

## **The Seller's HSE Requirements**

### **1. General Provisions**

1.1. Guided by the Integrated Management System (ISM) Policy of SIBUR, LLC and PJSC SIBUR Holding enterprises, the Seller pays special attention to the issues of Health, Safety, and Environment (hereinafter referred to as "HSE") and requires the Counterparty to meet high standards in the HSE area.

1.2. When performing the Contract, the Counterparty shall ensure that all requirements of the legislation in the HSE area as well as the requirements of the local regulations of the Seller in the HSE area applicable according to the terms and conditions of the Contract are met.

1.3. The Seller shall familiarize the Counterparty with the Integrated Management System (ISM) Policy of SIBUR, LLC and PJSC SIBUR Holding enterprises and the requirements of the Seller's local regulations in the HSE area applicable according to the terms and conditions of the Contract.

1.4. If the Counterparty engages third parties to perform the Contract, the Counterparty shall ensure that third parties perform the Contract in compliance with the HSE requirements of the Seller.

1.5. The engagement of a third party to perform the Contract shall be agreed in writing with the Seller.

1.6. The Counterparty shall not have the right to engage employees under civil Contracts to perform the Contract at the facilities of the Seller and/or Manufacturer.

1.7. The Counterparty shall be responsible for the actions of all persons admitted to the territory of the Manufacturer at the initiative of the Counterparty, regardless of whether the Counterparty has Contractual relations with these persons and with the Manufacturer (if the Counterparty and/or third parties engaged thereby are actually admitted to the territory of the Manufacturer before the conclusion of the Contract).

1.8. For violation of HSE and transport safety requirements, employees of the Counterparty and/or employees of third parties engaged by the Counterparty who committed the violation, as well as their immediate supervisors (other persons) who exercised (should have exercised) control over the activities of the employees shall be removed from the territory of the Manufacturer and shall not be allowed to enter the territory of the Manufacturer in the future.

## **2. Responsibility for ensuring safe environment and occupational health.**

2.1. The Counterparty shall bear full responsibility for non-observance by its employees and employees or representatives of third parties engaged thereby of the requirements of the legislation in the HSE area and local regulations of the Manufacturer in the HSE area applicable according to the terms and conditions of the Contract.

2.2. At the facilities of the Manufacturer transferred to the Counterparty under the Transfer Certificate, the Counterparty shall bear responsibility for ensuring safe environment and occupational health.

2.3. Employees of the Counterparty or third parties engaged thereby and admitted (as part of a team or under the direct control of an employee of the Counterparty or a third party appointed thereby according to the order) to work at height without the use of scaffolding, as well as to perform roofing and other works on the roofs of buildings shall have at least 1 year of working at height experience.

2.4. When performing the Contract in the territory of the Manufacturer, the Counterparty shall ensure the presence of the required number of qualified safety specialists at the work sites at the rate of 1 (one) specialist for a certain number of employees of the Counterparty and third parties engaged thereby during the entire period of the performance of works (who shall simultaneously be present during the production/performance of works in the territory of the Manufacturer), namely:

- for the number of up to 10 employees of the Counterparty and third parties engaged thereby (who are simultaneously present during the production/performance of works in the territory of the Manufacturer) — the Counterparty shall provide at least one qualified safety specialist or assign the duties of safety specialists to the representative of the Counterparty who manages works in the territory of the Manufacturer, provided that this representative shall not at the same time be responsible for carrying out hazardous works during the performance period;

- for the number from 11 to 50 employees of the Counterparty and third parties engaged thereby (who are simultaneously present during the production/performance of works in the territory of the Manufacturer) — the Counterparty shall provide at least one qualified safety specialist;

- starting from 51 employees of the Counterparty and third parties engaged thereby (who are simultaneously present during the production/performance of works in the territory of the Manufacturer) — the Counterparty shall provide one qualified safety specialist at the rate of 1 (one) safety specialist for no more than 50 (fifty) employees. The Counterparty shall have the right to decide on the reduction of the number of qualified safety specialists to 1 (one) safety specialist for no more than 75 (seventy-five) of its employees and employees of third parties engaged thereby (who are simultaneously present during the

production/performance of works in the territory of the Manufacturer). Exercising the specified right to reduce the number of safety specialists, the Counterparty shall send a motivated decision to the Seller and/or Manufacturer in advance.

2.5. Information and documents regarding the safety specialist(s) assigned together with the employees of the Counterparty and third parties engaged thereby to perform works in the territory of the Manufacturer shall be sent to the Seller and/or Manufacturer in advance before starting works to obtain approval for admission of the entire brigade (the entire staff of the Contractor's employees and third parties engaged thereby) to the territory of the Manufacturer. The risks of non-admission to the territory of the Manufacturer (including the inability to fulfill contractual obligations) shall be borne by the Counterparty.

2.6. The Counterparty shall agree with the Seller and/or Manufacturer on HSE candidates who are intended to perform works in the territory of the Manufacturer with the provision of the following documents:

- documents confirming that safety specialists have the skills corresponding to the requirements of professional standard on occupational safety;
- document confirming the length of service in the position of a safety specialist (at least 3 (three) years with secondary vocational education and at least 1 (one) year with higher education) (at the request of the Manufacturer, a copy of the work record book shall be provided).

In case of non-compliance of the submitted documents with the requirements of the Manufacturer, lack of the necessary work experience, or according to another reasonable opinion of the Manufacturer, the safety specialist(-s) shall be replaced and approval procedure shall be repeated.

2.7. Safety specialist, whose presence is due to the number of employees of the Counterparty and third parties engaged thereby (eleven or more persons who are simultaneously present during the production/performance of works in the territory of the Manufacturer), shall be released from his/her other duties and shall not combine positions (functionality) for the period of production/performance of such works.

2.8. If more than 30 automotive vehicles (including the vehicles of third parties) are involved in the execution of the Contract, a road safety specialist (hereinafter referred to as the "RSS") shall be appointed in the Counterparty's organization without positions overlapping.

2.9. If the number of automotive vehicles exceeds 50 units, the Counterparty's organization shall create a Traffic Safety Service in the number of at least 2 specialists equipped with a specially equipped motor vehicle (with yellow or orange beacons, a radio station, and the Road Traffic Safety label).

2.10. The Manufacturer shall have the right to carry out inspections and audits of the Counterparty, third parties engaged thereby, works performed, production and utility premises as well as employees and documentation of the Counterparty and third parties engaged thereby for compliance with the HSE requirements, including the assessment of knowledge of the Counterparty's employees and third parties engaged in the commission of the Manufacturer.

### **3. Key safety rules.**

3.1. The uniform key safety rules (hereinafter referred to as the "KSR") are established in the territory and facilities of the Manufacturer, the violation of which is absolutely unacceptable and shall entail the mandatory application of disciplinary measures.

3.2. The Counterparty shall familiarize all employees and third parties engaged in the performance of the Contract with the KSR before starting the performance of the Contract.

3.3. All employees and third parties engaged by the Counterparty to perform the Contract shall comply with the KSR. According to KSR, the employees and third parties engaged by the Counterparty, when in the territory of the Manufacturer, shall not:

- 1) Conceal information on major, significant, and high potential incidents.
- 2) Carry out highly hazardous works without a work permit.
- 3) Disable or damage the integrity of interlocks, the emergency shutdown system, and safety devices on operating equipment without the relevant written permission.
- 4) Appear in the territory of the Manufacturer in the state of alcoholic, narcotic, or other intoxication.
- 5) Smoke in the territory of the Manufacturer outside the places specially designated for this purpose or use open fire without special permission.
- 6) Working at height without the use of collective protective equipment accepted by the Manufacturer and personal fall protection equipment.

3.4. Failure to comply with the KSR shall be considered a gross violation of labor discipline. For violation of any KSR in all cases without exception, the offender shall be immediately barred from the performance of the Contract and shall be subject to disciplinary measures up to and including discharge.

### **4. HSE training and assessment of personnel**

4.1. The Counterparty shall be responsible for training employees and other persons engaged in the performance of the Contract in safe methods and techniques for performing works and providing first aid, for providing HSE briefings, for organizing and conducting an internship at the workplaces and assessing HSE awareness and knowledge;

4.2. All managers, specialists, and employees, as well as other persons engaged by the Counterparty to perform the Contract shall have documents confirming that they underwent training and certification/assessment of HSE knowledge in terms of the type of works/services. Copies of documents shall be submitted to the Manufacturer.

4.3. Before proceeding with the performance of the Contract, all employees and other persons engaged by the Counterparty to perform the Contract shall:

- undergo an introductory briefing at the HSE unit of the Manufacturer, familiarize themselves with the Integrated Management System (ISM) Policy of SIBUR, LLC and PJSC SIBUR Holding enterprises and KSR;
- familiarize themselves with the requirements of the local regulations of the Manufacturer in the HSE area applicable in the performance of the Contract of the Seller;
- undergo an initial briefing at the Manufacturer unit (if performing works in the territory of operating units).

## **5. Personal protective equipment (PPE)**

5.1. The Counterparty shall ensure that all employees and other persons engaged in the performance of the Contract have personal protective equipment corresponding to the harmful and/or hazardous production factors of the works performed/services rendered.

5.2. In the territory of the production sites of the Manufacturers, all employees and other persons engaged by the Counterparty to perform the Contract, regardless of the type of activities and official position, shall be provided with the following PPE:

- special clothes with the logo of the organization;
- special footwear;
- protective helmets;
- protective glasses;
- protective gloves;

other PPE necessary to protect from harmful and/or hazardous production factors of operating units in the territory of which works/services are performed.

## **6. Compliance with labor discipline**

6.1. The Counterparty shall ensure that all employees and other persons engaged in the performance of the Contract comply with the rules of conduct, prohibitions, and requirements determined by the Labor Code of the Russian Federation as well as local regulations of the Manufacturer.

6.2. To avoid the risks of accidents due to the performance of the Contract under the influence of alcohol, drugs, or other intoxicants, the Contractor shall:

before the start of each work shift and before admitting employees to work, check employees and third parties engaged by the Counterparty for the presence of signs of alcoholic, drug, or other intoxication;

bar employees and third parties engaged by the Counterparty from working under the influence of alcohol, drugs, or other intoxicants;

not allow the employees to smuggle substances (including medicines) causing alcohol, narcotic or other intoxication into the territory of the Manufacturer.

6.3. To ensure a safe environment in the territory of the Manufacturer, the Contractor shall ensure that all employees and other persons engaged in the performance of the Contract comply with the appearance standards. No one is allowed to be present in the territory of the Manufacturer:

in shorts, knickers, Capri pants, leggings;

in T-shirts, tops;

in open toe/heels shoes.

6.4. In buildings and structures as well as in the territory of the Manufacturer, the Counterparty shall not allow its employees and third parties engaged thereby to launch and use any game applications and programs on any portable electronic devices, including those with augmented reality effect or using services geolocation (Pokemon Go, etc.).

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

6.6. The Counterparty shall ensure the correct behavior of its employees and third parties engaged thereby, prevent threats, insults, and other manifestations of aggression towards

the employees of the Manufacturer and employees who monitor the compliance with the HSE requirements of the Manufacturer.

6.7. Upon the dismissal of an employee or a third party engaged by the Counterparty to perform the Contract, the Counterparty shall confiscate his/her pass to the territory of the Manufacturer and immediately inform the Economic Security Service and the Health, Safety and Environment Service of the Manufacturer about this.

## **7. Requirements for equipment, materials, workplaces and waste management**

7.1. The Counterparty shall ensure the technically sound condition of the machines, tools, fixtures, and other equipment used to perform the Contract.

7.2. Placing of equipment at the place of Contract performance shall be agreed in advance with the representative of the Manufacturer.

7.3. The Contractor shall provide the Manufacturer with Safety and Health Certificates for the materials prior to their use on the territory of the Manufacturer.

7.4. The places of the Contract performance, as well as driveways and passages to them, shall be kept clean and tidy by the Counterparty, cleaned of debris, not cluttered with stored materials and structures.

7.5. At the place of Contract performance, the Counterparty shall ensure warning and protection of people from contact with harmful and hazardous production factors associated with the performance of the Contract (impact of hazardous substances, slipping/tripping, falling from a height, falling objects, electric shock, etc.), install guards, safety signs, and provide lighting if necessary.

7.6. The Counterparty shall determine and agree with the Manufacturer on the procedure for handling waste generated as a result of the Counterparty's activities before the start of the Contract performance. Unauthorized accumulation of waste on the territory of the Manufacturer is prohibited.

7.7. When all obligations under the Contract are fulfilled, the Contractor shall dismantle the temporary structures and clean the place of the Contract performance.

## **8. Accidents and incidents**

8.1. If, during the performance of works in the territory of the Manufacturer, the Counterparty and/or a third party engaged thereby had an HSE incident, the Counterparty shall:

- within 10 minutes after the incident, inform the dispatcher of the Manufacturer about it by any means of communication and in any form;
- within 12 hours after the incident, report the details of the incident according to the established form to the e-mail address of the representative of the unit supervising the performance of the Contract on the part of the Seller and to the e-mail address [contractorsafety@sibur.ru](mailto:contractorsafety@sibur.ru).

8.2. The Manufacturer shall have the right to conduct its own investigation of the incident and request explanations from the Counterparty. The Counterparty shall provide all necessary information (including on the third parties engaged thereby) for the investigation and, at the request of the Manufacturer, shall take part in the incident commission within the time frame specified by the Manufacturer.

8.3. Accidents that happened to the employees of the Counterparty or a third party engaged by the Counterparty shall be investigated by the Counterparty with the obligatory participation of the Manufacturer's representatives in the investigation.

8.4. The Counterparty and third parties engaged thereby to perform the Contract shall notify the state supervision bodies about accidents that happened to their employees according to the procedure established by the legislation.

8.5. In the event of environmental pollution by the Counterparty or third parties engaged thereby, the Counterparty shall reimburse the Seller for all costs incurred thereby to eliminate this pollution, compensate for environmental damage, and pay fines under claims/orders of state supervision and control bodies.

## **9. Reporting requirements**

9.1. The Counterparty shall provide the Seller with information on the results of inspections of compliance of the Counterparty and third parties engaged thereby to perform the Contract with the requirements of the legislation in the HSE area carried out by the state inspection bodies, inform the Seller about violations, suspension of activities or cancellation of a license, termination of another permissive documentation required to carry out activities.

9.2. The report and information on the identified hazardous situations and HSE violations shall be submitted in a single file in editable \*.xlsx format. If the Contractor engages third-party employees, the monthly report and certificate of identified hazardous situations and



HSE violations shall be filled out for each third party in a separate file for each reporting period.

9.3. When sending documents and reports, the Counterparty and third parties engaged thereby shall ensure the ability to identify the sender of the electronic document. If the Seller and/or Manufacturer performing the verification of documents cannot identify the sender and contact him/her/it, as well as cannot get access to the information system due to access restrictions, including in connection with the provision of a paid access, the document (report) shall be considered not submitted.

9.4. If the Seller finds out that the Counterparty or third parties engaged thereby fails to comply with the HSE requirements, the Counterparty shall attach to the report a certificate on the status of implementation of measures agreed with the Seller to eliminate inconsistencies previously identified by the Seller.

## **10. The procedure for recording violations of the HSE requirements committed by the Counterparty.**

10.1. In case of violations of the requirements of the Seller and/or Manufacturer in the HSE area, the Irregularity Report shall be drawn up according to the form established by the Seller and/or Manufacturer. Irregularity Reports in two copies shall be signed by the representatives of the Manufacturer or a person who discovered the violation and by the representatives of the Counterparty, or, if the representative of the Counterparty refuses to sign the report,

- unilaterally by the representative of the Manufacturer or by the person who discovered the violation, and shall constitute the grounds for the payment by the Counterparty of liquidated damages. Based on the Irregularity Report, the Manufacturer shall notify the Counterparty in writing of the need to transfer the amount of liquidated damages to the account of the Seller. Prior to settlements with the Counterparty, the Counterparty shall provide the Seller with a copy of the payment order on the transfer of liquidated damages amount with the bank's mark. Without a copy of the payment order, the total amount payable to the Counterparty shall be reduced by the amount of the liquidated damages.

## **11. The procedure for the Counterparty's recording of a violation of KSR "Appearance in the territory of the Manufacturer in the state of alcoholic, narcotic, or other intoxication".**

11.1. If there are suspicions that an employee of the Counterparty or a third party is on the territory of the Manufacturer in the state of alcoholic, narcotic, or other intoxication, or smuggles substances that cause alcohol, narcotic or other intoxication to the territory of the

Manufacturer, the Seller and/or Manufacturer shall have the right to implement the following measures to record this fact:

- do not allow an employee of the Counterparty or a third party to enter the territory of the Manufacturer;
- confiscate personal pass of the employee of the Counterparty or a third party, in respect of whom the violation was revealed;
- call an authorized person of the Counterparty and/or third party and the person responsible for carrying out works on the part of the Manufacturer to draw up a Violation Report according to the form established by the Manufacturer;
- draw up the Violation Report according to the form established by the Manufacturer with the attachment of written explanations from 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 and sign the Report within one hour from the moment the Counterparty and/or a third party are notified of the fact that a Report was drawn up against its employee, the person who discovered the violation shall execute the Report unilaterally with the involvement of two persons. In this case, the Report shall be considered valid without the signature of the Counterparty and/or a third party. If the employee of the Counterparty or a third party refuses to undergo a medical examination for the state of intoxication and/or fails to provide a medical report on the absence of a state of intoxication issued no later than 2 hours from the moment of drawing up the Report, the above Report shall be considered the basis for imposing liquidated damages on the Counterparty provided for by the Contract. Record on the absence of a state of intoxication shall be submitted to the HSE department of the Seller and/or Manufacturer no later than one working day after the medical examination;
- offer an employee of the Counterparty and/or a third party to undergo a medical examination for intoxication. If the examination is carried out at the expense of the Manufacturer, the Counterparty shall reimburse the Manufacturer for the costs of examination if, according to the results of the examination, the state of intoxication is established. If the employee of the Counterparty and/or a third party, in respect of which the Irregularity Report was drawn up according to the form established by the Manufacturer, refuses to undergo a medical examination for the state of intoxication, the Counterparty shall arrange for a medical examination of the employee of the Counterparty and/or a third party in the municipal narcological dispensary within two hours after drawing up of the Report.

11.2. The Manufacturer shall have the right not to allow an employee of the Counterparty and/or a third party in respect of which, according to clause 11.1, the Violation Report was made according to the form established by the Manufacturer, to enter its territory to

perform works under any Contract concluded with the Counterparty. The exercise of this right by the Manufacturer shall not relieve the Counterparty from the obligation to properly fulfill its obligations under the signed Contracts within the time frame agreed upon by the Parties.

## **12. Obligations of the Counterparty to organize medical examinations and mandatory psychiatric examination of its employees.**

12.1. The Counterparty shall arrange for the medical examination of employees (taking into account the type of works performed by them and their profession) according to the current legislation of the Russian Federation in the medical facilities recommended by the Manufacturer (if possible).

12.2. The Counterparty shall organize a mandatory psychiatric examination of employees who carry out certain types of activities, in particular those related to the sources of extra high hazard (with the influence of harmful substances and unfavorable production factors), and work in conditions of extra high hazard according to the current legislation of the Russian Federation.

12.3. Before the beginning of the Contract performance, the Counterparty shall provide the Seller, upon its request, with the copies/originals of the final reports based on the results of medical examinations for all employees of the Counterparty performing works in the territory of the Manufacturer who shall undergo medical examinations according to the current legislation of the Russian Federation.

12.4. The Seller and/or Manufacturer shall have the right to check the original copy of the final act based on the results of medical examinations to confirm its accuracy.

## **13. Requirements for protecting employees (staff members) of the Manufacturer and its Counterparties in connection with the risk of spread of COVID-19 coronavirus infection**

13.1. In order to ensure the protection of employees of the Manufacturer and its Counterparties, employees of the Manufacturer and engaged third parties are forbidden from:

13.1.1. Coming to the operations facility or staying in the territory of the Manufacturer if they have symptoms or signs of acute respiratory viral infection (high body temperature (above 37 °C), coughing – dry or wet; rhinitis – nasal blockage; nasal cold and sneezing);

13.1.2. Refusing to undergo temperature measurement procedure on entry to the Manufacturer territory or non-compliance with its procedure, e.g., attempts to lower body temperature before the measurement is taken, refusal to record the examination results in the register or refusal to comply with the requirements relating to body temperature measurement;

13.1.3. Failing to ensure a 14-day self-isolation (quarantine) period by employees returning from abroad (the isolation period shall be calculated starting from the date of return from the trip) prior to entering the Manufacturer territory;

13.1.4. Staying in the territory of the Manufacturer with acute respiratory viral infection symptoms (high body temperature (above 37 °C), coughing – dry or wet; rhinitis – nasal blockage; nasal cold and sneezing);

13.1.5. Refusing to undergo temperature measurement procedure at the Manufacturer territory;

13.1.6. Failure to maintain safe distance:

at least 1.5 m between the employee of the Manufacturer and the employee of the Counterparty when moving through the territory of the Manufacturer,

at least 1,5 m between employees in a designated smoking area;

at least 2 m between employees of Contract Partners and employees of the Manufacturer during briefings held by representatives of the Manufacturer and/or when carrying out works, e.g. when signing a work permit or during works acceptance;

13.1.7. Deviating from an approved route of travel at the Manufacturer territory to a work site or a checkpoint.

13.1.8. Leaving the approved area at a site (including work sites) without approval of the Manufacturer;

13.1.9. Entering administration and amenity buildings of the Manufacturer without permission;

13.1.10 Failure to comply with personal hygiene practices and epidemic control arrangements established by the Manufacturer, as well as the requirements of the action plan provided for the isolation of employees suspected to have the coronavirus infection;

13.1.11 Failure to use serviceable means of protection from airborne transmission of infections (respirators, medical face masks that cover mouth and nose; failure to use gloves and glasses);

13.1.12 Failure to provide employees with sufficient face masks required for the work shift, failure to ensure timely replacement of face masks (in accordance with recommendations of the Manufacturer and Rospotrebnadzor).

13.2. For each of the violations listed above in clause 14.1, the Manufacturer shall have the right to bar the employee of the Counterparty or a third party engaged thereby from Contract performance by removing the employee from the Manufacturer territory and blocking their admittance to the Manufacturer territory for the period of fourteen days since the day the violation was revealed. This includes areas designated for rotation worker accommodation.

13.3. Any damage that the Manufacturer may suffer (e.g., compensation of medical services provided to employees of the Manufacturer, forced outage due to the presence of any persons affected with the coronavirus, etc.) in connection with any violation of these HSE Requirements shall be claimed for compensation by the Counterparty whose employees (including employees of third parties engaged by that Counterparty) committed such violations.

13.4. The Seller and/or Manufacturer shall bear no responsibility in the form of any penalties or compensation for any losses caused to the Counterparty for any denial of entry to the Manufacturer territory or suspension of its employees (or employees of engaged third parties) from work on grounds of failure to comply with the HSE Requirements.

#### **14. Obligations of the Counterparty to comply with the HSE Requirements in the area provided for accommodation of rotation workers**

14.1 The Counterparty and third parties engaged thereby shall ensure that their employees comply with all statutory and regulatory HSE requirements, as well as the requirements of local regulations of the Manufacturer in the HSE area throughout the territory of the Manufacturer, not excluding the territories of the observators (specially adapted institutions for isolation and medical supervision of persons who arrived from epidemic unfavorable territory in terms of coronavirus infection), as well as territories where rotation workers are accommodated for recreation and residence.

#### **15. HSE Requirements of the Manufacturer (for road (truck) transportation)**

15.1 The territory of the Manufacturer shall be comprised of indoor premises in buildings and structures of the Manufacturer, such buildings and structures of the Manufacturer, as well as any fenced roads and sites, whether used in any production operations of the Manufacturer or not, any sites and land plots on which the Counterparty or any third

persons engaged by it are present during performance of the obligations under the Contract, any parking areas, entrances and passages to the Manufacturer's facilities, entry control points of the Manufacturer, as well as a territory of any Manufacturer included in SIBUR Holding in which the Counterparty or any third persons engaged by it are present during performance of the obligations under the Contract with the Manufacturer.

15.2. When dealing with the Counterparty, the Parties shall be guided by the HSE Requirements to the exclusion of the non-applicable requirements subject to the corporate restrictions of the Manufacturer.

15.3. In case the HSE Requirements are amended after the date of signing the Contract the parties shall apply such revised HSE Requirements starting from the date of their publication on the SIBUR web site unless any other date is indicated in the revised HSE Requirements.

15.4. The Manufacturer guarantees publication of all revisions of the HSE Requirements on the SIBUR web site on an ongoing basis. The Counterparty shall independently monitor changes in the HSE Requirements on the SIBUR web site and cause its employees and any third parties engaged by the Counterparty for performance of the Contract to become acquainted with any revised HSE Requirements.

15.5. Any failure of the Counterparty and/or any third persons engaged by the Counterparty to adhere to the HSE Requirements shall be a material breach of the Contract and entitle the Seller to claim liquidated damages from the Counterparty in the amount specified in a list of liquidated damages for non-compliance with the HSE Requirements provided in this section, suspend performance under the Contract until any breaches are eliminated or repudiate the Contract with no liability for any losses or damages and compensations to the Counterparty for such repudiation. In case of unilateral repudiation of the Manufacturer the Contract shall terminate on the date of receipt of any notice (claim) by the Counterparty from the Seller.

15.6. When being in the territory of the Manufacturer the Counterparty and any third party engaged by the Counterparty shall be obliged to comply with the transport safety requirements of the Manufacturer.

15.7. The Counterparty acknowledges that on the execution date of the Contract it has read all local bylaws of the Manufacturer related to the HSE and transport safety applicable to performance under the Contract. The Counterparty undertakes prior to commencement of discharge hereof to make all its employees (individuals engaged by the Counterparty under labor contracts) and any third parties involved in performance hereof aware of such local bylaws of the Manufacturer and ensure their compliance with such bylaws.

15.8. If the employees of the Counterparty and/or any third party engaged by the Counterparty fail to comply with the statutory regulations of the Russian Federation or the HSE or transport safety requirements of the Manufacturer (including, when such non-compliance resulted in any damage to property and/or injury to any person in the territory of the Manufacturer) the Manufacturer shall be entitled to remove from the territory of the Manufacturer such employee and/or his/her immediate supervisor (other person) who exercised (expected to exercise) control over the work of such employee and to restrict further access to the territory of the Manufacturer. In such case the Manufacturer shall not indemnify the Counterparty against any losses.

Violations of the Key Safety Rules (hereinafter – the "KSR") (clauses from 15.9 to 15.14 below). The Counterparty shall pay to the Seller liquidated damages amounting to 100,000 rubles per each case of the following:

The Manufacturer shall also be entitled to claim a double of liquidated damages for any non-compliance with the CSR if the Counterparty or any third persons engaged by the Counterparty commit a repeated violation of the same CSR and for each further violation of this particular CSR within the Contract term notwithstanding whether the first violation of the CSR is committed by the Counterparty or any third persons engaged by the Counterparty.

15.9. Concealing any information on major, significant, and high potential incidents, e.g. when the Manufacturer was not informed about an incident within the period established in the clauses from 8.1

15.10. Carrying out any high risk works without a safe work permit;

15.11. Disabling or damage to integrity of interblocks, any blockings, emergency shutdown systems or control safety devices on any operating equipment without permission in writing;

15.12. Showing up in the territory of the Manufacturer intoxicated with alcohol, drugs or other toxic substances. If, at the time when the KSR violation is detected, a worker had already been dismissed and is in the territory of the Manufacturer through the Counterparty's failure to withdraw the entry pass on the date of employment termination the Counterparty shall pay the liquidated damages in full;

15.13. Smoking (including electronic cigarettes) in the territory of the Manufacturer outside the specially designed smoking areas or use of open fire without special permission.

15.14. Working at height without the use of collective protective equipment accepted by the Manufacturer and personal fall protection equipment.

**Violations of the HSE Requirements.**

The Counterparty shall pay to the Seller liquidated damages per each of the following:

15.15. Carrying by or finding on the Counterparty or any third persons engaged by it any alcohol, drugs or other toxic substances in the territory of the Manufacturer – 80,000 rubles.

15.16. Engagement by the Counterparty of any third persons to carry out any contracted scope of works and (or) fulfill any contractual obligations without approval of such third person – 80,000 rubles.

15.17. Finding within the Manufacturer's facilities any workers of the Counterparty or third persons engaged by it performing works without the relevant PPE, with expired or defective PPE, wearing special clothing without their corporate logo or having no PPE outside the PPE free area (excluding the violation according to Clause 15.14) – 30,000 rubles.

15.18. Carrying out any works by workers unqualified for such type of works – 50,000 rubles.

15.19. Breaking of supporting poles, loss of electrical connection, damage to equipment, pipelines or underground utility systems through the Counterparty's fault – 80,000 rubles.

15.20. Non-compliance with the safety requirements when operating load lifting devices – 50,000 rubles.

15.21. Carrying out any works without being briefed (induction, initial, refresher or toolbox), with expired knowledge assessment or without a certificate at a workplace – 30,000 rubles.

15.22. Non-compliance with the safety rules in operation of electricity generating equipment – 50,000 rubles.

15.23. Non-compliance with the safety requirements when performing works at height with scaffolds (excluding the violation according to Clause 15.14) – 30,000 rubles.

15.24. Non-compliance with the safety requirements when performing works at height without scaffolds – 50,000 rubles.

15.25. Non-compliance with the requirements of statutory regulations of the Russian Federation and (or) local bylaws of the Manufacturer on fire safety – 50,000 rubles.



15.26. Non-compliance with the transport safety requirements established by the Manufacturer, including road traffic accidents – 50,000 rubles.

15.27. Non-compliance with any terms established by the Manufacturer to remedy any previously detected HSE or fire safety violations or report on elimination of any HSE or fire safety violations and (or) any HSE or fire safety measures taken – 30,000 rubles.

15.28. Non-compliance with the procedure for management of waste generated during performance of works, including temporary storage of waste other than at designated places, any untimely waste transportation or filling the territory of the Manufacturer with waste – 50,000 rubles.

15.29. Contamination of the Manufacturer's territory with oil products or any other substances adversely affecting the environment, including grey water after vehicle wash – 80,000 rubles.

15.30. Non-compliance of the Counterparty's workers, workers of any third parties engaged by the Counterparty or guests (visitors) of the Counterparty with the restriction on switching on and use of any game apps or programs in any portable electronic devices, including ones with augmented reality technology or geolocation services (such as Pokemon Go, etc.) in buildings, structures, facilities or territory of the Manufacturer – 50,000 rubles.

15.31. Making any unidentifiable subscriptions, forged signatures, enumeration, particulars or any other corrections in any documents (certificates, safe work permits, method statements or other documents) aimed at violating the HSE Requirements – 50,000 rubles.

15.32. Unauthorized access to the territory of the Manufacturer of a worker of the Counterparty, including any previously dismissed workers, whose entry pass was not withdrawn by the Counterparty – 100,000 rubles.

15.33. Provision the Manufacturer with any false information about qualification and position of a worker – 80,000 rubles.

15.34. Carrying out any works at height without scaffolds, any roofing or other works on any building roofs by a worker without 1st, 2nd or 3rd clearance category or having less than 1 year of experience in 1st, 2nd or 3rd category of works at height – 80,000 rubles.

15.35. Non-compliance with the HSE or transport safety requirements of the legislation of the Russian Federation and/or the Manufacturer resulted in death of a person in the territory of the Manufacturer – 500,000 rubles

15.36. Non-compliance with the HSE or transport safety requirements of the legislation of the Russian Federation and/or the Manufacturer resulted in personal injury of any severity level to a person in the territory of the Manufacturer – 250,000 rubles.

15.37. Carrying by the workers of the Counterparty or any third persons engaged by it any mobile devices with explosion-proof class lower than Ex in the Ex areas – 50,000 rubles.

15.38. Non-compliance with the safe work permits requirements or other permissions for carrying out the works, as well as the absence of the permissions (except of the violations listed in Clauses 15.10 and 15.14) – 80,000 rubles

15.39. Violation of legal requirements and requirements of the Manufacturer and/or Seller, including internal local regulations aimed at preventing the spread of COVID-19 infection – 50,000 rubles

**16. Obligations of the Counterparty to comply with the on-site and access regimes of the Manufacturer (section applies for road (truck) transportation only)**

16.1. The Counterparty undertakes to ensure compliance of its employees and any third parties engaged by it with the rules of the on-site and access regimes in force in the territory of the manufacturer, including:

A. availability at the disposal of the employees of the Counterparty and any third persons engaged by it of documents allowing access to the territory of the Manufacturer and bringing in/out any goods and materials; and

B. compliance with requests of the security staff of the Manufacturer to adhere to the access and on-site regimes.

16.2. The Counterparty, its employees and any third parties engaged by it shall be prohibited from:

A. passing/driving to the Manufacturer's territory and entering into/exiting from the same, as well as bringing in/out of the territory of the Manufacturer any goods and materials without documents allowing access to the territory of the Manufacturer and bringing in/out any goods and materials;

B. giving any documents allowing access to the territory of the Manufacturer and bringing in/out any goods and materials issued by the Manufacturer to any third persons;

C. passing/driving to the territory of the Manufacturer with any firearms, gas spray guns or bladed weapons, any highly flammable, explosive or toxic substances and keeping any of the above in the territory of the Manufacturer;

D. entering into the territory of the Manufacturer with any large-sized hand items; and

E. taking photo, video or audio in the territory of the Manufacturer without the prior consent from the Manufacturer.

16.3. The territory of the Manufacturer shall be comprised of indoor premises in buildings and structures of the manufacturer, such buildings and structures of the Manufacturer, as well as any fenced roads and sites, whether used in any production operations of the Manufacturer or not, any sites and land plots on which the Counterparty or any third persons engaged by it are present during performance of the obligations under any Contract with the Manufacturer, any parking areas, entrances and passages to the Manufacturer's facilities, entry control points of the Manufacturer, as well as a territory of a manufacturer of SIBUR Holding in which the Counterparty or any third persons engaged by it are present during performance of the obligations under any Contract with the Manufacturer.

16.4. The Counterparty acknowledges that on the execution date of the Contract it has read all local bylaws of the Manufacturer related to the on-site and access regimes applicable to performance under the Contract. The Counterparty undertakes prior to commencement of discharge hereof to make all its employees (individuals engaged by the Counterparty under labor contracts) and any third parties involved in performance hereof aware of such local bylaws of the Manufacturer and ensure their compliance with such bylaws.

16.5. For each violation of the rules of the on-site and access regimes the Counterparty shall be obliged to pay to the Seller liquidated damages in amount of 30,000 rubles.

16.6. Any failure of the Counterparty and/or any third persons engaged by the Counterparty to adhere to the rules of the on-site and access regimes shall be a material breach of the Contract and entitle the Seller to repudiate the Contract with no liability for any losses or damages and compensations to the Counterparty for such repudiation. In case of any unilateral repudiation of the Seller the Contract shall terminate on the date of receipt of any notice (claim) by the Counterparty from the Seller.