

APPROVED
by the Board of Directors of
Polymetal International plc

Whistleblower Policy
POLYMETAL GROUP
(as amended on 21 March 2018)

1. General Provisions

This policy is formulated to:

- provide opportunity to employees of Polymetal International plc Group of companies (**Polymetal, Group**)¹ to disclose any Unethical and improper practices or Alleged wrongful conduct;
- to establish procedure for informing Management of Polymetal of such practices;
- in accordance with this Policy, to provide an opportunity to employees to access in good faith the Audit and Risk Committee of the Board of Directors of Polymetal International plc (hereafter referred to as “**Audit Committee**”) directly in case they observe such practices.

This Policy applies to all employees of Polymetal. In order to ensure implementation of the principles set out by the Policy in all regions of Polymetal’s operation, Group’s companies adopt internal policies and procedures regulating moral and ethical conduct of the employees in accordance with the Policy and applicable laws.

2. Definitions

Definitions used in this Policy shall be interpreted as follows:

1. **Adverse personnel action.** An employment-related act or decision or a failure to take appropriate action by Managerial personnel which may affect the employee’s employment, including but not limited to compensation, increment, promotion, job location, work place equipment, job profile, immunities, leaves, training or other privileges.
2. **Alleged wrongful conduct** shall mean violation of law or infringement of Polymetal’s Code of Conduct, misappropriation of monies, actual or suspected fraud (causing Polymetal financial or reputational damage), danger to employees’ health and safety or abuse of authority or other similar actions.
3. **Good faith.** An employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of Unethical and improper practices or any other Alleged wrongful conduct according to this Policy.

Good Faith shall be deemed lacking when the employee knew or reasonably should have known that the communication about the Unethical and improper practices or Alleged wrongful conduct is malicious, false or frivolous.

4. **Management** shall include Group CEO of Polymetal International plc Group of companies and other top managers of Polymetal Group, who have authority to make or materially influence significant commercial, financial and personnel decisions The management is responsible for ensuring that all business units within the Group are compliant with the Policy as well as with relating internal policies and procedures regulating employees conduct.
5. **Unethical and improper practices** shall mean:

¹ Polymetal International plc and all of its subsidiaries

- a) an act which does not conform to approved standard of social and professional behaviour;
 - b) unethical conduct or an act which leads to unethical business practices;
 - c) breach of etiquette or morally offensive behaviour, etc.
6. **Whistleblower** is an employee of the Group, who discloses in good faith any Unethical and improper practices or Alleged wrongful conduct in accordance with this Policy.

3. Whistleblower policy

3.1. Disclosure procedure

This Policy prohibits Polymetal from taking any Adverse personnel action against its employees for disclosing in good faith any Unethical and improper practices or Alleged wrongful conduct in accordance with this Policy.

Any employee who observes any Unethical and improper practices or Alleged wrongful conduct shall as soon as possible make a disclosure to the manager of the department within the respective business unit of the Group or in case it involves Management, to the designated official responsible for security matters in accordance with the internal policies and procedures of the respective business unit of the Group. Receipt of communications associated with or related to Polymetal International plc is carried out at security@polymetalinternational.com.cy. Polymetal set up a confidential receipt of communications from whistleblowers and other third parties to report theft, bribery, fraud or abuse of office in any of the Group's business units in accordance with related internal policies and procedures of a unit Helpline and email address are made available on information boards at all business units of the Group. All incoming information shall be processed by the designated official responsible for security matters for further investigation.

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 authorised employees of the Security Department in charge of investigation. In all cases, confidentiality shall be guaranteed to employees as far as possible.

Any Polymetal employee against whom an Adverse personnel action has been taken due to his disclosure of Alleged wrongful conduct involving Managerial Personnel, has a right to approach the Audit Committee directly (email: audit_committee@polymetalinternational.com.cy) with a written statement of all facts and circumstances and enclosed evidence of Alleged wrongful conduct involving Management as well as evidence of Adverse action taken against him/her.

3.2. Whistleblower reports investigation procedure

The head of a Group's business unit shall immediately forward a Whistleblower report to the designated official responsible for security matters in accordance with the internal policies and procedures of the respective business unit of the Group.

Receipt of communications associated with or related to Polymetal International plc is carried out at security@polymetalinternational.com.cy.

The designated official may inquire in respect of the Whistleblower statement and organise a preliminary investigation according to the internal policies and procedures of the Group. If the information received from the Whistleblower is confirmed, the results of the investigation shall be reported to the Group CEO of Polymetal International plc who shall make appropriate decisions regarding the confirmed allegations based on the investigation report and recommendations of the relevant departments involved in the investigation.

The Group CEO of Polymetal International plc shall regularly provide information on confirmed acts of unethical and improper practices or alleged wrongful conduct to the Audit and Risk Committee or delegate this duty to the designated official responsible for security matters.

If an employee approaches the Audit Committee directly with regards to an Adverse personnel action taken against him/her for disclosing information under this Policy of Alleged wrongful conduct involving Managerial personnel, the Committee shall appropriately and expeditiously investigate Whistleblower report and all documentation received. In this regard, Audit Committee, if the circumstances so suggest, may appoint a senior executive or a committee of Managerial personnel to investigate into the matter and prescribe the scope and time limit and, where necessary, outline detailed procedure therefore. Designated person(s) shall mandatorily adhere to scope and procedure outlined by Audit Committee for investigation.

The Audit Committee or a designated person or committee of Management representatives, as the case may be, shall have a right to call for any information/document and examination of any employee of Polymetal or other person(s), as they may deem appropriate for the purpose of conducting investigation under this Policy. A report shall be prepared after completion of investigation and the Audit Committee shall consider the same.

After considering the report, the Audit Committee shall determine the cause of Adverse personnel action and may order for remedies which may inter-alia include:

- (a) decision on injunction to restrain continuous violation of this Policy;
- (b) reinstatement of the Whistleblower to the same position or to an equivalent position;
- (c) compensation for lost wages, remuneration or any other benefits.

The decision of Audit Committee shall be final and binding.

If and when the Audit Committee is satisfied that the Alleged wrongful conduct involving Management existed or is in existence, then the Audit Committee may recommend:

- (a) to reprimand, take disciplinary action, impose penalty/punishment order against perpetrator shall the Alleged wrongful conduct of any member of Managerial personnel be proved.
- (b) termination or suspension of any contract or arrangement or transaction vitiated by such Alleged wrongful conduct involving Management.

3.3. Protection under Policy

This Policy prohibits to take or recommend any Adverse personnel action against the employees for disclosing in good faith any Unethical and improper practices or Alleged wrongful conduct. This Policy protects such employees (corporate Whistleblowers) from Adverse personnel action.

Any employee of Polymetal against whom any Adverse personnel action has been taken due to his/her disclosure of information under this Policy of Alleged wrongful conduct

involving Management, may approach the Group CEO or the Audit Committee of Polymetal International plc in accordance with the provisions of the Policy.

However, this Policy may not be used as a defence by an employee against whom an Adverse personnel action has been taken independent of any disclosure of information on Unethical and improper practices or Alleged wrongful conduct for unsatisfactory performance, violation of workplace rules or for other legitimate reasons or cause under internal policies and procedures and in strict adherence to the law.

3.4. False Allegation

An employee,

- A. who knowingly makes false allegations of Unethical and Improper practices and Alleged wrongful conduct; or
- B. approaches the Audit Committee with Alleged adverse personnel action taken against him/her for disclosing information of Alleged wrongful conduct involving Managerial personnel and if this information was had not been confirmed by the investigation; or
- C. applies to the Audit Committee without good reason,

such employees shall be subject to disciplinary action, up to and including termination of employment, in accordance with the current legislation and internal policies and procedures of a Group company.

An exception to clause 3.4 is the provision of information by an employee, which such employee believes in good faith to be accurate and reasonable, but which in the course of investigation was found to be inaccurate and unsubstantiated.

4. Notification

Group business unit's personnel department shall conduct an initial training (drill) as well as periodically scheduled training on this Policy and related policies and procedures of the business units regulating ethical conduct for employees of all Group units in accordance with the Anti-Corruption training Procedure for Polymetal Employees.

This Policy as amended from time to time shall be made accessible on Polymetal International plc website. Internal policies and procedures of the Group business units regulating employees ethical conduct appear on internal network of the respective units, and are available and brought to the attention of all employees and can also be obtained from a Security Department at each Group's unit.

5. Annual Affirmation

The annual affirmation that no personnel has been denied access to the Audit Committee and that the protection has been provided to Whistleblowers from Adverse personnel action is included in the Corporate Governance section of the Annual Report of Polymetal.