

GREEN ENERGY OF COPPER



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MESSAGE FROM THE CHAIRMAN OF THE BOARD

GRI 2-22

Dear colleagues, partners and shareholders:

The year 2024 became pivotal for the Almalyksky Mining and Smelting Works, which celebrated its 75th anniversary. This year is marked by significant achievements in realising strategic goals, strengthening the positions of AMMC as the largest mining and smelting enterprise of the Central Asia and a symbol of the industrial power of Uzbekistan.

ESG-related activities for 2024

In 2024, AMMC confirmed its commitment to sustainable development principles, focusing on the UN's Goal until the year 2030. We continue creating an atmosphere saturated with respect, trust and security. Providing each of our employees, totally over 30.8 thousands, with an opportunity to unfold one's potential, we formed a team inspired by innovations and united by a common goal, which leads AMMC to a sustainable and prosperous future.

From the moment of publication of the first sustainable development report «On the way to transformation: strategy in action» in 2020, AMMC shows a significant growth. The achievements of the year 2024 underline this progress: we have successfully confirmed compliance with international standards ISO 9001, ISO 14001, ISO 45001 and ISO 50001. These certificates reflect our commitment to quality in all areas of work. To strengthen transparency, this 2024 report was independently audited by PwC according to Global Reporting Initiative (GRI) standards.

In the reporting year, the enterprise received an international ESG-rating from Sustainable Fitch with a "3" mark and a subject rate of 56 — the highest result in the mining and smelting industry of the republic. This recognition confirms our leadership in the area of Environmental, Social and Governance (ESG) issues, reflecting a systemic approach to integrating ESG-principles in our activities.

Economic growth

AMMC remains a reliable foundation of economic growth of Uzbekistan. In 2024, the volume of goods production increased by 20.4% compared to the previous year, and exports to more than 15 countries, including China, Turkey, and European markets, strengthened our position in global supply chains. The volume of assimilated investments reached USD 1.94 billion, which exceeded planned indicators. We continue implementing strategic projects, such as development of the field "Yoshlik I" with resources of 47 million tons of copper and 5.7 thousand tons of gold.



Abdulla Khursanov
Chairman of the Board
of the JSC "Almalyk MMC"

Quality of corporate government

We are committed to transparency and ethics in all the aspects of government. In 2024, the Supervisory Board included two independent members, including one woman, aligning with global best practices. The introduction of the Automated Risk Management System (RMS) and updating of regulatory documents, such as the Supplier code of conduct, minimized the ESG-risks. The evaluation of the corporate governance system for 2024 confirmed its high level, building confidence of the shareholders and partners.

Environmental safety and welfare

Preserving the environment is our goal.

In 2024, we decreased consumption of non-renewable fuels by 21.5% and continued transition to renewable energy sources, including solar energy. Participating in the national project "Yashil makon" the enterprise planted 1.5 million seedlings, which reduced the man-made burden. Verified calculations of greenhouse gas emissions for 2021–2023 became the basis for development of the climate strategy planned for the year 2025.

Our employees and local communities remain at the heart of our social policy. In 2024, we ensured distribution of economic value, including significant funds to pay salary and social benefits. The average salary of the employees exceeded the regional minimum wage by more than two times. The training programs covered 12,099 employees, and investments in the social infrastructure, sports and education made a significant contribution to improving living standards in the regions.

Providing occupational safety

Occupational safety is our priority. Low rates of workplace accidents in 2024 were achieved through strict compliance with ISO 45001 standards, regular trainings and investments in modern equipment. We continue improving the safety culture, ensuring safe working conditions for every employee.

Investments, digitization and operational efficiency

The 2024 investment program, including the construction of the third copper concentrator and a new copper plant, continues strengthening the industrial potential. Introduction of an integrated ERP-system based on Oracle E-Business Suite increased transparency and speed of decision-making. The energy-saving projects and innovations optimized the costs, increasing operating efficiency and competitiveness.

Science, biodiversity and eco-efficiency

AMMC actively supports innovations and scientific studies. The launch of an engineering school in Almalyk aims to train new specialists for the industry. A biodiversity agreement was signed with “Yashiloykha” institute to create a 6-hectare garden with 3,200 fruit trees. Upgrading water supply and energy-saving systems minimized the impact on the ecosystems, complying with the sustainable development principles.

Waste management

Efficient waste management remains a key element of the ecological strategy. In 2024, the second phase of the “Ingichka” concentrating mill processed waste of the tungsten mine, creating 120 new jobs and improving environmental efficiency. The take-back programs, aligned with ISO 14001 standards, reduce the waste volume and its impact on the environment.

Stakeholders

An open dialogue with the stakeholders is the basis of our work. In 2024, the combine received 2,759 applications, which is 34.9% less than in 2023, due to improved feedback. The projects, such as opening a garment factory in Chadak and “Nuroniylar maskani” center, were implemented in partnership with local communities and authorities. Corporate television, Telegram and SMS-mailings ensure transparent communication.

Information disclosure and corporate governance

Reporting transparency is our priority. The 2024 Sustainable Development Report, prepared as per GRI standards and audited by PwC, reflects 15 material topics related to the impact on the economy, society and environment. The sustainable development policies, including anti-corruption and environmental policies, are accessible on the corporate website, demonstrating the compliance with international standards.

Conclusion

The year 2024 confirmed AMMC’s ability to combine the economic success with social and environmental responsibility. I would like to express heartfelt appreciation to the collective of AMMC, shareholders and partners and clients for their trust and support. Together we are building a sustainable future, based on the principles of innovation, responsibility and growth. In 2025, we shall continue investing in digitization, ESG-initiatives and regional development, strengthening leadership and contributing to Uzbekistan’s prosperity.

Kind regards,
Chairman of the Board
Abdulla Khursanov



ABOUT THE REPORT



ABOUT THE REPORT.

GRI 2-3, 2-4

THE COMPANY'S APPROACH TO PREPARATION OF REPORTING

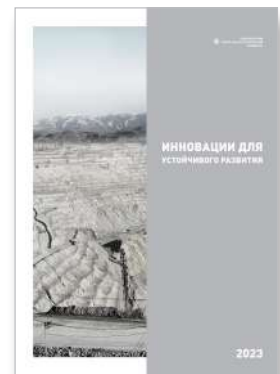
This Report is a standalone Sustainability Report of 'Almalyk MMC' JSC (hereinafter – AMMC) for the year 2024, excluding its subsidiaries, prepared in accordance with international standards and intended for a wide range of stakeholders. This Report presents key operating results of AMMC in the area of sustainable development, including economic, ecological and social aspects for the period from 1st of January to 31st of December 2024. The document also covers the Company's strategic plans for 2025 and a medium-term perspective.

This Report has been prepared as per GRI Standards, which ensures transparency, comparability and completeness of disclosed information. It reflects the Company's achievements in reaching UN's sustainable development goals until 2030.

Unless otherwise stated, the terms "Company," "AMMC" or "Combine" shall mean "Almalyk Mining and Metallurgical Combine" Joint Stock Company together with all its business units.

There were no significant changes in the reporting scope and the list of priority topics compared to the previous reporting period. However, the document contains updates of data of previous years, which is indicated in relevant sections.

In order to increase transparency and reliability of information, AMMC engaged PwC as an independent auditor to provide assurance of the 2024 Sustainability Report's compliance with GRI standards (refer to Annex 3 "External assurance"). An independent assurance of non-financial reporting is part of the Company's commitment to the principles of transparency and stakeholders trust.



https://t.me/ao_agmk



Corporate site



ESG reports

DETERMINATION OF MATERIALITY

GRI 3-1, 3-2, 3-3

In 2024, AMMC conducted a comprehensive assessment of the materiality of the topics disclosed in the Report as per the advanced international GRI standards.

The analysis was conducted in light of specific operations of the Company, its impact on the economy, environment and social sphere, including aspects of observance of human rights. Special attention was given to considering the opinions and expectations of key stakeholders, thereby ensuring completeness and relevancy of disclosed information.

A detailed list of stakeholders and mechanisms of interaction with them is presented in the chapter "Interaction with stakeholders." The evaluation was conducted in several phases:



The 2024 Sustainable Development Report, as in previous years, presented 15 material topics reflecting key aspects of sustainable development of the Company.

These topics were determined based on a comprehensive analysis of the impact of AMMC's operations on the economy, society and environment and considering expectations of the stakeholders. Their choice corresponds to the requirements of international reporting standards and global best practices in corporate sustainability.

For each of the 15 material topics, both positive and negative impacts of AMMC's operations were determined and their contribution to achieving the UN sustainable development goals (UN SDG).

This analysis allows the Company to manage its environmental, social and economic aspects more effectively, while minimizing negative impact and strengthening a positive outcome. Compliance of material topics with AMMC's operations and UN SDGs is presented in the table below, ensuring transparency and consistency of the approach to sustainable development.

In 2024, AMMC updated the list of material topics in order to ensure a more accurate and comprehensive disclosure of non-financial information in line with best global practices. The wording of certain topics was revised and similar topics were consolidated to improve transparency and data readability.

This process allowed the company to better reflect its impact on the economy, environment and society and improve compliance with international sustainability reporting standards.



REPORTING BOUNDARIES

GRI 2-2

The 2024 Sustainability Report includes data on the activities of the Company itself and its structural divisions. The economic indicator GRI 201-1 is disclosed in accordance with the scope of AMMC's consolidated financial statements.

Table 1. Company's business units

Nº	Name of the structural unit	Abbreviation
1	Almalyk mining technical inspection of the State Committee for Industrial Safety	AMTI
2	Angren Mining Administration	AMA
3	Departmental militarised security	DMS
4	Directorate for construction of mining transportation complex and infrastructure facilities	DCMTCIF
5	Directorate for construction of metallurgical complex facilities	DCMCF
6	Directorate for construction of machinery plant facilities	DCMPF
7	Explosive materials plant	EMP
8	Lime plant	LP
9	Information service	IS
10	Copper smelting plant	CSP
11	Copper concentration plant	CCP
12	Copper concentration plant – 2	CCP -2
13	Copper concentration plant – 3	CCP -3
14	Civil protection squad	CPS
15	Project office for the implementation of the investment project "Development of Yoshlik deposit"	Yoshlik-1
16	"Kauldy" mine	"Kauldy" mine
17	"Uch Kulach" mine	"Uch Kulach" mine
18	"Kalmakir" Mining Administration	"Kalmakir" Mining Administration
19	"Khandiza" Mining Administration	"Khandiza" Mining Administration
20	Security technical systems service	STSS

№	Name of the structural unit	Abbreviation
21	Technical control service	TCS
22	Thermal power station	TPS
23	Central laboratory of new technologies	CLNT
24	“Olmalykmetallurgqurilish” Trust	OMQT
25	Oil products supply administration	OPSA
26	Manufacturing automation division	MAD
27	Automobile transport management	ATM
28	Capital construction division	CCD
29	Material and technical supply division	MTSD
30	Division on production of consumer goods	DPCG
31	Sales and supply of metallurgical raw materials management	SSMRMM
32	Project Administration Division	PAD
33	Administration for industrial railway transport	AIRT
34	Social facilities administration	SFA
35	Specialised repair works administration	SRWA
36	Technological transport management	TTM
37	Division on electrical networks	DEN
38	Training centre	TC
39	Central analytical laboratory	CAL
40	Central metrology laboratory	CML
41	Executive body	Executive unit
42	Central machinery and repair plant	CMRP
43	Industrial water supply shop	IWSS
44	Zinc plant	ZP
45	Chadak Mining Administration	CMA
46	Mine construction department	MCD
47	Development and production facility on rare metals and hard alloys	DPFRMHA

ABOUT THE COMPANY



BASIC INFORMATION

GRI 2-1, 2-6

Highlights 2024

- realized USD **1943.9** million investments;
- **upgraded and renewed** equipment ;
- carried out over **210.6 million cubic meter** of mining operations.

Contribution to achieving the UN SDG



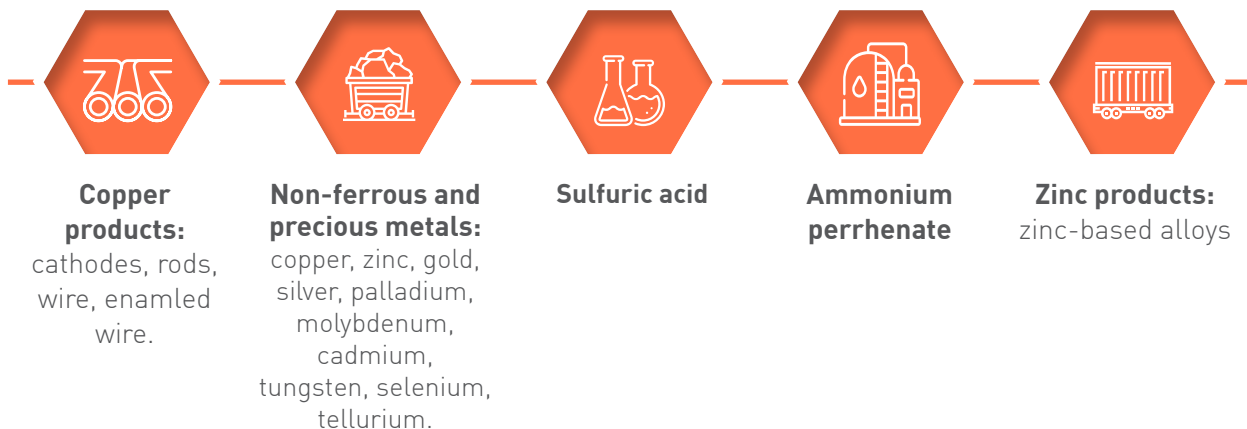
GRI indicator

GRI 2-1, 2-6, 2-9, 2-10, 2-11, 2-12, 2-15, 2-17, 2-18, 2-19, 2-20, 2-23

COMPANY PROFILE

For 75 years, Almalyk MMC JSC has been one of the leading enterprises in the mining and metallurgical industry of Uzbekistan and the Central Asian region, demonstrating a high level of operational efficiency, innovative development and sustained approach to doing business. The Company adheres to the principles of responsible subsoil use, introducing innovative technologies for the extraction and processing of commercial minerals, and putting emphasis on environmental, social and governance (ESG) aspects.

AMMC's activities cover a full cycle of ore mining and smelting — from extraction and processing of ore to output of high-value-added products. The Company's product portfolio includes refined copper, zinc metal, precious metals, various alloys and associated materials. Striving for the comprehensive use of raw material resources, AMMC is implementing strategies for resource saving and improvement of the efficiency of production processes, which facilitates strengthening its positions in the global market and sustainable development of the industry.



**In 2024,
Almalyk MMC JSC
continued implementing
the following investment
projects:**

«Development of Yoshlik-1 deposit»:

- Over 210.6 million cubic meters of mining operations were carried out at the site (including 36.8 million cubic meters in 2024).
- At CCP-3 (new concentrating mill), delivery of equipment has been completed. Construction operations are nearing completion. Commissioning work has been accelerated.

«Upgrade and reconstruction at the copper concentrator, copper smelting and zinc plants»:

- equipment was upgraded without changing technological processes.

As of 2024, the Company represents an industrial complex including:



Four mine managements



Five enrichment complexes



Four joint ventures



Administration for industrial railway transport



Zinc and copper smelting plant



Central machinery and repair plant



Department of Automobile and Technological Transport

The Plant also includes:

Lime plant, Explosives Plant, Thermal power plant, Industrial water supply workshop, Electrical Network Management, Capital Construction Management, “Olmalikmetallurgkurilish” Trust, Management of specialized repair works, etc.

Business segments

The production structure of Almalyk MMC JSC consists of several key areas:



Within the framework of **the mining process**, the extraction of minerals is carried out - copper, molybdenum, precious metals, selenium, sulfur, tellurium, rhenium, zinc, lead and gold-bearing quartz ore.



The enrichment complex consists of enterprises where the enrichment process of mined ore takes place, and includes the processing of gold-containing, polymetallic (copper-lead-zinc), copper-molybdenum ores with the production of corresponding enriched concentrates.



The metallurgical processing unites enterprises whose activities are focused on obtaining finished products, including cathode copper, copper sulfate, sulfuric acid, refined gold and silver, technical selenium and tellurium, as well as zinc, metallic cadmium, zinc powder, zinc white and zinc sulphate.



Non-production divisions of the Company related to the transportation of raw extracted minerals to processing plants: the management of railway, automobile and technological transport and the mining mechanization shop.



GEOGRAPHY OF ACTIVITY

GRI 2-1, 2-6

The Plant's production facilities are in various regions of the Republic of Uzbekistan, including Tashkent, Jizzakh, Namangan, and Surkhandarya regions, where deposits of raw materials are located. The Company's headquarters are located in the city of Almalyk in the Tashkent region.

Figure 1. Geographical location of the main assets by business segments and main products (at the end of the reporting period)



Symbol legend of business segments

- Mining process
- Enrichment complex
- Metallurgical processing

1 Jizzakh region

Main assets

- Uch-Kulach mine

Main products

- Zinc and cadmium;

2

Tashkent region

Main assets

- Angren Mining Administration (incl. Angren gold recovery factory)
- Kalmakyr Mining Administration
- Kauldy Mine
- Copper Concentrator Plant 1
- Copper Concentrator Plant 2
- Mine Construction Department
- Copper smeltery Plant
- Zinc Plant
- Central Machinery and Repair Plant

Main products

- Copper products;
- Refined precious metals;
- Refractory metals;
- Ammonium perrhenate;
- Technical selenium;
- Sulphuric acid;
- Zinc;
- Technical tellurium.

3

Namangan region**Main assets**

- Chadak Mining Administration
- Chadak Gold Recovery Plant

Main products

- Zinc sediments containing precious metals;

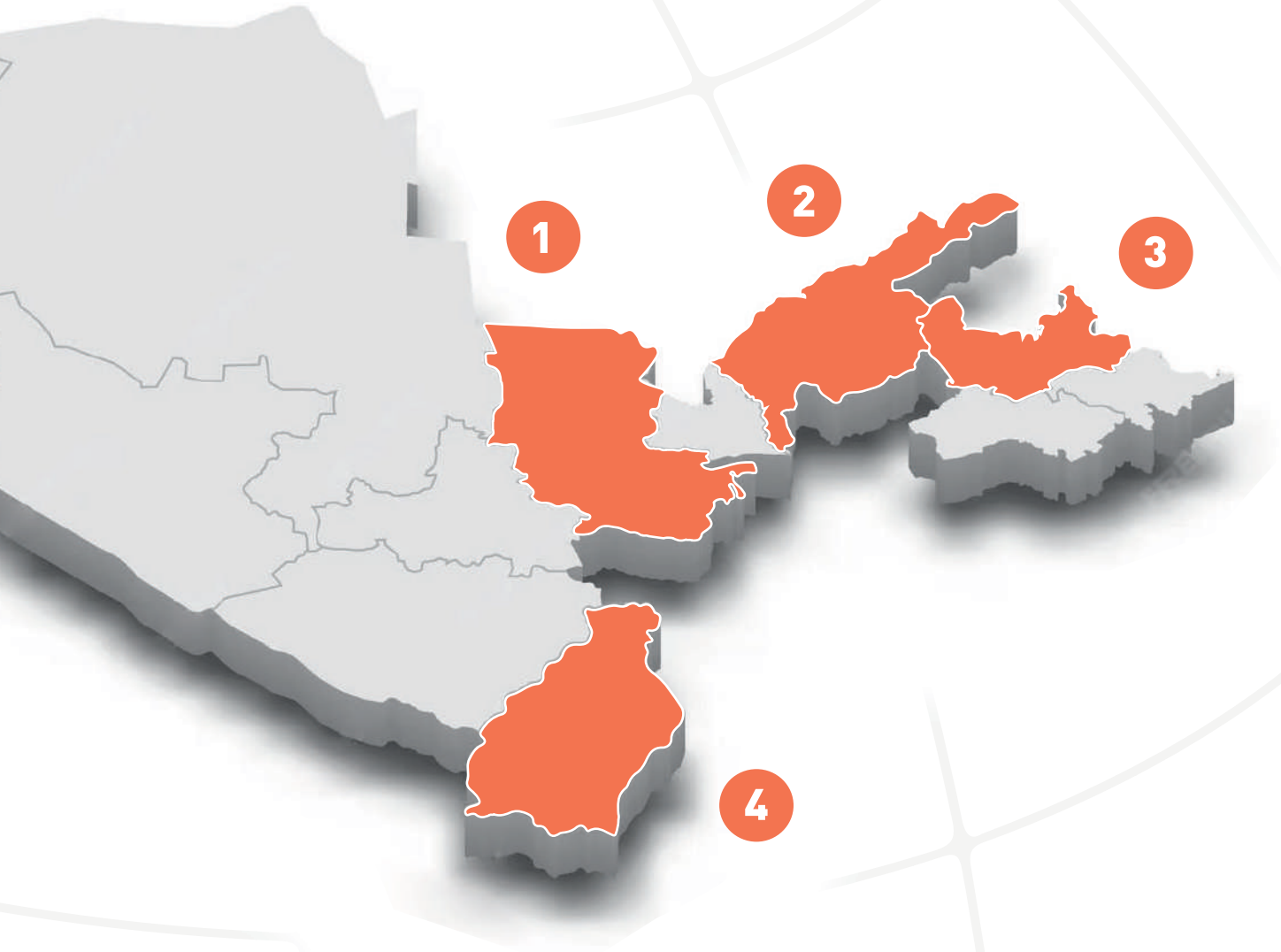
4

Surkhandarya region**Main assets**

- Khandiza Mining Administration
- Khandiza Concentrator

Main products

- Copper;
- Zinc and cadmium;
- Sulphuric acid;
- Refined precious metals;





AMMC is actively developing export, ensuring deliveries of its products to a wide range of countries, including Turkey, China, Russia, Kazakhstan, the Netherlands, Switzerland, Azerbaijan, Poland, Georgia, Austria, Tajikistan, Kyrgyzstan, India, Belarus, Spain, and Germany. Geographic diversification of export allows the company to strengthen its positions in the global market and expand its partnerships.

Being one of the largest producers of cathode copper in Central Asia, AMMC plays a strategic role in the international chain of supply of nonferrous metals. The Company actively cooperates with leading industrial and trading companies from Switzerland, Great Britain, Turkey, Ukraine, Russia, China and other countries, strengthening long-term business relationships and facilitating development of the industry cooperation.

In terms of procurement AMMC adheres to principles of transparency and efficient management of supply chains. Its main focus is on procurement of inventory items from manufacturers, distributors and dealers. Procurement processes are carried out strictly per the legislation of the Republic of Uzbekistan, including Law No. LRU-684 dated 22/04/2021 "Regarding state procurement," which guarantees a high level of responsibility and regulatory compliance.

At present, the Plant specializes in production of over 18 types of products, which are in high demand in both domestic and international markets.

The principles of relationships with business partners that are important for the Company:



Trust and transparency

AMMC strives to create stable long-term partnerships based on transparency, honesty and observance of ethical standards. The Company adheres to the principles of transparency in all aspects of its activities, ensuring accessibility of information for the stakeholders and observing high standards of corporate governance. Due to an open dialogue and responsible approach to doing business, AMMC strengthens trust of its partners, investors and the society.



Quality of products and services

AMMC adheres to the highest standards of quality on all stages of the production process. To ensure a stable level of products and services the Plant implements advanced technologies, strictly controls compliance of its products with international standards and cooperates exclusively with approved and reliable suppliers. The quality control system is aimed at constant improvement of processes, which allows to guarantee compliance of the products with the requirements of clients and partners.



MISSION, VISION AND VALUES

GRI 2-23

Mission

AMMC determines sustainable development as the basis of its long-term strategy aimed at expansion of the mineral resource base, increase in production capacity and strengthening of its leadership position among mining and metallurgical enterprises of the Central Asia. In addition, the company is focused on customer satisfaction, increase product quality and implement innovative solutions in manufacturing processes.

Vision

Understanding the importance of sustainable development for the stable growth of business, AMMC consistently integrates ESG principles in its operations. The Company strives for rational use of natural resources, decrease of the impact on the environment and implementation of advanced technologies to increase energy efficiency and minimize a carbon footprint.

AMMC recognizes its social responsibility and actively cooperates with the stakeholders in the regions of its presence. The Company implements environmental programs, facilitates the social and economic development of the local communities and supports educational and charitable initiatives. Special attention is given to creating an inclusive working environment, ensuring equal opportunities for all employees, including women and employees with disabilities, and development of the corporate culture based on the sustainable development principles.

Values

The corporate culture of AMMC is formed based on the key principles of mutual respect, trust, integrity and professionalism. These values serve as the basis for the achievement of the company's strategic goals, strengthening the team spirit and increasing employee engagement.

AMMC strives to create a working environment, in which each employee feels that he is a valuable member of the common success. The Company supports open communication, initiative and development of competencies, which facilitates high work efficiency and implementing best HR management practices.

Figure 2. AMMC's key values



The company consistently adheres to the principles of honesty, integrity, and ethics in all aspects of its operations. These principles form the foundation of AMMC's business relationships, ensuring trust from partners, clients, and employees. The commitment to transparent and responsible business practices helps strengthen the company's reputation and fosters long-term partnerships.

Mutual trust is the foundation of AMMC's corporate culture. It establishes strong working relationships, promotes effective interaction among employees, and unites the team in pursuit of common goals. Through open dialogue and support within the collective, the Company creates a favorable working environment where each employee can realize their potential.

AMMC adheres to a policy of open dialogue and constructive engagement with all stakeholders, both internal and external. The Company strives for transparency in communications and actively considers the opinions of partners, employees, clients, and the public, which helps strengthen trust and foster sustainable business development.

AMMC values the professionalism and competence of its employees, recognizing their key role in achieving the Company's strategic goals. The organization is committed to continuously improving staff qualifications, creating conditions for professional growth, and implementing advanced practices across all business processes.

AMMC is committed to innovation and continuous improvement, actively implementing advanced technologies and best global practices. The Company focuses on enhancing the efficiency of all business processes, which contributes to sustainable development and strengthens its competitive position.

AMMC is customer-focused, ensuring high-quality products and services. The Company continuously improves its production processes, implements advanced technologies, and maintains strict control standards to meet client expectations and international market requirements.

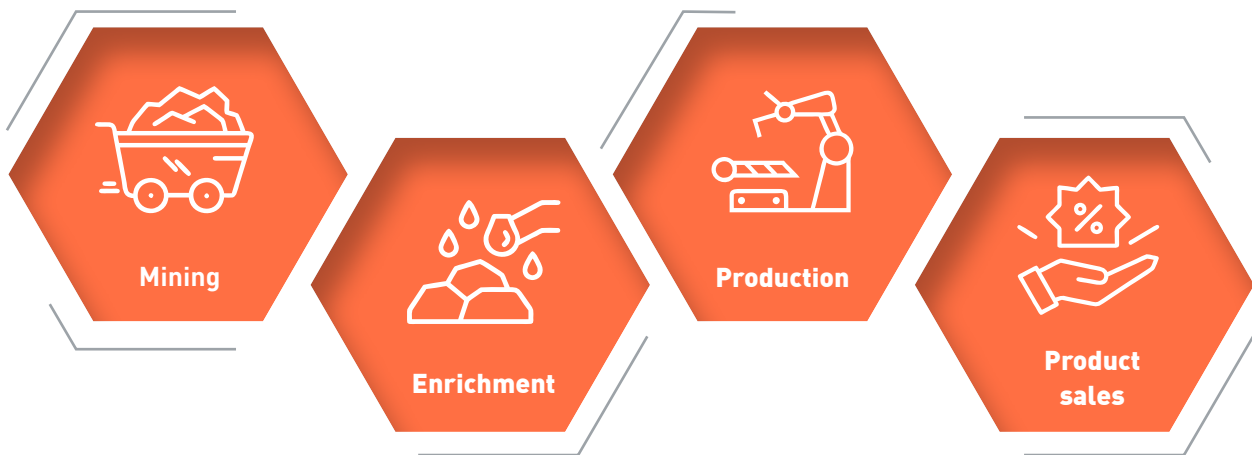
STRATEGY AND BUSINESS MODEL



THE BUSINESS MODEL OF THE COMPANY

AMMC implements all stages of value creation, starting from extraction and ending with the sale of finished processed products.

Figure 3. Key Performance Stages at Almalyk MMC JSC



The vertically integrated model of AMMC allows to ensure stable quality of its products, optimize costs and minimize risks. Full control of all stages of value chain gives the company strategic advantages and increases its sustainability in the market.

THE COMPANY'S STRATEGY

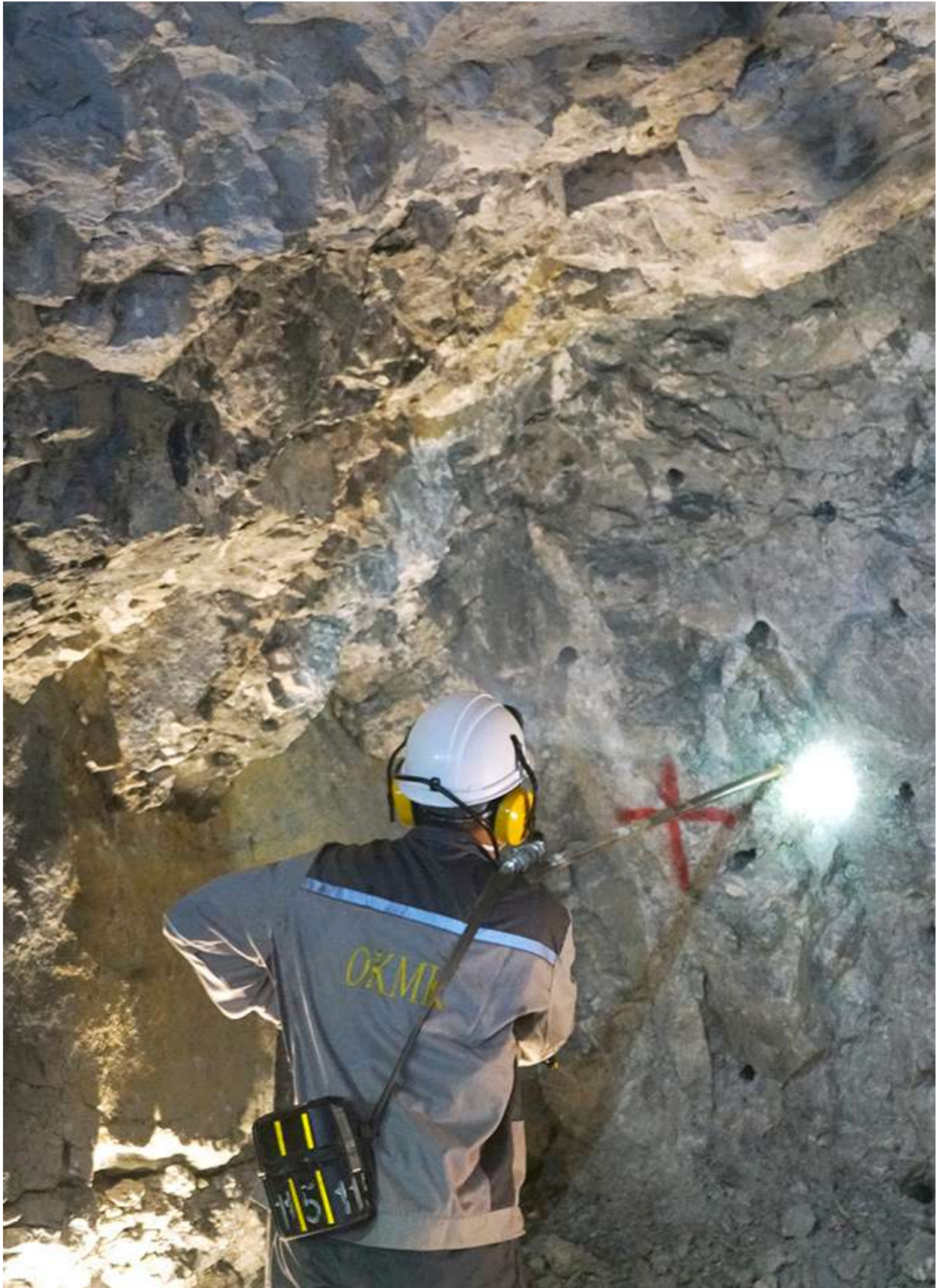
We understand the importance of integrating sustainable practices into our activities. Striving to minimize the impact on the environment and contribute to the socio-economic development of the Republic of Uzbekistan, AMMC sets ambitious goals in the field of sustainable development, which include:

Development of a climate strategy

We are actively working on developing a climate strategy aimed at significantly reducing greenhouse gas emissions and minimizing the ecological footprint of metal mining and processing. This strategy will become a key tool for AMMC to adapt to global climate challenges.

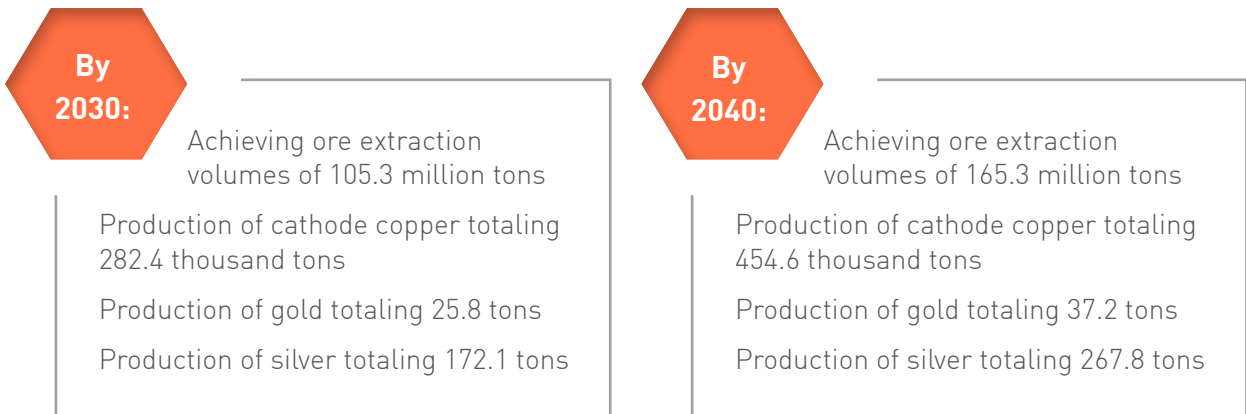
Copper Mark certification

We are aiming to achieve Copper Mark certification, the internationally recognized standard for responsible copper production. This certification will demonstrate our adherence to strict environmental and social standards, as well as our commitment to the principles of responsible metal mining and production.



These goals reflect our commitment to high environmental and social standards and underline our commitment to society and the environment.

Based on sustainable practices, we strive to further develop and increase the production volumes of non-ferrous and precious metals.



Key strategic directions for the Company's general development until 2030:



Environmentally responsible expansion of the mineral resource base: Development of new deposits in compliance with strict environmental standards, as well as the implementation of more efficient and environmentally safe extraction technologies at existing sites. We strive to minimize the impact on the environment and improve the efficiency of natural resource utilization.



Increasing the Company's export potential: Expanding presence in international markets and strengthening partnerships with companies that adhere to high sustainability standards.



Expanding cooperation and supporting import substitution: Developing collaboration with local and international partners to establish supply chains that adhere to the principles of responsible consumption and sustainable production.



Implementation of modern technologies and digital transformation: Investing in innovative and digital solutions that enhance energy efficiency and strengthen the operational resilience of the business.



Developing human resource potential and creating attractive working conditions: Attracting and retaining qualified professionals by creating comfortable, safe, and inclusive working environments. Developing training and professional development systems for employees to facilitate their growth and adaptation to modern labor market demands.

CORPORATE GOVERNANCE



GRI 2-9, 2-10, 2-11, 2-12, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20

At AMMC, we place special emphasis on corporate governance, recognizing its important role in ensuring sustainable development and long-term success. Our approach is based on the principles of transparency, accountability, and business ethics, which contribute to the effective management of the company.

This section of the report presents key aspects of our corporate governance system, including its structure, processes, and principles aimed at achieving AMMC's strategic goals.



Guiding Documents in the Field of Corporate Governance:

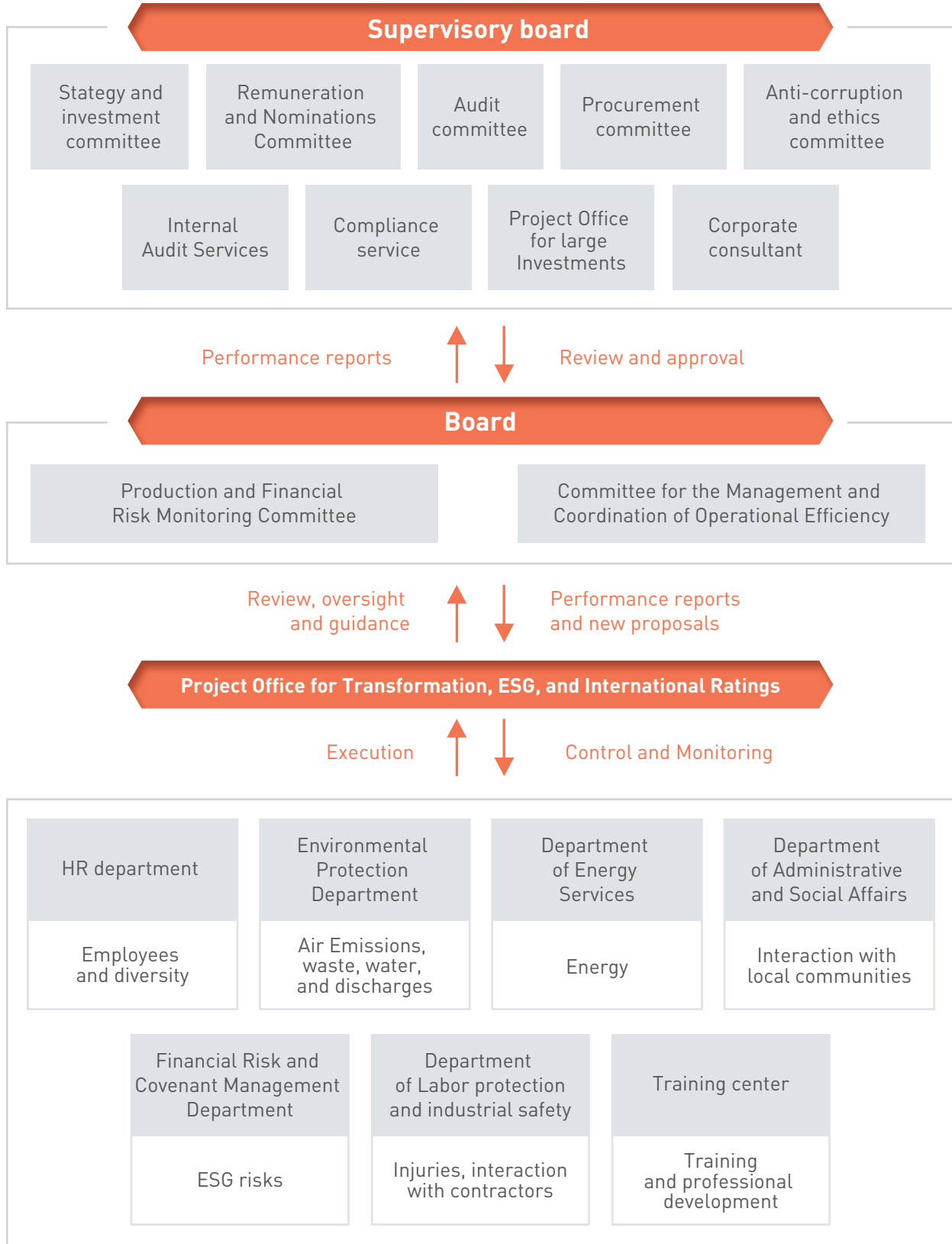
- Corporate Governance Code
- Supplier Code of Conduct
- Law «On Joint Stock Companies and Protection of Shareholders' Rights»
- Charter of «Almalyk MMC» JSC
- Regulation on the Anti-Corruption and Ethics Committee
- Regulation on the Audit Committee
- Regulation on the Procurement Committee
- Regulation on the Corporate Consultant
- Regulation on the Strategy and Investment Committee
- Regulation on the Remuneration and Nomination Committee
- Regulation on the Selection of Candidates for the Executive Body
- Regulation on Internal Control
- Regulation on Procedures for Conflict of Interest
- Regulation on Dividend Policy
- Regulation on Affiliated Persons
- Regulation on the General Meeting of Shareholders
- Regulation on Information Policy
- Regulation on the Counting Commission
- Regulation on the Executive Body
- Regulation on the Supervisory Board

The full list of the Company's regulatory documents is available on the corporate website:



[Internal Documents of the Company \(agmk.uz\)](http://agmk.uz).

Management and accountability:



The corporate governance system of «Almalyk MMC» JSC supports long-term sustainable growth based on the principles of transparency and ethics. In 2024, the company enhanced its management mechanisms and conducted an evaluation of corporate governance for 2023, which concluded that the system is highly effective.

The Supervisory Board of «Almalyk MMC» JSC consists of 7 members appointed for a two-year term. In 2024, the Board included two independent members, including a woman - Tanya Chikanza. This reflects the company's commitment to gender balance and the implementation of best practices in corporate governance.

Table 3. Members of the Supervisory Board “Almalyk MMC” JSC

Nº	Name	Director's status	Number of other significant positions and responsibilities, as well as their character
1	Aripov Abdulla Nigmatovich	Executive, Chairman of the Supervisory Board	Prime Minister of the Republic of Uzbekistan
2	Islamov Bobir Farkhadovich	Executive	Minister of Mining and Geology of the Republic of Uzbekistan
3	Lee Dmitry Romanovich	Executive	Director of the National Agency of prospective projects of the Republic of Uzbekistan
4	Karimov Alisher Nishanovich	Executive	Deputy Minister of Justice of the Republic of Uzbekistan
5	Mustafaev Khurshed Bakhtiyorovich	Executive	Deputy Minister of Economy and Finance of the Republic of Uzbekistan
6	Alexander Blumgardt	Independent	
7	Tanya Chikanza	Independent	

The activities of «Almalyk MMC» JSC are regulated by the legislation of the Republic of Uzbekistan and internal corporate documents. The company is one of the strategic objects of state property. The state is the «sole shareholder» of the Company, which make up 98.74% of the authorized capital. The share of legal entities is 0.012%, while the share of individuals is 1.248%.

The corporate governance system at AMMC is aimed at ensuring an effective interactions between the Company's management bodies, investors and other stakeholders. The company adheres to the principles of transparency and ethics, not only fulfilling its key commitments but also maintaining constructive dialogue with all parties involved in corporate relations.

In carrying out its activities, AMMC is guided not only by the legislative requirements of the Republic of Uzbekistan but also strives to comply with international standards and best practices of corporate governance. The company actively introduces the principles of sustainable development into the management system, striving to implement more responsible and ethical practices, as well as more effectively manage risks and opportunities in the long term.

To maintain a high level of accountability and transparency, AMMC annually engages independent auditing organizations to review the company's financial activities and reporting for compliance with national and international financial reporting standards.



When operating, the Company also takes into account the requirements of the ministries of the Republic of Uzbekistan:



Ministry of Ecology, Environment and Climate Change

To which the Company provides environmental reports as part of its quarterly inspection



Ministry of Mining Industry and Geology

The Almalyk Mining and Technical Inspectorate, under the Ministry, exercises continuous oversight to ensure compliance with the legislation of the Republic of Uzbekistan



Ministry of Energy

The Inspectorate for Energy Control under the Ministry conducts inspections to ensure compliance with the requirements of regulatory legal acts



«Almalyk MMC» JSC has the following certificates:

ISO 9001:2015 «Quality Management Systems»;

ISO 50001:2018 «Energy Management System»;

ISO 14001:2016 «Environmental management system»;

ISO 45001:2018 «Occupational health and safety management system».

By decisions of the Supervisory Board and the sole shareholder, to improve the efficiency of the company, the following changes were made to the organizational structure:

Mamatov Bekhzod Abdugafurovich has been appointed to the position of First Deputy Chairman of the Management Board for Economics, Finance, and Transformation, while Ismailov Kamol Bakhodirovich has been appointed as Deputy Chairman of the Management Board for Commerce, Procurement, and Localization.

CORPORATE GOVERNANCE STRUCTURE

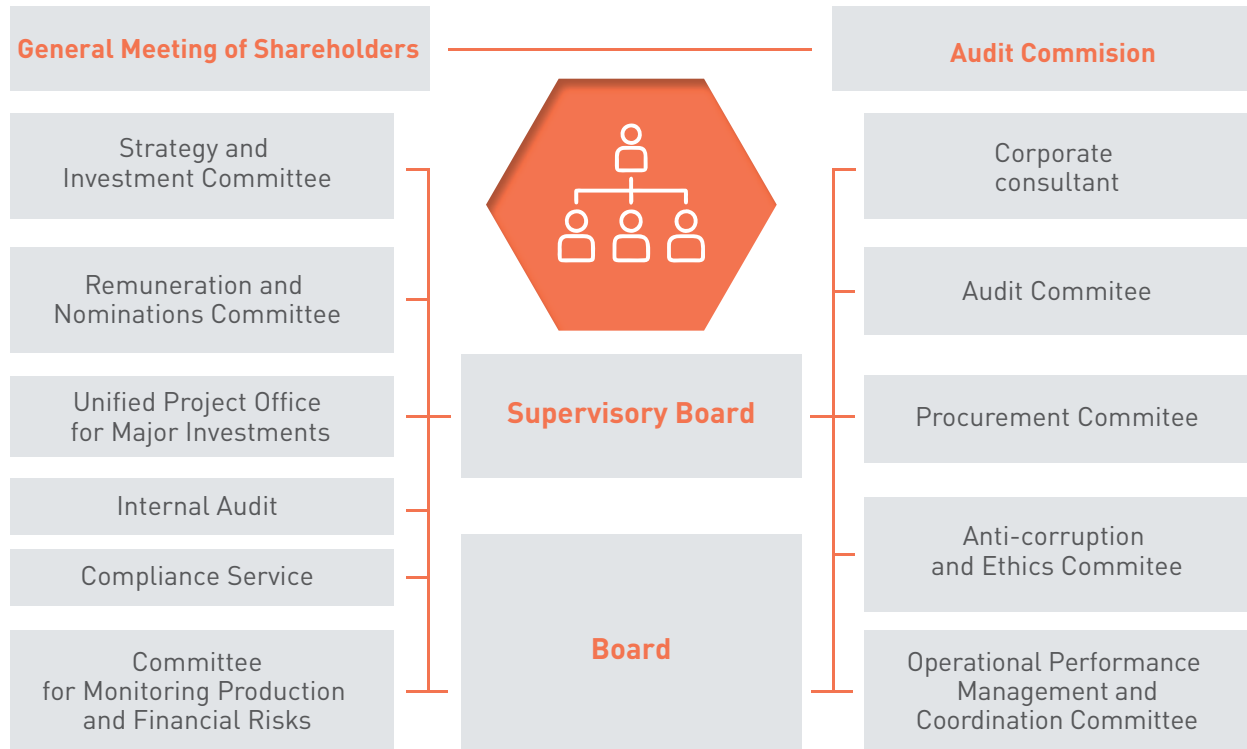
The management bodies of «Almalyk MMC» JSC include:

- General Meeting of Shareholders;
- Supervisory Board;
- The Board and the Chairman of the Board.

In addition to the management bodies, the Company also includes regulatory bodies:

- Audit Commission;
- Internal Audit Service.

Figure 4. Corporate governance structure



General Meeting of Shareholders

The General Meeting of Shareholders is the highest corporate governance body of AMMC JSC and is responsible for making key decisions necessary to ensure the effective functioning of the Company.

Its powers include:

- Election of members of the Supervisory Board and members of the Audit Commission, as well as early termination of their authority;
- Approval and amendment of the company's internal regulatory documents;
- Review and approval of major transactions and transactions with affiliated persons.

The full list of powers of the General Meeting of Shareholders is provided in the Regulations of the General Meeting of Shareholders, available on the company's corporate website.

Supervisory Board

The Supervisory Board is the body responsible for the overall strategic management of AMMC's activities.

The Supervisory Board consists of the following Committees:

- Anti-Corruption and Ethics Committee;
- Audit Committee;
- Purchasing Committee;
- Strategy and Investment Committee;
- Remuneration and Nominations Committee.



The Supervisory Board of «Almalyk MMC» JSC plays a key role in the strategic management and oversight of the company's activities. Its functions include:

- Determining priority development directions, including sustainability issues, and developing strategic plans for the company.
- Appointing key executives, such as members of the Management Board, the corporate secretary, and internal audit service staff.
- Reviewing and approving the company's Business Plan, which covers the economic, environmental, and social aspects of AMMC's activities. The Supervisory Board conducts a quarterly evaluation of the plan's performance.



The full list of powers of the Supervisory Board is listed in the Regulation on the Supervisory Board, published on the Company's corporate website ([Regulations on the Supervisory Board](#)).

To ensure the most competent and qualified composition of members of the Supervisory Board, the Company has developed requirements for candidates, including:

- higher education;
- experience and expertise in the field of strategic and anti-crisis management;
- knowledge in the field of corporate finance, risk management, corporate law and management;
- knowledge of relevant laws, decrees, regulations and orders, as well as acts of government bodies.

Candidates for the position of members of the Supervisory Board are nominated by the main shareholder and elected annually at the General Meeting of Shareholders by cumulative voting. The process of selection and appointment of members of the Supervisory Board is not influenced by the opinions of stakeholders, diversity and independence criteria.

The Chairman of the Supervisory Board is elected by vote among the members of the Supervisory Board. The candidate who receives the largest number of votes is appointed to the position of Chairman. However, the Chairman of the Supervisory Board is not the CEO of the Company

In the reporting year, the Supervisory Board of AMMC consisted of 7 directors, including two independent directors. All members of the Supervisory Board have the competencies necessary to consider social, environmental and economic issues within the framework of the meeting agenda.

At meetings of the AMMC Supervisory Board, issues related to the main aspects of the Company's activities are discussed, including the implementation and improvement of sustainable development practices. Economic aspects, such as the Company's strategic priorities and related-party transactions, are reviewed at least once a quarter, and environmental and social issues are discussed as necessary.



Detailed information on the composition of the Supervisory Board and its Committees is available on the official website of the Company in the section "Supervisory Board" ([Supervisory board \(agmk.uz\)](#)).



The Supervisory Board has several Committees whose main functions are to consider the thematic agenda within their area of competence, internal control and management of relevant risks.

The Anti-Corruption and Ethics Committee considers issues related to monitoring compliance with the rules and requirements of the following internal documents:

- Anti-corruption policy of the Company;
- Code of conduct for the management and employees of the Company;
- Regulation on the management of conflicts of interest;
- Instructions for checking counterparties;
- Instructions for checking candidates hired by the Company;
- Regulations on the procedure for conducting official investigations into cases of violation of the Code of Ethics and the commission of corrupt acts.

The main functions of the **Purchasing Committee**:

- Organization, evaluation and control of procurement activities;
- Preparation of recommendations to the Supervisory Board on improving efficiency and improving procurement processes;
- Providing of uniform rules and procedures for the formation of a procurement schedule.

The powers of the **Strategy and Investment Committee** include:

- Preparation of recommendations for the Supervisory Board on determining the priority areas of the Company's activities;
- Assessment of the effectiveness of investment projects proposed for consideration by the Supervisory Board.

The functions of the **Remuneration and Nominations Committee** are:

- preparation of recommendations for building effective and transparent practices for remuneration of members of the Company's management bodies;
- consulting and preparation of recommendations on issues of personnel policy and motivation system.

The Audit Committee shall perform the following functions:

- Evaluation of candidates performing the functions of internal auditors, as well as candidates for the role of external auditor of the Company;
- Assessment of the effectiveness of internal control procedures and preparation of proposals for their improvement;
- Preparation of recommendations in the field of audit and reporting of the Company.



Board of Directors and Chairman of the Board

The Management Board is a collegial executive body established by the Supervisory Board for the effective management of the Company's current operations. It consists of 7 members:

Table 4. Members of the Management Board of "Almalyk MMC" JSC

Khursanov Abdulla Khalmuradovich	Chairman of the Management Board of "Almalyk MMC" JSC
Mamatov Bekhzod Abdugafurovich	First Deputy Chairman of the Management Board of "Almalyk MMC" JSC for Economics, Finance, and Transformation
Shermatov Sa'di Bakhtiyarovich	Acting Deputy Chairman of the Management Board of "Almalyk MMC" JSC for Personnel and Social Affairs
Orudzhov Uzeir Salikhovich	Head of the Department of Resources and Mining Operations of "Almalyk MMC" JSC
Kasimov Sandjar Kadirovich	Head of the Legal Department of "Almalyk MMC" JSC
Nizomov Makhmud Minovarovich	Head of the Budget and Cost Control Department of "Almalyk MMC" JSC
Vakkasov Bakhtiyar Abdiraimovich	Director of the Copper Smelting Plant of "Almalyk MMC" JSC

The Management Board of AMMC is responsible for the company's operational management and strategic development. Its responsibilities include:

- development of strategic priorities and plans of the company;
- preparation of a Business plan and other financial and economic programs;
- preliminary consideration of innovative and investment initiatives before their submission to the Supervisory Board for consideration.



The full list of powers of the Management Board is reflected in the Regulation on the executive body, which is published on the corporate website ([Regulation of the executive body](#)).

The Chairman of the Management Board is the head of the executive body and is responsible for the operational management of the Company's current activities, including approval of the Company's Sustainable Development Report. The candidate for the position of Chairman of the Management Board is elected by the General Meeting of Shareholders and is subject to approval by agreement with the Prime Minister of the Republic of Uzbekistan.

Audit Committee

The Audit Commission is a control body consisting of seven members elected annually by the General Meeting of Shareholders. According to the internal rules of the Company, the same person cannot be a member of the Audit Commission for more than three consecutive terms. The main function of the Audit Commission is to check, analyze and control the reliability of the indicators and processes of the financial and economic activities of «Almalyk MMC» JSC.



The full list of powers of the Audit Commission is reflected in the Regulation on the Audit Commission, which is published on the corporate website of AMMC ([Regulation on the Audit Commission](#)).

Internal Audit Service

The Internal Audit Service carries out systematic control over the financial and economic activities of the Company, its divisions and representative offices, including verification of the completeness and reliability of accounting and financial reporting.

Corporate consultant (secretary)

The main functions of the corporate consultant are to monitor the Company's compliance with corporate legislation, as well as to provide methodological assistance and consultations on corporate governance issues of «Almalyk MMC» JSC to external and internal stakeholders.

During the reporting period, the Corporate Consultant ensured the implementation of a wide range of tasks, including:


- Introduction of Supervisory Board protocols, organization of timely provision of materials for the protocols
- Monitoring the implementation of adopted decisions (informing executors)
- Making changes in structure and creation of the corporate consultant (secretary)
- Updating regulations and approval by the governing bodies.



PREVENTING AND MITIGATING CONFLICTS OF INTEREST

GRI 2-15

By a conflict of interest, AMMC means a contradiction between the property or other interests of the Company (its management and control bodies, officials, employees) and the property interests of clients, when as a result of the actions or inactions of the management and control bodies of AMMC and (or) its employees, violations of the rights and legitimate interests of shareholders may be allowed.

 The identification of conflicts of interest in AMMC and its structural divisions is carried out in accordance with an exhaustive list, as provided in the «Regulations on the management of conflicts of interest in Almalıy MMC JSC»

The Regulation establishes the following methods for the timely identification of conflicts of interest:

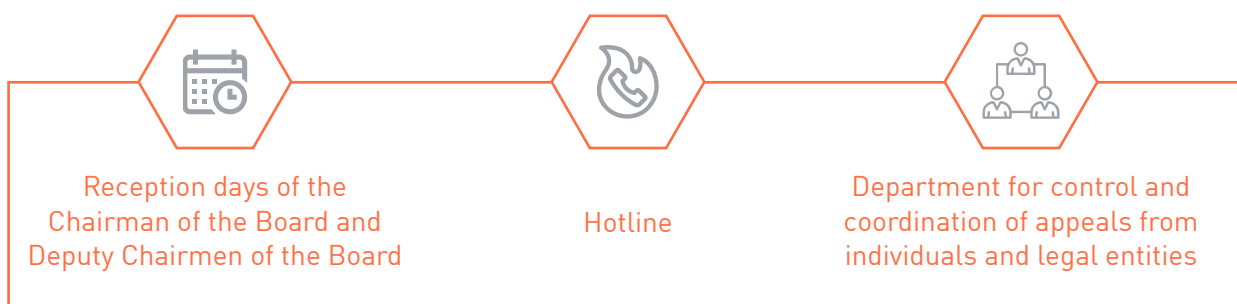
- disclosure of conflicts of interest during employment;
- disclosure of conflict of interest when appointing to a new position;
- one-time disclosure of information as a conflict of interest arises.

AMMC uses the following mechanisms to resolve identified conflicts of interest:

- restricting an employee's access to information that may affect the employee's personal interests;
- voluntary refusal of an employee or his/her removal from participation in the discussion and decision-making process on issues that are or may be influenced by a conflict of interest;
- revision and modification of the employee's functional responsibilities;
- temporary suspension of an employee from a position if his personal interests' conflict with his job responsibilities.

The Regulation also defines the role of the Company's highest management bodies in the process of preventing and resolving conflicts of interest. According to the document, the powers of the Council include reviewing transactions whose amounts exceed the amounts established by law and the AMMC Charter, and approving decisions on conducting interested-party transactions. In cases where the identified conflict cannot be resolved at the level of a structural unit, the Management Board and its members determine the procedure for resolving the conflict. If the conflict of interest affects the Chairman of the Management Board or other members, the Supervisory Board decides on its further resolution.

The Company has implemented mechanisms designed to ensure the prevention and mitigation of conflicts of interest by the highest corporate governance body:



Issues around conflict of interest are regulated by the Law of the Republic of Uzbekistan No. LRU-378 of 03.12.2014 "On appeals of individuals and legal entities".



During the reporting year, no cases of conflict of interest were recorded.

RISK MANAGEMENT SYSTEM

AMMC understands that the Company's activities in the mining industry are associated with a large number of risks that may negatively affect the achievement of its goals. Therefore, risk management is integrated into AMMC's daily work and is an integral part of decision-making system.

In 2024, the Company underwent the following key changes in the risk management system:

According to the order of the Chairman of the Management Board of September 30, 2024, No. 0001516 «On Amendments and Changes to the Structure of AMMC,» the Department of Production and Financial Risk Monitoring was renamed to the Department of Financial Risks and Covenant Management. Currently, work is underway to update the regulatory documents in accordance with these changes.

In 2024, AMMC took significant steps towards automating the processes of risk assessment and monitoring. Since January 2024, an electronic database for the Risk Management System (RMS) has been implemented in the plant's structural divisions and the Executive Office. This innovation has enabled the creation of a unified risk database, ensuring more effective management and control.

The automation of risk management processes in the mining industry aligns with current trends in the sector's digitalization. Implementing such systems enhances production efficiency and safety, as evidenced by the experience of various enterprises. For instance, the use of automated mining management systems improves the oversight and management of technological processes, reducing the likelihood of accidents and increasing overall productivity.

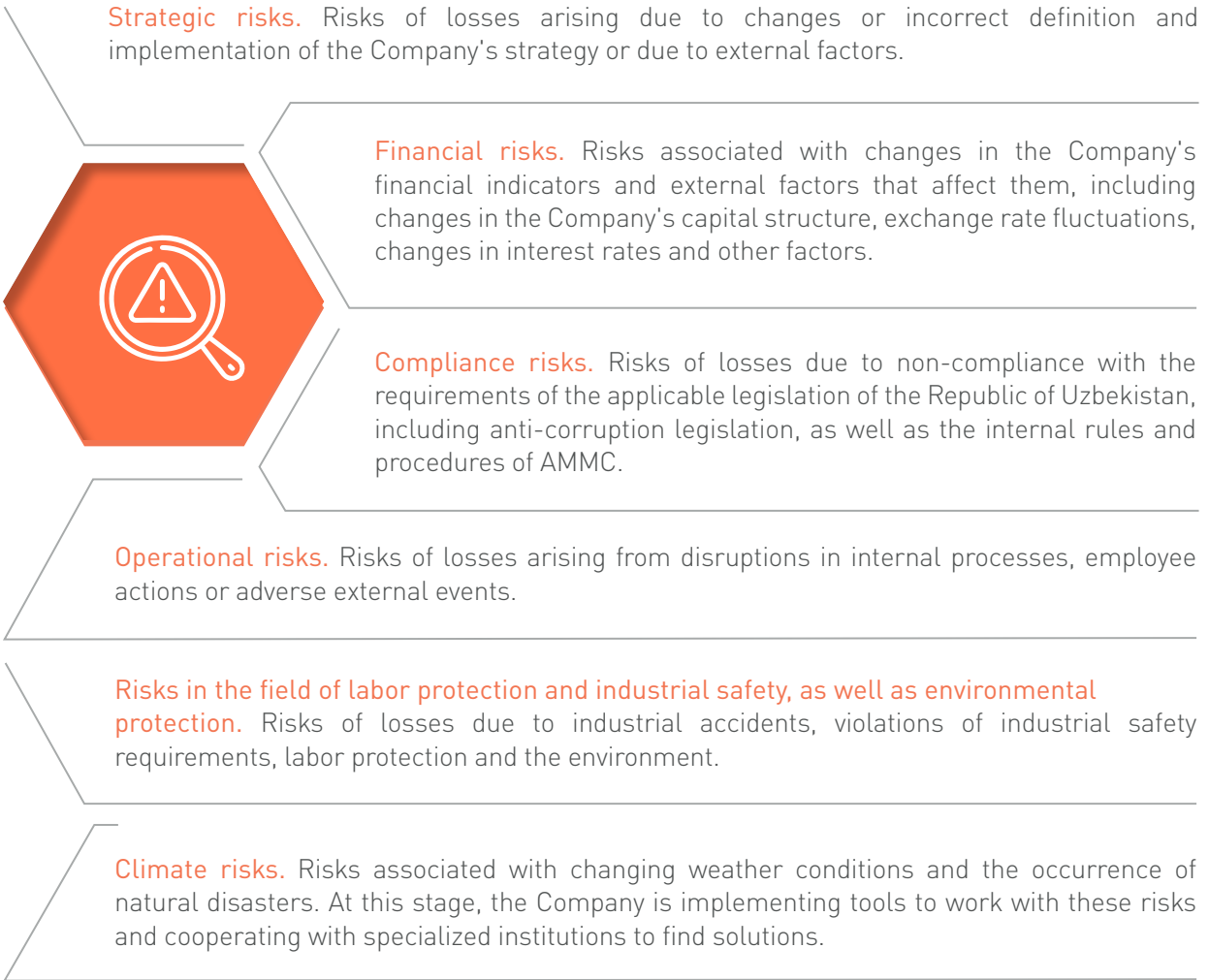
Thus, the integration of the electronic RMS database at «Almalyk MMC» JSC reflects the company's commitment to employing advanced technologies to minimize risks and enhance the efficiency of its production activities.

The company approved the following internal regulatory documents in the risk management system (RMS) and the internal control system (ICS):

- Risk Management Policy;
- Risk Management Concept;
- Risk Management Guide;
- Internal control system policy;
- Regulations of the Internal Control System;
- Regulation on the Risk Management and Internal Control Committee;
- Regulations on the department for monitoring production and financial risks.



Among the key categories of risks inherent in AMMC's operations are:



The register of ESG risks of AMMC for 2024 is formed and grouped based on the business processes of the structural units within the Company. In this section of the Sustainability Report, we will consider the main principles and approaches to managing risks associated with sustainable development in our Company.

Table 5. Review of ESG risks of «Almalyk MMC» JSC:

№	ESG risks	Description	Actions taken to minimize
E1	Risk of air pollution	Pollution of atmospheric air with solid particles (dust) and gaseous substances (sulfur dioxide) can lead to deterioration of air quality and negative consequences for the ecosystem.	<p>AMMC is implementing a phased modernization of dust and gas cleaning equipment at production facilities aimed at minimizing emissions into the atmosphere. The updated air cleaning systems will ensure cleaning efficiency of at least 99%, which will significantly reduce the risk of environmental pollution and comply with advanced environmental standards.</p> <p>The construction of sulfuric acid shops No. 5 at the metallurgical plant and No. 6 at the Central Plant has begun at AMMC. They will ensure the utilization of up to 95% of exhaust gases from metallurgical processes to produce sulfuric acid. Gas analyzers have been installed at the main sources of pollutant emissions, which will allow prompt monitoring of the volumes and concentrations of pollutants in the gross emissions of enterprises, increasing the environmental efficiency of production processes.</p>
E2	Risk of exceeding approved limits for water intake from natural sources	Exceeding established limits for water withdrawal from natural sources can lead to depletion of water resources, disruption of ecosystems and deterioration of water quality. This creates the risk of legal and environmental consequences, as well as possible fines and restrictions from regulatory authorities.	The plant intends to continue the process of purchasing and installing flow meters at all water intake facilities to ensure precise control of water intake volumes. Additionally, the installation of filters and water purification systems is planned, which will not only reduce the load on natural sources, but also ensure the proper quality of the water used. This measure is aimed at minimizing the risk of exceeding established water use limits and ensuring reliable accounting of water resources.



№	ESG risks	Description ESG risk	Actions taken in reducing ESG risks
E3	Physical risk	Changes in climate conditions, including droughts, extreme temperatures and disruption of hydrological regimes, can limit access to necessary resources (water, electricity), creating additional operational and financial risks for the company.	AMMC has developed a Climate Change Policy, set key goals, and initiated a project of technical specification for the development of a climate strategy in cooperation with the Asian Development Bank (ADB). This project aims to create a comprehensive action plan that will ensure effective climate risk management and the achievement of the set climate goals.
E4	Regulatory risk	Regulatory risk, related to the state policy of the Republic of Uzbekistan to reduce the negative impact of climate change.	<p>AMMC is actively adapting production processes to climate change by adopting renewable energy sources and energy-saving technologies.</p> <p>The plant aims to minimize its environmental impact by improving energy efficiency and moving towards more sustainable production methods.</p>
S1	Human resources risk	Loss of skilled employees due to staff turnover	<p>AMMC is actively working on retaining of qualified specialists by implementing comprehensive programs, including:</p> <ul style="list-style-type: none"> • Providing social protection to employees, including social benefits, guarantees and compensation. • Stimulating labor through motivational programs and reward systems. • Organization of advanced training programs both with and without interruption from work. • Attracting foreign specialists and contractors to transfer experience and improve production efficiency. • Participation in training webinars with leading experts in the field of HR risk management, including conflict management

№	ESG risks	Description ESG risk	Actions taken in reducing ESG risks
S2	Risk of low qualification of young specialists	<p>Low level of qualification of young workers and specialists, which leads to a decrease in labor productivity and product quality</p>	<p>AMMC pays special attention to the development and support of young specialists. To improve their qualifications and adapt them to production requirements, the enterprise has taken the following measures:</p> <ul style="list-style-type: none"> • Active use of modern information resources and digital technologies for training and improving competencies. • Conducting social and psychological training for employees and managers to develop their professional awareness and increase the overall effectiveness of interaction within the team. • Training young specialists at the AMMC Engineering School and leading higher educational institutions of the Republic of Uzbekistan, enabling them to acquire up-to-date knowledge and practical skills necessary for work in the mining and metallurgical industry. • To support adaptation to new professions and production conditions, young specialists are assigned as apprentices to experienced engineering and technical personnel or highly qualified workers — mentors.
G1	Information safety risk	<p>Failure of information systems and disruption of normal software operation can lead to significant interruptions in operational processes, loss of data and disruption of business processes.</p>	<p>At AMMC, regular maintenance of IT systems is carried out and routine work is carried out to ensure their stability and reliability.</p> <p>AMMC is also expanding the capacity of its data storage systems to create backup copies, which allows us to effectively restore information in the event of a failure or data loss.</p>

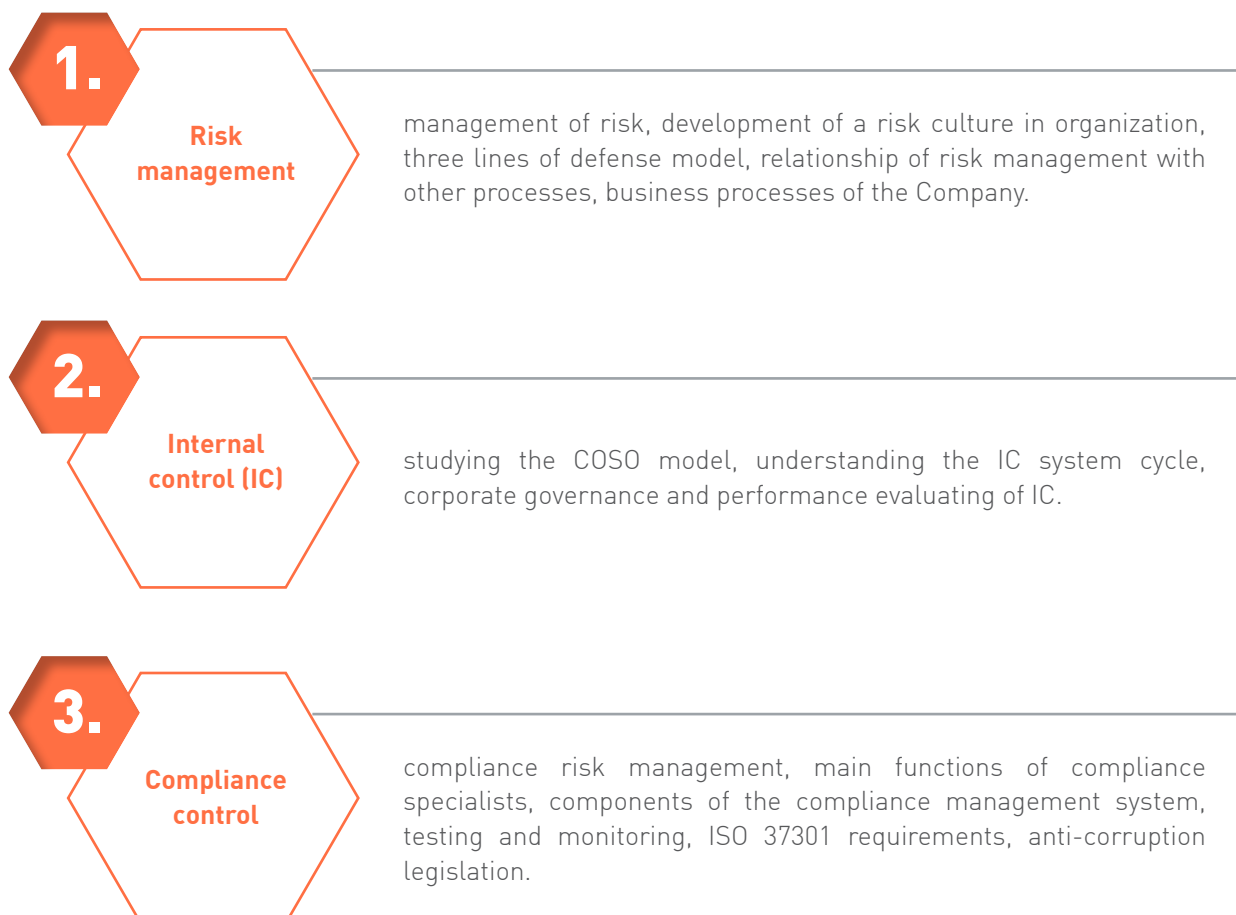


In 2024, AMMC continued to enhance its risk management system, which is integrated into the company's key business processes.

The Company regularly assesses sustainability risks, including:

- risks associated with employee health and safety;
- environmental risks;
- risks of tightening regulatory frameworks in the environmental sphere;
- reputational risks;
- corporate social responsibility risks;
- risks associated with corruption and bribery;
- risks associated with anti-competitive practices;
- risks associated with information security.

AMMC places special emphasis on enhancing employee qualifications to ensure effective and sustainable risk management. In this regard, training programs are regularly organized in the following areas:



REMUNERATION POLICY

GRI 2-19, 2-20

AMMC has implemented a Remuneration policy designed to ensure transparency and fairness concerning members of the highest corporate governance body and senior managers. The amount of remuneration of the Supervisory Board is determined by the General Meeting of Shareholders by reviewing and approving the relevant Regulation. The process of determining the amount of remuneration is controlled by independent members of the highest corporate governance body, as well as by the Remuneration Committee established under the Supervisory Board.

This approach aligns with international corporate governance standards, where remuneration is viewed as a key element of motivation and management efficiency. For instance, in international corporate governance practices, long-term executive motivation is a critical tool aimed at aligning management interests with the long-term interests of the company's shareholders.

Thus, the Policy for remuneration adopted at AMMC contributes to improving corporate governance efficiency and achieving the company's strategic goals.

For material incentives (remuneration), Supervisory Board members may receive fixed and additional remuneration for a specific period.

On an annual basis, the Company engages independent consultants to assess the corporate governance system. Also in 2024, an analysis of the system was carried out, which included the following components:


- Evaluation of preparation procedures for the implementation of the Corporate Governance Code;
- Assessment of compliance with the recommendations of the Corporate Governance Code;
- Assessment of the conformity of the organizational structure;
- Evaluation of competitive selection;
- Assessing the transition to publication in accordance with IFRS and International Standards on Auditing;
- Evaluation of the implementation of modern management systems (ISO, ERP, R&D, etc.);
- Evaluation of information policy;
- Evaluation of financial results;
- Evaluation of other directions.



Based on the assessment results, the level of the AMMC corporate governance system was recognized as «High». The assessment results of the corporate governance system are available on the official website of the Company in the section [«Results of the corporate governance system assessment»](#).

SUSTAINABLE DEVELOPMENT MANAGEMENT



Highlights 2024	Material Topics
<ul style="list-style-type: none"> Received an international ESG-rating; Two independent directors, including one woman, have been included in the Supervisory Board; Zero cases of corruption identified; Verified greenhouse gas emissions calculations for Scope 1 and 2; 240 employees have been trained on the implementation of advanced international practices for managing corruption risks and strengthening the company's resilience. 	Compliance, Corruption and Business Ethics
Contribution to achieving the UN SDGs	
	
Показатели GRI	
GRI 2-12, 2-13, 2-14, 2-16, 2-23, 2-24, 2-25, 2-26, 2-28, 2-29, 3-3, 205-1, 205-2, 205-3	

MANAGEMENT APPROACH

GRI 2-12, 2-13, 2-14, 2-23, 2-24, 2-25, 3-3

Management system

Being one of the largest representatives of the mining and metallurgical industry in Central Asia, AMMC conducts its activities in accordance with the fundamental principles of sustainable development. The implementation and advancement of sustainable practices is one of AMMC's key areas of activity, enabling not only to enhance its business processes but also to have a positive impact on the environment and society in the regions where it operates.

The rating agency Sustainable Fitch has assigned AMMC an ESG rating of «3» and an entity score of 56. This reflects the company's sustainable development strategy, as well as strong governance and environmental profiles, balanced with the inherent environmental challenges of the mining and metallurgical sector.

AMMC commits to responsible business practices by:



Complying with all applicable laws and regulations and conducting their business in accordance with ethical principles;



Providing healthy and safe working conditions;



Acting in good faith;



Respecting human rights and caring for the environment.



Fulfillment of obligations involves adhering to the principles of due diligence and precaution.

AMMC demonstrates its commitment to human rights by taking measures to ensure gender equality, eliminate discrimination, enhance inclusivity, and provide healthy and safe working conditions and healthcare services.

In addition, the Company pays special attention to the rights of women working within the company and to employees with disabilities (for more details on AMMC's commitments to human rights, see the «Personnel Management» section).

Corporate documents that govern various aspects of the company's responsible business practices are available on the company's website for public access.¹

Management and accountability:

The obligations set out in corporate documents apply to all employees of the Company. Responsibility for compliance with obligations lies with the Deputy Chairmen of the Management Board, who supervise the activities of specialized departments and services. Fulfilment of all obligations is carried out in accordance with the legislation of the Republic of Uzbekistan, international documents in force within the Republic, as well as internal regulatory documents of the Company.

¹ The regulatory documents are available on the AMMC website: <https://agmk.uz/ru/menu/korrupsiyaga-oid-hujjatlar>.

The significant economic, environmental and social aspects of the Company's activities are defined in its annual Business Plan.

The Supervisory Board reviews and approves all aspects of the Business Plan, which is then approved by the sole shareholder - the owner of all common shares of AMMC. The implementation of the Business Plan parameters is reviewed at meetings of the Supervisory Board on a quarterly basis.

To ensure the fulfilment of obligations, the AMMC Training Center carries out ongoing activities to improve the qualifications of the Company's employees.

As part of improving the sustainable development management system at AMMC, the following internal documents have been developed, approved by the highest corporate governance bodies, and published on the official website:

- Supplier Code of Conduct;
- Regulations on Interaction with Interested Parties;;
- Regulation on the Reception and Review of Reports on Corrupt Actions;
- Conflict of Interest Statement;
- Risk Management Concept;
- Instructions on the Procedure for Checking Counterparties;
- Anti-corruption Policy;
- Energy Policy;
- Livelihoods Restoration Plan (LAP);
- Cultural Heritage Preservation Policy;
- Risk Management Policy;
- Policy and Regulations of the Internal Control System;
- Sustainable Development Policy;
- Information Security Policy;
- Environmental Protection Policy;
- Biodiversity Management Policy;
- Human Rights Protection Policy;
- Diversity and Inclusion Policy;
- Anti-discrimination and Anti-harassment Policy;
- Community Engagement Policy;
- Natural Resource Management Policy;
- Waste and Tailings Management Policy;
- Waste Management Policy;
- Climate Change Policy (including Decarbonization Measures and Achieving Carbon Neutrality by 2050).

AMMC strives to integrate sustainable development principles into all aspects of its activities, forming a responsible approach to business and contributing to solving global environmental and social challenges. We have identified priority areas that reflect our commitment to society and the environment, contribute to the achievement of long-term goals and strengthen the company's competitive position.


Table 6. Priority areas of the Company's activities in the field of sustainable development

Aspect	Priority areas of activity	Approach
Environment	<ul style="list-style-type: none"> • Reducing carbon footprint; • Optimization of the use of natural resources, increasing resource efficiency; • Reducing the volume of freshwater consumption; • Responsible waste management. 	<ul style="list-style-type: none"> • Implementation of advanced technologies and modernization of equipment to significantly reduce carbon emissions and achieve target carbon footprint metrics; • Utilization of innovative solutions for the efficient use of natural resources and enhancement of their effectiveness in production processes; • Application of water recycling and conservation technologies to significantly reduce freshwater consumption; • Development and implementation of effective waste management systems, including reduction, recycling, and disposal in accordance with international standards.
Development of society	<ul style="list-style-type: none"> • Development of regions of presence and support of local communities; • Ensuring decent working conditions; • Staff training and development; • Ensuring labor protection and industrial safety. 	<ul style="list-style-type: none"> • Implementation of programs and initiatives aimed at the social and economic development of regions where the company operates and support for local communities through investments in infrastructure, education, and healthcare; • Creation of safe, healthy, and equitable working conditions for all employees, including fair compensation, equal opportunities, and adherence to labor rights; • Introduction of professional training and development programs for employees to enhance their skills, support career growth, and prepare them for new challenges and technologies; • Development and implementation of strict occupational health and safety standards, conducting regular inspections, and training employees to ensure safe working conditions and prevent accidents.
Corporate governance	<ul style="list-style-type: none"> • Anti-corruption; • Promoting business ethics and responsible business practices; • Ensuring the effectiveness of the corporate governance system. 	<ul style="list-style-type: none"> • Implementation of strict measures and procedures to prevent and combat corruption, including employee training, monitoring, and investigation of violations, as well as compliance with international anti-corruption standards; • Cultivation and maintenance of a culture of business ethics through regular employee training and transparent corporate governance practices; • Creation and maintenance of effective corporate governance structures and processes aimed at enhancing transparency, accountability, and strategic leadership, along with regular review and improvement of these systems.

Responsibility for sustainable development issues at AMMC is carried by:

- First Deputy Chairman of the Management Board for Economics, Finance, and Transformation;
- Deputy Chairman of the Management Board for Personnel and Social Affairs;
- Sustainable Development Department (ESG);
- Occupational Health and Safety Department;
- Environmental Protection Department;
- Compliance Service;
- Service for Control and Coordination of Work with Appeals from Individuals;
- Department of Financial Risks and Covenant Management;
- Social Work Department and others (*for more details about the structure of corporate governance bodies, see the «Corporate Governance» section*).

Centralized coordination of the implementation of initiatives in the field of sustainable development is carried out by responsible structural units within the framework of functional areas. On a weekly basis, the Chairman of the Management Board holds a meeting at which responsible persons present the results of the implementation of the tasks set in the minutes of the previous meeting. The First Deputy Chairman of the Management Board - Chief Engineer holds an operational production and technical meeting twice a week. The motivation system for the heads of structural units includes key performance indicators corresponding to the areas of the Company's activities in the field of sustainable development.

AMMC uses various communication channels to raise awareness among employees about the Company's approach to sustainable development, such as corporate television, corporate website and an official Telegram channel.

AMMC regularly produces thematic TV programs, articles and news releases about the activities of the Plant, and the Office Manager Service generates distributions of internal orders, regulations and other documents for timely informing of employees.

In 2024, by improving the sustainable development management system at AMMC, the following results were achieved:

- Confirmation of compliance with international certification has been received: **ISO 45001:2018, ISO 14001:2018, ISO 50001:2018;**
- According to the developed methodologies for calculating greenhouse gases (**Scope 1 и 2**) calculations for the period 2021-2023 have been conducted and verified;
- An international ESG rating of «3» and an entity score of 56 have been assigned.

Plans for 2025 and the medium term perspective

The Company will continue to improve its sustainable development management system.

To this end, it is planned:

- Development of a Climate Strategy;
- Preparation for reporting according to IFRS S1 and S2 standards.

CONTRIBUTION TO THE ACHIEVEMENT OF THE UN SUSTAINABILITY DEVELOPMENT GOALS



AMMC supports the United Nations Sustainable Development Goals (SDGs, goals) adopted by the UN General Assembly. Based on its approach to ensuring sustainable business development, the Company identifies seven priority goals and contributes to their achievement.

The company's transformation process considers all aspects of the Sustainable Development Goals. The company not only aims to increase economic profits but also takes into account environmental and social issues in its operations, adhering to legislation and international organizational requirements.


AMMC consistently implements a range of initiatives in the field of sustainable development.

Key results of the company's activities for 2024 are presented in the table below, broken down by priority UN SDGs.

Table 7. AMMC's contribution to achieving SDGs

UN SDGs	Company Contribution	Key Results for 2024
 <p>3 ХОРОШЕЕ ЗДОРОВЬЕ И БЛАГОПОЛУЧИЕ</p> <p>Ensuring healthy lives and promoting wellbeing for all at all ages</p>	<ul style="list-style-type: none"> • Maintaining internal standards in occupational health and industrial safety; • Development of sports infrastructure in the regions of presence; • Organization of treatment and implementation of health programs for employees. 	<ul style="list-style-type: none"> • Confirmation of compliance with ISO 45001:2018 has been received (see the «Occupational Health and Industrial Safety» section); • To promote sports, a large-scale corporate Spartakiad «AMMC-2024» was held, involving over 13,600 participants.
 <p>4 КАЧЕСТВЕННОЕ ОБРАЗОВАНИЕ</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> • Collaboration with educational institutions; • Implementation of educational and professional development programs for employees; • Organization of internships and development programs for students. 	<ul style="list-style-type: none"> • An engineering school for training specialists in the mining and metallurgical industry was launched in Almalyk; • In universities located in the regions where the Company operates, 185 students were educated at the expense of AMMC, and 33 students pursued studies in foreign universities; • A total of 4,111 individuals completed industrial internships at the plant's divisions.

UN SDGs	Company Contribution	Key Results for 2024
 <p>5 ГЕНДЕРНОЕ РАВЕНСТВО</p> <p>Achieving gender equality and empowering all women and girls</p>	<ul style="list-style-type: none"> • Prevention of discrimination in hiring practices; • Ensuring gender equality in compensation. 	<ul style="list-style-type: none"> • The Supervisory Board includes two independent directors, one of whom is a woman; • The proportion of women among the staff is 23%; • The ratio of base salary between men and women at AMMC is 1:1; • More than 1,000 women hold positions as managers and specialists; • Women and individuals fulfilling family responsibilities are fully provided with benefits and guarantees.
 <p>8 ДОСТОЙНАЯ РАБОТА И ЭКОНОМИЧЕСКИЙ РОСТ</p> <p>Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Implementation of social programs for employees; • Ensuring safe working conditions for employees and contracting organizations; • Creation of jobs in the regions of presence; • Conscientious payment of taxes; • Charity. 	<ul style="list-style-type: none"> • 1,522 positions were allocated as quotas for the employment of individuals from socially vulnerable groups (see the «Personnel Management» section); • The company fulfilled its pension obligations in the amount of 433 billion UZS; • The volume of gratuitous investments in the development of local communities amounted to 396 billion UZS (see the «Local Community Development» section).
 <p>12 ОТВЕТСТВЕННОЕ ПОТРЕБЛЕНИЕ И ПРОИЗВОДСТВО</p> <p>Ensuring the transition to sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> • Implementation of measures aimed at reducing energy consumption; • Recycling of slag and other industrial waste; • Certified Energy Management System. 	<ul style="list-style-type: none"> • Electricity savings amounted to 26.5 million kWh, and natural gas savings amounted to 2.0 million cubic meters (see the «Environmental Protection» section); • A total of 1.12 million tons of waste was transferred for recycling and disposal (see the «Environmental Protection» section).

UN SDGs	Company Contribution	Key Results for 2024
 <p>15 SOHRANENIE EKOSISTEM SUŠI</p>	<p>Protecting and restoring terrestrial ecosystems and promoting their sustainable use</p> <ul style="list-style-type: none"> Improvement and landscaping of enterprise territories and areas assigned to the Company in the city. 	<ul style="list-style-type: none"> More than 1.5 million tree saplings have been planted along central roads and in mahallas in the Almalyk city (see the «Local Community Development» section).
 <p>17 PARTNERSTVO V INTERESAX USTOYCHIVOGO RAZVIITIYA</p>	<p>Strengthening the means of implementation and revitalizing the global partnership for sustainable development</p> <ul style="list-style-type: none"> Participation in industry organizations and external initiatives; Preparation of a sustainability report. 	<ul style="list-style-type: none"> The implementation of the social benefits and employee satisfaction system (including retirees and others) was completed at 105.6%.

By developing responsible business practices, AMMC makes a significant contribution to the implementation of national projects of Uzbekistan in the field of healthcare, ecology, housing and urban environment, health, growth of labor productivity and employment support, science and the digital economy.

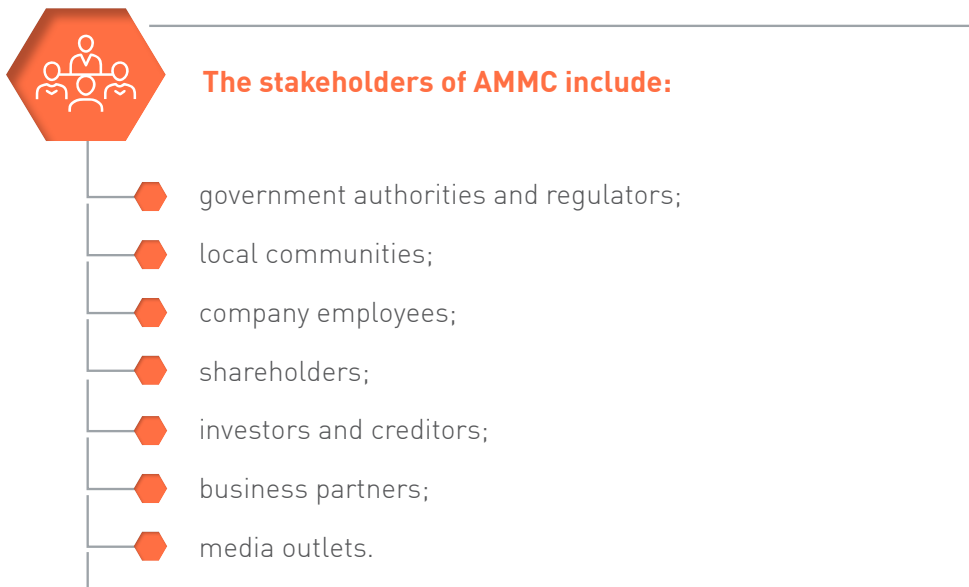


INTERACTION WITH STAKEHOLDERS

GRI 2-12, 2-29

Company Approach

AMMC structures its activities considering the interests of key stakeholders, that is, groups and organizations that it significantly impacts or that may influence the company.



The principles of openness, trust, and mutual respect form the foundation of AMMC's interaction with stakeholders. The company systematically considers their expectations when making strategic decisions and responds promptly to feedback.

To enhance the efficiency of the sustainable development management of AMMC, the Company has mechanisms for consulting interactions between the Supervisory Board and government authorities, regulators, shareholders, and Plant's top management. Consultations are held in person or online during meetings of the Supervisory Board.

AMMC has a system for receiving feedback from stakeholders, providing accessible and transparent channels for communication. To promptly receive and process questions, suggestions and complaints from stakeholders, including employees, partners and clients, there is a hotline and a special e-mail of the Corruption Control Service. These channels are designed to inform about possible violations, corruption risks and other problems, which allows the company to promptly respond and take the necessary measures to improve processes and comply with high standards of business ethics.

To increase the level of interaction with stakeholders, AMMC has approved the Regulations on Interaction with Stakeholders. In accordance with the Regulations, responsible departments and services regularly interact with designated groups of stakeholders through the publication of reports, posting information on the corporate website, in the official Telegram channel and in mass media (MM), as well as through exhibitions, forums and meetings.


Table 8. Stakeholders and mechanisms for interaction with them

Stakeholders	Interests and expectations	Interaction mechanisms
Government Authorities and Regulators	<ul style="list-style-type: none"> • Compliance with legislative and regulatory requirements; • Collaboration in environmental protection; • Timely and conscientious payment of taxes; • Job creation; • Development of the regions where the company operates. 	<ul style="list-style-type: none"> • Agreements with government authorities; • Working meetings and consultations; • Digital communication channels.
Local communities	<ul style="list-style-type: none"> • The company's contribution to the socio-economic development of the region; • Reduction/prevention of negative environmental impacts; • Support for cultural heritage; • Organization of sports and charitable events. 	<ul style="list-style-type: none"> • Receiving inquiries in oral, written, or electronic form; • Socio-economic partnership; • Charitable programs, sponsorships, and collaboration with charitable organizations.
Employees and the Trade Union Committee	<ul style="list-style-type: none"> • Safe working conditions; • Social guarantees for employees; • Creation of opportunities for training and development; • Provision of competitive compensation; • Improvement of social infrastructure; • Compliance with and protection of workers' rights. 	<ul style="list-style-type: none"> • Hotline; • Corporate MM (newspapers and TV channel); • Messengers; Website; • Interaction with the labor union; • Holding meetings with the workforce (such as the «Year-End Review» session); • Publications in MM.
Shareholders, investors and creditors	<ul style="list-style-type: none"> • Disclosure of information on operational and financial activities; • Payment of dividends; • Transparent and reliable corporate governance system. 	<ul style="list-style-type: none"> • Providing investors with complete and accurate information about the company's activities through in-person or online meetings conducted by the Corporate Relations and Investor Relations Service; • Holding the general meeting of shareholders; • Economic and investment forums and conferences.

Stakeholders	Interests and expectations	Interaction mechanisms
Clients and suppliers	<ul style="list-style-type: none"> • Ensuring transparency and competitiveness in procurement; • Guaranteeing high product quality; • Ethical approach to conducting business. 	<ul style="list-style-type: none"> • Automation of procurement activities; • Announcements on the corporate website and government platforms; • Conducting meetings; • Hotline.
Mass Media	<ul style="list-style-type: none"> • Timely disclosure of information on important aspects to stakeholders. 	<ul style="list-style-type: none"> • Disclosure of information on the official website; • Issuance of press releases; • Responses to inquiries.

The management of AMMC pays special attention to public relations, which are based on the recognition of the importance of public opinion and the desire to take it into account in the Company's activities. Based on the Decree of the President of the Republic of Uzbekistan «On measures to implement a system for increasing and assessing the level of openness of the activities of government agencies and organizations», AMMC defined performance indicators for ensuring information openness and implemented an assessment system based on advanced international standards

The key tasks of AMMC in the field of public relations are the formation of a strong corporate brand, dissemination of information about the Company's products, expansion of export opportunities, attraction of investments, partners and the most talented and educated personnel.

AMMC regularly works to identify and manage reputational risks. The reputational risks inherent in the Company's activities include the risk of dissemination of unsubstantiated information by external MM and independent bloggers. To manage this risk, the Company has developed and approved a Regulation on timely response to negative materials in social networks, the Internet and other MM, providing for the dissemination of reliable information in the event of a communications crisis.

Interaction with investors and shareholders

Developing relationships and maintaining a constructive and open dialogue with shareholders, investors and other representatives of the investment community is one of the Company's priority areas of activity. The Plant has built a system of interaction with shareholders and investors designed to maintain information transparency and investment attractiveness of the AMMC activities. The key documents regulating interaction with shareholders are the Regulation on the General Meeting of Shareholders, the Regulation on Minority Shareholders, the Regulation on Dividend Policy and the Company Charter.

Investors and shareholders can use any of the available communication channels, which include the official website of AMMC, a hotline for shareholders and investors, a general meeting of shareholders and corporate e-mail. The main service responsible for interaction with investors and shareholders is the Corporate Relations and Investor Relations Service, which provides consultations on issues of receiving dividends and registering inheritance and provides explanations on the process of placing shares and other securities.

Interaction with government authorities

Interaction with governmental authorities is an integral part of the activities of the AMMC. Organization and control of the implementation of acts of the President and decisions of the Government is carried out through the Unified Interdepartmental Electronic System edo.gov.uz. Submission of draft documents for approval is carried out through the Unified Electronic System for the development and coordination of draft regulatory legal acts project.gov.uz. These systems allow for prompt access to state bodies to resolve issues.

When interacting with state authorities, AMMC is guided by the minutes of the Supervisory Board, the minutes of the Management Board decisions, internal corporate orders and instructions, as well as industry standards.

The Plant ensures payment of taxes and other payments to the state budget in accordance with current legislation. Together with government bodies, AMMC implements projects aimed at supporting local communities, environmental and social initiatives (*for more information on projects aimed at supporting local communities and on implemented social and environmental initiatives of AMMC, see the section «Development of Local Communities»*).

AMMC takes an active part in the production of import-substituting products. To this end, the Company participates in various inter-sectorial and international industrial fairs held by the Ministry of Investments and Foreign Trade and regional administrations. In addition, the Plant is implementing its own Localization Program to reduce dependence on foreign supplies and discusses import substitution issues with the Ministry of Investments and Foreign Trade, the Ministry of Economy, Uzstandard, regional administrations, as well as with the Cabinet of Ministers and the Administration of the President of the Republic of Uzbekistan.



Membership in associations, organizations and participation in external initiatives

GRI 2-28

AMMC is an active member of a number of national and international associations and organizations.

Table 9. Partnership and membership in associations and international initiatives

 <p>London Bullion Market Association: gold since 1997, silver since 1998;</p>	 <p>Member of the Board of Trustees of the Almalyk branch of the Tashkent State Technical University since 2017;</p>
 <p>Member of the working group of the project to develop a resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On solving accumulated environmental problems, preserving the ecological climate and preventing ecological disasters" from 2021;</p>	 <p>Member of the Board of Trustees of the Almalyk branch of the National Research Technological University "MISIS" (Russia) since 2018;</p>
 <p>Member of the Chamber of Commerce and Industry of Uzbekistan since 2018;</p>	 <p>Member of the Board of Trustees of the University of Geological Sciences of the Republic of Uzbekistan since 2020;</p>
 <p>Member of the Board of Trustees of Inha University in Tashkent since 2014;</p>	 <p>Member of the Board of Trustees of the Termez Institute of Engineering and Technology since 2017;</p>
	 <p>Member of the working group of the project to promote recycling, the implementation of existing man-made waste in the Republic of Uzbekistan since 2021.</p>

The Plant actively participates in industry conferences.

In 2024, the company continued to actively develop international partnerships, contributing to the expansion of its investment potential and strengthening its reputation as a reliable partner on a global level. The International Cooperation and Protocol Department coordinated external visits, negotiations, and international events.

The total number of international events was 208, including 37 international exhibitions and forums in which the company participated or represented the Republic of Uzbekistan.

AMMC hosted official delegations and representatives of diplomatic missions from the United States, the United Kingdom, Finland, Germany, Hungary, Belarus, Kazakhstan, Tajikistan, Iran, as well as representatives from the European Union. Visits were organized for ambassadors from the United States, Germany, Switzerland, and other countries.

In 2024, particular attention was given to organizing anniversary events celebrating the 75th anniversary of the founding of «Almalyk MMC» JSC. As part of the festivities held on November 1, the company welcomed 82 foreign guests, including heads of diplomatic missions and representatives of strategic partners.

Through a systematic approach to international interaction, AMMC strengthens business relationships, enhances investment attractiveness, and promotes the expansion of foreign economic activity in line with sustainable development goals.



ANTI-CORRUPTION AND BUSINESS ETHICS

GRI 2-23, 2-24, 3-3

The Company's approach to business ethics and anti-corruption

AMMC adheres to the principle of zero tolerance to any manifestations of corruption and fraud, ensuring a high level of ethical standards and prevention of illegal actions. This is implemented through a comprehensive approach to combating corruption and other violations by Company's employees, which is enshrined in the Rules of Ethical Conduct.

The document contains a set of rules aimed at preventing offenses, eliminating the causes and conditions that contribute to their occurrence, and developing a culture of corporate responsibility and legal awareness among employees. Strict adherence to applicable laws and internal regulations of AMMC is an integral part of the corporate culture.

Each new employee is required to familiarize themselves with the Rules of Ethical Conduct upon hiring. Compliance with the rules is mandatory for all employees of the Plant, and cases of violation of the established standards are considered by the Ethics Commission. Violation of the provisions of the Rules of Ethical Conduct entails disciplinary liability.

The values, principles, standards and norms of behavior in the Almalik MMC are also enshrined in the Charter, Internal Labor Regulations and Quality Policy.

The structures are responsible for issues of combating corruption and compliance control, as well as promoting business ethics standards. In addition, in accordance with the order of the Chairman of the Management Board of AMMC, the legal department has been appointed responsible for conducting an anti-corruption examination of AMMC's internal regulatory documents and maintaining the register of internal regulatory documents

In 2024, the assessment of risks associated with corruption was carried out in 46 structural divisions, which is 100% of the total number of AMMC divisions.

AMMC places special emphasis on fostering an anti-corruption culture among its employees by regularly organizing educational events in collaboration with the Training Center of the Company. As part of this initiative, seminars and courses are consistently held to increase awareness about combating corruption and fraud. In accordance with the directives of the Combine in 2024, 240 employees underwent offline training. The training program was focused on implementing advanced international practices for managing corruption risks, enhancing the company's resilience, and improving the system for countering corruption threats.

At the end of 2024, AMMC scored 85 out of a possible 100 points in the performance evaluation rating for anti-corruption efforts, according to Presidential Decree No. PP-81 of the Republic of Uzbekistan dated January 12, 2022 (<https://lex.uz/ru/docs/5819323>), This placed the company in the «green» group, confirming a high level of anti-corruption policy within the organization.

As part of the implementation of the «Methodology for Identifying and Assessing Corruption Risks,» approved by the Ministry of Justice (reg. No. 3383 dated August 31, 2022 (<https://lex.uz/ru/docs/6178891>), an evaluation of corruption risks was conducted in accordance with the Charter dated February 5, 2025. During the analysis, 57 functions and tasks of AMMC were assessed for their susceptibility to corruption risks, which allowed the identification of key areas for further improvement of the company's anti-corruption policy.

For the regulatory and legal governance of the AMMC's activities in combating corruption and fraud, the following was approved in 2024:

- Regulation on the value (quantity) of gifts that can be received and given by employees of «Almalyk MMC» JSC in connection with business trips, international, local, and other events, as well as the procedure for their handling.

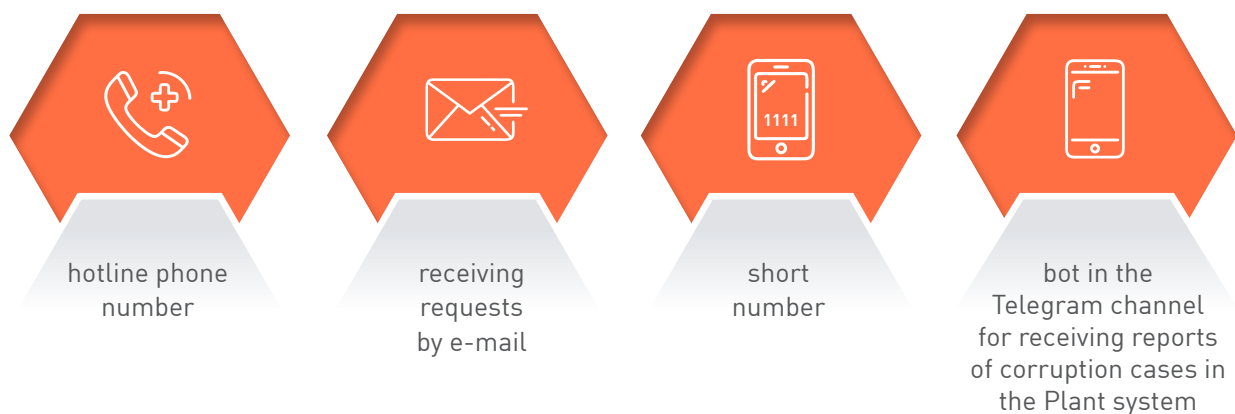
Additionally, the company has approved 18 internal normative documents, which are available on the company's website for public access².

The documents cover all stakeholders of the Plant, including contractors, suppliers, employees in terms of identifying and resolving conflicts of interest, the procurement process, checking contractors and their supply chain, the operating procedure of the Anti-Corruption Committee under the Supervisory Board and the interaction of the compliance control service with law enforcement agencies, as well as material incentives for citizens and employees of the Plant who reported corruption, the procedure and mechanism for assessing corruption risks in the Plant system.

Feedback mechanisms on corruption, fraud and violations of business ethics standards

GRI 2-16, 2-25, 2-26

The feedback mechanism operating in AMMC allows for timely detection and prevention of cases of violation of the provisions of the Rules of Ethical Conduct of AMMC. The company has several channels of communication between the Plant and the public and employees:



AMMC aims to provide accessible and effective channels for submitting inquiries, promoting transparency and open communication with employees and the local community. The most popular channel for submitting requests among the Plant employees is the service phone numbers of the compliance control service employees. The bulk of requests from the local population are received through Telegram bots.

² The regulatory documents are available on the AMMC website: <https://agmk.uz/ru/menu/korrupsiyaga-oid-hujjatlar>



All requests from individuals and legal entities are considered in accordance with the requirements of the Law of the Republic of Uzbekistan «On requests from individuals and legal entities». Requests are centrally received by the Department for Control and Coordination of Requests from Individuals and Legal Entities of the Executive Office. Processed requests in compliance are brought to the attention of the Chairman of the Management Board, after which they are sent to the Deputy Chairmen and responsible structural divisions, as well as specialized services of the Executive Office. In accordance with the legislation, the period for reviewing inquiries ranges from 15 to 30 days.

To ensure the anonymity of inquiries received by the Company, the operator of the phone hotline is prohibited from requesting personal data that would allow the identity of the applicant to be established. Inquiries received are marked «for official use only» and access to them is restricted. The data of applicants reporting cases of corruption violations are, according to the law of the Republic of Uzbekistan, an official secret and may be disclosed on the basis of written permission from the person reporting the case of corruption violation, as well as the head of the body carrying out anti-corruption activities, exclusively in cases provided by law.

During 2024, the compliance control service did not receive any requests. In cases where requests are received, the company has established a system whereby the situation is studied for each request, and a report is prepared for the Chairman of the Management Board for decision-making. In addition, the compliance control service identifies individual cases of violations, for which disciplinary measures are taken against the violating employees.

Information about critical issues is communicated to the Management Board of AMMC by drawing up a Protocol, which is sent to management for review.



For the period of 2024, no critical problems have been identified at AMMC.

ANTI-CORRUPTION

GRI 205-2, 205-3

In 2024, AMMC implemented measures aimed at improving regulation and ensuring compliance with legislation in the socio-economic sphere. Specifically, based on Decree No. PP-75 dated February 19, 2024, an action plan was approved to implement referenced legal norms in various areas, including the social sector.

Additionally, the Company continues to work on improving regulatory quality, ensuring contract enforcement, and enhancing the efficiency of e-governance services, which contributes to the overall improvement of the regulatory framework in the socio-economic sphere.

One of the mechanisms for familiarizing employees/business partners with the AMMC approach to combating corruption and fraud is the “anti-corruption clauses”³, which are mandatory in all commercial contracts concluded by the Plant. These clauses specify the fundamental aspects of the intolerance position of the Plant’s management towards any manifestations of corruption and fraud. These provisions serve as minimum requirements aimed at informing all business partners about strict measures to combat corruption and ensure compliance with compliance standards.



During the reporting period, no cases of corruption were recorded at AMMC.

In 2024, the Law «On Conflict of Interest» No. ZURQ-931 and Presidential Decree No. PQ-210 «On Measures for the Effective Organization of Compliance with the Law of the Republic of Uzbekistan ‘On Conflict of Interest’» came into effect in the Republic of Uzbekistan.

In accordance with the new requirements, more than 5,000 AMMC employees, including leadership, completed relevant documents related to conflict of interest regulation, including the «Declaration of Absence of Conflict of Interest.» These measures aim to enhance transparency and uphold the principles of integrity in corporate governance.

Table 10. Informing employees and business partners about the measures taken to combat corruption in 2024, %.

Total number of informed members of key corporate governance bodies (Supervisory Board, Management Board)	100%
Total number of employees informed	100%
Total number of informed business partners	100%

³ Clause Summary: «The Parties acknowledge and confirm that each maintains a policy of zero tolerance for bribery and corruption, which entails a total prohibition of corrupt actions and facilitation payments aimed at simplifying formalities related to business activities and ensuring expedited resolution of certain issues. The Parties conduct their activities in accordance with applicable laws and the policies and procedures developed on their basis, aimed at combating bribery and commercial bribery.»

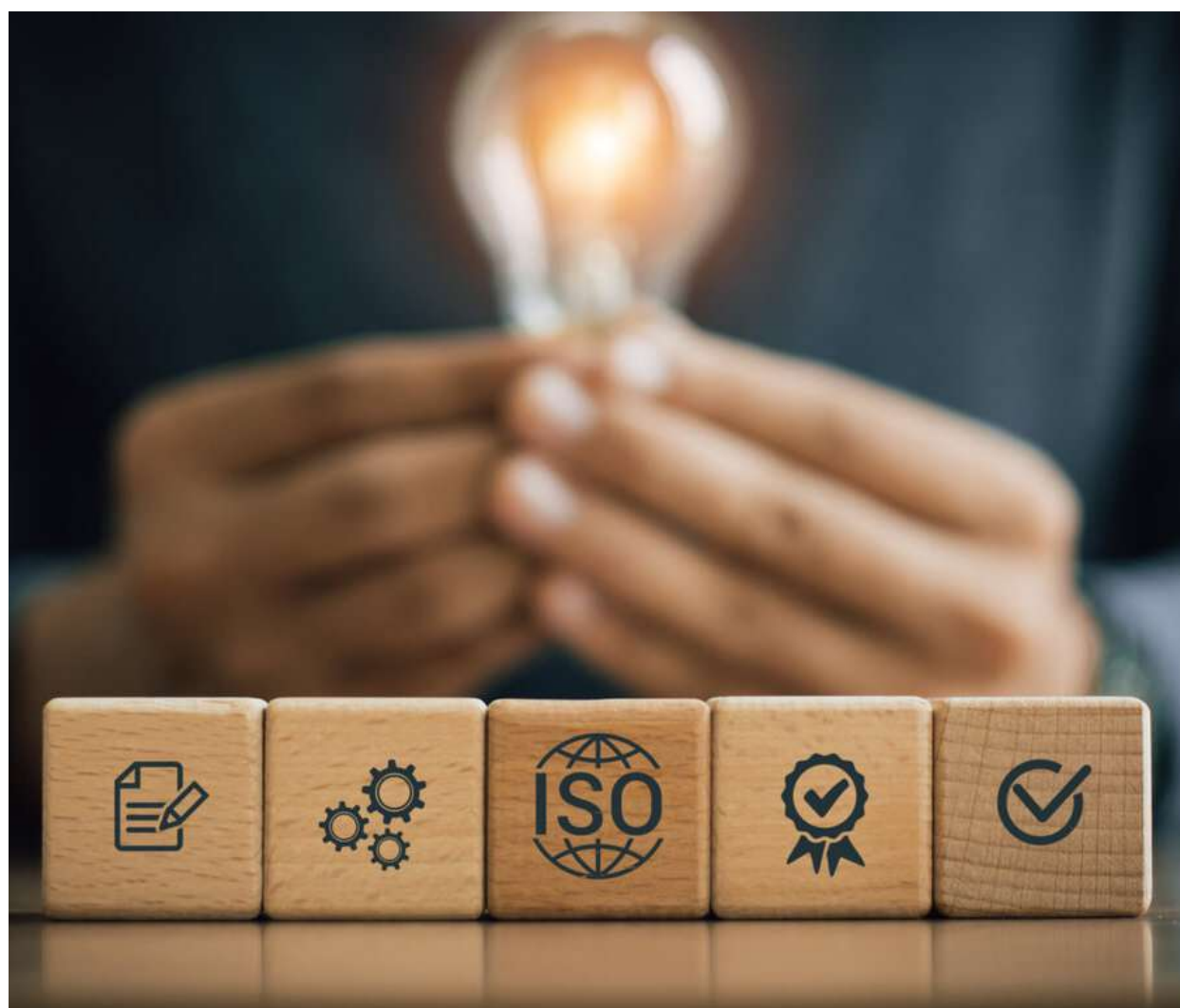
The assessment of corruption risks in the AMMC system for 2024 was conducted in accordance with Presidential Decree No. PP-240 dated May 11, 2022, «On Measures to Improve Mechanisms for Eliminating Corruption Risks in Public Administration and Expanding Public Participation in this Field» ([lex.uz](#)).

Additionally, the work was carried out based on the «Methodology for Identifying and Assessing Corruption Risks in Activities of State Authorities and Administration, including their Territorial Subdivisions, State Unitary Enterprises and Institutions, Organizations with State Shares Exceeding 50 Percent,» dated August 31, 2022, registration number 3383 ([lex.uz](#)).

PLANS FOR 2025 AND THE MEDIUM TERM PERSPECTIVE

In 2025, AMMC will continue to improve its anti-corruption system. To this end, the Company has planned to obtain and implement a few international ISO standards:

- ISO 37001:2016 «Anti-Bribery Management System»;





AMMC also plans to develop and approve the following key documents as part of its anti-corruption system:

- Corruption Risk Map of «Almalyk MMC» JSC» – a tool for identifying, analyzing, and minimizing corruption threats in the Company's operations.
- «Anti-Corruption Program of «Almalyk MMC» JSC» – a set of measures aimed at preventing, detecting, and countering corruption manifestations.
- «List of Positions with High Corruption Risk at «Almalyk MMC» JSC» – a document that identifies categories of employees subject to increased corruption risks to implement additional control and prevention mechanisms.

Operating results

GRI 2-6

Table 11. Key operating indicators for 2024

Key operating indicators for 2024		
Mining		
Copper ore	Gold ore	Polymetallic ore
44,024 thousand tons in 2024 42,112 thousand tons in 2023 (+ 4.5 %)	1,048 thousand tons in 2024 1,024 thousand tons in 2023 (+2.4 %)	618 thousand tons in 2024 630 thousand tons in 2023 (- 1.9 %)
Recycling		
Copper ore	Gold ore	Polymetallic ore
44,041 thousand tons in 2024 43,349 thousand tons in 2023 (+1.6 %)	1,073 thousand tons in 2024 1,062 thousand tons in 2023 (+ 1.1 %)	618 thousand tons in 2024 628 thousand tons in 2023 (-1.6 %)
Production		
Copper	Refined gold	Refined silver
137.4 thousand tons in 2024 148.5 thousand tons in 2023 (-7.5%)	17 tons in 2024 17.4 tons in 2023 (-2.3 %)	142 tons in 2024 162.3 tons in 2023 (-12.3 %)
Production of commercial products		
Basic products		Consumer products
38,147.7 billion som in 2024 31,671 billion som in 2023 (+ 20.4%)		7.6 billion som in 2024 6.5 billion som in 2023 (+16.9 %)



CREATING AND DISTRIBUTING OF ECONOMIC VALUE

Highlights 2024	Material topics
<ul style="list-style-type: none"> • 35 082 billion som – distributed economic value • 4 009 billion som – wages, other payments and benefits to employees 	Economic efficiency
Contribution to achieving the UN SDGs	
	
GRI indicators	
GRI 201-1	

GRI 3-3

«Almalyk MMC» JSC promotes the socio-economic development of the regions where it operates: it creates jobs, replenishes regional budgets by paying taxes, and supports local entrepreneurs represented by suppliers and contractors.

Issues related to economic aspects and strategic initiatives are discussed at the meeting of the Supervisory Board of AMMC. In particular, the Council approves the business plan for the upcoming financial year, including projects of high economic and infrastructural significance. The implementation of large-scale initiatives is coordinated with the Cabinet of Ministers of the Republic of Uzbekistan, which underscores the importance of state support in strategic decision-making.

Detailed information on the management of the Company's economic aspects is disclosed in the sections «Strategy and Business Model» and «Corporate Governance».

Economic performance indicators demonstrate the value that the Company creates for its stakeholders. Direct economic value is the value that AMMC creates through its activities, which is then distributed among employees, suppliers, the government, shareholders, and other partners. Retained earnings are allocated for reinvestment—developing production, technological modernization, and improving operational efficiency. This creates a solid foundation for AMMC's sustainable development in the long term.

Table 12. Direct economic value created and distributed, billion UZS

Indicator	Stakeholders	2022	2023	2024
Direct economic value created		31 628	32 294	38 860
Revenue	A wide range of stakeholders	31 167	31 840	38 427
Income from financial investments		72	127	149
Other income		389	327	284
Distributed economic value		24 707	28 257	35 082
Operational expenses	Suppliers and contractors	6 564	9 655	11 925
Wages, salaries; other payments to employees:	Employees	2 932	3 134	4 009
<i>wages and salaries</i>		2 905	3 107	3 771
<i>other payments to employees</i>		27	28	238
Payments to capital providers:	Shareholders and Creditors	5 732	7 207	8 344
<i>dividends paid</i>		5 052	6 048	6 711
<i>financial expenses</i>		680	1 159	1 633
Payments to the state, including:	The state	8 643	8 108	10 295
<i>income tax</i>		4 992	4 382	5 659
Social investments	Local communities	837	422	508
Undistributed economic value		6 921	3 767	3 779

For more information on the Company's financial results, see [the Company's 2024 IFRS Financial Statements](#).

SUPPLY CHAIN



Highlights 2024	Material topics
<ul style="list-style-type: none"> • 99 % – share of purchases from local suppliers from the total number of suppliers • the import substitution effect amounted to 119 million USD • 9 165 billion som – total amount of purchases from suppliers and contractors 	Supply Chain Management
Contribution to achieving the UN SDGs	
	
GRI indicators	
GRI 2-6, 204-1	

SUPPLY CHAIN MANAGEMENT APPROACH

GRI 2-6, 3-3

Creating and maintaining a sustainable supply chain is one of the Company's priority areas. Important principles here include building strong and mutually beneficial partnerships with counterparties that share ethical business principles and share corporate values in the area of sustainable development.



Key principles of working with suppliers:

- Transparency and openness of procurement procedures;
- Responsible business conduct and adherence to ESG standards;
- Long-term collaboration with partners ensuring supply reliability.

AMMC continues to enhance its procurement system by aligning with international practices and implementing advanced methods for control and monitoring of the supply chain.

In the reporting year 2024, the Company developed and approved the Supplier Code of Conduct. This document sets requirements for suppliers in the areas of ethics, human rights, occupational health and safety, environmental protection, and corporate governance, all aimed at ensuring the sustainability of the entire supply chain (<https://agmk.uz/ru/menu/otvetstvennoe-korporativnoe-upravlenie>).

The company manages the supply chain in accordance with the Regulation on the Procurement Activities of AMMC. Also, at the meeting of the Supervisory Board, the Policy on Comprehensive Examination of Supply Chains for Responsible Supplier Selection was approved.

Moreover, a Procedure for the Effective Organization of Implementing the Policy for Due Diligence in the Supply Chain for Responsible Supplier Selection (procurement contractors) has been developed, approved by the Minutes of the Supervisory Board meeting of «Almalyk MMC» JSC No. 01-06/1-716 dated July 12, 2022.

AMMC demonstrates a high level of compliance with the legislation of the Republic of Uzbekistan, based on the laws LRU-684 and decrees PD-3953, PD-3954, PD-2708, PD-3550, PD-4812, PD-4544, PD-5171 and other regulatory acts *(in more detail: lex.uz)*.

The Company ensures full transparency and accountability in the area of procurement and regularly submits reports on its activities to the Ministry of Economy and Finance of the Republic of Uzbekistan and the Cabinet of Ministers of the Republic of Uzbekistan.

The organizational structure of procurement management in the Company has not changed. The Material and Technical Supply Division (MTSD) coordinates the process of procurement of goods and materials. In addition, MTSD ensures the approval of the technical reference (TR) in the authorized bodies of the Republic of Uzbekistan, carries out procurement procedures and monitors transactions until their full execution. Other participants of the procurement process are the department of «NefteproduktSnab», the Department of Commodity Market Research (DCMR) and the Department of Sales and Supply of Metallurgical Raw Materials (DSSMRM). All these participants are involved in the procurement process under the overall guidance of the Deputy Chairman of the Board for Commercial Affairs

In the reporting year, the regulation on the Company's procurement activities was updated in accordance with international requirements and practices.

SELECTION AND EVALUATION OF BUSINESS PARTNERS

As part of the selection procedures, the Company carefully evaluates potential suppliers based on a wide range of criteria:



Quality of the provided inventory items



Compliance of the business reputation and reliability of the counterparty with the Company's requirements



Compliance of the offered goods and services with the technical specifications (TS) of the project



No outstanding debts from the supplier



Expertise and experience of the business partner

Each technical task was supplemented with a section on “Environmental Requirements” and “Occupational Health and Safety Requirements”, which ensures that the procured goods and services comply with sustainability and safety standards.

- All types of purchases are carried out through electronic exchange portals such as xarid.uzex.uz, etender.uzex.uz, cooperation.uz, and others.
- Supplier selection is conducted automatically based on a points system integrated into the electronic exchange portal.
- AMMC’s procurement activities involve several stages, which vary depending on the size and type of purchase.

The Company strives for maximum transparency and efficiency in the procurement process by utilizing modern digital solutions for automation and control.

Figure 5. Stages of procurement activities



SUPPLY CHAIN RISKS

The risk of supply chain disruption lies in the violation of delivery times, as well as the quality of the goods supplied. To minimize risks and ensure stable operation of the Company in 2024, the following measures have been taken:

- reliable suppliers have been selected that have a good reputation and have been tested for compliance with the Company's requirements;
- contracts have been concluded with suppliers, which clearly define the working conditions, deadlines and quality of the supplied goods;
- a system for quality control of supplied goods, as well as timely execution of orders, has been organized;
- action plans have been developed in the event of unforeseen situations related to the work of suppliers, such as delayed deliveries or poor-quality goods;
- an instruction "On the procedure for checking counterparties" was developed to prevent corruption risks on the part of the Compliance Control Service.

In accordance with the key values of ethical behavior of AMMC employees, suppliers must report any suspicions related to violation of procurement and ethical principles by employees to the Company's helpline.

STRUCTURE OF PURCHASES AND SUPPLIES

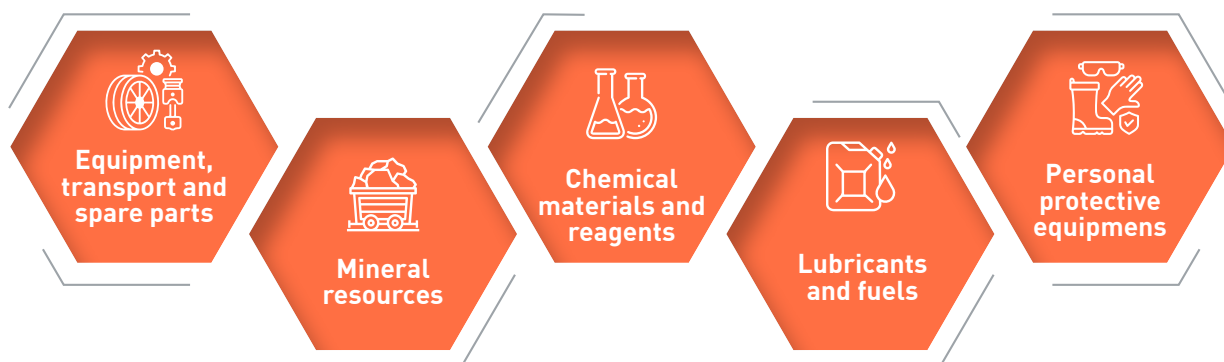
GRI 2-6

The products manufactured by AMMC comply with the requirements of regulatory documents. The company takes into account the target requests and requirements of customers, works on the release of new forms of products and expansion of the product line.

The supply chain of AMMC involves companies located in the Republic of Uzbekistan, the Russian Federation, the People's Republic of China, CIS countries, the European Union, the USA, Singapore, and the UAE.

The Plant is successfully developing markets in Spain, Austria, Germany, Finland, Canada, South Africa, and Senegal. *Detailed information about the products supplied by the Company is provided in the «About the Company» section.*

**Purchases at AMMC are carried out in accordance with internal procedures and policies.
The main categories of purchased inventory items are:**



In 2024, the total purchase amount was 9,165.0 billion som, of which 4,182.0 billion som were in domestic currency and 4,983 billion som were for foreign currencies.

In 2024, the number of registered contracts for inventory items was 10,016 units, of which 9,975 units or 99% of the total volume were with local suppliers.

INTERACTION WITH LOCAL SUPPLIERS

AMMC supports local suppliers by including them in its supply chain. Thus, the Company is a driver for the development and maintenance of the sustainability of the economy of the Republic of Uzbekistan and the well-being of local residents in significant regions of operation.



Procurement from local enterprises enables AMMC to:

- Develop partnerships with suppliers, enhancing their competitiveness.
- Optimize logistics costs, reducing the cost of supplies.
- Contribute to the development of regional business, creating new opportunities for entrepreneurs.

The Company continues to expand collaboration with local manufacturers, which positively impacts sustainable industrial development and economic growth in the regions.

Localization program at AMMC

According to Protocol No. 61 of the Commission on Investment Attraction, Industrial Development, and Trade Regulation dated May 3, 2024, the localization program for «Almalyk MMC» JSC was revised to 1,521.4 billion som.

In 2024, within 268 projects, products were manufactured amounting to 1,545.4 billion som, reaching 101.5% of the forecast. Compared to the previous year, the production volume of localized products increased by 3.6 times, with an import substitution effect of 119 million USD.



Key localization results in 2024:

Production under new projects – **1 265,2 billion UZS, including:**

- Central machinery and repair plant – 111 projects totaling 85.4 billion som (spare parts for mills, excavators, hydrocyclones, copper conductors).
- Uzbek Technological Metals Plant – 32 projects totaling 131.5 billion som (ball joints, fireclay bricks, steel cutters, lathe tools).
- Copper smelting plant – 24.4 billion som.
- Third concentration plant – 625.4 billion som (metal structures produced by «Enter Steel» for the plant's construction).
- Explosive materials plant – 264.8 billion som (explosives).
- Production of conveyor rollers – 5.2 billion som.
- 8 mechanical repair units – 32.2 billion som.

Export of Products Under the Localization Program

In 2024, products worth 2.6 million USD were exported, including:

- Technical zinc sulfate– 1,045 tons (1.2 million USD).
- Palladium– 29.8kg (884,000 USD).
- Zinc oxide – 20 tons (53,000 USD).

The company continues to expand localization of production, reducing dependence on imports and enhancing export potential.

GRI 204-1

In the procurement structure for 2024, the share of local suppliers accounted for 99% of the total number of suppliers. The term «local» refers to companies from the Republic of Uzbekistan.

Table 13.

Indicator	Unit of measurement	2022	2023	2024
Total number of suppliers	units	1 571	10 400	10 016
Total procurement amount	billion som	11 397	8 768	9 165
Number of local suppliers	units	1 485	10 263	9 975
Total local procurement amount	billion som	4 136	4 281	4 182
Share of local suppliers by quantity	%	95%	99%	99%
Share of local suppliers by amount	%	36%	49%	46%

Table 14. In 2024, the main types of purchases were conducted as follows:

Through an online store		Through a national store		Through an electronic auction		Through a cooperation portal (cooperation.uz)	
quantity	Amount (billion som)	quantity	Amount (billion som)	quantity	Amount (billion som)	quantity	Amount (billion som)
3 695	801	804	106	79	7	2 467	793

Through e-commerce (SPOT)		Through Tender		Through the Best Offers Selection		Direct contracts	
quantity	Amount (billion som)	quantity	Amount (billion som)	quantity	Amount (billion som)	quantity	Amount (billion som)
2 726	2 181	25	2 707	190	531	30	2 039

PLANS FOR 2025 AND THE MEDIUM TERM PERSPECTIVE

AMMC sets itself, among other things, the following tasks for 2025 and the medium term perspective:

1. Implementation of ESG criteria - integration of environmental, social, and corporate responsibility principles in the procurement process.
2. Automation of supplier monitoring, with the introduction of digital tools to control reliability and compliance with contractual obligations.
3. Increasing transparency – development of reporting mechanisms and internal controls to minimize corruption risks.
4. Development of partnerships – engagement with international organizations and suppliers for the exchange of best practices.