
APPROVED
by the Board of Directors
of PJSC SIBUR Holding
Minutes No. 232 dated 17 December 2020

COMPLIANCE POLICY
of SIBUR LLC and PJSC SIBUR Holding Enterprises

(Version No. 2)

Tobolsk
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This Policy establishes the position of PJSC SIBUR Holding (hereinafter, the “Company”) with regard to the Compliance System operation.

Article 1. General Provisions

- 1.1. The Compliance Policy (hereinafter, the “Policy”) under ISO 19600:2014, Compliance Management Systems – Guidance,
- 1.2. sets out the key principles and objectives of SIBUR LLC (hereinafter, the “Company”) and PJSC SIBUR Holding Companies with regard to the Compliance System management. The primary goal of the Compliance System is to make sure the operations of the Company and PJSC SIBUR Holding Companies meet the requirements of applicable laws, in-house standards and other mandatory documents, which, in turn, is key to successful and sustainable operations.
- 1.3. Compliance control is aimed at attaining the purposes of the Company and PJSC SIBUR Holding Companies, maintaining and strengthening its business reputation, promoting honest and ethical business conduct and preventing abuses.
- 1.4. Elements of the Compliance System are integrated with all activities of the Company, as well as operating processes and procedures.
- 1.5. The purposes of setting up a robust Compliance System are achieved by joint efforts of all employees of the Company and PJSC SIBUR Holding Companies in performing their Compliance-related functions.
- 1.6. The Chairman of the Management Board of PJSC SIBUR Holding is in charge of general supervision of the Compliance System.
- 1.7. Legal Support of SIBUR LLC is in charge of arrangements for achieving Compliance related goals at the Company and PJSC SIBUR Holding Companies.
- 1.8. Pursuant to resolution of PJSC SIBUR holding Management Board, an Ethics and Discipline Committee was established to secure compliance with statutory requirements, in-house regulations of the Company and PJSC SIBUR Holding Companies, as well as the principles of business ethics, prevent and terminate violations and abuses and settle conflicts of interest.
- 1.9. The Legal Support Director shall report on the Compliance System operation to the Ethics and Discipline Committee.
- 1.10. Heads of business units are vested with the powers of implementing Compliance System tools in respect of the processes within the competence of such business units.
- 1.11. Fulfillment of Compliance-related duties by employees of units in charge of the processes listed in Clause 5.4 of the Policy shall be envisaged by their job descriptions and key performance indicators.

Compliance-Related Objectives (Goals)

The Company and PJSC SIBUR Holding Companies set the following Compliance-related objectives (goals):

- 1.12. Efficient functioning of processes for identifying new and changed statutory requirements, rules, codes, and other responsibilities to comply with provisions for ensuring continued compliance with such provisions.
 - 1.13. Regular reviews of such identified changes to statutory requirements, rules, codes, and other responsibilities to comply with provisions and integration of such changes for compliance purposes.
 - 1.14. Documenting the responsibilities to comply with the requirements consistent with the scope and nature of business conducted by the Company and PJSC SIBUR Holding Companies to constantly improve the Compliance System.
 - 1.15. Identifying and assessing Compliance Risks, determining the reasons and consequences of non-compliance with the identified requirements.
 - 1.16. Developing Compliance Risk indicators for collection, analysis and processing of signals of any potential implementation of such Compliance Risks.
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- 1.17. Analyzing Compliance Risks and examining the reasons, sources of inconsistencies and measuring the severity of the resulting consequences.
- 1.18. Comparing the level of identified risk with acceptable level of risk.
- 1.19. Developing control procedures to mitigate Compliance Risks and integrate them into business processes and corporate procedures.
- 1.20. Taking corrective actions in respect of all identified risks and noncompliance instances.
- 1.21. Securing analysis of the Compliance System within the set timelines.
- 1.22. Developing indicators to measure the achievement of Compliance-related goals and quantifying the deliverables of complying with applicable laws, in-house regulations and other mandatory documents.
- 1.23. Regular monitoring of the Compliance System in order to determine sufficiency and performance of controls and remedial measures.

Article 2. Terms. Definitions. Abbreviations

Compliance means compliance of the business conducted by SIBUR LLC, PJSC SIBUR Holding Companies and their employees with applicable laws, in-house standards and other mandatory documents.

Compliance System means a complex of elements of corporate culture, values, organizational structure, rules and procedures governed by in-house regulations and implemented by functions to secure compliance by employees of SIBUR LLC and PJSC SIBUR Holding Companies with the principles underlying the Compliance System, irrespective of their official position.

Compliance Risk means the risk of imposition of various forms of statutory liability, as well as the risk of any other unfavorable consequences (including property, financial, reputational, etc.) resulting from noncompliance with applicable laws, in-house standards and other mandatory documents.

Article 3. Compliance System Principles

The set-up and operation of the Compliance System rests on the following principles:

- 3.1. Business ethics compliance.
 - 3.1.1. No business conduct that is illegal and noncompliant with the generally accepted principles of business ethics shall be tolerated.
- 3.2. Compliance with the best domestic and global practices.
 - 3.2.1. In their operations, the Company and PJSC SIBUR Holding Companies shall strive to abide by the best domestic and global Compliance practices.
- 3.3. Acceptance and adherence to Compliance System requirements by all employees.
 - 3.3.1. All employees of the Company and PJSC SIBUR Holding Companies, irrespective of their roles and positions, shall accept, be governed by and follow the established requirements of the Compliance System and cause the same on the part of partners and counterparties.
- 3.4. Zero tolerance of violations in the functioning of the Compliance System.
 - 3.4.1. All units shall be involved in implementing Compliance-related objectives, provided that conflicts of interest are prevented, inter alia, by abidance by the clearly distributed roles and responsibilities.
- 3.5. Non-interference with the functioning of Compliance-related processes.
 - 3.5.1. The Company and PJSC SIBUR Holding Companies shall allocate sufficient resources for developing, implementing, using, monitoring and constantly improving Compliance System processes, organizational and technical tools used therein, and create no artificial organizational, political, technical and other restrictions and barriers to performance of such processes.

Article 4. Compliance Areas

- 4.1. Compliance Areas represent any spheres of Compliance tools application in the business of the Company and PJSC SIBUR Holding Companies.
- 4.2. The list of Compliance Areas is not exhaustive.
- 4.3. The Company shall determine the types of activity subject to the relevant Compliance Areas at its own discretion.
- 4.4. The key Compliance Areas include:
 - Anti-corruption compliance.
 - Conflict of interests management compliance.
 - Compliance with procedures for awarding gifts, charity and hospitality.
 - Procurement compliance.
 - Information Policy and personal data processing compliance.
 - Compliance in terms of labor relations.
 - Insider information misuse prevention compliance.
 - Anti-monopoly compliance.

Article 5. Compliance Tools

- 5.1. The Compliance System operation is supported by Compliance Tools.
- 5.2. As and where required, third parties may be addressed for provision of relevant Compliance Tools.
- 5.3. The list of Compliance Tools is not exhaustive, while the key tools include:
 - 5.3.1. Compliance-related in-house regulations include, without limitation:
 - Code of Corporate Ethics of SIBUR LLC;
 - Compliance Policy of SIBUR LLC and PJSC SIBUR Holding Companies;
 - Methodology Guidelines on compliance with anticorruption laws of SIBUR LLC;
 - Regulations on the Ethics and Discipline Committee of SIBUR LLC;
 - Regulations on the Ethics and Discipline Commission of PJSC SIBUR Holding Companies;
 - Guidelines. Policy on Conflicts of Interest Management of SIBUR LLC;
 - SIBUR LLC Congratulation Procedure;
 - SIBUR LLC Personal Data Processing Policy;
 - In-house personnel-related regulations designed to secure compliance with the Federal Law on Combatting Corruption, other related regulations containing HR principles of preventing/mitigating corruption risks;
 - Anti-corruption clauses of employment contracts with all employees;
 - Anti-corruption clauses in contracts with counterparties;
 - Compliance provisions in job descriptions of employees;
 - Matrices of risks and risk mitigation measures in all Compliance areas.
 - 5.3.2. Regular reporting of information on conflicts of interest.
 - 5.3.3. Raising awareness and training employees on Compliance matters, including:
 - adding Compliance-related in-house regulations to the list of documents obligatory for reading and understanding by new employees against their signature;
 - preparation of visual aids on Compliance matters and bringing them to the notice of new hires;

- induction training of new hires and regular upgrades of employees on preventing and counteracting corruption, and liability for committing such offences;
 - compiling and bringing to the notice of employees of digests on laws and law enforcement practices, supplementing them with a mandatory section on changes to Compliance and anti-corruption laws, administrative and legal practices in the above issues.
- 5.3.4. Using the Company's official website and Corporate Portal for the following purposes:
- addresses by the Chairman of the Management Board of PJSC SIBUR Holding on Compliance-related goals, objectives and principles, including zero tolerance of corruption;
 - posting the Company's in-house regulations on Compliance matters, preventing and combating corruption.
- 5.3.5. Option for employees and other persons to confidentially and anonymously report violations to the hotline at: compliance@sibur.ru.
- 5.3.6. Regular audits of business-related in-house regulations for detecting any inconsistencies with Compliance-related in-house regulations, remedy of such inconsistencies and incorporating the required provisions in those regulations.
- 5.3.7. PJSC SIBUR Holding accession to the Anti-Corruption Charter of the Russian Business.
- 5.3.8. Imposing disciplinary penalties on employees in the event of detection of any violations of Compliance provisions, pursuant to applicable laws and in-house regulations.
- 5.3.9. Workflow management of the Ethics and Discipline Committee of SIBUR LLC and the Ethics and Discipline Committees of PJSC SIBUR Holding Companies.
- 5.3.10. Regular reporting on the operation of the Compliance System to the Ethics and Discipline Committee of SIBUR LLC.
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