



PPC GROUP COMPLIANCE POLICY

PPC Ltd ("PPC") is committed to follow best governance practices and standards in areas of accountability, transparency and business ethics in the group in order to promote sustainability.

To manage these issues, management has established a compliance framework for the management of compliance risk.

The ultimate compliance officers are the company's stakeholders who will let the board know by their continued support of the company if they accept the departure from a recommended practice and the reasons furnished for doing so.

This policy is intended to present how PPC defines compliance, the key compliance principles and governance structure for the management of compliance risk.

1. DEFINITIONS

Compliance can be defined as the adherence to laws, regulations, rules, related self-regulatory organisation standards and codes of conduct in matters concerning proper standards of conduct, managing conflicts of interest and specifically dealing with matters such as corrupt and fraudulent behaviour.

Compliance risk is the risk of legal or regulatory sanctions, material financial loss, or loss of reputation, a company may suffer as a result of a compliance failure. Compliance risk includes both operational compliance and conduct compliance.

Operational compliance includes the assessment of compliance in the mining, manufacturing and sales and marketing activities of the company as well as compliance issues in relation to the development of new products or business practices.

Conduct compliance includes risk in terms of conflict of interest, insider trading and other issues related to professional conduct of employees and the Board of PPC.

2. KEY PRINCIPLES

These key principles must be taken into account and adhered to by all employees in the Group in the development of procedures and in carrying out business activities:

- » Compliance starts at the top and shall be part of the culture of PPC and the Board of Directors, the Executive Committee and senior management shall lead by example.
- » Compliance is an integral part of PPC's business activities. The identification of compliance risk, its assessment and appropriate risk response shall be elements to consider in any business activity.
- » Members of management and the staff of PPC carry out their tasks in accordance

3. RESPONSIBILITIES

The Board will ensure that the company complies with applicable laws and considers adherence to nonbinding rules, codes and standards.

This responsibility, the Board has delegated to the Risk Management and Compliance Committee. This committee's responsibilities include monitoring compliance issues, approving the compliance policy, ensuring that it is observed and that compliance risk is reported.

Management is responsible for implementation of the compliance policy and for the day to day management of compliance risks. This includes responsibility for ensuring that appropriate remedial or disciplinary action is taken if breaches are identified.

The Compliance framework has been established by management (closely related to the ethics and risk management functions) to manage compliance risk in the PPC Group. In the execution of this responsibility it relies on the assistance of the management of all subsidiaries and business units and the designated unit compliance officers.

The Compliance function is subject to review by Group Internal Audit.

4. REPORTING

The Board discloses details in the integrated report on how it discharged its responsibility to establish an effective compliance framework and processes.

