

SUSTAINABILITY REPORT

2023

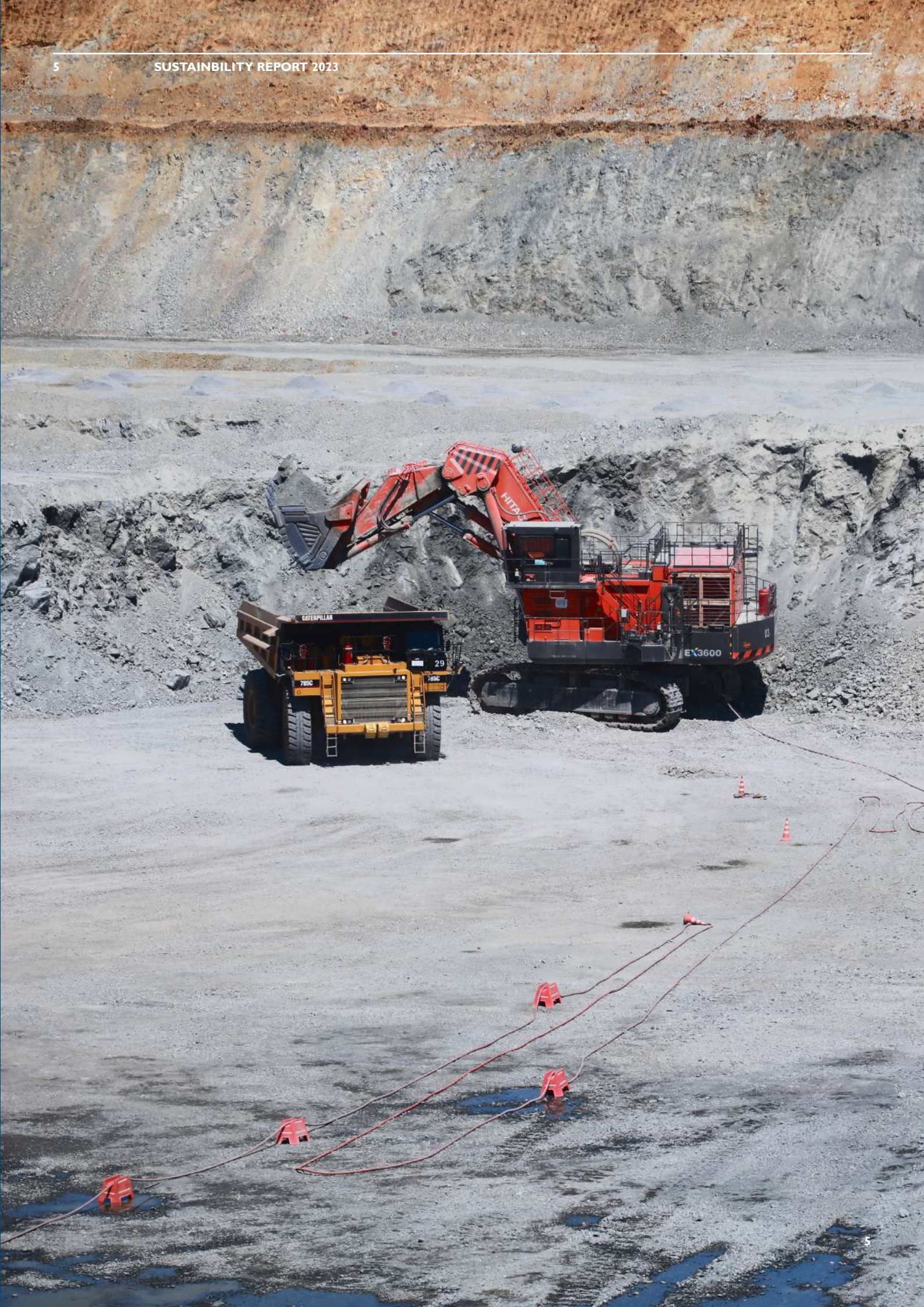


KAZ
MINERALS



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SUSTAINABLE COPPER GROWTH



“KAZ Minerals is a responsible operator of mining assets in Kazakhstan and Kyrgyzstan. Our copper production is fundamental to a sustainable future.”

Sustainability in 2023

KAZ Minerals is a responsible operator of mining assets in Kazakhstan and Kyrgyzstan.

Copper production is fundamental to a sustainable future, given its essential role in the transition to low carbon energy generation and low emissions transportation, which are highly copper intensive. In addition, copper remains essential to the developments in infrastructure which are required as living standards improve across the world.

The Group's strategy of growing copper production through the development of the large scale, low cost mining projects required to meet future demand serves a clear purpose for wider society. The safety and health of the Group's employees and contractors remained the Group's primary focus but I am saddened to report that in 2023 a fatality occurred at the Group's underground operation at Artemyevsky, in the East Region of Kazakhstan, and in January 2024 there was a fatality at the Bozymchak mine in Kyrgyzstan. KAZ Minerals has adopted a Goal Zero initiative and believes that all fatalities are avoidable and preventable. After any fatality, detailed investigations are carried out to identify root causes and to establish any procedural or other changes required to prevent recurrence of similar incidents.

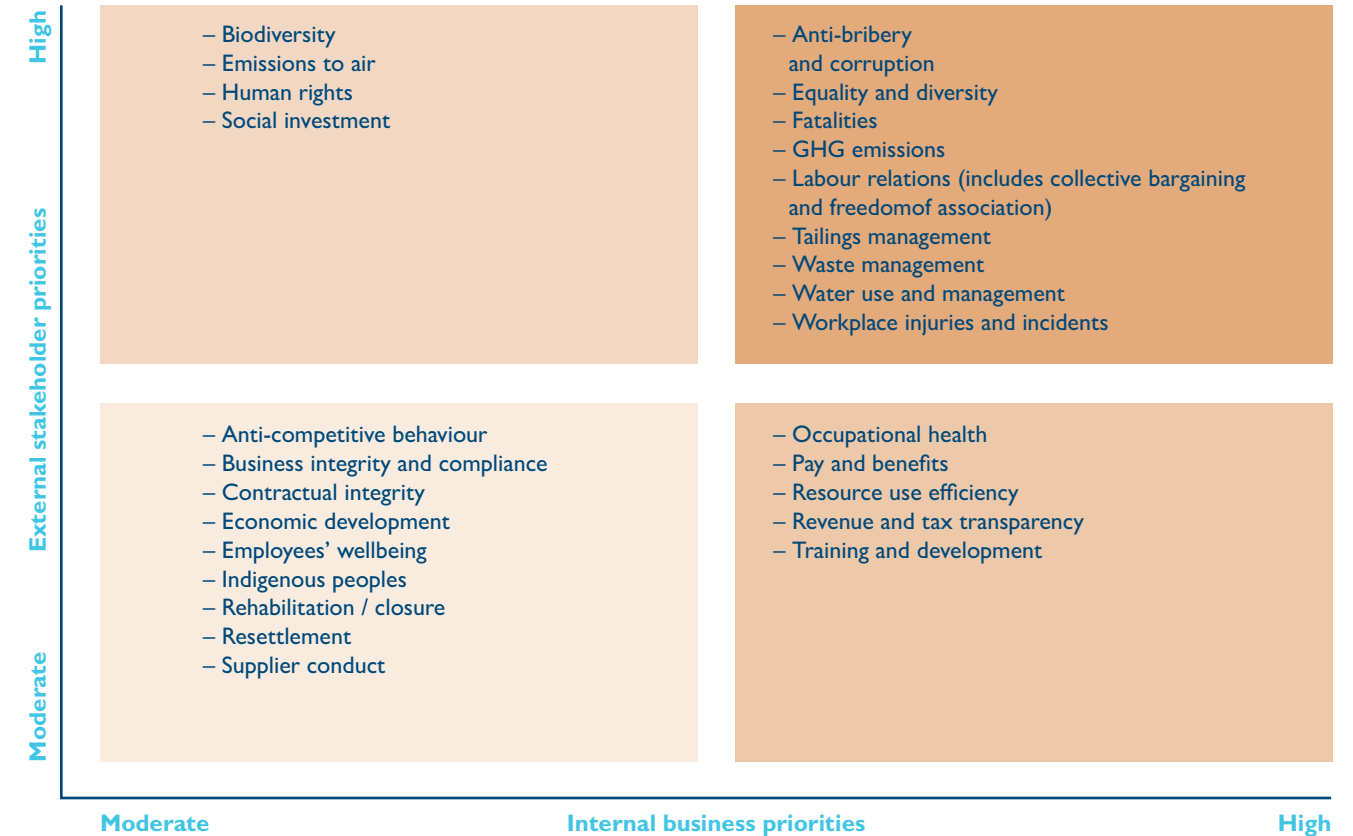
The Group's relentless focus on safety culture and performance has delivered positive results, with a long-term downward trend in safety incidents. In 2023, KAZ Minerals achieved a TRIFR of 1.06,

which is a reduction on the prior year and compares favourably against the latest available reporting from ICMM members.

Over recent years, Aktogay and Bozshakol have become the Group's primary sources of copper output. These large scale, modern concentrators support the Group in producing copper as efficiently as possible. In 2015, prior to the commissioning and ramp-up of Aktogay and Bozshakol, the Group's energy intensity, measured as the energy use per tonne of sulphide ore processed, was 0.86 TJ/kt, and by 2023 this metric has reduced to 0.19 TJ/kt. Electricity purchased from the Kazakhstan power grid represents the Group's most significant source of carbon emissions, and it is expected that over the coming years, low carbon energy sources will make up an increasing proportion of power generation. During 2023, in order to support the development of low carbon energy sources in Kazakhstan, the Group made its first investment into a portfolio of small operating and planned hydro power stations. I am proud of the benefit KAZ Minerals provides to all of our stakeholders, and the work that we do to manage the environmental impact of our activities. We remain committed to operating with high standards as we deliver long-term growth and we recognise that social and environmental responsibility is at the core of our strategy and licence to operate.

30 April 2024
Oleg Novachuk
Chair, KAZ Minerals

Materiality assessment



Sustainability targets

Safety and health <i>Eliminate occupational fatalities</i>	GHG emissions per unit of sulphide ore processed <i>Reduce by 5%¹</i>	Water consumption per unit of sulphide ore processed <i>Reduce by 5%¹</i>	Social investment <i>Maintain social spending at or above \$15 million per annum²</i>
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¹ Using 2018 as a base year.

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² Subject to identifying suitable projects which meet the Group's social investment criteria.

Sustainability reporting framework

The Group seeks to align its sustainability reporting with Global Reporting Initiative ("GRI") Universal Standards. The GRI Standards are a set of sustainability reporting standards published and maintained by the GRI, an independent organisation established in 1997 to create common standards for reporting by companies and governments.

The Group reports its safety and health performance according to the occupational injury and disease classification definition published in 2021 by the ICMM.

National context and economic contribution

KAZ Minerals is a copper producer with mining operations in Kazakhstan and Kyrgyzstan. In Kazakhstan the Group operates the Aktogay and Bozshakol mines and concentrators, as well as three underground mines and two associated concentrators in the Abay and East regions, employing over 12,000 staff. In 2023, the Group exported 121 kt of copper cathode from Kazakhstan to customers in China and Europe (2022: 102 kt) and 324 kt of payable copper in concentrate, mainly to China (2022: 280 kt). The Group generated revenues of

\$4,308 million in 2023 and made a total tax contribution of \$1,059 million in Kazakhstan, including \$425 million of corporate income tax and withholding tax and \$426 million of mineral extraction tax. The Group employs approximately 1,300 staff in Kyrgyzstan where it operates the Bozymchak copper-gold mine. Tax payments of \$35 million were made in 2023. The Group has invested over \$5 billion in the construction of new mining facilities in Kazakhstan from 2011 to 2023, principally at its Aktogay and Bozshakol sites.

United Nations Sustainable Development Goals

KAZ Minerals contributes towards the United Nations SDGs and during the year the Group has assessed its priorities and focus regarding the Group's contribution towards these goals. Aligned with the priorities identified by the Kazakhstan government in its 2022 Voluntary National Review, the Group prioritises the following five SDGs:

SDG 8 – Decent work and economic growth
KAZ Minerals provides well-paid and highly skilled jobs, with around 98% of its employees being nationals of our countries of operation. Professional development is one of the Group's corporate values and KAZ Minerals is committed to providing safety and other professional training. The Group runs a highly successful programme for interns and graduates, which provides young Kazakhstanis with valuable training and professional education. KAZ Minerals is also a significant taxpayer in Kazakhstan and helps to drive economic growth at local and national levels.

SDG 3 – Good health and well-being
The safety and health of the Group's employees and contractors is our top priority and KAZ Minerals is proud of its long-term downward trend in TRIFR. As part of the Group's social investment programme, KAZ Minerals has provided funding for a wide range of projects designed to improve healthcare outcomes in Kazakhstan, as well as funding sports clubs and venues.

SDG 6 – Clean water and sanitation
KAZ Minerals is committed to using water efficiently as part of its operational processes and has set a target to reduce its water usage per tonne of sulphide ore processed by 5% by the end of 2024. The Group's Aktogay and Bozshakol sulphide concentrators are designed to maximise water recycling and the efficiency of water consumption.

SDG 4 – Quality education
Through its social investment programme, the Group provides support to a wide range of educational programmes near its sites, including providing grants to promising students, refurbishing classrooms and providing funding for a new dormitory to enhance access to further education for students living in remote locations.

SDG 1 – No poverty
KAZ Minerals is a significant employer in Kazakhstan, including in regions outside the country's major cities. The Group provides fair remuneration to its employees, with all salaries set above the minimum wage and living wage, as defined by the Government of Kazakhstan. In its supply chain, the Group also requires that its suppliers sign up to the Group's Suppliers' Charter and Code of Fair Employment.



SAFETY AND HEALTH
Fatalities

KAZ Minerals aims to provide safe working conditions for all employees and contractors, but we are saddened to report that in 2023 there was a fatal incident at the Artemyevsky underground mine in the East Region of Kazakhstan. In January 2024 a fatality occurred at the Bozymchak mine in Kyrgyzstan.

KAZ Minerals believes that all fatalities are avoidable and preventable. After any fatal incident, operations are suspended, and senior management attend the site as soon as possible. All fatalities are investigated by state authorities. Once this process is completed, the Group conducts its own detailed investigation to establish root causes and identify any procedural or other changes required to prevent recurrence of similar incidents.

The Board and senior management have committed to the Group's Goal Zero initiative, which covers industrial safety, occupational safety and environmental protection. In 2022, this initiative was expanded to become Living Goal Zero, which encourages the Group's employees and contractors to view safe working practices as a way of life. The number and frequency of fatalities at the Group's operations has been on a long-term downward trend, and prior to 2023 the Group had achieved two fatality-free years. Open pit mining is inherently safer than underground mining and the Group's safety performance has improved as its large scale open pit mines at Aktogay and Bozshakol have ramped up to represent the majority of the Group's production.

Number of fatalities (employees and contractors)

2023	1
2022	0

Injuries

Total Recordable Injury Frequency Rate (TRIFR)

2023	1.06
2022	1.10
2021	1.02
2020	1.14
2019	1.38
2018	1.74

The average TRIFR for ICMM members in 2022 was 2.66 (2021: 2.90). Under ICMM definitions, all injuries including Lost Time Injuries, restricted work cases and medical treatment cases are Recordable Injuries. The reporting and investigation of hazards, minor injuries and near misses, with a focus on potentially high-risk incidents, are important management tools for improving safety and health performance. In 2023, KAZ Minerals recorded 45 TRI cases across its operations, a 4% reduction from the 47 cases recorded in 2022. The reduction in absolute TRI cases drove a 4% reduction in the Group's TRIFR to 1.06 (2022: 1.10) as hours worked remained in line with 2022 at 42.6 million hours.

A TRIFR of 1.06 is low for the mining industry and demonstrates management's success in establishing a strong safety culture across all of the Group's operations. Nonetheless, KAZ Minerals will continue to strive for injury-free operations, having demonstrated that this is possible in the past by operating without any Recordable Cases or any Lost Time Injuries in certain months. Over the period from 2018 to 2023, the Group's open pit mining operations achieved a maximum Lost Time Injury-free interval of 321 days at Aktogay, 631 days at Bozshakol and 1,302 days at Bozymchak. Injury rates have also significantly reduced in the East Region operations over this period.

CASE STUDY:
Prevention of unsafe behaviour and occupational injuries

By instilling a culture of safety and promoting awareness about the importance of safe working conditions, KAZ Minerals aims to create a workplace environment that prioritises the safety and well-being of its employees. Through continuous improvement strategies and comprehensive training programmes, the Group strives to maintain and enhance its strong safety record.

At KAZ Minerals, we are confident that proactive prevention through the integrated assessment of risks at all levels and stages of the production cycle and management systems is key to safe and effective operations. We also believe that learning from incidents is fundamental, and as a result we thoroughly investigate all incidents, hazards and near-misses to understand all contributing factors and put effective controls in place.

During 2023, the Group's safety training was enhanced to include a training programme at Bozshakol, titled the Psychological Prevention of Unsafe Behaviour and Occupational Injuries. As part of this programme the in-house safety and health team was supported by external psychologists to improve employee safety through specialised training. Over a six-month period, Bozshakol employees participated in the programme, with up to one hundred participants each week.

The programme focused on understanding the psychology or nature of human behaviour. Studies indicate that the majority of workplace safety incidents across the industry occur due to human error, and therefore understanding the contributing factors to these errors is critical to prevent unsafe working practices and potential accidents.

- The most common cause of human errors include distractions and interruptions, fatigue, time pressure, inadequate training or experience, complacency, and poor communications. Analysis of historical incidents indicates that these issues can result in a range of unsafe practices which precede the majority of incidents, including:
- 1. Failure to use personal protective equipment
 - 2. Improper use of equipment, including without the required level of training or experience
 - 3. Unauthorised work in high-risk areas
 - 4. Operating faulty equipment
 - 5. Taking short-cuts or omitting key steps in an agreed procedure
 - 6. Improper placement of materials or equipment in working areas

The psychological foundation of human behaviour is fundamental to safety and health. In simple terms, “thoughts generate feelings, feelings manifest as behaviours, and behaviours determine results”. The psychologists provided a valuable toolkit, offering guidance insight and practice recommendations on understanding and addressing this fundamental concept.

The Head of the Department of Social and Labor Relations at Bozshakol highlighted the importance of individual and joint accountability in ensuring safety: “Safety is primarily achieved through the individual’s ability to identify and manage risks, with a strong emphasis on the psychology of occupational safety.”



1



ALWAYS BE ATTENTIVE

2



ALWAYS COME TO WORK FIT FOR DUTY AND FREE FROM ALCOHOL OR DRUGS

3



STOP IF UNSAFE OR UNSURE

4



Only operate equipment, or handle explosives or any other hazardous materials IF TRAINED AND AUTHORIZED

5



ALWAYS USE SEAT BELTS in vehicles and mobile equipment

6



ALWAYS TAKE appropriate fall PROTECTION MEASURES when you could fall more than 1.3 meters

BEHAVIORS

7



ALWAYS ISOLATE and place your personal danger lock/tag prior to working on ENERGY SOURCES or to prevent unauthorized start

8



NEVER MODIFY OR OVER-RIDE CRITICAL SAFETY EQUIPMENT without approval

9



ALWAYS SEEK and obtain clear approval before entering MOBILE EQUIPMENT OPERATING ZONES

10



NEVER ENTER "DANGER ZONES" *
*"Danger Zones" include areas under unsupported roof, under suspended loads, within barricaded or signposted no-go areas or other areas not intended for stepping or walking on, within identified pinch or crush points of machinery, confined spaces, entering a water body of unknown depth, entering an area of unknown toxic gases or unventilated, entering and area unauthorized where blasting works takes place and other zones as defined by the Company.

11



REPORT ALL INCIDENTS AND INTERVENE appropriately if you see an unsafe act or condition



CASE STUDY:
Remotely controlled equipment to enhance operator safety

KAZ Minerals is focused on driving long-term improvements in safety and health at its operations, in line with its Goal Zero ambition. In recent years, the Group has adopted various technologies to improve safety and health around its sites, including those which can be operated remotely, reducing the number of staff working in potentially hazardous active mining areas.

These include a recently acquired surface drill rig at Aktogay, which can be remotely controlled and incorporates automated drilling and rod handling. This reduces the need for manual marking and fixing of drilling locations, improving safety and efficiency of drilling operations.

The Group has also expanded the use of drones across its operations. At Aktogay, drones are used for surveying geotechnics, hydrogeology and the heap leach pads, which replaces the requirement for manual photography. The use of drones is therefore not only significantly faster, but also safer as it reduces the

need for employees to access hard-to-reach areas around the site. In geotechnics, drones are used to map structural disturbances, analyse pit stability, and visually inspect rock deformation as part of the ongoing works to monitor pit wall stability.

For hydrogeology, drones are used to analyse pit wall stability and water inflows in the pit. The transition from manual mapping to drone surveys has improved the safety of mapping, reduced mapping time, and enhanced the accuracy of monitoring water locations. Drones also enable surveying of hard-to-reach areas and provide the ability to compare current and previous data automatically.

In the heap leach pad surveys, drones are used to measure deviations from irrigation design, analyse the installation of geomembranes, and identify zones with high and low irrigation levels. Drones allow Aktogay to distribute solutions effectively and monitor slope stability.



Total Recordable Cases Frequency Rate

2023	2.77
2022	2.70

Total Recordable Cases

Total Recordable Injuries

Total Recordable Diseases

2023	45	73
2022	47	68

Occupational health

There were 73 new cases of occupational diseases recorded in 2023 (2022: 68).The majority of new cases in 2023 resulted from radiculopathy and silicosis.

Occupational health problems are usually the result of long-term exposure to risks such as poor ergonomics,vibration,dust or noise.

The Group has measures in place to remove or reduce these risk factors where possible, for example by limiting the time that employees spend in roles that expose them to heightened occupational health risk factors. Annual medical checks are conducted to ensure the timely identification of emerging occupational health conditions.

During 2023, actions have been further developed to address common causes of occupational disorders in the Group's underground operations including upgraded personal protective equipment and increased automation in high-risk working environments. Medical services on site at the East Region, where all of the Group's occupational health cases arose in 2023, have been enhanced to deliver greater focus on preventative management of occupational health, which the Group expects will result in improved health outcomes.

The open pit mines at Aktogay,Bozshakol and Bozymchak had no occupational health cases during 2023.



ENVIRONMENTAL IMPACTS

KAZ Minerals seeks to reduce the impact of its activities on the environment and raise environmental awareness amongst its employees, contractors and suppliers. The Group has an Environmental Policy which sets out its commitment to environmental protection, reduction of emissions and waste and efficient consumption of resources such as energy and water.

The Group conducts detailed environmental due diligence prior to the development of new mining projects and continually

monitors the impact of its activities on the environment, publishing key performance indicators on an annual basis.The measurement basis for the Group's diesel consumption was updated for 2023 and 2022 reporting.

The Health, Safety and Sustainability ('HSS') Committee is a Board committee which is responsible for oversight of the Group's environmental policies, reporting, standards and compliance. Senior management is responsible for the Group's overall environmental performance.

Energy Use

In 2023, KAZ Minerals maintained the energy efficiency of its operations at the historically low level of 0.19 TJ of energy used per kt of sulphide ore processed.Since the Group's first full year of operations following the Restructuring in 2014, management has focused on long-term operational improvements to enable KAZ Minerals to produce copper as efficiently as possible.The Group's operating portfolio is now dominated by the large scale, open pit mines at Aktogay and Bozshakol which benefit from significant economies of scale, with modern grinding and flotation technology employed at the concentrators,which drives further efficiency.

During 2023,the Group operated above design capacity at both sulphide concentrators at Aktogay, which achieved a combined throughput of 54.4 Mt, as well as both Bozshakol concentrators and the Bozymchak concentrator. These operational achievements enabled the Group to maintain its historically low level of energy use per tonne of sulphide ore processed in line with 2022. Additionally, the Aktogay and Bozshakol mines benefit from a low strip ratio, with limited volumes of rock required to be removed per tonne of ore extracted, which also drives efficiency.

Energy use (TJ)/kt sulphide ore processed)

2023	0.19
2022	0.19
2021	0.19
2020	0.20
2019	0.20
2018	0.22
2017	0.24
2016	0.46
2015	0.86

ENVIRONMENTAL IMPACTS

Energy use by type (PJ)	2023	2022
Electricity	12.54	11.96
Diesel	3.28	3.02
Heat	1.12	1.12
Other	0.14	0.15
Total	17.08	16.25
Energy intensity ¹	0.19	0.19

1.TJ/kt sulphide ore processed

Energy use by type (PJ)	2023	2022
Aktogay	8.46	7.92
Bozshakol	5.30	5.01
East Region	2.97	3.00
Bozymchak	0.35	0.32
Total	17.08	16.25
Energy intensity ¹	0.19	0.19

1.TJ/kt sulphide ore processed

During 2023, the Group used 17.08 PJ of energy from all sources, a 5% increase on the prior year (2022: 16.25 PJ). The increase in energy use was driven by a 5% increase in electricity usage compared with 2022, aligned with the 4% increase in ore throughput at the Group's concentrators. In addition, diesel usage rose by 9% as the volume of rock moved in 2023 increased by 13% compared with 2022.

As the Group's open pit mines at Aktogay and Bozshakol deepen and widen, the Group expects diesel consumption to increase. Through continuous improvement initiatives, the Group seeks to minimise fuel consumption. The energy intensity of the Group's activities remained at 0.19 TJ per kt of sulphide ore processed as the increase in energy usage was offset by higher throughput at the Group's concentrators in 2023.

Electricity consumption (PJ)	2023	2022
Aktogay	7.02	6.55
Bozshakol	3.85	3.73
East Region	1.49	1.53
Bozymchak	0.18	0.16
Total	12.54	11.96
Energy intensity ¹	0.14	0.14

1.TJ/kt sulphide ore processed

The Group's electricity consumption rose by 5% to 12.54 PJ in 2023 (2022: 11.96 PJ). The most notable change in year was at Aktogay, where electricity consumption rose by 7%, aligned with the 8% increase in ore throughput in 2023 compared with the

prior year. At Bozshakol, volumes of ore processed remained broadly unchanged year on year, but the electricity consumption at the site increased by 3% as the hardness of the ore is increasing as the pit deepens.

ENVIRONMENTAL IMPACTS

Diesel consumption (PJ)	2023	2022
Aktogay	1.43	1.37
Bozshakol	1.45	1.27
East Region	0.26	0.24
Bozymchak	0.14	0.14
Total	3.28	3.02
Diesel intensity ¹	0.029	0.030

1.TJ/kt ore mined

Diesel consumption across the Group of 3.28 PJ represented an 9% increase compared with the prior year (2022: 3.02 PJ). Diesel consumption at Bozshakol rose by 14% as rock moved in the year increased by 17%. At Aktogay, diesel consumed

increased by 4% in the year, driven by a 7% increase in rock moved. Overall diesel intensity, measured as TJ of diesel per kt of ore mined, remained broadly consistent with 2022.

GHG emissions

GHG emissions by type (kt CO ₂ -e)	2023	2022
Scope 1	619	605
Scope 2	2,221	2,120
Total	2,840	2,725
Copper production (kt)	403	380
CO ₂ -e per unit of copper produced	7.0	7.2
Ore processed (kt)	90,860	86,956
CO ₂ -e per unit of ore processed	0.031	0.031

Absolute GHG emissions increased by 4% in 2023 to 2,840 kt (2022: 2,725 kt), with consumption of diesel and electricity rising as the Group extracted more rock and processed greater volumes of ore, resulting in increases of 2% and 5% for Scope 1 and Scope 2 emissions respectively. GHG emissions are calculated using emissions factors in accordance with the Greenhouse Gas Protocol.

The CO₂-equivalent ('CO₂-e') emitted per unit of sulphide ore processed remained unchanged in 2023 at 0.031 tonnes (2022: 0.031) as the 4% increase in ore throughput in the year offset the rise in absolute emissions. The increase in copper output, driven

by the higher volumes of ore processed and an increase in the average copper recovery rate, resulted in a minor reduction in the CO₂-e emitted per unit of copper produced to 7.0 tonnes (2022: 7.2 tonnes).

Scope 1 emissions primarily relate to mining activities at Aktogay and Bozshakol, as well as heat consumption in East Region. Increased diesel consumption in the mining fleet was the primary driver of the increase in Scope 1 emissions in 2023. Scope 2 emissions arise from the Group's purchase of electrical power from third party suppliers.

CO ₂ -e intensity	2023	2022
Revenue (\$million)	4,308	3,802
Total CO₂-e emissions (Scope 1 and Scope 2, kt)	2,840	2,725
CO ₂ -e emissions (t per \$ million revenues)	659	717

The Group's CO₂-equivalent intensity by revenue in 2023, as measured by the Carbon Disclosure Project (tonnes of CO₂-e per \$1 million revenues), was 8% lower at 659 tonnes (2022: 717 tonnes). The 4% increase in total emissions, driven

by the increase in ore processed across the Group, was more than offset by a 13% increase in revenues as the Group sold finished goods inventories which had been carried forward from 2022.

Reducing GHG emissions intensity

The Group is committed to minimising the CO₂-equivalent intensity of its operations in line with its Environmental Policy. The HSS Committee is responsible for monitoring the CO₂-equivalent intensity of the Group's operations. The General Directors of the Group's operations are responsible for implementing efficiency initiatives to minimise energy consumption at a site level. In recent years, reductions in CO₂-equivalent intensity have been achieved through the transition towards open pit mining using modern mining techniques.

In the longer term, the Group will seek to increase the use of renewable energy sources where possible and in 2023 the Group made an investment into a portfolio of small operating and planned hydro power stations in Kazakhstan. The Government of Kazakhstan, where the majority of the Group's assets are located, has adopted The Strategy on Achieving Carbon Neutrality by 2060. Renewable energy sources are planned to make up an increasing proportion of electricity generation over this period and coal-fired power capacity is expected to be phased out.



Task Force on Climate-Related Financial Disclosures (‘TCFD’) disclosure table

KAZ Minerals continues to develop its processes regarding climate-related financial disclosures and supports the work of the TCFD which requires companies to set out how their strategy and risk assessment processes align with the risks and opportunities presented by climate change. The Group has made climate-related financial disclosures consistent with

the TCFD recommendations and recommended disclosures covering governance and metrics and targets. The disclosure is not yet fully compliant with the strategy and risk management recommendations and recommended disclosures primarily due to the fact that the Group has not yet performed a company-wide assessment of a range of climate-related scenarios.

Recommendation	Recommended disclosures	Description
Governance Disclose the organisation's governance around climate-related risks and opportunities	<div>Describe the Board's oversight of the climate-related risks and opportunities</div> <div>Describe management's role in assessing and managing climate-related risks and opportunities</div>	<ul style="list-style-type: none">– The Board reviews and evaluates the principal and emerging risks faced by the Group, including climate change, throughout the year and at least annually.– The Audit Committee reviews the Group's risk management and internal control systems.– The HSS Committee, via its delegated authority from the Board, regularly receives updates on key sustainability issues, including climate change, and periodically receives external training from sustainability specialists where the need arises. The HSS Committee is responsible for monitoring the Group's progress against its climate-related targets and receives updates from management on the Group's actual performance towards its targets and its forecast performance, incorporating the annual update of the Group's life of mine plans.– The Board considers the climate-related risks and opportunities when assessing and undertaking significant strategic projects and investments.– Management monitors the Group's performance on climate-related metrics and reports to the HSS Committee on a regular basis throughout the year. Management is responsible for implementing the Group's strategy to manage climate-related risks and optimise associated opportunities. At a site level, each General Director is responsible for managing environmental risks, some of which may be climate-related, and delivering efficiencies which will enable the Group to meet its climate-related targets.



Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy, and financial planning where such information is material

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

- Considering the long life of the Group's key assets, Aktogay and Bozshakol, KAZ Minerals assesses risks and opportunities over the short term (0 to 5 years), medium term (5 to 10 years) and long term (beyond 10 years).
- Climate change has been identified by the Group as an emerging risk over the long term.
- Climate-related risks identified by the Group include transitional risks, such as evolving regulations and societal perceptions of the mining sector, as well as physical risks, such as changing weather patterns and more extreme temperatures.
- Climate-related opportunities have also been identified, most significantly the potential for increased demand for copper, considering the fundamental role it is expected to play in the transition to a lower carbon economy.
- This opportunity underpins the Group's strategy of seeking to grow its copper production in a sustainable manner. As a low-cost producer, with operations primarily in Kazakhstan, the Group currently views its strategy as being resilient to the risks presented by climate change. The Group will continue the process of considering different climate-related scenarios over the coming year.
- Power consumption represents the Group's most significant source of GHG emissions. Accordingly, in 2023 the Group made an investment into various hydro power stations in Kazakhstan with the intention of increasing the contribution of low carbon electricity to the Kazakhstan power grid over the coming years.
- Climate-related risks are evaluated as part of the overall investment decision of whether to proceed with significant new projects. The Group has also begun to apply a theoretical price of carbon of \$100/t to investment decisions and will continue to develop this process.

Recommendation

Recommended disclosures

Description

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks

Describe the organisation's processes for identifying and assessing climate-related risks

Describe the organisation's processes for managing climate-related risks

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

- Climate-related risks are identified, assessed and managed as part of the Group's wider risk management framework.
- Risks, including climate-related risks, are classified by assessing the potential severity and likelihood of occurrence of each relevant risk. Risks included in business unit level risk registers are subsequently assessed for inclusion in the Group risk register.
- The Audit Committee reviews the Group's risk management framework and receives regular reporting on the Group's key risks, including environmental matters. The General Directors of each operation are responsible for the identification and management of risk, including sustainability risks, at the Group's mines.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk-management process

Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against target

- KAZ Minerals has set targets to reduce its GHG emissions intensity and water consumption intensity, in line with the Group's strategy of growing its copper output in a sustainable manner. The Group is aiming to achieve these targets over a five-year period ending in 2024, and chose a short term, rather than long term, target in order to drive Group-wide efficiencies in the near term.
- The Group's ability to achieve its climate-related targets is dependent on the successful delivery of the budgets and longer term mine plans, which are presented to the Board on an annual basis, as these plans incorporate the required efficiencies to deliver the targets.
- Scope 1 and Scope 2 GHG emissions are presented for the current and prior year, calculated in line with the GHG Protocol methodology. The Group has not yet finalised the calculation of its Scope 3 GHG emissions due to limitations in obtaining reliable data from key external sources. The Group will continue working on calculating a reliable value for its Scope 3 emissions.
- An increase in the demand for the Group's primary product, copper, represents a climate-related opportunity. The Group's target to reduce GHG emissions intensity are part of the wider strategy to produce copper as efficiently as possible.

The primary climate-related risks identified by KAZ Minerals are presented below. These risks are identified, assessed and managed as part of the Group's wider risk management framework.

Physical risks

Risks	Description and potential impacts	Mitigation
Increasing extremes of temperature	Climate change may result in more extreme levels of heat during the summer months in Kazakhstan and Kyrgyzstan, or very low temperatures during the winter.	<ul style="list-style-type: none">– Health and safety management procedures are in place to address risks arising from both high and low temperatures.– Equipment has been sourced to cope with extremes of temperature. The mining fleet is configured to operate in arctic conditions in the winter months.
	<p>Potential impacts include:</p> <ul style="list-style-type: none">- Risks to employee and contractor health and safety- Increased operating costs to mitigate the impact of high and low temperature extremes- Possible equipment downtime	
Changes in precipitation patterns	<p>Climate change could drive either increases or decreases in precipitation levels in locations in which the Group operates.</p> <p>Decreases in precipitation levels could affect the Group's access to water required for its operations. Increased precipitation, in particular severe downpours, could impact operations by affecting the stability of pit walls, increasing water inflow to underground mines, increasing the risk of subsidence or resulting in the overtopping or erosion of tailings storage facilities.</p>	<ul style="list-style-type: none">– The Group has set itself water efficiency targets to drive improvements in water recycling and efficient use of natural resources.– To manage the risk of disruption to water supplies, the Group seeks to operate only in areas where there is access to sufficient supplies of fresh water.– To manage the risk posed by high levels of precipitation to open pits, underground mines or tailings storage facilities, the Group employs technology to monitor water inflow and wall movements.– Tailings storage facilities are subject to annual independent review and stability certification.

Increase in severe wind speeds

Severe storms or wind could result in physical damage to the Group's production facilities and reduce copper output over the short term if it is necessary to suspend operations.

– As the Group operates in areas of periodic high wind speeds, its production facilities are designed to withstand storm damage.

Transition risks

Risks	Description and potential impacts	Mitigation
Transition to lower emissions technology	Kazakhstan's plans to reach net zero carbon emissions will result in an increasing proportion of renewable power generation in the local power grid, which may result in higher operating costs. Additionally, the Group may incur higher capital investment costs in order to reduce GHG emissions from its mining fleet.	<ul style="list-style-type: none">– The Group has set itself a GHG emissions intensity target which incentivises energy efficiency and minimising the power used per tonne of ore processed.– During 2023, KAZ Minerals made investments into hydro power stations in Kazakhstan, which will enable the Group to participate in the growth of the low carbon energy sector.
GHG emissions pricing	An expansion of the Emissions Trading Scheme in Kazakhstan, or higher GHG emissions pricing, could result in higher operating costs for the Group.	<ul style="list-style-type: none">– The Group has begun to apply an internal cost of carbon when assessing new capital investments, which encourages the use of lower carbon technologies.
Increase in negative stakeholder sentiment towards the sector	Stigmatisation of the mining sector may result in reduced access to capital markets. Reputational damage to the sector as a whole could be exacerbated by environmental issues, such as tailings dam failures, high GHG emissions or high water consumption.	<ul style="list-style-type: none">– KAZ Minerals has a well-established process to report its environmental impacts.– There is ongoing dialogue with lenders and other stakeholders to explain how the Group's strategy helps support the transition to a lower carbon economy.

Waste

The Group is committed to the responsible management of mineral waste and other waste products, as set out in its Environmental Policy. The Group HSS Committee is responsible for monitoring waste management. The General Directors of the Group's operations are responsible for waste management at a site level.

Waste rock by asset (Mt)	2023	2022
Aktogay	14.1	4.4
Bozshakol	15.7	9.5
East Region	0.1	-
Bozymchak	5.8	2.2
Total	35.7	16.1
Waste intensity ¹	88.4	42.4

1. kt/kt copper production

During 2023, the Group generated waste rock from the mining of overburden, mainly at its open pit mines at Aktogay, Bozshakol and Bozymchak. The generation of waste rock at Aktogay and Bozshakol is not considered to be a significant stakeholder issue due to the remote locations of the mines, their low strip ratios and their distances from local communities. Waste rock mining in 2023 reflected the volumes of stripping in line with mining

plans. The volume of waste rock mined at Aktogay and Bozshakol increased in 2023 compared with 2022 as in the prior year a greater volume of rock was repurposed for use in roads or embankments and was therefore excluded from the 2022 waste volumes. At Bozymchak, waste rock volumes increased in 2023 as the site transitions from an open pit mine to an underground operation from 2024 onwards.

Tailings by asset (Mt)	2023	2022
Aktogay	53.4	49.5
Bozshakol	32.4	32.3
East Region	1.9	2.1
Bozymchak	1.2	1.2
Total	88.9	85.1
Tailings intensity ¹	220	224

1. kt/kt copper production

Tailings waste increased by 4% in 2023 to 88.9 Mt (2022: 85.1 Mt) in line with ore processing volumes which rose by 4% as the concentrators at Aktogay, Bozshakol and Bozymchak all operated ahead of design capacity. The safe and effective management of tailings waste is a high priority for the Group. Operating procedures are in place for the monitoring and maintenance of tailings storage facilities, including regular inspection and testing of nearby groundwater to detect and maintain structural integrity. The Group periodically arranges for inspections by independent external experts, with all active tailings storage facilities inspected during 2023. KAZ Minerals will seek to align its tailings management and disclosure with the Global Industry Standard on Tailings Management set out

by ICMM, the Principles for Responsible Investment investor network and the United Nations Environment Programme. The Group is required to comply with the laws of the Governments of Kazakhstan and Kyrgyzstan in relation to the licensing, upkeep and maintenance of tailings storage facilities. State authorities regularly inspect the Group's tailings storage facilities to ensure compliance with regulations. One of the Group's lower category tailings storage facilities, which fully complies with local standards, was reassessed under international standards and determined to require additional measures to raise its factor of safety. Ongoing work programmes, supported by appropriate external consultants, are in place to develop the tailings storage facilities in line with future production plans and to address any issues identified.

Water

The Group is committed to reducing water consumption where possible, as set out in its Environmental Policy. The Group HSS Committee is responsible for monitoring water use. The General Directors of the Group's operations are responsible for implementing efficiency initiatives to minimise water consumption at site level.

Sources of water for use in new mining projects are considered in detail prior to commencement of construction and this analysis forms an integral part of any scoping or feasibility study. The KAZ Minerals Projects Division, together with senior management and the Board, considers the availability of fresh water for copper processing

and any likely adverse effect on local communities or the surrounding environment before approving a new development project. All of KAZ Minerals' existing mining and processing sites benefit from access to sufficient fresh water to meet design capacity and none of the Group's operations are located in severely water stressed areas. The Group seeks to conserve and recycle as much water as possible, with the main sources of reusable water being from the tailings storage facilities and mine water inflow. The Aktogay and Bozshakol sulphide concentrators are designed to be efficient in their water consumption and utilise processes to reduce potential losses through evaporation.

Water withdrawal by asset (megalitres)	2023	2022
Aktogay	32,803	28,912
Bozshakol	14,718	19,436
East Region	8,745	8,764
Bozymchak	545	416
Total	56,811	57,528

l. kt/kt copper production

Water withdrawal intensity by asset (m³ per t ore processed)	2023	2022
Aktogay	0.60	0.57
Bozshakol	0.45	0.59
East Region	3.66	3.36
Bozymchak	0.46	0.37
Total	0.63	0.66

Water withdrawal across the Group decreased by 1% during 2023 as Bozshakol achieved a 24% reduction in water usage by consuming a greater proportion of water from the tailings storage facility following the realignment of the pump station in late 2022. Water levels at the facility are now relatively low, and as a result an increase in water withdrawal at Bozshakol is expected in 2024. At Aktogay, water consumption rose by 13%, driven by the 8% increase in ore processed during the year, and a reduction in water recycling from the tailings storage facility due to weather-related factors.

The water withdrawal intensity of the Group's operations, measured as cubic metres per tonne of sulphide ore processed, reduced in 2023 to 0.63 m³/t (2022: 0.66 m³/t), driven by the improvement in water recycling from the tailings storage facility at Bozshakol.

Water withdrawal by source (megalitres)	2023	2022
Surface water	17,937	23,134
Groundwater	38,874	34,394
Total	56,811	57,528

CASE STUDY:
Water treatment technology at the Artemyevsky mine

At KAZ Minerals, we are committed to minimising our environmental impact and optimising our use of natural resources, including water. Consistent with this commitment, in August 2023 the Group commissioned a new water treatment plant at the Artemyevsky mine at East Region. The plant uses a system of reverse osmosis, a highly effective method of water purification on a molecular level, which utilises a pressurised membrane to filter water and other liquids. The process separates dissolved substances and therefore yields pure water. By employing reverse osmosis, the plant treats wastewater from the Artemyevsky mine, resulting in notable environmental benefits. The purified water is reintroduced into the mining process, thereby conserving water resources. Any excess purified water is discharged into a local waterbody, where it does not affect the local flora and fauna due to its purified state. In addition to its environmental advantages, reverse osmosis also offers economic benefits by reducing the need to use chemical

reagents. Furthermore, membrane filters used in reverse osmosis are more efficient than traditional chemical methods of water purification. The head ecologist at the mine, explains the effectiveness of reverse osmosis: 'This method allows us to obtain purified water and is one of the most efficient ways of treating process water at industrial facilities. Reverse osmosis filters effectively remove particles as small as 0.001 to 0.0001 micrometres, including salts, sulphates, nitrates, sodium ions, small molecules, and dyes. The system can remove up to 98% of impurities from the water, making it one of the most promising and widely used methods of water purification. The plant has a capacity of 75 cubic meters per hour or 1,800 cubic meters per day.' By implementing pre-treatment filtration to remove mechanical impurities before subjecting the water to reverse osmosis, the plant achieves stable water quality and reduces the cost of pre-treatment processes. This further enhances the efficiency of the water treatment plant and its overall environmental impact.



Biodiversity

The Group is committed to the protection of biodiversity in the areas which may be affected by its operations and avoids operating in areas with a high biodiversity value. The Group's priority for biodiversity management in recent years has been to mitigate any adverse effect that the development of the major growth projects at Aktogay and Bozshakol could have.

CASE STUDY:

The environment through children's eyes

To celebrate United Nations World Environment Day, as well as to educate children about the importance of nature conservation and foster their creativity, on 5 June 2023 the Aktogay Environmental Department organised a children's competition Табиғат әлемі – балалар көзімен (The Environment through Children's Eyes) in the villages of Aktogay and Kopa. As recently highlighted in a general comment on children's rights and the environment by the United Nations, "children's voices are a powerful global force for environmental protection, and their views add relevant perspectives and experience with respect to decision-making on environmental matters at all levels." The competition, which featured three environmental categories – videos, crafts, and posters – saw the participation of 77 children ranging from 3 to 16 years old. Each child approached the theme in their own unique way, offering diverse perspectives on environmental issues.

Prior to announcing the competition results, the Acting Head of the Environmental Protection Department at Aktogay expressed her gratitude to the children for their participation. She acknowledged the difficulty in evaluating the works due to their exceptional quality and commended the young participants' efforts. Given the significant number of children involved, the department decided to categorise the submissions by age and awarded a range of gifts and prizes to the participants. The award ceremony took place in June at the akimats, the equivalent of mayoral offices, of Aktogay and Kopa. Nurlan Zhetibayev, akim, or mayor, of the village of Kopa, expressed his appreciation on behalf of the akimat and parents, emphasising the importance of such competitions in broadening children's horizons and developing their creative potential. By engaging children through creative activities, they contribute to shaping a generation that cherishes and safeguards our planet.



Mine closure

The Group is committed to rehabilitating mine sites after closure, as is required by law in the countries we operate in. The General Directors of the Group's operations are responsible for compliance with closure and rehabilitation obligations. The Group periodically reviews and updates closure plans for each of its sites, including calculating the likely costs associated with closure. Provisions

are made in the Group's financial statements, representing the discounted value of the estimated costs to decommission and reclaim the mines based on the current estimated life of mine of each deposit. During 2023, capping works at the Nikolayevsky above-ground tailings storage facility continued, after deposition of tailings materials into this facility ceased in 2020.



Environmental permitting and compliance

Environmental permits are granted for the Group's operations, setting annual limits for emissions, water use and water discharge. If levels exceed these limits, charges are applied in proportion to the amount of emissions or usage in excess of the limits. The majority of the charges paid by the Group in 2023 are considered administrative in nature and are not considered fines for breaches of regulations. Excess emissions charges are not related to any potential risk to the environment or safe operation of our tailings storage facilities or other environmental management systems.

Environmental regulation

A new environmental code has been in place in Kazakhstan since 2021. The new code represents a significant modernisation of environmental regulations in Kazakhstan and, through the Mining Association, KAZ Minerals was actively involved in the drafting stages of the new code.

STAKEHOLDERS

Employees

The Group seeks to attract and retain skilled staff by offering safe working conditions, fair remuneration in line with market rates of pay and social benefits packages for its employees and their families.

Policies and due diligence

The Group has a number of policies in place which govern its relationship with employees, including the Code of Fair Employment and the Diversity and Equality Policy. The Group periodically reviews the terms and conditions of employment in its own operations to confirm that the Code of Fair Employment is being fully applied within the Group. Due diligence is conducted on recruits prior to their employment in the Group.

Consultation and communication

Several communication channels are open to employees to make their views known to senior management and the Board. The first point of contact is with an employee's line manager, and in most cases, this is sufficient for addressing employee concerns. The Group generally holds a Direct Line event every year in which the Chair answers questions from employees on a live video feed. Each of the Group's operational divisions has a Head of Employee Relations whose role is to act as a liaison between employees and management. General Directors hold quarterly 'town hall' meetings. Outside of operational or human resources related enquiries, all employees have access to a confidential telephone reporting line ('Speak Up') which can be used to raise ethical

concerns, including any concerns related to bribery and corruption. KAZ Minerals respects the right to freedom of association, and we consult with our employees and trade unions about changes to our business and employment conditions. All employees are entitled to join a union of their choice. At 31 December 2023, 59% of the Group's employees belonged to one of three trade unions active in the mining industry in Kazakhstan (2022: 60%). The Group uses a number of channels to communicate with its staff including websites, intranet sites, WhatsApp message groups, a corporate newsletter, TV news, a YouTube channel and a corporate podcast. Each of these communication channels has certain strengths which are suitable in different scenarios.



Primary channels of communication and consultation

1. Direct Line

The Chair, Oleg Novachuk, generally conducts a question and answer session with employees, known as the Direct Line, each year. Any employee, regardless of location or seniority is able to ask questions via videoconferencing or by email.

The Direct Line has become an important tool of communication between employees and the leadership. By creating an honest and open dialogue, the leadership team is able to receive feedback, to get to know their employees better, and to take measures to improve the working environment.

The Group's senior leadership wants to ensure that all of its employees know what is happening across KAZ Minerals and that they can give their opinions and suggestions. The Direct Line has enabled employees to voice their opinions, to get their opinions heard, and to be confident that their opinions will be taken seriously. This initiative has grown significantly since its launch in 2015. The audience has increased since then, with an improvement in video quality and expanded coverage, including direct translation into Kazakh, Russian and English. Topics of conversation cover both day-to-day concerns, including wages and organisational matters, as well as strategic matters such as the Group's plans for the future, labour relations and corporate values.

Over the years, the Direct Line's influence has resulted in a number of employee-driven changes in KAZ Minerals – from the construction of new sports and leisure facilities at the Group's operations and parks in rotational camps, to the alteration of procurement procedures.

2. Speak Up

Outside of operational or human resources related enquiries, all employees have access to a confidential telephone reporting line ('Speak Up') which can be used to raise ethical concerns, including any concerns related to bribery and corruption. All Speak Up reports are investigated, and the Audit Committee receives regular updates on issues raised. KAZ Minerals is dedicated to cultivating an atmosphere of transparency in all its operations and ensuring the highest standards of integrity. The Speak Up policy encourages every employee to raise any concerns about any incidents of malpractice and misconduct.

3. Corporate newspaper

KAZ Minerals publishes a quarterly newspaper for its employees, which is available online and in print format. The purpose of the corporate newspaper is to keep the workforce up to date with events and developments across the Group, with news from different sites.

4. Intranet

The Group maintains an intranet, accessible to employees, where users can share information and resources. It is used to post announcements, updates and reminders, and provides the Group with improved efficiency as well as better collaboration and communication.

5. YouTube channel

KAZ Minerals has its own YouTube channel, it is a powerful tool for us to communicate with our employees, as well as with a wide audience of stakeholders. With an ever-growing audience, our YouTube channel is a useful platform to showcase our business activity and progress.



Pay and benefits

We aim to provide fair remuneration to our employees and to incentivise safety and productivity. The remuneration of operational employees and divisional managers comprises base pay plus a discretionary award linked to safety and health performance and production targets. Divisional manager remuneration also typically includes an element of discretionary bonus linked to corporate values, production efficiency and cost control. The Group takes measures to align wage increases with inflation in living costs, in particular for employees with lower salaries. All employees are paid above both the minimum wage and the living wage, as defined by the Government of Kazakhstan. In accordance with regulations in Kazakhstan and our employee agreements, we make payments to current and former employees for illness and disability sustained at the Group's operations.

Attracting and retaining skilled employees

Employee turnover is actively managed at each of the Group's operations and by the Human Resources team. The retention of skilled staff has been a key factor in the successful development of the Group's assets at Aktogay and Bozshakol, and in the wider Group's continued operational success. During the ramp-up of the second sulphide concentrator at Aktogay, the Group benefited greatly from deep institutional knowledge of the operation of our concentrators and learnings garnered from the ramp-ups of the first sulphide concentrators at both Aktogay and Bozshakol. When employees leave the Group, exit interviews are conducted to collect feedback.

A Leadership Development Programme is in place to identify potential future leaders so that support in the form of training and mentoring can be offered. Potential successors are identified for key positions and individual development plans are created to support those identified. There are currently more than 244 employees enrolled in individual development plans across Aktogay, Bozshakol and East Region. Part of the annual assessment process for expatriate employees considers how well they have been mentoring, coaching and training their local successors. Progress towards promotion or continued development is reviewed quarterly and annually in year-end reviews.

Training and development

Professional development is one of the Group's five corporate values. KAZ Minerals is committed to ensuring that employees continue their professional development, with the aim of increasing productivity, efficiency and safety. The Group takes a long-term view of building capabilities and leadership qualities amongst its staff, which is viewed as critical to its growth strategy. In 2023, employees each received an average of 63 hours of training (2022: 61 hours), which typically consisted of 42 hours of safety training, 17 hours of professional education and four hours of additional education. In addition, operational training includes a significant safety and health component that is not recorded separately as safety and health training. Topics include the safe operation of machinery and vehicles, electrical and fire safety, labour protection training, physical fitness and professional development.



CASE STUDY: Developing the next generation: scholarships, internships, employment

KAZ Minerals recognises the importance of providing opportunities to the next generation of mining professionals, and over recent years, Bozshakol has allocated educational grants to promising students specialising in technical subjects at Toraigyrovo University and Karaganda State Technical University. The educational grant programme covers full tuition fees throughout the students' university studies and provides a monthly stipend for their living expenses. Additionally, the Group organises mentoring sessions and workshops to enhance the students' professional skills and prepare them for future careers in the mining industry. After successfully completing their studies, these graduates have the opportunity to join the Group as interns, gaining hands-on experience in real-world mining operations. The interns work side by side with experienced professionals, learning various aspects of the mining process and gaining practical knowledge in their respective fields. The interns programme bridges the gap between academic learning and practical application, allowing interns to apply their theoretical knowledge in a professional setting, prior to transitioning to permanent roles within the Group. The intern recruitment project is not only effective in

identifying and nurturing talent, but it also provides students with valuable insights into our Group's structure, values, training programmes, technologies and equipment. At KAZ Minerals, we strongly believe in investing in the young generation and giving them opportunities to develop their skills and knowledge. By offering educational grants and internship programmes, we contribute to the growth and development of local talent in the mining industry. A trainee engineer for automated production management systems has benefited from the internship programme, commenting, "I was very impressed when I came to Bozshakol. I liked everything here. I liked the fact that the company pays a lot of attention to the safety of employees. When I started working with a mentor, it became even more interesting for me, as they explained the technological process and showed how everything works. I am glad that there is an opportunity to work and develop at such a great company." As our interns embark on their journeys in the mining industry, they bring with them enthusiasm and a strong desire to make a meaningful impact. With guidance and support, they are well-positioned to excel in their careers and become future leaders in the mining industry.



Diversity and equality

Our goals are to employ a skilled workforce that reflects the demographic of the countries in which we operate and to create a positive, supportive and inclusive culture. The Group has established procedures to ensure that there are no instances of discrimination on the basis of age, gender, race, nationality, ethnic origin, family situation, maternity, paternity or disability. Any reports of discrimination or harassment are investigated. In line with the Group's corporate values, we seek to select, recruit and promote employees based on merit. We give equal access to training and career development opportunities appropriate for every employee's level of experience and potential. We aim to develop the expertise required for our operations in our existing workforce, recruiting locally where possible. The Leadership Development Programme focuses on the training and development of national employees to fill key positions in the future. Across the Group at 31 December 2023, 98% of permanent employees were nationals of our countries of operation.

Suppliers

The Group's supply chain includes contractors and suppliers providing labour, energy, transport, smelting, equipment, raw materials and consumables required for the production and sale of copper and other by-products. In 2023, a total of 116 contracting firms worked at the Group's underground mines in the East Region and a further 409 firms were employed at the open pit mines at Aktogay and Bozshakol, employing around 17,000 contractors' employees at our sites.

Ethics, compliance, anti-bribery and corruption

Integrity is one of the Group's five corporate values. The Board is responsible for overseeing the Group's approach to ethics and compliance and is committed to maintaining the highest standards. The Group's Anti-Bribery and Corruption Compliance Programme has been developed in line with the requirements of the UK Bribery Act 2010 across all operations, with relevant clauses included as part of the Group's standard terms and conditions with suppliers since 2011. The Group maintains an anonymous reporting facility ('Speak Up') to encourage employees to report any concerns regarding breaches of ethics and the reports are reviewed regularly by the Audit Committee. A risk assessment is used to identify the categories of employees requiring training in anti-bribery and corruption. This includes employees working in procurement, sales, finance and general management and individuals who interact with government or regulatory bodies.

Suppliers' Charter

KAZ Minerals is committed to high standards of corporate social responsibility. To ensure that our suppliers understand the standards we require of them, we established the KAZ Minerals Suppliers' Charter. The Suppliers' Charter sets out the Group's expectation in the areas of anti-bribery and corruption, employee wellbeing, environmental responsibility, community relations and human rights. Suppliers

In circumstances where specialist skills are required, we draw on international expertise with a view to transferring knowledge and experience in the medium to long term. The number of expatriates at the Group's operations is limited and they are largely employed at Aktogay and Bozshakol working alongside local teams. KAZ Minerals is committed to offering equality of opportunity to all current and potential future employees. The Group has a relatively high proportion of female representation in its workforce when benchmarked against the industry average of major mining companies, at 20% of total employees. This is reflected at the senior management level, where 28% of employees are female. The Group is working to increase the proportion of female employees at all levels and offers up to three years of maternity or paternity leave and re-induction training for employees returning from leave. We regularly review salaries to check for equality of pay in equivalent roles to ensure that a gender pay gap does not emerge.

are encouraged to report all suspected or actual breaches of the principles set out in the Suppliers' Charter to KAZ Minerals management or by using the anonymous Speak Up system. All suppliers are required to make a commitment to uphold the standards set out in the Suppliers' Charter as a condition of starting or continuing to work with KAZ Minerals. The Group also conducts a separate due diligence exercise on new suppliers to ensure that we only work with suppliers who meet our standards. The Group's Environmental Policy includes a commitment to reduce waste, prevent pollution and minimise the overall impact of the Group's activities on the environment. The Suppliers' Charter includes commitments from our suppliers to: (i) comply with local environmental protection regulations and implement the necessary actions to limit the impact of their activities on the environment; (ii) promote greater environmental responsibility and the use of goods and services which might help to mitigate our environmental impact, as well as better manage and utilise resources such as energy, paper, water and waste; and (iii) promote the development and distribution of environmentally friendly technologies.

Code of Fair Employment

The Group established a Code of Fair Employment which sets out the standards it expects to be upheld in relation to its own employees as well as the employees of suppliers or contractors to the Group. As part of the Suppliers' Charter, suppliers are also required to agree to the terms of the Code of Fair Employment. The Code of Fair Employment can be viewed on the Group's website and contains commitments to prevent forced or involuntary labour, human trafficking, child and illegal labour and inhumane treatment. The retention of passports or identification documents, taking of deposits, restrictions on freedom of movement and the charging of recruitment fees to workers are forbidden. All employees must have contracts of employment, be paid above the legal minimum wage, be treated equally and have access to adequate grievance procedures. The Group is committed to the prevention of modern slavery and human trafficking in its supply chain and publishes an annual statement, approved by the Board, in accordance with the UK Modern Slavery Act 2015.

Supply chain monitoring

In 2023, supply chain monitoring training was provided to 3,777 employees, including to individuals from procurement teams and to managers involved in the supervision of contractors. The aim of the training was to raise awareness of the standards contained within the Suppliers' Charter, in particular those relating to modern slavery

and human trafficking. Staff are expected to monitor suppliers and contractors to prevent instances of modern slavery in the Group's supply chain and to report any suspected breaches of the Group's policies through the appropriate channels.

Modern Slavery Act 2015

The Board recognises the importance of the provisions of the UK Modern Slavery Act 2015 and the Directors aim to ensure that slavery and human trafficking have no part in the Group's supply chain. The Group has always been vigilant about employee welfare and aims to be transparent in its practices. The Group's Code of Fair Employment sets out its stance in relation to forced or involuntary labour, human trafficking, child and illegal labour and inhumane treatment, and this can be found on the Group's website. The Human Resources department periodically conducts a Group-wide review to check internal compliance with the Code of Fair Employment and no instances of any breaches have been identified. Risk assessments of the Group's major contractors and suppliers are carried out to identify those with a higher potential risk of modern slavery. General Directors at each of the Group's operations are required to confirm they have reported any conditions which could

indicate modern slavery amongst contractors' staff working at KAZ Minerals' sites or confirm that no such conditions were observed. Relevant staff were trained during the year to raise awareness of modern slavery issues, with a particular focus on management and contractors working on our construction sites. Employees are encouraged to report any instance or suspected occurrence of modern slavery or human trafficking in the supply chain to management or through the Group's Speak Up reporting facility. Our Suppliers' Charter sets out our expectations of our suppliers in relation to their treatment of their workers to ensure they are committed to employment practices which are acceptable to us. Under our standard terms of business our customers and suppliers agree to comply with the principles of the Code of Fair Employment and the Suppliers' Charter and to ensure there is no modern slavery within their operations.



Human rights

KAZ Minerals acknowledges that human rights are basic rights that form the foundation for freedom, justice and peace, which apply equally and universally in all countries. We are guided by our Human Rights Policy which has been approved by the Board and can be found on our website. KAZ Minerals supports human rights that are defined, recognised and identified in international conventions. We follow the international human rights principles encompassed in the Universal Declaration of Human Rights and adopt the United Nations Guiding Principles on Business and Human Rights. As set out in our Code of Fair Employment, we commit to our employees working in an environment and under conditions that respect their rights, and we require the same standards from our business partners. We respect the right to freedom of association and consult our employees and trade unions about proposed changes to our business and employment conditions. Through due diligence we aim to prevent and mitigate any infringement of human rights both internally and amongst our business partners. Due diligence undertaken in pursuance of the Group's Human Rights Policy includes consultation with local communities during project development, or any major operational changes that may affect them, and monitoring of working conditions for our own employees and the employees of contractors and suppliers, as described above. We respect and protect local heritage and culture.

Communities

KAZ Minerals is committed to promoting community development and maintaining lines of communication with communities near its operations and potential new projects. The General Directors of the Group's operations have overall responsibility for community relations in their respective areas.

Indigenous peoples and resettlement

The Group's commitment to respecting the rights of indigenous peoples and its approach to resettlement are included in its Human Rights Policy. The areas in which the Group has operated or developed new mining projects historically have been sparsely populated and the resettlement of indigenous populations has not been necessary. It is unlikely that future projects will require resettlement, but the Group will always seek to avoid involuntary resettlement and is committed to the protection of culturally sensitive areas.

Under the terms of subsoil use law in Kazakhstan, the Group is required to give preference to Kazakhstan nationals during the performance of subsoil use operations and to invest in the training of local workers.



CASE STUDY: Digital technology in educational settings

KAZ Minerals has longstanding relationships with educational institutions in the communities around its operations, and during 2023 Aktogay delivered a project to upgrade the digital technologies available in schools and a polytechnic college in the settlements of Aktogay, Kopa, Tansa and Ayagoz. This new equipment included computers, interactive whiteboards, desks, flip charts, and other necessary equipment. Additionally, Ayagoz Polytechnic College has obtained equipment specifically for IT, welding and locksmithing, electrical and instrumentation classes. Previously, these four educational institutions lacked proper IT equipment and had outdated school desks. However, following this project, students are now being taught according to the latest approved programmes established by the Department of Education of Kazakhstan. As digital technologies become more prevalent throughout the workplace and wider economy, early exposure in educational will be invaluable to young students. The Head of the Education Department of Ayagoz district, Nurgali Azimbayev, acknowledged the substantial support received from Aktogay, emphasising the importance of providing schools with modern classrooms for quality education. He highlighted the progress made in computerisation over the past few years and emphasised the need for regular upgrades to sustain the efficiency of the equipment.

Gulzipa Kesikbayeva, the director of a secondary school in the Aktogay village, praised the positive impact of this project on students' academic performance and the quality of education, noting that "the advancement of technology has greatly benefited the academic performance and quality of education for our children. With the rise of computers and interactive whiteboards, our young students have become proficient at navigating these digital tools. In the past, only a select few had access to computer science classes in our school due to limited resources and slow internet connectivity. However, we have made remarkable progress in this area, now providing 430 children with access to our computer science program. As we recognise the significance of information technology in today's world, we strive to create optimal conditions and provide essential equipment to ensure that our students excel in their chosen professions and are empowered to pursue independent education."

KAZ Minerals is dedicated to making a positive impact in communities across Kazakhstan and equipping the younger generation with the tools for success. Projects such as this demonstrate the Group's ongoing commitment to improving educational opportunities. This project not only aims to enhance the present educational landscape but also establishes a solid foundation for future development and prosperity in the region.



CASE STUDY: Engagement with the local community

Aktogay

KAZ Minerals maintains open and transparent communication with the communities around its operations throughout all stages in the lifecycle of its projects. In order to enhance its collaboration with the residents of the Aktogay village and other local areas, in November 2023, KAZ Minerals celebrated the opening of its Local Community Engagement Office in Aktogay. The event was attended by the residents of the Aktogay village as well as representatives from the local government authorities and from the Aktogay site. This marked a significant milestone in the Group's ongoing efforts to maintain effective connections with local communities. The head of the department responsible for community engagement explained the role of the newly opened office: "The primary objective of this department is to maintain open lines of communication between the local population and the Group. By doing so, the Group aims to understand the issues and concerns faced by the community and identify areas where it can provide support."

The location of the office within the Aktogay village town hall was chosen as it is at the centre of the community, and it enables the office to serve as a dedicated space for residents to get information and seek assistance. Whether it be inquiring about employment opportunities within KAZ Minerals or discussing matters related to the company's activities, the office ensures accessibility and responsiveness to the needs of the community.

The General Director of KAZ Minerals Aktogay, recognises the value of engaging with local communities. In his statement during the opening ceremony, he noted, "working with the local communities is a very valuable part of what we do. It's an investment into the future." This emphasises KAZ Minerals' understanding that community engagement is not just a responsibility but an opportunity to contribute to the sustainable growth and success of both the company and the community.

Bozymchak

In 2023, the Group delivered a range of investments focused on improving healthcare facilities, enhancing infrastructure, enriching education opportunities, fostering cultural development and supporting local sports initiatives. These initiatives included repairing and equipping local schools with double-glazed windows and doors for better insulation and energy efficiency and providing technical equipment for the laboratory of the Kyrgyz Technical University based in Bishkek, which helps students specialising in mining acquire practical skills. Additionally, the Group purchased educational materials for children's pre-school summer camps and construction materials for an ethnographic centre, as well as investing in medical equipment for the local hospital to provide enhanced healthcare services for the community. Beyond these annual projects, Bozymchak engages in ongoing initiatives that benefit the community. School children are provided with foreign language courses, empowering them with valuable linguistic skills. Scholarships are provided to talented individuals, enabling them to pursue higher education

and achieve their full potential across a range of disciplines, including mining, education and healthcare. Additionally, transport is arranged for children in remote villages during the winter months ensuring their access to education remains uninterrupted despite adverse weather conditions.

The Group also understands the importance of celebrating public and national holidays to maintain and enhance a sense of community. Bozymchak management organises events to celebrate occasions such as the New Year, International Women's Day, and the Independence Day of Kyrgyzstan. These celebrations bring the community together, fostering a sense of unity and pride.

By actively engaging with the local community, Bozymchak demonstrates a commitment to their development and well-being, and the Group firmly believes that our success as a company is intertwined with the success of the communities we operate in. Together, through collaboration and investment, Bozymchak is working to foster sustainable growth and create a brighter future for all.



Social projects and local procurement

KAZ Minerals is committed to supporting social projects in its countries of operation and in 2023 the Group made cash and in-kind investments of \$36 million into such projects.

The Group has a social investment policy which sets out its aims and objectives. The types of projects the Group seeks to support are: (i) projects local to the Group's operations in the areas of healthcare, education, infrastructure, culture and sport; (ii) national projects in the Group's countries of operation also in the areas of healthcare, education, infrastructure, culture and sport; and (iii) projects to promote the culture and economic profile of the Group's countries of operation.

During 2023, the Group funded projects to construct a school in the Abay region of Kazakhstan, repair roads between the villages near the Aktogay site, perform repairs and maintenance at a railway station in Pavlodar and construct a cultural centre for children in Ekibastuz.

The Group prioritises local procurement to assist diverse economic growth within Kazakhstan. In the East Region, local procurement was 63% of total spend (2022: 60%). The level of procurement from outside Kazakhstan at Aktogay and Bozshakol in 2023 was 60% and 53% respectively. This is because these mines employ modern technology that is often only possible to source internationally.

CASE STUDY: Equipment for visually impaired children

During 2023, KAZ Minerals made a donation of medical equipment to a specialised nursery-kindergarten in Astana which caters to visually impaired children, as part of the Group's wider aim to make social investments into institutions which deliver improved healthcare outcomes in Kazakhstan. The new equipment that will greatly benefit the 135 children attending the nursery-kindergarten, who are aged between 2 and 6 years old and have varying degrees of visual impairment.

The children have been diagnosed with various conditions such as hyperopia, astigmatism, strabismus, and other congenital pathologies, including rare cases of cancer, retinopathy of prematurity, and optic nerve atrophy. The nursery-kindergarten is one of only two institutions in the Kazakhstani capital which provides medical, restorative, and pedagogical assistance to visually impaired children.

To enhance the effectiveness of treatment, a state-of-the-art macular tester was purchased with the help of KAZ Minerals and installed in the institution. This device allows for the diagnosis and treatment of amblyopia and decreased visual acuity.

Ophthalmologist Alena Klenova, who works in the nursery-kindergarten, has praised the benefits of the new device. She explains that it enables painless and effective treatment procedures for children.

While the nursery-kindergarten already has other devices for the complex treatment of visual impairments, the addition of the new macular tester allows for specific and targeted treatment of amblyopia. Given the large number of children with severe pathologies, having access to this equipment on a daily basis is highly beneficial.



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<p>\$ or US\$ United States dollar; the currency of the United States of America</p> <p>Board or Board of Directors the Board of Directors of the Company</p> <p>Chair Oleg Novachuk</p> <p>Chair of the Group Vladimir Kim</p> <p>CO₂ carbon dioxide</p> <p>CO₂-e carbon dioxide equivalent</p> <p>Committee or Committees any or all of the Audit; Health, Safety and Sustainability; Remuneration; and Nomination committees depending on the context in which the reference is used</p> <p>Company or KAZ Minerals KAZ Minerals Limited</p> <p>Direct Line a question and answer session with employees annually conducted by the Chair; Oleg Novachuk</p> <p>Directors the Directors of the Company</p> <p>General Directors the heads of the Group's operations at Aktogay, Bozshakol, East Region and Bozymchak</p> <p>GHG greenhouse gas</p>	<p>GHG Protocol Greenhouse Gas Protocol, an initiative managed by the World Resources Institute and World Business Council for Sustainable Development</p> <p>g/t grammes per metric tonne</p> <p>Group KAZ Minerals Limited and its subsidiary companies</p> <p>HSS Health, Safety and Sustainability</p> <p>ICMM International Council on Mining and Metals</p> <p>Kazakhstan the Republic of Kazakhstan</p> <p>KAZRC The Kazakhstan Code for the public reporting of Exploration Results, Mineral Reserves and Mineral Resources, which sets out minimum requirements for public reporting by Kazakhstan mining and exploration companies</p> <p>Koz thousand ounces</p> <p>kt thousand metric tonnes</p> <p>Kyrgyzstan the Kyrgyz Republic</p> <p>KZT or tenge the official currency of the Republic of Kazakhstan</p> <p>lb pound unit of weight</p>

GLOSSARY	
<p>Leadership Development Programme a programme to identify future leaders so that training and mentoring can be provided</p> <p>megalitre thousand cubic metres</p> <p>Mt million metric tonnes</p> <p>ounce or oz a troy ounce, which equates to 31.1035 grammes</p> <p>PJ a standard unit of energy, work and heat equal to 1015 joules</p> <p>Recordable Case a Recordable Injury case or a Recordable Disease case</p> <p>Recordable Disease a new disease in the categories of occupational respiratory disorders, occupational hearing loss, musculoskeletal disorders, occupational cancers and other occupational medical disorders</p> <p>Recordable Injury a new occupational injury of sufficient severity that it requires medical treatment beyond first aid or results in the worker's inability to perform his or her routine function on the next calendar day</p> <p>Restructuring the transfer of the mining, processing, auxiliary, transportation and heat and power assets of the Group in the Zhezkazgan and Central Regions of Kazakhstan to Kazakhmys Holding Group, which was approved by shareholders at the General Meeting on 15 August 2014 and completed on 31 October 2014. The assets transferred included 12 copper mines, mine development opportunities, four concentrators, two smelters, two coal mines and three captive heat and power stations</p>	<p>\$/t US dollars per metric tonne</p> <p>Scope 1 emissions direct greenhouse gas emissions from sources that are owned by the Group</p> <p>Scope 2 emissions indirect greenhouse gas emissions from consumption of purchased electricity, heat or steam</p> <p>KGS or som the official currency of the Kyrgyz Republic</p> <p>Speak Up the Group's confidential whistleblowing arrangements</p> <p>TCFD Task Force on Climate-Related Financial Disclosures</p> <p>TJ a standard unit of energy, work and heat equal to 1012 joules</p> <p>Total Recordable Cases Frequency Rate the number of Recordable Cases occurring per million hours worked</p> <p>TRI Total Recordable Injury Frequency Rate or TRIFR the number of Recordable Injuries occurring per million hours worked</p> <p>UK United Kingdom</p> <p>US United States of America</p> <p>USc/lb US cents per pound</p>

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