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| “SIBUR” LLC  |
| Attachment to Order No. 087 dated May 16, 2013of “SIBUR” LLC  |
|  | Introduced on  |
|  | May 16, 2013 |
|  | Process Owner |
|  | Deputy Chairman of the Management Board |
| STP SR 93-P07 |
| Congratulation Procedure  |
| Edition 1.2 |
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History of Changes

| Edition | Approval date | Effective date | Details of the approving document |
| --- | --- | --- | --- |
| 1.0 | September 15, 2010 | September 15, 2010 | Order No. 57 dated September 15, 2010  |
| 1.1 | June 15, 2011 | June 15, 2011 | Order No. 072 dated June 15, 2011  |
| 1.2 | May 16, 2013 | May 16, 2013 | Order No. 087 dated May 16, 2013  |

# Scope of Application

This procedure is developed for the following purposes:

* + 1. To establish uniform requirements to organizing congratulations on behalf of the Company;
		2. To ensure uniform understanding of the role and place of the gifts;
		3. To minimize risks related to potential abuse in the area of gifts;
		4. To define the procedure for generating the gift fund of the Company;
		5. To develop and stimulate business relations, and presentation of the Company;
		6. To lower gift expenses.

This Procedure does not consider the following:

* + 1. Personal congratulation by the Company's employees at their own expense;
		2. Organization and participation of the Company's employee in the communication, mutual acceptance and cooperation events between the company and its public (PR – events) and other events;
		3. Manufacturing, distribution and use of the promotional gifts, souvenirs – certain items or kits with the Company symbols, used, as a rule, at the exhibitions, first meetings with the partners;
		4. Awarding the Company's employees with a valuable gift on the anniversary.

This procedure is advisory for OJSC “SIBUR Holding”, and is designed for developing own local regulatory acts on its basis.

The execution of the operations specified in this Procedure involves:

* + 1. – Person initiating the congratulation;
		2. – Person responsible for organizing the congratulation;
		3. – Protocol of EOEG (ensuing operation of the executive governance).

# Reference Documents

Corporate Code of Ethics of OJSC “SIBUR Holding” approved by the resolution of the Board of Directors of OJSC “SIBUR Holding”, Protocol No. 162 dated March 25, 2013.

# Terms, Definitions and Abbreviations

This Procedure uses the following terms, which definitions are given in the corporate glossary:

* + 1. Company,
		2. Function.
		3. Cost center (CC).
		4. Business events.
		5. IS “Electronic Database “Partners of the Company”
		6. EOEG
		7. Corporate gift
		8. Gift

Corporate Code of Ethics - Corporate Code of Ethics of OJSC “SIBUR Holding”.

EOEG Protocol – chief experts, experts, chief specialists of EOEG that ensure the performance of the social functions in the Company.

Person initiating the congratulation (congratulant) – the manager not lower than the Director of the Function or an authorized person, who congratulates the partners on behalf of the Company, and employees of the Company on personal and other occasions defined by this Procedure.

Person responsible for organizing congratulations – an employee of the secretariat / Function, who is authorized by the Person initiating the congratulation to update the lists for the congratulation, receive the gifts in the EOEG Protocol, prepare the texts of congratulations, and account for and analyse the reactions of the partners for the congratulations.

Valuable gift (for the purposes of this Procedure) – a gift with minimum material value of 15,000 rubles.

# Main Principles of the Process Procedure

General Requirements to arranging congratulations.

* + 1. A congratulation requires outstanding tactfulness and taste, understanding of the extent of the Company’s interest in cooperation with the partner, knowledge and accounting of the legal limitations, and national traditions and relations to the gifts, when congratulating foreign partners.
		2. Gifts / corporate gifts are made on behalf of the Company in general, and not as a personal gift from a separate employee of the Company.
		3. Informational resource for planning the events: defining the occasion for congratulations, selecting the category of the gift, purpose of the gift – is IS “Electronic Database “Partners of the Company”.

The main principles of organizing congratulations

* + 1. The reasons for congratulating on behalf of the Company are:
			1. Personal events (on the following occasions: birthday, wedding, birth of a child etc.);
			2. State holidays – New Year and International Women's Day – March 8;
			3. Professional holidays – Chemist's Day and Day of the Employees of the Oil and Gas Industry (basic); Railwayman's Day, Miner's Day and the Power Engineer's Day (specific);
			4. Participation of the Company's employees in business events (with regard to exchange of the corporate gifts);
			5. Anniversary and other significant (round) dates of the enterprises (shops) of the Company.

Types of congratulations:

* + 1. Congratulatory telegram, post card, letter/ message via e-mail;
		2. Phone call;
		3. Congratulatory address
		4. Gift/ corporate gift/ a bouquet of flowers.

The congratulatory telegram is sent on behalf of the General Director of the Company on the most significant for the partners' occasions (anniversary of the enterprise, appointment to the management position etc.). The sender of the congratulatory telegrams – Secretariat of the General Director of the Company.

The following criteria shall be taken into account, when choosing the type of congratulation:

* + 1. Requirements and restrictions established by the applicable laws of the Russian Federation;
		2. Affiliation with the target group (ref. subclause 4.2.5);
		3. Personal preferences, individuality and originality, novelty of the congratulation;
		4. Financial restrictions;
		5. Significance of the occasion for congratulation;
		6. Reference to the company or its products.

Gifts: recommendations, categories, corporate gift.

* + 1. In accordance with the rules of the business etiquette, the following gifts are not recommended:
			1. Icons;
			2. Watches, mirrors, piercing and cutting objects;
			3. Personal clothes;
			4. Perfumery;
			5. Chocolates – to men;
			6. Recurrent (typical) gifts;
			7. Gifts outside of packaging (except for the flowers);
			8. 'Live' gifts – animals, flowers in a pot (only upon preliminary approval);
			9. Strong alcohol (over 20 degrees) – to women;
			10. Expensive promotional gifts with the Company logo – to VIP partners.

When selecting expensive gifts (category I – VIP-gifs, subcl. 4.10.1), it is advisable to follow tendencies in the modern business world: make gifts in a form of various invitations to various special events (trips, sports activities, concerts, festivals) certificates etc.

The Company's employees may give corporate gifts, if necessary, to the partners as an incitement to further contacts between the parties etc. during the business contacts, visits etc., while being governed by the principles of the corporate ethics.

Gifts without the Company symbols, as a rule, are customary, when congratulating the partners of the employees of the Company on personal events (birthday etc.), and when congratulating on state holidays: International Women's Day – March 8, New Year. When giving such gifts and trying to underline their affiliation with the Company (promotion of the Company), use the packaging, not the gift itself.

Limits of expenses on various categories of gifts (including the corporate ones) made by the Company are as follows:

* + 1. Category I – VIP-gift– up to 8 thousand rubles[[1]](#footnote-2);
		2. Category II – business –gift – within the price range of up to RUB 7 thousand;
		3. Category III – economy - gift – within the price range of up to RUB 3 thousand.

When offering a certain type of the gift, EOEG Protocol is governed by:

* + 1. 'Catalogue' of the gifts – list of potential options (sets) of the kits within each price range;
		2. Matrix of congratulations on behalf of the Company, which establishes the correspondence between the categories of the target groups of the gift recipients and the gifts (Attachment No. 3);
		3. And the previous experience on making gifts and generally accepted protocol practice.

The target groups of the people receiving congratulations on behalf of the Company shall be formed on the basis of regular and systemic analysis of business relations (such partners, people shall be taken into account during congratulations and gift presentations next year).

* + 1. Target groups are subdivided into:
			1. Representatives of the partners[[2]](#footnote-3);

Category I – VIP-partners;

- Executive-level managers of the company. The typical positions of the heads of executive-level managers in business are the Chairperson of the Board of Directors and/or Management Board, the President of the Company, General Director, Vice President, Senior Partner etc.;

- Members of the Board of Directors and members of the Management Board of OJSC “SIBUR Holding”.

Category II – business partners:

Mid-level executives of the company management. Typical positions of the mid-level executives of the business management are the Director of the Department, Manager, Partner, Director of the Branch, Head of the Major Subdivision etc.;

- Heads of the enterprises of OJSC “SIBUR Holding”[[3]](#footnote-4).

Category III – partners:

- This is an organizational level, which is immediately above other employees (not the managers). The typical names of the positions on this level are managers, supervisor, chief (head) of the unit, expert, etc.

Employees of the Company:

- Category I – General Director of the Company, executive directors, managing directors, members of the Management Board of the Company;

- Category II – managers not lower than the level of the Director of the function (aside from the ones, specified in category I) – for congratulations on personal events; managers not lower than the level of the Head of Division (except for the ones, specified in category I) – for congratulating women with the International Women’s Day – March 8.

Regardless of the occupied level of the position, the partners congratulated by the General Director of the Company fall under category I – VIP partners.

When organizing congratulations on anniversaries or significant (round) dates of the enterprises (shops) of the Company non-material types of congratulations are selected, as a rule: telegram, congratulatory address on behalf of the General Director of the Company. Upon resolution of the General Director of the Company, material types of congratulations may also be selected (a valuable gift, office equipment etc.).

Assessment of the results and success of the Company's activities in gift presenting.

* + 1. The person responsible for organizing congratulations gathers information about the partner's reaction to the congratulation (gift) (for instance, he takes into account whether there was an answer to the congratulation (thank-you card, call etc.), and whether the goals in relations with the partner has been achieved (for instance, has friendly relations been established, whether the favourable reputation of the Company has been created, whether the gift to the Company has reinforced the image of the Company etc.).

Restrictions and bans on giving and accepting gifts

* + 1. Employees of the Company, acting on behalf or in the interests of the Company may present the third parties with gifts and receive gifts from third parties, if such gifts correspond to the following criteria:
			1. Related to the legal business goals of the Company's activities;
			2. . They are not a hidden remuneration for the service, action or inaction, connivance, patronage to ensure a certain resolution on the transaction, agreement, license, permit or attempt to influence the recipient for any other illegal or unethical purpose;
			3. Do not create reputational risk for the Company;
			4. Do not contradict the principles and requirements of this Procedure, Co Corporate Code of Ethics, other local normative acts of the Company, including local normative acts related to management of the conflict of interests.
		2. The cost and frequency of presenting gifts/ corporate gifts to one and the same person shall be defined by the business necessity and shall be reasonable, but not more than three gifts per year (the number of the issued gifts is defined by the number of the submitted requests for the purchase / issue of the gifts / flowers – not more than three for any occasions).
		3. The established limit to the number of the gifts (three Requests for the purchase/ issue of the gifts / flowers per year) may be exceeded in special cases, which cannot be planned for the year (for instance, appointment to the executive position).
		4. Only greeting cards may be sent to the partners without limitations throughout the year.
		5. When making gifts to the officers of the state, follow Article 575 of the Civil Code of the Russian Federation: “The price of the gifts for the persons holding public offices in the Russian Federation, public offices in the Russian Federation entities, municipal positions, state officers, municipal officers, officers of the Bank of Russia, with regard to their official position or with regard to performance of their official duties, shall not exceed 3 thousand rubles”.
		6. Under any circumstances you shall not:

Offer, transfer, present or accept gifts that:

* + - 1. Are illegal or may damage business reputation of the Company;
			2. Contradict the principles and requirements of this Procedure, Corporate Governance Laws, other local normative acts of the Company, including local normative acts related to management of the conflicts of interests;
			3. Are cash in any currency, their equivalents, securities, precious metals, precious stones and jewellery made of them;
			4. May damage public morals and integrity.
			5. Are valuable and are made during the business contacts with the partners during the business events.
			6. Increase the categories of the target groups of the persons being congratulated, however, it is possible to decrease such categories by the Person Initiating the Congratulation. In certain cases, upon resolution of the Deputy of the Chairperson of the management Board – curator of the Article “Representative Gifts”, it is possible to increase the category of certain groups of people that are being congratulated.
		1. The change in the gift category (increase) may only be done upon resolution of the Chairperson of the Management Board - curator of the Article “Representative Gifts”. Person initiating the congratulation may decrease the category of the gift.
		2. The resolution to present a I-VIP category gift to the partner, which cost exceeds 8 thousand rubles may only be made by the General Director of the Company, or the Deputy Chairperson of the Management Board - curator of the Article “Representative Gifts”.
		3. It is not recommended to make gifts to third parties, for which the Company is the client and pays for the services rendered by them.
		4. An employee of the Company, who is offered gifts or other remunerations, both directly and indirectly, which in the Employee's opinion, may violate the law, or contradict the Corporate Code of Ethics, or otherwise affect the solutions that are being prepared and /or made by him, or affect his actions (inactions) during execution of the job duties shall:
			1. Refuse the gifts and immediately inform of the fact of the gift granting (remuneration) in accordance with the procedure defined by the Corporate Code of Ethics and the local normative acts of the Company related to management of the conflicts of interests, and notify his immediate supervisor thereof;
			2. If possible, eliminate further contacts with a person, who offered a gift (remuneration).

When receiving any Valuable gift, or several gifts from the representatives of one and the same Business Units or a group of the correlated Business Units, which cost exceeds RUB 15,000, the Employee shall inform the Functional Area Legal Support at: compliance@sibur.ru or in accordance with the procedure defined by the local normative acts of the Company on managing conflicts of interest.

In case of issues related to conformance of the offered, transferred or accepted gifts to the requirements of the applicable laws, the Corporate Code of Ethics, local normative acts of the Company, including local normative acts in the area of the conflict of interests management, the Employees may ask for support of the Functional Area Legal Support at: compliance@sibur.ru.

The employees of the Company are personally liable to pay income tax on the business gifts that remain in personal use in accordance with the requirements of the applicable tax laws.

The Policy on Congratulations.

* + 1. The general requirements to execution, presenting congratulation in the form of the telegrams, cards, congratulatory addresses, a bouquet of flowers:
			1. The telegram is executed on a regular letterhead with a notice, as a rule, not more than 2-3 paragraphs. In exceptional cases (anniversary, congratulation of the strategic partner, who plays a significant role in development of the Company) the telegram may be extensive – 5 – 6 paragraphs;
			2. Congratulatory address, as a rule, is prepared for an anniversary or a significant date of the enterprise, unit etc. It is executed on paper size A3, and printed on a coloured printer. The text of the congratulatory address is inserted in a leather folder with a Company symbol;
			3. Greeting cards, as a rule, are handed, when congratulating foreign partners. It is not customary to send greeting cards to people you can congratulate in person;
			4. Flowers may be considered a gift in itself, or an addition to the gift. They are divided as to gender (male and female), and the age of the recipient shall be taken into account during their purchase. The cost of the flower arrangement shall not exceed 2-3 thousand rubles.
			5. The Person responsible for organizing congratulations shall prepare the text of the congratulation. Any congratulation, as a rule, consists of three parts: greetings, congratulation and wishes. The best way to address a person is to use the name and patronymic, or just the name – for the foreign partners.
			6. The business card shall be inserted in the gift.
		2. Subject to the purposes of the congratulation, nature of relations with the partner, occasion for the gift and the gift itself, the process of the gift transfer or granting shall be executed:
			1. Personal presentation;
			2. Via an authorized person;
			3. Delivery by a courier or mail.
		3. A resolution on personal presentation of the gift is made, as a rule:
			1. During personal meeting;
			2. When congratulating VIP-partner or congratulating on a more significant occasion for the partner (for instance, anniversary, award ceremony etc.).
		4. Resolution on the gift transfer by means of an authorized person, delivery by courier or mail is made as a rule:
			1. When you are on a trip;
			2. Sickness or other reasonable excuses;
			3. Exchange of the gifts during business events. In such cases, personal presentation of the gifts is undesirable, because various questionable matters happen during such situations: gifts may differ in value, quality or artistic presentation etc.;
			4. Organization of 'mass' congratulation, for instance, with New Year etc.

Specifics of congratulations with state holidays: New Year, International Women’s Day.

* + 1. When congratulating the same partner, but not more than 4 congratulants, present a common gift with the business cards from all congratulants.
		2. The common gift on behalf of the Company shall be presented by:
			1. The person with a higher business rank in the Company (for instance, when there is a request from the Managing Director and the Director of the Function, the gift shall be presented by the Managing Director);
			2. In other cases, the congratulant is the person, whose main business activities (functional) correspond more to the business activities of the partner (for instance, the partner –representative of the credit institution shall be congratulated by one of the heads of the financial unit);
			3. Should the ranks of the positions and the functional area of the activities of the congratulants coincide, and if there is no joint decision on the congratulant and co-congratulants, the rank of the congratulant shall be increased (for instance, when congratulating one and the same person by the Managing Directors – Heads of the Divisions – the congratulant shall be the Executive Director, who oversees activities of the Division).
			4. The person responsible for organizing congratulations, which Head makes a team congratulation (congratulant), gathers business cards from all co-congratulants and inserts them in the common gift.

Planning expense budget for congratulations

* + 1. The budget of expenses on congratulations is registered annually, when substantiating the business plant to EOEG. It is calculated based on the quantity and category of the partners. These expenses fall on the cost center (functions) budget based on the fact of the issued gift.

# Process Execution Procedure

## 5.1. Planning Expense Budget on Congratulations

| Action (procedure) / Executor/ Deadline | Incoming information / Requirements to Performing an Action (Procedure) / Results |
| --- | --- |
| 5.1.1. Updates information on the target groups for congratulationsExecutor:Person responsible for organizing congratulationsDeadline:Not later than November 1 this year | Information in use:Information on congratulations (current);Matrix of congratulations on behalf of the Company (attachment No. 3 CST SR 93-P07).Requirements to performing an action:Planning of congratulations includes: – Analysis of the business relations;– Selection of partners;– Generating goals for congratulations; – Defining reasons for congratulations;– Selecting category of the gift.Updated information is entered by the Person Responsible for Organizing Congratulations in IS “Electronic Database “Partners of the Company”.Result:Information on congratulations (up-to-date). |
| 5.1.2. Plans expense budget on congratulations on the next financial yearExecutor:Chief Specialist (Protocol)Deadline:Not later than November 15 this year  | Information in use:Information on congratulations (up-to-date).Requirements to performing an action:EOEG Protocol checks information entered by the Person Responsible for Organizing Congratulations in IS “Electronic Database “Partners of the Company” for excess of the limits established for congratulating the same person. If violations are identified, EOEG Protocol may, upon agreement with the Person Responsible for Organizing Congratulations, make relevant changes in the database (make a decision to delete a certain occasion for congratulation).When planning expenses, take into account material stock in storage, number of congratulations and categories of the gifts with potential increase in the costs to account for inflation. Result:Financial business plan (with expenses on congratulations included). |

## 5.2. Organizing Congratulations of the Company’s Employees and Representatives of the Partners on Personal Events

| Action (procedure) / Executor/ Deadline | Incoming information / Requirements to Performing an Action (Procedure) / Results |
| --- | --- |
| 5.2.1. Enters information on congratulating partners/ employees in the calendarExecutor:Person responsible for organizing congratulationsDeadline:Until 15th of the month preceding the planned one | Information in use:Information on congratulations (updated)Requirements to performing an action:A list on congratulating partners in the following month is generated from IS “Electronic Database “Partners of the Company”. This information (full name, place of work and position of the partners), when planning work schedule for the month, is entered in the personal calendar in MS Outlook of the Person Initiating the Congratulations.Result:Information on congratulations (entered in the personal calendar of the Person Initiating the Congratulation).  |
| 5.2.2. Makes a decisions to congratulate parents/ employees of the Company Executor:Person initiating the congratulationDeadline:Not later than the 25th of the month preceding the planned one | Information in use:Information on congratulations (entered in the personal calendar of the Person Initiating the Congratulation). Requirements to performing an action:The person initiating the congratulation, based on analysis of the relations with the partners and relevance of their further maintenance and development, makes a decision to congratulate and defines the type of congratulation (Ref. subcl. 4.2.2.). Information about the adopted resolution to congratulate the partners is brought down to the person responsible for organizing congratulations. Result:Information about the adopted resolution to congratulate partners / employees of the Company (free form). |
| 5.2.3. Sends a request to purchase gifts. Flowers to the Director of EOEG Person responsible for organizing congratulationsDeadline:As to the schedule of congratulations, but not later than 5 business days to the congratulation  | Information in use:Request for the purchase/ issue of gifts/ flowers (form SR 93-P07/01);Information about the adopted resolutions to congratulate partners/ employees of the Company (free form);Matrix of congratulations on behalf of the Company. Requirements to performing an action:If a decision is made that it is necessary to make a gift to the partner on personal occasions, the Person Responsible for Organizing Congratulations suggests gifts (assigns a gift) in IS “Electronic Database “Partners of the Company” and forms a Request for the Purchase, Issue of the Gifts / FlowersThe gift is selected from the catalogue of the gifts in IS “Electronic Database “Partners of the Company” with account of the Congratulations Matrix on behalf of the Company (Attachment No. 3). The Request for the Purchase, Issue of the Gifts / Flowers, which has been executed and approved with electronic digital signature of the Person initiating the congratulation, is sent to the e-mail of the EOEG Director, which in case of approval, forwards it for execution to EOEG Protocol. If the EOEG Director has doubts in the ethical nature of the gift, correspondence of the gift with the requirements of the applicable laws, the Corporate Code of Ethics, the Director of EOEG informs the Functional Area Legal Support and does not approve the Request for the Purchase/ Issue of the Gifts until the relevant explanations are obtained.In case of untimely execution of the Request for the Purchase, Issue of the Gifts, Flowers, EOEG Protocol reserves the right on each specific congratulation. Result:Request for the purchase/ issue of gifts/ flowers (generated from IS “Electronic Database “Partners of the Company” and sent to EOEG Protocol);Information on personal congratulations (marked as appointed). |
| 5.2.4. Organizes issue of the gift to the Person responsible for organizing congratulations Executor:EOEG ProtocolDeadline:In accordance with the dates of congratulations | Information in use:Request for the purchase/ issue of gifts/ flowers (generated from IS “Electronic Database “Partners of the Company” and is sent to EOEG Protocol);Information on congratulations (with appointed gift). Requirements to performing an action:The gift is issued, as a rule, 3 business days to the date of congratulation. A bouquet of flowers – on the day of congratulation. Information about the item identification and the cost of the issued gift is entered in IS “Electronic Database “Partners of the Company”.Result:Information on congratulations (the gift is issued);Gift (issued to the Person Responsible for Organizing Congratulations). |
| 5.2.5. Organizes presentation of the giftExecutor:Person responsible for organizing congratulationsDeadline:In accordance with the dates of congratulations | Information in use:Information on congratulations (marked as issued).Requirements to performing an action:Person responsible for organizing congratulations:– Hands the gift in person to the Person initiating the congratulation, or a person, authorized by him; – or transfers the gift to the partner, using personal vehicle assigned to the functional area; – Or executes a request to deliver a gift via EOEG (request for delivery of correspondence) (W:  / Miscellaneous / Forms  /Request of EOEG, Request for courier delivery of the correspondence); – If necessary, sends congratulatory telegram. If it is necessary to send congratulatory telegram on behalf of the General Director of the Company, its text is submitted on the day of congratulation to the Person responsible for organizing congratulations in the Secretariat of the General Director of the Company. Result:Gift (issued to the Person Responsible for Organizing Congratulations on the holiday);Gift (submitted for presentation, sent);Congratulatory telegram (sent). |

## 5.3. Organizing Congratulations on National and Professional Holidays

| Action (procedure) / Executor/ Deadline | Incoming information / Requirements to Performing an Action (Procedure) / Results |
| --- | --- |
| 5.3.1. Receives gift products from the vendors for congratulating partnersExecutor:EOEG ProtocolDeadline:Not later than December 1 this year  | Information in use:Agreement(s) for the purchase of gift products (concluded); Minutes of the meeting on selecting the items from the gift fund (signed);Budget for the gift products (approved).Requirements to performing an action:Not later than June 30 this year, EOEG Protocol organizes business meetings with the interested functional areas of the Company on selecting the items from the gift fund and selecting business partners for manufacturing and supplying the products. The employees from the following functional areas are usually invited: Corporate Communications, HR Management, and Economic Security. Employees of other functional areas may be invited for participation in the meetings at the discretion of EOEG Protocol. No later than on July 15, the Deputy Chairperson of the Management Board approves the budget for the gift products. Until August 1 of this year, EOEG Protocol enters into agreements for the purchase of the gift products.Result:Gift products (received). |
| 5.3.2. Forms a list of partners/ employees of the Companies for congratulations Executor:Person responsible for organizing congratulationsDeadline:In accordance with the dates of preparing the lists for congratulations | Information in use:Information on congratulations (updated);Matrix of congratulations on behalf of the Company.Requirements to performing an action:Dates of the list preparation (national and professional holidays):– by February 1 – International Women's Day – March 8;– May 1– Chemist's Day;– July 20 – Railwayman's Day– August 10 – Day of the Employees of the Oil and Gas Industry;– August 20 – Miner's Day;– September 1 – New Year;– November 20 – Power Engineer's Day.The person responsible for organizing congratulations updates data on the partners and make suggestions on congratulations (gifts) in accordance with the Matrix of Congratulations on behalf of the Company (Attachment No. 3) in IS “Electronic Database “Partners of the Company”.The list of e-mail congratulations generated from IS “Electronic Database “Partners of the Company”(in Excel) is sent via e-mail to Person initiating the congratulation. The lists for congratulations on behalf of the General Director of the Company for the International Women's Day also include women – employees of the Company, holding the positions not lower than the Head of the Direction. Result:Information on congratulations (on gift suggestions);List for congratulations (sent to the Person initiating the congratulation). |
| 5.3.3. Approves the list of congratulations Executor:Person initiating the congratulationDeadline:Within 5 business days from its receipt | Information in use:List for congratulations (sent to the Person initiating the congratulation).Requirements to performing an action:Person initiating the congratulation based on analysis of the relations with the partners and relevance of their further maintenance and development, makes necessary addenda, amendments in the list, approves it and sends to the Person responsible for organizing the congratulations via e-mail with electronic digital signature. Result:List for congratulations (approved). |
| 5.3.4. Forwards the list for congratulations to EOEG ProtocolExecutor:Person responsible for organizing congratulationsDeadline:Within 2 business days from the moment of its approval | Information in use:Information on congratulations (with gift suggestions); List for congratulations (approved).Requirements to performing an action:The person responsible for organizing congratulations enters necessary changes and addenda received from the Person initiating the congratulation, in IS “Electronic Database “Partners of the Company”.Result:Information on congratulations (updated);List for congratulations (forwarded to EOEG Protocol). |
| 5.3.5. generate an integrated list of all congratulationsExecutor:EOEG ProtocolDeadline:Not later than February 20 – for congratulations on International Women's Day and not later than September 20 – for congratulations on New Year  | Information in use:Information on congratulations (updated);List for congratulations (forwarded to EOEG Protocol).Requirements to performing an action:EOEG Protocol checks correctness of the data (including accuracy of the correlation between the category of the person receiving the gift and the category of the gift) entered in IS “Electronic Database “Partners of the Company” by the Persons Responsible for Organizing Congratulations and assignment of the gifts. EOEG Protocol may change the category of the gift in accordance with the Matrix of Congratulations on behalf of the Company (Attachment No. 3), however, it shall notify the Person responsible for organizing congratulations, who has made a mistake.If repetitions are identified in IS “Electronic Database “Partners of the Company”(when several congratulants are going to congratulate the same business partner, ref. subcl. 4.4.5) EOEG Protocol appoints from the Persons initiating the congratulation, the responsible person, who is authorized for handing in the gift (congratulant) and co-congratulants, who do not participate in the immediate congratulation.If the employees of the EOEG Protocol have doubts in the ethical nature of the gift, correspondence of the gift with the requirements of the applicable laws, the Corporate Code of Ethics, the employees of the EOEG Protocol inform the Functional Area Legal Support and do not approve the list until the relevant explanations are obtained.In case of untimely receipt of the list for congratulations (after the integrated list for congratulations is generated) EOEG Protocol reserves the right to decrease the number of the issued gifts and make corrections in the gift list. Result:Information on congratulations (verified). |
| 5.3.6. Organizes the issue of the gifts to the Person responsible for organizing the congratulationsExecutor:EOEG ProtocolDeadline:In accordance with the issue dates | Information in use:Information on congratulations (verified);Integrated list for congratulations (approved).Requirements to performing an action:Date of the gift issue and greeting cards.For International Women's Day – March 8:– To congratulate partners: gift without flowers – not later than March 1; gifts with flowers – on the last business day that precedes the holiday;– For congratulating the Company's employees – on the last business day preceding the holiday.For the New Year:– Greeting cards – not later than December 15;– Gifts – not later than December 20.Information about the list and cost of the issued gifts is entered in IS “Electronic Database “Partners of the Company”.Result:Information on congratulations (marked as issued);Gift (issued for congratulation);Greeting card (issued to the Person responsible for organizing congratulations).  |
| 5.3.7. Presents the giftsExecutor:Person responsible for organizing congratulationsDeadline:In accordance with the dates of congratulations | Information in use:Gift (issued to the Person responsible for organizing congratulations); Greeting card (issued to the Person responsible for organizing congratulations). Requirements to performing an action:Person responsible for organizing congratulations:- Hands the gift in person to the Person initiating the congratulation, or a person, authorized by him; – or transfers the gift to the partner, using personal vehicle assigned to the functional area; – Or executes a request to deliver a gift via EOEG.If it is necessary to send gifts and greeting cards for the New Year via EOEG, the Person responsible for organizing congratulations shall observe the following requirements to correspondence and deadlines. The greeting cards shall be mailed in sealed envelopes. The envelop shall specify the name of the company and full name of the recipient of the congratulation, address (address only for the partners, who are not the enterprises of OJSC “SIBUR Holding”). The dates for sending greeting cards for mass mailing – no later than December 20.A request for courier delivery of the correspondence (W:  / Miscellaneous / Forms  /Request of EOEG request for courier delivery of the correspondence) shall be executed for mailing the gifts. Deadlines for transferring requests and gifts to EOEG:– Request – not later than December 15;– Gift – no later than December 24.If it is necessary to send congratulatory telegram on behalf of the General Director of the Company, its text is submitted to the Person responsible for organizing congratulations in the Secretariat of the General Director of the Company:– 1- 3 days before the professional holiday;– Not later than December 25 – for New Year holiday. Failure to observe the above requirements may result in untimely sending (receipt) of congratulations.Result:Gift (granted);Greeting card (granted). |

# Key Process Indicators

Process Efficacy and Performance Indicators:

| Indicator description  | Unit of measure | Description |
| --- | --- | --- |
| 1. Information about the congratulations is entered in IS “Electronic Database “Company Partners” continuously throughout the year. The congratulated persons may not be repeated. Expenses under “Representative Gifts” item are monitored. 2. Gifts for the partners are purchased and issued to the initiators of the congratulations. The function of the Company promotion is executed.  | % | At any moment of time in IS there is updated information, cost of the gifts corresponds to the established limits and categories, which allows monitoring the expenses over the representatives gifts100% - gifts are purchased, issued to the function within the established deadlines, the expenses are charged to the cost centre of the recipients in 1 C system |

Process Risks

| Item No. | Process Risks (process functions) | Control procedures of the risk processes  | Tests of the control procedures |
| --- | --- | --- | --- |
| 1 | Risk: incomplete, incorrect information entered in IS “Database "Company Partners” Risk causes: negligence of the executor – the person authorized to be responsible for congratulation Implications – untimely congratulation (failure to congratulate) of the partner, reputational losses of the CompanyRisk holder: EOEG Director  | Description of the control procedure:Analysis of the business partners for reliability of the suppliers. Using, mainly, the vendors of the products, who have been hired in the past.Executor of the control procedure:- Authorized employee of EOEG protocolFrequency of the control procedure:2-3 times a year prior to the procurement campaign | Description of the test of the control procedure: Analysis of newly entered information in IS using all possible information about the people receiving congratulations Frequency of tests:Once in quarterExecutor of the test:Process Manager |
| 2 | Risk: incompliance of the gifts suggested and (or) made on behalf of the Company with the requirements of the effective laws and principles of the ethical conduct of business, violation of the material conditions (anticorruption obligations) of the agreements with certain business partners and partnersRisk causes: violation of the applicable laws, Corporate Code of Ethics, corporate ethics, local normative acts of the Company by the process participants. Implications: the Company and the Company's employees may be held liable in accordance with the applicable laws, damage to the reputation of the Company, termination of the contracts with the partners  | Description of the control procedure: Regular inspection of the base contentExecutor of the control procedure:Chief specialist of EOEG Frequency of the control procedure: monthly Description of the control procedure: Approval (authorization) of congratulations Executor of the control procedure:Process manager  | Analysis of the gifts made on behalf of the Company for compliance to the requirements of the applicable laws, Corporate Code of Ethics, local normative acts of the Company.Frequency of the test: once a year. Executor of the test:Process Manager |
| 3 | Risk: conflict of interests, when the employees of the Company receive gifts from third parties.Risk causes: negligence of the Company's employeesImplications: conflict of interest with high probability of theft, abuse of the authorities and material damage to the Company.  | Description of the control procedure: Informing functional area: Legal Support Executor of the control procedure: Employee, who receives a gift from the third person | Analysis of the gifts received by the Company's employees for compliance with the requirements of the effective laws, Corporate Code of Ethics, local normative acts of the Company. Frequency of the inspection: once a year. Executor of the test:Process Manager |

# Documents and Specification of the Process Products

As a result of the process implementation subject to this Procedure, the following documents and forms are generated:

- Agreement(s) to purchase gift products (free form);

– Request to purchase/ issue gifts/ flowers (form SR 93-P07/01);

– Gift (free form);

– Gift products (free form);

– Greeting card (free form);

– Congratulatory telegram (free form);

– Minutes of the meetings on selecting the item list of the gift fund (free form);

– Resolution to congratulate partners / employees of the Company (free form);

– Summary list for congratulations (free form);

– Expense budget for the gift products (free form);

– List for congratulations (free form);

– Financial business plan (free form);

Electronic documents:

– Information on personal congratulations (IS “Database “Partners of the Company”);

– Information on congratulations (IS MS Outlook);

– Information on congratulations (IS “Database “Partners of the Company”);

Attachment No. 1

Process Execution Diagrams

In 3 sheets

5.1. Planning the Expense Budget for Congratulations



5.2. Organizing congratulations of the Company's employees and representatives of the partners on personal events



5.3. Organizing congratulations on national and professional holidays



Attachment No. 2

Document Templates

| Document name  | Form No. | Template |
| --- | --- | --- |
| Effected by this standard for the process  |
| Request for the purchase/ issue of the gifts/ flowers (generated from IS “Electronic Database “Partners of the Company”)  | SR 93-P07/01 |  |

Attachment No. 3

Matrix of Congratulations on behalf of the Company



1. The cost of the gift for VIP – partners congratulated by the General Director of the Company may exceed this limit. [↑](#footnote-ref-2)
2. Not only shall the level of the occupied position, but also the extent of the Company’s interest in this partner govern the definition of the category of the partner. [↑](#footnote-ref-3)
3. The occasion for the gift to the Head of the enterprises of OJSC “SIBUR Holding” are birthdays, anniversary of the enterprise. [↑](#footnote-ref-4)