



NLMK Group

APPROVED

by the Board of Directors
of Public Joint Stock Company
“Novolipetsk Steel”

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ANTI-CORRUPTION POLICY OF NLMK GROUP

(first issue)

Lipetsk
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Article 1. Scope of application

- 1.1. "Anti-Corruption Policy of NLMK Group" (hereinafter – the Policy) is an internal regulatory document that determines the key principles and requirements of NLMK (hereinafter – the Company or NLMK) and its affiliates and subsidiaries (hereinafter – NLMK Group) concerning matters of counteracting corruption and compliance with the prevailing anti-corruption legislation, aimed at ensuring high ethical business standards and strengthening the business reputation of NLMK Group.
- 1.2. The requirements of this Policy apply to the members of the Board of Directors and all employees of NLMK Group irrespective of their job positions or occupations, as well as to the counterparties and business partners of NLMK Group companies in cases where the relevant obligations are established by the contracts with them or directly stipulated by legislation.

Article 2. Regulatory references

This Policy includes references to the following regulatory documents:

- 2.1. UN Convention against Corruption (adopted by UN General Assembly at the 51-st plenary session on October 31, 2003, ratified by Federal Law of the Russian Federation No. 40-FZ dated March 08, 2006)
- 2.2. Criminal Law Convention on Corruption (concluded in Strasbourg on January 27, 1999 ETS No. 173, ratified by Federal Law of the Russian Federation No. 125-FZ dated July 25, 2006)
- 2.3. OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (adopted on November 21, 1997, ratified by Federal Law of the Russian Federation No. 3-FZ dated February 01, 2012)
- 2.4. Federal Law of the Russian Federation dated December 25, 2008 No. 273-FZ "On Combating Corruption"
- 2.5. Code of the Russian Federation on Administrative Offences No. 195-FZ dated December 30, 2001
- 2.6. Criminal Code of the Russian Federation No. 63-FZ dated June 13, 1996
- 2.7. Civil Code of the Russian Federation No. 51-FZ (Part I) dated November 30, 1994
- 2.8. Labour Code of the Russian Federation No. 197-FZ dated December 30, 2001
- 2.9. Guidelines on the development and implementation of anti-corruption measures, adopted by the Ministry of Labour and Social Development of the Russian Federation on November 08, 2013
- 2.10. UK Bribery Act, 2010
- 2.11. USA Foreign Corrupt Practices Act, 1977
- 2.12. Anti-Corruption Charter of Russian Business (ACRB) adopted by the Russian Union of Industrialists and Entrepreneurs on September 20, 2012
- 2.13. Corporate Ethics Code of NLMK Group on December 23, 2016
- 2.14. Regulations on the expenditure of funds for hospitality expenses of NLMK put into effect by the order No. 221 dated March 21, 2011
- 2.15. Regulations on organization and implementation of psychophysiological examinations with the use of polygraph testing at NLMK Group companies (PPE), approved by the President (Chairman of the Management Board) on December 25, 2015

- 2.16. Guidelines on the use of unified formats and requirements for managing regulations that establish the relations between NLMK Group companies, approved by the President (Chairman of the Management Board) on December 23, 2015.

Article 3. Definitions

This Policy contains the following terms and definitions corresponding to the Uniform Corporate Glossary of NLMK Group <https://home.nlmk.ru/mediacenter/brandbook/Forms/AllItems.aspx>:

business gifts, business hospitality, counterpart, conflict of interests, corruption (acts of corruption, corrupt practices), prevailing (anti-corruption) legislation, public official, employee, related persons, private interests of employee.

Article 4. General provisions

- 4.1. This Policy has been developed in strict compliance with the requirements of the prevailing legislation of the Russian Federation, the Articles of Association and other internal regulatory documents of NLMK Group companies with regard to the requirements of the prevailing international and foreign anti-corruption legislation, recommendations of international organizations and best international practices in the field of counteracting corruption.
- 4.2. Prevailing anti-corruption legislation stipulates the liability of NLMK Group for acts of corruption committed by a person acting on behalf of and/or for the benefit of NLMK Group companies, as well as for the lack of a proper anti-corruption system within the Group.

Article 5. Prohibition of corruption

- 5.1. In adherence to NLMK Group's zero tolerance policy towards corruption, all employees of NLMK Group are strictly prohibited from engaging in any corruptive practices, directly or indirectly, personally or through any third parties, including:
- offering, giving or promising bribes;
 - soliciting, requesting or accepting bribes;
 - mediating in bribery;
 - making facilitation payments in any form (including cash, other things of value, property, property rights or other material and/or non-material advantages) to any persons or receiving such payments from any persons, natural or legal, including (but not limited to) the ones listed in Clause 3.5.
- 5.2. NLMK Group employees must observe the generally accepted principles and standards of international law and international treaties of the Russian Federation, prevailing anti-corruption legislation, as well as the principles and requirements of this Policy in any country of the world irrespective of their business practices.
- 5.3. In order to ensure efficient anti-corruption measures and to maintain the reputation of an honest and reliable partner, NLMK has joined the Anti-Corruption Charter of Russian Business, under which NLMK is implementing a number of measures for the prevention of corruption in the Group's activities.

Article 6. Basic principles of counteracting corruption

Anti-corruption measures implemented by NLMK Group are based on the following principles:

- **Zero tolerance policy towards corruption:** NLMK Group does not tolerate any and all form or manifestation of corruption in its operational, financial, economic or other

activities, including cases of interaction with shareholders, investors, counterparties, authorities, public officials, political parties and their representatives, or other persons.

- **Preventative nature of implemented anti-corruption measures:** NLMK Group prefers to implement anti-corruption measures and procedures preventing violation of the standards and requirements that have been established. These anti-corruption measures and procedures combine to constitute the anti-corruption system that is integrated into all business processes of NLMK Group companies.
- **Compliance with the prevailing legislation:** The NLMK Group anti-corruption system has been created in line with the requirements of the prevailing anti-corruption and other legislation, and with consideration for the best international practices. NLMK Group companies are responsible for keeping it up to date.
- **Efficiency of anti-corruption measures:** NLMK Group ensures periodic assessment and review of its anti-corruption system in case of inadequate performance and/or efficiency of certain review procedures and/or activities.
- **Due diligence:** NLMK Group undertakes all reasonable endeavours to avoid entering into business relations with counterparties which might be involved in corrupt practices.
- **Non-prosecution clause:** no sanctions shall be applied to employees and/or counterparties of NLMK Group who refuse to take part in acts of corruption, even if such refusal results in a loss of revenue or other commercial and/or competitive advantages for NLMK Group companies, neither shall sanctions be applied to the persons who reported in good faith on corruption violations committed by other employees or counterparties of NLMK Group.
- **Binding provisions:** provisions of the prevailing anti-corruption legislation and internal anti-corruption requirements established by NLMK Group are binding on all employees of the Group (irrespective of their job position, work experience or other circumstances). In case of violation of these standards and requirements, the perpetrators shall be held accountable as stipulated by the prevailing legislation and internal regulatory documents of NLMK Group companies.

Article 7. CORE ELEMENTS OF THE ANTI-CORRUPTION SYSTEM

7.1. Management example (“tone at the top”)

7.1.1. The Management of NLMK Group, including members of the Board of Directors, the President (Chairman of the Management Board), Vice Presidents and directors of functional areas, forms an understanding among all NLMK Group employees of the complete inadmissibility of any form or manifestation of corruption and sets a personal example of ethical behaviour, compliance with the prevailing anti-corruption legislation and the relevant requirements of NLMK Group as part of their official duties.

“Tone at the top” is aimed at forming a corporate culture based on the principles of objectivity, honesty, transparency and openness across all NLMK Group companies.

7.1.2. The Management of NLMK Group develops a programme of anti-corruption measures and monitors its implementation.

The President (Chairman of the Management Board) of the Company is responsible for overall orchestration of measures aimed at implementation of the principles and requirements of this

Policy, and for appointment of persons responsible for the development of anti-corruption procedures, their implementation and control.

7.2. Identification and analysis of corruption risk

7.2.1. NLMK Group performs identification and periodic analysis of the company-specific corruption risks inherent to its financial and business activities, the presence of NLMK Group companies in both local and international metal markets, its organizational structure and other factors.

7.2.2. NLMK Group identifies and analyses the corruption risk in specific business processes and lines of activities that are deemed to be subject to increased risk in order to introduce the relevant anti-corruption procedures and/or other measures.

7.2.3. NLMK Group recognizes the necessity to manage corruption risks irrespective of their probability or impact.

7.3. Fundamental internal anti-corruption regulations

The NLMK Group corporate anti-corruption system is based on this Policy and the Corporate Ethics Code, which establishes key principles and requirements in this area.

7.4. Anti-corruption procedures

NLMK Group has developed and is introducing the system of anti-corruption procedures, covering corporate-level controls and control procedures within individual business processes of NLMK Group. At the same time, NLMK Group makes all reasonable efforts to ensure the transparency and efficacy of anti-corruption procedures.

7.5. Officers and units responsible for counteracting corruption, and their interaction

7.5.1. In order to counteract corruption efficiently, NLMK Group has appointed an individual that holds responsibility for anti-corruption activities, as well as other officers and units that participate in the development and monitoring of anti-corruption measures and procedures. The units assigned to NLMK Group's functional areas that are responsible for anti-corruption activities are listed in Appendix A.

7.5.2. NLMK Group ensures proper separation of powers of the persons and units responsible for anti-corruption activities, and their efficient interaction.

7.6. Notification and communication

7.6.1. NLMK Group openly states its zero tolerance policy to any form or manifestation of corruption and places this Policy, as well as general information on its anti-corruption activities on its official web site free access.

NLMK Group shall be certain to inform its counterparties and business partners of the anti-corruption principles and requirements it has adopted, such as by inclusion of special anti-corruption clauses in the contracts it concludes with them.

7.6.2. NLMK Group promotes an appropriate anti-corruption culture through communicating this Policy to all employees, requiring their signature as confirmation, providing necessary advice if employees have any doubt concerning the compliance of their actions or actions of any third

parties with the requirements of this Policy or concerning other matters in the area of ethics and anti-corruption.

7.7. Monitoring and control

7.7.1. NLMK Group monitors the efficiency of implemented anti-corruption measures and procedures, and assesses their sufficiency and relevance in order to improve them.

NLMK Group implements the following monitoring and control procedures in order to assess the efficiency of its anti-corruption system:

- monitoring of changes in the prevailing anti-corruption legislation and law enforcement practices in order to identify any elements of the anti-corruption system that need to be improved and/or amended in order to ensure the relevance and compliance of the system with the prevailing legislation;
- analysis of changes to NLMK Group’s activities, including changes in organizational structure, lines of activities or interaction mechanisms with counterparties in order to determine the impact of these changes on NLMK Group’s anti-corruption procedures and any need for them to be amended;
- analysis of NLMK Group’s internal control environment in order to identify any flaws or inefficient control procedures so as to correct them and ensure the reliability and efficiency of the anti-corruption system;
- control of NLMK Group employees’ compliance with the anti-corruption requirements and procedures, including:
 - Identification of signs of corrupt behaviour as part of the annual internal audit of NLMK Group’s financial and business activities
 - Control over the compliance with anti-corruption procedures as part of NLMK Group’s security service periodic reporting on the highest risk areas and operations.

7.7.2. In accordance with the results of anti-corruption system control and monitoring and based on the Matrix of responsibility of its functional area units for implementation of anti-corruption activities (Appendix A to this Policy), NLMK Group draws up respective reports. “Risk Management” functional area submits a summary report for review to NLMK Group’s President (Chairman of the Management Board) and the Audit Committee of the Board of Directors on a regular basis (at least once per year).

Key findings shall be published by NLMK on its official website or otherwise disclosed.

7.8. Internal investigation of violations identified and the liability of offenders

7.8.1. In order to promote a conducive environment for counteracting corruption and abuses and identifying risk factors which threaten NLMK’s interests, NLMK Group has established a procedure for psychophysiological examination (hereinafter – PPE) that shall be applied to employees and applicants for vacant positions.

PPE shall be conducted by certified experts, solely with consent of the interviewed person, and in strict compliance with the current legislation of the Russian Federation. The information obtained because of the PPE may not be used as evidence.

In case PPE reveals any risk factors falling under the 'critical' category for NLMK Group, an internal investigation shall be carried out and measures shall be taken to minimize the possible negative consequences.

7.8.2. NLMK Group employees who have violated any provisions of the prevailing anti-corruption legislation and/or anti-corruption requirements and procedures of NLMK Group, irrespective of their job position, work experience or other factors, shall be held accountable under the procedure and on the grounds stipulated by the prevailing legislation and internal regulatory documents of NLMK Group companies.

7.8.3. If needed and in cases stipulated by the prevailing legislation, NLMK Group shall cooperate with law enforcement and other regulatory authorities in order to identify and investigate corruption violations and to impose sanctions on the offenders.

Article 8. Fundamental requirements for certain risk areas

8.1. Business gifts, business entertainment and hospitality expenses

8.1.1. Business gifts, business entertainment and hospitality expenses constitute a part of the generally accepted business practices of establishing sustainable business relationships. At the same time, NLMK Group perceives this as an area of high corruption risk and, consequently, deems it necessary to maintain regulation of permissible business gifts, business entertainment and hospitality expenses as established in this Policy and other internal regulatory documents of NLMK Group companies.

Giving and receiving business gifts, business entertainment and hospitality expenses on behalf of and/or for the benefit of NLMK Group and its employees must simultaneously comply with the following requirements:

- It must correspond to the prevailing legislation provisions, this Policy, the Corporate Ethics Code and other internal regulatory documents of NLMK Group companies
- Gift giving, business entertainment or hospitality expenses should include a clear business purpose but without any direct or indirect intent to influence the person receiving them to make decisions that would impact the current activities or business expansion of NLMK Group
- It should not create any obligations for the giver and/or constitute a reward (nor a disguised reward) for a provided service or completed work
- Such business gifts/business entertainment/hospitality expenses should not create reputational or other risks for NLMK Group, its employees or other persons in case they are disclosed
- Business gifts should not constitute cash or non-cash funds, securities, precious metals or other types or monetary funds and/or luxury goods equivalents

- Business gifts/business entertainment/hospitality expenses should be justified, reasonable and proportionate to a particular occasion/event.

8.1.2. Additional requirements, permissible limits for business gifts, business entertainment and hospitality expenses provided to and received from or on behalf of NLMK Group employees, as well as the procedure for their acceptance and approval shall be regulated by the normative documents, following the procedure established by the Company.

8.1.3. Upon receipt or provision of business gifts, business entertainment and hospitality expenses during the undertaking of official duties and/or the representation of interests of NLMK Group companies, the employees of these enterprises must make sure that they conform to the anti-corruption principles and requirements established in NLMK Group, for which they are personally responsible.

8.2. Charity work and sponsorship

8.2.1. As a socially responsible business, NLMK Group operates charity and sponsorship policies designed to assist and support those in need within the established scope of such assistance and with mandatory compliance with the prevailing legislation.

8.2.2. Charitable assistance and sponsorship rendered by NLMK Group is not intended to influence the authorities, public officials or other persons to make decisions related to the current activities or business expansion of NLMK Group companies or the receipt of any commercial and/or competitive advantage, and does not constitute a reward (nor a disguised reward) to such persons.

Sponsor support shall be carried out by NLMK Group companies directly, without the involvement of any companies or persons as intermediate parties, and must be compensated (sponsorship of any events shall be carried out on a quid pro quo basis and may be compensated by advertising services for the benefit of NLMK Group).

The procedure for review, approval and provision of charitable assistance by NLMK Group companies shall be regulated by the normative documents and following the procedure established by the Company.

8.2.3. NLMK Group makes all reasonable efforts to exercise control over the use of the charitable assistance and sponsor support it provides.

8.2.4. General information on NLMK Group's charity work and sponsorship activities is available to all and shall be published on its official website or otherwise disclosed.

8.3. Interaction with business partners and counterparties

8.3.1. NLMK Group companies do not engage any agents, dealers or other representatives and intermediate parties for any payments and/or actions contrary to the principles and requirements of this Policy or creating risks for their business reputation and/or the business reputation of their employees in performing their official duties.

8.3.2. NLMK Group guarantees an honest, open and transparent selection procedure for suppliers, contractors and other counterparties, based on the use of objective selection criteria, as well as a transparent procedure for determining the cost of the products it purchases and trades, as

regulated by the prevailing legislation and internal regulatory documents of NLMK Group companies, including the Regulation on counterparty qualification enacted by Order No. 1070 on December 18, 2014, and the Regulation on counterparty selection with the participation of the Tender Commission enacted by Order No. 657 on August 06, 2015.

8.3.3. Upon making a decision on interaction/cooperation with an intermediate party, agent, partner, supplier or other counterparty of any NLMK Group company, NLMK Group:

- Shall review information pertaining to the potential counterparty or partner, including their reliability, business standing, corruption tolerance, and check that there is no conflict of interests;
- Shall inform the potential counterparty or partner about the company's anti-corruption principles and requirements by incorporating special anti-corruption clauses in the text of the agreement concluded with them.

8.4. Interaction with authorities and public officials

8.4.1. NLMK Group does not make "facilitation payments" (regarding administrative, bureaucratic or any other formalities) in favour of any authorities, public officials or other persons, i.e. does not give any monetary funds, property, property rights, services or other material or non-material advantages in order to facilitate or accelerate standard procedures of statutory formalities or activities, that are not stipulated by laws and regulations of a particular country.

NLMK Group does not engage intermediate parties to interact with authorities and public officials. In exceptional cases, if there is an objective need for the involvement of an intermediate party, NLMK Group companies guarantee an honest and transparent selection process and payment for these services.

8.4.2. NLMK Group refrains from paying any expenses for public officials and their immediate family members (or for their benefit) in order to receive commercial advantages in specific NLMK Group projects, including transportation, accommodation, entertainment, PR costs and other expenses or other benefits at the expense of NLMK Group companies.

8.4.3. Labour contracts and civil agreements with former public and municipal employees shall be carried out in strict compliance with the requirements of the Russian Federation legislation, including requirements of Article 64.1 of the Russian Federation Labour Code.

8.5. Accounting and reporting

8.5.1. All of NLMK Group's financial and business operations and transactions shall be timely, accurately, and correctly registered and contain sufficient detail in primary accounting documents, reflected in accounting, management and other records and shall be made available for audit.

NLMK Group has appointed persons who bear responsibility under the current legislation of the Russian Federation to prepare and provide complete and accurate financial records within the periods established by the prevailing legislation.

8.5.2. Tampering with or falsification of the accounting data, tax and management records and reports is strictly forbidden; it is a violation of the prevailing legislation and shall be investigated under the procedure established by NLMK Group companies.

Article 9. Consultations

In case NLMK Group employees have questions, regarding the provisions of this Policy or other anti-corruption activities and procedures they may seek a consultation from the head of their structural unit and/or persons responsible for anti-corruption work at NLMK Group companies.

Article 10. Reporting corruption offences (“hotline”)

- 10.1. NLMK Group encourages its employees and counterparties to report on their doubts concerning legitimacy and/or ethics of actions of other employees of NLMK Group or its counterparties, or concerning reasonable suspicion of alleged or proven instances of corruption as well as other violations within the activities of NLMK Group.
- 10.2. Employees of NLMK Group or its counterparties or other third parties can inform the company about any such violation in any manner indicated on the official NLMK Group website.
- 10.3. NLMK Group offers the right of anonymous reporting through indicated notification channels (“hotline”). However, in this case, the person reporting an issue should be aware of difficulty of further reviewing their message, undertaking an internal investigation (if needed) and necessary measures, since it may not be possible to clarify the information received and carry out further interaction with the reporting person.
- 10.4. All reports of possible corruption offences received shall be reviewed in an unbiased and timely manner.
- 10.5. NLMK Group, within its powers and existing capacity, ensures the confidentiality of data on the identity of the person who provided significant and reliable information on a violation through the hotline (except for the cases stipulated by the prevailing legislation) and guarantees no sanctions for employees who report NLMK Group employees or other persons in good faith who have committed, or are suspected of committing, acts of corruption.

If any NLMK Group employee provides knowingly false information it shall be perceived as a violation of this Policy and the relevant provisions of the prevailing legislation, and such person may be held liable under the procedure and on the grounds stipulated by the prevailing legislation and internal regulatory documents of NLMK Group companies.
- 10.6. Further information on the operation of the ‘hotline’ and the procedure for the handling/review of received reports is given in the relevant regulatory documents following the procedure established by the Company.

Article 11. Liability and sanctions for non-compliance

- 11.1. Every employee must follow this Policy and meet the anti-corruption requirements of NLMK Group while undertaking their official duties. NLMK Group employees are held personally liable for violation of the requirements and procedures established by the local regulations that have been communicated to them, subject to written and signed acknowledgement.

In addition, NLMK Group companies view compliance with anti-corruption principles and requirements as an important professional competence.
- 11.2. NLMK Group employees who violate the established anti-corruption principles and requirements may be brought to disciplinary, administrative, civil or criminal liability on the initiative of NLMK Group companies, law enforcement agencies or other parties under the procedure and on the grounds stipulated by the prevailing legislation, the Articles of Association of NLMK Group companies and their internal regulatory documents.

11.3. The Vice President for Risk Management shall be responsible for the control over compliance with the principles and requirements of this Policy.

Appendix A: Responsibility matrix for units of NLMK Group’s functional areas, responsible for implementation of anti-corruption measures

AC – Audit Committee of the Board of Directors

P – President (Chairman of the Management Board)

PRA – Person responsible for anti-corruption work coordination

CCE – Committee for Charity Expenses

VPR – Service of the Vice President for Risks

AD – Audit Directorate

SS – Security Service

VPP – Service of the Vice President for Personnel and Control System

DLA – Directorate for Legal Affairs

DPR – Directorate for Public Relations

H – Heads of structural units of the Group’s enterprises

SVP – Service of the Vice President for Procurement

SVS – Service of the Vice President for Sales

DSD – Directorate for Strategic Development

VPF – Service of the Vice President for Finances

| Anti-corruption activities | AC | P | PRA | CCE | VPR | AD | SS | VPP | DLA | DPR | H | SVP | SVS | DSD | VPF |
|---|----|---|-----|-----|-----|----|----|----------------|-----|-----|---|-----|-----|-----|-----|
| 1. General organizational activities, assurance of “tone at the top” VPR | | | | | | | | | | | | | | | |
| 1.1. General organization of activities aimed at implementation of the Policy principles and requirements, appointment of persons responsible for coordination and implementation of anti-corruption activities | | X | | | | | | | | | | | | | |
| 1.2. Management example, “tone at the top” | X | X | X | | X | X | X | X | X | X | X | X | X | X | X |
| 1.3. Development and introduction of the anti-corruption system | | X | X | | | | | | | | | | | | |
| 1.4. Monitoring of the efficiency of anti-corruption measures, review of policies and procedures for counteracting corruption | | | X | | | | | | | | | | | | |
| 1.5. Control over the compliance of structural units’ employees with the requirements of anti-corruption regulatory documents | | | | | | | | | | | X | | | | |
| 1.6. Control over the introduction of anti-corruption policies and procedures in NLMK Group’s affiliates | | | X | | | | | | | | | | | | |
| 2. Internal and external communications in counteracting corruption | | | | | | | | | | | | | | | |
| 2.1. Consulting employees on the matters of counteracting corruption | | | X | | | | | | | | X | | | | |
| 2.2. Creation and ensuring operation of a specialized section on the internal portal dedicated to the anti-corruption matters | | | | | | | | | | X | | | | | |
| 2.3. Inclusion of anti-corruption provisions in the corporate programme of education, development and assessment of competencies of the employees | | | | | | | | X | | | | | | | |
| 2.4. Organization of the “anti-corruption hotline” | | | | | | | X | X ¹ | | X | | | | | |
| 2.5. Registration and review of anonymous report received through the “anti-corruption hotline” | | | X | | | | X | | | | | | | | |
| 2.6. Interaction with regulation and law enforcement authorities on the anti-corruption matters and anti-corruption compliance | | | X | | | | X | | X | | | | | | |

¹ - except for the registration and review of anonymous reports processed under Clause 2.5

| Anti-corruption activities | AC | P | PRA | CCE | VPR | AD | SS | VPP | DLA | DPR | H | SVP | SVS | DSD | VPF |
|---|----|---|-----|-----|-----|----|----|-----|-----|-----|---|-----|-----|-----|-----|
| 3. Assessment and monitoring of corruption risks | | | | | | | | | | | | | | | |
| 3.1. Identification and assessment / re-assessment of corruption risks | | | | | X | | | | | | | | | | |
| 3.2. Forming the plan of activities for the corruption risk monitoring, coordination and control of its implementation | | | X | | X | | X | | | | | | | | |
| 3.3. Regular control of efficiency of the anti-corruption measures, compliance with the established procedures | | | | | X | X | | | | | | | | | |
| 3.4. Monitoring of the prevailing anti-corruption legislation and law enforcement practices | | | | | | | | | X | | | | | | |
| 3.5. Elimination of identified flaws in the anti-corruption system | | | | | X | | X | X | X | X | X | X | X | X | X |
| 3.6. Periodic reports on risk areas / operations to the person responsible for coordinating anti-corruption activities | | | | X | X | | X | X | X | X | | | | X | X |
| 3.7. Regular reports on corruption risk management to the Risk management committee | | | X | | X | | | | | | | | | | |
| 3.8. Reporting on the anti-corruption system performance to the Audit Committee and President (Chairman of the Management Board) of NLMK | | | X | | | | | | | | | | | | |
| 4. Introduction and assurance of the operation of anti-corruption tools | | | | | | | | | | | | | | | |
| 4.1. Organization of the check of nominees for management positions regarding corruption risks, including the use of psychophysiological examination tools | | | | | | | X | | | | | | | | |
| 4.2. Check of counterparties regarding corruptions risks before entering into contractual relations | | | | | | | X | | | | | | | | |
| 4.3. Analysis of information supplied to the "anti-corruption hotline", internal investigations upon identifying any sign of corruption | | | X | | | | X | | | | | | | | |
| 4.4. Development of the format for declaration on absence / presence of a conflict of interests, determination of the circle of positions which are the most vulnerable to corruption risks for questionnaire polling | | | X | | | | | | X | | | | | | |
| 4.5. Organization of collection and archive storage of declarations on absence / presence of a conflict of interests | | | | | | | | X | | | | | | | |
| 4.6. Analysis of information on potential or actual conflicts of interests declared by the employees who occupy positions which are the most vulnerable to corruption risks, recommendation on corrective measures | | | | | | | X | | X | | X | | | | |
| 4.7. Control over giving and receiving by employees of business gifts and business entertainment | | | | | | | | | | | X | | | | |
| 4.8. Corruption risk control over charitable assistance provided by NLMK Group | | | | X | | | | | | | | | | | |
| 4.9. Use of psychophysiological examination tools to look for corruption risk indicators | | | | | | | X | | | | | | | | |
| 4.10. Development of the anti-corruption clause text and control over its inclusion in the contracts with counterparties | | | | | | | | | X | | | | | | |

| Anti-corruption activities | AC | P | PRA | CCE | VPR | AD | SS | VPP | DLA | DPR | H | SVP | SVS | DSD | VPF |
|---|-----------|----------|------------|------------|------------|-----------|-----------|------------|------------|------------|----------|------------|------------|------------|------------|
| 4.11. Corruption risk control of purchases made from a sole supplier, emergency or other non-competitive procedures | | | | | X | | | | | | | X | | | |
| 4.12. Corruption risk control of sales made with a significant deviation in price from established and / or market prices | | | | | | | X | | | | | | X | | |
| 4.13. Control over M&A operations with regard to inherited corruption risks | | | | | | | | | | | | | | X | |
| 4.14. Corruption risk control over payments to counterparties which are residents of the countries included in FATF lists, and the offshore jurisdictions, as well as payments to state authorities | | | | | | | | | | | | | | | X |
| 4.15. Control of elements of intermediary services on interaction with authorities and public officers upon conclusion of agreements with counterparties | | | | | | | | | X | | | | | | |