

# Environmental Policy

## Introduction

The Environmental Policy (hereinafter referred to as the “Policy”) of Polymetal International plc (“Polymetal”) and its subsidiaries (together “the Group”, and each individually a “Group Company”) introduces a standardized approach to environmental management across the business. By establishing this Policy, we express our commitment to avoiding or, where this is not possible, minimizing any harmful impact our activities may have on the environment by planning, operating and decommissioning all of our projects in an environmentally responsible manner.

We adhere to Principles of the International Council of Mining and Metals (ICMM), which cover the continual improvement of environmental performance, the conservation of biodiversity and rational land-use planning.

## Terms and Definitions

Biodiversity – the variety of flora and fauna in a particular ecosystem or habitat.

Management – executive managers of Group Companies who have the authority to make or materially influence major commercial, financial and personnel decisions within their Group Company. Management is responsible for ensuring the overall compliance of Group Companies with this Policy, and the relevant internal policies and procedures of Group Companies regulating environmental management, consistent with this Policy.

## Scope of the Policy

This Policy applies to:

- Polymetal International plc;
- All other Group Companies; and
- All permanent and temporary employees, contractors, managers, officers, directors, business partners and other third parties employed or engaged by, or providing services on behalf of, the Group.

## Commitments and provisions

We recognize our responsibility to protect the environment and preserve biodiversity. We strive to minimise our impact on the environment and biodiversity, ensuring the most efficient use of natural resources and applying a systematic approach through our Environmental Management System (EMS).

We are guided by the following principles:

- We know how to manage risks

We use a systematic approach to manage environmental risks at all stages of the mine life cycle: exploration, design, construction, operation and closure. We anticipate possible emergencies and ensure that we are ready to respond quickly and effectively. We protect the environment by applying tried-and-tested management practices to prevent pollution and mitigate impacts.

- We use best practices and state-of-art technologies

We use modern technologies to lower our environmental impact and reduce waste, air emissions and water discharge. We ensure that natural resources and energy are used rationally.

- We comply with all the relevant requirements

We make every effort to fully comply with local legislation in our countries of operation as well as the obligations of industry codes, standards and other accepted requirements. We do not operate in areas that have high levels of biodiversity risk and ensure comprehensive land rehabilitation. We make environmental investments and pay environmental taxes to the government every quarter to offset the impact caused by our business.

- We increase environmental awareness

We regularly conduct environmental training for our employees to ensure that everyone, regardless of position, understands his or her impact on environment, and takes responsibility to protect biodiversity. We have a feedback mechanism in place, giving everyone the opportunity to submit proposals on reducing our impact or spreading environmental awareness within the Group.

- We engage our stakeholders

We regularly consult our stakeholders on environmental issues, maintain an open dialogue with them, coordinate management approaches and give regular public updates on our environmental programs and progress.

- We constantly increase our efficiency

We constantly monitor our environmental performance by applying best practices in environmental management. We are open about any environmental issues and response measures. We work to constantly improve our Environmental Management System, which is certified as compliant with International Standard ISO 14001. We regularly report and publically disclose our material environmental performance indicators.

## **Policy Implementation**

The Policy should be considered as inseparable from, and viewed in the context of, the principles and approaches described in the Group's other policies covering aspects related to environmental management such as safety, tailings and water storage facilities, carbon emissions, acid rock drainage and other. These documents are available on Polymetal's website.

Group Companies shall retain sole responsibility for implementing and complying with the principles of this Policy. All Group Companies shall implement internal policies and procedures regulating environmental management consistent with this Policy so far as they do not contradict the applicable laws and/or other regulatory requirements of the jurisdictions in which they operate.

The internal environmental management policies and procedures of Group Companies can be found on the internal networks of the respective companies. All employees should be made aware of these policies and know where to find them. The policies can be also obtained by contacting the internal communication department of each Group Company.

Breaches of the main principles of this Policy, as well as breaches of the relevant internal policies and/or procedures of Group Companies, are a serious matter and may render employees liable to disciplinary action, including dismissal, in accordance with applicable legislation, and the internal policies and procedures of the Group Companies. Equivalent penalties will also apply to contractors, managers, officers, directors, business partners and third parties engaged by or providing services on behalf of the Group. In many jurisdictions, such breaches may also leave an employee liable to prosecution by law enforcement or regulatory bodies. These authorities may impose significant penalties for the misconduct of third parties acting on behalf of the Group. The Group will not hesitate to terminate its relationships with third parties who have been found to be in breach of this Policy or other environmental management policies and procedures.

The Group provides induction and ongoing training on the policies and procedures regulating environmental management for employees of the Group's business entities in accordance with internal regulations.

## **Review and monitoring**

The Policy has been approved by the Polymetal Board of Directors. The Safety and Sustainability Committee (hereinafter – the “Committee”) oversees the Group’s compliance with the principles of this Policy and monitors Management’s reporting.

This Policy is subject to review as needed but at least once in every three years by the Committee to consider if it remains appropriate and consistent with the applicable standards and practices, and to recommend any changes it considers desirable to the Board for approval.

The Management of Group Companies shall conduct regular performance reviews against the principles of the Policy, as well as internal policies and procedures, to ensure that we are fulfilling our commitments. Relevant Management of each Group Company is responsible for monitoring the Policy’s implementation.

## **Contacts**

We welcome any queries from our stakeholders. Questions regarding the content and application of this Policy can be forwarded to our specialists in any convenient form, including by phone or via e-mail. Our contact details can be found in the Contacts section on Polymetal’s official website.