

**APPROVED BY:**

**Resolution of the PJSC MMK  
Board of Directors  
Minutes #8 dated 25.12.2024**

**Chairman of the Board of Director  
of PJSC MMK**

\_\_\_\_\_ **V. F. Rashnikov**

# **ANTI-CORRUPTION POLICY OF PJSC MMK**

**Content**

1	General Provisions and Scope of Application	3
2	Principles of anti-corruption policy at MMK PJSC	3
3	Centralized anti-corruption compliance system	5
4	Key anti-corruption requirements	5
5	Cooperation with law enforcement agencies in the field of combating corruption	7
6	Reports on the employment of former state and municipal employees	7
7	Internal audit and control	7
8	Responsibility for failure to fulfill the requirements of the anti-corruption policy	8
9	Reports of violations	8

## **1 General Provisions and Scope of Application**

1.1 This Anti-Corruption Policy (hereinafter referred to as the "Policy") is a fundamental document of MMK PJSC that defines a set of interrelated principles, procedures and specific measures aimed at prevention and suppression of corruption offenses at MMK PJSC (hereinafter also referred to as the "Company").

1.2 The requirements of this Anti-Corruption Policy shall be complied with by members of the Board of Directors and executive bodies, functional heads, heads of structural units (subdivisions), employees of MMK PJSC and other persons authorized to act on behalf of MMK PJSC.

## **2 Principles of anti-corruption policy at MMK PJSC**

### **2.1 Compliance with ethical standards**

PJSC MMK has established a corporate culture and ensures mandatory compliance with the rules of the Code of Ethics by all employees. Members of the Board of Directors and executive bodies, functional managers, heads of structural units (divisions) demonstrate the "tone from the top" and set a personal example of ethical behavior.

### **2.2 Ensuring compliance with legislation (compliance)**

PJSC MMK complies with legal requirements in all areas of its activities, including anti-corruption legislation, which is ensured by the introduction and functioning of a centralized anti-corruption compliance system in the Company.

### **2.3 Total rejection of corruption**

MMK PJSC has a principle of complete refusal to use corrupt practices, including bribes and commercial bribery, including mediation in bribery and commercial bribery, when conducting economic activities, in relations with government officials, state and municipal employees, business partners, and any individuals and legal entities.

### **2.4 Prevention-Detection-Investigation-Response**

MMK PJSC has a comprehensive approach to the organization of anti-corruption work, which consists of a full cycle:

- **Prevention** of possible violations and prevention of compliance with anti-corruption requirements;
- **Corruption risks identification**;
- **Investigating** potential violations of this policy and/or anti-corruption laws through internal audits. If in the process of internal audits the Company identifies persons who have committed corrupt practices, the Company will in each case also assess the role of managers in organizing and implementing preventive measures (or controls) or their involvement in cases of corruption risks;
- **Responding** to identified risk areas and taking corrective measures, as well as, if necessary and in accordance with the requirements of anti-corruption legislation, bringing to responsibility, in accordance with Section 8 of this Policy.

### **2.5 Risk-oriented approach**

PJSC MMK uses a risk-based approach to determine the proportionality and sufficiency of anti-corruption measures in relation to identified corruption risks.

## **2.6 Availability of resources**

PJSC MMK ensures the implementation and performance of a centralized anti-corruption compliance system with sufficient resources and facilities.

## **2.7 Innovation, digitalization and automation**

PJSC MMK's anti-corruption activities use applicable innovations, digitalization and automation of anti-corruption business processes.

## **2.8 Efficiency**

PJSC MMK proceeds from the need to ensure the effectiveness of its anti-corruption activities, which has both financial (budget discipline) and non-financial dimensions (improvement of corporate anti-corruption culture, development of business ethics, implementation of an anti-corruption compliance system, reduction of corruption risks).

## **2.9 Publicity**

PJSC MMK pursues a policy of openness and transparency in its anti-corruption activities, actively participating through authorized representatives in business conferences and professional communities, publishing information about the results achieved in anti-corruption activities in the media and on the corporate website.

## **2.10 Volunteer services**

PJSC MMK welcomes, supports and encourages voluntary gratuitous assistance of members of the Board of Directors and executive bodies, functional heads, heads of structural subdivisions (divisions), employees of PJSC MMK and other persons authorized to act on behalf of PJSC MMK in the development of the corporate ethical culture and their active participation in measures to implement and operate a centralized anti-corruption compliance system.

## **2.11 Supporting anti-corruption actions**

PJSC MMK supports actions of its members of the Board of Directors and executive bodies, functional heads, heads of structural units (subdivisions), employees of MMK PJSC and other persons who are authorized to act on behalf of MMK PJSC aimed at refraining from using corrupt practices in business relations, and guarantees non-application of liability measures to them if they have complied with anti-corruption requirements, rules and procedures.

## **2.12 Inevitability of punishment for violation of anti-corruption requirements**

PJSC MMK ensures the mandatory application of disciplinary, administrative, civil, criminal and other liability measures for unlawful actions.

# **3 Centralized anti-corruption compliance system**

3.1 PJSC MMK implements and operates a Centralized Anti-Corruption Compliance System - a system of measures for effective management and operational activities to counteract and prevent corruption at PJSC MMK and its business partners through the introduction and development of ethical standards and anti-corruption compliance. The system includes a set of PJSC MMK's regulatory documents (Code of Ethics, Anti-Corruption Policy and other provisions,

standards and regulations), necessary resources, organizational measures and business processes in the following areas:

- Management leadership;
- Identification of those responsible for the implementation and maintenance of the anti-corruption system;
- Corruption risk assessment;
- Code of Ethics, Policies and Procedures;
- Training and Communications;
- Hotline and internal investigations;
- Relationships with third parties - verification of business partners.

Conflict of Interest;

- Incentive and disciplinary measures;
- Monitoring and testing;
- Integration of anti-corruption compliance in organizations designated by the CEO of PJSCMMK;
- External evaluation.

PJSC MMK's General Director shall be responsible for organizing the main anti-corruption measures aimed at implementing the principles and requirements of this Policy, including the appointment of the persons and/or bodies responsible for the development of anti-corruption procedures, their implementation and control over their performance, enactment of relevant policies and other measures.

3.2 PJSC MMK facilitates the development and implementation of its anti-corruption compliance system in each organization determined by MMK PJSC's General Director and its subsequent integration into MMK PJSC's centralized anti-corruption compliance system.

#### **4 Key anti-corruption requirements**

4.1 The members of the Board of Directors shall:

- Form an ethical standard of irreconcilable attitude to any forms and manifestations of corruption at all levels, including interaction with shareholders, representatives of state and local authorities, political parties, public associations, employees of the Company and PJSC MMK Group companies, investors, partners and other individuals and legal entities, setting an example by their responsible behavior;

- Comply with the provisions of this Policy and applicable anti-corruption legislation.

4.2 Executive bodies, functional managers, heads of structural divisions (divisions), employees of MMK PJSC and other persons authorized to act on behalf of MMK PJSC are required to:

4.2.1 Get acknowledged with this Anti-Corruption Policy against signature;

4.2.2 Comply with the anti-corruption obligations of their employment contract, contract, Collective Agreement, as well as the provisions of the job description and other documents of the PJSC MMK's centralized anti-corruption compliance system;

4.2.3 Inform about their affiliation with government officials, state and (or) municipal employees (in cases where this person is a close relative, a related party, or another person in relation to the person submitting the report);

4.2.4 Report on his/her state/municipal service within the last two (2) years;

4.2.5 Undergo mandatory anti-corruption compliance training in accordance with the regulatory and/or organizational and administrative documents of PJSC MMK;

4.2.6 Become familiar with developed and published internal and external compliance communications in a timely manner;

4.2.7 Participate in PJSC MMK's anti-corruption compliance activities in cases stipulated by MMK's regulatory and (or) organizational and administrative documents;

4.2.8 Appear at a meeting of the Anti-Corruption Commission at the invitation of the Anti-Corruption Commission, the composition of which is determined by PJSC MMK's General Director;

4.2.9 Report, in accordance with the procedure established at MMK PJSC, on known cases of violation of this Policy, documents of MMK PJSC's centralized anti-corruption compliance system and other norms of anti-corruption legislation;

4.2.10 Participate, within the scope of assigned responsibilities, in monitoring and testing of business processes of the Centralized Anti-Corruption Compliance System;

4.2.11 Demonstrate by personal example compliance with applicable anti-corruption laws and the requirements of the Policy;

4.2.12 Know and comply with the following corporate rules and anti-corruption procedures approved at MMK PJSC:

4.2.12.1 on conflicts of interest (declare conflicts of interest, comply with instructions to resolve conflicts of interest);

4.2.12.2 on corruption risk assessment (provide available information on risks, follow instructions to mitigate corruption risks, take measures to prevent the occurrence of corruption);

4.2.12.3 on business gifts and hospitality expenses (declare gifts and hospitality expenses, execute the necessary documentation and obtain the required approvals);

4.2.12.4 on anti-corruption monitoring of business partners (obtain the required questionnaires and documents for anti-corruption monitoring from eligible business partners);

4.2.12.5 on relations with agents, intermediaries, distributors and other third parties representing the Group's interests (obtain the required questionnaires and documents from these persons, who meet the established criteria, and go through the established approval procedure);

4.2.12.6 on charitable donations (obtain the required questionnaires and documents from the beneficiary and go through the established approval procedure);

4.2.12.7 on relations with political parties, public and non-profit organizations engaged in political activities (undergo the approval procedure established at PJSC MMK);

4.2.12.8 on application of anti-corruption clauses (include anti-corruption clauses in the established types of the Company's contracts).

4.2.12.9 on internal audits (cooperate with the persons conducting the audit, give explanations, hand over documents and information for the purposes of internal audits).

## **5 Cooperation with law enforcement agencies in the field of combating corruption**

PJSC MMK undertakes to:

5.1 report to law enforcement authorities on cases of corruption and other offenses of which the Company has become aware;

5.2 prevent unlawful interference by members of the Board of Directors and executive bodies, functional heads, heads of structural divisions (subdivisions),

employees of MMK PJSC and other persons authorized to act on behalf of MMK PJSC in the activities of law enforcement agencies during anti-corruption measures;

5.3 provide assistance to law enforcement authorities during their inspections of the Company's activities on issues of corruption prevention and counteraction.

## **6 Reports on the employment of former state and municipal employees**

PJSC MMK, when concluding an employment or civil law contract for the performance of work (provision of services) with a citizen who has occupied positions in the state or municipal service, the list of which is established by the legislation of the Russian Federation, within two years after his or her dismissal from the state or municipal service, within ten days, shall notify the representative of the employer (employer) of the state or municipal employee at his or her last place of employment of the conclusion of such a contract in accordance with the procedure established by the legislation of the Russian Federation.

## **7 Internal audit and control**

PJSC MMK conducts an internal audit of its financial and business operations, controls over the completeness and accuracy of accounting data and compliance with the requirements of the anti-corruption legislation and local regulations, including the principles and requirements of the anti-corruption policy. PJSC MMK's internal control procedures include audits of key business areas, including random audits of the legality of payments made, their economic feasibility, and the appropriateness of expenditures, including for confirmation by primary accounting documents and compliance with the requirements of the anti-corruption policy.

## **8 Responsibility for failure to fulfill the requirements of the anti-corruption policy**

8.1 All members of the Board of Directors and executive bodies, functional heads, heads of structural units (subdivisions), Employees of MMK PJSC and other persons who are authorized to act on behalf of PJSC MMK regardless of their position/profession held, shall be responsible for their compliance with the principles and requirements of this Policy, as well as for improper control over actions/inaction of their subordinate employees (if any) that violate these principles and requirements.

8.2 The body (person) authorized by the general director of the Company shall initiate internal audits in reaction to every prudently reasonable suspicion or established fact of corruption.

8.3 Persons who are guilty of violation of the applicable anti-corruption law may be subjected to disciplinary, administrative, civil or criminal liability at the initiative of the Company, law enforcement bodies or other persons in accordance with the procedure and on the grounds provided for by PJSC MMK's local regulations and/or the legislation of the Russian Federation.

## **9 Reports of violations**

9.1 Should the Employees and other persons have any doubts regarding legality of the acts of other Employees or business partners of MMK PJSC (including counterparties), reasonable suspicions regarding corrupt acts and other violations which have resulted or may result in losses of the Company or its Employees or

cause damage to their reputation, the Company asks to report about it to the officers and (or) to the fraud reporting hot line in any manner:

- - by phone +7 3519 243030;
- - by E-mail 24-30-30@mmk.ru;
- by post 455000, Magnitogorsk, ul. Kirova, 93, PO box 000.

9.2 As part of the existing corruption event notification procedure the Company warrants that:

- it shall take all necessary precautions to prevent unauthorized access to the information sent and to maintain confidentiality of data on the person who has reported about the fact of corruption. Confidentiality of data about the person who has notified about the fact of corruption shall be ensured by all possible means within the limits of the current legislation.

- The Company shall ensure protection of employees-applicants. It is prohibited to apply any sanctions against the employee-applicant who has honestly notified of the commission of corruption acts/violations by another employee of the Company or a business partner of PJSC MMK (including a counterparty), even if such facts will not be confirmed by the documents.

9.3 Making knowingly false accusations, as well as giving false testimony during internal audits, shall be a violation of the Policy, and the relevant persons shall be held liable in accordance with the applicable law.

9.4 PJSC MMK shall hold liable persons, who failed to disclose information on cases when they were approached by any persons with the purpose of inducing them to commit corruption offenses, in accordance with the procedure established by applicable law.

9.5 If you have any questions regarding the application of this Policy or other documents of PJSC MMK's centralized anti-corruption compliance system, please contact us by e-mail: [compliance@mmk.ru](mailto:compliance@mmk.ru).