

centerragOLD



CENTERRA GOLD

2020

RGMP PROGRESS REPORT

centerraGOLD



Information and data contained in this response which are not statements of historical facts, and the documents incorporated by reference herein, may be “forward-looking information” for the purposes of Canadian securities laws. Such forward-looking information involves risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. The words “believe”, “expect”, “anticipate”, “contemplate”, “plan”, “intend”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, “understand” and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, remedial action plans and continuous improvement statements and plans in any of the non-conformances or continuous improvement areas, and future RGMP disclosure.

Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Centerra, are inherently subject to significant political, business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information.

There can be no assurances that forward-looking information and statements will prove to be accurate, as many factors and future events, both known and unknown, could cause actual results, performance or achievements to vary or differ materially from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained herein or incorporated by reference. Accordingly, all such factors should be considered carefully when making decisions with respect to Centerra, and prospective investors should not place undue reliance on forward-looking information. Forward-looking information is as at February 5, 2021. Centerra assumes no obligation to update or revise forward-looking information to reflect changes in assumptions, changes in circumstances or any other events affecting such forward-looking information, except as required by applicable law.

RESPONSIBLE GOLD MINING PRINCIPLES



The World Gold Council (WGC) formally introduced the Responsible Gold Mining Principles (RGMPs or Principles) in 2019. The RGMPs set out clear expectations for consumers, investors and the downstream gold supply chain as to what constitutes responsible gold mining. The RGMPs are composed of 10 principles and 51 sub-criteria and include topics and themes such as community development, biodiversity, local procurement, diversity and inclusion, and climate change. The 10 principles are as follows:

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PRINCIPLE 1 ETHICAL CONDUCT

We will conduct our businesses with integrity, including absolute opposition to corruption.



PRINCIPLE 2 UNDERSTANDING OUR IMPACTS

We will engage with our stakeholders and implement management systems so as to ensure that we assess, understand and manage our impacts, realize opportunities and provide remedy where needed.



PRINCIPLE 3 SUPPLY CHAIN

We will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us.



PRINCIPLE 4 SAFETY AND HEALTH

We will protect and promote the safety and occupational health of our workforce (employees and contractors) above all other priorities and will empower them to speak up if they encounter unsafe working conditions.



PRINCIPLE 5 HUMAN RIGHTS AND CONFLICT

We will respect the human rights of our workforce, affected communities and all those people with whom we interact.



PRINCIPLE 6 LABOUR RIGHTS

We will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination and abusive labour practices.



PRINCIPLE 7 WORKING WITH COMMUNITIES

We will contribute to the socio-economic advancement of communities associated with our operations and treat them with dignity and respect.



PRINCIPLE 8 ENVIRONMENTAL STEWARDSHIP

We will ensure that environmental responsibility is at the core of how we work.



PRINCIPLE 9 BIODIVERSITY, LAND USE AND MINE CLOSURE

We will work to ensure that fragile ecosystems, critical habitats and endangered species are protected from damage, and will plan for responsible mine closure.



PRINCIPLE 10 WATER, ENERGY AND CLIMATE CHANGE

We will improve the efficiency of our use of water and energy, recognizing that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our licence to operate.

REPORTING REQUIREMENTS AND DETAILS

RGMP CONFORMANCE REQUIREMENTS

Year 1: A description of the process of self-assessment or “readiness review” that has been undertaken, or is under way, to determine conformance with the RGMPs for all operations within the reporting boundary.

Year 2: As per Year 1, plus, based on self-assessment, a statement of progress on developing internal systems and processes to conform with the Principles.

Year 3: Conformance with the RGMPs at the corporate and site level demonstrated through on-site assurance of the internal systems and processes that are in place to conform with the Principles.

ABOUT THIS REPORT

Centerra Gold (Centerra or the Company) acknowledges that acting in a responsible manner is key to maintaining its social licence to operate in the jurisdictions where it does business. Centerra takes this responsibility seriously and began its journey of implementing the RGMPs in Q4 2019.

Centerra has endorsed and is implementing the RGMP principles at its three operating gold mine sites: the Kumtor Mine in the Kyrgyz Republic, the Mount Milligan Mine in Canada, and the Öksüt Mine in Turkey. As at October 31, 2020, the effective date of this Progress Report, our Öksüt Mine has completed Year 1 requirements and Year 3 RGMP assurance. As at October 31, 2020, both our Kumtor and Mount Milligan Mines have completed Year 1 requirements, as they are in the process of completing their self-assessments.

Centerra expects to have all three operating gold mine sites in conformance with the RGMP principles by 2022.

This Annual RGMP Progress Report summarizes Centerra’s state of conformance to the RGMPs as at October 31, 2020. As this is Centerra’s inaugural RGMP Progress Report, some of the information in this Report reflects performance and practices prior to October 2019.

This Progress Report, namely Mount Milligan and Kumtor’s Year 1 self-assessment process and Öksüt’s conformance with the RGMPs, has been assured, at a limited level, by an independent assurance provider. Please refer to Appendix A for the Independent Assurance Statement from Ernst and Young LLP.

REPORTING BOUNDARY

The reporting boundary for this Report is focused on Centerra’s three operating sites, namely the Kumtor Mine in the Kyrgyz Republic, the Mount Milligan Mine in Canada, and the Öksüt Mine in Turkey. Centerra has operational control of these assets.

The Year 1 self-assessment was undertaken at the corporate level and at these three operating sites. The Year 3 on-site assurance was completed at the Öksüt Mine in Turkey.

Centerra intends to publish its next RGMP Progress Report in late 2021/early 2022. This next report will detail Centerra’s progress toward meeting Year 2 RGMP requirements.

This Report will not cover exploration, development, and/or care and maintenance assets or activities.



RGMP GOVERNANCE

Centerra's Executive and Senior Leadership Team is committed to achieving RGMP conformance by 2022.

Centerra's Vice President, Security, Sustainability and Environment (VP, SS&E) is responsible for managing and administering the RGMP conformance process at both the corporate and site level, including managing the self-assessment process and road map development and implementation.

The VP, SS&E reports into the Chief Operating Officer of Centerra, a member of the Executive Team who in turn reports into Centerra's Chief Executive Officer (CEO), who has ultimate responsibility for Centerra's RGMP conformance.

The VP, SS&E is responsible for providing an RGMP update to the Sustainable Operations Committee of the Centerra Gold Board of Directors on a quarterly basis.

At the site level, assigned RGMP "Champions" work closely with relevant functional leads and the regional Vice President or, as in the case of Kumtor, President (herein referred to as "Site Leader(s)") to help achieve site-wide implementation, and ultimately timely conformance.



CENTERRA'S COMMITMENT TO RESPONSIBLE MINING

CENTERRA'S ROLE ON THE WGC'S ESG TASKFORCE

Centerra has been a member of the World Gold Council's (WGC) ESG Taskforce since 2017. Centerra was intimately involved in the conceptualization and drafting of the RGMPs, the WGC guidance and the associated assurance framework.

As part of this development process, in April 2019 Centerra volunteered to complete a "pilot test" of the RGMPs at its Kumtor Mine in the Kyrgyz Republic. This pilot test provided Centerra's corporate and site management with a working knowledge of the RGMPs.

WHY ARE THE RGMPs IMPORTANT TO CENTERRA?

We believe the RGMPs are important because:

1. The Principles will help us continue to proactively identify and manage our ESG risks before they become operational disruptors.
2. The Principles will help us stay up to date on Good International Industry Practices (GIIP) and ensure we have effective systems in place to remain compliant with our permitting and regulatory requirements.
3. The Principles will help us set meaningful key performance indicators that will allow us to measure our current performance and set targets for continuous ESG improvement.
4. The Principles unify our existing ESG practices under one holistic framework as they take into account existing international certifications, codes and standards that we have already met or are aligned with.

CENTERRA'S COMMITMENT TO THE RGMPs

As part of our commitment to being a responsible miner, Centerra Gold is committed to achieving conformance to the RGMPs by 2022. Our internal plan for implementation and conformance includes:



Strengthening or developing improved internal ESG-related systems, processes and performance that reinforce conformance with the RGMPs.



Annually reporting on the status of our implementation of and conformance with the RGMPs.



Meaningfully disclosing instances of non-conformances and our planned corrective controls and preventive actions.



Obtaining independent external assurance at both the corporate and site level on our conformance with the RGMPs.



RGMP IMPLEMENTATION
YEAR

1

YEAR 1 SELF-ASSESSMENT CRITERIA

In order to complete the RGMP Year 1 requirements, Centerra established the following criteria:

Step 1. CEO commitment to RGMP implementation and conformance.

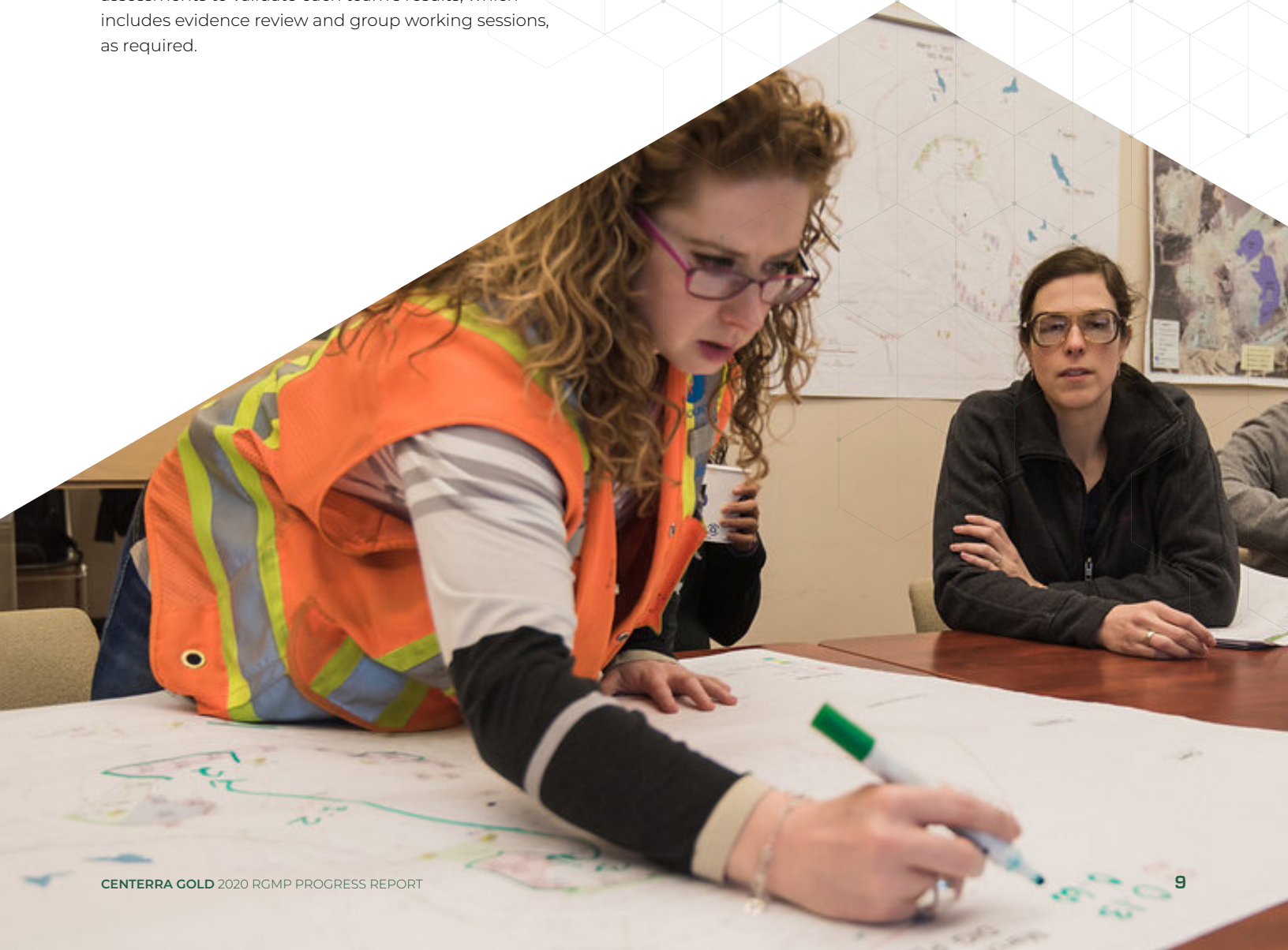
Step 2. Company-wide RGMP socialization and training sessions, including nomination of RGMP Champions.

Step 3. Corporate and site-level self-assessment, against the RGMPs, sub-criteria and the guidance provided by the World Gold Council, to identify conformance and areas for continuous improvement.

Step 4. Completion of quality assurance (QA) process over the completed corporate and site self-assessments to validate each team's results, which includes evidence review and group working sessions, as required.

Step 5. Inclusion of prioritized areas of non-conformance into Centerra's risk register, if not already included. Prioritization of key issues will be completed using the results of the 2019–2020 ESG Issues Assessment and any relevant trend analysis/external benchmarking.

Step 6. Development of a multi-year conformance action plan, including establishing accountability, timelines and resources, for both the corporate and site levels, with sign-off by the Executive Team.



YEAR 1 SELF-ASSESSMENT PROCESS

In 2019–2020, Centerra completed the following activities:

Step 1. Centerra CEO Scott Perry publicly endorsed and reiterated Centerra's commitment to the RGMPs in Centerra's **Annual Report** and 2019 ESG Report, and during quarterly financial calls with the investment community.

Step 2. Centerra's corporate Security, Sustainability and Environmental (SS&E) team developed and delivered RGMP awareness training sessions to senior leadership, corporate teams and subject matter experts (commonly, functional area managers) at our operating sites. These training sessions commenced in March 2020. The majority of these awareness sessions were held virtually due to COVID-19 precautionary measures.

At each operating site, we nominated an RGMP Champion. The Champions helped facilitate training sessions and completion of the Year 1 self-assessment, and will ultimately help facilitate RGMP implementation locally.

Step 3. In early 2020, Centerra's corporate SS&E team developed a Year 1 self-assessment tool. The Year 1 self-assessment tool was developed to evaluate Centerra's state of conformance with the RGMPs.

In Q2–Q3 2020, the corporate SS&E team launched the self-assessment tool at Kumtor, Mount Milligan and Öksüt, following the completion of the first round of RGMP awareness training sessions (as described in Step 2).

Subject matter experts, supported by their teams, were asked to complete appropriate sections of the self-assessment. Internal subject matter experts were identified by the Site Leader and RGMP Champion. The self-assessment questions were structured to identify whether the team's site policies, operating procedures and actual practices conformed to the RGMPs and sub-criteria. To support their answers, teams uploaded relevant management plans, operating procedures, registers and strategy documents as proof of conformance to the Principles.

As at October 31, 2020, the Öksüt Mine had completed the self-assessment process, including uploading all relevant documentation.

As at October 31, 2020, the Mount Milligan and Kumtor Mines are continuing to work their initial inputs into the self-assessment tool and identifying appropriate supporting documentation. The Kumtor and Mount Milligan Mines are expected to complete their self-assessments in early 2021.

Step 4 (Öksüt only). Following the completion of Öksüt's self-assessment, the site commenced the quality assurance (QA) process with the corporate SS&E team. The QA process consisted of several steps, including:

1. review of self-assessment answers;
2. review of supporting documentation, where appropriate, to validate answers; and
3. follow-up discussions with appropriate teams when clarification or further information was required.

Following the completion of Step 4, Öksüt commenced a Year 3 assessment and limited assurance of the RGMPs. The results of this assurance will be used to help prioritize Öksüt's key issues and develop an action plan to achieve full RGMP conformance by the end of 2022.

YEAR 1 NEXT STEPS

Mount Milligan and Kumtor Mines: Following completion of the self-assessment process at Mount Milligan and Kumtor in early 2021, we will commence Steps 4 through 6 at these two sites, as outlined in our Year 1 Self-Assessment Criteria.

Öksüt Mine: The Öksüt Mine will complete Step 5 and Step 6 of the Year 1 Self-Assessment Criteria in 2021. The prioritization of issues at Öksüt, and subsequent road map planning, will be based on the findings of Öksüt's Year 3 assessment against the RGMPs completed in November 2020.

The risk rating and road map for the prioritized issues will be established collaboratively with site teams, including the site's RGMP Champion, the Site Leaders, and appropriate corporate teams, including Legal, Risk, Finance, Human Resources, Health & Safety, and SS&E.

YEAR 1 SELF-ASSESSMENT RESULTS

While the RGMPs are new, our commitment to responsible mining is not.

Throughout the Year 1 self-assessment process at our corporate office and operating sites, we identified that many of our ESG policies, programs and practices are aligned with the criteria established by the RGMPs.

There is always opportunity to strengthen our policies and practices. The next section in this Report (Year 3: Öksüt's Conformance to the RGMPs) details our current RGMP non-conformances and areas for continuous improvement at our Öksüt Mine.

RGMP YEAR 1 SELF-ASSESSMENT HIGHLIGHTS

The following section highlights Centerra's performance on select RGMP principles only.

In future years, following the completion of all self-assessments and development of the Company's RGMP action plan and road map, Centerra will provide a more detailed analysis of RGMP progress for each site and at the corporate level.



PRINCIPLE 1 ETHICAL CONDUCT

Centerra is a signatory of the Extractive Industries Transparency Initiative (EITI) and reports in conformance with

the Extractive Sector Transparency Measures Act (ESTMA), disclosing annual payments to governments in order to promote greater transparency around revenue flows and minimize corruption.

Key departments at our operating sites (government relations, community relations, finance, procurement, legal and most managers) receive regular Code of Conduct and anti-corruption training. Centerra has a Compliance Hotline (whistleblower line), which is a confidential 24-hour-a-day service operated by an independent third party that allows for anonymous and confidential reporting. The hotline can be used for, among other things, reports of suspected fraud, corruption, and breach of policies (including conduct contrary to our Code of Ethics). The hotline is available in several languages used at Centerra and its subsidiaries. It may be accessed by internet, phone or Skype (audio only), or contacted via mail.



PRINCIPLE 2 UNDERSTANDING OUR IMPACTS

All Centerra operating sites have stakeholder engagement plans

and undertake mapping and analysis exercises to inform engagement planning.

Centerra has a formalized Enterprise & Operational Risk Management (EORM) program based on the ISO 31000 risk management framework, which is used to assess corporate and site-based risks, threats and opportunities, including security, social, environmental, health & safety, regulatory and reputational.

Centerra has established an anonymous, fair and accessible community-based grievance mechanism at each site. Each operating site keeps an active grievance register and focuses on ensuring that all grievances receive timely and fair resolutions.



PRINCIPLE 4 SAFETY AND HEALTH

Centerra has implemented a Company-wide *Work Safe/Home*

Safe safety leadership program at all operations that has been developed to generally align with OHSAS 18001.

In 2019, our employees and contractors underwent 230,000+ work hours of health and safety training. In addition, we introduced a new element of our *Work Safe/Home Safe Program* called *Visible Felt Leadership*, which focuses on safety-related field interactions between Centerra's senior and line management personnel and employees.



PRINCIPLE 6 LABOUR RIGHTS

Centerra is committed to meeting all regulatory labour requirements in the jurisdictions where it

operates, as well as the fundamental labour rights set out by the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

We respect our employees' right to earn minimum and fair wages, their right to freedom of association and their right to work decent hours in an environment where all forms of forced or compulsory labour are eliminated, equal opportunities are promoted, and safe working conditions exist.

We prohibit discrimination and harassment on any grounds, including a person's sex, age, race, national or ethnic origin, ancestry, place of origin, citizenship, creed/religion, colour, disability, marital status, family status, sexual orientation, gender identity, gender expression, or conviction for which a pardon has been granted.

In 2018, Centerra launched a gender leadership program called *Leading from Within*. Developed in collaboration with the European Bank for Reconstruction and Development, the program focuses on strengthening women's leadership skills in four key areas: knowing your worth, communicating authentically, making connections and standing strong. In 2019, 27% of our female workforce completed Centerra's pilot of this program.



PRINCIPLE 7 WORKING WITH COMMUNITIES

Centerra is committed to creating and sharing economic value in

the countries and communities where it operates. Economic value may include direct contributions to national and regional governments, employee wages, direct and indirect taxes, mandatory payments, purchases of local goods and services, and strategic community development programs.

In 2017, Mount Milligan developed a customized *Pre-Employment Training and Education Readiness* (PETER) program in partnership with McLeod Lake Indian Band, Nak'azdli Whut'en First Nation, and the College of New Caledonia. The program ran successfully in 2017 and 2018, and started again in 2020. From 2017–2018, five graduates of the program received full-time job offers at the Mount Milligan Mine. Mount Milligan also entered a partnership with the two area school districts to develop a mining education and training program for grade 12 students, called *MiningX*. In October 2019, the pilot of this program launched with six students.





**PRINCIPLE 9
BIODIVERSITY,
LAND USE AND
MINE CLOSURE**

We aim to avoid, minimize, mitigate or compensate for significant adverse impacts on the environment relating to our activities. We commit to not exploring or developing new mines in UNESCO-recognized World Heritage Sites, to respecting legally designated protected areas and areas designated as Key Biodiversity Areas, and to avoiding negative impacts on threatened and protected flora and fauna species.

In 2019, we continued to focus on progressive reclamation at our Mount Milligan Mine. We completed rehabilitation work on approximately four hectares of the south-facing slope of the tailings dam. During the 2019 growing season, Twin Sisters Native Plant Nursery of Moberly Lake, British Columbia, grew approximately 5,040 Sitka alder and 2,000 fireweed seedlings for planting in a portion of the tailings dam slope in 2020. The remaining portion was allocated toward the reclamation trial area.

Öksüt's permitted mine area is significant for the conservation of species and, as such, we have established a "no net loss" objective. Specifically, to protect endangered plant species, we have removed these plants and established an off-site greenhouse and will replant these species at the appropriate time. In addition, we have collected the seeds of these plants and have created a seed bank, which will be used to plant new areas and restore affected areas.



ÖKSÜT'S CONFORMANCE
TO THE RGMPs

YEAR

3

CONFORMANCE RESULTS

Despite no requirement to obtain on-site assurance until Year 3, the Company considered it useful for the Öksüt Mine to undergo a third-party limited assurance process in 2020 over the self-assessment findings.

As at October 31, 2020, the Öksüt Mine conformed with the Responsible Gold Mining Principles, with the exception of the non-conformances identified below. This conclusion is based on the results of Öksüt's assessment against the RGMP criteria. The non-conformances are described below:

PRINCIPLE 2.3 DUE DILIGENCE

PRINCIPLE 5.1 UN GUIDING PRINCIPLES

PRINCIPLE 5.2 AVOIDING COMPLICITY

GLOBAL OPERATING STANDARDS

Centerra's practices are aligned with the UN's Voluntary Principles on Security and Human Rights (VPSHR), the UN Guiding Principles on Business and Human Rights and the articles set forth in the UN's Universal Declaration of Human Rights.

Centerra's Employee Code of Ethics and Respectful Workplace Policy set out expectations for employees around compliance with laws in regard to non-discrimination, harassment and ensuring a safe workplace.

To ensure the VPSHRs are adhered to, security and community relations personnel across our operating sites receive training on these principles, which involves a mixture of classroom training and knowledge checks. VPSHR training is provided to both employees and private security contractors. In addition, Centerra's strict security operating procedures at sites ensure community safety. Specific procedures include only hiring appropriately qualified and licensed security contractors, conducting contractor performance assessments, performing reference checks on potential candidates and restricting possession of firearms and lethal ammunition, unless legally required.

Communities of interest, project-impacted stakeholders and Indigenous groups have access to our community-based grievance mechanism to raise a grievance about any behaviour not aligned with the VPSHRs or Centerra's accepted practices.

Our Compliance Hotline provides employees and third parties with a means to raise concerns in good faith regarding potential violations of our standards, policies and procedures, and ensures that those individuals will be protected from dismissal or retaliation of any kind.

Finally, Centerra's suppliers must also comply with all applicable employment standards, including labour, non-discrimination and human rights laws relating to, without limitation, wages, working hours, conditions, and prohibition on child labour.

SITE-SPECIFIC INFORMATION

In 2016, Öksüt completed an environmental and social impact assessment (ESIA), under the performance requirements set forth by the European Bank for Reconstruction and Development (EBRD). Although a stand-alone human rights impact assessment was not conducted, the baseline survey and impact assessment work identified potential adverse impacts from the construction and operation of the mining project, including human rights-related issues that could impact communities in the local area, including impacts to access to ecosystem services and displacement of economic livelihoods.

During development and construction of this project, management action plans were implemented to directly address these identified issues, such as a Livelihood Restoration Plan to offset lost opportunities for shepherds in the area and comprehensive water quality monitoring to protect local waterbodies and communities.



NON-CONFORMANCE

As at October 31, 2020, Centerra does not have a systematic human rights due diligence process for identifying and evaluating: (i) human rights impacts on communities of interest that may have arisen following the completion of the ESIA process; or (ii) human rights impacts or violations within its supply chain. In addition, Centerra does not currently have a process for mitigating and remediating human rights violations that have been identified in its supply chain.

REMEDIAL ACTION PLAN

In 2020, we began to develop a Human Rights Standard, which will ultimately form the basis of our Human Rights Policy. In these documents, we will outline our current practices related to upholding labour rights in our workforce and throughout our supply chain and our process for respecting community rights.

In addition, we will assess the options, including due diligence procedures, training, community engagement, and social assessments, that will be required to ensure that our business activities avoid complicity with or directly causing human rights abuses throughout our supply chain and communities. Finally, our Standard will set out remediation procedures in the event that we identify adverse human rights impacts. It is our aim that the Human Rights Standard will be finalized in 2021 and fully implemented by the end of 2022 across our operating sites.

PRINCIPLE 5.4

CONFLICT-FREE GOLD STANDARD

As per the requirements of the Conflict-Free Gold Standard, we have completed Part A of the Conflict Assessment for the Öksüt Mine and have determined that the operations are not conflict affected. Given this conclusion, completion of Parts B–D of the Conflict-Free Gold Standard are not required.

NON-CONFORMANCE

As at October 31, 2020, Centerra does not annually publish a management statement of conformance with respect to the Conflict-Free Gold Standard.

REMEDIAL ACTION PLAN

On an annual basis, we will aim to publish a management statement of conformance reviewing the conclusions of our conflict assessment.



CONTINUOUS IMPROVEMENT

As a responsible miner, we are committed to continuous improvement. The continuous improvement measures described below do not constitute non-conformances; rather, they are opportunities for Centerra to strengthen current ESG policies, practices and programs. Our intended actions for 2021 and 2022 include:

PRINCIPLE 2.5 RESOLVING GRIEVANCES

Centerra's Grievance Management & Resolution Standard provides a framework for our teams to define effective remedy for both collective and individual community grievances.

The grievance mechanism is an accessible community-based process that can be used by all individual local stakeholders and groups at any stage of our operations or related activities, including exploration, operation, care and maintenance, and closure.

CONTINUOUS IMPROVEMENT

Given Turkish-imposed public health measures to counter the COVID-19 pandemic, when feasible we will organize updated refresher awareness training on the grievance procedures with external stakeholders and groups, including community members.

PRINCIPLE 3.1 SUPPLY CHAIN POLICY

PRINCIPLE 3.2 LOCAL PROCUREMENT

Öksüt's Procurement Procedure emphasizes maximizing local procurement. Öksüt will accept legitimate increased costs to allow local firms to bid for opportunities. The Öksüt Mine prioritizes providing opportunities to Develi-based traders and shop owners. Öksüt's supplier selection protocol does not discriminate against people or companies on the grounds of race, ethnicity, gender or political affiliation.

CONTINUOUS IMPROVEMENT

We will ensure that all supplier and business contracts include references to our Supplier Code of Conduct. In addition, we will strengthen our approach to local procurement by organizing capacity building programs and supplier fairs that will help identify and support promising local companies.

PRINCIPLE 4.1 SAFETY

PRINCIPLE 4.2 SAFETY MANAGEMENT SYSTEMS

PRINCIPLE 4.3 OCCUPATIONAL HEALTH AND WELLBEING

Centerra has implemented a Company-wide *Work Safe/Home Safe* safety leadership program at all operations that has been developed to generally align with OHSAS 18001.

CONTINUOUS IMPROVEMENT

While Öksüt's utmost focus is on protecting the health and safety of its workforce, COVID-19 has presented challenges in completing several mandatory internal training sessions, such as updated *Work Safe/Home Safe* training, regular emergency preparedness sessions and a few external audits.

In 2020, we began development of an online *Work Safe/Home Safe* orientation program. This online program will be rolled out in early 2021. Other outstanding H&S sessions and subsequent auditing will be scheduled and completed in 2021 once COVID-19 restrictions are eased.

PRINCIPLE 5.3 SECURITY AND HUMAN RIGHTS

Centerra is committed to aligning with the Voluntary Principles on Security and Human Rights (VPSHR).

CONTINUOUS IMPROVEMENT

Öksüt's VPSHR training was planned for the first year of the mine's operation. Once again, due to COVID-19 public health restrictions, in-person training was cancelled and will be rescheduled for 2021.



PRINCIPLE 6.2 PREVENTING DISCRIMINATION

Centerra prohibits discrimination and harassment on any grounds, including a person's sex, age, race, national or ethnic origin, ancestry, place of origin, citizenship, creed/religion, colour, disability, marital status, family status, sexual orientation, gender identity, gender expression, or conviction for which a pardon has been granted. In 2019, select site teams at Öksüt completed Code of Business Conduct and Ethics training.

CONTINUOUS IMPROVEMENT

Going forward, the Centerra corporate and Öksüt team will evaluate expansion of the anti-discrimination training program under Centerra's Respectful Workplace Policy, to ensure inclusion of all employees.

PRINCIPLE 6.5 DIVERSITY

PRINCIPLE 6.6 WOMEN AND MINING

Centerra is actively pursuing initiatives within its Diversity and Inclusion (D&I) strategy to identify, assess and eliminate any barriers to recruitment, training, development and advancement opportunities, performance management and promotion practices, and succession planning that could adversely affect employees because of their visible or invisible diversity.

In 2020, Centerra became a sponsor of International Women in Mining, to further its commitment to and support of achieving greater gender representation within Centerra and the broader mining community. In 2020, Centerra commenced unconscious bias training across the organization.

CONTINUOUS IMPROVEMENT

As part of its D&I Strategy, Centerra will undertake the process of a documentary review to determine if any policies, processes or key documents, as written, pose any barrier for any group, and to ensure that they comply with recent Human Rights legislation and tribunal decisions, and ensure that they are in alignment with current best practices in these areas, including the prevention of gender pay issues and other inequities.

This work will enable Centerra to establish key performance indicators with regard to women and mining across our operating sites, including Öksüt.

PRINCIPLE 8.2 TAILINGS AND WASTE MANAGEMENT

According to the International Cyanide Management Code (ICMI), active operations must be audited to verify their compliance with the Cyanide Code within three years of being designated for certification. In 2020, Öksüt completed a Cyanide Code gap analysis. On June 26, 2020, Öksüt became a signatory to the Cyanide Code, beginning the certification process. As prescribed within the Cyanide Code, Öksüt will complete the verification and audit process within three years of the certification date.

CONTINUOUS IMPROVEMENT

In 2021, the Öksüt Mine will begin working toward ICMI certification.

PRINCIPLE 10.3 COMBATTING CLIMATE CHANGE

PRINCIPLE 10.4 ENERGY EFFICIENCY AND REPORTING

Centerra is committed to timely reporting and transparency. As part of this commitment, we annually report to the CDP on our efforts related to climate change, including our Scope 1 and Scope 2 greenhouse gas (GHG) emissions.

To create reporting accuracy and consistency across our operating sites and new mines coming online, namely the Öksüt Mine, in 2019 we standardized our global GHG emissions reporting. This will increase our reporting accuracy across all sites and will allow us to move toward global external GHG verification in future years.

CONTINUOUS IMPROVEMENT

In 2019, we commenced the development of a Company-wide climate change strategy. The strategy will outline short- and long-term initiatives for the management of Centerra's Scope 1 and Scope 2 GHG emissions. The strategy is being developed with consideration for the reporting recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD). The global strategy will consider site-specific targets and activities at Öksüt, including energy efficiency and the management of climate-related risks.



APPENDIX A

INDEPENDENT ASSURANCE STATEMENT



Independent assurance report

To the Board of Directors and Management of Centerra Gold Inc.

Scope

We have been engaged by Centerra Gold Inc. ("Centerra") to perform a limited assurance engagement (the "engagement") over Centerra's 2020 RGMP Progress Report as at October 31, 2020 ("Progress Report"), as defined by International Standards on Assurance Engagements, to report on the following:

▶ **Subject Matter 1:**

Description of the year one self-assessment process Centerra used to assess its conformance with the Responsible Gold Mining Principles ("RGMPs") at Centerra's Corporate, Kumtor Mine in the Kyrgyz Republic (the "Kumtor Mine"), Mount Milligan Mine in Canada (the "Mount Milligan Mine") and Öksüt Mine in Turkey (the "Öksüt Mine") as contained in the *Year 1 Self-Assessment Process* section (page 10) of the Progress Report.

▶ **Subject Matter 2:**

Management's assertion on the Öksüt Mine's conformance with the requirements of the RGMPs as contained in the *Conformance Results* section (pages 15-16) of the Progress Report.

Other than as described in the preceding paragraph, which sets out the scope of the engagement, our assurance engagement does not extend to any other information included in the Progress Report, or linked to from the Progress Report, and accordingly, we do not express a conclusion on this other information.

Criteria applied by Centerra

▶ **Subject Matter 1:**

In preparing the description of the self-assessment process on the conformance with the RGMPs, Centerra applied the internally established criteria contained in the *Year 1 Self-Assessment Criteria* section (page 9) of the Progress Report (the "Self-Assessment Criteria"). The Self-Assessment Criteria were specifically designed for the self-assessment process on conformance with the RGMPs. As a result, the Subject Matter 1 information may not be suitable for another purpose.

▶ **Subject Matter 2:**

In preparing management's assertion of the Öksüt Mine's conformance with the requirements of the RGMPs, Centerra applied the ten Responsible Gold Mining Principles and associated subprinciples published by the World Gold Council in September 2019 (the "RGMP Criteria").



Centerra's responsibilities

Centerra's management is responsible for selecting the criteria and for presenting each subject matter in accordance with that criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter 1 and Subject Matter 2 (collectively, the "Subject Matters") based on evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000') and the guidance set out in the Assurance Framework issued by the World Gold Council, and the terms of reference for this engagement as agreed with Centerra on October 15, 2020. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, Subject Matter 1 and Subject Matter 2 are presented in accordance with the Self-Assessment Criteria and RGMP Criteria, respectively, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and have the required competencies and experience to conduct this assurance engagement. The firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures



were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems. A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matters and related information, and applying analytical other appropriate procedures.

Our procedures included:

- ▶ Inquiries of a selection of management and members of the senior leadership team to gain an understanding of Centerra's processes, policies and controls in place related to the Subject Matters.
- ▶ Inquiries of relevant staff at the corporate and site level who are responsible for the Subject Matters.
- ▶ Inspecting a selection of underlying documentation that support the description of the Subject Matters.
- ▶ Evaluating the presentation of the Subject Matters in the Progress Report.

Additional procedures specific to Subject Matter 2:

- ▶ Performing a site visit to the Öksüt Mine to observe the implementation of controls, processes and procedures relevant to Subject Matter 2.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information, such as the Subject Matters, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

Conclusions

Conclusion on Subject Matter 1:

Based on our procedures and the evidence obtained, nothing has come to our attention that causes



us to believe that the description of the self-assessment process Centerra used to assess its conformance with the RGMPs as at October 31, 2020, as contained in the *Year 1 Self-Assessment Process* section (page 10) of the Progress Report, is not prepared, in all material respects, in accordance with the Self-Assessment Criteria.

Conclusion on Subject Matter 2:

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that management's assertion on the Öksüt Mine's conformance with the requirements of the RGMPs as at October 31, 2020, as contained in the *Conformance Results* section (pages 15-16) of the Progress Report, is not prepared, in all material respects, in accordance with the RGMP Criteria.

Ernst & Young LLP

Chartered Accountants
Licensed Public Accountants

February 5, 2021
Toronto, Canada

centerragOLD



1 University Avenue, Suite 1500
Toronto, ON M5J 2P1

Tel: +1 (416) 204-1953
Fax: +1 (416) 204-1954
Email: sustainability@centerragold.com

centerragold.com