

**Approved  
by the Board of directors  
of OAO Severstal  
dated 21.11. 2011**

**Minutes № 36-2011 dated 21.11.2011**

**Executed  
by the order of Chief Executive Officer  
of OAO Severstal  
№ 24 dated 30.11.2011**

**Regulations On the Procedure of Access to the Insider Information of OAO Severstal, Its Confidentiality Protection Rules and Control over Compliance with the Requirements of Federal Law No. 224-FZ Dated 27 July 2010 “On Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market, and Making Amendments to Separate Legislative Acts of the Russian Federation” and regulations adopted in accordance therewith by OAO Severstal**

## **Introduction**

These Regulations (hereinafter referred to as the “**Regulations**”) determines the procedure of access to insider information of OAO Severstal, its confidentiality protection rules and control over compliance with the requirements of Federal Law No. 224-FZ dated 27 July 2010 “On Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market, and Making Amendments to Separate Legislative Acts of the Russian Federation” (hereinafter referred to as the “**Law on Insider Information**”) and the regulations adopted in accordance therewith by OAO Severstal (hereinafter referred to as the “**Company**”) and regulates other issues relating to use of insider information of OAO Severstal.

The insiders shall comply with the requirements of the Law on Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market in the Russian Federation and United Kingdom.

## Definitions

- (a) “**business day**” means any day (other than a Saturday or Sunday) upon which banks are open for business in Moscow and London;
- (b) “**close period**” means:
- (i) the period of 60 days immediately preceding a preliminary announcement of the Company’s annual results or, if shorter, the period from the end of the relevant financial year up to and including the time of announcement; and
  - (ii) the period of 60 days immediately preceding the publication of the Company’s annual (financial) report or, if shorter, the period from the end of the relevant financial year up to and including the time of such publication;
  - (iii) the period of 30 days immediately preceding the announcement of the quarterly results or, if shorter, the period from the end of the relevant financial period up to and including the time of the announcement;
- (c) “**group**” means the Company and its subsidiaries included into the Company’s consolidated financial statements prepared under the International Financial Reporting Standards (IFRS) for the relevant period;
- (d) “**connected person**” has the meaning given in Clause 19 of hereof;
- (e) “**transactions**” include any operations with the Company’s securities and their derivatives including global depositary receipts (GDRs) and other derivative financial instruments (hereinafter the “**Company’s securities**”) as well the derivative financial instruments which value depends on the value of the Company’s securities and/or which underlying asset is the Company’s securities;
- (f) “**director**” means a member of the Board of directors of the Company from time to time;
- (g) “**person exercising management responsibilities**” means:
- any director;
  - any head of the Company’s divisions;
  - Chief Executive Officer of the Company or management company and its executives (if applicable);
  - any member of the Management Board of the Company (if applicable);
  - any Deputy Chief Executive Officer of the Company;
- (h) “**insider information**” means information recognized as insider information in accordance with the Law on Insider Information. The Company approves the list of insider information in accordance with the regulations of the federal executive authority of financial markets (hereinafter the “**authorized body**”);
- (i) “**insider**” means a person recognized as an insider in accordance with the Law on Insider Information. The Company maintains the insider list;

(j) “**authorized official**” has the meaning defined in Clause 7 hereof.

## **Procedure of Access to Insider Information**

### 2.1. Access of the Company’s employees to insider information.

Access to insider information shall be granted only to those employees of the Company who:

(a) assumed responsibilities for ensuring the protection of confidential information deemed to be a trade secret and familiarised with the documents determining the trade secrets regime of the Company (including the list of information constituting the Company’s trade secrets) in accordance with the established procedure; and

(b) are included into the Company insider list.

Access to insider information shall be granted by the order of the Chief Executive Officer of the Company or Chief Financial Officer upon the application of employee’s immediate manager and by the reasons specified in clause 2.1.1 hereof.

2.1.1. Decision on providing employee with access to insider information shall be taken only if such an access is necessary for performance of his employment duties in accordance with the Employment Agreement and/or Position Description.

2.1.2. In the event of absence of reasons for providing an employee with an access to insider information as well as in case of the violation of Law on Insider Information and regulations adopted in accordance therewith, these Regulations and/or the trade secrets regime of the Company, access of employee to insider information shall be terminated upon the order of a person having allowed such access.

2.2. The Company’s Directors shall have an access to insider information under the applicable law and these Regulations and act in strict compliance with the Law on Insider Information, these Regulations and the regulations adopted in accordance therewith. Directors shall be included into the insider list.

### 2.3. Access of Third Parties to Insider Information

Persons not specified in Clauses 2.1, 2.2 hereof shall be provided with insider information only for performance of their responsibilities established by federal laws or for the purposes of fulfilment of an agreement provided that such persons are included into the insider list.

## **Insider Information Confidentiality Protection Rules**

3.1. The trade secrets regime of the Company shall cover insider information. If it is provided for by the Law on Insider Information as well as the regulations adopted in accordance therewith and these Regulations, more stringent control measures shall be adopted by the Company for protection of the confidentiality of insider information than provided for by the trade secret regime of the Company.

### 3.2. For the purpose of protection of confidentiality of insider information in the Company

- access of any persons to insider information in any formats (hard copy / electronic format) different to the procedure established by Clauses 2.1 – 2.3 hereof shall be prohibited;
- the possibility of accidental access to insider information shall be excluded;
- access to premises where insider information is located / may be located shall be limited;
- it is prohibited to keep insider information in hard copy outside lockable cabinets / safes / premises;
- it is prohibited to keep and transfer insider information in electronic format in a manner providing an opportunity for access to the said information for unauthorized persons in accordance with Clauses 2.1 – 2.3 hereof;
- work with insider information shall be allowed only in premises excluding the possibilities for unauthorized persons to obtain the said information by visual observation;
- insider information shall not be discussed in presence of persons not having access to such information and in public places (restaurants, taxi, planes, lifts, etc.) where it may become accessible to unauthorized persons;
- destruction of tangible media containing insider information shall be carried out in a manner excluding the possibility of its restoration.

### **Insider List**

4. The Company shall notify persons of their inclusion into and exclusion from the insider list within 1 business day after the date of inclusion into or exclusion from the said list. The Company shall submit the notice on inclusion of a person into or exclusion from the insider list to a person included into the insider list for signature or forward it to the last known address of the said person in a manner providing an opportunity for receipt confirmation. The abovementioned notice shall be written in accordance with the form specified in Appendix 2 hereto. The Company shall inform insiders of the requirements of the Law on Insider Information. The Company shall keep records of all sent notices.

In the event of change of the Company details specified in Appendix 2 hereto, the Company shall inform all persons included in the insider list about it within 5 (five) business days after these changes or within 5 (five) business days after the Company have known or shall know about them.

The Company shall transfer the insider list in the manner, under formal conditions and in cases, provided for by the Law on Insider Information and the authorized body.

The Company shall transfer the insider list to the authorized body upon its request.

Should the Company securities are listed at a foreign exchange it shall provide upon the relevant request of the foreign authorized financial service agency with the insider list, the subject to the procedure and within the period established by such agency.

5. The Company shall keep all information about the notices sent as well other records relating to a person included into the insider list within the periods prescribed by the applicable regulations of the Russian Federation at least five years after the date of exclusion of a person from the insider list.

6. Chief Financial Officer of the Company shall approve the insider list and exercise control for the purpose of identification of persons to be included into the insider list.

7. The Company's official authorized to exercise control over compliance with the requirements of the Law on Insider Information and the regulations adopted in accordance therewith (hereinafter referred to as the "authorized official") shall maintain the insider list according to the form specified in Appendix 1 hereof and confirm the inclusion into/exclusion of a person from the insider list with Chief Financial Officer.

8. For the purposes of inclusion into the insider list of the Company's employees specified in Clause 13, Article 4 of the Law on Insider Information, HR Director of the Company or a person authorized by the same shall provide the authorized official with information on conclusion (alteration / approval) of employment agreement / position description with employees / of the employees of the Company who shall have access to insider information for the execution of the employment agreement / or position description.

9. For the purpose of inclusion into the insider list of persons having insider information relating to a certain transaction, the head of the working group under the project or the person authorized by the same shall, in due time, but in any case before the transfer of the insider information to potential insiders shall provide the authorized official with the list of the Company's employees, external consultants, auditors, appraisers and others engaged in the work of the project, who will have access to insider information (the procedure of provision of access to insider information shall be established by Clauses 2.1 – 2.3 hereof). If the person to be included into the insiders list under the transaction is the Company's director or employee it shall be necessary to indicate his name, position, series and number of passport, date and place of his birth. In other cases name, date and place of birth, series and number of passport, position, company and phone number of a person to be included into the insider list shall be indicated.

The final decision whether information on the relevant transaction is insider information and, accordingly, whether it is necessary to apply the procedures established by this Clause to such transaction shall be taken by Chief Project Officer (work under the transaction). In order to take the said decision, the said person may request the opinion of Chief Financial Officer and/or Chief Legal Officer of the Company.

10. Authorized official:

- in accordance with Clause 4 hereof shall notify persons of inclusion into and exclusion from the insider list and inform them about the requirements of Law on Insider Information;
- shall notify persons included into the insider list of beginning and end of the close period. The form of notice is specified in Appendix 3 hereto.

### **Transactions in close periods**

11.1. Insiders representing the Company's employees or persons who exercise the management responsibilities shall not conclude Transactions within any close period as well other periods when they possess insider information. The Company's purpose is that other Company insiders

assume the same obligation to the extent permitted by applicable law and conditions of trade. Upon an Insider's reasoned request the Company can issue an opinion on existence or absence of possible reasons for derogation of interests of other holders of the Company's securities in the event the insider enters into transaction within the period of his possession of insider information. The said opinion is the Company's subjective opinion and does not exempt an Insider from responsibility for his decision taken (transaction concluded) in case of violation of the Law on Insider Information and the regulations adopted in accordance therewith as well other applicable rules relating to placement of the Company's securities in stock markets of a foreign jurisdictions.

11.2. Persons exercising management responsibilities must take reasonable steps to prevent any Transactions by any connected person of his in any securities of the Company during a close period. For these purposes the persons exercising the management responsibilities shall notify the connected persons about the following:

- of the name of the Company within which he is a person exercising management responsibilities;
- of the close periods during which they cannot deal in the securities of the Company; and
- that they must advise him immediately after they have dealt in securities of the Company.

## **Notices**

12.1. The Company shall provide insiders and persons exercising management responsibilities with information on the procedure for notification of the Company on Transactions in the Company's securities concluded by such insiders and persons exercising management responsibilities.

12.2. Insiders shall notify the Company and the authorized body of Transactions concluded by them within 10 (ten) business days after its execution in the form determined by Appendix 4 hereto and in accordance with the procedure set by the authorized body. If the Company finds out about Transactions executed by a person exercising management responsibilities with GDR or other derivative securities of the Company (irrespective of the way it becomes known) the Company shall notify the authorized foreign financial service agency in accordance with the procedure established by such agency.

## **Disclosure of Information on the Company's Securities by Directors**

13. Provisions set forth (Clauses 14-18) herein shall apply to persons exercising the management responsibilities (hereinafter referred to as the "directors", clauses 14-18) and their relatives or other connected persons. An authorized official shall have the right by his order to extend Clauses 14-18 hereof or certain provisions of the said Clauses to any employees of the Company deemed to be insiders (including definite employees, definite categories of employees and etc.).

14. A person who becomes a director and at the time when he does so is interested in shares in, or debt securities of, the Company specified in Sub-clauses (a) of Clause 15 herein below, shall notify the Company in writing:

- (a) of the subsistence of his interests in shares or debt securities at that time; and

- (b) of the number of shares of each class in, and the amount of debt securities of each class of.

15. Each director shall notify the Company in writing of the occurrence, while he is a director, of any of the following events:

- (a) any event in consequence of whose occurrence he becomes, or ceases to be, interested in shares in, or debentures of, the Company or any other body corporate, being the Company's subsidiary or holding company or a subsidiary of the Company's holding company (if any);
- (b) the entering into by him of a contract to sell any such shares or debentures;
- (c) the grant to him by another body corporate, being the Company's subsidiary or holding company or a subsidiary of the Company's holding company (if any), of a right to subscribe for shares in, or debentures of, that other body corporate, the exercise of such a right granted to him and the assignment by him of such a right so granted,

and notification to the Company must state the number or amount, and class, of shares or debentures involved.

16. The provisions of Clause 15 above do not require the notification by a person of the occurrence of an event whose occurrence comes to his knowledge after he has ceased to be a director.

17. Nothing in Clauses 14 or 15 above shall operate so as to impose an obligation with respect to shares in a body corporate which is the wholly-owned subsidiary of another body corporate unless otherwise is provided for by the Law on Insider Information and regulations adopted in accordance therewith.

18. The provisions of Clause 14 on information disclosure relating to rights for the Company's shares shall be extended to connected persons of a certain director. Director shall be responsible to notify the Company of Transactions of his spouse and children in accordance with the procedure specified in Clause 12.2. hereof.

### **Connected persons**

19. For the purposes of these Regulations, "**connected persons**" are as follows:

- (a) a person is connected with a director of the Company if, but only if, he is:
  - (i) that director's spouse, civil partner, child or step-child; or
  - (ii) except where the context otherwise requires, a body corporate with which the director is associated; or
  - (iii) a person acting in his capacity as trustee of any trust the beneficiaries of which include:
    - (A) the director, his spouse or civil partner or any children or step-children of his, or
    - (B) a body corporate with which he is associated;

or of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the director, his spouse or civil partner, or any children or step-children of his; or

(iv) a person who, by virtue of paragraph (i), (ii) or (iii) above, is connected with that director.

(b) a director of the Company is associated with a body corporate if, but only if, he and the persons connected with him, together:

(i) are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least one-fifth of that share capital (excluding any shares in the company held as treasury shares); or

are entitled to exercise or control the exercise of more than one-fifth of the voting power at any general meeting of that body (excluding any voting rights attached to any shares in the company held as treasury shares).

**Control over compliance with the requirements of the Law on Insider Information, regulations adopted in accordance therewith and these Regulations.**

20. Control over compliance with the requirements of the Law on Insider Information, regulations adopted in accordance therewith and these Regulations shall be exercised by the authorized official as follows:

- carrying out of scheduled and unscheduled checks of compliance with the procedure of provision of access to insider information;
- day-to-day maintenance of the insider list, regular checks of the relevance and accuracy of the said list (including the verification of data with Chief Financial Officer) and compliance with the procedures of notification of insiders of their inclusion into and exclusion from the list;
- carrying out of scheduled and unscheduled checks of compliance with the trade secrets regime and confidentiality protection measures specified in these Regulations relating to insider information;
- carrying out of checks on each violation of the rules for treatment of insider information established by the Law on Insider Information, regulations adopted in accordance therewith and these Regulations;
- control over compliance with the rules and procedures for information disclosure in accordance with the Russian Federation laws relating to securities and other rules and standards applicable to the Company;
- consideration and analysis of notices of transactions in the Company's securities executed by the insiders.

21. Checks provided for by Clause 20 hereof may be initiated by the authorized official, Chief Financial Officer or Chief Executive Officer. Scheduled checks shall be carried out at least once a year. The period for carrying out of checks shall be determined by the authorized official at his own discretion, but it shall not exceed one month.

22. Checks provided for by Clause 20 hereof shall be carried out with engagement of employees subordinate to the authorized official. The results of the abovementioned checks shall be recorded in the reports which may be delivered, if required, to the initiator of such checks. Reports on the facts of violation of the rules of treatment of insider information established by the Law on Insider Information, regulations adopted in accordance therewith and these Regulations shall, inter alia, include the recommended list of measures for prevention of similar violations in future.

23. Directors and employees of the Company shall assist the authorized official in performance of his functions established by this Clause, including provision of necessary documents, information and explanations.

24. An employee or director of the Company having identified the fact of violation of the Law on Insider Information, regulations adopted in accordance therewith and these Regulations shall immediately inform the authorized official of it.

## APPENDIX № 1

**APPROVED**  
by Chief Financial Officer of OAO Severstal

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### OAD SEVERSTAL INSIDER LIST

Date list created (dd/mm/yyyy): \_\_\_\_\_

Date of last revision (dd/mm/yyyy): \_\_\_\_\_

Date list closed (dd/mm/yyyy): \_\_\_\_\_

Version of the list to be retained until (dd/mm/yyyy): \_\_\_\_\_.\_\_\_\_\_. (within 5 years after the date of its last revision or closure)

#### Insiders – legal entities

№	Full business name of the Company	TIN*	PRSN*	Date of inclusion into the list	Reasons for inclusion into the list	Date of exclusion from the list
1	4	2	3	5	6	7

\* - for non-resident legal entities: TIN shall not be indicated; registration number (registration document number) or the same identification number used in accordance with the relevant jurisdiction shall be specified as PRSN

#### Insiders – physical persons

№	Surname	Name	Patronymic	ID document**	Date of inclusion into the list	Reasons for inclusion into the list	Date of exclusion from the list
1	1	2	3	4	5	6	7


\*\* - for resident physical persons: series and number of regular passport shall be indicated

- for non-resident physical persons: series and number of the main document attesting to the citizenship and identity of the bearer as well a three-digit country code of a non-resident insider (without spaces) complying with Russian Classification of Countries of the World shall be indicated

## APPENDIX 2

Dated “ \_\_\_\_ ” \_\_\_\_\_ 20 \_\_\_\_  
№ \_\_\_\_\_

### NOTICE on inclusion of a person into the Insiders List (on exclusion of a person from the Insiders List)

№	I. Information on the Company	
1.1.	Full business name of the Company	
1.2.	TIN of the Company	
1.3.	PRSN of the Company	
1.4.	Legal address of the Company	
1.5.	Postal address of the Company	
1.6.	Contact telephone number of the Company	
1.7.	Fax number of the Company	
1.8.	E-mail address of the Company	

№	II. Information on a person included in the insider list (excluded from the insider list)	
	For insider representing a legal entity	
2.1.	Full business name of insider	
2.2.	TIN of insider	
2.3.	OGRN of insider	
	For insider representing an physical person	
2.1.	Surname, name, patronymic of Insider	
2.2.	Date of birth of insider	
2.3.	Place of birth of insider	
2.4.	Series and number of ID document	

№	III. Information about the reasons for forwarding a notice	
3.1.	The reason for forwarding a notice (“inclusion in the insider list” or “exclusion from the insider list”)	
3.2.	The date of inclusion in the List of the Company’s insiders (exclusion from the Insider list)	
3.3.	The reason for inclusion of a person in the insider list (for exclusion from the insider list)	

Please note that the restrictions provided for by Article 6 of the Federal Law № 224-FZ dated July 27, 2010 “On Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market and Making Amendments to Separate Legislative Acts of the Russian Federation” (hereinafter referred to as the “Federal Law”) shall be applied to a person included into the Insider list and deemed to be an Insider, responsibility of such person shall be determined in accordance with Article 7 of the Federal Law, obligations shall be provided for by Article 10 of the Federal Law <\*>.

Please note that the actions of a person included into the Insider list as well actions of any other person with Company’s securities listed at a foreign stock exchange with use of insider information can be applied the relevant securities laws and regulations including civil and criminal legislation, in particular, actions of a person included into the Insider list as well actions of any other person using the insider information with Company’s securities listed at London Stock Exchange can be the subject of civil liability in accordance

with the Market Abuse Regime provided for Sections 118 and 118A of Financial Services and Markets Act 2000 and criminal responsibility in accordance with the Part V of Criminal Justice Act 1993 (United Kingdom).

Authorized representative of OAO Severstal <\*>

\_\_\_\_\_  
(signature) (initials, surname)  
<\*> <\*>

Stamp here <\*>  
(stamp) <\*>

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<\*> indicated in case of submission of notice for inclusion of a person into the insider list  
<\*> indicated if notice is presented in a hard copy

**APPENDIX 3**

**NOTIFICATION OF THE STARTING/CLOSING DATE  
OF THE “CLOSE PERIOD” IN OAO SEVERSTAL**

Dear \_\_\_\_\_,

In accordance with the Regulations on the Procedure of Access to the Insider Information, Its Confidentiality Protection Rules and Control over Compliance with the Requirements of Federal Law No. 224-FZ dated 27 July 2010 “On Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market, and Making Amendments to Separate Legislative Acts of the Russian Federation” and regulations adopted in accordance therewith by OAO Severstal, please be advised as a person included in the insider list that the starting and closing dates of the “close period” (as this term is defined in Regulations) are the following:

Starting date of the “close period”:

Closing date of the “close period”:

Authorized representative of  
OAO Severstal

*signature*

\_\_\_\_\_

Stamp here

**Note of notification receipt** (form to be defined by the authorized representative):

respond in writing  
respond by e-mail

\_\_\_\_\_  
Name/signature of Insider:

Date:

## APPENDIX 4

Federal Financial Markets Service

### NOTICE on operation with a financial instrument, foreign currency or commodity performed by Insider

1. Full name of an insider – physical person / Full business name of an insider – legal entity	
2. Type and details of a document attesting to the citizenship and identity of an insider –physical person / TIN, OGRN of an insider –legal entity	
3. Place of registration of an insider - physical person Place of registration of an insider - legal entity	
4. Full business name of an entity which list contains insider name	
5. Date of transaction	
6. Type of transaction (operation)	
7. Amount of transaction (operation)	
8. Place of transaction (name of market operator or non-exchange market)	
9. Type, category, series of securities (indicated for transactions with securities)	
10. Full business name of Issuer of securities (indicated for transactions with securities)	
11. State registration number of securities issue (indicated for transactions with securities)	
12. Price per security (indicated for all transactions with securities, excluding Repo transactions)	
13. Purchase and sale price per security under Repo Agreement (for Repo Agreements)	
14. Number of securities (indicated for transactions with securities)	
15. Type of the agreement being a derivative financial instrument (indicated for transactions with derivative financial instruments)	
16. Description (name) of the agreement being a derivative financial instrument adopted by market operator in securities market (indicated for transactions with derivative financial instruments)	
17. Cost of an agreement being a derivative financial instrument (premium rate per option) (indicated for transactions with derivative financial instruments)	
18. Number of agreements being a derivative financial instrument (indicated for transactions with derivative financial instruments)	
19. Cost of execution of agreement being a derivative financial instrument (indicated for transactions with derivative financial instruments)	
20. Type of currency (indicated for operations with currency)	
21. Type of commodity (indicated for operations with commodity)	
22. Quantity of commodity (indicated for operations with commodity)	
23. Price per commodity unit (indicated for operations with commodity)	

Date      Signature <\*>      (Printed name) <\*>

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<\*> indicated in case the notice provided in a hard copy