

centerragOLD



CENTERRA GOLD 2021

RGMP IMPLEMENTATION
PROGRESS UPDATE REPORT
(YEAR 2)

RGMP IMPLEMENTATION PROGRESS UPDATE REPORT (YEAR 2)

CENTERRA'S COMMITMENT TO THE IMPLEMENTATION OF THE RESPONSIBLE GOLD MINING PRINCIPLES

Centerra Gold ("Centerra") adopted the World Gold Council's Responsible Gold Mining Principles (RGMPs) upon their introduction in September 2019. The RGMPs are an industry framework that sets out clear expectations for consumers, investors and the downstream gold supply chain as to what constitutes responsible gold mining. The RGMPs consist of 10 umbrella principles and 51 principles that focus on best practices related to Environmental, Social and Governance (ESG) aspects of the industry.

Centerra began the implementation of the RGMPs across our operating sites starting in 2019; the Company is committed to achieving RGMP conformance by 2022. Implementing the RGMPs will help Centerra:

1. Improve internal ESG-related systems and proactively identify and manage ESG risks;
2. Identify potential non-conformances to drive corrective actions and preventive controls;
3. Continuously improve ESG performance, and where practical, align with best practices; and
4. Meet permit and regulatory obligations, as well as growing stakeholder expectations, around ESG.

ABOUT THIS REPORT

As part of our commitment to being a responsible miner, Centerra is committed to achieving conformance with the RGMPs by September 2022. Centerra acknowledges that acting in a responsible manner is key to maintaining its social licence to operate in the jurisdictions in which it operates.

Centerra has made considerable progress in the implementation of the RGMPs across the Company including at the two sites at which the RGMPs are applicable, specifically, the Öksüt Mine (Turkey) and the Mount Milligan Mine (Canada). In 2021, we released our first [RGMP Progress Report](#) which described our progress toward meeting full conformance with the RGMP requirements at the Öksüt Mine and progress on the self-assessment against the RGMPs at the Mount Milligan Mine. The Progress Report was [independently assured](#) and publicly disclosed, as required by the World Gold Council (WGC).

Centerra expects to have both operating gold mine sites in conformance with the RGMPs by September of 2022, after which time it will complete the required assurance and public disclosure.

REPORTING BOUNDARY

The reporting boundary for this update report is focused on Centerra's conformance against the 51 Responsible Gold Mining Principles criteria at the corporate level, the Öksüt Mine and the Mount Milligan Mine. The Kumtor site in the Kyrgyz Republic was included in the inaugural RGMP Progress Report, however, Centerra no longer has operational control of that site, nor access to information on progress related to the RGMPs; as a result, it is not included in this report.

This report describes Centerra's progress toward meeting Year 2 RGMP requirements at the corporate level and the two above-mentioned operating mines. The self-assessments were updated at the site level and consolidated at the corporate level. No site visits were conducted as part of this assessment or as part of the assurance process; moreover, the Report does not address exploration, development, and/or care and maintenance assets or activities.

YEAR 2 PROGRESS OF SELF-ASSESSMENT

In order to complete the Year 2 RGMP requirements, Centerra completed the following activities in 2021 and early 2022:

Step 1. Detailed corporate and site-level self-assessments against the RGMPs were updated, using the guidance provided by the WGC. The remaining conformance gaps were identified as were areas for continuous improvement. Corporate and site-level staff provided evidence to justify conformance against each RGMP/criteria.

Step 2. Completion of a quality assurance (QA) process over the completed corporate and site self-assessments to validate the progress, clarify gaps and review necessary evidence.

Step 3. Development of a Company-wide, consolidated RGMP conformance roadmap with specific action plans for the remaining conformance gaps against the 51 Principles/criteria. The action plans included specific tasks which were allocated to business leaders. The plan was signed off by Centerra's Executive Team.

Step 4. An independent assurance provider (Borealis Environmental Consulting Inc.) was retained to review the RGMP action plans, ensure compliance with the Year 2 RGMP requirements, and provide feedback to management on any further gaps, recommendations for further improvement, or areas for which further evidence of conformance is required.

YEAR 2 SELF-ASSESSMENT RESULTS

The Year 2 self-assessment updates determined that the Company was progressing well toward full conformance. Seven specific RGMPs were identified as the focal points for the 2022 action plan. These seven Principles are outlined below with a high-level summary of the main gaps and activities planned for 2022 aimed at moving into conformance by September 2022.

Once full conformance has been reached, we will again retain an independent assurance provider to verify our status and publicly disclose the results. This will be completed by mid-2023.

In addition to the main gaps identified and highlighted below, in 2021 a range of other minor improvements and enhancements were identified across a number of other RGMPs. These improvements will be made over the course of 2022 in order to strengthen overall conformance with the RGMPs.

KEY PRINCIPLES IDENTIFIED FOR THE 2022 RGMP ACTION PLAN

PRINCIPLE 2.3 DUE DILIGENCE

Centerra has several policies and systems in place which reflect strong internal due diligence processes. These include a systematic approach to site environmental and social impact assessments, a robust Enterprise Risk Management system, a completed conflict-free gold standard assessment for 2021, and policies for International Business Conduct and a Supplier Code of Conduct. In 2022, a human rights due diligence program will be initiated; we will also strengthen the ESG components of our risk management system. We will also conduct a risk-based due diligence review on entities to which we sell our products.

PRINCIPLE 3.1 SUPPLY CHAIN POLICY

Centerra has a Supplier Code of Conduct in place which covers a broad spectrum of issues, including: safety and health, environmental practices, bribery, and corruption. The Code will be updated in 2022 to include language related to human rights. We will also review the support that we provide to our suppliers to operate to similar ESG standards.

PRINCIPLE 5.1 UN GUIDING PRINCIPLES & PRINCIPLE 5.2 AVOIDING COMPLICITY

Centerra is in process of aligning with the UN Guiding Principles by developing a Human Rights Policy and initiating a human rights due diligence program. The human rights due diligence program will initially assess the risk-based human rights issues at both sites and at the corporate level, and will include issues such as: labour rights, relationships with communities, security and human rights, and impacts from site water use. In addition, in 2022, we will roll out an employee human rights training program through our internal training and development platform.

PRINCIPLE 6.5 DIVERSITY

Centerra's current policy and practices as they relate to promoting diversity at all levels of the Company have been drafted. We aim to finalize a Company-wide Diversity, Equity & Inclusion Policy in 2022 and begin implementation of a multi-year Global Diversity, Equity & Inclusion Strategy with specific KPIs.

PRINCIPLE 10.3 COMBATTING CLIMATE CHANGE & PRINCIPLE 10.4 ENERGY EFFICIENCY AND REPORTING

Due to internal transitions, the development of Centerra's climate change strategy, initiated in 2021, was put on temporary hold and was restarted in early 2022. The climate change strategy will include components related to: governance, risk assessment, climate adaptation and climate mitigation. New greenhouse gas emission targets will be assessed. In 2021, Centerra made a commitment to report against the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework and included a TCFD summary table in its [ESG Report](#). Additional reporting aligned with the TCFD will be included in 2022.

Responsible Gold Mining Principles (RGMPs) Independent Limited Assurance Report

Introduction

Centerra Gold Inc. (“Centerra”; or the “Company”) retained Borealis Environmental Consulting Inc. and its associates (“Borealis”) to provide an independent, limited assurance pertaining to Centerra’s conformance with the World Gold Council’s *Responsible Gold Mining Principles (RGMPs; the “Principles”)* for the calendar year 2021, Year 2 of Centerra’s implementation. Our role is to provide an independent opinion to validate Centerra’s conformity statements on *RGMP* implementation during the reporting period.

Assurance Scope

The scope of this independent limited assurance consisted of a review of Centerra’s 2021 public Environmental/Social/Governance (ESG)-related disclosures (<https://sustainability.centerragold.com/>), including its public commitment to achieving conformance with the Principles and Centerra’s internal progress report on the second of its three-year *RGMP* implementation process. Using a risk-weighted approach, Borealis undertook an assessment of supporting evidence for conformance with the *RGMPs*, as provided by Centerra. Our criteria for the review were the Principles, as described in the *RGMP* documentation.

Responsibilities

Centerra is responsible for ensuring that the Company designs, implements, operates and monitors activities, processes and controls to achieve compliance with policies and procedures that conform with the requirements of the Principles. Centerra is also responsible for preparing and presenting annual reports on *RGMP* implementation.

Borealis, in its role as a third-party assurance verifier/provider, is responsible for undertaking a limited assurance engagement, to render a conclusion based on the progress towards implementation and conformance with the *RGMPs*. We conducted our assurance engagement in accordance with industry best practices, including: specific elements related to limited assurance in the International Standard of Assurance Engagement (ISAE) 3000, and the guidance outlined in the *Assurance Framework for the*

148 East 25th Street
North Vancouver, BC
V7N 1A1

borealisenvironmental@gmail.com
778 877 0690

Responsible Gold Mining Principles and the Guidance on Implementing and Assuring the RGMPs: Supplement to the Assurance Framework.

Limited Assurance Procedure

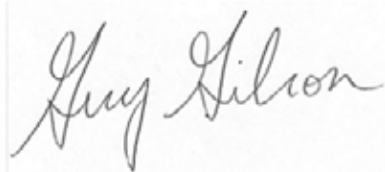
We conducted our evaluation between January and March of 2022. Our evaluation comprised the following activities:

- interviews with corporate *RGMP* implementation committee members;
- a review of publicly-available ESG information, including, but not limited to, Centerra's implementation of the Principles, including the Company's commitment to *RGMP* implementation in its *2020 RGMP Progress Report* (https://sustainability.centerragold.com/_doc/Centerra_Gold_RGMP_Progress_Report_2020.pdf) and *CENTERRA GOLD 2021: RGMP IMPLEMENTATION PROGRESS REPORT (YEAR 2)*; and,
- a review of the Company's internal *RGMP* self-assessments at the corporate and site levels, with supporting documentation.

Centerra's activities during 2021 met the requirements expected of companies in Year 2 of *RGMP* implementation.

Conclusion

Based on the procedures conducted, and evidence obtained, nothing has come to our attention to indicate that Centerra's conformance with the *RGMPs*, as described in *CENTERRA GOLD 2021: RGMP IMPLEMENTATION PROGRESS REPORT (YEAR 2)*, as of March 31, 2022, is not fairly stated, in all material respects. This conclusion is to be read in the context of the remainder of this report.



Guy Gilron, M.Sc., R.P.Bio., ICD.D

Principal, Senior Environmental Scientist

Certified ISO 14001 Lead Auditor & Mining Association of Canada

Towards Sustainable Mining Verification Service Provider

Borealis Environmental Consulting Inc.

North Vancouver, British Columbia, CANADA

31 March 2022

