

The Company's HSE Requirements

1. General

1.1. Being guided by the Integrated Management System Policy of "SIBUR" LLC and companies incorporated in "SIBUR Holding" PJSC, the Company shall prioritize health, safety and environmental (hereinafter – HSE) issues and require the Counterparty to ensure high HSE standards.

1.2. When performing contracts, the Counterparty shall ensure compliance with all legislative HSE requirements as well as with requirements laid down in the Company's in-house HSE policies and procedures as may be applicable in the course of the contract performance.

1.3. The Company shall familiarize the Counterparty with the Integrated Management System Policy of "SIBUR" LLC and companies incorporated in "SIBUR Holding" PJSC and with the requirements laid down in the Company's in-house HSE policies and procedures as may be applicable in the course of the contract performance.

1.4. In case of engagement of third parties for the contract performance, the Counterparty shall ensure that such contract is performed by such third parties in compliance with the Company's HSE requirements.

1.5. Third parties shall be engaged for the performance of contracts upon written approval of the Company.

1.6. The Counterparty shall not be allowed to engage individuals under civil contracts for performance of contracts at the Company's facilities.

1.7. The Counterparty shall be responsible for actions of any and all persons admitted to the Company's territory on the initiative of the Counterparty, whether or not the Counterparty has entered into any contractual relations with such persons and with the Company (where the Counterparty and/or third parties engaged by it are actually admitted to the Company's territory before conclusion of a contract).

2. Responsibility for Ensuring Safe Conditions and Occupational Safety

2.1. The Counterparty shall be fully responsible for non-compliance by its employees and employees or representatives of third parties engaged by the Counterparty with legislative HSE requirements and requirements of the Company's in-house HSE policies and procedures as may be applicable in the course of the contract performance.

2.2. The Counterparty shall be responsible for ensuring safe conditions and occupational safety at the Company's facilities that have been transferred to the Counterparty under a transfer act.

2.3. The Counterparty's employees or third parties engaged by the Counterparty, who/which are permitted (within a team or under direct control of an officer of the Counterparty or an engaged third party, appointed by order) to perform works at height without scaffolding and/or to perform roofing and other works on building roofs shall have at least 1 year of practical experience of working at height.

2.4. When performing a contract in the Company's territory, the Counterparty shall procure a required number of HSE officers:

- if the staff size is below or equal to 50, the duties of the HSE officer may be assigned to the Counterparty’s representative in charge of managing operations on the Company’s site;
- if the staff size is from 51 to 100, it shall be required to procure at least one HSE officer (not holding any other concurrent positions);
- if the staff size is above 100, the number of HSE officers shall depend on the number of workers and the working conditions, subject to the Inter-Industry Standards of the Number of Occupational Health & Safety Officers in Organizations.

2.5. If more than 30 units of automotive equipment (including third parties) are used for the contract performance, the Counterparty shall have an appointed traffic safety officer (not holding any other concurrent positions).

2.6. If more than 50 units of automotive equipment are used, the Counterparty shall have a Traffic Safety Service comprising minimum 2 officers supplied with a specially equipped vehicle (with yellow or orange flashing beacons, a radio station and a “Road Traffic Safety” sign).

2.7. Information about HSE/traffic safety officers appointed by the Counterparty to be in charge of monitoring employee compliance with HSE/traffic safety requirements in the course of the contract performance shall be communicated to the Company prior to commencement of the contract performance.

2.8. The Company shall have the right to conduct inspections and audits of contractors and of works being performed, production facilities and utility spaces, as well as the Counterparty’s employees and documents for compliance with the HSE requirements, including assessment of the knowledge of the Counterparty’s employees by the Company’s commission.

3. Key Safety Rules

3.1. Uniform key safety rules (hereinafter – KSR) shall be established and applicable in the Company’s territory and facilities. It shall be explicitly prohibited to violate such rules and violation of such rules shall entail imposition of disciplinary penalties.

3.2. Before commencing the contract performance, the Counterparty shall make all employees and third parties engaged for such performance aware of KSR.

3.3. All employees and third parties engaged by the Counterparty for the contract performance shall abide by KSR, according to which the following shall be PROHIBITED in the Company’s territory:

- 1) Concealing information about accidents, fire, incidents, occupational injuries, high-potential events.
- 2) Performing hazardous works without a permit and failure to abide by the requirements set by the said permit.
- 3) Deactivation or failure to keep integrity of interlocks, emergency shutdown and safety devices on operating equipment without a corresponding written permit.
- 4) Staying in the Company’s territory under the influence of alcohol, drugs or other toxic substances.

- 5) Smoking in the Company's territory outside specially designated areas, or using open fire without a special permit.

3.4. Breach of KSR shall be deemed as gross violation of the workplace discipline. In all cases without exception, for violation of any KSR the violator shall be immediately suspended from the contract performance and shall be subject to disciplinary penalties, including dismissal.

4. HSE Training and Certification of Staff

4.1. The Counterparty shall be responsible for the training of employees and other persons involved in the contract performance in safe operating methods and procedures and provision of first aid, for HSE briefings, practical training in the workplace, and assessment of HSE knowledge;

4.2. All executives, specialists and employees, including other persons involved by the Counterparty in the contract performance, shall have documents certifying their HSE training and certification/knowledge assessment, according to the works/services performed/provided. Copies of such documents shall be furnished to the Company.

4.3. Before commencement of the contract performance, all employees and other persons involved by the Counterparty in the contract performance shall:

- go through an induction briefing in the Company's HSE Service, study the Integrated Management System Policy of "SIBUR" LLC and the companies incorporated in "SIBUR Holding" PJSC and KSR;
- study the requirements of the Company's in-house HSE policies and procedures as may be applicable in the course of performance of the Company's contract;
- go through the initial briefing in the Company's unit (if works are performed in the territory of production units).

5. Personal Protective Equipment

5.1. The Counterparty shall see to it that all employees and other persons involved by the Counterparty in the contract performance are provided with personal protective equipment according to the occupational risks and/or hazards inherent in works/services performed/provided.

5.2. In the territory of the Company's production sites all employees and other persons involved by the Counterparty in the contract performance shall be provided with the following PPE, regardless of the type of activity and job title:

- special clothing with the company logo;
- special footwear;
- safety helmets;
- goggles;
- safety gloves;
- other PPE as may be necessary for protection against occupational risks and/or hazards inherent in the production units where works/services are performed/provided.

6. Workplace Discipline Observance

6.1. The Counterparty shall see to it that all employees and other persons involved in the performance of contracts comply with conduct rules, prohibitions and requirements laid down by the Russian Labour Code and the Company's in-house policies and procedures.

6.2. For the purpose of excluding risks of accidents due to the performance of a contract under the influence of alcohol, drugs or other toxic substances, the Counterparty shall:

- before a working shift starts and workers are permitted to perform works, check the condition of workers and persons involved by the Counterparty for signs of alcohol, drug or other intoxication;
- not admit workers and third parties involved by the Counterparty to works where such workers/third parties are under the influence of alcohol, drugs or other toxic substances;
- prevent carrying of substances (including medicines) causing alcohol, drug or other intoxication to the Company's territory.

6.3. For the purpose of ensuring safe stay in the Company's territory, the Counterparty shall see to it that all employees and other persons involved in the contract performance comply with the appearance requirements. It shall be prohibited to stay in the Company's territory:

- in shorts, breeches, three-quarter pants, leggings, tight-fitting trousers;
- in T-shirts/tops;
- wearing open toe and/or open heel shoes.

6.4. In buildings, structures and in the territory of the Company, the Counterparty shall exclude any launch and use by its employees and third parties engaged by the Counterparty of any game applications and programs in any mobile electronic devices, including those using augmented reality technologies or geolocation services (Pokemon Go, etc.).

6.5. The Counterparty shall not allow its employees and third parties engaged by the Counterparty to smoke electronic cigarettes outside designated smoking areas.

6.6. The Counterparty shall ensure proper conduct of its employees and third parties engaged by the Counterparty, and not allow any threats, offences and other forms of aggression towards the Company's employees and officers in charge of monitoring the compliance with the Company's HSE requirements.

6.7. The Company may send away without allowing any further admittance to its territory of an employee of the Counterparty or a third party engaged by the Counterparty if such employee breaches the prohibitions and requirements effective in the Company's territory, including his or her immediate superior officer who is in charge of monitoring (or ought to have been in charge of monitoring) activities of the employee who has breached the said prohibitions and requirements.

6.8. In case of dismissal of an employee or a third party engaged by the Counterparty for the contract performance, the Counterparty shall take away such employee's/third party's pass to the Company's territory and notify without delay the Company's Economic Security Service and HSE Service.

7. Requirements to Equipment, Materials, Workplaces and Waste Management

7.1. The Counterparty shall ensure that machinery, tools, fixtures and other equipment used in the contract performance are in good condition.

7.2. Arrangement of equipment at the contract performance site shall be agreed with the Company's representative in advance.

7.3. The Counterparty shall provide the Company with hygiene certificates for the materials in use, before such materials are used in the Company's territory.

7.4. Contract performance sites, roads and passages to them shall be kept by the Counterparty clean and in order, cleared of waste and of piled materials and structures.

7.5. At contract performance sites the Counterparty shall prevent and protect people from exposure to the occupational risks and hazards in connection with the contract performance (exposure to hazardous substances, falls as a result of slips/trips, falls from height, falling objects, electric shocks, etc.), and install, if and where necessary, fencing, safety signs and lighting.

7.6. Before commencing the contract performance, the Counterparty shall determine and agree with the Company upon the rules of managing waste resulting from the Counterparty's activity. Unauthorized accumulation of waste in the Company's territory shall be prohibited.

7.7. Upon discharge of contractual obligations, the Counterparty shall dismantle temporary structures and clean the contract performance site.

8. Accidents/Incidents

8.1. Accidents with employees of the Counterparty or a third party engaged by the Counterparty shall be investigated by the Counterparty with participation of the Company's representatives in such investigation.

8.2. The Counterparty and third parties engaged by it for the contract performance shall report accidents with their employees to public supervisory authorities according to the procedure established by the law.

8.3. Accidents and incidents that occur with equipment in the course of the contract performance but do not cause any harm to employee life and health or damage to the Company's property shall be investigated and registered by the Counterparty without mandatory participation of the Company's representatives.

8.4. The Company shall have the right to conduct its own investigation of an accident/incident and request explanations from the Counterparty.

8.5. In case of environmental damage by the Counterparty or third parties engaged by it, the Counterparty shall compensate the Company for all costs as may have been incurred by it on the elimination of such damage, compensation of environmental damage, including fines paid under claims / orders of public supervisory and control authorities.

9. Reporting Requirements

9.1. The Counterparty shall report to the Company results of the inspections conducted by public inspection authorities in order to check the compliance by the

Counterparty and third parties engaged by it for the contract performance with HSE legislative requirements, as well as detected violations, suspension of activities or cancellation of a license or other authorization documents as may be required for engagement in its activities.

9.2. The Counterparty shall provide the Company with a monthly report on HSE performance for the previous month. The report shall be provided before the fifth (5th) day of the month following the reporting one. If such day falls on a weekend or a public holiday, the term for the submission of the report shall be extended for the relevant number of days

Unless otherwise agreed between the Parties, the report shall incorporate:

- information about the status/progress of activities as may have been agreed with the Company for the elimination of detected HSE violations;

- information about HSE accidents/incidents as may have occurred with the Counterparty or third parties engaged by it in the course of the contract performance (accidents with equipment, occupational injuries, incidents relating to environmental damage, road traffic accidents, any other events required to be reported to competent public authorities);

- information about the total man-hours worked by employees of the Counterparty and third parties engaged by it for the contract performance at the Company's facilities during the contract performance.

10. Documenting the Counterparty's Breach of HSE Requirements

10.1. In case of detected violations of the Company's HSE requirements, a violation report shall be made as per the template used in the Company. Two copies of the violation report shall be signed by the Company's representatives or by the officer who has detected violation and by the Counterparty's representatives, or, if the Counterparty's representative refuses to sign the report, it shall be unilaterally signed by the Company's representative or by the officer who has detected violation and shall be deemed as the basis for payment of fines by the Counterparty; amounts of such fines shall be contractually stipulated and shall vary depending on the type of violation. On the basis of the violation report, the Company shall notify the Counterparty in writing that it is to transfer the fine amount to the Company's settlement account. Before settlements are effected with the Counterparty, the Counterparty shall furnish to the Company a copy of the payment order with the bank's stamp confirming transfer of the fine amount. If such copy of the payment order fails to be furnished, the total sum payable to the Counterparty shall be reduced by the fine amount.

11. Documenting the Counterparty's Breach of KSR "Staying in the Company's Territory under the Influence of Alcohol, Drugs or Other Toxic Substances"

11.1. If an employee of the Counterparty or a third party is suspected to be in the Company's territory under the influence of alcohol, drugs or other toxic substances, to have carried to or to be keeping in the Company's territory substances causing alcohol, drug or other intoxication, in order to document the aforesaid the officer who suspects the foregoing/the Company shall have the right:

- not to admit such employee of the Counterparty or a third party to the Company's territory;

- to take away the ID pass from the Counterparty's or a third party's employee, who has been detected to commit violation;

- to call in an authorized person of the Counterparty and/or a third party and the officer in charge of works on the part of the Company for drafting of the violation report as per the template used in the Company;

- to draw up the Violation Report as per the template used in the Company, by attaching written explanations of the employee of the Counterparty or a third party. If the employee refuses to give explanations, such refusal shall be recorded in the report. If the authorized representative of the Counterparty and/or a third party fails to appear for signing the report within an hour after the Counterparty and/or a third party is notified of the drafting of the report with respect to its employee, the officer who has detected violation shall unilaterally draw up the report in the presence of two persons. In such case, though not signed by the Counterparty and/or a third party, the report shall be deemed as valid. If the employee of the Counterparty or a third party refuses to undergo a medical examination for alcohol intoxication and/or fails to present a medical certificate confirming absence of alcohol intoxication, issued no later than 2 hours from the drafting of the Report, the said Report shall be the basis for payment of contractual penalties by the Counterparty. The certificate confirming absence of alcohol intoxication shall be furnished to the Company's HSE Service no later than one business day from the medical examination;

- to suggest that the employee of the Counterparty and/or a third party undergo a medical examination for alcohol intoxication. If the examination is made at the expense of the Company, the Counterparty shall compensate the Company for the expenses on such examination if the examination proves alcohol intoxication. If the employee of the Counterparty and/or a third party, with respect to whom the Violation Report has been drawn up as per the template used in the Company, refuses to undergo a medical examination for alcohol intoxication, the Counterparty shall arrange a medical examination of the employee of the Counterparty and/or a third party in the municipal drug abuse clinic within two hours from the drafting of the Report.

11.2. The Company shall have the right to deny an employee of the Counterparty and/or a third party, with respect to whom a violation report has been made as per Item 11.1 according to the template used in the Company, access to the Company's territory for performing works under any contract with the Counterparty. The Company's exercise of the said right shall not release the Counterparty of its duty to properly discharge its obligations under concluded contracts within the time agreed by the Parties.

12. The Counterparty's Obligations Related to Medical and Compulsory Psychiatric Examinations of its Employees

12.1. The Counterparty shall arrange medical examinations of its employees (according to their jobs and occupations) in accordance with the applicable Russian laws, where possible, in health care institutions recommended by the Company.

12.2. The Counterparty shall arrange compulsory psychiatric examinations of its employees who perform certain types of works, in particular, relating to major hazards

(exposure to harmful substances and adverse production factors), and who work in hazardous conditions, in accordance with the applicable Russian laws.

12.3. Before commencing the contract performance, the Counterparty shall furnish the Company upon demand thereof with copies/originals of the final reports on results of medical examinations, with respect to all employees of the Counterparty who are involved in works in the Company's territory and are required to undergo medical examinations in accordance with the applicable Russian laws.

12.4. The Company reserves the right to verify the authenticity of the originals of final medical examination reports.