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Polymetal International plc

The first Green Loan under newly adopted Green Financing Framework

Polymetal has agreed the first US\$ 125 million Green Loan in the Russian metals and mining industry with Societe Generale to finance investments in transition to a sustainable and low-emissions economy under the Green Financing Framework (“the Framework”).

“We want our business model to be sustainable and we are actively investing in energy efficient technologies and responsible waste and water management. With the first green loan, we invite lenders to contribute to our ESG goals and we provide comfort to stakeholders that our green projects and strategy are aligned with the global Sustainable Development Goals”, said Eugenia Onuschenko, Corporate Finance Director of Polymetal.

“Societe Generale is pleased to accompany Polymetal one more time in breaking new grounds in the integration of its ESG commitments into its financial strategy by structuring the Company’s first green loan in line with its recently adopted Green Financing Framework. This is a very innovative transaction in mining which was made possible by embedding the Company’s ESG principles into investment decisions. Societe Generale is delighted to support Polymetal’s continuous progress towards achieving a low-emissions future and more efficient use of resources”, said Stephanie Clement de Givry, Global Head of Mining, Metals and Industries Finance.

Societe Generale will provide a 6-year loan with a 3-year grace period under the Green Financing Framework which specifies eligible ESG projects and criteria for their long-term funding. The loan can be extended to 7 years on the first anniversary of signing.

The loan proceeds will be allocated to projects among the following categories: clean transportation, renewable energy, energy efficiency and sustainable waste and water management projects, which contribute to Polymetal’s sustainability goals and actions against climate change.

Polymetal is responding¹ to climate change and transition to circular economy by:

- cutting GHG intensity from its operations (by 5% by 2023 vs 2018);
- improving energy efficiency through innovation, including low-carbon and renewable energy technologies (7% share of renewable energy by 2025);
- switching to dry storage of tailings (15% share by 2024);
- reducing fresh water use for processing of tonne of ore (by 11% by 2023 vs 2018);
- annually recycling at least 16% of waste generated by 2023.

Polymetal intends to fully allocate the green loan proceeds towards the eligible green projects within 24 months from the first utilisation.

The Framework is in line with the LMA Green Loan Principles. CICERO Shades of Green² has provided a Second Party Opinion and has attributed the Framework Medium Green shading (out of possible Brown, Light, Medium and Dark Green) and graded the governance procedures in relation to green financing as Good.

This is the third sustainability-linked loan in the Company’s credit portfolio with the share of ESG instruments now reaching 18% of net debt or US\$ 280 million in total.

The Framework and the Second Party Opinion are available on our web site at [link](#).

¹ Based on the company’s sustainability targets published this year.

² <https://www.cicero.green/>.

About Polymetal

Polymetal International plc (together with its subsidiaries – “Polymetal”, the “Company”, or the “Group”) is a top-10 global gold producer and top-5 global silver producer with assets in Russia and Kazakhstan. The Company combines strong growth with a robust dividend yield.

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