PETROPAVLOVSK PLC

Speak Up Policy

Approved by the Board Committee on 8th November 2020
INTRODUCTION

Petropavlovsk PLC and its subsidiary companies (together ‘Petropavlovsk’ or ‘the Group’) is committed to developing a culture of openness across all its businesses and ensuring the highest standards of probity and accountability. The Group encourages employees who have suspicions or serious concerns regarding the interests and conduct of others or the Group, or about a violation of law or an internal policy or procedure to Speak Up promptly. That is why Petropavlovsk has designed a specific policy, called Speak Up, which is designed to ensure you can raise serious concerns constructively and without fear of reprisals or disadvantage.

The Group wants to know about any unlawful conduct, financial malpractice or dangers to the public, the environment, or to anyone working for the Group, which an employee knows, or suspects may be occurring. The Speak Up procedure is not an obligation but the Group’s employees and third parties are encouraged to Speak Up if they have any reason to suspect that there has been any malpractice, misconduct or breach of law of any nature or any internal policy or procedure. Petropavlovsk will ensure that all allegations are thoroughly investigated, and suitable action taken where necessary. If an issue is raised internally first, and acted upon, it is likely to reduce any damage that may otherwise occur. Reporting of issues will detect and possibly deter any further wrongdoing.

This Speak Up policy explains:

i. How employees and third parties can raise concerns about malpractices or misconduct at work;
ii. The types of malpractices or misconduct covered by the Speak Up policy;
iii. Guidance on how employees can raise concerns;
iv. How the concerns are being assessed and investigated by the Group; and
v. What employees can expect if they raise a concern in accordance with this policy.

PURPOSE

The purpose of this policy is:

i. To encourage employees to report their concerns regarding any malpractice (or perceived malpractice), misconduct, or breach of law or internal regulation of which they become aware, in the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected;
ii. To provide guidance as to how to raise their concerns; and
iii. To reassure employee that they may raise genuine concerns in good faith without fearing recrimination or reprisals, even if they turn out to be mistaken.

SCOPE

The policy applies to all individuals working across all levels of the Group, including employees, senior management, officers, directors, trainees and interns, both those working at the mines and at our other locations and offices (collectively referred to as employees in this policy). Any other third party such as a joint venture partner, agent, consultant, supplier, customer or business partner, or family member can also use this Speak Up policy to report concerns regarding the conduct of Petropavlovsk, its employees or anyone acting on behalf of Petropavlovsk. Managers are encouraged to actively publicise the availability of this service to our partners.
POLICY

The Company is committed to dealing responsibly, openly and professionally with any genuine concern employees or other persons may raise about any practice, procedure or policy carried out by any employee or third party working with or on behalf of the Group, which may be a breach of law or regulations, irregularity, misconduct, malpractice, a danger to its employees or the public, financial malpractice, or may damage the environment.

The Group encourages employees and third parties to raise their concerns about any incidents of malpractice or misconduct in the workplace at the earliest possible stage. Below is a non-exhaustive list of some examples of malpractices and misconduct at work:

- Danger to the health and safety of any individual.
- A criminal or administrative offence.
- The use of deception by Petropavlovsk, its employees or its business partners to obtain an unjust or illegal financial advantage, either for the business unit or personally.
- Intentional misrepresentations directly or indirectly affecting financial statements.
- A material failure to comply with any employment or legal obligations.
- Actions by Petropavlovsk or its employees which may cause damage to the environment.
- A serious breach of financial internal controls.
- Blackmail, corruption or bribery.
- Serious non-professional or unethical behavior.
- The deliberate concealment of information relating to any of the matters listed above.

The Group recognises that an individual may not have all of the information about a particular concern, but this should not be a reason for delaying Speaking Up. Petropavlovsk will ensure the protection of its employees against harassment, victimisation or disciplinary action as a result of raising such concerns provided such concerns are raised honestly and in good faith. Other employees who participate or assist in an investigation will also be protected. Any employee who knows or suspects that retaliation has taken place should report it to the Company Secretary, the Non-Executive Director or the Sustainability Co-Ordinator.

Raising a concern
An employee who has genuine concerns about malpractices or misconduct at work should initially raise the issue with their manager as they will generally be closest to the situation and best able to help and to attempt to resolve the matter as promptly as is reasonably practicable. If an employee feels uncomfortable doing this or considers it inappropriate, they should report the matter to the Company Secretary, the Non-Executive Director or the Sustainability Co-Ordinator.

Confidentiality
The Group is aiming to ensure that employees can voice their concerns openly under this policy. Employees may choose how they present information; they may either identify themselves or preserve their anonymity. In any case, management of the company where this employee works will not have access to the provided information. If an employee identified him or herself, such information shall only be available to the authorised employees in charge of the investigation.

Speak up is voluntary and fully confidential procedure, however, anonymous disclosures can make proper investigation more difficult or, in certain cases, impossible if Petropavlovsk is unable to obtain further information from the employee. It is also more difficult to establish whether any allegations are credible and have been made in good faith. If an employee wants to raise their concern confidentially, Petropavlovsk will
make every effort to keep their identity secret. In the event this is not practicable and prevents proper investigation of alleged malpractices or misconduct, Petropavlovsk will seek and obtain consent of the respective employee prior to the required disclosure of their identity. As far as possible any supporting evidence relating to the disclosure will be kept secure at all times.

Employees who are concerned about possible reprisals if their identity is revealed should speak to the Company Secretary and appropriate measures can be taken to preserve confidentiality. As far as possible any supporting evidence relating to the disclosure will be kept secure at all times.

**Action by The Group and Investigations**

The Group’s primary aim is to prevent workplace malpractice, misconduct and violation of law from occurring in the first place. If it happens, it is the Group’s objective to prevent it from recurring. Whenever possible, every effort will be made to resolve the situation promptly. If this is not possible, Petropavlovsk will take further action to fully investigate and then take appropriate action.

All Speak Up incidences raised in accordance with this policy will be reported to the Company Secretary of Petropavlovsk PLC who will report the occurrence to the Chief Executive Officer and the Chairman.

Once a concern is raised, the Group will carry out an initial assessment to determine the scope of any proposed investigation. If the concern raised is found to be valid following the initial assessment, Petropavlovsk may take one or more of the following steps (which is a non-exhaustive list):

- Refer the matter to the Executive Committee of Petropavlovsk PLC with a view to a formal, internal investigation being carried out;
- Refer the matter to a technical expert;
- Recommend a grievance procedure;
- Refer the matter to the Board of Directors of Petropavlovsk PLC;
- Refer the matter to the appropriate external regulatory body for further investigation following review by the Executive Committee and the Board of Directors.

The Group will inform the employee of the outcome of such an assessment or investigation. However, sometimes the need for confidentiality may prevent the Group from giving the employee specific details of the investigation or any disciplinary action taken as a result. Employees should treat any information about the investigation as confidential.

Employees who believe there has been a cover up of the concern disclosed or who do not consider that they have had a satisfactory response to their disclosure should raise their concern in writing to the Chairman of Petropavlovsk PLC, 11 Grosvenor Place, London, SW1X 7HH, United Kingdom.

**Actions following an investigation**

If the concern raised by the employee is substantiated, appropriate disciplinary or other appropriate actions in accordance with relevant laws and/or the Group’s internal policies and procedures will be taken against the responsible individual(s).

The Group aims to encourage openness and will support employees who raise genuine concerns in good faith under this policy, even if they turn out to be mistaken. Employees must not suffer any detrimental treatment as a result of raising a concern in good faith. Detrimental treatment includes but is not limited to dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If an employee believes that they have suffered any such treatment they should inform the Company Secretary immediately. Any such treatment against an employee who raises a concern in good faith will result in disciplinary or other actions in accordance with The Group’s internal policies and procedures and relevant laws.
Any Group’s employee who has suffered detrimental treatment as a result of raising a concern in good faith has a right to approach the Chairman directly (James Cameron Jr, e-mail: jwc@petropavlovskplc.com) with a written statement of all facts and circumstances and enclosed evidence of such treatment.

If an employee raises a concern in good faith that is not confirmed by subsequent investigation no action will be taken against them. However, malicious, or unfounded allegations will result in disciplinary or other actions in accordance with relevant laws and Petropavlovsk’s internal policies and regulations.

**RESPONSIBILITY FOR THE POLICY**

The Audit Committee on behalf of the Board of Petropavlovsk PLC has overall responsibility for this Policy and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.

The Group’s employees are responsible for the success of this policy and should ensure that they use it to disclose any unlawful conduct, financial malpractice or dangers to the public, the environment, or to anyone working for the Group, which they know, or suspect may be occurring. Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Company Secretary or the Sustainability Co-Ordinator of Petropavlovsk PLC.

**DISCLOSURE**

The annual affirmation that no employees has been denied access to the Chairman and that the protection has been provided to individuals raising concerns in accordance with this policy is included in the Corporate Governance section of the Annual Report of Petropavlovsk PLC.

**CONTACTS**

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