

Petropavlovsk PLC: Companies Act 2006 S430(2B) Disclosure – Peter Hambro

This announcement sets out the disclosure required by section 430 (2B) of the Companies Act 2006 in relation to the departure of Peter Hambro from Petropavlovsk PLC (the “Company”).

1. As announced on 23 June 2017, at the Annual General Meeting of the Shareholders of the Company on 22 June 2017 Mr Hambro was not re-elected as a Director of the Company and therefore retired from the Board on that date (the “Termination Date”).
2. Under the terms of Mr Hambro’s service agreement with the Company (the “Service Agreement”), failure to be re-elected as a Director at the Annual General Meeting caused Mr Hambro’s employment with the Company to terminate on the Termination Date. Such termination was in breach of the Service Agreement and without prejudice to any claim for damages in respect of such breach.
3. The remuneration arrangements in respect of Mr Hambro’s departure, set out below, have been determined by the Company’s Remuneration Committee, in line with the Company’s Remuneration Policy approved by shareholders on 22 June 2017.
4. Under the Service Agreement Mr Hambro was entitled to 12 months’ notice of termination and, as at the Termination Date, received an annual basic salary of £655,000. Mr Hambro will receive a lump sum payment of £600,000 as compensation for failure by the Company to give notice of termination in accordance with the Service Agreement. This has been discounted for early receipt.
5. Mr Hambro will receive a further lump sum payment of £30,000 as compensation for loss of office and termination of employment and (in particular for unfair dismissal).
6. The payments referred to above are subject to clawback provisions in the event that Mr Hambro breaches obligations owed to the Company and its subsidiaries (the “Group”) under the terms of his settlement agreement with the Company.
7. Mr Hambro will receive payment in lieu of 9 days’ annual leave accrued but untaken as at the Termination Date.
8. Mr Hambro has no outstanding awards under the Company’s Long Term Incentive Plan.
9. Mr Hambro will continue to be covered by the directors’ and officers’ insurance cover maintained by the Company from time to time in respect of the period of his directorship of the Company and other companies in the Group.
10. Payment of salary and all other benefits (including bonus) ceased with effect from the Termination Date.
11. Mr Hambro will receive a contribution of up to £20,000 plus VAT in respect of his legal expenses incurred in connection with his departure, to be paid directly to Mr Hambro’s legal advisers.
12. All sums payable to or in respect of Mr Hambro will be subject to such deductions as the Company is required by law to make.

In accordance with section 430(2B) of the Companies Act 2006, the information contained in this disclosure will be made available on the Company’s website until the Company’s next directors’ remuneration report is made available.