

APPROVED

by Resolution of the Board of Directors
of JSC INK-Capital
Minutes No. 119 dated December 29, 2021

**RISK
AND BUSINESS CONTINUITY MANAGEMENT
POLICY
OF JSC INK-CAPITAL**

Revision 3

Irkutsk

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I. GENERAL PROVISIONS

- 1.1 The Mission of JSC INK-Capital and companies of the Group (as defined below), is aimed at the sustainable development of Eastern Siberia and its residents. JSC INK-Capital and companies of the Group cherish the life and health of people, as well as the unique nature of their regions of operation. Moreover, JSC INK-Capital and companies of the Group are aware of the consequences of potential negative events that may have an impact on business, society and the environment, therefore they take a responsible approach to risk management and business continuity, working proactively and building a proactive culture.

JSC INK-Capital and companies of the Group consider the risks associated with threats to life and health of people, environmental pollution, corruption, and fraud unacceptable, and make every effort to comply with legal requirements and apply best practices in the field of occupational safety, to ensure safe working conditions and protect the life and health of each employee, to reduce the negative impact on the environment and ensure rational use of available resources.

- 1.2 The Risk and Business Continuity Management Policy of JSC INK-Capital (hereinafter referred to as the Policy) is a basic document that defines the goals, objectives and key principles of risk and business continuity management (hereinafter referred to as R&BCM) of JSC INK-Capital and companies of the Group.

The Policy is based on the best world practices, meets all requirements of the Russian law and takes into account the provisions of the Corporate Governance Code recommended by the Bank of Russia.

- 1.3 Selection of the main areas for development of R&BCM in JSC INK-Capital and companies of the Group, coordination of activities and methodological support of the structural divisions and companies of the Group on risk management issues is carried out by the Risk and Business Continuity Management Center of JSC INK-Capital. Implementation of R&BCM principles in business processes is carried out by the deputy general directors for a respective area of activity of OOO Irkutsk Oil Company (a subsidiary of JSC INK-Capital, main operating company of the Group) and by directors of companies of the Group.

The description of the R&BCM functioning process is set out in separate internal acts and regulations.

II. TERMS AND DEFINITIONS

- 2.1 For the purposes of the Policy, the following terms and definitions are used:

Term	Definition
companies of the Group	Companies that constitute the same group with JSC INK-Capital in accordance with laws of the Russian Federation.
Company, JSC INK-Capital	Joint Stock Company INK-Capital.
Policy	This Risk and Business Continuity Management Policy of the Company.

Term	Definition
Board of Directors	The Board of Directors of the Company.
R&BCM	Risk and business continuity management.

III. SCOPE OF APPLICATION

3.1 The Policy contributes to implementation of the Mission and long-term goals of JSC INK-Capital and companies of the Group, inter alia, in the field of sustainable development. The Policy is an integral part of the management system of JSC INK-Capital and applies to JSC INK-Capital and companies of the Group. This Policy applies to all employees, employees hired under a fixed-term employment contract, top managers, members of the Board of Directors, as well as to all counterparties, contractors, and partners.

IV. GOALS

4.1 The key goals of R&BCM are:

- reducing the likelihood of risk occurrence;
- avoiding unacceptable harm from risk occurrence and interruption of business processes;
- maintaining long-term stability and ensuring business continuity of JSC INK-Capital and companies of the Group;
- timely adaptation of JSC INK-Capital and companies of the Group to changes in the internal and external environment;
- ensuring efficient use of resources and realizing potential;
- providing management and the Board of Directors with reasonable assurance of the goals achievement.

V. OBJECTIVES

5.1 To achieve the above goals, the following objectives are set:

- development of a risk and business continuity management culture at all levels of management;
- identification, analysis and assessment of risks arising at all organizational levels, development and implementation of activities for risk reduction;
- standardization and regulation of key procedures in the field of R&BCM;
- carrying out analysis of downtime impact on business processes;
- availability of workable plans to ensure the continuity of critical business processes and their resources;
- conducting training in the field of R&BCM, as well as practicing recovery skills in case of operational risks occurrence and interrupting business processes;
- introduction of a mechanism for calculating justified financing of resources that ensure recovery strategies;
- identification of processes that require modernization due to increased vulnerability to operational risks and interruption events.

VI. PRINCIPLES

Implementation and development of R&BCM in JSC INK-Capital and companies of the Group is achieved through adherence to the following key principles:

6.1 Goal achievement

R&BCM contributes to the achievement of goals by timely detecting and reducing the impact of negative events, as well as ensuring the continuity of business processes.

6.2 Integration

R&BCM is not a stand-alone activity. R&BCM is part of the management system and an integral part of the decision-making process. R&BCM is integrated into key business processes.

6.3 Consistency

R&BCM is a consistent, regular process and takes a structured approach to risk analysis and management, which enhances achievement of comparable and reliable results.

6.4 Flexibility

R&BCM is flexible to changes in goals and business processes, external and internal environment. Response to changes contributes to the continuous improvement of the activities of JSC INK-Capital and companies of the Group.

6.5 Prevention

R&BCM aims to prevent potential losses. That is why risk management actions are first of all aimed at cause prevention, and then at mitigating the consequences.

6.6 Readiness

Managers of different levels are responsible for ensuring that their departments are ready to take risks through the development, testing and regular training under business continuity plans.

6.7 Leadership and interest

Top management and managers of different levels shall demonstrate leadership in R&BCM.

6.8 Involvement

Each employee of JSC INK-Capital and companies of the Group is involved in the R&BCM process.

6.9 Justification

R&BCM helps decision makers make justified choices, prioritize actions, and distinguish between alternative courses of action.

6.10 Rationale

Decisions on the implementation of R&BCM measures are made taking into account their economic efficiency, necessity and sufficiency, taking into account the external and internal environment factors and risk appetite.

6.11 Responsibility

All employees of JSC INK-Capital and companies of the Group are responsible for the timely identification of risks, their analysis, development and implementation of risk management measures and notification of all stakeholders about the risks that affect achievement of the goals set.

VII. FINAL PROVISIONS

7.1 The Policy, as well as all amendments and additions thereto, are approved by resolution of the Board of Directors.

7.2 If, as a result of any changes in the laws and statutory acts of the Russian Federation, the Company Charter, or on other grounds, some clauses of the Policy shall be deemed invalid, unenforceable or void, such clauses cease to be in force, and until the relevant amendments are introduced into the Policy, JSC INK-Capital, companies of the Group, and stakeholders shall act in accordance with applicable laws and statutory acts of the Russian Federation, and the Company Charter.