

Community Engagement Policy

28 May 2018

Community Engagement Policy (hereinafter the “Policy”) defines the principles and guidelines for the engagement activities of Polymetal International plc Group of companies (together with its subsidiaries, hereinafter the “Polymetal” or the “Group”) with local authorities, public organisations and local population (hereafter – “Community”) and aimed at building constructive relationships with them.

The Policy is applicable for all employees of the Group. In order to implement the key principles of the Policy, Polymetal has introduced internal community engagement procedures in line with legislative requirements and this Policy.

The Policy has to be considered together with the corporate Code of Conduct, Anti-bribery and Corruption Policy and Procedure for charitable, social, political donations, payments and contributions and other applicable policies and procedures of Polymetal Group.

The Policy is a public document and is based on the principles set out by the UN Global Compact, the UN Declaration on the rights of indigenous peoples, the Standards and Guidelines of the International Finance Corporation, Environmental and Social Policy of the European Bank for Reconstruction and Development, the UK Corporate Governance Code of the UK and Global Reporting Standards.

Polymetal adheres to the following key principles in its community engagement:

- Understand social risks and impacts, especially on the local communities where we operate, striving to minimise these risks and impacts;
- Establish and maintain constructive relationships with local communities;
- Create new jobs where we operate and help to develop connected industries;
- Improve quality of life for the local communities and socio-economic development where we operate taking into account real needs and materiality;
- Engage with indigenous minorities considering their special status in the regions where the Group operates;
- Minimize cases of resettlement of local population when doing business;
- Respect human rights.

Polymetal prioritises the following activities in the course of the community engagement:

- Implementation and maintenance of an effective community engagement system for all the Group’s facilities and projects;

- Timely identification of affected parties, analysis of their interests and opinions in the course of the project planning and implementation,
- Engagement with local communities at all stages including design, construction, operation and closure taking into account the requirements of national legislation and applicable international practices;
- Implementation and maintenance of a feedback system, together with a complaint and grievance mechanism (including anonymous grievances); as well as appropriate investigation and corrective actions.
- Regular information disclosure on the Group's activities in the area of sustainable development;
- Planning and implementation of social investments and charitable activities in the framework of socio-economic development agreements taking into account the views of community.

Responsibility for the Policy implementation rests with the heads of the relevant departments.

Responsibility for the Policy implementation supervisory rests with the Safety and Sustainability Committee of the Polymetal Board of Directors.

The Committee will review the policy bi-annually to ensure its consistency with the current Group's objectives and international standards, and if necessary recommend appropriate changes for approval by the Board of Directors as well as regularly inform the Board of Directors on community engagement.

Approved by the Board of Directors of
Polymetal International Plc