONS

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|------------------------------|---|
| Code of Ethics | - A set of fundamental ethical principles and standards of official conduct for the Company employees. |
| Bribe | - Material values accepted by an official (items, monetary funds, services, other property benefits) in exchange for an action or omission in the interests of the bribe-taker, which this could or should not have committed due to official position. |
| Business Ethics | - Rules and norms of official conduct |
| Business partner | - An individual or a legal entity with whom/which the Company maintains a business relationship. |
| Interested parties | - Individuals or legal entities that are able to influence the Company activities and (or) depend on its activities. |
| Conflict of Interests | - A situation in which a vested interest (either direct or indirect) of an employee of the Company affects, or may affect, the proper performance of such employee’s work role or job duties and which involves, or may involve, a conflict between the employee’s vested interests and rights and legitimate interests of the Company that could lead to prejudice in respect of any right or legitimate interest, or cause damage to any asset and/or business reputation of the Company. |
| Corruption | - An abuse of office, giving or accepting a bribe, abuse of authority, commercial bribery or other illegal use of office by an individual in defiance of the Company and the government legitimate interests in order to obtain an advantage in the form of money, anything of value, other asset or property-related service, or any other proprietary interest for oneself or for any third party, or an illegal granting of such advantage to this person by other individuals. |
| Mission Values | - Main goal of the Company, its purpose. - Particularly significant life principles and elements of corporate culture that distinguish the Company and its employees |
| Hospitality expenses | - Expenses of the Company for official receptions, servicing of various-level business negotiations. |

CHAPTER I. OUR COMPANY

1.1. Company Mission

Our mission is to provide maximum advantage to our customers by offering the best products, the best service and the best prices.

1.2. Company Philosophy

METALLURGY 2.0 is the name of our approach to shaping the Russian pipe industry, our business philosophy.

It is based on the available inputs that form the basis of the Company's three operating principles.

- Creating a competitive market

Only fair and open competition can serve as a basis for business. By virtue of competition, business is able to develop, opening up more and more opportunities.

- Continuous development of the Company

The Company does not stand still, but its path is directed both from the inside and outside. Both employees and customers may influence the Company development. And we provide the most transparent tools for both. Every employee at a workplace may participate in the Company development.

- A sense of corporate social responsibility

The Company activities are not limited exclusively to production. The Company pays due consideration to the development of the regions of its presence through various forms of interaction with the public.

1.3. Company Vision

Zagorsk Pipe Plant is a key company in the Russian metallurgical market that sets new trends in the industry and demonstrates the best combination of effective management and distribution of internal resources.

Our key differences from other companies present in this market:

- We are new. We did not participate in the privatization of the country's heritage created by the Soviet people. We build and develop new businesses that are based on modern market mechanisms.
- We are young and ready to meet the challenges of the market. We are not afraid to offer solutions that no one has dared to offer before, to change the paradigms that have been formed.
- We bring to the market the most efficient and compact production facilities that are able to show the maximum return on investment for us and for our customers.

1.4. Corporate Values

The Company values are filters which any decisions made in the Company pass through.

- Safety

It is the key value of the Company as an industrial group. No decision can be made if there is any health risk involved in its implementation. It is the fact of risk that matters, not the fact of who bears it, be it an employee or any other person.

- People and their knowledge

In all our decisions, we rely on the Company human resources. We value people and their knowledge, which helps us achieve ambitious goals together and stand out from other

companies. Efficient work is impossible without sufficient training of employees. The Company aims to systematize and transfer knowledge from generation to generation, develop its employees, encourage them to learn related trades, etc.

- Customer-first attitude

A customer can be not only external, as a product customer, but also internal. It is the customers who develop the Company and determine its development vectors. This becomes possible when there is transparency and close interaction and the needs of customers are addressed.

- Respect

Regardless of the way the relationship with the customer develops, the basic principles of respect are the key ones in operation. Participation in the corporate environment is impossible without respect.

- Efficiency

Every employee at his or her workplace, even if it is a highly specialized activity, understands how his or her work can directly affect the Company performance. Only efficient work in a set of small fields is transformed into efficient work of the entire company and the entire team.

- Feedback

If a particular field of work becomes inefficient, the responsibility of a person who identified such inefficiency is to provide feedback on the reason for the drop in efficiency. Without feedback, problems drop out of sight rather than being solved, and the decision-making on problems is slowed down. In addition, effective feedback, both internal and external, allows us to work even more effectively than before.

- Improvement

Timely response to external and internal feedback gives rise to process improvement, which is vital for the system development. Improvement encourages us to perform better in those fields where we have previously performed just well.

- Initiative

The company values proactive employees who are able take a new look at familiar things, offer non-standard approaches and solutions that are bold and ahead of time. All other things being equal, the Company will always tilt toward such an employee.

- Collective knowledge and access to it

Efficient work is impossible without sufficient training of employees. The Company aims to systematize and transfer knowledge from generation to generation, develop its employees, encourage them to learn related trades, etc.

- Balanced decision-making

A problem cannot be solved without comprehensive analysis sufficient to minimize the possibility of making a wrong decision.

- Good-neighbor principle

The Company accepts and understands the importance of corporate social responsibility, joint care for the region of its presence and improvement of the quality of life, and therefore invests resources in this direction. The Company strives to support projects that can make life in the region of its presence more fulfilling and comfortable, and persistently interacts with local associations and organizations that work in this field.

- Responsibility

The Company is responsible to its employees, but employees also have responsibilities to the Company and to other employees. Joint fulfillment of obligations makes an honest and open dialogue between all parties possible. The Company encourages employees to expand their areas of responsibility within their existing competencies, and expands its own area of responsibility to employees.

CHAPTER II. NORMS AND RULES OF BUSINESS ETHICS

2.1. Property treatment

Employees of the Company shall work in good faith, protect the Company property and prevent its misuse or use for their own purposes.

Employees should warn colleagues against negligent and wasteful attitude to the Company property.

2.2. Protecting Company interests

When making decisions on any issues of the Company activities, employees shall be guided solely by its interests. Any situations of a conflict of interest where personal interests conflict or may conflict with the Company interests should be avoided.

Employees shall not engage directly or indirectly in business relationships with partners, suppliers, or competitors, other than in the conduct of business on behalf of and for the benefit of the Company.

If there is a conflict of interests, an employee shall inform his or her immediate manager and the Ethics Committee in order to receive advice on further actions.

2.3. Confidentiality

Information that is created in the course of employees' work shall be used only for the performance of their official duties and should not be disclosed, except in cases provided for by the law of the Russian Federation or Company regulations.

In order to protect confidential information, Company employees shall strictly comply with the requirements of documents regulating the procedure for handling confidential information.

When changing an employer, an employee shall keep the Company information confidential. In turn, the Company does not oblige new employees to disclose confidential information of their prior employers.

2.4. Preventing corruption

The Company activity builds on rejection of corruption in any forms and manifestations.

In accordance with the Anti-Corruption Policy of JSC "Zagorsk Pipe Plant", employees are prohibited from requesting, receiving, offering and giving bribes or making payments to simplify administrative, bureaucratic and other procedures.

2.5. Gifts and hospitality

All gifts, expenses for hosting delegations and business hospitality made on behalf of the Company or for its benefit shall comply with the requirements of the applicable legislation and Anti-Corruption Policy of JSC "Zagorsk Pipe Plant".

When preparing business gifts and hospitality events, it is recommended that employees first familiarize themselves with the gift and business hospitality policy of the potential gift recipient's or hospitality event participant's employer.

An employee should refuse to accept gifts and/or participate in hospitality events, if the same may be used as means of influencing existing business relationships.

If there are doubts about the legality or ethics of their actions, employees should consult the

immediate manager or the Ethics Committee of their company on this issue.

2.6. Employment outside the Company

If an employee combines work for the Company with work for another organization, then such additional work may only be carried out in employee's off-duty time. At the same time, such combination should not prejudice the performance of employee's principal duties, or damage the reputation and interests of the Company.

Employees shall notify the HR Department and immediate manager in writing about their employment outside the Company.

2.7. Environment, health and safety

The Company priorities in the field of health, safety and environment are as follows:

- ensuring safe working conditions and protecting the health of employees and population living in the areas of Company operation;
- reducing technogenic impact on the environment;
- rational use of natural resources.

Employees are required to:

- observe health and safety rules;
- be aware of and understand the industrial hazards and risks associated with their activities;
- comply with the access and intra-object security rules;
- use personal and collective protective equipment correctly;
- undergo training in safe methods and techniques for performing work and providing first aid to persons injured at work, induction briefing on labor safety, on-the-job training, testing of knowledge in labor safety;
- undergo mandatory medical examinations;
- promptly inform the immediate or superior manager about the occurrence of a situation that threatens the life and health of people or the environment, about each and every occupational accident and any case of health aggravation.

It is forbidden to be under the influence of alcohol, drugs and/or toxicants in the Company territory and when performing job-related tasks.

Smoking at the Company facilities is only allowed in designated areas.

The current requirements in the field of health, safety and environment in JSC "Zagorsk Pipe Plant" also apply to contractors performing work at the Company production facilities.

CHAPTER III. RULES OF WORK AND CONDUCT OF EMPLOYEES

3.1. Interaction with business partners

The conduct of each employee forms the business partners' perception of the Company and affects their intention to cooperate with JSC "Zagorsk Pipe Plant". In the process of business communication with partners, employees are required to adhere to the following rules and requirements of business conduct:

- amiable and respectful attitude;
- prudence and tact in the process of communication;
- refusal to discuss one business partner with another;
- building honest and equal relationships;
- providing business partners only with the information that directly relates to the subject of negotiations;
- maximum precision in the performance of obligations and agreements;
- openness, provided that confidential information is kept secret.

3.2. Interaction with colleagues

Interaction in the Company is based on mutual respect and focus on results. To create and maintain psychologically comfortable working environment, employees shall comply with the following rules and requirements of business etiquette:

- amiable and respectful attitude to colleagues;
- well-structured speaking in business communication situations, without the use of jargon and profanity;
- avoiding rude or abusive language;
- addressing colleagues by first name and patronymic (using plural of “you” in the Russian language, or singular, by mutual consent);
- attentive attitude to the opinions of colleagues and acknowledgement of their achievements;
- support and mutual assistance in the team, including in relation to new employees;
- building honest and equal relationships with colleagues;
- cooperation to achieve common goals;
- preventing the development and aggravation of interpersonal conflicts in the performance of official duties.

3.3. Interaction between managers and subordinates

Managers are encouraged to observe the following rules and requirements with respect to subordinate employees:

- encourage subordinates to adhere to corporate values, principles and elements of corporate culture by personal example;
- create and maintain atmosphere of trust in the team, in which each employee knows the scope of his or her responsibilities, openly speaks out on professional issues and informs the manager about any problems if they arise without hesitation;
- avoid criticizing subordinates in the presence of other employees;
- regularly provide subordinates with feedback on their performance;
- ensure strict compliance by subordinates with the provisions hereof, and take measures to prevent violations.

3.4. Greetings and introductions

Employees are encouraged to observe the following rules and requirements to greetings and introductions:

- when meeting in a hallway or in an open area, the first person to greet the other one is a subordinate;
- a person entering the room (including a manager) is the first to greet those present;
- when shaking hands, the first hand should be extended by a manager or a senior employee;
- the junior officer is introduced to the senior officer;
- when introducing people of equal status to each other, the first person to be introduced is the one who is less familiar to you to then one you know better;
- if a partner or a colleague who introduces you has forgotten your name, you should tell it yourself to avoid an awkward situation;
- collect data about the person you want to introduce in advance, figuring out how exactly he or she would like to be introduced;
- hand over a business card at the first meeting with a new client or partner.

3.5. Business meetings

Business meetings (board meetings, advisory meetings, negotiations) are an important tool of the Company management activities. When conducting business meetings, the allotted time should be used with maximum efficiency and the following rules and requirements should be observed:

- be on time for business meetings;

- comply with the rules of a business meeting;
- before a business meeting commences, turn off your mobile phone or switch it to the silent mode.

The party that initiates the meeting shall determine the person responsible for its preparation, the date, time and place of the meeting, the list of participants and the scheme for notifying them.

3.6. Telephone conversations

In the course of telephone communications, employees are recommended to observe the following rules and requirements of business etiquette:

- answer the phone promptly enough;
- when calling business partners or colleagues, tell them your name, position and department;
- at the beginning of a phone conversation, ask if you are calling at a convenient time;
- be logical and avoid errors when holding conversation;
- as a rule, a phone conversation should be ended by the person who called;
- if the sought person is absent from the workplace, ask such person's colleagues about the time convenient to call back, or, having introduced yourself, leave your phone number;
- if someone calls your colleague who is absent at the moment from the workplace, try to find the sought person or take a message for him or her;
- if the connection is lost during a conversation, the initial caller should call back;
- for a long-distance telephone conversation, brevity, accuracy, and clarity of the talk are especially important, and the time difference should also be taken into account;
- use of a work telephone for personal purposes is allowed only in exceptional cases, unless this constitutes abuse, interferes with the performance of official duties and is associated with illegal activities.

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3.7. Use of corporate e-mail

When using the corporate e-mail, employees shall observe the following rules and requirements:

- check e-mail messages daily on business days as and when notifications are received from the e-mail system;
- build your written speech correctly and informatively without jargon or profanity;
- specify the subject of the message for a brief explanation of its content;
- at the end of the message, specify the position, department name, Company name, full name, position, contact information;
- check the correctness of the recipient's name and address before sending a message;
- when sending documents to recipients or forwarding correspondence, specify actions expected from them (read, comment, fill out forms, etc.);
- give correct names to the transmitted files;
- reply to messages in a timely manner;
- do not use e-mail to send messages that may harm the Company reputation;
- do not use the corporate e-mail address for registration in external information systems, as well as for subscribing to mailing lists or other automated email services, unless this corresponds to the employee's functions and tasks.

3.8. Using the Unified Internal Information Resource

One of the most effective tools for internal communication in the Company is the Unified Internal Information System <https://vtrube.z-t-z.ru> (hereinafter referred to as Vtrube). Vtrube has been created to involve employees in active interaction and exchange of knowledge in solving current production tasks, which contributes to the overall personal and professional growth of each employee, as well as corporate team cohesion.

Any employee of the Company may become a Vtrube user.

3.9. Public communications, communication in external social media

When interacting with the external environment, each employee of the Company acts as a carrier of information, so any point of view expressed by a person as an employee of JSC “Zagorsk Pipe Plant” or information distributed relates directly to the Company itself, its image and affects its reputation in the business community.

An informational message may be generated, prepared, and published in social media by an employee without involving employees of the corporate communications unit. The priority social networking site is Facebook. If any informational message is published, an employee shall specify the corporate **#загорскаятруба (#zagorskayatruba or #zagorskipipe)** hashtag in the message, as well as select the Zagorsk Pipe Plant geolocation.

In this regard, Company employees shall observe the following rules:

- public communications (communication on behalf of the Company with the media, investors, partners, etc.) are carried out by corporate communications unit employees having the authority to do so;
- immediate manager shall be the first one informed about requests or inquiries from state authorities, other companies, mass media, etc. and employees shall not respond to such requests at their own initiative;
- an employee should be as respectful and tactful as possible about the activities of competitors.

If a message is received from a messenger other than the key messengers of the Company, an employee shall delete the message from the page at the request of the Company Deputy Director General within 3 hours after the corresponding request.

An employee shall have an understanding that all copyrighted materials uploaded to social media are transferred to the possession of third parties not related to the Company and may be used at the discretion of third parties.

Communication in social networks shall not harm the image and interests of the Company and its employees.

3.10. Uniform corporate identity

JSC “Zagorsk Pipe Plant” has a Brand Book, which contains a set of rules for the use of various corporate identity elements (logo, sign, color scheme, font, etc.). When designing any representative, printing, souvenir, advertising products, exhibitions, production facilities, etc., the Brand Book shall be used as a guide.

3.11. Employee appearance

The appearance of each employee is a component of the Company image.

Employees of JSC “Zagorsk Pipe Plant” should adhere to formal style in clothes at work. Employees’ clothing should be neat and tidy. Shoes should be clean.

Requirements to special clothing:

Employees’ special clothing and protective equipment shall meet the Company standards.

Coveralls should be clean and neat. Coveralls need to be changed in accordance with the standards set by the Company.

3.12. Complex ethical situations

If an employee encounters a complex situation that is not provided for by applicable regulations and is not described in this Code, first of all, he or she should ask him/herself the following questions:

1. Does this decision or action (omission to act) comply with the law, the Code, or other internal regulations of the Company?
2. Is this decision or action (omission to act) justified in terms of the Company interests?
3. Am I sure that this decision or action (omission to act) will not cause an adverse impact on the Company reputation?

If the answer to any of these questions is negative, and if the employee is not sure about the correctness of his or her choice, he or she may contact his or her immediate manager.

3.13. Hotline

The Company has a Hotline through which employees may report theft, corruption, abuse, violations of internal regulatory documents and laws.

They can contact the Hotline by calling 8 (963) 990-10-07 or, alternatively, they can send an email at nocorruption@z-t-z.ru. When calling the Hotline, an employee may stay anonymous. Any information will be verified with confidentiality requirements observed.

An employee who reports a violation in good faith helps the Company and contributes to maintaining its good reputation.

FINAL PROVISIONS

Managers shall be responsible for ensuring that employees observe the provisions of this Code.

If there is information about a Code violation, an employee shall contact the immediate manager or the Hotline.

Confidentiality shall be guaranteed to anyone who reports information about violations of the Code.