



Public Joint Stock Company
NOVOLIPETSK STEEL

APPROVED BY

CEO (Chairman of the Management Board)

« 01 » 03 2022 .

POLICY
Partner Code of Business Conduct

Policy LG-162-0009-2022

(Original Enactment)

Put into effect by Order dd. « 03 » 03 2022 No. 1-109-П-ОД

Effective date « 03 » 03 2022

1. APPLICATION

NLMK Group (hereinafter - NLMK) strives to maintain the highest standards in compliance and corporate ethics. We believe that achieving a sustainable result is only possible subject to compliance with applicable legal requirements and corporate ethics.

In view of the fact that the actions of NLMK's supplier/contractor (hereinafter - "the Partners") may have a significant impact on the activities and reputation of our company, we expect similar compliance with the legal requirements and corporate ethics from our Partners. This Code has been developed taking into account the best international practices. The observance of the standards of conduct contained herein is a necessary condition for cooperation with NLMK. Misconduct expressed in violation of the requirements of this Code is a basis for revising the qualification status of the relevant Partner and/or termination of contractual relationship with the Partner.

2. EQUAL REQUIREMENTS FOR ALL PARTNERS

- 2.1. NLMK's activities are based on compliance with the requirements of applicable law, including antitrust law. We ensure a fair and equal approach to participants in procurement procedures through establishing uniform requirements in order to prevent unreasonable competition limitations in relation to procurement participants.
- 2.2. Each Partner, in their turn, is also obliged to comply with the rules of participation in the procurement established by NLMK and act ethically and in good faith.
- 2.3 Procurement participants shall not exchange information on prices and other conditions that may affect the selection of the procurement procedure winner, or take any actions that restrict competition.

3. ANTI-CORRUPTION PRINCIPLES

- 3.1. Adhering to the principle of "zero tolerance" for corruption, all NLMK Partners are strictly prohibited from participating, directly or indirectly (through third parties) in the interests of NLMK and/or at the expense of NLMK or in relation to NLMK, in any actions qualified in line with the applicable law as bribery or corruption, corrupt business practices, as well as other actions that violate the requirements of the applicable anti-corruption legislation, including offering, giving or promising to provide any financial or other kind of benefit or advantage with the intent to induce any person (including a public official or employee of a commercial organization) to perform their official duties improperly in the interests of the person giving the benefit or advantage or a person represented by them, including, in violation of the order and procedures established by the applicable law.
- 3.2. If NLMK receives information about a possible (including potential) violation of the above anti-corruption requirements by a Partner, NLMK reserves the right to request clarifications and all information and documents related to the identified situation from the Partner.
- 3.3. In case a fact of violation by the Partner of the provisions of clause 3.1 of this article and/or failure to receive explanations/information/documents provided for in clause 3.2 of this Code by NLMK is confirmed, the Company is entitled to terminate the relevant agreement with the Partner unilaterally and out of court by sending a written notice no later than 14 (fourteen) calendar days before the date of termination, as well as to take measures to disqualify the Partner.
- 3.4. If a Partner (a Partner's employee) becomes aware of a violation committed by an NLMK employee and/or an employee of another NLMK Partner, as provided for in clause 3.1. of

this article, they must report it to the Compliance Department via the channels specified in section 14 of this Code.

- 3.5. Taking into account the fact that all Russian organizations are obliged to take anti-corruption measures stipulated by Article 13.3 of Federal Law No. 273-FZ dated 25.12.2008 "On Corruption Counteraction", NLMK requires its Partners to comply with the stated requirements and has the right to request, and the Partner, in their turn, undertakes to immediately provide documents confirming compliance with the above measures, including:
- determining of units or officials responsible for the prevention of corruption and other violations;
 - development of standards and procedures aimed at ensuring the bona fide work of the organization and introducing them into practice;
 - adoption of a code of ethics and official conduct of employees of the organization;
 - prevention and settlement of a conflict of interest;
 - prevention of unofficial reporting and the use of forged documents.

4. IDENTIFICATION OF A CONFLICT OF INTEREST

NLMK has strict rules regarding the identification, disclosure and settlement of conflicts of interest. By a conflict of interest, we mean an employee's personal interest that influences or may influence their official decisions. If a Partner (a Partner's employee) becomes aware of such a personal interest of an NLMK employee, they must report it to the Compliance Department via the channels specified in Section 14 of this Code.

5. BUSINESS GIFTS AND BUSINESS HOSPITALITY

- 5.1. Business gifts and business hospitality (including entertainment 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 and business hospitality as established in the Anti-Corruption Policy and other documents available on NLMK web-site (Compliance section).
- 5.2. NLMK employees are prohibited from asking, demanding or forcing NLMK business partners and other third parties to give them or related persons any business gifts and/or offer them business hospitality.
- 5.3. By default, business gifts and/or business hospitality in the course of procurement procedures provided by participants in such procedures, their employees or related persons to the organizers of such procedures, their employees and/or any other persons making decisions within the these procedures are unacceptable at NLMK.
- 5.4 NLMK prohibits business gifts in the form of cash or non-cash funds, securities, precious metals, gift certificates and other cash equivalents and/or luxury goods.
- 5.5. If a Partner (a Partner's employee) becomes aware of a violation of the above rules by an NLMK employee, they must report it to the Compliance Department via the channels specified in Section 14 of this Code.

6. HUMAN RIGHTS AT THE WORKPLACE

NLMK pays particular attention to the observance of human rights at the workplace and seeks to provide respectful, comfortable and safe working conditions for each employee.

NLMK expects its Partners to respect the human rights established by international legal acts and agreements (including the International Labour Organization), as well as the laws applicable in the Partners' jurisdiction, including: support of freedom of assembly and association, the right to liberty and personal security, prohibition of forced labour and child labour, prohibition of human trafficking, prohibition of gender, social status, religion or race discrimination, ensuring safe working conditions, labour and health protection and ensuring the rights to a guaranteed minimum wage as determined by the applicable law/jurisdiction."

7. COMPLIANCE

NLMK pays particular attention to the quality of its products, which, in turn, may largely depend on the quality of purchased materials/services. Goods/services purchased by NLMK must meet quality, life and health safety requirements, sanitary standards, other safety requirements, government standards and/or certification requirements, if such requirements are stipulated by the contract and/or legislation applicable to the given type of goods/services.

8. COUNTERACTING THE MISUSE OF INSIDER INFORMATION AND MARKET MANIPULATION

NLMK has strict restrictions on access to NLMK's insider information and has a system of measures to comply with the requirements of Federal Law No. 224-FZ dated 27.07.2010 "On Counteracting the Misuse of Insider Information and Market Manipulation and on Amendments to Certain Legislative Acts of the Russian Federation" in place. If an NLMK Partner has to be provided with an access to NLMK's insider information as part of a contract performance, such Partner shall be included in NLMK's list of insiders. The list of information classified as the insider information is available at <https://nlmk.com/ru/about/governance/insider/>.

9. PERSONAL DATA

Measures to protect personal data during processing are implemented at NLMK. If it is necessary to transfer some information related to individuals' personal data to a Partner within the framework of a concluded contract, the relevant supplier/contractor undertakes to process this information in accordance with the requirements of Federal Law No.152-FZ dd. 27.07.2006 "On Personal Data", including ensuring protection of personal data during processing.

10. OBSERVANCE OF ENVIRONMENTAL REGULATIONS

NLMK pays particular attention to environmental protection. NLMK expects the same close attention to environmental issues from its partners and contractors, in particular:

- striving to minimize environmental impact, performing their work in an environmentally responsible and sustainable manner on an ongoing basis and taking measures to prevent or mitigate adverse environmental impacts on nature and climate;
- availability of an appropriate environmental management system, including an environmental policy;
- complying with all applicable legislative requirements in the field of environmental protection in the course of production / performance of work / provision of services / supply of goods to NLMK;
- availability of the necessary permits for environmental protection activities and management of natural resources and complying with the established permits;
- complying with environmental protection requirements set out in NLMK's environmental documentation;

- taking care of the flora and fauna, preserving biodiversity in the area of influence of their activities, in particular, they shall not disturb animal migration routes, hunt or fish in NLMK project implementation areas, they shall not destroy or damage green spaces;
- evaluating their greenhouse gas emissions and their impact on the climate;
- efficient use of resources, applying energy efficient technologies and making efforts to reduce the impact of the climate change;
- striving to minimize the use and formation of highly hazardous substances and materials;
- developing and complying with procedures for the liquidation and prevention of emergencies, compensating for and eliminating damage caused to the environment through their own fault, including that resulting from emergencies, taking measures to prevent their recurrence;
- collaborating with NLMK to identify opportunities to optimize and improve approaches to environmental protection, focusing on reducing the negative impact on water, air and soil, reducing the carbon footprint, as well as the consumption of water, energy and hazardous materials;
- ensuring the openness of environmental information on the results of their activities and contact details for environmental and climate issues.

11. OBSERVANCE OF OCCUPATIONAL HEALTH AND SAFETY REQUIREMENTS

NLMK pays particular attention to the observance of occupational health and safety requirements. NLMK expects the same close attention to OHS issues from its partners, in particular:

- observing NLMK cardinal safety rules;
- meeting the requirements of NLMK occupational health and safety management system;
- availability of their own occupation safety policy approved by the company CEO;
- managing OHS risks at all stages of services provision;
- carrying out continuous OHS control in the course of production activity;
- conducting regular audits and improving the OHS management system;
- continuous improvement of the employees' knowledge and skills level;
- developing a safety culture by introducing new tools and best practices in OHS;
- ensuring the transparency and reliability of OHS information;
- managing subcontractors in the field of OHS.

12. CONFIDENTIALITY

NLMK expects that the Partner will take all necessary measures to ensure the confidentiality of all inside non-public information of NLMK, which becomes known to the Partner solely as a result of the conclusion and execution of a contract with NLMK.

Such information may be used by the Partner solely for the performance of their relevant obligations related to the performance of contractual and other obligations to NLMK, and may be disclosed or provided to third parties in one of the following cases:

- when there is a preliminary written consent of NLMK;
- for the fulfilment of legal requirements or a court order by the Partner, subject to a prior notice to NLMK.

13. INTELLECTUAL PROPERTY PROTECTION AND PUBLIC STATEMENTS

- 13.1. NLMK strives to embody the highest standards of business standing in all areas of business and society and expects the same from its partners.

Public statements on behalf of NLMK or references to NLMK can only be made after obtaining a written permission from NLMK's authorized persons.

- 13.2. The Partner confirms and guarantees the observance of the property and non-property rights of NLMK and other entities in relation to the protected intellectual deliverables and equivalent legally protected means of individualization, including but not limited to the rights to works of science, literature and art, computer software, databases, performances, audio records, radio or television transmissions on the air or by cable (organizations' on-air or cable broadcasting), inventions, utility models, industrial prototypes, selective breeding results, integrated circuit topographies, trade names, trademarks and service brands, geographical indications, designations of origin, commercial designations, rights to systems used by NLMK, procedures, working methods and ways of carrying out professional activities, technologies and know-hows (hereinafter - "Intellectual Property").

The Partner undertakes to carry out all actions necessary for the transfer to NLMK (including national or international registration, if such registration is necessary) of all exclusive rights to the Intellectual Property developed (created) by the Partner as part of the execution of a contract concluded with NLMK.

14. CONTACTS

In case of any questions related to this Code, or if you have become aware of a violation of any of the requirements of this Code or any other fact of unfair/improper conduct of an NLMK employee or an employee of any NLMK Partner, please inform the Compliance Department of it toll-free at 8-800-234-35-03 or via e-mail to compliance@nlmk.com or using any other way proposed at www.nlmk.com (Compliance section).

Please contact the OHS hotline to report violations of Occupational Health and Safety (OHS) requirements: 8-800-600-04-74, HSE@nlmk.com