APPROVED BY
Chairman of the Board
JSC "Almalyk MMC"
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Climate change POLICY

JSC "Almalyk MMC" (hereinafter referred to as "Company") is the largest copper producer in Central Asia. The main products of the Almalyk Mining and Metallurgical Complex include refined copper in the form of cathodes, refined gold and silver ingots, technical selenium and tellurium, sulfuric acid, copper and zinc sulfate, ammonium perrhenate, metallic molybdenum, copper wire, and copper wire in enamel insulation.

JSC "Almalyk MMC" acknowledges that addressing the issue of global climate change is a production priority. The Plant's Climate Change Policy (hereinafter referred to as "the Policy") is aimed at reducing greenhouse gas emissions, adapting to climate change, protecting public health, and safeguarding the environment.

The Policy entails the modernization of the Company production assets using the best available technologies and green solutions, enhancing energy efficiency, and developing renewable energy sources.

Mission and Values of the Plant

The Plant’s mission is to establish an approach to assessing the impact of climate change on production activities, reduce greenhouse gas emissions, and increase energy efficiency across all production units of the Plant, taking into account advanced global practices and the goals of the Paris Agreement.

Key Principles of the Climate Change Policy

The principles of the Climate Change Policy define the fundamental principles on which the measures to reduce greenhouse gas emissions and adapt to climate change are based. The key principles of the Plant include:

1. **Adaptation to Climate Change:** The Climate Policy is aimed at developing and implementing strategies to adapt to already observed and anticipated global climate changes.

2. **Mitigation of Climate Change Effects:** The Climate Change Policy outlines measures aimed at reducing the Plant's impact on the climate and limiting the adverse effects of global warming.

3. **Energy:** Increasing the share of renewable energy sources (RES) contributes to a more sustainable and environmentally friendly energy system, achieving sustainable development goals and reducing the consumption of non-renewable fuels.

4. **Reducing Financial Risks:** Address potential negative financial consequences of climate change and the costs associated with transitioning to renewable energy sources.

5. **Mitigating Climate Risks:** Develop a Climate Strategy for the Plant.

6. **Financial Benefits of Transitioning to RES:** The Policy outlines the financial opportunities available when transitioning from traditional energy sources to renewable energy sources.

7. **Integrated Approach:** The Climate Policy is integrated and encompasses all industrial units and technological equipment of the Plant.

8. **Principle of Responsibility:** Company takes responsibility for its contribution to global climate changes and takes measures to reduce greenhouse gas emissions and adapt to the consequences.

9. **Public Participation:** Active involvement of various groups, public organizations, businesses, and other stakeholders is an essential principle of the Climate Policy, as it enhances the legitimacy and effectiveness of decisions made.

These principles form the basis for developing and implementing the Policy aimed at mitigating the effects of climate change and ensuring a sustainable future for the Plant.

Goals of the Plant

The goals of the Climate Policy aim to reduce the Plant's impact on the climate and adapt to ongoing changes. The objectives of the Climate Policy include:

1. **Reducing Greenhouse Gas Emissions:** The main goal of the Climate Policy is to commit to reducing greenhouse gas emissions, such as carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O), which are the primary causes of global warming and climate change (the Plant aims to reduce greenhouse gas emissions by 35%).

2. **Limiting Global Warming:** The Climate Policy aims to prevent dangerous consequences of global warming by controlling greenhouse gas emissions.

3. **Creating Opportunities for Innovation and Development:** The Plant aims to develop the RES sector, fostering innovation in energy efficiency and integrating various energy sources into the grid.

4. **Developing a Climate Strategy:** This includes analyzing the current situation, setting goals and priorities, developing specific measures and mechanisms for their implementation, and monitoring and evaluating the achievement of set goals.
5. **Assessing Climate Risks:** Identifying, assessing impacts, implementing, and monitoring.

Tasks, Commitments, and Implementation Mechanisms

JSC "Almalyk MMC" sets the following tasks and commitments in the area of climate change:

- Continue to disclose total energy consumption from non-renewable sources by fuel type in the Sustainability Report and develop a plan to reduce energy consumption from these sources.
- Continue to disclose total energy consumption from renewable energy sources (solar energy).
- Increase the share of alternative energy sources to reduce greenhouse gas emissions. The Plant has solar panels and electric vehicles on site, and plans to increase energy consumption from RES in production by 2024.
- Regulate and account for greenhouse gas emissions. The Plant conducted an inventory of greenhouse gas emissions in 2022 and intends to develop a strategy to reduce greenhouse gas emissions.
- Prevent potential financial consequences associated with climate change: increased production costs from traditional energy sources, carbon tax, and other factors.
- Enhance energy independence: Using RES reduces dependence on imported fossil fuels and lowers risks associated with energy price fluctuations.
- Improve energy efficiency in production and transport, significantly reducing greenhouse gas emissions.
- Create new jobs. The development and implementation of the Climate Policy also aim to stimulate economic growth by creating new jobs in the Strategic Development and Transformation Management Department of the Plant.
- Raise employee awareness about the rational use of natural resources and measures to prevent climate change: using public transportation, reducing overall consumption of goods and services that produce significant greenhouse gas emissions during production.