GREEN LOAN REPORT

Under the Green Financing Framework

POLYMETAL INTERNATIONAL PLC

27 January 2023

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Sustainability as one of strategic priorities

How we enable sustainable and responsible growth:

1 Engaging with stakeholders

- We advocate for meaningful dialogue with employees, communities, authorities, business partners and capital providers

2 Setting clear goals and measuring performance

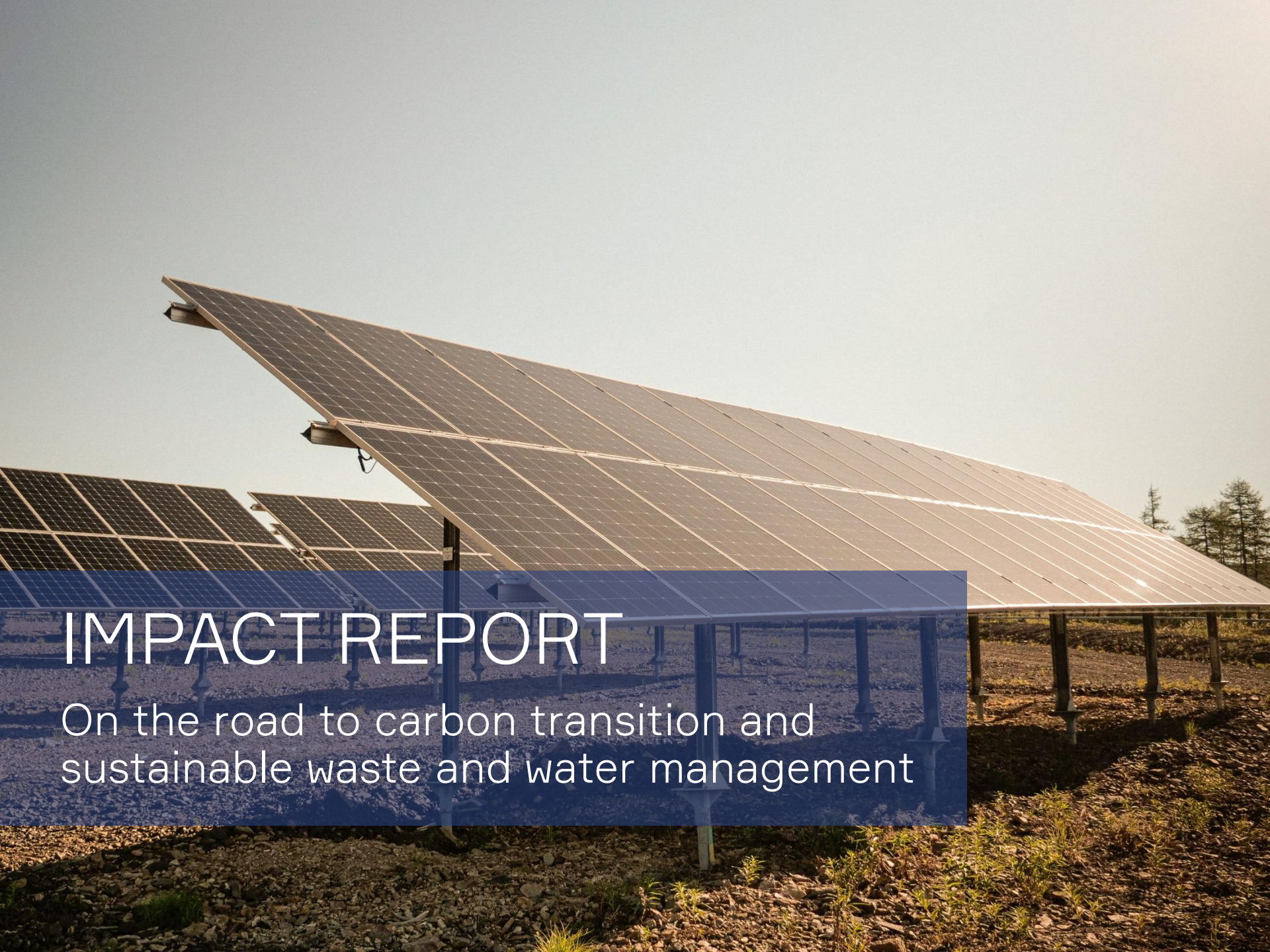
- We have corporate management systems in place to monitor and continuously improve sustainability performance

3 Aligning our impacts with UN SDGs

- We have mapped strategic impact areas to relevant SDGs and targets and analysed how we contribute

4 Applying the highest standards of governance and risk management

- Our management remuneration is linked to ESG KPIs, and sustainability risks are embedded in corporate Risk Management System



IMPACT REPORT

On the road to carbon transition and sustainable waste and water management

Clean transportation

- Investments in low-carbon transport and renewable energy under the Green Financing Framework to support achievement of the 30% GHG intensity reduction by 2030 goal

ELECTRIC EXCAVATORS AT KOMAR

UNDERGROUND ELECTRIC CONVEYOR SYSTEM AT MAYSKOYE

Eligible Green Project	Mine site	Launch	Number of new vehicles	Indicators			
				Expected after full ramp-up	As of 31 Dec. 2022	Expected after full ramp-up	As of 31 Dec. 2022
				Reduction of energy consumption		Annual GHG emissions avoided (Scope 1), metric tons of CO2e	
Electric excavators replacing diesel-fueled fleet	Komar	2022	2	45%	45%	6,123	6,123
Electric underground LHDs and trucks	Mayskoye	2023	5	NA [1]	NA [1]	1,176 [2]	235
Electric Rail-Veyor	Varvara	2022	-	86%	93%	417	834
Underground electric conveyor system	Mayskoye	2023	-	12%	74%	5,371	2,685

Notes:
1) Purchased vehicles do not replace existing ones.
2) Compared with potential choice of diesel vehicles.

Renewable energy

- We aim to achieve 7% of green electricity of total generated energy by 2025

WIND TURBINE AT UNCHI PORT

SOLAR POWER PLANT AT SVETLOYE

Eligible Green Project	Mine site	Launch	Indicators			
			Expected after full ramp-up	As of 31 Dec. 2022	Expected after full ramp-up	As of 31 Dec. 2022
			Share of renewable energy usage at the unit/operation		Annual GHG emissions avoided (Scope 1), metric tons of CO2e	
Solar power plant (2.5 MW)	Omolon	2021	3%	3%	1,638	1,670
Solar power plant (1.0 MW)	Svetloye	2018	7%	6%	771	595
Wind power plant Unchi (100 kW)	Svetloye	2018	41%	30%	74	53

Sustainable waste management

Dry stacking:

- Waste is physically and chemically stable – no risk of major accident/ dam failure and pollutant leaching and release, including seepage to groundwater
- Safer for wildlife – no dam means no risk for birds

Backfilling technology:

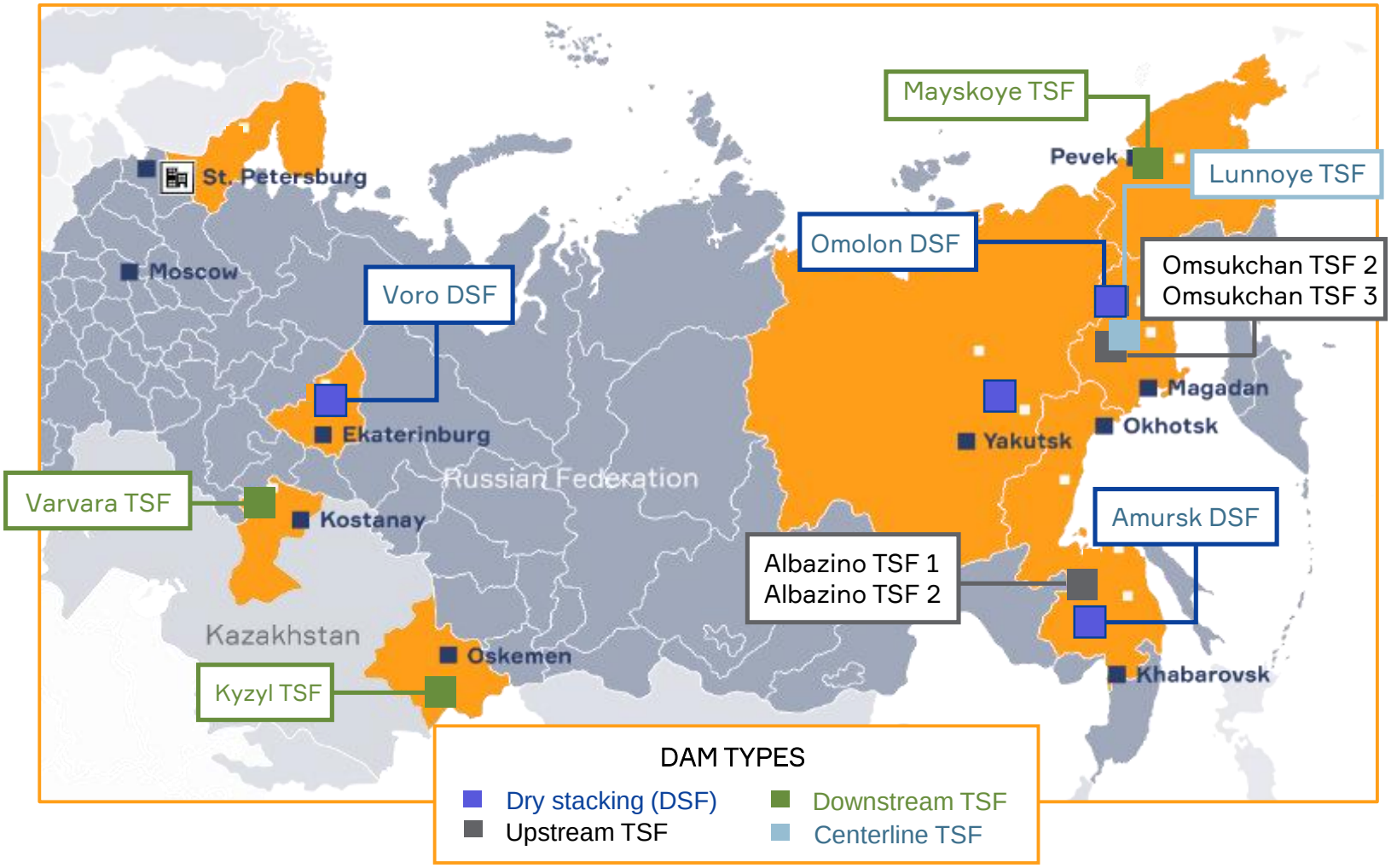
- Increased ground stability and safety, prevents stope wall spalling
- Reduces the risk of collapses by filling the drift instead of building a new pond or heap

Eligible Green Project	Mine site	Launch	Indicators			
			Expected after full ramp-up	As of 31 Dec. 2022	Expected after full ramp-up	As of 31 Dec. 2022
			Waste volume reduction as compared to wet disposal		Fresh water savings, m3	
Dry storage facility	Omolon	2021	18%	18%	2,077	2,077
Dry storage facility	Nezhda	2021	18%	18%	3,903	3,903
Dry storage facility	Dukat	2024	28%	Project in process	9,095	Project in process
Dry storage facility	POX-2	2024	18%	Project in process	1,220	Project in process
Dry storage facility	Voro	2023	18%	Project in process	NA [1]	NA [1]
Backfilling project (waste reuse)	Mayskoye	2024	NA	Project in process	NA [2]	NA [2]

Notes:
1) Not applicable as operation doesn't use fresh water.
2) Not applicable as process is not aimed to reduce fresh water use.

Location and type of operated TSF and DSF

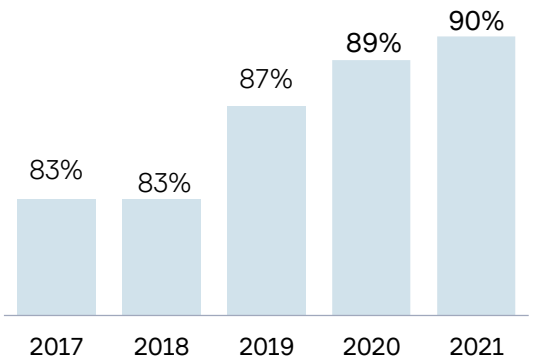
- Seismic conditions and permafrost in Russia and Kazakhstan are big advantage compared to Latam and Africa



Sustainable water management

- We rigorously ensure all discharge is purified using mechanical, physical-chemical and biological processes
- We continually monitor the quality of surface and ground water to ensure zero contamination

REVERSE OSMOSIS AT AMURSK POX



SHARE OF WATER RECYCLED AND REUSED,
% OF TOTAL WATER USED

Eligible Green Project	Mine site	Launch	Indicators			
			Expected after full ramp-up	As of 31 Dec. 2022	As of 31 Dec. 2022	As of 31 Dec. 2022
			Decrease in discharge of water pollutants		Water percent recycled and reused[1]	Elimination of water pollutants discharge exceeding legally permitted concentrations
Reverse osmosis to improve discharge water quality	Voro	2020	87%	87%	99%	100%
Settling ponds upgrade	Albazino	2022	91%	88%	88%	100%
Water treatment facilities renovation	Dukat	2021	18%	20%	96%	100%

Notes:
1) Eligible projects do not have significant impact on that indicator, indicator shows overall share of water reused and recycled within the operating hub.

ALLOCATION REPORT

Allocation report

- This report relates to the Societe Generale 2020 USD 125 million green loan. It provides information on the CAPEX that was allocated to the eligible projects
- The approach presented in this report is consistent with Polymetal's Green Finance Framework ("GFF") which was developed in accordance with the ICMA Green Loan Principles
- The allocation report is verified by the auditor in a form of agree-upon procedures report in accordance with ISRS 4400

Eligible Project Category	Eligible Green Project	Mine site	2018	2019	2020	2021	11m 2022[1]	Total Allocated
Clean transportation	Electric excavators replacing diesel-fueled fleet	Komar	-	-	-	5.8	-	5.8
	Electric underground LHDs and trucks	Mayskoye	-	-	3.6	1.5	-	5.1
	Electric Rail-Veyor	Varvara	-	-	-	3.4	1.8	5.2
	Underground electric conveyer system	Mayskoye	-	-	7.9	15.9	6.1	29.9
Renewable energy	Solar power plant (2.5 MW)	Omolon	-	-	1.5	3.9	0.4	5.8
	Solar power plant (1.0 MW)	Svetloye	2.1	-	-0.0	-	-	2.1
	Wind power plant Unchi (100 kW)	Svetloye	0.2	0.1	-0.0	-	-	0.3

Notes:
1) Data as of 30 November 2022 was retrieved from accounting records, prepared in accordance with applicable IFRS requirements.

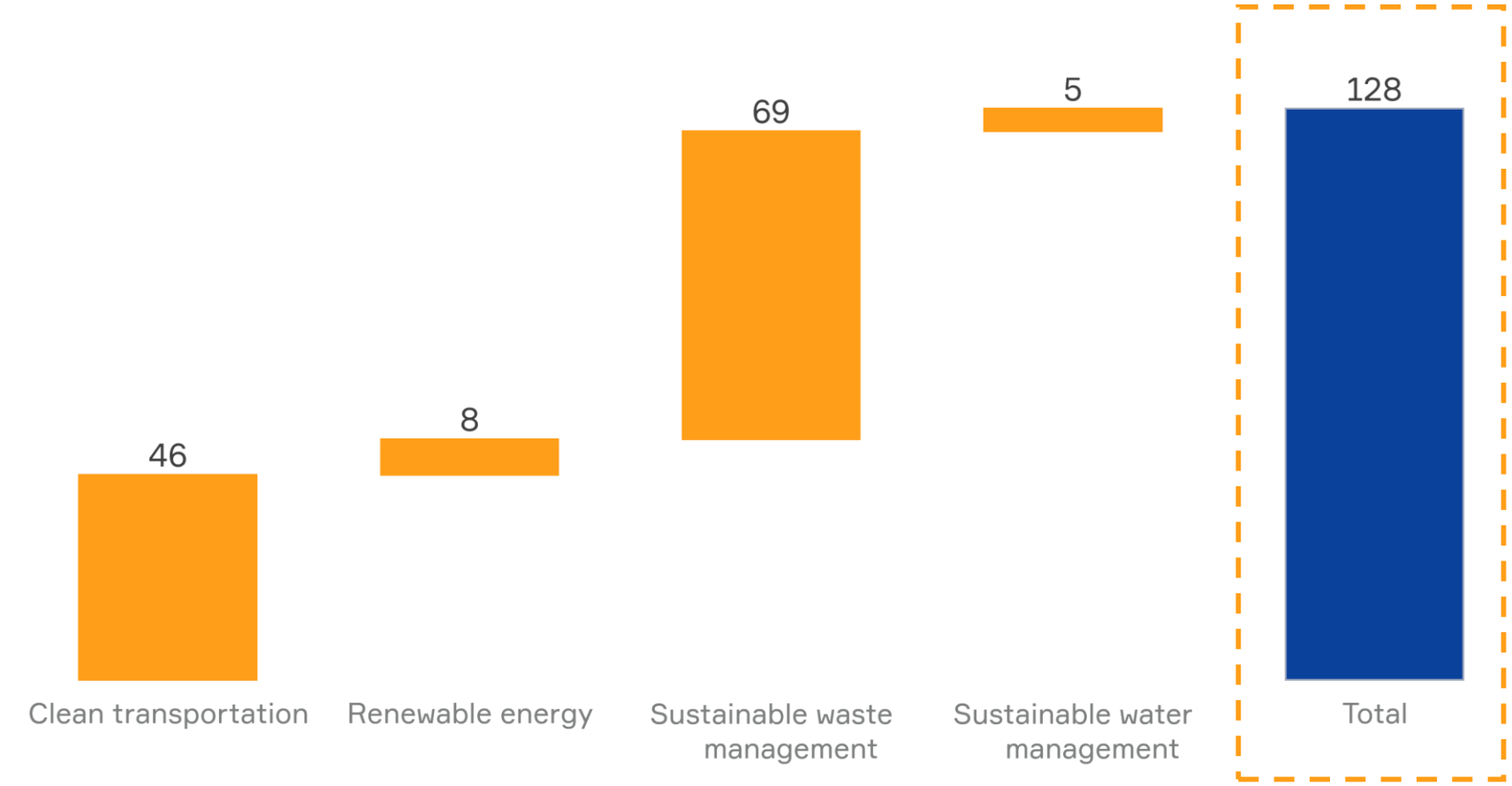
Allocation report

Eligible Project Category	Eligible Green Project	Mine site	2018	2019	2020	2021	11m 2022[1]	Total Allocated
Sustainable waste and water management	Reverse osmosis to improve discharge water quality	Voro	0.3	0.7	1.3	- 0.0	- 0.0	1.7
	Settling ponds upgrade	Albazino	0.0	0.0	0.7	0.6	1.2	2.5
	Water treatment facilities renovation	Dukat	-	0.1	0.1	0.5	-	0.7
Sustainable waste management	Dry storage facility	Omolon	0.0	1.3	9.1	7.0	0.8	18.3
	Dry storage facility	Nezhda	0.0	-0.0	2.0	4.8	0.6	6.2
	Dry storage facility	Dukat	-	-	0.2	0.3	13.5	13.9
	Dry storage facility	POX-2	0.3	0.3	0.6	1.4	3.4	6.0
	Dry storage facility	Voro	-	-	0.0	0.1	6.0	6.1
	Backfilling project (waste reuse)	Mayskoye	-	-	0.3	6.5	11.4	18.3
Total Allocated Proceeds, $m			**3.0**	**2.5**	**26.6**	**52.0**	**44.1**	**128.1**
Total Unallocated Proceeds, $m								**-**
Total Green Loan Amount to be allocated before 30 November 2022, $m								**125.0**

Notes:
1) Data as of 30 November 2022 was retrieved from accounting records, prepared in accordance with applicable IFRS requirements.

Total green investments under the green loan

CAPEX[1], $m



Notes:
1) Data as of 30 November 2022.

APPENDIX

Impact report methodology

- The report relates to the Societe Generale 2020 USD 125 million green loan. It provides information on the environmental benefits ("green impact") of the eligible green projects.
- The approach presented in this report is consistent with Polymetal's Green Finance Framework ("GFF") which was developed in accordance with the ICMA Green Loan Principles.

Methodology:

Calculation methodology for the Annual GHG emissions reduction:

- calculation of annual fuel consumption of the replaced or analogue diesel-powered vehicles based on the fuel consumption intensity per hour multiplied by its running hours per year multiplied by the amount of diesel-powered vehicles replaces or avoided
- annual fuel consumption of the replaced or analogue diesel-powered vehicles *multiplied by* coefficient of tones of CO2 equivalent per 1 tonne of diesel.

Calculation methodology for the land use volume reduction:

- if there is no data on the exact operation for comparison, we apply average difference in volume of tailing per 1000 t ore processed = 714 m3 of liquid and 588 m3 of dry = 18%
- dry stacks at Omolon, Nezhda, Dukat are located on territories, previously used for tailings storages.

All coefficients that were used to calculate GHG emissions avoided are from:

- Guidelines for the quantitative determination of greenhouse gas emissions by organizations operating in the Russian Federation, approved by the Ministry of Natural Resources of Russia and
- Guidelines for conducting a voluntary inventory of greenhouse gas emissions in the constituent entities of the Russian Federation, approved by the Ministry of Natural Resources of Russia.

Linking business benefits and sustainability goals

2017

Our flagship project Kyzyl receives funds from EBRD ($200m)

Polymetal adopted EBRD's best practices on environmental and social aspects for the development and subsequent operation of Kyzyl and implemented joint inclusion project to improve opportunities for young people and women in the industry

European Bank for Reconstruction and Development

2018

First Sustainability-linked loan signed with ING ($80m)

Margin linked to the Group's ESG performance estimated by Sustainalytics

ING

2019

First KPI-linked loan signed with SG ($75m)

Margin linked to 5 environmental and social KPIs, including climate management, occupational H&S maintenance, support of local communities, waste and water management(annual reporting on progress)

SOCIETE GENERALE

2020

First Green Loan in line with the LMA Green Loan Principles ($125m)

SOCIETE GENERALE

2021

Climate transition loans signed with Raiffeisenbank (200m$) and UniCredit (200m$)

Pricing for the loans is linked to the Company's progress on its GHG intensity reduction targets as compared to 2019 baseline year (Scope 1 and 2)

Sustainability and Green Finance

External assessment and commitments

RECOGNITION OF OUR EFFORTS TO DATE

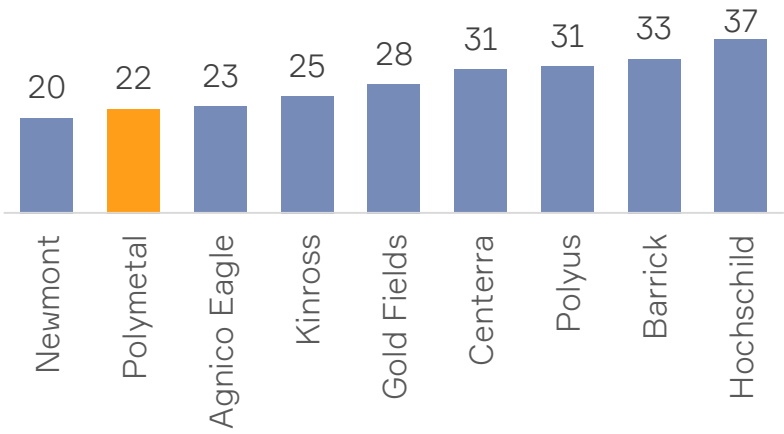
- **22.2** ESG Risk score – Medium risk

- ESG performance rating: **69/100 (advanced)**, rank in sector: 2/43

- ESG rating **B** (downgrade from AA due to significant share of assets in Russia)

- S&P Global Bronze Class Sustainability Award

ESG RISK RATING PEER COMPARISON*



EXTERNAL INITIATIVES

- Disclosure under GRI, SASB, TCFD, CDP, the International Integrated Reporting Framework

- Signatory to International Cyanide Management Code

- Signatory to Extractives Industry Transparency Initiative (EITI) in Kazakhstan

Notes:
1) Based on Sustainalytics data. Lower number means lower risk.

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