

### Policy of the Integrated Management System for the Precious Metals Supply Chain

The transparency policy of the precious metals supply chain of "Kyrgyzaltyn" OJSC complies with the requirements of the LBMA Responsible Gold Guidance, the LBMA Responsible Silver Guidance, as well as Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas  
(link: <http://www.oecd.org/corporate/mne/GuidanceEdition2.pdf>).

"Kyrgyzaltyn" OJSC actively cooperates with state authorities to verify the presence or absence of licenses held by counterparties for the extraction, processing, transportation, trading and export of precious metals.

"Kyrgyzaltyn" OJSC adheres to a strict policy regarding the identification of the sources of precious metals and reserves the right to refuse their purchase if they were obtained as a result of illegal mining activities.

"Kyrgyzaltyn" OJSC may refuse cooperation if the precious metals are associated with human rights violations, money laundering or involvement in armed conflicts.

#### "Kyrgyzaltyn" OJSC:

- conducts its activities honestly and transparently;
- stands firmly against corruption, fraud, money laundering and terrorist financing;
- upholds ethical, moral and social standards;
- establishes fair and responsible business relations with all counterparties, employees and stakeholders.



"Kyrgyzaltyn" OJSC has implemented an integrated management system policy based on the **Know Your Customer (KYC)** process in order to prevent the Company's involvement in illicit operations related to the extraction, processing, transportation, trading and export of precious metals in high-risk, conflict-affected areas (CAHRA).

"Kyrgyzaltyn" OJSC has defined the following mandatory criteria for high-risk supply chains:

- 1) Mined/refined precious metals originate from or are transported through high-risk or conflict-affected areas where human rights violations occur (CAHRA);
- 2) Mined precious metals originate from a country with limited known reserves, resources or expected production levels of precious metals;
- 3) Refined precious metals originate from a country known or suspected to transit precious metals from conflict-affected or high-risk areas;
- 4) The counterparty supplying precious metals, or other known mining companies, is located in a country presenting a high risk of money laundering, criminal activity or corruption;
- 5) The counterparty supplying precious metals, or other known mining companies or their beneficial owners, are politically exposed persons (PEPs);
- 6) The counterparty supplying precious metals, or other known mining companies, operate in high-risk business sectors such as military activity, gambling and casinos, antiques or art trading, diamond trading, sects and their leaders;
- 7) The counterparty supplying precious metals does not comply with legislation on environmental protection, occupational safety or labour protection;
- 8) Precious metals are mined through artisanal small-scale mining;
- 9) Mined or secondary precious metals are produced using mercury;
- 10) Mined or secondary precious metals originate from areas containing UNESCO World Heritage Sites.

**“Kyrgyzaltyn” OJSC is committed to:**

1. Preventing, avoiding, and refraining from participating in any form of:
  - torture or cruel, inhuman or degrading treatment;
  - forced or compulsory labour;
  - child labour;
  - human rights violations;
  - war crimes, crimes against humanity or genocide.
2. Not establishing and immediately terminating relationships with suppliers involved in any serious violations listed above.
3. Preventing any direct or indirect support of illegal non-state armed groups, public or private security forces that:
  - illegally control mines, facilities, traders or other intermediaries, as well as transportation routes along supply chains;
  - illegally tax or extort money or minerals through supply chains.
4. Not establishing and immediately terminating relationships with business partners associated with any entities and/or individuals that directly or indirectly support non-state armed groups in operations.
5. Preventing direct or indirect support of illegal non-state, public or private security forces that commit violations (item 1) or act unlawfully (item 3), since the role of public or private security forces is to uphold the rule of law (protect human rights, ensure the safety of workers, premises and equipment) in mines and/or adjacent areas and/or along transport routes.

5.1. Not establishing and immediately terminating relationships with any participants in the supply chain whose activities pass through conflict-affected areas and high-risk zones with landmines or dangerous transport routes, or other risks of violence, harm, human rights violations, or breaches of national or international law.

6. Not establishing and immediately terminating relationships with any participants in the supply chain who directly or indirectly support illegal non-state or private security forces, or who support extortion in any form, including money or mineral extortion through supply chains.
7. Preventing any form of bribery of individuals, including public officials, clients, suppliers, contractors or any other organisations, and opposing extortion of bribes aimed at concealing the origin of precious metals or misrepresenting information on taxes, fees and payments owed to the national budget related to the extraction, processing, transportation, trading or export of precious metals.
8. Preventing money laundering associated with the extraction, processing, transportation, trading or export of precious metals, and taking measures to support efforts against terrorist financing.
9. Not establishing and immediately terminating relationships with suppliers who do not comply with legislation on environmental protection and conservation.
10. Applying effective methods for verifying the existence and assessing the environmental policies and practices of counterparties.
11. Applying effective, risk-based transaction monitoring methods to prevent any potential illegal activity.
12. Properly maintaining and thoroughly reviewing all precious-metal transaction records.
13. Conducting trainings, seminars and conferences to educate employees on this Policy.

“Kyrgyzaltyn” OJSC complies with the guarantees of labour rights and freedoms established by the Labour Legislation of the Kyrgyz Republic:

1. Creates favourable working conditions to achieve optimal alignment of the interests of the parties to labour relations within the organisation, as well as the interests and rights of counterparties and their employees.
2. Ensures mandatory and permissible conditions of the Internal Labour Regulations, approved by Protocol of the Management Board of “Kyrgyzaltyn” OJSC No. 56 dated 02 November 2021 (including subsequent updates):
  - procedures for hiring and dismissal of employees;
  - personnel transfers;
  - working hours and rest periods;
  - fundamental rights and obligations of the employee;
  - fundamental rights and obligations of the employer;



- protection of employees' personal data;
  - access control regime;
  - incentives and disciplinary actions;
  - protection of commercial secrets;
  - internal office rules.
3. Executes a collective agreement, regulating social and labour relations within the organisation, concluded in writing between the employees and the employer represented by their authorised representatives.
  4. Maintains zero tolerance for discrimination based on gender, race, language, disability, ethnic origin, religion, age, political or other beliefs, education, background, property status or any other circumstances unrelated to the employee's professional qualities or work performance.
  5. Does not permit any form of forced labour.
  6. Ensures the resolution of labour disputes and the protection of employees' rights.
  7. Pays fair remuneration for labour.

“Kyrgyzaltyn” OJSC follows the Safety Rules for Handling Highly Hazardous Toxic Substances (hereinafter — HHTS), including mercury and cyanide, approved by PP KR No. 576 dated 29 October 2019. The Safety Rules apply to the following processes involving HHTS:

- production of HHTS, sale (procurement) of HHTS, use of HHTS, storage of HHTS, disposal of HHTS, including neutralisation or burial, including mercury and cyanide.

“Kyrgyzaltyn” OJSC takes into account and strives to comply with the International Cyanide Management Code, in addition to existing regulatory requirements ([www.cyanidecode.org](http://www.cyanidecode.org)). When interacting with mining producers, “Kyrgyzaltyn” OJSC encourages them to voluntarily comply with the International Cyanide Management Code at their mining sites.

“Kyrgyzaltyn” OJSC complies with and implements the requirements of the legislation of the Kyrgyz Republic when developing and implementing Community Engagement and Management Programmes (land acquisition and resettlement of communities, cultural heritage sites, indigenous peoples, protection of vulnerable groups, etc.).

1. In cases of land acquisition and resettlement of communities, “Kyrgyzaltyn” OJSC relies on national laws and legal acts regulating property rights to land/real estate, including the Constitution, the Civil Code, the Land Code, the Law on State Registration of Rights to Real Estate and Transactions Therewith, as well as other regulatory legal acts of the Kyrgyz Republic.
2. “Kyrgyzaltyn” OJSC strictly complies with the requirements of the Law of the Kyrgyz Republic No. 91 dated 26 July 1999 “On the Protection and Use of Historical and Cultural Heritage”. Historical and cultural heritage includes monuments of history and culture associated with historical events in the life of the people, the development of society and the state, material and spiritual works of art of historical, scientific, artistic or other value. Preservation of historical and cultural heritage is one of the priorities of “Kyrgyzaltyn” OJSC
3. “Kyrgyzaltyn” OJSC pays special attention to meeting the needs of local populations near mining sites, providing socio-material support, assistance, and educational outreach to vulnerable groups, particularly children, youth, women, indigenous peoples, and the poorest segments of the population, which is an essential requirement for ensuring sustainable development.

