



Public joint stock Company
NOVOLIPETSK STEEL

APPROVED BY

the Board of Directors
of Novolipetsk Steel

Minutes of Meeting No. 270
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REGULATIONS
ON INSIDER INFORMATION
of Novolipetsk Steel
(revised)

Lipetsk
2020

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ARTICLE 1. GENERAL PROVISIONS

1.1. These Regulations on insider information (hereinafter, the Regulations) of Novolipetsk Steel (hereinafter, the Company) have been developed in line with the current Russian legislation on insider information (hereinafter, national legislation), NLMK Charter and other internal documents of the Company taking into account international corporate governance practices including European Union regulations, UK laws (hereinafter, foreign legislation). For the purposes of these Regulations national and foreign legislation are hereinafter jointly referred to as the applicable law.

1.2. These Regulations set forth:

- The procedure and criteria for classifying information as insider information.
- Persons to be included in the list of persons authorized to access insider information.
- The procedure and terms of disclosure of the Company's insider information.
- Terms and conditions for transactions with the Company's financial instruments.
- Procedure for accessing the Company's insider information and confidentiality rules.
- Procedure for exercising internal control to prevent, detect and suppress misuse of insider information and (or) market manipulation.

1.3. These Regulations serve to:

- Protect the rights and legal interests of shareholders and persons dealing in the Company's securities.
- Ensure fair pricing applicable to the Company's securities.
- Ensure the Company's economic security.
- Protect the Company's reputation.
- Strengthen the trust of shareholders, investors and other persons in the Company.
- Establish control over the activities of insiders by imposing limits on the use of insider information.
- Establish general guidelines for the protection of insider information.
- Inform about the penalties for violating the requirements established by these Regulations.

ARTICLE 2. INSIDER INFORMATION

2.1. Insider information is exact and specific non-public information (including information constituting commercial, official, banking secrecy, communication secrets and other secrets protected by law), which, if it were made public, would be likely to have a significant effect on the price of financial instruments¹, foreign currency and (or) goods.

2.2. Insider information of the Company includes information listed in the regulation of the Bank of Russia as well as other information recognized as such taking into account the nature of the Company's activities.

2.3. The list of the Company's insider information is approved by the Company's CEO (Chairman of the Management Board) and is disclosed in the 'Insider Information' section of the Company's official Internet website at <https://nlmk.com/en/about/governance/insider/>.

2.4. Inside information does not include:

- Data that has been made available to the general public, including through its distribution.

¹ Financial instruments include securities, and derivatives, such as, but not limited to, options, futures, etc.

- Studies, outlooks and estimates related to financial instruments, and recommendations and (or) proposals for transactions with financial instruments made on the basis of public information.

ARTICLE 3. INSIDER INFORMATION DISCLOSURE TERMS AND PROCEDURE

- 3.1 The Company shall disclose insider information, the list of which is approved by the regulation of the Bank of Russia, in the manner and within the terms established by the applicable law. Disclosure of the Company's insider information that is not included in the list approved by the Bank of Russia is carried out in the following order from the date of occurrence of the relevant material fact (corporate action or event):
- On the Company's official Internet website - no later than within two days.
 - In news feeds - no later than within one day.
- 3.2 Despite the deadlines established by the applicable law, the Company seeks to disclose insider information as soon as possible.
- 3.3 The Company discloses insider information by distributing it in the following ways in accordance with the applicable law:
- Through the Company's website.
 - In news feeds.
 - On the Company's Internet webpage provided by an authorized information agency that distributes information on the securities market.
- 3.4 Information loses its insider status after its official disclosure.

ARTICLE 4. INSIDERS

- 4.1 Insider is a person having the right of access to the Company's inside information on the grounds provided for by the applicable law.
- 4.2 The Company's insiders are:
- Members of the Company's Board of Directors.
 - Members of the Board of Directors' committees.
 - CEO (Chairman of the Management Board) of the Company.
 - Members of the Company's Management Board.
 - Corporate Secretary.
 - Secretaries of the Board of Directors' committees.
 - Person performing the functions of the Company's Chief Accountant.
 - Persons having the right to, directly or indirectly (through controlled entities), make decisions regarding at least 25 percent of the votes in the Company's supreme governing body.
 - Auditors (auditing firms), appraisers (legal entities with which appraisers have signed employment contracts), professional participants of the securities market, credit institutions, insurance companies and other entities that were granted access to inside information based on the contracts with the Company.
 - Information agencies disclosing the Company's information based on contracts with the Company.

- Persons that assign ratings to the Company and its securities based on contracts with the Company.
 - Individuals that have access to the Company’s insider information based on employment and (or) independent contractor agreements with the Company.
 - Other persons in line with the requirements of the applicable law.
- 4.3 Exclusively for the purposes of foreign legislation, the Company maintains a list of persons discharging managerial responsibility (PMDRs) in the Company and persons closely associated with them².
- 4.4 In accordance with the requirements of the applicable law the Company shall:
- Maintain a list of insiders, as well as a list of persons discharging managerial responsibility (PDMRs) in the Company and persons closely associated with them.
 - Notify the persons included in the insider list about their inclusion in such list and exclusion from the list in the manner stipulated by the applicable law.
 - Inform the persons included in the insider list about the requirements of the applicable law.
 - Submit the insider list to the securities market operator, performing transactions with financial instruments (Moscow Exchange), to the Bank of Russia, and the Financial Conduct Authority (hereinafter referred to as FCA) at their request in the manner established by the applicable law.
- 4.5 The Company’s Corporate Secretary is responsible for implementation of the measures specified in Clause 4.4.

ARTICLE 5. RESTRICTIONS IMPOSED ON THE USE OF INSIDER INFORMATION AND (OR) MARKET MANIPULATION

- 5.1 Insiders are not allowed to use insider information:
- To carry out transactions with the financial instruments that are subject to insider information at their own expense or at the expense of a third party, except for transactions carried out due to an obligation to purchase or sell financial instruments, if such obligation arose out of a transaction closed before the person became aware of the insider information.
 - By transferring it to another person, except when disclosing this information to a person from the insider list, in the course of performing duties required by federal laws, or in the course of carrying out his/her employment duties or performing a contract.
 - By making recommendations to third parties obliging or otherwise encouraging them to acquire or sell financial instruments.

²The following persons are recognized as related to persons discharging managerial responsibility for the purposes of this Regulation:

- (a) a spouse(s) or partner deemed equivalent to spouse(s) in accordance with the proper law;
- (b) dependent children of the persons discharging managerial responsibility in accordance with the proper law;
- (c) a relative (s) living together with him / her for at least a year on the date of the transaction in question; or
- (d) an organization , in respect of which this person, or the person referred to in clauses (a), (b) or (c):
 - Performs managerial functions.
 - Exercises direct or indirect control.
 - Is a beneficiary.

- 5.2 In order to meet the requirements of the applicable legislation, Insiders must comply with certain conditions when carrying out transactions with the Company's financial instruments.
- 5.3 Insiders of the Company, as well as their related parties should refrain, and insiders related to persons discharging managerial responsibility in the Company are prohibited from dealing in the Company's securities during the 'close period', except in certain exceptional cases. A 'close period' means 30 calendar days before the release of an interim financial report or a year-end report, which the Company is obliged to make public under the rules of the trading platform, where the Company's shares are admitted to trading, or under the applicable legislation. In accordance with this requirement, the persons discharging managerial responsibility in the Company may not carry out any transactions on their own behalf or on behalf of a third party, directly or indirectly, relating to securities, derivatives or other financial instruments related to them, during:
- A period of 30 days immediately preceding the preliminary release of NLMK's annual results; or
 - A period of 30 days immediately preceding the publication of NLMK's annual financial report; or
 - A period of 30 days immediately preceding the release of NLMK's relevant interim results.
- 5.4 Information on 'close periods' is published on the Company's official Internet website.
- 5.5 In case of exceptional circumstances such as serious financial difficulties that require immediate divestment of the Company's securities during the 'close period', persons discharging managerial responsibility in the Company have the right to apply to the Company's Corporate Secretary for permission to dealing in securities. The Company's Corporate Secretary takes measures to obtain permission/refusal from the Company's CEO (Chairman of the Management Board) and communicates the information to the persons discharging managerial responsibility in the Company.
- 5.6 Carrying out transactions with financial instruments by insiders, including persons discharging managerial responsibility in the Company and persons related to them, if such transactions violate the terms of such transactions, forms the grounds for initiating legal action (civil and/or other proceedings) against such persons.
- 5.7 The Company's Corporate Secretary has the right to carry out or delegate the carrying out of investigations in respect of transactions carried out by an insider personally or on behalf of such insider, including persons discharging managerial responsibility in the Company and persons related to them. If the investigation identifies violations, the Company's Corporate Secretary shall inform the Company's CEO (Chairman of the Management Board) about the results of such investigation.
- 5.8 When the total amount of previous dealings in the Company's securities reaches the equivalent of EUR 5,000² per calendar year, persons discharging managerial responsibility in the Company and persons related to them are required to notify:
- The Company by sending information to the Company's Corporate Secretary within 2 (two) business days from the relevant transaction date.
 - The FCA (or another authority of the relevant state) within 3 (three) business days from the relevant transaction date.

The threshold of EUR 5,000 is calculated by summing up all transactions carried out by persons discharging managerial responsibilities in the Company and persons related to them during a calendar year.

- 5.9 The Company carries out public disclosure of information on dealings in its securities carried out by persons discharging managerial responsibility in the Company and persons related to them.

5.10 Disclosure obligations in relation to the above-mentioned transactions do not substitute for or exempt persons discharging managerial responsibility in the Company and their related persons from the obligations to comply with the restrictions on transactions with securities specified in Clause 5.3.

ARTICLE 6. INSIDER INFORMATION ACCESS PROCEDURE AND CONFIDENTIALITY RULES

- 6.1 A specific access procedure is established for the information recognized as insider information in line with the applicable legislation and these Regulations to ensure its security and integrity, and to avoid its misuse and distribution.
- 6.2 The list of measures to provide access and ensure security and integrity of insider information is determined by the Company's internal document, which is mandatory for all Company employees, persons having access to the Company's insider information, and persons included in the list of the Company's insiders.
- 6.3 When establishing processes providing access to insider information, while ensuring its integrity and security, the Company adheres to the following principles:
- Compliance with ethical standards.
 - Continuity and effectiveness of the process of ensuring security and integrity of insider information.
 - Prevention of conflicts of interest when handling insider information.
 - Measures ensuring insider information security and integrity shall include prevention, detection and suppression of its misuse, considering the nature and scale of the Company's activities.
- 6.4 Persons included in the Company's list of insiders have the right to access the Company's insider information.
- 6.5 The Company's insider information may be transferred to persons not included in the list of insiders only if related to the performance of obligations provided for by applicable legislation or the performance of an agreement concluded by the Company.
- 6.6 Insider information can be transferred to legal entities on the basis of concluded agreements after their inclusion in the list of insiders.
- 6.7 Insiders' obligations related to specific insider information provided for in the List of Insider Information shall terminate the moment this specific insider information is disclosed in accordance with the procedure and in compliance with the requirements of applicable legislation.
- 6.8 Any person not included in the Company's list of insiders and having no right to access insider information, but for some reason having obtained access to it, is obliged to:
- Stop familiarizing themselves with it.
 - Take comprehensive measures to keep such insider information confidential.
 - Prevent any distribution or provision of such insider information.
 - Immediately report to their immediate superior on having come across insider information.
- 6.9 Within the limits of their authority, insiders and employees of the Company are required to take all possible measures to protect and prevent any misuse of insider information.

ARTICLE 7. CONTROL OVER PREVENTION, DETECTION AND SUPPRESSION OF ANY MISUSE OF INSIDER INFORMATION AND (OR) MARKET MANIPULATION

- 7.1 In order to counteract any misuse of insider information and market manipulation, the Company carries out internal control to prevent, detect and suppress any misuse of insider information and (or) market manipulation in accordance with the requirements of the legislation and regulations adopted in compliance with it.
- 7.2 Within the framework of internal control to prevent, detect and suppress any misuse of insider information, the Company:
- Monitors compliance with the procedure for accessing insider information and the rules for protecting its confidentiality.
 - Maintains the list of insiders.
 - Monitors compliance with the procedure and timing of insider information disclosure.
 - Monitors compliance with the conditions for transactions with financial instruments of the Company by the persons specified in Article 5 of these Regulations.
 - Performs other control functions provided for by the Bank of Russia regulation.
- 7.3 Internal control which aims to prevent, detect and suppress any misuse of insider information and (or) market manipulation is carried out in accordance with the Company's internal document that defines the rules for monitoring compliance with the requirements of the legislation on counteracting any misuse of insider information and market manipulation.
- 7.4 A structural unit reporting to the CEO (Chairman of the Management Board) of the Company monitors compliance with the requirements of the legislation and complaint regulations.

ARTICLE 8. LIABILITY

- 8.1 Any person that misuses insider information may be brought to disciplinary, administrative, criminal or civil law liability in accordance with the applicable legislation and the terms of contracts concluded with the Company.
- 8.2 Other persons not holding the status of an insider but having access to the Company's insider information and disclosing insider information or having performed transactions with the Company's securities using insider information, may also be brought to liability except as otherwise provided by the applicable legislation.
- 8.3 The Company has the right to demand from insiders that have misused insider information to compensate for the losses caused to the Company by such illegal actions.

ARTICLE 9. FINAL PROVISIONS

- 9.1 These Regulations, as well as all the additions and amendments to it are subject to approval by the Company's Board of Directors.
- 9.2 All issues not covered by these Regulations shall be governed by the applicable law, NLMK Charter and other internal documents of the Company.
- 9.3 If some provisions of these Regulations come into conflict with any amendments made in the applicable law, such provisions shall be rendered void; in this case, the Company shall be guided by the effective applicable law until these Regulations are modified accordingly.