

## **GRIEVANCE MECHANISM - STANDARD PROCEDURE**

The following principles form the foundation of the procedure of complaints review applicable to all Group projects:

- Review of complaints and requests is carried out without delay;
- Clear and transparent procedures are used, which are accepted by, and easily accessible to, all strata of the communities concerned;
- Any matters related to complaints are treated as confidential;
- The identity of the complainant and the contents of the complaint are not disclosed to any third parties without a written consent of the complainant; and
- No punitive measures may be ever taken against the complainants.

Clear and transparent internal processes and organisational structure is put in place for staff to ensure resolution within required timeframes;

The process does not stop complainants from accessing judicial or administrative remedies.

The process of progressing a complaint contains six steps.

### **Step 1: The Complaint is Received and Registered**

Complaints are received by email [complaint@petropavlovsk.net](mailto:complaint@petropavlovsk.net). All complaints received are logged in a central, internal complaints database. All received complaints are given a unique registration number to aid in monitoring.

All complaints will receive a written acknowledgement that they have been received by Petropavlovsk, and are receiving due consideration in line with this procedure, provided that the complainant provides appropriate contact details.

### **Step 2: The Complaint is evaluated, and a Responsible Person is appointed**

After the complaint has been received, the contact person in charge of actioning the investigation of the complaint (the 'Responsible Person') is appointed. The person in charge of resolving the complaint should also have authority over contractor or subcontractor entities.

### **Step 3: Written Notice**

Within 10 business days of receiving the complaint, a notification of receipt is sent to the complainant in writing, including the contact details of the Complaints Coordinator, and the registration number of the complaint.

### **Step 4: Investigation, Resolution and Communications**

The Company considers the causes that have given rise to the complaint. Once the complaint has been investigated, led by the Responsible Person, the Company informs the complainant in writing on the results and the proposed measures that may be deemed necessary in order to resolve the complaint.

There may be circumstances where the complainant and the Company jointly investigate causes and discuss resolution measures or involves a respected third party to discuss resolution measures. In some instances, the Company may conclude, following the investigation that the complaint is not related to the operation of Petropavlovsk projects, and this will be explained to the complainant in writing. If necessary, a respected third-party may be brought in to provide assurance to the complainant on this matter. In all other instances the Company shall investigate the claims of negative effects or non-compliance with the Company standards. Should these claims be found to be true, steps will be identified to resolve the matter and to prevent reoccurrences in the future.

## **Step 5: Closing the Case**

The Company strives to resolve all complaints within 45 business days of receipt. The responsible person sends the complainant the reply either by post or electronically (in accordance with the complainant's choice). This is also recorded in the complaints register by the Complaints Coordinator.

If the complaint remains unresolved, it will be investigated for the second time, and the Company will discuss with the complainant further steps leading to its resolution. The following steps will be implemented:

- Complaints Coordinator to write to the Complainant;
- Complainant to reply (either by email or signing the bottom of the form) that the complaint is satisfactorily closed;
- If closing the complaint is not agreed, then further investigation will be undertaken; and
- If necessary, joint inspection or third-party engagement will be put in place to reach agreement on satisfactory closure of the complaint.

Note that this means that any new issues raised during this process become a new complaint.

## **Step 6: Further Actions (Monitoring, Statistics and Reporting)**

The Company may contact complainants at later stages, to make sure that its activities have not given rise to any further concerns.

All complaints and their treatment are reviewed each year. The annual results are published on the company website and are incorporated into the annual report and the social report. This will include:

- Number of complaints received;
- Category/broad issues raised (e.g. environment, labour, social performance, safety, procurement);
- Average number of days to close complaints; and
- Key actions taken to prevent reoccurrence of problems.

### Duration of Complaint Review and Investigation

The Petropavlovsk Group, as well as its affiliates and subsidiaries, strive to investigate and resolve complaints within 20 business days of receipt. The maximum duration of complaint investigation must not exceed 45 business days.

Any actions required to resolve the complaint must be either implemented during that period, or within a timeframe as agreed with the complainant.

### Informing the Public about the Complaints Investigation Procedure

Petropavlovsk undertakes the following steps to ensure awareness of the complaints investigation procedures among all stakeholders for whose benefit these procedures have been developed:

- It publishes on the website, Petropavlovsk.net, the Procedure of Reviewing Complaints from the Members of the Public;
- It develops and updates an information sheet containing a detailed description of the procedure of reviewing complaints from the members of the public; for those wishing to make a complaint, it contains useful tips on how to submit a complaint, and a detailed information on the complaints policy and procedure. The Company publishes this information sheet on its website, circulates it among interested parties, and makes it available upon request.