



ESG DISCLOSURE & REPORTING

CURRENT STATE & THE EVOLVING LANDSCAPE

For presentation at Ryerson University Institute for the Study of Corporate Social Responsibility session on Sustainability Reporting and Community: the Evolving Landscape, Toronto, Oct. 25, 2019

Presented by:

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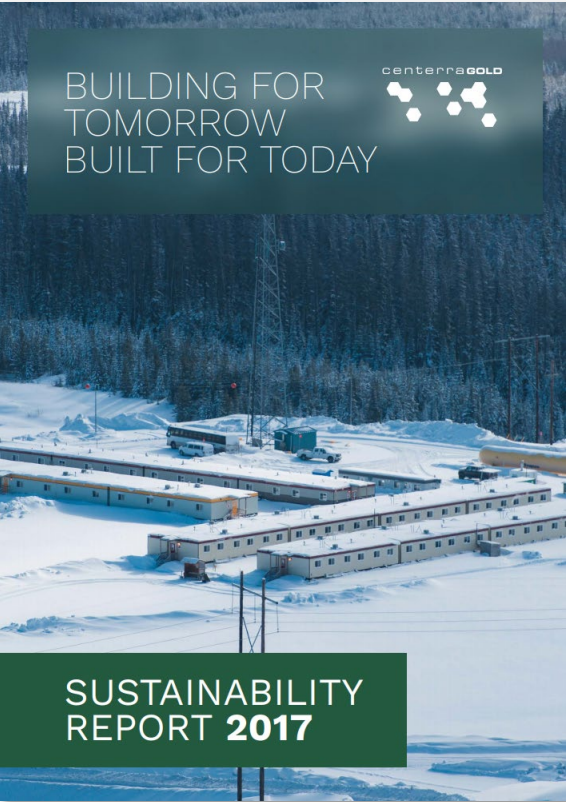
Advisor, Sustainability & Environment, Centerra Gold

centerra**GOLD**



CENTERRA GOLD'S CURRENT STATE OF ESG DISCLOSURE

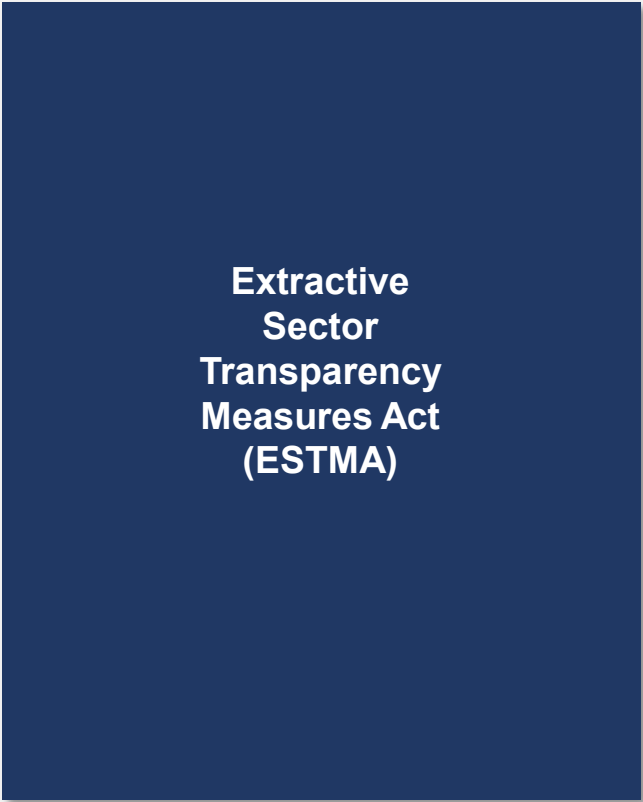
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ANNUAL SUSTAINABILITY GRI REPORT

ENERGY AND CLIMATE

Climate change risk considerations are integrated into our life of mine planning, water and tailings management programs, and mine closure planning processes.

The Vice President, Security, Sustainability and Environment is the highest level of direct responsibility for climate change at Centerra. This position reports directly to the Chief Operating Officer, who in turn, reports to CEO of Centerra. Centerra rewards behaviors and initiatives that address overall environmental performance (i.e., waste management, energy efficiency), which can contribute to reducing our carbon footprint.

Centerra's carbon footprint is reported through our participation in the Carbon Disclosure Project (CDP). This is an independent international not-for profit organization that tracks and reports corporate information pertaining to climate change. The data for individual companies is publicly available. Centerra had been disclosing under CDP's guidance since 2010.

Kumtor Mine, Kyrgyz Republic

Kumtor Mine is a significant consumer of fuel and electricity. Fuel represents over 20% of the commodity and service related purchases. However, wherever feasible, we use electricity. The most energy intensive operation is the mill, representing approximately 75% of our electricity consumption.

The Kyrgyz Republic generates more than 70% of its electricity through hydropower. In fact, the Kyrgyz Republic is a leading producer and exporter of hydroelectric energy in the Central Asia region, due to its mountainous terrain and abundant water resources.

The major source of the power supplied to KGC is from the Toktogul Reservoir located on the Naryn River. This means that our specific greenhouse gas (GHG) emission footprint generated from electricity is relatively low. It also means that efforts that

reduce or replace our fuel consumption with grid power offers the greatest value in terms of reducing our GHG emissions.

We continue to calculate and monitor our GHG emissions, and explore ways to reduce them as part of energy conservation measures. Our calculations include our three main sites: the mine, Balykchy Marshalling Yard, and Bishkek head office. However, the mine represents around 98% of energy use, and the only site using explosives. We include explosives in our GHG emission calculations as it was determined to be a significant component of the total emissions.

We aim to reduce our GHG intensity by reducing our specific energy consumption and by increasing energy efficiency. We switch from diesel generators to grid electricity, wherever and whenever feasible, for such uses as mine-site lighting, dewatering pumps, and other equipment. This reduces both costs and our GHG footprint.

Mount Milligan Mine, British Columbia, Canada

Mount Milligan mine has implemented a No Idling Policy site wide. This ensures no unnecessary fuel consumption is incurred. One 797F haul truck consumes 50 liters of diesel an hour if idling. In addition, to improve fuel economy we use Ultra Low Sulphur diesel fuels. All power use is by electricity with no diesel generation to supply power.

Mount Milligan has recently begun a partnership with BC Hydro and has hired an Energy Manager. This Energy Manager will review major projects to determine cost savings associated with energy supplied to the mine to determine more energy efficient methods. BC Hydro will supply funding for energy-related research and partial funding on more energy-efficient projects such as variable speed motors for milling operations.

Fig. 14 GHG Emissions

| | Unit | Kumtor | | Mount Milligan | |
|---|--------------------------|-----------|-----------|----------------|-----------|
| | | 2016 | 2017 | 2016 | 2017 |
| Direct Energy Consumption | Gigajoules | 4,807,912 | 4,838,619 | 850,891 | 589,371 |
| Indirect Energy Consumption | Gigajoules | 1,034,037 | 1,041,539 | 1,861,685 | 2,072,682 |
| Total Energy Consumption | Gigajoules | 5,841,949 | 5,880,158 | 2,712,576 | 2,072,682 |
| Direct GHG Emissions (scope 1) | Tonnes CO ₂ e | 337,028 | 340,525 | 59,004 | 46,821 |
| Indirect GHG Emissions (scope 2) | Tonnes CO ₂ e | 25,102 | 25,279 | 2,606 | 143,346 |
| Total GHG Emissions (scope 1 + scope 2) | Tonnes CO ₂ e | 362,129 | 365,804 | 61,610 | 190,167 |



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Report is in accordance with GRI core standards

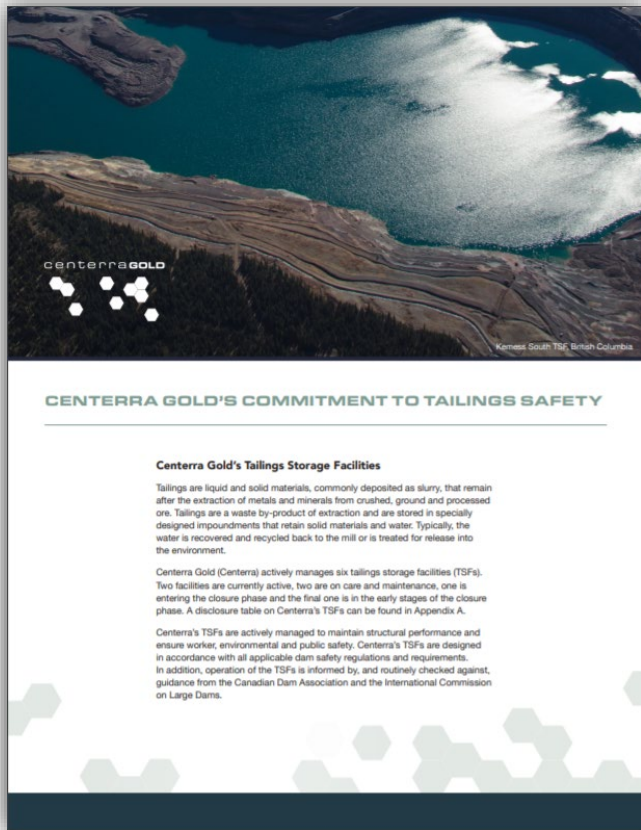
| Standards | Indicators | Descriptions and Page Numbers | Omissions |
|---------------------------------------|--|---|-----------|
| Human Rights | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | List of Identified material aspects and boundaries (p.25) | - |
| | 103-2 The management approach and its components | Human Rights (p.28-29) | - |
| | 103-3 Evaluation of the management approach | Governance (p.19-20) | - |
| GRI 406: Non-discrimination | 406-1: Incidents of discrimination and corrective actions taken | None | - |
| GRI 410: Security Practices | 410-1: Security personnel trained in human rights policies or procedures | Human Rights (p.29) | - |
| GRI 411: Rights of Indigenous Peoples | 411-1: Incidents of violations involving rights of indigenous peoples | None | - |
| Closure Planning | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | List of Identified material aspects and boundaries (p.25) | - |
| | 103-2 The management approach and its components | CEO's message (p.8-9); Closure Planning (p.58-59) | - |
| | 103-3 Evaluation of the management approach | Governance (p.19-20) | - |
| Business Development | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | List of Identified material aspects and boundaries (p.25) | - |
| | 103-2 The management approach and its components | CEO's message (p.8-9); Sustainability Snapshot (p.10-11); Growing our business (p.18-20) | - |
| | 103-3 Evaluation of the management approach | Governance (p.22); Business Development (p.34) | - |
| Energy & Climate | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | List of Identified material aspects and boundaries (p.25) | - |
| | 103-2 The management approach and its components | CEO's message (p.18-9); Water Management (p.48-49); Glacier Management at Kumtor Mine (p.49); Energy and Climate (p.58) | - |
| | 103-3 Evaluation of the management approach | Governance (p.19-20) | - |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | Energy and Climate (p.58) | - |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Energy and Climate (p.58) | - |
| | 305-2 Energy Indirect (Scope 2) GHG emissions | Energy and Climate (p.58) | - |
| Geotechnical Challenges | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | List of Identified material aspects and boundaries (p.29) | - |
| | 103-2 The management approach and its components | Geotechnical Challenges (p.56-57) | - |
| | 103-3 Evaluation of the management approach | Geotechnical Challenges (p.56-57); Governance (p.19-20) | - |

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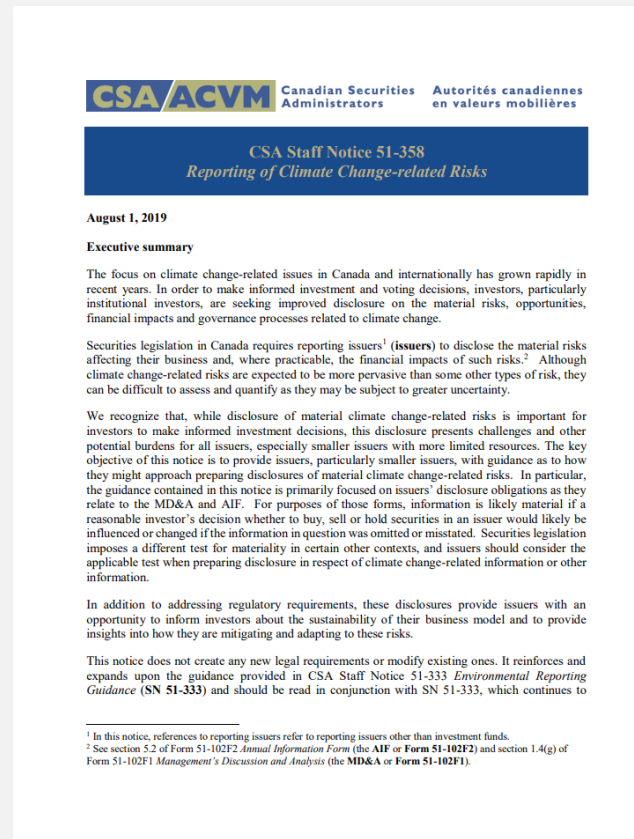
GRI Content Index

THE EVOLVING LANDSCAPE: RISKS, OPPORTUNITIES & CORPORATE PURPOSE

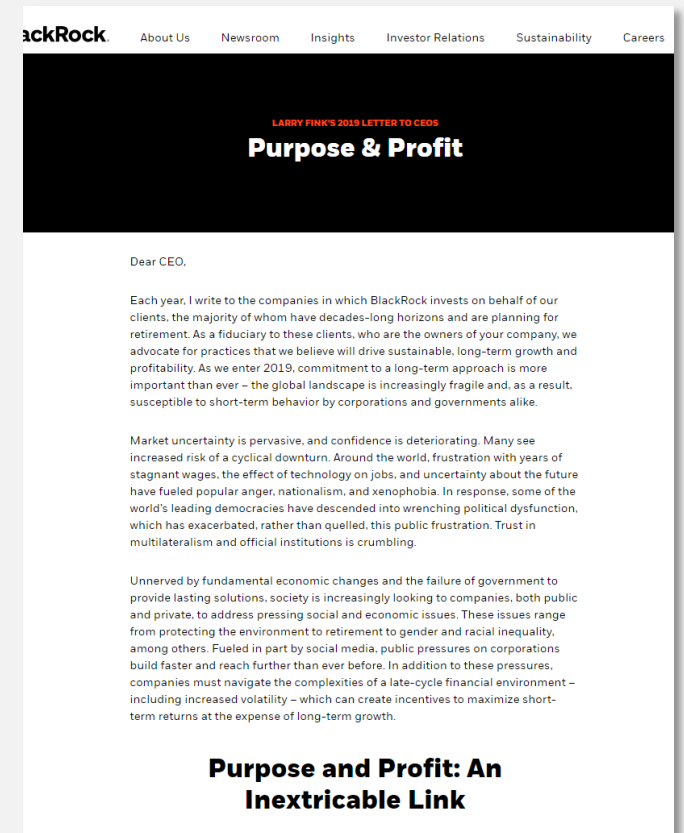
TSF Safety Disclosure

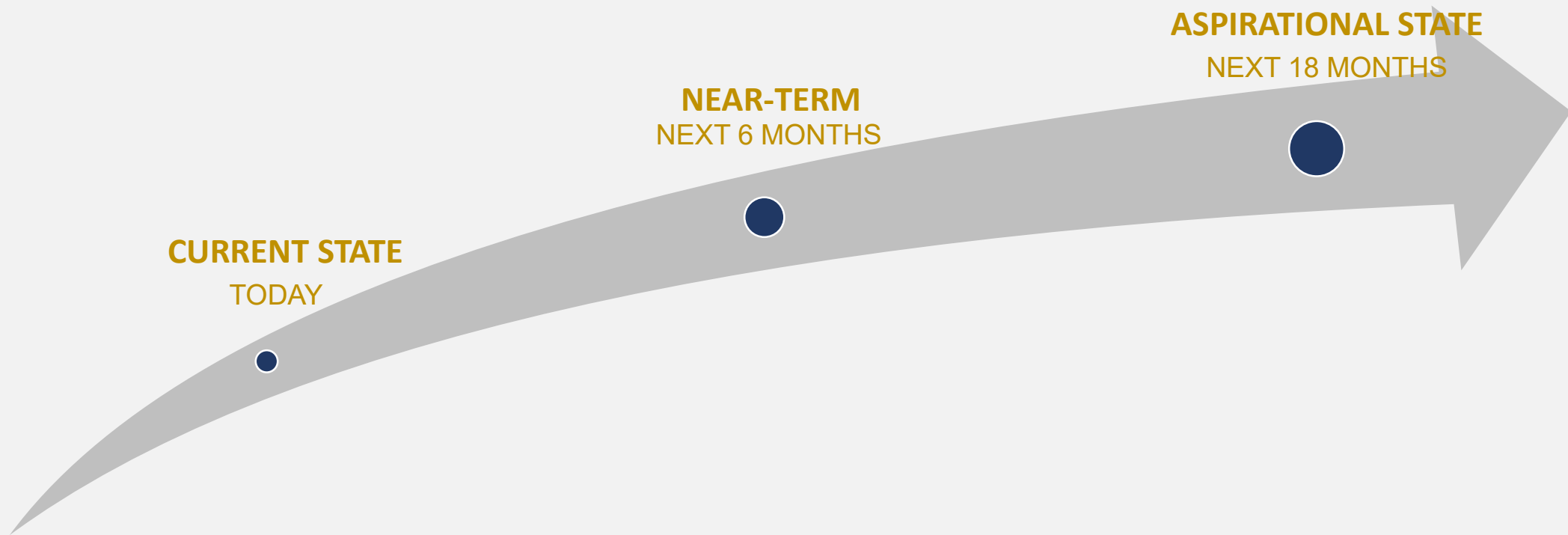


CSA guidance on climate-related disclosure



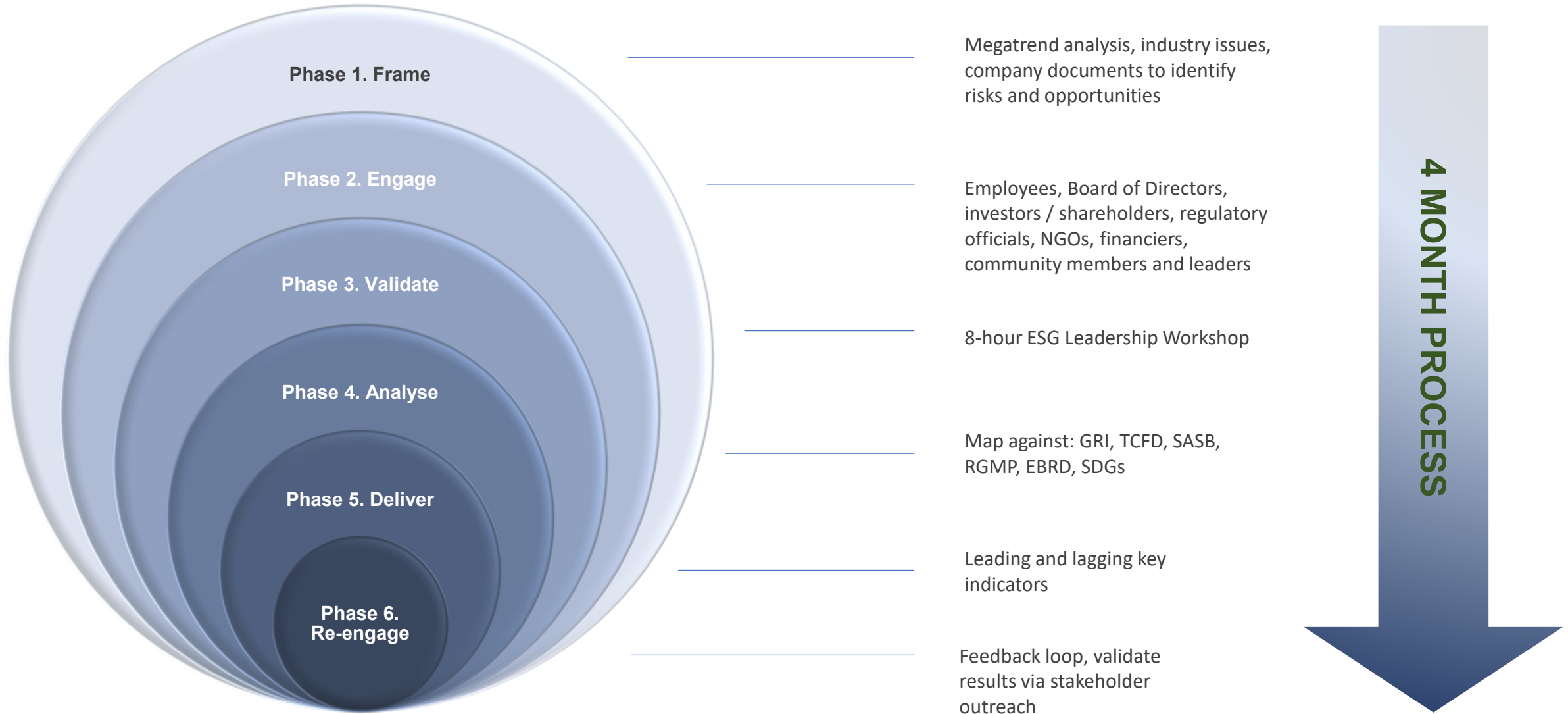
Investors demand to know a company's social purpose





PROTECTING CENTERRA GOLD'S VALUE

ESG ISSUES ASSESSMENT



MAPPING OUR ESG PRIORITIES TO INDUSTRY STANDARDS & FRAMEWORKS



CENTERRA GOLD HAS COMMITTED TO CONFORM TO THE WORLD GOLD COUNCIL'S *RESPONSIBLE GOLD MINING PRINCIPLES (RGMP)*

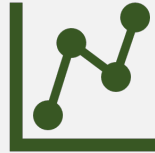
REPORTING & DISCLOSURE CONSIDERATIONS

1.



Lean corporate team managing an increasing amount of external reporting and disclosure requirements

2.



ESG rating agencies have varying methodologies to assess a company's risk and only use public data

3.



Practices are mandated by regulations and lender requirements and influenced by cultures which vary across sites

4.



Our ESG narrative primarily relies on “telling” not “showing” unlike traditional IR which brings investors to site

KEY TAKEAWAYS

1. Backward-looking reports fail to capture our risks and opportunities

2. One size **does not** fit all. Different stakeholders and groups have different informational needs so various reporting tools and techniques must be used

3. Social media will allow us to continue our engagement cycle by continuing to share our best practices and 'wins' with stakeholders

4. Reporting for the sake of reporting has limited value. Our aim is to use our report to guide corporate, operational and ESG strategy and engagement

THANK YOU

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