



**NORNICKEL**

Appendix

**APPROVED**  
**by resolution of the Board of Directors**  
**of PJSC "MMC "Norilsk Nickel"**  
**No. GMK/31-pr-sd of September 18, 2017**

**Anti-Corruption Policy of PJSC MMC Norilsk Nickel**

## **Contents**

1. Policy scope .....	3
2. Regulatory references.....	4
3. Terms, definitions and abbreviations .....	6
4. Anti-corruption principles .....	8
5. Scope and participants of anti-corruption management.....	9
6. Rules, requirements and restrictions of anti-corruption management and activities .....	12
7. Responsibility .....	19

## 1. Policy scope

1.1. This Anti-Corruption Policy of MMC Norilsk Nickel (the "Policy") is the basic document of MMC Norilsk Nickel (the "Company") pertaining to anti-corruption activities and identifying key objectives, principles and areas of anti-corruption activities of the Company.

1.2. The Policy was developed in accordance with the current legislation of the Russian Federation, applicable laws, the Company Charter and other internal documents of the Company.

1.3. The Policy is aimed at prevention, detection and elimination (minimisation) of the causes and conditions that give rise to corruption, compliance with applicable anti-corruption laws, moulding of anti-corruption mentality characterised by intolerance to corrupt practices on the part of employees, shareholders, members of the Board of Directors and the Management Board of the Company, and the Company's contractors.

1.4. The main objectives of this Anti-Corruption Policy are as follows:

- mould corporate anti-corruption mentality in shareholders, contractors, members of the Board of Directors and the Management Board, and the Company's employees, including common understanding of the Company's position to reject corruption in all its forms and manifestations;
- minimise the risk of involvement of the Company, members of the Board of Directors and the Management Board, the Company's employees (regardless of their position), organisations within the Company's corporate structure ("OCS"), the Company's contractors and other persons acting on behalf of the Company in corrupt activities;
  - prevent corruption and ensure liability for corrupt practices;
  - compensate for damage caused by corrupt practices;
  - conduct regular anti-corruption monitoring, including monitoring of the adequacy and efficiency of implemented anti-corruption measures;
  - make sure that employees of the Company are required to be aware of, and comply with, the applicable anti-corruption laws and this Policy.

1.5. The Policy's provisions, principles and requirements are mandatory for the Company's Board of Directors and Management Board and for all employees.

1.6. The Policy applies to the Company's representatives and contractors, including foreign public officials and officials of public international organisations. The respective responsibilities shall be stipulated in agreements made with them, in their internal documents, or expressly provided by applicable laws.

1.7. Russian organisations within Norilsk Nickel Group's corporate structure ("ROCS NN") adopt their own anti-corruption policies that are in line with this Policy.

1.8. The Company takes all the necessary and reasonably possible steps to cause OCS to comply with the key principles and requirements of this Policy.

1.9. This Policy is to be referred to in combination with the Company's commercial, environmental, social and governance policy regulations.

1.10. The Company complies with all applicable laws of the Russian Federation and other countries where it operates, as well as with applicable international laws and its internal regulations.

1.11. The Company maintains timely and accurate reporting on the progress of implementing anti-corruption measures and initiatives at all ROCS NN. The Company presents this information in its annual reports and annual corporate social responsibility reports.

1.12. The Company regularly updates and improves this Policy to keep it in line with the international standards.

Those who have information on future or past cases of corruption are asked to call the Corporate Trust Service:

Tel.: +7 800 700 19 41; +7 800 700 19 45

E-mail:skd@nornik.ru

## 2. Regulatory references

UN General Assembly Resolution No. 58/4 dated 31 December 2003	United Nations Convention against Corruption
Ratified in Strasbourg on 27 January 1999, came into force in the Russian Federation on 1 February 2007	Criminal Law Convention on Corruption
Federal Law No. 40-FZ dated 8 March 2006	On Ratifying the United Nations Convention against Corruption
Federal Law No. 125-FZ dated 25 July 2006	On Ratifying the Criminal Law Convention on Corruption
Federal Law No. 273-FZ dated 25 December 2008	On Combating Corruption
Federal Law No. 115-FZ dated 7 August 2001	On Anti-Money Laundering and Combating the Financing of Terrorism
Decree No. 147 of the President of the Russian Federation dated 1 April 2016	On the National Anti-Corruption Plan for 2016–2017
The Financial Action Task Force (FATF), February 2012	International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation (the FATF Recommendations)

<p>Adopted on 15 November 2003 by Resolution No. 22-15 of the 22<sup>nd</sup> Plenary Session of the Interparliamentary Assembly of Member Nations of the Commonwealth of Independent States</p>	<p>Fundamentals of Anti-Corruption Legislation (model law)</p>
<p>Developed by the Ministry of Labour and Social Protection of the Russian Federation on 8 November 2013</p>	<p>Guidelines for Development and Adoption of Measures by Organisations to Prevent and Combat Corruption</p>
<p>Adopted by the Chamber of Commerce and Industry of the Russian Federation, Delovaya Rossiya All-Russian Public Organisation, the All-Russian Association of SMEs (Opora), and the Russian Union of Industrialists and Entrepreneurs on 20 September 2012</p>	<p>Anti-Corruption Charter of the Russian Business</p>
<p>Minutes No. GMK/62-pr-sd dated 29 December 2012</p>	<p>Code of Business Conduct of MMC Norilsk Nickel</p>
<p>Minutes No. GMK/27-pr-sd dated 11 September 2014</p>	<p>Directors' Code of Corporate Conduct and Business Ethics</p>
<p>P GMK-NN 13-012 2007</p>	<p>Charity Regulation of MMC Norilsk Nickel</p>
<p>P GMK-NN 112-004-2015</p>	<p>Regulation on the Prevention and Management of Conflicts of Interest at MMC Norilsk Nickel</p>
<p>P GMK-GO 112-001-2017</p>	<p>Regulation on the Conflict of Interest Commission at the Head Office of MMC Norilsk Nickel</p>
<p>P GMK-NN 112-003-2015</p>	<p>Regulation on Business Gifts</p>
<p>P GMK-GO 112-001-2016</p>	<p>Procedure for Anti-Corruption Due Diligence on Internal Documents at the Head Office of MMC Norilsk Nickel</p>

### 3. Terms, definitions and abbreviations

3.1. The following terms (as defined below) are used herein:

3.1.1. **Anti-corruption activities:** activities of Policy stakeholders aimed at identification, study, restriction or elimination of the causes and conditions contributing to corrupt practices (factors) and conflicts of interest.

3.1.2. **Anti-corruption monitoring:** monitoring of the Company's anti-corruption activities to evaluate their effectiveness; assess and forecast corruption factors and signals; analyse and evaluate the data obtained as a result of observation; and develop projections of the future status and trends.

3.1.3. **Anti-corruption clause:** a section in contractual documents that provides for implementation by the Company of anti-corruption measures and development of anti-corruption practices.

3.1.4. **Anti-corruption expert appraisal** activities to prevent the approval of draft documents that contain provisions contributing to the creation of conditions for corrupt practices; and to identify and remove such provisions from the effective documents.

3.1.5. **Facilitation payments:** payments made to government officials for the purpose of securing or expediting the performance of a routine governmental action or public service within the scope of their responsibilities (for example, payments aimed at expediting the issue of licences, permits, visas, etc.). Facilitation payments are not the same as official charges, the information on which is publicly available.

3.1.6. **Bribing:** bribing officials, foreign officials or officials of a public international organisation in person or through an intermediary (Article 291 of the Criminal Code of the Russian Federation).

3.1.7. **The sole executive body of a ROCS NN:** a person managing daily operations of the Russian entity that is part of the Norilsk Nickel Group.

3.1.8. **Abuse of power:** the use of his/her powers by a person performing managerial functions in a commercial or other organisation against the legitimate interests of the organisation and in order to derive benefits and advantages for him/herself or others, or to cause damage to others, if this act results in material damage to the rights and legitimate interests of individuals or organisations or legally protected public or national interests (Article 201 of the Criminal Code of the Russian Federation).

3.1.9. **Conflict of interest:** a situation in which personal interest (direct or indirect) of the Company's employee affects or may affect proper performance of his or her official duties, and in which a conflict between personal interests of employees of the Company and the rights and legitimate interests of the Company arises or may arise, which could result in damage to the interests of the Company.

3.1.10. **Commercial bribery:** illegal transfer to a person performing managerial functions in a commercial or other organisation of money, securities, or other property, provision of property-related services, provision of other property rights for actions (or inaction) in the interests of the transferor in connection with the position occupied by such person. Illegal receipt by the person performing

managerial functions in a commercial or other organisation of money, securities, or other property, and illegal use of property-related services, or other property rights for actions (or inaction) in the interests of the transferor in connection with the position occupied by such person (Article 204 of the Criminal Code of the Russian Federation).

**3.1.11. Corruption (in commercial organisations):** bribery, abuse of power, commercial bribery or other illegal use by employees of their position against the legitimate interests of the Company in order to obtain benefits in the form of money, valuables or other property or property-related services, other property rights for themselves or for a third party or illegal provision of such a benefit to such person by other individuals, as well as acting in such a manner on behalf of or for the benefit of a legal person.

**3.1.12. Corruption practices (factors):** actions (inaction) of the Company's employees, governance bodies of the Company and third parties; provisions of the Company's internal documents containing signs of corruption or provoking its manifestations.

**3.1.13. Assisting in bribery:** direct transfer of a bribe on behalf of the bribe-giver or bribe-taker, or any other assistance to the bribe-giver and/or bribe-taker in conclusion or execution of an agreement between them to give or take a bribe.

**3.1.14. Assisting in commercial bribery:** direct transfer of a commercial bribe (illegal payment) on behalf of the person giving the commercial bribe or the one taking it, or any other assistance to these persons in conclusion or execution of an agreement between them to give or take a commercial bribe.

**3.1.15. Pre-conflict situation:** a situation in which the members of the Board of Directors or the Management Board of the Company, the Company's employees or representatives while performing their official or professional duties may have personal interest that could lead to a conflict of interest.

**3.1.16. Representative office:** a standalone business unit of the Company located outside the Company's place of business and established to represent and protect its interests.

**3.1.17. Business unit:** a subdivision of MMC Norilsk Nickel performing certain processes, functions, or work, and participating in the economic activity of MMC Norilsk Nickel, but lacking economic independence within the framework of civil law.

**3.1.18. Anti-corruption unit of the Company's Head Office:** Corporate Relations Department.

**3.1.19. Anti-corruption unit of a branch / representative office:** a business unit of a branch / representative office of MMC Norilsk Nickel responsible for the implementation of anti-corruption procedures, designated by the order of the director of the branch / representative office of MMC Norilsk Nickel.

**3.1.20. Branch:** a separate division of the Company located outside of the Company's place of business and performing all of its functions or any part thereof, including the function of a representative office.

**3.2. This Policy uses the following terms and abbreviations:**

Head Office	MMC Norilsk Nickel's Head Office
Company HR Services	business units or officials responsible for employing the Company's employees
Code of Business Conduct	Code of Business Conduct of MMC Norilsk Nickel
Directors' Code of Corporate Conduct and Business Ethics	The Code of Corporate Conduct and Business Ethics of the members of the Board of Directors of MMC Norilsk Nickel
OCS	Organisations within the Company's corporate structure that are not part of the Norilsk Nickel Group
OCS NN	Organisations within the corporate structure that are part of the Norilsk Nickel Group
Anti-Corruption Officer of the Company	First Vice President for Corporate Governance, Asset Management and Legal Affairs at MMC Norilsk Nickel
ROCS NN	Russian organisations within the corporate structure that are part of the Norilsk Nickel Group
Management Board of MMC Norilsk Nickel	Management Board
Security Services	Corporate Security Unit of the Company's Head Office and security and access control functions (including deputies/advisers to heads) of business units, branches / representative offices and OCS NN.
Board of Directors of MMC Norilsk Nickel	Board of Directors

#### **4. Anti-corruption principles**

The Company relies on the following principles in its anti-corruption activities:

4.1. Zero tolerance for corruption in any shape or form in operations and strategic projects, including when interacting with the Company's employees, members of the Board of Directors and the Management Board, shareholders, contractors, representatives of third parties, government authorities, local self-government, political parties, and other persons.

4.2. Minimisation of running risks of establishing business relationships with counterparties which may be involved in corruption or tolerant to corruption.

4.3. Top-down approach, wherein the members of the Company's Board of Directors / Management Board and top executives set ethical standards of irreconcilable opposition to any form and examples of corruption across all levels by personal example.

4.4. Priority of corruption prevention measures.

4.5. Zero tolerance to vesting privileges and immunities that limit responsibility or complicate prosecution of employees / certain groups of employees of the Company involved in corruption.

4.6. Zero tolerance for limitation of access to information on instances of corruption and anti-corruption actions.

4.7. Monitoring and control. The Company monitors internal anti-corruption procedures, follows up compliance and improves them on a regular basis.

## 5. Scope and participants of anti-corruption management

5.1. The anti-corruption management process covers corruption practices (factors), conflicts of interest and corresponding risks.

5.2. The anti-corruption management process includes identification, assessment, restriction and/or removal of contributing causes and preconditions for corruption and conflicts of interest.

5.3. The participants of the anti-corruption management process include:

- Board of Directors;
- President of the Company;
- Anti-Corruption Officer of the Company;
- anti-corruption unit of the Company's Head Office;
- Company HR Services;
- anti-corruption units of the Company's branches / representative offices;
- Security Services;
- heads of the Company's branches and representative offices;
- sole executive bodies of ROCS NN.

5.3.1. As a participant of the anti-corruption management process, the Company's **Board of Directors** is responsible for determining key strategic priorities in countering corruption and following up related activities.

5.3.2. As a participant of the anti-corruption management process, the **President of the Company** is responsible for organising activities aimed at ensuring implementation of the requirements and principles of this Policy.

5.3.3. As a participant of the anti-corruption management process, the **Anti-Corruption Officer** of the Company is responsible for the following aspects of the process:

- providing methodological support for implementation of the requirements and principles of this Policy;
- ensuring compliance of the Company's anti-corruption activities with the legal requirements, including the set up of compliance activities and controls within the relevant area of expertise;
- controlling activities of the anti-corruption business unit of the Company's Head Office.

5.3.4. As a participant of the anti-corruption management process, **the anti-corruption unit of the Company's Head Office** is in charge of the following functions:

- organising measures to ensure implementation of the requirements and principles of this Policy and develop anti-corruption mentality;
- organising measures to detect, assess and prevent corruption practices and conflicts of interest both within the applicable area of expertise and in accordance with the Company's internal procedures;
- interacting with business units and standalone business units (branches / representative offices) of the Company within the scope of activities included into this Policy, in accordance with applicable functional responsibilities;
- coordinating the process of identifying corruption risks inherent in the Company's operations within the applicable area of expertise and in accordance with the Company's procedures;
- following up (including field audits, if required) the Company's compliance with the principles of this Policy on a selective basis;
- conducting corruption risk audits of the Company's internal documents;
- monitoring anti-corruption measures and activities implemented under the Policy;
- developing and updating the Company's anti-corruption regulations;
- interacting with federal and municipal government authorities, research and education organisations and other persons (individuals or legal entities) with respect to anti-corruption issues within the applicable area of expertise and in accordance with the Company's procedures;
- monitoring the applicable anti-corruption legislation;
- updating this Policy and implementing additional activities if the Policy is ineffective or additional legal requirements are introduced;
- drafting an annual report on implementation of anti-corruption activities based on the results of monitoring;
- organising disclosure of information on anti-corruption activities through openly accessible sources determined in the Company's internal documents.

5.3.5. As participants of the anti-corruption management process, **the Company's HR Services** are in charge of the following functions:

- organising the signing of addenda to employment contracts that set out anti-corruption responsibilities and penalties for the employee's failure to comply with the requirements;
- organising support during employee training sessions within the applicable scope of competencies and in accordance with the procedures set out in the Company's internal documents;
- carrying out other functions as part of anti-corruption activities within the applicable scope of competencies and in accordance with the procedures set out in the Company's internal documents.

5.3.6. As participants of the anti-corruption management process, **anti-corruption units of the Company's branches / representative offices** are in charge of the following functions:

- implementing activities aimed at preventing and countering corruption in the corresponding branch / representative office;
- interacting with the business units of the branch / representative office to ensure implementation of the Policy;
- identifying corruption risks specific to the area of operations of the branch / representative office;
- conducting anti-corruption audits of the internal documents of the branch / representative office;
- updating the anti-corruption internal documents of the branch / representative office;
- summarising and analysing the results of corruption prevention activities implemented by the branch / representative office;
- preparing reports on anti-corruption performance and on the results of anti-corruption audits of the internal documents of the branch / representative office and submitting the same to the anti-corruption unit of the Company's Head Office in accordance with the procedures set out in the Company's internal documents;
- providing information on the progress of implementing the Policy to the anti-corruption unit of the Company's Head Office upon request;
- performing other functions to meet the goals and objectives set out in the Policy or in orders of the director of the branch / representative office.

5.3.7. As participants of the anti-corruption management process, the Company's **Security Services** are in charge of the following functions:

- combating contractors' attempts to involve the employees of the Company and OCS NN in corruption;
- vetting the candidates to the vacant positions in the Company's Head Office and, as per the corporate procedures, candidates to the managing positions in the branches and representative offices of the Company and OCS NN within the applicable scope of competencies and in accordance with the procedures set out in the Company's internal documents;
- gathering primary information on corruption practices occurring among or in relation to the Company's employees and initiating appropriate response measures;
- classifying the identified actions (inaction) of the employees of the Company, its governance bodies or third persons as corruption practices;
- organising official investigations on reported cases of illicit corruption activity;
- keeping records of corruption practices and measures taken in respect of the detected cases of corruption, informing the Company's anti-corruption unit of the same;
- identifying corruption risks within the applicable scope of competencies and in accordance with the procedures set out in the Company's internal documents.

- filing statements with law enforcement authorities to initiate criminal prosecution of persons suspected of the above illicit activities and supporting investigation of such criminal cases;
- cooperating with law enforcement authorities on other issues associated with corruption prevention within the appropriate area of expertise and in accordance with the Company's internal procedures;
- carrying out other functions as part of anti-corruption activities within the appropriate area of expertise and in accordance with the procedures set out in the Company's internal documents.

5.3.8. As participants of the anti-corruption management process, **heads of the Company's branches and representative offices** are in charge of ensuring implementation of and compliance with the principles and requirements of this Policy and related documents as part of the branch or representative office operations, taking into account specific organisational structure matters, including the appointment of relevant officers.

5.3.9. As participants of the anti-corruption management process, **sole executive bodies of ROCS NN** are in charge of the following functions:

- introducing local anti-corruption policies at ROCS NN in compliance with the requirements and provisions of this Policy;
- ensuring compliance of the operational activities of ROCS NN with the provisions and principles of this Policy.

## **6. Rules, requirements and restrictions of anti-corruption management and activities**

In its efforts to combat corruption, the Company determines a number of key areas of its anti-corruption policy that are subject to the following restrictions and regulations:

### **6.1. Anti-corruption audits**

6.1.1. The Company conducts anti-corruption audits of internal documents to verify compliance with anti-corruption requirements and eliminate any corruption drivers.

6.1.2. The corruption drivers in internal regulatory documents or drafts of such documents include:

- unreasonable scope of discretionary powers or excessive application of exceptions from general rules (missing or ambiguous deadlines, missing decision-making criteria; missing or incomplete procedure regulations; overlapping executive authority; dispositive (inconsistent or ambiguous) authority to take specific actions; risks of introducing unjustified exceptions from established procedures; risks of random (unjustified) changes in the scope of rights; and excessive blanket comments and references);
- unspecific requirements contributing towards corruption (lack of clear regulations, use of ambiguous definitions and evaluative categories (legal phrasing ambiguity)).

6.1.3. The anti-corruption unit of the Company's Head Office develops principles and procedures for anti-corruption audits of documents and provides methodological support during such audits.

## 6.2. Procurement

To ensure fair competition, public awareness and transparency in addition to preventing corruption and abuse of office during the procurement process, the Company introduces an anti-corruption procurement system, which is regulated by its internal documents and is based on:

- careful planning of materials consumption;
- public disclosure of procurement information;
- development of a competitive environment to promote greater economic efficiency of the Company's spending associated with procurement of goods, works and services and implementation of cost saving measures;
- equality, fairness and no discrimination or unjustified restrictions with regard to bidders;
- fair and justified selection of best proposals through a comprehensive cost-benefit analysis (primarily focused on the price and quality of the product) based on objective criteria and market research results;
- prevention of corruption, conflicts of interest and other abuse of office during procurement procedures.

## 6.3. Anti-corruption monitoring

6.3.1. The Company's anti-corruption monitoring process covers the activities carried out under this Policy, as well as identified corruption cases and means of handling them.

6.3.2. The main elements of the anti-corruption monitoring process include:

- review and analysis of the results of anti-corruption audits of the Company's internal documents;
- assessment of employee sentiment on the state of corruption in the Company and effectiveness of anti-corruption measures;
- assessment of the progress in implementing anti-corruption activities outlined in the Company's internal documents;
- analysis and review of reports on corruption incidents; assessment and forecasts with regard to factors contributing to corruption and signs thereof;
- analysis of corruption reports and complaints of individuals and legal entities;
- review and assessment of the Company's anti-corruption activities.

## 6.4. Review and disclosure of information concerning potential corruption incidents

6.4.1. The Company promotes information transparency in its anti-corruption efforts.

6.4.2. The Company aims to create an effective system for review and resolution of corruption reports, including capability to respond within the time limits provided by the Russian law and the Company's internal documents.

6.4.3. The Company receives corruption reports from its employees, contractors and other parties (both individuals and legal entities) using interactive media for communicating with the claimants (including the Corporate Trust Service helpline, mail, in-person meetings, etc.) and reviews them or passes them to dedicated Commissions at the Company's Head Office, branches, representative offices and ROCS NN.

6.4.4. The Company aims to create an array of effective measures to verify information on potential corruption incidents, and if confirmed, to mitigate (minimise) their effect and root causes.

6.4.5. The Company carries out internal investigations of suspicious activities or corruption incidents under applicable legislation and in accordance with the procedures set out in its internal documents.

#### 6.5. Managing conflicts of interest

6.5.1. The Company takes measures to ensure compliance with the requirements of corporate ethics (including the provisions of the Code of Business Conduct and Directors' Code of Corporate Conduct and Business Ethics), corporate governance and conflict of interest resolution.

6.5.2. The Company takes measures to avoid conflicts of interest and prevent direct or indirect monetary or personal gain resulting from abuse of office by the Company's employees or members of their families, including close relatives (parents, spouses, children, brothers, sisters, as well as brothers, sisters, parents, children of spouses and spouses of children).

6.5.3. The Company aims to prevent and resolve in a timely manner pre-conflict situations among its employees.

6.5.4. The Company develops sanctions that may be applied to the employees in connection with their illicit actions in the context of a conflict of interest.

#### 6.6. Contractor relations

6.6.1. The Company seeks to establish business cooperation with contractors that comply with this Policy and are committed to anti-corruption activities,

6.6.2. The Company reinforces anti-corruption principles by including an anti-corruption clause in its contracts with contractors.

6.6.3. The Company refuses to provide any incentive for contractor employees, including monetary incentives, gifts, unpaid work (services), etc., that makes such employees in any way dependent or aims to persuade such employee to take specific actions for the benefit of the Company.

6.6.4. The Company aims to ensure transparency of its financial interactions with contractors and supports the Government's policies aimed at mitigating the adverse effect of offshore jurisdictions on the national economy.

6.6.5. If the Company has reason to believe that a contractor does not comply with anti-corruption principles stipulated in this Policy, the Company shall cooperate

with and assist the contractor in becoming compliant. If after a reasonable amount of time the contractor shows no willingness to comply, the Company shall evaluate possible contractual actions including termination.

#### 6.7. Forming the Company's senior management team

Approval of candidates to senior management positions and removal of employees from such positions shall be carried out taking into account compliance of such candidates with this Policy.

#### 6.8. Participation in charity and sponsorship activities

6.8.1. The Company's charity activities are carried out to support charity programmes, projects, and initiatives implemented nationwide and in all regions where the Company, its branches and ROCS NN (OCS NN) operate to build and promote the Company's positive public image of a socially responsible organisation and to ensure a favourable social environment for its development. Social investments are made to build up local capacity in education, culture and infrastructure, promote human rights, transparency and anti-corruption efforts, and support economic development in the local community.

6.8.2. The Company does not finance or sponsor charity projects directly or through OCS NN or its employees to obtain or retain a business advantage.

6.8.3. The Company complies with transparency requirements of the applicable legislation and the Company's internal documents during implementation of charity and sponsorship activities. The Company ensures that all payments made in the course of its charity activities are properly recorded in the accounts (including for tax purposes) and avoids confidentiality clauses in sponsorship agreements to be able to publicly disclose all charitable donations and sponsorships.

6.8.4. The Company's website and other mass media are used to disclose information concerning the Company's charity and sponsorship activities.

6.8.5. The Company does not tolerate charitable contributions, sponsorships and social investments if they are used as a disguise for bribery.

6.8.6. The Company avoids donations and sponsorships that may be perceived as political contributions.

#### 6.9. Involvement in politics

6.9.1. The Company does not provide funding, on its own or through its ROCS NN (OCS NN), or employees of the Company or ROCS NN (OCS NN), to any political parties or public associations to obtain or retain a business advantage.

6.9.2. The Company's employees can join public associations such as political parties, public organisations, social movements, public foundations, public institutions, mass organisations or other non-profit organisations established in accordance with the applicable Russian laws, as well as international public associations that are not established in order to obtain or retain a business advantage for the Company.

6.9.3. The Company's employees engaged in the aforementioned public associations may not offer, confer, promise or make payments, contribute property, present gifts, etc. on behalf of the Company with a view to obtaining or retaining a business advantage for the Company.

6.9.4. A political or public position of an employee cannot be regarded as a political or public position of the Company.

6.9.5. In accordance with the applicable Russian laws and regulations, the Company's employees shall be solely responsible for participating in public associations.

6.10. Government cooperation, promotion of justice and the rule of law

6.10.1. The Company is guided by the principle of mutual responsibility of business and government, and the need for coordinated and targeted joint effort to prevent corruption.

6.10.2. The Company does not pay, on its own or through ROCS NN (OCS NN), or employees of the Company or ROCS NN (OCS NN), any expenses (cash remuneration, loans, services, entertainment, recreation, transportation expenses and other remuneration) incurred by or for the benefit of government officials and their close relatives to obtain or retain a business advantage for the Company.

6.10.3. In its government relations, the Company, its employees and governing bodies comply with the applicable laws (including anti-corruption laws).

6.10.4. When interacting with the government officials, the Company's employees shall comply with this Policy.

6.10.5. In accordance with the applicable Russian laws, the Company's employees shall be solely responsible for corruption practices when interacting with government officials.

6.10.6. The Company assists law enforcement agencies in identifying and investigating any cases of corruption.

6.10.7. The Company considers illegal means of interaction with representatives of government authorities, including the promise of a bribe and/or facilitation payment, payment of a bribe and/or facilitation payment or granting of any undue advantage or benefit, to be unacceptable.

6.10.8. The Company opposes money laundering attempts, reports dubious transactions to competent authorities, and takes other measures required to counter money laundering.

6.11. Interaction with ROCS NN (OCS NN)

By exercising its shareholder/member/founder rights in accordance with the applicable Russian laws, the Company uses corporate governance procedures to implement and enforce anti-corruption policies similar to this Policy across ROCS NN and make all necessary and reasonably practicable efforts to ensure compliance of its OCS NN with the fundamental principles and requirements hereof.

6.12. Financial control

6.12.1. The Company and its employees are prohibited from engaging intermediaries or other third parties to carry out any actions that contradict the principles and requirements hereof or the applicable anti-corruption laws.

6.12.2. The Company ensures the implementation of procedures for checking intermediaries or other third parties with a view to preventing and/or identifying

violations described above to mitigate and prevent risks of involving the Company into corruption practices.

6.12.3. The Company establishes and maintains effective internal controls and conducts regular audits of internal control systems to ensure compliance with anti-corruption requirements.

6.12.4. The Company oversees the documentation of business operations, which is required for the purpose of accounting (financial) statements, in order to prevent and identify the following violations:

- unofficial (double) reporting;
- failure to record or properly record transactions;
- recording of non-existent costs;
- recognition of incorrectly identified liabilities;
- deliberate destruction of accounting records and other documents prior to the date prescribed by law.

### 6.13. Gifts and entertainment expenses

6.13.1. Gifts and entertainment expenses, including business hospitality provided by the Company's employees, members of the Board of Directors and the Management Board to third parties, or received by them from third parties, shall comply with all of the following criteria:

- be directly related to the Company's legitimate purposes, e.g. a presentation, successful transactions, public holidays such as Christmas, the New Year, International Women's Day, dates of significance and anniversaries;
- be reasonable, adequate, not of a luxury type;
- not constitute a disguised fee for services, act, omission, connivance, patronage, empowerment, adoption of certain decisions on a transaction, agreement, licence, permit, etc. or an attempt to influence the recipient for any other illegal or unethical purpose;
- not pose a reputational risk to the Company, its employees or other persons, should the information about such gifts or entertainment expenses be disclosed;
- comply with the principles and requirements of this Policy and other internal documents of the Company and applicable laws.

6.13.2. Employees of the Company are prohibited from accepting gifts or other tokens of appreciation that may influence their good faith and independent performance of their duties or make such an impression. Should an employee of the Company be offered or receive such a gift, he/she shall politely decline it and refrain (if possible) from further contacts with the person offering a gift inconsistent with the requirements set by the Company's internal documents.

6.13.3. Only persons directly involved with the Company may participate in hospitality events. Catering during business meetings is in line with global business communication practices provided it is of reasonable frequency and cost. Should an employee of the Company be invited to a major hospitality event, he/she shall first obtain consent from the superior as taking part in such an event may involve the risk

of violating the principle of good faith performance of duties or assume that the employee shall provide hospitality in return.

6.13.4. The structure of administrative expenses (including entertainment expenses, budgets for hospitality events, officials entitled to incur entertainment, travel and corporate mobile service expenses) and the procedure for their formalisation and payment, as well as the procedure for recording gifts and voluntary medical insurance are provided for in the Company's relevant internal documents.

6.13.5. No gifts to third parties on behalf of the Company, its employees and representatives in the form of money (cash or non-cash), money equivalent (traveller's cheques and others), any securities (checks, shares, bonds, options), or in other similar forms are allowed.

6.13.6. Should an employee have doubts about the gift acceptability, he/she shall consult the superior. Should the value of an expensive gift become known only after its receipt, an employee should consider returning it to the presenter.

#### 6.14. Prevention of corruption, legal awareness and promotion of lawful behaviour

6.14.1. The Company provides training to its employees and promotes their active involvement in anti-corruption programmes, including for the purposes of fostering a corporate anti-corruption mindset. The training programmes are tailored to the trainees' tasks and job duties and are reviewed from time to time to improve their effectiveness.

6.14.2. With a view to promoting a negative attitude towards corruption, the Company develops and implements measures to raise anti-corruption awareness, including social advertising and visual aids.

6.14.3. The Company has in place and keeps improving the Preventing and Fighting Corruption section on the corporate website and the corporate intranet portal containing information on the Company's anti-corruption regulations, initiatives, preventive procedures, and efforts to create legal awareness and promote lawful behaviour.

6.14.4. The Company conducts induction training for newly hired employees under this Policy and documents related hereto, conducts surveys and tests among employees to identify their attitude towards corruption.

6.14.5. The Company develops and implements measures to promote compliance with anti-corruption requirements.

6.14.6. The Company does not impose sanctions (including dismissal, demotion, deprivation of a bonus) against its employee reporting suspected corruption or refusing to pay a bribe or make a facilitation payment, commit commercial bribery, assist in bribery/commercial bribery or other corruption offence, even if the Company lost profit or commercial and competitive advantages as a result.

6.14.7. The Company uses various means to encourage employees to provide confirmed information on corruption in the Company.

6.14.8. The Company requires that its employees, irrespective of their positions, comply with this Policy within the scope of their responsibilities, and informs them of the key principles, requirements and sanctions for its violations. All employees of the

Company shall be guided by this Policy and strictly comply with the principles and requirements set out herein, as well as in the subsequent documents. Each employee of the Company shall sign a commitment (agreement) on compliance with the principles and requirements hereof and the anti-corruption laws in the form approved by the respective order of the Company's President.

6.14.9. The Company develops and implements corporate sanction mechanisms for corruption practices.

6.14.10. Compliance with principles and requirements of this Policy by the Company's employees is taken into account when building the talent pool for promotion to higher positions.

## **7. Responsibility**

7.1. The Anti-Corruption Officer of the Company is in charge of establishing the monitoring framework for compliance with the Policy and ensuring its proper functioning.

7.2. The head of the business unit of the Company's Head Office is responsible for the timely introduction of amendments to this Policy.

7.3. Heads of branches/representative offices of the Company are responsible for compliance with and implementation of this Policy's principles, rules, requirements and limitations by employees of the relevant branch/representative office.

7.4. Heads of human resources functions of the Company are responsible for anti-corruption addenda to employment contracts signed with the Company's employees.

7.5. Members of the Board of Directors and the Management Board and all employees of the Company shall be liable for corruption practices regardless of their positions. The liability for corruption practices in the Company includes criminal, administrative, civil and disciplinary liability in accordance with applicable laws and corporate sanctions in line with the Company's internal documents and employment contracts.