

**REGULATIONS**  
**IQ-CHem OPEN CONTEST OF INNOVATIVE PROJECTS IN THE FIELD**  
**OF CHEMISTRY AND NEW MATERIALS**  
**2016-2017**

## **1. Purpose. General Provisions**

- 1.1. IQ-CHem is an open contest of innovative projects in the field of chemistry and new materials.
- 1.2. IQ-CHem (the “Contest”) is organized by SIBUR Holding PJSC (the “Organizer”) and specifically its Corporate Research and Development Function in cooperation with a number of the Company’s partners. SIBUR Holding PJSC organizes and finances the Contest supporting various arrangements made and promotion thereof and organizing special nominations as well. Other partners of the Contest ensure support in compliance with terms and conditions made available in Exhibit 1 hereto and various addenda.
- 1.3. These Regulations shall be considered a principal document governing organization and holding of the Contest. They define terms and conditions to be complied with when holding the Contest, criteria of appraisal and selection of innovation projects submitted for participation in the Contest and requirements to the documents made available as appropriate. These Regulations shall be made publicly available at [www.iq-chem.com](http://www.iq-chem.com).
- 1.4. The Contest will be held for the purpose of identifying the best product and process innovations and supporting their further commercialization and employment in the business carried out by SIBUR Holding PJSC and partners of the Contest.

## **2. Terms and Definitions**

- 2.1. “Expert Advisory Council” shall mean a board involving representatives of SIBUR Holding PJSC and other partners as well as experts responsible for selecting applications submitted by the Contest participants.
- 2.2. “Jury” shall mean a board involving representatives of SIBUR Holding PJSC and other partners as well as experts and responsible for deciding the winners in the Contest finals. The Jury Chairman shall be appointed by the Organizer. The Jury shall make the foregoing decision by voting in person.
- 2.3. “Mentor” shall mean an expert invited by the Organizer or partners of the Contest to supervise the projects and ensure development and/or more competent representation thereof at the Contest events.
- 2.4. “Semifinalist” shall mean a project owner or team qualifying through a remote selection procedure effected by the Expert Advisory Council and invited to participate in the online presentation for the purpose of a more detailed appraisal.
- 2.5. “Finalist” shall mean a project owner or team qualifying through the appraisal procedure held as part of the online presentation and invited to participate in the mentoring session prior to the Contest finals and the finals as well.
- 2.6. “Themes of the Contest” shall mean the themes defined by the Organizer. The following themes have been defined by the Organizer:
  - Innovative technologies and products in the field of basic monomers, production and use of custom chemicals
  - Innovative technologies and products in the field of gas processing and transportation

- Innovative technologies and products in the field of production and use of new plastics and elastomers
- Modern equipment and technological solutions for higher operative efficiency of chemical and technological processes

### **3. Contest Targets and Mission**

- 3.1. Promoting the image of SIBUR Holding PJSC as a leader of the innovative development of the chemical industry in Russia.
- 3.2. Enhancing involvement of scientists, students, developers and businessmen or businesswomen in the innovative activities in the field of chemistry and new materials.
- 3.3. Supporting the most promising innovative projects by way of mentorship, expert involvement or sponsorship (i.e. prizes, orders placed by SIBUR Holding PJSC and its partners, investments and further support of development by SIBUR Holding PJSC and its partners).
- 3.4. Strengthening of relations as between business and science represented by higher educational establishments acting as partners.
- 3.5. Strengthening of relations with industry partners of SIBUR Holding PJSC.
- 3.6. Training and seeking talented professionals for the chemical industry.
- 3.7. Implementing corporate social responsibility programs for the benefit of SIBUR Holding PJSC.

### **4. Participation**

- 4.1. Any project owner or team is allowed to participate in the Contest subject to availability of an innovative project falling in the area of interests of SIBUR Holding PJSC (chemistry and petro-chemistry) or partners of the Contest. There is no age or territorial restriction applicable to participants.
- 4.2. Each participant shall submit his or her application for participation in the Contest (the “Application”) using a dedicated form posted to [www.iq-chem.com](http://www.iq-chem.com). Subject to preservation of the general content of the presentation any minor deviation from the pre-approved format is allowed. Any other document either giving proper explanations or showing the project concept (i.e. business plan, project financial model, description of the current project implementation stage and results obtained (if any), video recordings etc) may be attached to the Application, if necessary.
- 4.3. Any participant qualifying to the Contest finals and residing outside Moscow or the Moscow Region may be paid an allowance covering traveling and accommodation costs related to participation in the Contest finals. An economy class air ticket with the price thereof not exceeding Six hundred (USD 600.00) or Five hundred (USD 500.00) US dollars for participants from Asia and other contents (accordingly) shall be paid. A three-star hotel accommodation is subject to indemnification as well. The Organizer may at the discretion thereof revise the foregoing restrictions in relation to any relevant participant qualifying to the finals.

4.4. Any participant shall be entitled to:

- Obtain any information having regard to terms and conditions and procedures of the Contest
- Apply to the Organizer for any explanation required in terms of these Regulations
- Submit and register his or her Application for participation in the Contest
- Revoke his or her Application by notifying the Organizer by e-mail at least 5 calendar days prior to date of expiration of the application term
- Participate in any event involving all participants of the Contest as provided by applicable rules and regulations
- Pick up an award and be issued any respective certificate if he or she is declared the winner or prizor of the Contest

4.5. Any participant shall be obliged to:

- Review the scope of the Contest and requirements applicable to participants
- Submit promptly his or her Application as provided by these Regulations
- Make his or her project presentation to the Expert Advisory Council (once qualifying to the semi-finals) and the Jury (once qualifying to the finals)
- Comply with these Regulations

4.6. Liabilities of the Contest Participants

Each participant shall be held liable for any of the following:

- Disclosure of unreliable information in his or her Application
- Failure to comply with terms and conditions, procedures and due dates provided by these Regulations
- Infringement of intellectual property rights, including but not limited to, when collecting proper data and materials

Upon any of the foregoing violations the Organizer shall be entitled to exclude any respective person or team from participation in the Contest. A notice of disqualification from the Contest shall be served with any relevant participant by e-mail.

## **5. Contest Procedures and Appraisal Criteria**

5.1. For more details having regard to the dates, time and program of events scheduled to be held as part of the Contest please visit [www.iq-chem.com](http://www.iq-chem.com). For more details as to the Contest and applications already submitted by the participants see as well the Contest Web pages at Facebook.com, Linkedin.com, VK.com or Instagram etc.

5.2. For the purpose of ensuring better processing of the applications submitted by the participants individual sessions involving the relevant mentors are held. Learning sessions are arranged by SIBUR Holding PJSC and Contest partners and supported by the Company.

5.3. The winners are selected in the following three rounds:

5.3.1. Applications shall be submitted on or prior to March 1, 2017.

5.3.2. The projects shall be selected and those qualifying to the semifinals declared by the Expert Advisory Council on or prior to March 31, 2017.

5.3.3. The 2nd selection round shall be held on or prior to April 10, 2017 preceded by online presentations. A list of those qualifying to the finals shall be made. Subsequently, the finalists shall be invited to participate in the online learning session held from April 10 to April 20, 2017. The overall number of finalists shall not exceed 20. The Contest partners shall be allowed to select additional semifinalists.

5.3.4. The finals shall be held on June 6, 2017. The Jury will declare the winners and award the prizes.

5.5. The dates specified in Clause 5.3 hereof may be revised by the Organizer by a notice posted to the Contest official Web page at [www.iq-chem.com](http://www.iq-chem.com).

5.6. Each decision made by the Jury shall be entered in the minutes of the Jury meeting. Any decision as aforesaid shall be made by voting followed by a meeting involving the Jury members held for the purpose of discussing the same. The Jury Chairman shall have the second and casting vote, if the vote is a tie. The minutes of the Jury meeting shall specify the Contest winners. For the purpose of declaring the winners in the categories proposed by the Contest partners a dedicated Jury may be elected upon recommendation of any of the Contest partners.

5.7. The following project evaluation criteria shall apply at any Contest stage:

- Technical feasibility of a project
- Uniqueness and novelty
- Commercial feasibility
- Business model and economic feasibility of a project
- Marketing and sales strategy
- Possibility to create intellectual property
- Competent and well-balanced project team
- Project attractiveness for investors
- Practical application and possibility to integrate a project in the business of the Organizer, its subsidiaries and affiliates or Contest partners

## **6. Awards**

6.1. Each finalist is issued a certificate evidencing participation in the Contest finals.

6.2. The Jury shall select six best projects issuing diplomas and granting cash prizes of Twenty thousand (USD 20,000) US dollars for the 1st place, Ten thousand (USD 10,000) US dollars for the 2nd place (two prizers) and Five thousand (USD 5,000) US dollars for the 3rd place (three prizers). The Organizer and/or the Jury shall be entitled to abandon cash prizes, if the projects submitted by the participants fail to comply with all the evaluation criteria. If a winner is a Russian resident, then any respective cash prize shall be paid in RUB at the exchange rate fixed by the Central Bank of the Russian Federation as of the date of the meeting of the Jury.

6.4. The Contest partners may provide for extra prizes and awards for the benefit of the Contest participants. The Organizer shall not be held liable for any award provided by any of the Contest partners.

6.5. The cash prizes specified in Clause 6.2 and 6.3 hereof shall be paid by SIBUR Holding PJSC by a wire transfer to the bank accounts of the Contest prizers. The Contest prizers shall

specify bank details to be used for wire transfer purposes (bank account details and other information, including ID card data required to effect the same) and deliver the foregoing information within 10 business days as from the date the Contest results are declared on. The prizes established by the Contest partners shall be made available as provided by any respective Contest partner.

- 6.6. Pursuant to Article 226.4 of the Tax Code of the Russian Federation a personal income tax charged at the rate of 13% shall be deducted from any profit derived by any citizen of the Russian Federation. Any prizier shall disclose information required by the tax agent to perform its duties related to delivery of income details (Taxpayer Identification Number). Citizens of other states shall pay a personal income tax at the discretion thereof as provided by applicable law of the country of nationality.

## **7. Contact Details**

For any information related to participation in the Contest either as an applicant or a partner please do not hesitate to contact us by phone +7(495) 777-55-00 (ext. 2866) or e-mail at [RomanyukES@sibur.ru](mailto:RomanyukES@sibur.ru).

## Partner Categories

The Contest provides for the following partner categories:

1. **Organizational Partner.** This category includes any company contributing to the Contest arrangements and marketing support thereof. In particular, the aforesaid support may include the following:
  - Making available a venue for holding various events as part of the Contest
  - Arranging learning sessions for the purpose of improving the project quality
  - Seconding mentors required to arrange learning sessions
  - Serving notices using project databases and publishing press-releases using its own resources or other mass media etc.
  
2. **Strategic Partner.** This category includes any company contributing considerably to the Contest development. A list of the strategic partners is posted to the official Contest Web site (Partners Section). In particular, the aforesaid contribution may include the following:
  - Seconding mentors required to arrange learning sessions
  - Serving notices using project databases and publishing press-releases using its own resources or other mass media etc.
  - Participating in the project evaluation procedure and selecting semifinalists and finalists
  - Access to any project submitted to the Contest
  
3. **Information Partner.** This category includes any company ensuring marketing support of the Contest.
  - Serving notices using project databases
  - Publishing press-releases using its own resources and other available mass media
  - Covering events in news sport format in mass media and social networks
  - Holding other events promoting the Contest awareness and increasing the number of submitted projects

At the discretion of the Organizer other partner categories may be introduced as well. Applicable partnership terms and conditions shall be subject to a separate agreement.