



## **Petropavlovsk PLC**

### **Anti-Bribery Policy**

Approved by the Board Committee on 8<sup>th</sup> November 2020

## **1 Policy statement**

- 1.1 Petropavlovsk PLC and its subsidiary companies (together 'Petropavlovsk' or 'the Group') has a zero-tolerance approach to bribery and corruption. This policy extends across all of our business dealings, and in all countries and territories in which we operate. In the event of any conflict between this Code and the laws of any country in which business is being conducted, the higher standard should always be applied.
- 1.2 In accordance with this policy and with relevant laws and regulations The Group shall:
- (a) not provide, solicit or accept payments, gifts or entertainment that constitute bribery, as defined herein;
  - (b) maintain systems and controls which will deter and minimise the risk of bribery;
  - (c) make employees fully aware of its anti-bribery policy and create an anti-bribery culture within The Group, the central feature of which will be zero tolerance of bribery; and
  - (d) provide appropriate mechanisms for employees to report suspected bribery or otherwise voice their concerns, and to protect those who do so.

## **2 Other policies**

- 2.1 Management and employees of The Group should ensure that they read and comply at all times with internal policies, procedures and guidelines in addition to this policy, including:
- Code of Conduct;
  - Gifts and Entertainment Policy;
  - Speak-up Policy
  - Disciplinary Policy
- 2.2 Management and employees must also ensure that they complete any anti-bribery training that they are required by The Group from time to time, to undertake.
- 2.3 These documents can be obtained by contacting Dorcas Murray, Company Secretary directly at [DM@petropavlovskplc.com](mailto:DM@petropavlovskplc.com)

## **3 Scope of policy**

- 3.1 This policy applies to all employees of The Group (whether permanent or temporary) and all of its business partners including consultants, contractors, agents and suppliers of goods and services.

## **4 Meaning of "Bribe"**

- 4.1 A bribe includes payment, offers or promises to pay or provide anything of value, directly or indirectly, to obtain an improper personal or business advantage. The Group prohibits both the payment, offer, authorisation of a bribe as well as the receipt or acceptance of a bribe.

- 4.2 “Anything of value” should be interpreted broadly to include anything (whether monetary or non-monetary) that provides a benefit to the recipient. It may include favours, loans and loan guarantees, the use of property, job offers, political contributions or the payment of expenses or debts.

## **5 Policies and procedures**

- 5.1 The Group has put in place policies and procedures in order to prevent instances of bribery occurring. Failure to comply with these policies and procedures may not amount to a criminal offence but will nevertheless be treated by The Group as a serious breach of duty for disciplinary purposes.
- 5.2 Employees should, therefore, familiarise themselves with any procedures which apply to them and ensure that they are complied with. If there is anything which they do not understand, such as how a procedure should be operated, they should not hesitate to seek guidance from Dorcas Murray, Company Secretary.

## **6 Reporting**

- 6.1 Employees must report immediately, in accordance with the procedure at Section 7 below, when they:
- (a) uncover an instance of bribery; or
  - (b) suspect that a bribe has been, or is in the process of being, paid or received or merely discussed; or
  - (c) receive or otherwise become aware of information which suggests that a bribe is in the process of being, paid or received or merely discussed.
- 6.2 Equally, employees must make a report when they:
- (a) suspect that a related breach of policies and procedures has occurred; or
  - (b) receive or otherwise become aware of information which suggests that a related breach of policies and procedures has been or is in the process of being committed.

## **7 Escalation by employees**

- 7.1 Where an employee becomes aware of or suspects that bribery has taken place, the information shall be reported in the first instance to Dorcas Murray, Company Secretary ([DM@petropavlovskplc.com](mailto:DM@petropavlovskplc.com)).
- 7.2 Employees may in addition make an initial report to Charlotte Philipps, Independent Non-Executive Director ([CP@petropavlovskplc.com](mailto:CP@petropavlovskplc.com)).
- 7.3 All reports will be treated in confidence and fully investigated. Every effort will be made to grant anonymity if it is requested, although employees should be aware that anonymity may be difficult or even impossible to preserve if, as a result of investigations, the police are informed, or disciplinary action is taken.
- 7.4 Once an employee has reported a suspicion or concern to the appropriate person, the matter should not be discussed with any person other than those responsible for investigating it until the information is made public.

- 7.5 A manager to whom an employee's concerns are expressed must act promptly and notify the employee of any action taken. Where it is decided that further investigation is not appropriate, the employee must be given a prompt and full explanation of the reasons for reaching this conclusion.

## **8 Responsibility of managers**

- 8.1 Managers will have full authority to implement this policy within their spheres of responsibility. The measures taken by managers will vary according to the nature of the area for which they are responsible but may include:
- (a) devising, implementing and maintaining systems and controls designed to prevent bribery, minimise the risk of bribery and detect instances of bribery;
  - (b) ensuring that employees are aware of The Group 's anti-bribery policies and procedures; and
  - (c) ensuring that employees participate in The Group 's anti-bribery training and that training specific to the needs of particular employees or job functions (including on-the-job training) is provided when appropriate.

## **9 Responsibility of all employees**

Employees are expected, as part of their normal duties, to do the following:

- (a) familiarise themselves with The Group 's anti-bribery and related policies;
- (b) participate in any anti-bribery training provided by The Group;
- (c) familiarise themselves with and comply with any policy and procedure manuals which apply to their jobs;
- (d) immediately report any actual or suspected bribe;
- (e) immediately report any allegation of bribery made by a third party; and
- (f) immediately report any breaches of policies and procedures which may come to their attention.

## **10 Investigating bribery**

- 10.1 Any investigation into a bribe or suspected bribe will depend on a variety of factors and will be tailored accordingly.

## **11 Compliance**

- 11.1 The consequences of non-compliance with this policy could be severe. In the case of an employee who is guilty of bribery:
- (a) The employee may face criminal penalties which will vary according to the offence with which he or she is charged and the seriousness of that offence. The Bribery Act 2010 imposes a maximum penalty for bribery from seven to 10 years imprisonment, with an unlimited fine.

- (b) The employee will be liable to disciplinary action and to dismissal for gross misconduct with consequent loss of salary, bonus, pension entitlement and other valuable benefits.
- (c) The employee will be liable to civil legal action for the recovery of any misappropriated sums and/or for damages for any loss or damage suffered by his victim.

## **12. Risk assessment**

- 12.1 The Group operates a centralised risk management and internal control system. This includes conducting risk assessments within each business activity to ensure the early and effective identification, control, mitigation and reporting of the bribery risks.

## **13. Due Diligence**

- 13.1 In order to minimise the risks of engaging in practices, involved in bribery, the Group shall perform due diligence of business partners including consultants, contractors, agents and suppliers of goods and services.

## **14. Communications and Training**

- 14.1 The Group seeks to clarify to its employees the requirements of the Policy through communication, consultations and training. Petropavlovsk encourages involvement and active participation of the Group's employees in the development and improvement of anti-bribery procedures.

## **15. Contacts**

- 15.1 If you have any questions regarding this policy, or related policies listed above, please contact Dorcas Murray, Company Secretary at [DM@petropavlovskplc.com](mailto:DM@petropavlovskplc.com)

## **16. Further Information**

- 16.1 Employees should read and regularly consult The Group 's related policies listed in Section 2.1 above and may, in addition, speak to Dorcas Murray, Company Secretary for further information. A copy of all policies can be obtained from the Company Secretary.