

STAKEHOLDER RELATIONS

As the global leader in the pipe industry in Russia and worldwide, TMK maintains an ongoing dialogue with all its stakeholders and holds itself accountable to key stakeholders.

TMK identifies stakeholders as individuals or legal entities or groups of parties that may be significantly affected by the Company's operations, and that may affect the Company's ability to successfully implement its strategy and achieve its goals.

TMK's key stakeholders are the Company employees and trade unions, consumers, suppliers and contractors, local communities, shareholders and the investment community, federal and regional authorities, business associations, and mass media.



**TMK Group's Code
of Ethics**

TMK aims to identify the needs and expectations of each stakeholder, actively develops engagement practices and maintains their high corporate profile. In our stakeholder relations, we seek to balance interests and base our dialogue and cooperation on the principles of mutual respect, partnership and integrity. Our principles are set out in TMK Group's Code of Ethics.

This Annual Report is a key communication tool simultaneously addressing all of our constituent stakeholders. When preparing this Annual Report, we primarily focused on addressing stakeholders' concerns in the reporting year and also followed expert recommendations to improve the Report's quality.

Stakeholder relations and information addressing the concerns of stakeholders are presented in relevant sections of this Annual Report and in the chart below.

STAKEHOLDER RELATIONS: COMMUNICATION AND FEEDBACK CHANNELS

Consumers

- Focus on mid-term and long-term partnerships
- Delivering on all contractual obligations
- A technical sales function to align our offers to consumer demands
- A CRM system aimed at:
 - improving the efficiency of consumer relations in sales departments
- improving response time to consumers’ needs, speeding up request processing and commercial offer preparation
- increasing consumer satisfaction considering their comments and preferences regarding order fulfillment
- a feedback channel through a customer survey system.
- A quality management system compliant with ISO 9001:2015 and API Spec Q1
- Products manufactured at TMK plants are certified to API, TÜV, ASTM and DIN international standards, European directives, etc. and have all necessary permits
- Quality Policy
- Product range expansion
- Capacity upgrade programme
- TMK eTrade, a tubular goods online store
- The Products section of the website
- A dedicated website to showcase TMK’s premium connections
- Workshops for consumers on the proper use of TMK’s tubular products for various sectors
- Membership in international and Russian industry associations and organizations
- Participation in exhibitions and industry conferences
- Code of Ethics setting out the Company’s operating principles
- Anti-corruption Hotline



Quality Policy



TMK eTrade



TMK’s premium connections



Code of Ethics



Anti-corruption Hotline

STAKEHOLDER RELATIONS: COMMUNICATION AND FEEDBACK CHANNELS

Suppliers

- Focus on mid-term and long-term partnerships
- Delivering on all contractual obligations
- Uniform principles of supplier relations based on healthy competition among manufacturers, suppliers, and contractors
- An e-commerce platform for procurement of TMK’s Russian division
- Code of Ethics setting out the Company’s operating principles
- Anti-corruption Hotline



E-commerce platform



Code of Ethics



Anti-corruption Hotline

Employees, trade unions

- HR Strategy
- Code of Ethics setting out the Company’s business ethics principles
- Employee relations based on the principles of social partnership
- Creating a favorable and safe working environment and improving living standards of employees
- Providing competitive salaries in the regions in which TMK plants operate
- KPI-based remuneration
- Unified (single) compensation system
- Social benefits and guarantees
- Providing opportunities to unlock talent and potential for performance-driven employees
- Abiding by the terms and conditions of collective bargaining agreements in place at TMK Group’s plants
- Trade union meetings, and other meetings to discuss and sign collective bargaining agreements
- Personnel training and development provided by TMK2U Corporate University
- An industry-specific independent qualification assessment center at the National Agency for Qualification Development
- Building up an internal talent pipeline
- Engaging employees via corporate media (the YouTube magazine, plant newspapers, corporate TV and the Mobi2U application), social media and the corporate portal
- Employee engagement survey



Code of Ethics

STAKEHOLDER RELATIONS: COMMUNICATION AND FEEDBACK CHANNELS

Shareholders, lenders

- Compliance with best practices in corporate governance
- Equal access to information about the Company
- Protection of shareholder rights set out in the Company's Articles of Association
- The Investors section of the corporate website
- Corporate webpage on the Interfax information disclosure website
- Regulations on the Information Policy
- Disclosure of financial results on a quarterly basis
- General Meetings of Shareholders
- Publication of annual reports
- Capital Markets Days
- Participation in investment conferences
- Site visits to TMK plants



The Investors section of the corporate website



Corporate webpage on the Interfax information disclosure website



Regulations on the Information Policy

Federal and regional authorities

- Abiding by the applicable laws
- Keeping track of changes in the applicable laws and enforcement practices, as well as legislative initiatives, and preparing proposals on improving the legal framework
- Engagement in making and implementing decisions by industry associations and organizations
- Engagement in the work of advisory bodies and targeted expert teams
- Partnership with regional authorities to address social and economic issues
- Compliance with environmental laws, holding events to promote environmental protection and mitigate environmental footprint

Businesses and non-governmental organizations

- Membership and engagement in Russian and international industry and non-governmental organizations
- Participation in forums, conferences, exhibitions and workshops relevant to the Company's businesses

Local households, local communities

- Engagement in the social and economic development of regions
- Cooperation with non-profit organizations and the expert community in the regions of operation
- Sponsorship and philanthropy
- Holding events to promote environmental protection and mitigate environmental footprint

Media

- Arranging for interviews of Russian and international mass media with the Company's top management
- Communicating financial results and TMK's day-to-day operations
- Regular communication with mass media (including answering requests)
- Media tours to TMK plants
- Posting the latest news and information on social media