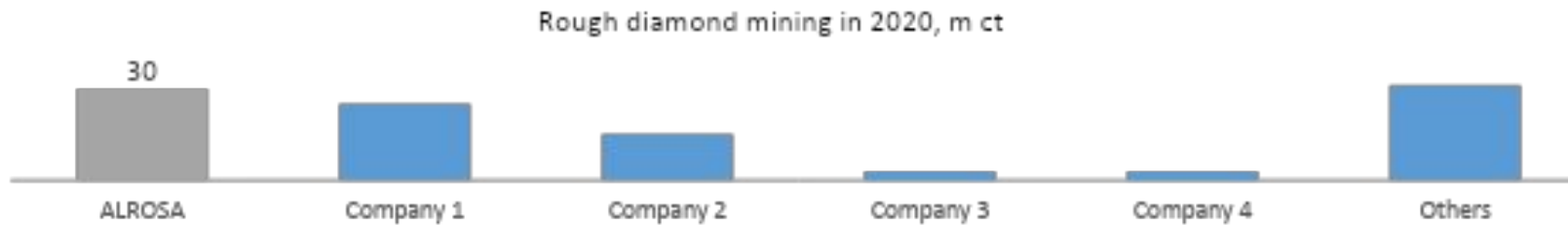


Investment case

1. Global leader in diamond mining

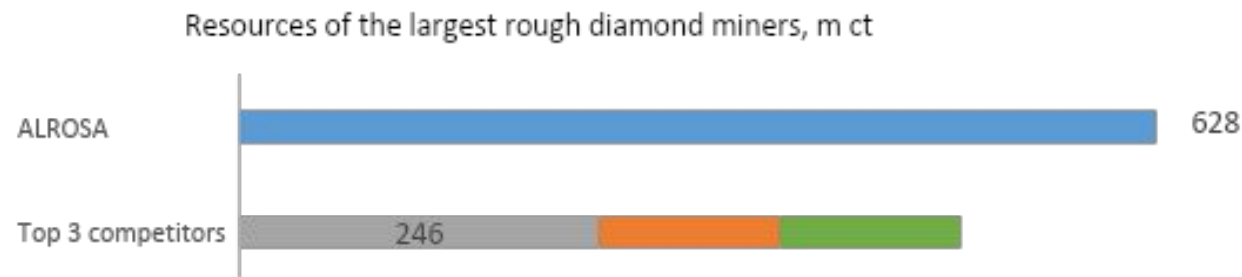
- ALROSA is the world's largest producer of diamonds with a 28% share of the global market.



Source: companies' reports, Kimberley Process

2. The largest owner of diamond resources globally

ALROSA boasts 1,064 m ct in resources, including 628 m ct of reserves. Given the limited global resource base, the company has sufficient rough diamond resources to sustain production for 30 years.



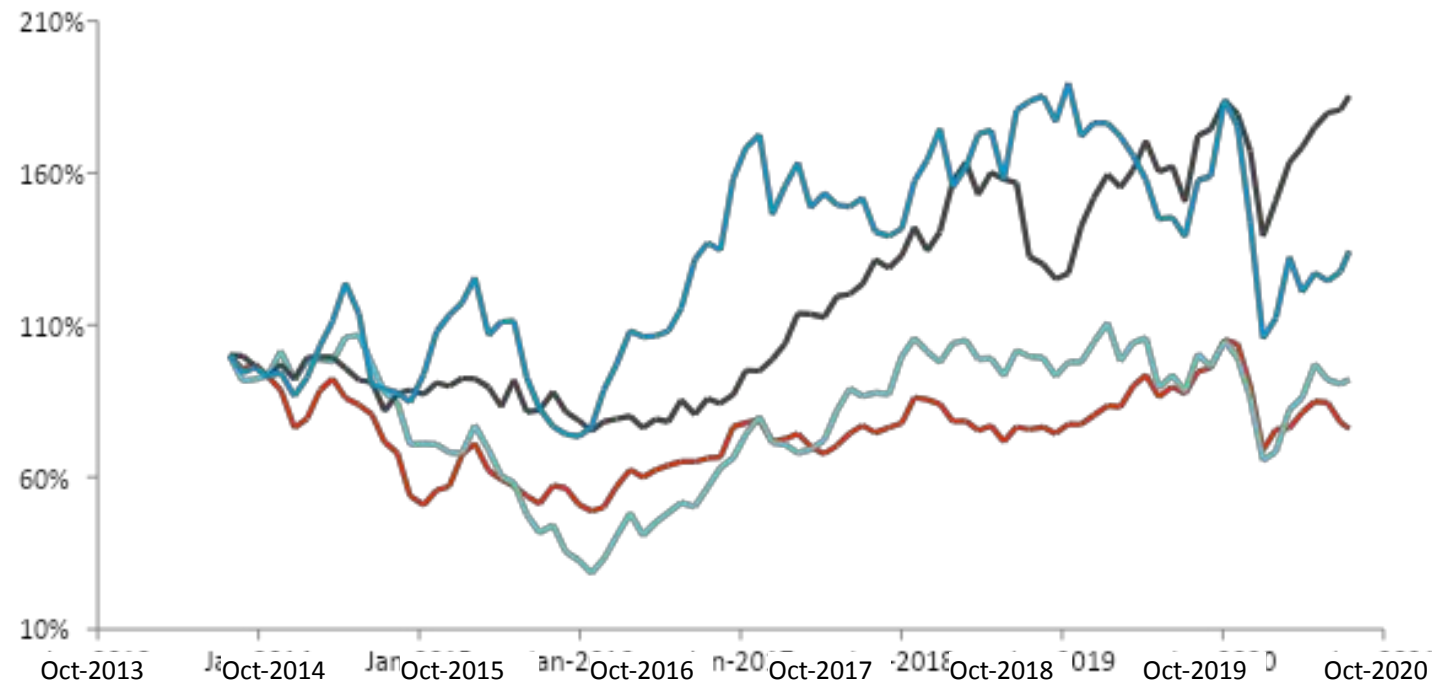
Investment case

- **3. A company with best in class operational standards and a focus on best manufacturing practices**
 - A culture of continuous improvement
 - Highly motivated workforce
 - Digital strategy to attain operational excellence and safety
 - Large-scale improvements in operational efficiency
 - An experienced management team, world-class experts
- **Industry leadership in profitability and free cash flow generation**
 - Average profitability of about 50%, 2x higher than the industry average
 - A robust free cash flow generation through the cycle, cash returned to shareholders
- **4. a transparent financial policy and industry highest credit ratings**
 - 0.4X net debt / EBITDA in 2020
 - Investment-grade ratings from all the key rating agencies
 - TOP3 the most creditworthy companies in Russia according to S&P Global Ratings
- **5. Focus on shareholder returns**
 - Leadership among global rough diamond producers as regards growth of total shareholder return since 2013
 - Up to 100% of cash flow paid as dividends semi-annually
 - Average dividend yield at 11%
- **6. Sustainable business with high-quality corporate governance practices**
 - Compliance with high corporate governance standards as a strategic priority
 - The National Corporate Governance Rating confirmed at 8 (Advanced Corporate Governance Practices) by the Russian Institute of Directors in 2020
 - Adherence to sustainability principles and international standards of corporate social responsibility: ALROSA features in the ratings of MSCI ESG, Sustainalytics, CDP, S&P Global CSA, FTSE4Good and WWF Russia, and contributes towards the United Nations Sustainable Development Goals

Investment case

- 5. Focus on shareholder returns

Accumulated total shareholder return in USD post IPO in 2013, %



Source: Bloomberg as of 15 October 2020.

1. Luxury goods manufacturers: LVMH, Hermès, Richemont, Kering, Swatch, Prada, Tiffany, Tapestry, Burberry, Ralph Lauren, Capri, Moncler, Tod's.

2. Mining companies, including other rough diamond producers: Anglo American, Rio Tinto, BHP, Glencore, Vale, Gem Diamonds, Petra Diamonds, Lucara Diamond, Firestone Diamonds, Mountain Province Diamonds, Stornoway Diamonds.

All indices are weighted by daily capitalisation.