

Driven by excellence and responsibility

We are unwavering in our pursuit of growth to create value and accountability for our actions.

Capital allocation

Our strategy is built upon strong capital discipline.

Read more on page 24

Remuneration

The link between performance and remuneration is key.

Read more on page 132

Our strategic priorities


Meaningful organic growth



Build and advance long-term growth pipeline

We want to secure high-quality sources of long-term growth through advancing development projects, investing in our own greenfield exploration programme and extending life-of-mine by investing in near-mine exploration. We are actively looking at targets within the Former Soviet Union where we can create value with our core competencies. This will allow us to generate free cash flow and translate it into significant dividends.

Global leadership in refractory ore processing



Unlocking the value of refractory reserves

Excelling in environmentally friendly refractory ore processing, we aim to process 100% of the Company's refractory ore in-house.


High standards of ESG through impact assessment



Maintain high standards of corporate governance and sustainable development

Maintaining high standards of corporate governance and sustainable development gives us a licence to operate and the much-needed trust of all stakeholders. Health and safety at our operations is a key priority.

Maintaining robust liquidity and balance sheet



Strong balance sheet provides resilience to our value creation strategy

We aim to maintain the liquidity and preserve the Company's balance sheet strength which in turn will provide us with flexibility for further growth and resumption of dividend payments.

Risks

- Production risk
- Construction and development risks
- Supply chain risk
- Exploration risk

- Production risk
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- Supply chain risk
- Market risk

- Health and safety risk
- Environmental risk
- Human capital risk
- Supply chain risk

- Market risk
- Currency risk
- Liquidity risk

Performance in 2022

1.71 Moz GE
produced in 2022, up 2% year-on-year and in line with original guidance

27.3 GE Moz
at 3.6 g/t

Ore reserves at 1 January 2023

Amursk POX-2 project is 83% complete

We advanced construction of Amursk POX-2, which will fully de-risk our business model by bringing all concentrate processing in-house and eliminating our dependence on concentrate offtake from Q2 2024. Engineering and contracting has been completed and the vast majority of equipment is already on site.

-15%
reduction in GHG intensity (baseline 2019, Scope 1 and 2)

0
fatalities

\$633m
Cash deposited with non-sanctioned financial institutions

2.35x
Net debt/Adjusted EBITDA

Kutyn
First production six months ahead of the original schedule

Nezhda
First full year of operations

POX-3

We made a decision to relocate POX-3 from Russia to Kazakhstan due to sanction limitations, found an alternative site and will complete the feasibility study there in 2024. The project will allow for processing own high- and low-carbon concentrate from Kyzyl and third-party gold concentrates.

\$23.2m
invested in social projects

External recognition of ESG efforts with high scores from Sustainalytics, FTSE4Good, Vigeo Eiris, ISS ESG Corporate Rating

5%
The average cost of debt supported by our ability to negotiate competitive margins given the excellent credit history of the Group

Our focus in 2023

- The Company targets stable production and reiterates its current production guidance of 1.7 Moz of GE in 2023.
- Strong contribution from Kutyn, Nezhda and the Voro flotation plant, compensating for the planned grade-driven decrease in production at Dukat, Albazino and Varvara.
- At Prognoz, conventional open-pit mining will commence with the first ore mined in Q4 2023.
- We plan to complete several investment projects at existing operations in 2023, which will help drive cost levels down in 2024. At Mayskoye, the backfill plant construction project will enter full-scale construction in 2023.
- The scope of operational activities and capital project advancement is not expected to change materially.

- Keeping Amursk POX-2 construction on track for launch in 1H 2024. The start-up of the gravity concentrate processing circuit is planned for Q1 2023. This will allow full in-house processing of gravity concentrates from Nezhda.
- Subject to Board approval, the investment decision for POX-3 is expected in Q2 2024, potential start-up in H2 2028 and would enable operational independence of Kazakh operations.

- Ultimate goal of zero fatalities and LTIFR ≤ 0.2 at all operations.
- Improve equality and diversity, with at least 33% of women in the Talent Pool.
- Follow our 2030 GHG emissions and freshwater intensity reduction trajectories.
- Ensure tailings safety and continuous transition to dry stacking.
- Compliance with global and local best practice.

- Deleveraging and maintaining a comfortable leverage level of less than 2x Net Debt/ Adjusted EBITDA.
- Return to positive free cash flow generation.
- All of the 2023 debt repayments are well covered by available cash balances.

1 Excluding water for non-technological purposes.