

# **Joint-Stock Company “Almalyk Mining and Metallurgical Complex”**

**Compliance Report for the London  
Bullion Market Association’s  
Responsible Gold Guidance  
for the year ended 31 December 2024**

## **Independent Limited Assurance Report to Joint-Stock Company “Almalyk Mining and Metallurgical Complex” on its Compliance Report for the London Bullion Market Association’s Responsible Gold Guidance for the year ended 31 December 2024.**

To the management of Joint-Stock Company “Almalyk Mining and Metallurgical Complex”.

### **Introduction**

We were engaged by Joint-Stock Company “Almalyk Mining and Metallurgical Complex” (the “Refiner”) to provide limited assurance on its Compliance Report for the London Bullion Market Association’s Responsible Gold Guidance – version 9 (the “Guidance”) for the year ended 31 December 2024 (the “Report”).

### **Subject Matter and Criteria**

The Refiner has assessed and reported its level of compliance with the Guidance in the Report. The subject matter of our engagement is the assertions made by the Refiner in its Report. The Guidance specifies the criteria to be used for the purposes of evaluating the Refiner’s assertions in its Report.

Our engagement was performed with the objective of providing a limited assurance conclusion on whether the assertions made by the Refiner in its Report, with respect to the activities undertaken to demonstrate compliance with the Guidance, are fairly described.

### **Inherent Limitations**

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by refiners to comply with the Guidance may differ. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can impact comparability.

### **Management’s Responsibilities for the Subject Matter**

The management of the Refiner is responsible for the preparation and presentation of the Report in accordance with the Guidance and establishment of such internal control as management determined is necessary to enable the preparation of the Report that is free from material misstatement, whether due to fraud or error. The criteria identified by the management as relevant for demonstrating compliance with the Guidance are the activities described within the Report.



## **Assurance Providers' Responsibility**

Our responsibility is to issue a report on the subject matter discussed above based on our limited assurance engagement. We conducted our assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board and the guidance set out in the LBMA Responsible Sourcing Programme - Third Party Assurance Guidance for ISAE 3000 (Revised) Auditors ("the Assurance Guidance").

This standard requires that we plan and perform procedures in order to obtain limited level of assurance as to whether the Report is in conformance with the Guidance.

Our engagement has involved performing procedures to obtain evidence about the information included in the Report. The procedures performed on the Report have been based on our professional judgement and have included inquiries, primarily with the Refiner's personnel responsible for the preparation of information included in the Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

- enquiry of management to gain an understanding of the Refiner's processes and risk management procedures in place in relation to the gold supply chain;
- enquiry of relevant staff responsible for the preparation of the Report;
- site visit to the Refiner's venue and operating sites for observing the production process and obtaining information on the process adopted by the Refiner in order to comply with the requirements of the Guidance;
- assessment of the suitability of the policies, procedures and internal controls that the Refiner has in place to conform to the Guidance;
- obtaining of supporting documentation in order to analyse the consistency of the qualitative and quantitative information included in the Report with the available evidence; and
- assessment of the underlying processes and controls that support the information in the Report.

The extent of evidence-gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, thus providing less assurance and is substantially less in scope than a reasonable assurance engagement.

## **Independence and Other Ethical Requirements**

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management ("ISQM") 1 and, accordingly, maintains a comprehensive system of quality management including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Assurance Guidance pertaining to ethical conduct, fair presentation, due professional care, independence, integrity, and subject matter expertise to carry out the assurance engagement.

### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the accompanying Report for the year ended 31 December 2024, did not describe fairly, in all material respects, the activities undertaken during the year to demonstrate compliance with the Guidance, and management's overall conclusion contained therein is not in accordance with the requirements of the Guidance.

### **Restriction on Distribution and Use**

This Report has been prepared for the Refiner for the purpose of assisting the management in determining whether the Refiner has complied with the Guidance and for no other purpose. Our assurance report is made solely to the Refiner in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than the Refiner for our work, or for the conclusions we have reached in the assurance report.

A handwritten signature in black ink that reads "AD 'Deloitte &amp; Touche' LLC". The signature is written in a cursive, flowing style.

31 March 2025

Tashkent, Uzbekistan

<b>AMMC's COMPLIANCE REPORT</b>
<p><b>Table 1 – Refiner's details:</b></p> <p><b>Refiner's name:</b> Joint-Stock Company "Almalyk Mining and Metallurgical Complex" ("AMMC", the Company)</p> <p><b>Location:</b> 53, Amir Timur street, Almalyk, Tashkent region, Uzbekistan, 110100</p> <p><b>Reporting year-end:</b> 31 December 2024</p> <p><b>Date of report:</b> 31 March 2025</p> <p><b>Senior management for this report:</b> Chairman of the Board – Mr. Khursanov A.Kh.</p> <p>AMMC is committed to responsible sourcing and compliance with the LBMA Responsible Gold Guidance. This report outlines the compliance efforts undertaken during the reporting period from 1 January 2024 to 31 December 2024.</p> <p>The LBMA requires all refiners producing Good Delivery gold bars to comply with the LBMA Responsible Gold Guidance. In this report, the term "Guidance" refers to this standard. Where differentiation is necessary, specific references will be made to the respective guidance. The Guidance mandates refiners to implement high standards of due diligence to prevent human rights abuses, eliminate child labor, avoid contributing to conflicts, and uphold strong anti-money laundering and counter-terrorist financing measures while ensuring compliance with environmental and sustainability regulations.</p> <p>This report details how AMMC has adhered to the requirements outlined in: LBMA Responsible Gold Guidance version 9 (November 2021)</p>
<b>Table 2 – Summary of activities undertaken to demonstrate compliance:</b>
<b>Step 1: Company management systems</b>
<b>Compliance Statement with Requirement</b>
<p>During the reporting year, AMMC has fully complied with Step 1: Company management systems.</p>
<b>Has the Refiner adopted a company policy regarding due diligence for supply chains of gold?</b>
<p>AMMC adopted a company policy regarding due diligence for supply chains of gold.</p>
<b>Comments and demonstration of compliance:</b>
<p>The AMMC's Responsible Sourcing Policy was approved by the Executive Board of AMMC in order to comply with ethical sourcing principles, reduce supply chain risks, and ensure full compliance with the Guidance. It applies to all enterprises and business units of AMMC engaged in gold supply chain.</p> <p>The policy addresses all threat financing risks, including those outlined in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. These include:</p> <ul style="list-style-type: none"> <li>• Human rights abuses, including child labor and forced labor.</li> <li>• Direct or indirect support to non-state armed groups.</li> <li>• Money laundering and fraudulent misrepresentation of the origin of minerals.</li> <li>• Bribery and corruption in the supply chain.</li> <li>• Environmental, social, and governance (ESG) risks associated with primary gold supply chains.</li> </ul> <p>The policy is reviewed on an annual basis. In case of changes in relevant industry regulations, potential risks, changes in business processes and the structure of AMMC's supply chain the policy will be updated. The previous policy update took place in December 2022. In December 2024, the Executive Board of AMMC conducted a policy review to ensure compliance with the Guidance</p>

and the Company's internal business processes. The revised version of the policy entered into force on 1 January 2025. The current version of the policy can be found on the AMMC website: <https://agmk.uz/en/menu/internal-documents-of-the-company>, and all relevant staff of the Company and stakeholders have been notified of the changes.

As part of its commitment to responsible sourcing, AMMC integrates its due diligence measures with broader corporate policies, including its Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program, Anti-Bribery and Corruption Policy, and Code of Conduct. These policies reinforce AMMC's risk-based approach to supply chain management.

**Has the Refiner set up an internal management structure to support supply chain due diligence?**

AMMC has set up an internal management structure to support supply chain due diligence.

**Comments and demonstration of compliance:**

*Organisational Structure and Governance*

The Executive Board of AMMC is responsible for approving and overseeing the supply chain due diligence policy. The Executive Board's oversight ensures alignment with AMMC's corporate values, regulatory requirements, and stakeholder expectations. The Executive Board members possess extensive experience in responsible sourcing, risk management, and compliance. Descriptions of experience of the Executive Board members are available at <https://agmk.uz/ru/leadership>. Ongoing training is provided to ensure that the Executive Board remains informed about evolving regulatory landscapes, LBMA requirements, and emerging risks.

The Executive Board has appointed a dedicated Compliance Officer with significant experience in supply chain due diligence and regulatory compliance. Description of experience of Compliance Officer is available at <https://agmk.uz/uploads/docs/9beb218eb22fb7eb02a75e8edde67341.pdf>. The Compliance Officer is responsible for implementing, managing, and monitoring due diligence processes, as well as ensuring compliance with LBMA and OECD guidelines. The Executive Board has allocated sufficient financial and human resources to support due diligence activities, risk assessment, and continuous monitoring. The Compliance Officer is supported by a specialized team within the Procurement and Compliance Departments.

*Training and Capacity Building*

During the reporting period, 100% of relevant employees engaged in supply chain due diligence received training tailored to their roles and responsibilities, including but not limited to the members of the Board, Procurement department, Compliance department. New employees completed initial onboarding trainings, while experienced employees attended refresher training. The training covered key areas such as:

- OECD Due Diligence Guidance and LBMA Responsible Sourcing Standards.
- Identifying and mitigating risks in high-risk supply chains, including human rights violations and conflict financing.
- Know Your Counterparty (KYC) procedures and transaction monitoring.
- Environmental, Social, and Governance (ESG) risk factors.

AMMC has established clear internal procedures for identifying and escalating due diligence violations. In the reporting period, no violations were identified.

*Cash Payment and Record-Keeping Policies*

AMMC strictly adheres to the LBMA recommendation of avoiding cash payments. All payments for metal transactions are conducted through official banking channels to ensure full traceability and compliance with anti-money laundering (AML) regulations.

AMMC maintains all supply chain due diligence records for a minimum of five years, in compliance with LBMA requirements. These records include KYC documentation, extensive due-diligence documentation, transaction monitoring reports, supplier assessments, and training logs.

**Has the Refiner established a traceability system over gold supply chains, including chain of custody mapping and identification of supply chain actors?**

AMMC established a strong internal system, controls and transparency over the precious metal supply chain, including traceability and identification of other supply chain factors.

**Comments and demonstration of compliance:**

*Methods for Identifying Counterparties and Precious Metal Origins*

AMMC implements a comprehensive method of identification of counterparties including but not limited to the procedures such as Know Your Counterparty (KYC) process, gathering information on ultimate beneficiaries, management and company registration documents. This is performed for all gold suppliers to ensure that all business partners are fully identified and compliant with regulatory requirements. The origin of minerals is verified through official documentation, including mining licenses, export permits, and transportation records.

*Traceability System*

The Company is involved in the extraction, production, purchase, and sale of gold-bearing products, primarily sourced from owned mines within the territory of the Republic of Uzbekistan. AMMC has established a robust and comprehensive traceability system for managing gold supply chains, which includes thorough chain of custody mapping and the identification of supply chain actors. This system provides us with detailed access to client lot information, including the date of receipt, lot size and type, transportation methods and routes, weights, assay results, settlement details, and lot descriptions.

The Compliance Officer oversees critical activities such as risk assessments and controls during the KYC and due diligence processes for various supply chain counterparties. We conduct careful documentation reviews for each incoming lot to ensure compliance with our internal policies and external supply chain standards. It is essential to collect and verify relevant information and documents from counterparties, which the Compliance Officer examines, screens for sanctions, and researches on an ongoing basis. This information is compiled and documented prior to accepting any goods.

The country of origin is established through the accompanying contract documents and other relevant materials provided by suppliers. To conduct thorough supply chain due diligence, we gather necessary information from independent external research and directly from suppliers through KYC questionnaires we developed, aligned with the LBMA's KYC framework. We also engage with individuals responsible for these transactions at suppliers, as well as review supplier websites. This information is instrumental in deciding whether to proceed with or initiate transactions.

Additionally, for own mines internal stock controls are applied throughout the transportation process within the supply chain. These controls exist at three key stages:

- Ore Delivery: Verified through weight measurements, documentation, and reconciliation reports.

- Semi-Finished Product Delivery: Tracking mechanisms ensure accuracy in processing and production stages.
- Finished Product Delivery: Comprehensive stock controls, including weighing, verification reports, and reconciliation procedures at delivery points.

All internal transportation is conducted exclusively by AMMC and is performed under direct supervision of the State Security Service representatives, ensuring the highest level of security, transparency, and compliance.

All documentation and assessment sheets pertaining to due diligence are securely stored on the company intranet. In 2024, we identified no issues related to this matter.

#### *Incident Management and Corrective Actions*

During the reporting period, AMMC did not identify any incidents related to discrepancies in supplier documentation. No inconsistencies were found in the declared origin, weight records, or other critical supply chain data.

AMMC maintains a detailed incident management log to track and address any potential compliance issues. This ensures continuous improvement in supply chain transparency and due diligence processes, in line with LBMA and OECD standards.

#### **Has the Refiner strengthened company engagement with gold supplying counterparties, and, where possible, assisted gold supplying counterparties in building due diligence capabilities?**

AMMC has strengthened company engagement with gold supplying counterparties.

#### **Comments and demonstration of compliance:**

##### *Sharing Information and Expectations with Counterparties*

AMMC integrates due diligence expectations into contractual agreements, requiring suppliers involved in the supply chain to adhere to this Policy or carry out due diligence on their supply chains in order to identify, assess and mitigate the risks contained in Annex II of the OECD Guidance at a minimum.

AMMC maintains a dedicated section on its website, providing suppliers with access to policy updates.

##### *Types of Expectations Communicated to Counterparties*

We expect all counterparties to comply with OECD standards. We communicate AMMC's expectations to our suppliers verbally and in writing, including modifications to supplier agreements, to ensure ongoing compliance. AMMC's principles for Due Diligence in the Precious Metals Supply Chain are accessible to all suppliers and counterparties on the AMMC's webpage. During the reporting period, none of the due diligence issues were identified that would have required specific engagement with suppliers/counterparties.

##### *Support for the Implementation of EITI Principles*

AMMC endorses the Extractive Industries Transparency Initiative (EITI) and encourages suppliers to align with its principles. The company actively engages with government agencies and industry stakeholders to promote greater transparency in mineral trade. AMMC does not currently purchase mined gold from a State-Owned Enterprise operating in an EITI country but remains committed to disclosing relevant payments if applicable in future transactions.



#### *Disclosure of First Trades Payments to State-Owned Enterprises*

During the reporting period, AMMC did not make first trades payments to State-Owned Enterprises for the purchase of mineral resources. If such transactions occur in the future, AMMC will ensure full disclosure in accordance with EITI requirements.

#### **Has the Refiner established a company-wide confidential grievance mechanism?**

AMMC has established a confidential grievance mechanism.

#### **Comments and demonstration of compliance:**

##### *Accessibility and Reporting Channels*

The grievance mechanism is open to employees, suppliers, contractors, and any external party with relevant concerns. Reports can be submitted a dedicated email address: [info@agmk.uz](mailto:info@agmk.uz). The mechanism allows anonymous reporting for both employees and external parties to ensure whistleblower protection.

Also stakeholders could use multiple channels, including:

- "Virtual Reception" of General Director.
- A special Safety and Security of Labor Division, which is responsible for monitoring any breaches on human rights and labor.
- An established procedure for General Director to meet with employees on a weekly basis, when employees can report conflicts, complaints or risks identified directly to the General Director.

##### *Grievance Handling and Resolution Process*

All received grievances are reviewed by the compliance department under the supervision of AMMC's Compliance Officer. AMMC ensures timely responses, aiming to address and resolve issues. Stakeholders who submit grievances receive updates on the progress and final resolution of their concerns, while maintaining confidentiality where necessary.

##### *Grievances Received and Resolutions During the Reporting Period*

During 2024 no grievances, related to AMMC's gold supply chain, have been received.

#### **Step 2: Risk Identification and Assessment**

##### **Compliance Statement with Requirement**

During the reporting year, AMMC has fully complied with Step 2: Risk Identification and Assessment.

#### **Does the Refiner have a due diligence process to identify risks in the supply chain?**

We have a process to identify risks in the supply chain.

#### **Comments and demonstration of compliance:**

##### *The procedures and tools for undertaking Know Your Counterparty (KYC) assessments*

The AMMC perform supply chain due diligence:

- before entering a new business relationship with a metals-supplying counterparty;

- before concluding new supply contracts, in case of a change in the country of origin and/or transportation routes;
- when receiving additional information from external sources.

AMMC's KYC procedures are embedded within the supply chain onboarding process and include:

- receiving KYC questionnaires;
- identifying all counterparties included in the supply chain;
- determining the country of origin and transportation route of metals;
- confirmation that the metals-supplying counterparty and its UBOs are not named on any government lists as wanted money launderers, or as known fraudsters or terrorists;
- verifying counterparty data with databases.

KYC questionnaires are based on LBMA templates.

#### *Communication, Review and Sign-Off Procedures*

The information collected as part of Know Your Counterpart (KYC) assessments for each counterparty in the supply chain is entered into the supplier database. Based on this information, the procurement department staff determines the level of risk and indicates it in the internal documentation. The procurement department's staff have the necessary expertise and annually undergo training in supply chain due diligence.

Immediately before approving the contract, the Compliance officer verifies the risk level and signing off the documentation. When high-risk counterparties are confirmed, AMMC applies enhanced due diligence. Based on results of enhanced due diligence the Executive Board makes decisions about working with high-risk suppliers.

#### **How does the Refiner classify identified risks in light of the standards of its due diligence system?**

AMMC assesses risks in light of the standards of the due diligence system.

#### **Comments and demonstration of compliance:**

##### *Classification of Suppliers and Risk Statistics for reporting period*

In the reporting period, AMMC classified:

- 100% of suppliers as non high-risk with standard due diligence requirements.
- 0% as high-risk, requiring enhanced due diligence measures.
- 0% suppliers as zero-tolerance, resulting in immediate rejection.

##### *CAHRA identification procedure*

Annually, for the purposes of due diligence, Compliance officer use the following lists to determine conflict-affected and high-risk areas:

- Heidelberg Barometer.
- EU CAHRA list

The areas included in these lists are considered as CAHRAs for the purpose of risk identification process.

##### *Processes and Criteria for Identifying High-Risk, non High-Risk and Zero-Tolerance Counterparties*

AMMC has developed following groups of risk indicators for each supply chain: non high-risk, high-risk and zero-tolerance.

AMMC rates supply chains for which one or more of the following is applicable as "zero-tolerance", but not limited to:

- The Mined or Recycled metals is known to be sourced in breach of international sanctions (including but not limited to those of the UN, EU, UK and US).
- The Mined or Recycled metals supplying counterparty, other known upstream companies or their UBOs are known money launderers, fraudsters or terrorists, or have been implicit in serious human rights abuses, or in direct or indirect support to illegitimate non-state armed groups.
- The Mined gold is known to originate from areas designated as World Heritage Sites.

AMMC conducts thorough screening for high-risk using multiple risk indicators, including:

- Location based (metals origin and/or transported via CAHRAs, origin from a country through which metals from CAHRAs is known, or reasonably suspected, to transit, mined in countries with limited reserves),
- Supplier-based (beneficiaries with business in CAHRAs, PEP beneficiaries, high-risk supplier activities (arms sales, gambling, etc.), supplier carried out mining in CAHRAs).
- Material-based (mined by ASM / using mercury, mining causes catastrophic damage to the environment).

When identifying the indicators mentioned above, AMMC determines whether there is independent audit, assurance or certification reports of conformance with recognised responsible sourcing standards. If any, the Compliance Officer should determine whether the supplier's procedures made under other initiatives cover the identified risks. If there is no independent assurance or this standard does not cover the identified risks, AMMC classifies this supplier as a high-risk supplier. In all other cases, such supplier is non high risk. The risk assessment is documented in the supplier database.

#### **Has the Refiner undertaken EDD measures for identified high-risk supply chains?**

AMMC has undertaken enhanced due diligence measures for high-risk supply chains.

#### **Comments and demonstration of compliance:**

##### *Disclosure of On-Site Visits and Findings for reporting period*

In 2024, the AMMC did not identify any high-risk counterparties. As part of one of the processes for collecting information on a new supplier, the Compliance officer may initiate enhanced due diligence procedures to obtain more complete information for risk assessment of the new supplier. During the reporting period, one field visit and an enhanced comprehensive inspection were conducted. This included visiting the supplier on site and collecting information about the company. Experts have classified the new counterparty as a medium-scale mine based on a full production cycle, which includes open-pit gold mining and primary processing, resulting in dore ingots with a high gold content. This classification was introduced despite the fact that the volumes and maximum throughput of the counterparty were insignificant. Visits to the facilities, as well as the collection of relevant documents and discussions with the counterparty's management, confirmed that they are a legitimate medium-scale mining enterprise with limited productivity, do not use mercury in production, respect human rights and apply methods of protecting health, safety and the environment in accordance with the legislation of the Republic of Uzbekistan.

##### *Description of AMMC's enhanced due diligence process.*

AMMC applies EDD to all high-risk suppliers of mined, recycled, and intermediate refined gold.  
*On-Site Visit Procedures*

Site visits are conducted by a combination of AMMC's, external third-party auditors, and/or independent risk assessment firms. Employees who conducted the site visit primarily included a geologist, an engineer, a compliance officer, and a representative from the procurement department, who has relevant gold mining expertise and annually undergo training in supply chain due diligence.

Timing and Frequency:

- High-risk suppliers undergo on-site inspections at least once per year or more frequently if elevated risks are detected.
- Unannounced visits may be conducted if there are significant red flags requiring immediate review.

Alternative Procedures for Restricted Access:

- If travel restrictions or security concerns prevent physical site visits, AMMC implements virtual assessments using satellite imagery, supplier interviews, and third-party verification reports.

Additionally The EDD process includes:

- Detailed supply chain mapping to establish the origin and movement of materials.
- Advanced counterparty risk assessments, including beneficial ownership verification, politically exposed persons (PEP) screening, and sanctions checks.
- Review of supplier due diligence documentation, including third-party audit reports, environmental impact assessments, and regulatory compliance records.

Continuous transaction monitoring to detect anomalies in trade volumes, payment structures, and shipping patterns

*EDD for High-Risk Recycled Gold from Intermediate Refiners*

AMMC requires high-risk intermediate refiners to provide independent third-party assurance reports verifying responsible sourcing compliance. Additional measures include direct engagement with refiners to verify sourcing practices, site inspections when feasible, and detailed transactional reviews to detect inconsistencies.

**Step 3: Risk Management**

**Compliance Statement with Requirement**

During the reporting year, AMMC has fully complied with Step 3: Risk Management

**Does the Refiner have a process to respond to the identified risks by either (i) mitigating the risk while continuing to trade, (ii) mitigating the risk while suspending trade or (iii) disengagement from the risk?**

AMMC has defined a strategy for risk management of any identified risk by either (i) mitigation of the risk and continuing to trade, (ii) mitigation of the risk and suspending trade or (iii) disengagement from the risk.

**Comments and demonstration of compliance:**

*Mitigation Measures and Monitoring for reporting period*

In 2024, AMMC had no counterparties with high risk or zero tolerance. As a result, there was no need for applied risk mitigation measures to suppliers.

*Disengagement from High-Risk Counterparties for reporting period*

In 2024, AMMC did not decided to disengage with suppliers due to failure to meet compliance expectations.

*Cooperation with Government and Regulatory Authorities for reporting period*

AMMC collaborates with national authorities to report significant compliance violations where necessary and ensures confidentiality and compliance with all applicable laws when engaging with regulators. In 2024, AMMC did not identified any significant compliance violations.

*Description of AMMC's process for Risk Management*

The AMMC immediately stop refining metals where its EDD concludes that there are known instances of:

- Money laundering
- Terrorist financing
- Serious human rights abuses
- Direct or indirect support to illegitimate non-state armed groups
- Fraudulent misrepresentation of the origin of minerals.

The AMMC suspend refining metals where its EDD concludes that:

- There is a founded suspicion of:
  - Money laundering
  - Terrorist financing
  - Serious human rights abuses
  - Direct or indirect support to illegitimate non-state armed groups
  - Fraudulent misrepresentation of the origin of minerals
- There are reported catastrophic ESG impacts as defined in the Refiner's classification criteria.

The AMMC may continue to refine metals where the EDD is not fully satisfactory, or where it concludes that the counterparty is using reasonable and good faith efforts despite instances of:

- Non-fraudulent misrepresentation of the origin of minerals
- Non-compliance with taxes, fees and royalties due to government
- Material breaches of environmental, health, safety, labour and community-related local legislation, and/or ESG risks that have the high likelihood to result in highly adverse impacts.

In this case, the AMMC require the counterparty to adopt an improvement plan, which is:

- Devised with the AMMC's input and engagement
- Clearly documented, including performance objectives and quantitative and/or qualitative performance measurement indicators
- Approved by the Executive Board.

AMMC conducts reviews and follow-up assessments to ensure risk mitigation plans are effectively implemented.

#### *Reporting to the Executive Board*

The Compliance Officer provides reports to the Executive Board about the progress and effectiveness of improvement plans if any.

These reports facilitate informed decision-making and continuous improvement in AMMC's risk management framework.

### **Step 4: Independent third-party assurance**

#### **Compliance Statement with Requirement**

During the reporting year, AMMC has fully complied with Step 4: Independent third-party assurance

#### **Comments and demonstration of compliance:**

##### *Assurance Provider Selection Process*

AMMC engaged the services of "Deloitte & Touche" Audit organization LLC, and its independent limited assurance report.

The selection process includes:

- Evaluating provider credentials and industry reputation.
- Ensuring no conflicts of interest to maintain objectivity.

- Assessing prior experience with responsible sourcing audits and OECD Due Diligence Guidance.
- The final selection is reviewed and approved by the Board of Directors to ensure independence and credibility.

#### *Board Oversight on Assurance Provider Independence*

The Board ensures that the assurance provider remains independent by:

- Conducting periodic reviews of auditor impartiality.
- Implementing a policy restricting engagements with auditors that have any financial or advisory relationships with AMMC.
- Ensuring the audit process follows internationally recognized standards, such as ISAE 3000 (Revised).

#### *Non-conformances identified*

During the 2024 the reporting year, AMMC did not identified any non-conformances.

#### **Step 5: Report on supply chain due diligence**

##### **Compliance Statement with Requirement**

During the reporting year, AMMC has fully complied with Step 5: Report on supply chain due diligence

##### **Comments and demonstration of compliance:**

AMMC provided relevant details of Policy, management systems and risk assessment processes in AMMC's Compliance Report, which can be found at the AMMC's web site: <https://agmk.uz/en/menu/internal-documents-of-the-company>

#### **Table 3 – Management conclusion**

##### **Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance for the reporting period?**

AMMC implemented management systems, procedures, processes and practices which are fully compliant with the requirements of the Guidance for the reporting year ending 31 December 2024.

#### **Table 4 - Other report comments**

If readers of this report wish to provide any feedback or address any question to AMMC with respect to its content, they can contact our Compliance Department by sending an e-mail: [responsible\\_supplychain@agmk.uz](mailto:responsible_supplychain@agmk.uz)



A.Kh. Khursanov

Chairman of the Board of Joint-Stock Company "Almalyk Mining and Metallurgical Complex"

