

Terms of Reference of EVRAZ Hotline

About EVRAZ Hotline

1 GENERAL PROVISIONS

1.1. EVRAZ Hotline (hereinafter referred to as the “Hotline”) is the single channel of intra-corporate communications, intended to obtain information and feedback from the employees of EvrazHolding (hereinafter referred to as the “Company”), employees of enterprises, in respect of which the Company exercises the powers of the sole executive body (hereinafter referred to as the “Operated enterprises”) and other persons. EVRAZ Hotline operates within the framework of the official policies and procedures of EVRAZ, including within the framework of the Anti-Corruption Policy of the Company.

1.2. All previously existing channels of formation and feedback from the employees of the Company and the Operated enterprises, such as hotlines, boxes for collecting requests to the management of Operated enterprises, etc., shall be connected to a single EVRAZ Hotline and cannot operate separately from it.

1.3. The operation of EVRAZ Hotline is in the area of responsibility of the Vice President, Corporate Communications; the daily operation of the Hotline is the responsibility of the Hotline Administrator (hereinafter referred to as the “Administrator”), acting under this Terms of Reference and the Administrator’s Instructions.

1.4. Situations, not covered by these Terms of Reference, shall be considered by the representatives of the relevant functions (hereinafter referred to as the “Committee”) involving representatives of Corporate Communications, including the Administrator, the Internal Audit, etc. The meeting of the Committee may be initiated by any of the Administrator or the Responsible officers (as listed in cl. 4.2.1).

1.5. The Hotline operates in Moscow time zone.

1.6. The Company reserves the right to use the reports, received through the Hotline and the information, contained therein, in whole or in part, for further processing, analysis and / or publication in corporate media and for providing to external sources, subject to the confidentiality of personal data of the Applicant.

1.7. The Terms of Reference of the Hotline apply to all employees of EvrazHolding and the Operated enterprises.

2 OBJECTIVES AND PRINCIPLES OF THE HOTLINE

2.1. Focal areas of the Hotline

2.1.1. Employees of the Company and the Operated enterprises, as well as other persons (former employees, veterans, representatives of suppliers, customers, etc.) (hereinafter collectively referred to as the “Applicants”) have the right to apply to the Hotline to:

2.1.1.1. Receive answers to questions, arising from the activities of the Company and the Operated enterprises;

2.1.1.2. Make suggestions to improve the financial and economic performance of the Company and the Operated enterprises;

2.1.1.3. Report alleged violations of health and safety, industrial and environmental safety regulations, internal policies and procedures, codes, documents of the Company and the Operated enterprises;

2.1.1.4. Report alleged violations of the applicable Laws of the Russian Federation; fraudulent actions, including theft, corruption and other actions, affecting the safe-keeping of the assets of the Company and the Operated enterprises and other violations and misdemeanors;

2.1.1.5. Report other matters, related to the activities of the Company and the Operated enterprises.

2.2. Unacceptable use of the Hotline

2.2.1. It is not allowed to use the Hotline for spreading information which is known to be false, slanderous, etc.; settlement of old scores, achievement of personal goals that are contrary to the interests of the Company and the Operated enterprises; harassment, expression of threats to life and health of the employees of the Company and Operated enterprise and their family; distributing promotional information, providing data not directly related to the business of the Company and Operated enterprises; other similar purposes that are contrary to the purpose of the Hotline.

2.2.2. On the basis of the results of initial review, the Company reserves the right to disregard reports that can be classified as transmitted with a goal, unacceptable for the Hotline.

2.3. Methods of reporting to the Hotline

2.1.3. The Applicants may report on the issues, stipulated in clause 2.1, through any of the following information channels:

2.3.1.1. dedicated toll-free telephone line (8-800-555-88-88): incoming reports are kept for 5 years on a separate network resource, the access to which is limited and granted to certain categories of employees only (cl. 4.2).

The Administrator from 9:00 a.m. to 6:00 p.m. Moscow time on business days accepts calls to the toll-free telephone line; you will be redirected to answering machine outside these hours.

2.3.1.2. e-mail: yopros@evraz.com and hotline@evraz.com: reports are stored in the Microsoft Outlook archive of incoming messages of the corresponding electronic mailboxes for 5 years.

2.3.1.3. corporate portals of the Operated enterprises and the Intranet of the Company: incoming reports remain in the recording register for 5 years.

2.3.1.4. Hotline section at the corporate website evraz.com: the reports are stored in the Microsoft Outlook archive of incoming messages of the corresponding electronic mailboxes for 5 years.



2.3.1.5. other information transmission channels: appeals, received through other channels of information transfer, shall be sent as soon as possible to the mailbox vopros@evraz.com, for further processing by the Hotline Administrator.

2.3.2. The Hotline Administrator is not authorized to transfer a call, addressed to the Hotline to a superior employee of the Company or to other persons at the request or on demand of the applicant.

2.4. Reporting formats

2.4.1. Applicants may submit reports to the Hotline in any format convenient to them.

2.4.2. In order to speed up and facilitate the further report handling procedure, it is recommended that the reports include the following information: area / direction of report or category of issue (according to the classification of reports, given in cl. 4.1); name of the enterprise and the unit in question; in the event of a report of a violation and/or an event:

2.4.2.1. The date and time of the violation/event or time period, if the event had a recurrent / continuing nature;

2.4.2.2. Name and/or position of the violator/employee, responsible for performing the duties that are the subject of the report;

2.4.2.3. Brief description of the violation / event (including specific material facts and circumstances, significant details, possible reasons);

2.4.2.4. Full name and/or position of the Company's employees, who may be aware of the violation/event and confirm or supplement the reported information;

2.4.2.5. Possible consequences of the violation/event and/or damage to the Company, which are known to the Applicant.

2.4.3. If the Applicant had communicated any information about the violation/event to any Company's employees or third parties prior to applying to the Hotline, it is necessary to indicate the full name and position of the Company's employees, who received this information and, if available, to provide the result of review/ discussion.

2.4.4. Provision of personal data, including: telephone number/address/e-mail/position/full name/employee number, etc., remains at the discretion of the Applicant

2.4.5. Reports coming from people, who are in alcoholic or narcotic intoxication, as well as in an inadequate, heightened emotional state, are not accepted and are not transferred for further review. The decision to reject a report is made by the Hotline Administrator independently, on the grounds of obvious signs of intoxication / inadequacy of the Applicant, the lack of meaning in the report, the presence of signs of hooliganism, the use of obscenities. In this case, the Administrator is obliged to inform the Applicant about the rejection of the report and offer to apply to the Hotline via e-mail. In case of repeated calls of the same person in the same condition, the Administrator of the Hotline can apply for the telephone number blocking to the Technical Support of the Company.

2.5. Anonymous reports



2.5.1. When applying to the Hotline, the Applicant has the right to remain anonymous.

2.5.2. The Administrator must:

2.5.2.1. Highlight to the person, who did not provide his/her personal information, the difficulty of reviewing anonymous reports due to the lack of opportunity to clarify the information received and further interaction with the Applicant.

2.5.2.2. If there is any personal data of the Applicant in the report or in case of its provision later on, including as a result of action taken according to clause 2.5.2.1, it is necessary to clarify with the Applicant, whether he/she agrees to the data disclosure:

- a) To the persons, responsible for investigation with possible transfer to local managers;
- b) Only to the management company;
- c) Only for the purposes of feedback upon completion of the investigation.

3. SECURITY WHEN REPORTING TO THE HOTLINE

3.1. Confidentiality

3.1.1. The Company, within the limits of its powers and available capabilities, ensures the confidentiality of the Applicant's identity.

3.1.2. The Administrator transmits the messages, received through the Hotline for further verification, investigation and preparation of the response without specifying the personal data of the Applicant, except for the cases, when the Applicant verbally or in writing has confirmed his/her consent to the transfer of his/her personal data to the Responsible Officers, and the fact of confirmation was recorded in a letter or audio recording of the conversation between the Administrator and the Applicant.

3.1.3. The Administrator, the Responsible officers (hereinafter referred to as the "Responsible Officers") and other persons, having access to the Hotline (according to cl. 4.2.1 of these Terms of Reference) shall not have the right to disclose the personal data of the Applicant, as well as to transmit information, received through the Hotline containing data, on the basis of which it is possible to determine the identity of the Applicant, to other employees of the Company or third parties. The cases provided for by the effective laws of the Russian Federation may be an exception.

3.1.4. The Company shall not be liable for the confidentiality of information about the identity of the Applicant, if he/she voluntarily, including by negligence, disclosed the fact of his/her application to the Hotline to other employees of the Company or to third parties

3.1.5. In the absence of feedback from the Applicant, the subject of the report is considered on the basis of available information.

3.2. Waiver of penal action

3.2.1 The pursuit of persons, reporting to Hotline by the Company and the Operated enterprises is prohibited, except for cases, provided for by the effective legislation.

3.2.2. The Company guarantees that the Applicants will not be subject to sanctions, including dismissed, demoted, deprived of the premium, etc. for applying to the Hotline.



3.2.3. The Company reserves the right to bring the Applicant, who provided false information to the Hotline, to responsibility in accordance with the policies of the Company and the Operated enterprises and under the effective legislation.

4. REPORT REVIEW AND RESPONSE PROCEDURE

4.1. Registration and classification of reports.

4.1.1. All Hotline reports are classified (in the form of Annex 1) and registered in a single reporting log (in the form of Annex 2) within two business days from the date of receipt. The status of their review is monitored and updated by the Administrator from the moment of receipt and until the moment of closing.

4.1.2 The current reporting log is located on a separate network resource, access to which is limited and provided only to the following categories of employees: Vice President, Corporate Communications; Internal Communications Director; Internal Audit Director; Hotline Administrator.

4.1.3 Special procedure applies to reports on matters meeting at least one of the following criteria:

It affects one or more representatives of senior management of the Company and/or the Operated enterprises (from the director level and above);

It contains information about an unlawful action or a risk thereof with estimated damage to the Company and/or the operated enterprises exceeds RUB 1,000,000;

It reports a violation that is durable and ongoing, or a potential violation that can be prevented.

4.1.4 A special procedure for review provides for the registration of the appeal in a single reporting log, the compilation and transmission of a letter on the report received to the Responsible officer (hereinafter referred to as the "Responsible officer") for further consideration and decision within 1 business day from the receipt of the report.

4.1.5 Reports that do not meet the criteria, specified in cl. 4.1.3. of these Terms of Reference, shall be registered and submitted for review and decision in the standard manner in accordance with cl. 4.1.1.

4.2. Principles for distribution of reports for further consideration

4.2.1 The Responsible officers are determined based on classification of the report (according to cl. 4.1)

4.2.1.1 President, Business Support and Interregional Relations: the operation of business units, subordinated to directors for compliance with business procedures and asset protection of the operated enterprises, theft of material values, fraudulent and corrupt practices, violations of tendering procedures, etc.

4.2.1.2 Vice President, Health, Safety and Environment: Health, safety and environment.

4.2.1.3 Vice President, Corporate Communications: corporate events, corporate media, information and promotional materials, branding, Hotline, Interaction with state and municipal authorities, interaction with external media, etc.

4.2.1.4 Procurement Director: the supply of workers with personal protection equipment, including the issues related to the quality of the supplied PPE.

4.2.1.5 Vice President, Human Resources.

4.2.1.6 Internal Audit Director: pursuit of the Applicants to the Hotline.

4.2.1.7 Vice President, Information Technology: aspects of the activities of the Company in the IT sphere, social/welfare issues coming from EvrazTekhnika.

4.2.1.8 Vice President, Legal Affairs: judicial and legal aspects of activities of the Company and the Operated enterprises.

4.2.1.9 Managing Director of the Trading Company: issues, related to the trading activities of the Company.

4.2.1.10 Vice President, Coal Division and Vice President, Division Siberia.

4.2.2. If the report covers several areas of the Company's activities and cannot be sent for consideration and decision to one Responsible Officer, the Hotline Administrator has the right, at his/her discretion, to transfer it to several Responsible Officers, in this case the letter is sent to the Principal Responsible Officer with a copy to the other Responsible Officers. The Principal Responsible Officer is determined by the Hotline Administrator based on the key / most extended message of the Report.

4.3. Unbiased review of reports

4.3.1. No employee can be involved in the procedure for resolving the issue, if the reports concerns him/her personally (if there is a conflict of interest), including those responsible for the response to the report / for investigation; employees, who have access to the reporting log in accordance with these Terms of Reference; an employee, acting as the Hotline Administrator.

4.4. The procedure and timing of consideration of reports

4.4.1. The minimum period for consideration of a report is 12 business days from the moment of its receipt at the Hotline.

4.4.2. The review period may be extended if the consideration and resolution of the matter require additional time. In this case, the Administrator notifies the Applicant (if contact information is available).

4.4.3. Within 2 business days from the date of receipt of the report the Hotline Administrator registers the report in the system, where it is automatically assigned a number and then transmitted to the Responsible Officer for processing depending on the class of matter.

4.4.4. The deadline for submitting the results of consideration of the report to the Hotline Administrator is 5 business days from the moment of registration in the system. Results of review are provided by the Responsible Officer through the Hotline system or by corporate e-mail.

4.4.5. The review results delivery period may be extended if the consideration and resolution of the matter require additional time. The Responsible Officer informs the Hotline Administrator about the need to extend the time for consideration of the matter before the end of the minimum consideration period.

4.4.6. If the response following the consideration of the Report or a request for an extension of the standard consideration period is not provided within 5 business days from the date of the transfer of information to the Responsible Officer, the Hotline



Administrator shall send the Responsible Officer a second letter indicating the time limits for response and violation of these Terms of Reference.

4.4.7. An additional deadline for providing a response based on the results of consideration of the Report is 3 business days. If the response is not delivered after the additional deadline, the Administrator shall inform the Vice President, Corporate Communications

4.5. Feedback to Applicants

4.5.1. Only the Administrator provides feedback to the person applying to EVRAZ Hotline.

4.5.2. The Hotline Administrator provides feedback to the Applicant within a period of not more than two business days from the receipt of the response from the Responsible Officer.

4.5.3. The Administrator shall provide responses either verbally or in writing. The form for providing the response is determined by the Administrator. Reports concerning issues, related to benefits, labor disputes, personal complaints, labor remuneration, violations of health and safety and industrial safety are given verbally, with the exception of frequently recurring questions, the answers to which are published in corporate media.

4.5.4. If the Administrator or the Responsible Officer decides to reject the report, the Administrator shall notify the Applicant (if contact information is available) without giving reasons.

4.5.5. The Applicants, who provided their personal details, are entitled to receive answers to the questions asked, as well as information on the status of review of their report, if the provision of such answer / information does not violate the trade secret legislation, does not disclose confidential and other information and data, attributed by the legislation of the Russian Federation to confidential information, and does not carry other risks for the Company.

5. MONITORING AND CONTROL OF THE HOTLINE OPERATION

5.1. In order to ensure regular monitoring and control over compliance with the procedure for receiving, registering and processing reports, the access to the report log, archives on a dedicated network resource and electronic mailboxes vopros@evraz.com and hotline@evraz.com is granted to the Internal Audit Director, who has the right to initiate his/her own investigations of the reports to EVRAZ Hotline.

5.2. The Hotline Administrator makes a report at the request of the Responsible Officer.

