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Internal Regulations on Prevention and Combating Involvement in Corruption Activities

of Rosneft Marine (UK) Limited

Version 1.00

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INTRODUCTORY PROVISIONS

INTRODUCTION

The Internal Regulations on Prevention of and Combating Involvement in Corruption Activities of Rosneft Marine (UK) Limited (hereinafter: “Policy” or “Regulations”) is an internal document establishing a set of interrelated principles, procedures and specific actions aimed at prevention of and combating involvement in corruption activities and observation of anti-corruption legislation of England and Wales as well as any other country where Rosneft Marine (UK) Limited (hereinafter: the Company) is or may be present, including the anti-corruption legislation of the USA.

This Regulations are developed in compliance with the Bribery Act 2010 (the UK) and the Foreign Corrupt Practices Act 1977 (FCPA) (the USA).

POLICY OBJECTIVES

The Policy objectives are as follows:

- Advise employees, management, and any other persons of the principles and key requirements of the applicable anti-corruption legislation under English law and in compliance with the basic principles of the FCPA and international conventions;
- Summarize and explain any measures taken within the Company to minimize the risks of the Company’s involvement in corruption;
- Establish information channels for notification regarding any instances of corruption;
- Establish an obligation whereby Company’s employees must comply with the principles and requirements of applicable anti-corruption laws.

SCOPE OF APPLICATION

This Policy shall be binding on:

- employees of the Company;
- Company’s management;
- members of governing bodies of the Company (if any).

These Regulations shall serve as guidelines for the employees of affiliated companies of Rosneft and/or of the Company.

The requirements of this Policy shall become binding on Rosneft Subsidiaries and affiliates, and on any other entity with direct or indirect Rosneft participation, once the relevant entity puts the same into effect in keeping with such entity's charter and subject to the procedure established within such entity.

The Company executing any contracts with businesses performing work for/rendering services to the Company and/or Rosneft and/or any Rosneft Subsidiary shall include a provision on full compliance

with the principles and full observance of the requirements found in applicable anti-corruption law.

All employees, management and members of governing bodies (if any) of the Company, regardless of the position they hold, shall be personally responsible for observing the principles and requirements of this Policy, and for any actions/inaction of their subordinates in breach of the above principles and requirements.

Any person guilty of breaching the requirements of these Regulations may be held liable for disciplinary, administrative, civil, or criminal penalties imposed by the Company, law enforcement agencies, or any other persons subject to such procedure and based on such grounds as contemplated the applicable legislation, local regulations, and any employment agreement.

Any directive, internal regulatory documents or any other valid Company's Internal Regulations must be consistent with this Policy.

EFFECTIVE TERM AND AMENDMENT

This Policy is an internal regulatory document of continuous effect.

The Regulations shall be approved by the Company's Director pursuant to a Written Resolution of the Sole Director.

This Policy can be annulled pursuant to a decision made by the Company's Director in the form of Written Resolution.

This Policy may be amended pursuant to a Written Resolution duly signed and executed by the Company's Director.

This Policy shall be amended in the following cases: variation of the applicable law, changes in the organizational structure or executive powers.

The responsibility for keeping this Policy updated within the Company shall be vested with the Company's In-house Legal Counsel.

Responsibility for preventive control over corruptive and any other violations shall be vested with the Company's Director.

Compliance with the requirements of this Policy shall be monitored by the Company's Director.

1. TERMS AND DEFINITIONS

APPLICABLE LAW – statutory provisions of English law, in particular, UK Bribery Act 2010, as well as USA Foreign Corrupt Practices Act 1977 (FCPA), and any other legislative and regulatory acts of any foreign nations wherein the Company is or may be present.

CONFLICT OF INTERESTS - any situations and circumstances whereby personal interests of an employee or his kith and kin and/or family members contradict or may contradict Company's interests and, therefore, affect or may affect proper performance of his official duties, including objective decision-making in discharge of his duties as well as any situations and circumstances likely to harm the rights, lawful interests, property and/or business reputation of the Company and/or Rosneft and/or any Rosneft Group Entity.

CORPORATE COMPLIANCE SYSTEM – a set of preventive and proactive measures aimed at avoiding any violation of law, industrial requirements and the Company's internal regulatory documents, in order to ensure professional and ethic excellence, minimize the risk of violation of law and avert significant financial damage or loss of reputation.

CORRUPT ACTIONS (CORRUPTION) - offer, representation, promise, solicitation, or acceptance of bribes, bribery intermediation, payments in order to simplify administrative, bureaucratic and other formalities, and/or in order to gain a financial or any other advantage, as made in any form including by way of cash, other valuables, services and/or provision/receipt of unjustified tangible or intangible benefit to/from any persons/entities, including government and public representatives, private companies, and politicians.

COUNTERPARTY - any legal entity or individual with whom the Company, Rosneft or a Rosneft Group Entity enters into contractual relationship, save for relationship of employment.

DUE CARE - a principle based on the notion of reasonableness and good faith, as formulated in law, whereby the Company and its employees are responsible for business transactions or management decisions, including responsibility for obtaining, prior to establishment of any contractual relations, sufficient information to develop a reasonable opinion on whether any indications exist to show that a counterparty or a jobseeker lack integrity.

EMPLOYEE - an individual who entered into employment relationship with the Company.

EMPLOYEE'S PRIVATE INTERESTS - any personal, social, pecuniary, financial, political, and other interests of an employee or those of his kith and kin.

FAMILY MEMBERS – Employee's spouse, minor children, including adoptees.

GOVERNMENT REPRESENTATIVE:

- A person who, on a continuous or temporary basis or under special authorization, serves as a representative of any government or municipal authority;
- A person who, on a continuous or temporary basis or under special authorization, performs organizational, directive, administrative or business functions within a government agency,

- an agency of a local government, a government or municipal institution;
- Any candidate/applicant to fill a municipal office or any government or municipal service position, including a government office;
 - Any foreign official;
 - Any official of an international agency.

GROUP ENTITY - any subsidiary, controlled company, or company wherein Rosneft holds a direct or indirect equity interest.

KITH AND KIN - spouses, children (adults and minors), including adoptees, brothers and sisters (both full-siblings and half-siblings), parents and adopters of a Company employee.

INTERNAL REGULATORY DOCUMENT – an official internal document, issued as a set of long-acting rules regulating certain aspects of the Company’s business, binding on the employees as stipulated in the document. Internal regulatory documents shall be approved by the Director, within the terms of reference as specified in the Charter.

POLITICIAN - a person professionally engaged in politics, including any political party official.

PUBLIC ENTITY - any form of:

- Public association (or international public organization (including of interstate and supra-state nature), trade union, social movement, fund, institution, political party, and other form of public association);
- Non-profit organization (association/union, non-profit partnership, autonomous non-profit institution, self-regulating organization, and any other form of nonprofit organization).

REPRESENTATIVE OF A PUBLIC ENTITY:

- Any official or employee of a public entity;
- Any candidate/applicant to fill a position with a public entity.

ROSNEFT – OJSC Oil Company “Rosneft”.

**Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine or feminine, as the context requires.*

2. DESIGNATIONS AND ABBREVIATIONS

COMPANY – Rosneft Marine (UK) Limited.

COMPANY MANAGEMENT – an individual or a group of senior executives, employees of the Company, in charge of relevant areas of the Company's operation.

GROUP ENTITY - a group of legal entities having various legal and institutional formats, including Rosneft, where the latter directly or indirectly acts as the parent company or dominant/holding company.

MASS MEDIA – means of mass communication.

ROSNEFT SUBSIDIARY – a business entity where Rosneft holds a direct and/or indirect share or equity stake equal to or exceeding 20%.

ROSNEFT GOVERNING BODIES –Rosneft General Shareholder Meeting, Rosneft Board of Directors, Rosneft Management Board, Rosneft President.

ROSNEFT TOP MANAGEMENT – an individual or a group of employees performing higher level management of the company.

STRUCTURAL UNIT – a structural unit of Rosneft or Rosneft Subsidiary, with certain functions, objectives and liability within its terms of reference as defined by the Structural Unit Regulations.

3. BASIC PROVISIONS

3.1. COMPANY'S GOALS IN PREVENTION OF AND COMBATING INVOLVEMENT IN CORRUPTION ACTIVITIES

- to implement the corporate compliance system in order to prevent and combat the Company's involvement into corruption activities;
- to ensure order in the Company's operation by establishing uniform rules and requirements aimed at building a common understanding among the employees and management of Rosneft and Rosneft Subsidiaries, shareholders, investment community and others, of the Company's zero tolerance to corrupt actions in any form or manifestation;
- to ensure compliance of the Company's operation with anti-corruption legislation of England and Wales, the USA and any other country where the Company is or may be present.

3.2. COMPANY OBJECTIVES IN PREVENTION OF AND COMBATING INVOLVEMENT IN CORRUPTION ACTIVITIES

- to establish controls in order to prevent and combat the Company involvement in corruption activities;
- to implement mechanisms of applying basic principles of prevention and combating the Company's involvement in corruption activities;
- to standardize and regulate procedures for prevention and combating the Company's involvement in corruption activities;
- to protect shareholder interests, to ensure proper assessment of counterparties and analysis of their anti-corruption procedures, and also, to prevent and eliminate the conflict of interests.

4. LEGAL AND METHODOLOGICAL BASIS OF THIS POLICY

4.1. LEGAL FUNDAMENTALS OF THE POLICY

Any activities of the Company and actions of its employees in any country of the world must comply, inter alia, with anti-corruption UN Conventions, the UK Bribery Act (2010), the USA Foreign Corrupt Practices Act 1977 (FCPA); such activities must also be consistent with the requirements of any other legislative and regulatory acts of any foreign states wherein the Company is or may be present.

This Policy has been construed under the principles and rules found in the following regulations:

- United Nations Convention against Corruption (adopted in New York on October 31, 2003 by Resolution 58/4 of the 51st Plenary Meeting at the 58th Session of the UN General Assembly);
- Criminal Law Convention on Corruption (made in Strasburg on January 27, 1999 vide ETS No. 173, and ratified by RF Federal Law No. 125-FZ dated July, 2006);
- UK Bribery Act 2010 that received assent of the UK Parliament and H.M. Queen Elizabeth II on April 8, 2010 and came into effect as of July 1, 2011;
- US Foreign Corrupt Practices Act 1977 (FCPA).

4.2. METHODOLOGICAL FUNDAMENTALS OF THIS POLICY

Methodological fundamentals of this Policy include:

- Recommendations of UK Ministry of Justice on Building and Implementing a System of Adequate Procedures to Comply with the UK Bribery Act 2010, as published on March 30, 2011;
- Resource Guide on the US Foreign Corrupt Practices Act adopted on November 14, 2012;
- The 2010 UK Bribery Act Adequate Procedures Guidance on Good Practice Procedures for Corporate Anti-Bribery Programs, by Transparency International;
- ICC Rules on Combating Corruption;
- Transparency International Anti-Corruption Plain Language Guide 2010.

5. KEY PRINCIPLES OF PREVENTION OF AND COMBATING INVOLVEMENT IN CORRUPTION ACTIVITIES

5.1. ZERO TOLERANCE FOR CORRUPTION IN ANY FORMS OR MANIFESTATIONS

The Company follows the principle of zero tolerance for corruption in any forms or manifestations in the context of its operations, investments, and other activities.

The principle of zero tolerance for corruption means that Company's employees, members of the Company's management and other persons acting for and/or on behalf of the Company are strictly prohibited from taking part, directly or indirectly, personally or through any intermediary, in any corrupt action regardless of business practices prevailing in any country in which the Company operates.

The Company emphasizes that any corrupt action, including an apparent conflict of interest, is unacceptable, whether involving any government representative, public entity representative, foreign public official, private company, politician, or other third party, or involving any Company's employee that may abuse his office for personal benefit.

Should an employee have doubts on whether his actions are lawful and compliant with this Policy, he should consult the immediate superior or the business ethics/legal officer regarding such matter.

The Company reserves the right to publicize information regarding any persons who may have breached the requirements of the applicable law or this Policy.

5.2. UNAVOIDABLE PUNISHMENT

The Company declares zero tolerance to any forms or manifestations of corrupt activities across all levels of corporate governance. It shall investigate all reasonably founded information relating to a breach of established procedures of combating involvement in corrupt activities and shall hold any and all guilty parties to account, regardless of their position, length of service, status within the Company, or other relationship with the same, subject to any procedure established by the applicable law.

The Company shall use its best reasonable and lawful efforts to put an end to any violation as soon as possible after such violation becomes known to the Company.

5.3. LEGALITY

The Company strictly complies with the laws of England and Wales as well as laws of other countries applicable to the Company's operations. Any action or inaction of the Company related to prevention of and combating involvement in corrupt activities shall be consistent with the rules of applicable law.

5.4. SENIOR EXECUTIVE TONE

All senior officials (top management) of the Company shall declare zero tolerance for any forms or manifestations of corruption across all levels; they shall demonstrate, implement, and observe it in real life.

5.5. REGULAR ASSESSMENT OF RISKS OF INVOLVEMENT IN CORRUPT ACTIONS

The Company shall identify, assess and, on a regular basis, reassess corruption-related risks inherent to its potentially vulnerable business processes. In identifying and assessing risks, the Company shall take into account all information regarding any activities or plans, including those related to investments or strategy, insofar as such information may be available at the time of such assessment or reassessment.

5.6. CONSISTENCY AND PROPORTIONALITY OF PROPER PROCEDURES

The Company shall develop and implement a system of adequate procedures to prevent and combat involvement in corruption activities. The Company shall seek, to the greatest extent possible, to make such procedures transparent, clear, feasible and reasonably consistent with any risks that may have been identified.

5.7. DUE DILIGENCE PRINCIPLE

Before resolving to commence or continue any business relationship, the Company shall conduct appropriate due diligence procedures in relation to any counterparties and/or agents and/or any candidates for employment in relation to their good faith, intolerance for bribery and corruption, and in relation to possible conflict of interests.

Due diligence shall be conducted using a risk-based approach taking into account the location of Company's business, its nature, the level of perceived risk the Company may be exposed to.

5.8. AWARENESS AND TRAINING

The Company shall publish this Policy, which shall be freely accessible on its website, and shall declare zero tolerance for corruption.

The Company shall use its reasonable efforts to inform and advise relevant counterparties regarding the principles and rules of applicable law, this Policy, and any other internal regulations on combating involvement in corrupt activities, including, by way of training of Company's management, all Company's employees and, when necessary and expedient, the counterparties, in fundamentals of the Company's Policy for prevention of and combating involvement in corrupt activities.

5.9. MONITORING AND SUPERVISION

The Company shall monitor any adequate procedures that are/have been implemented to prevent and

combat involvement in corrupt actions and shall supervise compliance with the same.

The Company's Director shall oversee special examination (investigation) of potential events of corporate fraud, corruption and any other unethical practices of Company's employees, establish control over the operation of a warning system of potential corrupt activities of the Company's employees and any other persons associated with the Company and/or Company's operations, and also, assess the Company's activities assigned by Rosneft executive bodies within the framework of such system.

The Director shall have an unequivocal commitment to the rigorous implementation and compliance with the Company's Policy.

This Policy shall be implemented in all Company's branches (if any), Representative Offices and/or subsidiaries.

5.10. IMPROVEMENTS TO THE SYSTEM OF ADEQUATE PROCEDURES

The Company calls on its employees and any third party stakeholders to give an earliest possible notice of their suspicions regarding potential breaches and violations of any provisions found in this Policy; it also encourages them to propose recommendations and measures for improving the system of prevention and combating involvement in corrupt actions. Such messages may be conveyed using the following means:

- under the suspected fraud reporting program to the Rosneft Security Hotline on condition of anonymity (via email to sec_hotline@rosneft.ru, or by telephone to : 8-800-500-25-45);
- to Company's Director;
- to the Employee's line manager or a senior manager.

The employees shall have to report in writing to their line managers or to the Company's Director, within the shortest time possible, about any requests from any persons trying to induce them to corruption.

The employees shall know and be assured that they will suffer no demotion, penalty, or other adverse consequences for refusing to pay bribes and/or be involved in any other corrupt activities even if the Company incurs losses by way of losing any prospective business and/or transaction, as stipulated in section 5.11 hereunder.

The Company will hold responsible, in accordance with the legally established procedure, any persons failing to disclose the information of any requests to them from any persons trying to induce them to corruption.

The Company guarantees confidentiality to all employees and other persons that report any violations of this Policy.

5.11. WAIVER OF REPRISALS AND SANCTIONS

No sanctions shall apply to a Company's employee for:

- refusal to give or receive a bribe, to engage in commercial bribery, or to act as a bribery intermediary, even though, as a result of such refusal, the Company may have incurred losses, including by way of lost profits, or have failed to obtain any commercial and/or competitive advantage, or
- reporting in good faith on presumed violations or instances of corruption, other abuses or ineffectiveness of existing supervisory procedures.

In case a Company's employee or any other person furnishes knowingly false information or seeks to obtain any personal benefit that is contrary to the Company interests, such person may be held liable in accordance with the existing legislation.

5.12. INTERACTION AND COORDINATION

The Company shall ensure coordination of the actions of all departments and/or units concerned and also, their cooperation with the federal and local authorities and law enforcement bodies in relation to investigation of the Company's alleged involvement in corruption activities.

6. KEY PROVISIONS OF THE PROGRAM FOR PREVENTION OF AND COMBATING INVOLVEMENT IN CORRUPTION ACTIVITIES

This Policy is applicable to the following activities in particular.

6.1. GIFTS AND ENTERTAINMENT

The Company recognizes the exchange of business gifts and entertainment, including for the purpose of business hospitality, as a necessary element of doing business and a generally accepted business practice. Reasonable proportional and *bona fide* hospitality or promotional expenditure procedures are an established part of doing business, and are further detailed in the appropriate Internal Regulations of the Company.

The Company shall use all means to encourage an atmosphere of honesty and transparency in regard to business gifts and business entertainment expenses.

At the same time, the Company believes that this area is vulnerable in terms of involvement in corruption activities. Therefore, all such actions carried out for the Company or on its behalf, must meet the following criteria:

- full compliance with the rules of applicable law, the Code of Business Ethics, and other internal regulations of the Company;
- lack of any direct or indirect purpose to influence any decisions to be made by government representatives, public officials, foreign public officials, private companies, politicians, or other persons that may have an impact on whether Company and/or Rosneft and/or any of the Company's or Rosneft's subsidiaries retain or expand their business;
- such actions shall not imply any obligation to the giver or the provider/coordinator of business hospitality events;
- such actions shall not give rise to any reputational or other risks to the Company, employees or other persons should information regarding such gifts or entertainment expenses be disclosed; or
- such actions shall not involve any banknotes or bank account funds, securities, precious metals, or other forms or equivalents of cash.

All expenditures for the purpose of business gifts and business hospitality must be approved by the Company's management.

The procedure of business gifts and business entertainment approval shall be established in the relevant internal regulations.

Should any doubt arise if a business gift or event is in compliance with this Policy, the relevant employee shall consult his/her direct superior or In-house Legal Counsel on the matter.

6.2. CHARITABLE CONTRIBUTIONS, SPONSORSHIPS AND FINANCIAL AID

The Company shall not provide any charitable contributions, sponsorships, or financial aid with a direct or indirect corrupt purposes of influencing decisions to be made by government representatives, public officials, foreign public officials or other persons, if such decisions have an impact on whether the Company could retain or expand its business, or if such aid may be objectively perceived as an attempt to exert such influence.

The Company will conduct due diligence on proposed contributions, using a risk-based approach, to ensure that the money will not be used for the corrupt purposes.

6.3. PARTICIPATION IN POLITICAL ACTIVITIES

The Company shall not participate in any political activities with a direct or indirect purpose of obtaining business advantage and/or influencing the decisions of government representatives, public entity representatives, public officials, foreign public officials or other persons, if such decisions have an impact on whether the Company could retain or expand its business, or if such participation may be objectively perceived as an attempt to exert such influence.

Information regarding any expenses associated with participation in political activities shall be open to the public.

The Company shall not give preference to any political forces or organizations nor sponsor any political party. The Company's employees shall always notify their management of their intent to run for a political post, in order to avoid any conflict of interests.

Any political contribution made by an employee of the Company acting in a personal capacity must be at the sole discretion of the individual, and the Company shall not reimburse the individual in any way for making such contribution.

6.4. INTERACTION WITH COUNTERPARTIES; PAYMENTS THROUGH INTERMEDIARIES AND PAYMENTS INTENDED FOR ANY OTHER THIRD PARTIES

The Company shall refrain from engaging any intermediaries, agents, partners, or other persons acting for or on behalf of the Company for the purpose of committing actions that violate the principles and requirements of this Policy. The Company shall also refrain from participation in any joint ventures that may involve or could bring to violation of this Policy or that create a reputation risk to the Company, its employees, or any other person.

Prior to resolving to commence or continue cooperation with an intermediary, agent, partner, or any other counterparty or to begin or continue its participation in a joint venture, the Company shall:

- gather, analyze, and check information regarding potential counterparties and co-venturers in relation to their reputation, compliance with the principle of zero tolerance for corruption and freedom from any conflict of interests;
- carry out preliminary checks of potential counterparties (beneficiaries of the deal) at the stage preceding entering into contractual relations with such counterparty, in terms of the source of cash, and the bank and jurisdiction where the money is transferred from, in order to prevent and

combat legalization (laundering) of illegally gained income;

- advise the counterparties as regards the principles and requirements of this Policy.

The Company shall encourage its joint ventures and agents to adopt internal policies on combating involvement in corrupt activities similar to this Policy.

When the Company enters into contractual relations with the counterparties, warranties and representations shall be included into the contracts as well as commitments to comply with the applicable anti-bribery and anti-corruption laws and Policies.

The Company shall stipulate in its contracts that the Company reserves the right to terminate any contract with a counterparty or a co-venturer should it find that such counterparty/ co-venturer has committed any corrupt action.

6.5. ACTIONS WITHIN MERGER AND ACQUISITION TRANSACTIONS

In the course of mergers and acquisitions the Company shall:

- conduct the (anti-corruption) security screening before/after the deal;
- disclose, on a voluntary basis, any violations detected, to relevant regulatory bodies;
- introduce anti-corruption control into the companies acquired.

6.6. INTERACTION WITH GOVERNMENT REPRESENTATIVES OR FOREIGN PUBLIC OFFICIALS

The Company shall refrain from paying any expenses of government representatives or public officials or foreign public officials, or any expenses of their kith and/or kin or from making any payment in their interests, including receipt of any tangible or other benefit by the same at the Company's expense, for a direct or indirect purpose of obtaining any business advantage.

6.7. ACCOUNTING

The Company shall strictly comply with the applicable law and any reporting and accounting requirements. Any business transactions not reflected in the Company's accounts, any misstatement or fraudulent manipulation of accounting records, managerial reporting, other records or supporting documents might be regarded as corporate fraud and shall be investigated subject to a procedure established by the Company's internal regulations and/or policies.

6.8. SUPERVISION AND AUDIT

The Company shall ensure that its internal controls, such as the accounting system and management accounts, are regularly examined by way of external audit; and that compliance with applicable laws and the Company's internal regulations, including the principles and requirements established by this Policy as well as the requirements of the Money Laundering Regulations, are duly monitored.

Given that the Company may be held liable for any corrupt activities involving its employees, counterparties, or any other persons acting for and on behalf of the Company, all reasonable suspicions that a corrupt action may have been committed shall be thoroughly investigated subject to a procedure established in the Company's internal regulations.

6.9. PERIODICAL REVIEW OF ANTI-CORRUPTION POLICIES AND PROCEDURES

The Company shall periodically monitor its anti-bribery and anti-corruption policies and procedures using a risk-based approach, as well as monitor the staff adherence to such policies and procedures in order to avoid any risks of creating corruption-friendly circumstances.

7. RISK MANAGEMENT IN THE AREA OF INVOLVEMENT INTO CORRUPTION ACTIVITIES

Table 1
Risk Management in the Area of involvement into corruption activities

№	RISK	RISK MATERIALIZES WHEN:	CORRECTIVE AND PREVENTIVE ACTIONS
1	2	3	4
1	Risk that the system for prevention of and combating involvement in corruption activities may be non-compliant with anti-corruption requirements of the applicable law		
1.1	Risk that Company's employees and/or counterparties may commit corrupt actions for Company or on its behalf.	<p>Number of instances involving non-compliance with the Company's policy and procedures in the area of prevention and combating involvement in corruption activities.</p> <p>Number of reports published by media and other open sources regarding suspected corrupt activities allegedly performed for the Company or on its behalf.</p>	<p>The leadership shall communicate anti-corruption principles and the system of adequate procedures; this shall include advising Company's employees of the provision and requirements of this Policy, and provision of employee training courses to explain the system of adequate procedures adopted by the Company to prevent and combat involvement in corruption activities.</p> <p>Conduct internal audits; process reports received as part of whistleblower programs and other measures intended to identify, within the Company, potential breaches of the anti-corruption procedures mandated by the Company's internal regulations.</p> <p>Implement other measures contemplated by internal regulations that govern the procedure for prevention and combating involvement in corrupt activities; implement general measures to improve the system of internal controls.</p>
1.2	Risk of sanctions following investigation of the Company by law enforcement authorities of the UK, the Russian Federation or other countries whose anti-corruption laws apply to the Company.	<p>Number of investigations initiated against the Company or its subsidiaries or controlled companies by law enforcement authorities of the UK, the Russian Federation or other countries whose anti-corruption rules apply to the Company.</p> <p>Number of instances identified where the risk of corrupt actions by Company's employees and/or counterparties acting for the Company or on its behalf may have materialized.</p> <p>Number of reports published by mass media and other public sources regarding suspect corrupt actions of any legal entities investigated by law enforcement authorities of the UK, the Russian</p>	<p>Implement a system of adequate procedures established in the Company's internal regulations that govern the procedure of prevention of and combating involvement in corrupt activities, and by other local regulations that prescribe the Company's control procedures in the area of prevention and combating involvement in corrupt activities.</p> <p>Monitor the case law and other information provided by regulatory authorities on the cases of non-compliance with applicable anti-corruption laws.</p> <p>Monitor implementation of proper procedures and delivery of training in the Company, its Representative Office (RO) and its counterparties, and preparation of the Company's and its RO's reports on implementation of such procedures, and relevant training (including the</p>

№	RISK	RISK MATERIALIZES WHEN:	CORRECTIVE AND PREVENTIVE ACTIONS
1	2	3	4
		Federation or other countries whose anti-corruption rules apply to the Company.	questionnaires signed by the Company's employees upon completion of the training courses).

The Internal Regulations on Combating Involvement in Corruption Activities in its entirety are approved and endorsed as of 30 October 2015:

Iurii Khaitarov, Director