

**SUSTAINABILITY REPORT OF
NMMC JSC FOR 2023**

**TRANSFORMATION
IN ACTION**

Navoi – 2024

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Key events of 2023

Month	Brief description of the event	Link to the website of news source
December	At HMP-5, a pilot plant for filtration, drying, and roasting of products was launched to improve gold recovery during ore processing.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1666-na-gidrometallurgicheskoy-zavode-5-zapushena-novaya-ustanovka/
	The Northern Mine Unit of NMMC JSC was awarded 3rd place in the nomination “The Most Active District Organisation in Ensuring Gender Equality” of the “Gender Equality Activist” contest.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1686-samaya-aktivnaya-raionnaya-organizatsiya-v-obespechenii-gendernogo-ravenstva/
November	On November 27, the 11th MINEX Eurasia Conference on “Sustainable Mining in Armenia, Mongolia, Kazakhstan, Kyrgyzstan, and Uzbekistan” was held in London (UK) where the Company's representatives participated.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1653-predstaviteli-kombinata-prinyali-uchastie-v-konferencii-minex-eurasia/
	To ensure openness and transparency of NMMC's activities and increase the legal awareness and employee culture of anti-corruption, the “Anti-Corruption Month” was held in November-December 2023.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1647-na-kombinate-sostoyalsya-den-otkrytyx-dverei/
	On November 17, a festive celebration dedicated to the 65th anniversary of the formation of Navoi Mining and Metallurgical Company was held in the Palace of Culture “Farhad” in Navoi.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1642-v-gorode-navoi-otmetili-65-letie-ngmk/
	The President of the Republic of Uzbekistan congratulated the teams of NMMC JSC and Navoiuran SOE.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1641-pozdravlenie-prezidenta-respubliki-uzbekistan/
	In accordance with the Decree of the President of the Republic of Uzbekistan “On awarding a group of advanced workers in connection with the 65th anniversary of the formation of the joint-stock company “Navoi Mining and Metallurgical Combine” dated 16 November 2023, a group of employees of NMMC was awarded with high state awards.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1674-vstrechi-s-laureatami-gosudarstvennyx-nagrad/
	Within the framework of the 17th International Exhibition “Mining, Metallurgy and Metalworking - MiningMetals	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1674-vstrechi-s-laureatami-gosudarstvennyx-nagrad/

	Uzbekistan 2023”, the 5th International Mining and Metallurgical Forum of Uzbekistan (UIMF 2023) was held in Tashkent, in which NMMC acted as a general partner.	press-releases/1627-predstaviteli-kombinata-uchastvuyut-v-mejdunarodnom-forume/
October	Within the framework of one of the largest events in the sphere of ICT "ICT Week Uzbekistan – 2023”, which was held in Tashkent, among state organizations and economic management bodies, actively participating in the development of the “digital government” and showing effective results in the field of digitalization, NMMC was awarded in the nomination “Best economic body for the introduction of digital government”. “The best economic body for the implementation of digital technologies”.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1614-kombinat-nagrajden-na-nedele-ikt-ictweek-uzbekistan-2023/
	On October 1-3 in Navoi city for the management of NMMC, heads of mining units, heads of departments and divisions of the Company, management of NMMC Fund SI and Navoi State Mining and Technology University there was held a training aimed at forming a set of theoretical and methodological knowledge of the basics of strategy (development and implementation of strategies) and strategic management of mining and metallurgical enterprise.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1580-rukovodstvo-kombinata-obuchaetsya-osnovam-strategicheskogo-upravleniya/
September	International think tank Kitco (Canada) announced the list of Top 10 largest companies in the world for gold production in the first half of 2023. According to this list, NMMC ranked 5th and became one of the world's leading gold producers.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1551-ngmk-odin-iz-mirovyx-liderov-po-proizvodstvu-zolota/
	On September 6, 2023, a ceremony was held in Tamdyn district to mark the commissioning of a modern 504-seat specialized boarding school built by NMMC.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1547-sdana-v-ekspluataciyu-specializirovannaya-shkola-internat/
	The results of the ranking of the state of digital transformation of state organizations have been announced. The NMMC with a score of 95.26% took the first place among the economic management bodies in this ranking.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1545-obyavleny-rezultaty-reitinga-sostoyaniya-cifrovoi-transformacii-gosorganizacii/
June	The LBMA (London Bullion Market Association) has awarded NMMC with a certificate confirming that it has successfully passed another round of tests for full compliance with market requirements.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1480-ngmk-vnov-podtverdil-mirovoe-kachestvo-proizvodimogo-zolota/
	International analytical center Kitco (Canada) announced the list of Top 10 largest mines in 2022. According to this list, Muruntau mine became one of the world leaders in gold production last year.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1471-rudnik-muruntau-stal-odnim-iz-mirovyx-liderov-po-dobyche-zolota-v-2022-godu/

	On June 8, the first mill unit of Hydrometallurgical Plant No. 6 at Pistali deposit located in Nurata district was launched.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1470-na-gmz-6-zapushen-pervyi-melnichnyi-blok/
May	A conference of the labor collective of NMMC JSC was held in the NMMC Department. The conference discussed the implementation of the current Collective Agreement for 2022, as well as amendments and additions to the Collective Agreement based on the requirements of the Labor Code of the Republic of Uzbekistan, which came into force on April 30, 2023, and other issues.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1453-v-kollektivnyi-dogovor-vneseny-izmeneniya-i-dopolneniya-/
	On May 19 in the Palace of Culture “Farhad” in Navoi city was held a celebration dedicated to the Day of workers of mining and metallurgical industry of the Republic of Uzbekistan.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1444-v-gorode-navoi-otmetili-den-rabotnikov-gornoi-i-metallurgicheskoi-promyshlennosti/
	On May 16, the 32nd Annual Meeting of the Board of Governors of the European Bank for Reconstruction and Development was held in Samarkand. As part of the meeting, a business forum was held, which was attended by representatives of NMMC.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1438-predstaviteli-ngmk-uchastvuyut-v-mejdunarodnom-biznes-forume/
April	On April 24-26, the International Industrial Exhibition “INNOPROM. Central Asia 2023”, in which NMMC representatives participated.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1406-predstaviteli-kombinata-uchastvuyut-v-mejdunarodnoi-promyshlennoi-vystavke/
	Chairman of the Senate of Oliy Majlis of the Republic of Uzbekistan Tanzila Narbayeva visited NMMC during her visit to Navoi region on April 12.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1397-predsedatel-senata-olii-majlisa-vstretilas-s-sotrudnikami-ngmk/
March	On March 31, 2023 in the museum “History of NMMC” in the city of Navoi for representatives of mass media and journalists a press conference on the results of NMMC JSC for the year 2022 was held.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1384-sostoyalas-press-konferenciya-po-itogam-deyatelnosti-ao-ngmk-za-2022-god/
	In the “Openness Index”, aimed at assessing the efficiency and effectiveness of the conducted work on openness in state bodies and organizations for 2022, NMMC, having scored 76.2 points, showed one of the highest efficiency indicators	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1380-ao-ngmk-udostoen-

	and took 5th place in this index. In terms of joint-stock companies in this index, NMMC took the 1st place among 22 large industrial enterprises and companies.	vysokogo-pokazatelya-v-indekse-otkrytosti-poitogam-2022-goda/
	On March 13, the winners of the “Best Innovative Proposal” contest held in 2022 among young employees of NMMC were awarded at the museum "History of NMMC" in Navoi.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1359-nagrajdeny-pobediteli-konkursa-luchshee-racionalizatorskoe-predlojenie/
	NMMC participated in one of the leading annual international mining conferences and exhibitions PDAC (Prospectors & Developers Association of Canada), taking place March 5-8 in Toronto.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1350-ob-uchastii-ao-ngmk-v-mejdunarodnoi-konferencii-gornoi-otrasli-pdac-v-gorode-toronto-kanada/
February	A unified situational center for production management was launched at Central Mining Unit. The main task of this center, which is located at Hydrometallurgical Plant No. 2, is to fully control, analyze and manage the processes of geological exploration, ore mining, transportation and processing at hydrometallurgical plants.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1336-zapushen-edinyi-situacionnyi-centr/
	A new modern metal melting furnace for 25 tons was put into operation in the Foundry Shop of Navoi Machine Building Plant. The necessary molding equipment for this furnace was manufactured directly at the plant.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1334-ngmk-vvedena-v-ekspluatatsiyu-novaya-metalloplavilnaya-pech-/
	On February 18, the Ministry of Higher Education, Science and Innovation held a solemn ceremony of awarding prizes to compatriots who were awarded various State Prizes by decree of the President of the Republic of Uzbekistan dated December 12, 2022.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1332-vruchena-gosudarstvennaya-premiya-pervoi-stepeni-v-oblasti-nauki-i-texniki/
January	Construction of an international chess school for training world-class athletes on the territory of the Tudakul recreation center in the Kyzyltepinsk district of Navoi region was launched.	База отдыха «Тудакуль» станет Международной шахматной школой - Новости Узбекистана сегодня: nuz.uz
	The first explosion took place at the Pistali deposit located in the territory of Nurata district. Implementation of this project will allow further processing of 4 million tons of ore annually. In the near future, it is planned to produce more than 40 million tons of ore at the Pistali deposit.	https://www.ngmk.uz/ru/press-center/news-and-press-releases/1259-na-mestorojdenii-pistali-sostoyalsya-pervyi-vzryv/

Management message

Kuvandyk Sanakulov

Chairman of the Management Board - General director of Navoi Mining and Metallurgical Company Joint Stock Company, Hero of Uzbekistan

GRI 2-22

Dear shareholders, partners and colleagues!

Navoi Mining and Metallurgical Company Joint Stock Company (NMMC JSC) is the largest industrial enterprise of the Republic of Uzbekistan, which is of strategic importance both for the national economy and the global mining and metallurgical market. We are proud to be one of the leading gold producers in the world, and we realize the responsibility that has been entrusted to us. Our activities contribute to the growth of national welfare, development of key industries and social infrastructure.

We are pleased to present the NMMC JSC Sustainability Report 2023, which reflects our contribution to the economic and social development of the country, as well as our efforts to protect the environment and rationally utilize natural resources.

The year 2023 was a special year for us, as NMMC celebrated its 65th anniversary - an important milestone in the history of the Company and the entire mining and metallurgical industry of Uzbekistan. Throughout these years, our Company has successfully fulfilled its production tasks and actively participated in the development of the country's economy by introducing innovations and advanced technologies. Today, NMMC strives to strengthen its position in the global market and make a meaningful contribution to a sustainable future.

Beginning of the journey: 65 years of NMMC history

The history of NMMC dates back to the mid-twentieth century, when the first large-scale research and development of the Kyzylkum desert subsoil began. In 1952, geologists in Uzbekistan discovered one of the largest uranium deposits near the ancient wells of the caravan route, naming it Uchkuduk. This discovery launched new industrial initiatives, and in 1958 the NMMC was formed to process the uranium reserves found.

Toward transformation

In 2023, our Company continued its purposeful drive towards modernization and transformation, striving to meet the modern challenges and expectations of society. As part of this process, we focus on implementing digital technologies, optimizing production processes and applying advanced management standards. Transformation will enable us to remain competitive and reduce our environmental impact by optimizing resource utilization and improving operational performance.

The combine is constantly looking for new opportunities for growth. NMMC plans to increase gold production by 1.5 times and silver production by 3 times

through modernization and expansion of production facilities. As part of the transformational changes, new structures have been created and a program for 2023-2025 has been launched to improve efficiency and further develop the Company's potential.

Annual performance results

At the end of 2023, NMMC's output reached \$5,708 million, and gold production totaled 2,936 thousand troy ounces.

NMMC transferred \$2,061 million in taxes and mandatory payments to the State Budget of the Republic of Uzbekistan and paid \$1,202 million in dividends attributable to the state share.

Sustainable Development

NMMC supports the principles of sustainable development and implements them in its operations. As part of the state sustainable development strategy project "Uzbekistan-2030", the Company continuously seeks opportunities to introduce environmentally friendly technologies into production processes. In particular, to improve energy efficiency and rational use of resources, programs have been developed for the conservation and optimal use of water resources for the period 2022-2026, as well as a plan to reduce the consumption of fuel and energy resources for 2022-2024.

Ecology

In the process of developing NMMC production, special attention is paid to environmental responsibility. Each year, environmental protection measures are more and more deeply integrated into the Company's operations. As part of the current program of measures, energy-intensive production sites are being actively upgraded and energy-efficient technologies are being introduced. The volume of energy consumption from renewable sources totaled 32.1 thousand GJ. The Company also made significant progress in recycling and reusing 25,062 thousand m³ (25,062 ML) of wastewater for process and irrigation needs.

Our people

Social responsibility to our employees and local communities has always been and remains an important part of NMMC's strategy. In 2023, we continued to support our employees by providing safe and comfortable working conditions. Our team of more than 47,000 people is the foundation of our success, and we emphasize professional development, training and support for each employee.

We have created an effective system for training qualified engineering, technical and labor specialists who can successfully address the key challenges of sustainable development of mining and metallurgical enterprises and increasing output. One of our priorities is to ensure continuous professional growth of employees, formation of a talent pool, professional development and practical skills upgrading.

Occupational health and safety

The safety of our workers is at the core of NMMC's business. In 2023, the Company's priority goal in the field of occupational safety remained the achievement of the zero injury strategy. As part of this goal, the Company systematically conducts inspections to prevent accidents and incidents, as well as performs hazard identification and risk assessment. Based on the results obtained, occupational health and safety requirements are continuously improved and adapted to ensure maximum safety at all levels of production. Thanks to OHS innovations, the company achieved a significant reduction in the number of incidents and closed the year with an LTIFR of 0.21.

Thus, our 2023 Report shows the most important results of our work in the economic, social and environmental areas. We are confident that the current successes and ongoing initiatives will allow NMMC to continue to lead the industry, strengthening its position both nationally and internationally.

A new stage of development and transformation of NMMC

**Yevgeny Antonov,
First Deputy General Director for Transformation, member of the
Management Board of NMMC JSC**

Dear partners and colleagues!

Navoi Mining and Metallurgical Company today is one of the world's largest gold producers, playing a key role in the economy of the Republic of Uzbekistan. It is an innovative production cluster of the mining industry, where the full production cycle is carried out: from exploration of reserves in the subsoil, ore mining and processing to obtaining finished bars of gold of the highest grade. 65 years of successful development have made NMMC one of the world leaders in the industry. But we do not stop at what we have achieved.

NMMC is currently implementing a large-scale transformation program aimed at the long-term further development of NMMC, implementation of modern corporate management methods, increasing competitiveness and expanding production capacity, and improving investment attractiveness.

In 2022, the second phase of the 2023-2025 transformation was approved, which is designed to improve NMMC's performance, and includes six key areas of work:

- resource base development,
- operational efficiency improvements,
- digitalization,
- improvement of investment processes,
- organizational development,
- compliance with ESG principles, and improvement of industrial safety culture.

Resource base development and operational efficiency

The development of NMMC's mineral resource base will ensure the company's long-term supply of raw materials and expand its potential. In this regard, a program is being implemented to increase exploration work and expand the scope of prospecting at new promising deposits.

In 2023, new license areas within a radius of 50-100 kilometers from known fields and processing facilities will be assigned to NMMC, where prospecting and exploration work will be carried out until 2030.

Extensive work is underway to improve the Company's productivity. NMMC plans to increase production by 19.4% to 105 tons of gold per year through 2030. This goal will be achieved through the implementation of strategic investment projects. One of such projects, in particular, is the completion and commissioning of hydrometallurgical plant No. 6, with a capacity of 4 million tons per year, for the extraction and processing of gold-bearing ores of the Pistali deposit, located in the territory of the Nurata district.

Digital Transformation

An important part of NMMC's transformation program is the Digital Transformation Strategy, which involves the development and implementation of a portfolio of digital solutions for the Company's internal processes.

For example, work was carried out to automate processes in the resource planning system (ERP system). As a result, unification of accounting processes and the use of uniform approaches to reflect business transactions under IFRS in all NMMC divisions have been achieved. The automation of reporting will contribute to increasing the transparency of business processes and the quality of management.

A new software solution was implemented to automate procurement activities, which allows for the end-to-end management of procurement operations from the collection of needs to its full closure, including the receipt of goods into the warehouse and the completion of work or services.

Based on the results of the first half of 2023, NMMC was recognized as a leader (95.26%) in the digital transformation assessment rating published by the e-Government Project Management Center.

The digital transformation strategy of NMMC JSC for 2023-2030 includes the introduction of modern digital solutions into the Company's operations in 12 areas (mining management, digital hydrometallurgy, unified mining and geological system, unified maintenance and repair management system).

Support for ESG principles

Long-term value creation and effective risk and opportunity management are ensured by the implementation of ESG principles in the NMMC management model. Sustainable development aspects are integrated into all business processes of the enterprise in three key areas:

- management of environmental impacts associated with the company's production activities,
- managing relationships with all stakeholder groups,
- implementation of a systematic approach to process management and at all stages of decision-making.

We are committed to integrating green technologies into NMMC's production processes. Water conservation and rational use programs have been adopted for the period 2022-2026, as well as a fuel and energy resource conservation plan for the period 2022-2024. Work is underway to implement the Responsible Gold Mining Principles (RGMP).

NMMC is one of the largest workforces in the country. The Company employs about 47 thousand employees of various professions. Social protection and support of our employees, creation of decent working conditions is our constant priority. As part of the transformation program, we are building a talent management system and a performance management system, including training programs through the creation of online platforms.

Measures to improve industrial safety culture have had a positive effect on injury rates. Methodologies for workplace certification and investigation of hidden causes of incidents have been updated. Work is underway to update the emergency notification system.

Further implementation of the transformation program will provide a platform for successful growth and development of NMMC in the long term in the interests of all stakeholders.

NMMC today – with confidence towards the future

EM-MM-000.A

Over a long period of operation, NMMC has been recognized among the world's leading players in the gold mining industry and today is one of the country's key industrial enterprises. NMMC successfully develops and integrates advanced technologies, creates new production capacities. A list of strategic investment projects aimed at further long-term development of the enterprise is being implemented.

Since the independence of the Republic of Uzbekistan, NMMC has entered a new stage of development. Thanks to the modernization of existing enterprises, geological exploration and construction of new facilities, NMMC has achieved significant production success.

In 2023, NMMC produced and sold gold worth \$5,708 million (an increase of 12% compared to last year). During the year, 2,936 thousand troy ounces of gold were produced.

NMMC paid \$2,060 million in taxes and mandatory payments to the State Budget of the Republic of Uzbekistan, as well as \$1,202 million in dividends to the state share. \$473.5 million were spent under the Investment Program.

As part of the largest investment project, HMP-6 was launched at the Pistali deposit in the Nurata district to process 4 million tons of gold-bearing ore per year. Navoi Machine Building Plant constructed a new building of the assembly shop and launched modern high-performance machine tools, as well as commissioned a modern 25 tons metal melting furnace in the foundry shop of the plant. A unified situation centre for production control was launched at HMP-2. More than 80 kilometres of new railway lines connecting the Turbay, Balpantau and Tamdybulak deposits with the hydrometallurgical plants were built.

Within the framework of the Localization Program, localized products worth \$53.6 million were produced, and products worth \$472.5 million were purchased through inter-industry industrial cooperation.

1,445 new jobs were created in connection with the implementation of the Investment Program and the launch of new production facilities. 3,981 employees were hired, including 1,343 under the transfer program from other divisions.

In 2023, the London Bullion Market Association (LBMA) granted Navoi Mining and Metallurgical Combine a certificate confirming the successful completion of the regular tests for full compliance with market requirements.

Table 1. Key indicators of NMMC today

Indicator	2022	2023
Operational indicators		
Gold production, thousand troy ounces	2,830	2,936
Ore production, million tons	67.9	99.3
Ore processing, million tons	97.0	98.6
Total operating reserves of ore, million tons	3,029.9	3,004.2
Financial and economic indicators		
Revenue, \$ million	5,095	5,708
Adjusted EBITDA, \$ million	3,131	3,318
CAPEX, \$ million	825	761
Contributions to the state budget, \$ million	2,185	2,061
Dividends paid, \$ million	1,389	1,202
Sustainable Development Indicators		
<i>Social responsibility</i>		
Volume of social payments, including the cost of maintaining health care facilities, \$ million	1	1
Average number of employees, people	45,696	46,220
Total number of employees hired, people	3,747	3,987
Number of new jobs created, units	2,095	1,445
At the expense of the Company, people are studying in the universities of the Republic of Uzbekistan.	292	279
Employee turnover, %	5.1	2.9
Salary payments, \$ million	374	472
Charity and sponsorship, thousands of \$	36,295	79,759
<i>Development of social infrastructure</i>		18,971
Number of implemented patents, units.	8	2
Share of women in total number of employees, %	13	13
Number of employees trained, people	15,051	15,048
Average salary, \$	762	838
<i>Environmental protection</i>		
Energy reduction volume, thousand GJ	204.0	787.5
Planted trees and shrubs, thousand units.	96.1	443.0
Amount of greenhouse gas emission reduction, tons of CO ₂ -eq.	4,207.5	43,259.0
Treated and reused wastewater, thousand m ³ (ML)	3,880.7	4,231.0
Volume of energy consumed from renewable sources, GJ	9,818.9	32,152.9
Total capacity of photovoltaic stations, kW	250	1,450
<i>Occupational health and safety, emergency preparedness</i>		
Number of employees trained in emergency preparedness, thousand people	34.0	18.3
LTIFR	0.68	0.21
Costs of equipping fire safety systems, \$ thousand	257.5	541.7

About the company

Key indicators for 2023
<ul style="list-style-type: none"> • \$2,061 million paid to the state budget. • Gold production amounted to 2,936 thousand troy ounces. • \$1,202 million in dividends paid.
GRI, SASB indicators
GRI 2-1, 2-6

History of NMMC

GRI 2-1

NMMC began operating as an independent Joint Stock Company "Navoi Mining and Metallurgical Plant" on January 1, 2022, at the initiative of the President of the Republic of Uzbekistan, with the aim of introducing modern principles of corporate governance in the industry, increasing competitiveness, expanding production capabilities and attracting foreign direct investment.

NMMC is one of the world's four largest gold producers and plays a strategic role in the economy of Uzbekistan. NMMC is an industrial complex that performs a full production cycle and focuses on the introduction of innovative technologies and continuous technological development.

Navoi Mining and Metallurgical Plant – 65 years of successful development

Table 2. Milestones of development

1958	Establishment of the Navoi Mining and Metallurgical Plant.
1964	Launch of the first hydrometallurgical plant in the city of Navoi and the beginning of uranium ore processing.
1969	A pure gold ingot weighing 11 kg 820 g was obtained from the Muruntau deposit.
1973	NMMC gold has been awarded the state "Quality Mark".
1993	NMMC was awarded the "Diamond Star for Quality" (Brazil) and "Quality Award" (Spain) for the high quality of its products.
1994	NMMC gold has been awarded Best Delivery status – a trusted supplier of the highest quality gold by the London Bullion Market Association.
1995	Navoi State Mining Institute was founded.
1998	NMMC gold has successfully passed certification by the Tokyo Commodity Exchange.
1999	The Zarafshan Construction Department built a railway station in the city of Uchkuduk.
2005	The Central Mining Unit has implemented an integrated management system for the production of precious metals and phosphorite products.

2017	12 NMMC employees were awarded the United Nations World Intellectual Property Organization (WIPO) Gold Medal for Invention for the development and implementation of the "Method for Extracting Gold from Refractory Gold-Arsenic Sulfide Ores".
2019	<p>The London Bullion Market Association (LBMA) has awarded NMMC a certificate confirming that it has successfully passed the latest tests to ensure full compliance with market requirements.</p> <p>The Resolution of the President of the Republic of Uzbekistan "On measures to further improve the activities of enterprises in the mining and metallurgical industry" dated January 17, 2019, No. PR-4124 was adopted.</p>
2020	The Resolution of the President of the Republic of Uzbekistan "On measures to reform the State Enterprise "Navoi Mining and Metallurgical Combine" No. PR-4629 dated March 6, 2020 was adopted.
2021	<p>The State Enterprise "NMMC" underwent a transformation by dividing into separate legal entities:</p> <ul style="list-style-type: none"> • NMMC JSC is a manufacturing enterprise for the extraction and production of precious metals; • "NMMC Fund" State institution; • "Navoiyuran" State Enterprise.
2022	<p>For the first time in the history of the mining industry of Uzbekistan and Central Asia, a depth of 1,000 meters was reached at the Zarmitan site during the construction of a mine shaft with lifts together with the Czech company Mine Construction Alliance s.r.o. Work is underway on further transformation and reorganization of the Plant: a program of measures to improve the operational efficiency of key mines and the mining and metallurgical plant for 2023-2024 has been adopted.</p> <p>The international analytical center Kitco (Canada) announced the list of the Top 10 largest mines in 2022. According to this list, the Muruntau mine became one of the world leaders in gold production in the reporting year.</p>
2023	<p>As part of the transformations under the NMMC JSC transformation program, an audit for compliance with the Responsible Gold Mining Principles (RGMPs) and the International Cyanide Management Code (ICMC) was conducted with the participation of a team of international experts. Roadmaps were developed to achieve compliance with the requirements of the international standards RGMP and ICMC, to improve corporate governance and business practices, and work on environmental and social aspects (ESG).</p> <p>The London Bullion Market Association (LBMA) has issued a certificate to the Navoi Mining and Metallurgical Plant confirming the successful completion of the next round of tests for full compliance with market requirements.</p>

MISSION AND THE VALUES OF NMMC

NMMC JSC mission is responsible gold mining for a sustainable future and prosperity.

The company takes a responsible approach to production, carefully and attentively treats the environment of Uzbekistan and the work of its employees. To achieve its goals, NMMC implements the best industry practices and standards.

The company aims to fulfill its mission in the most efficient and responsible way and create additional value for all stakeholders.

- **Value 1 – Our people**

We care about our employees, their families and local communities, creating a better future for new generations.

- **Value 2 – Safety**

We never compromise, constantly implementing the best technologies and standards to achieve zero injuries.

- **Value 3 – Efficiency**

We improve daily to achieve outstanding results at optimal costs.

- **Value 4 - Responsibility**

We understand our responsibility and strive to adhere to the highest environmental and social standards.

- **Value 5 - Innovation**

We seek new technologies to continuously modernize operations and create positive changes in the market.

- **Value 6 - Collaboration**

We strive to collaborate to achieve common goals and mutual success of the industry.

Key priorities:

- development of the country's economy;
- well-being of the regions of presence and interaction with communities;
- increase in production efficiency;
- development and implementation of innovations;
- environmental protection and implementation of the principles of a “green economy”;
- creating long-term sustainable value.

Business Model of the Company

GRI 2-1, 2-6

The main activities of NMMC are industrial development of subsoil, extraction and processing of minerals, in particular precious metals. The main product of the Company is gold. The Central Bank of the Republic of Uzbekistan

sells the gold produced by the Company. The NMMC business model is built taking into account the interests of all stakeholders at each stage of the production value chain and taking into account the principles of sustainable development aimed at long-term stability of work.

Table 3. Production chain of value creation

Gold ore exploration and life cycle design of mining projects	Exploration	Conducting geological exploration works
	Reserves estimation	State Commission on Reserves (SCR) reserves estimation
	Projecting	Development and approval of projects
	Construction	Design and construction of production facilities and infrastructure
Mining	Mining	Conducting advance and follow-up operational exploration
		Mining operations
		Ore transportation to the mill
Ore processing and gold production	Ore preparation	Crushing, charging, grinding, classification, thickening
	Enrichment	Gravity, flotation
	Hydrometallurgy	Sorption leaching, regeneration, desorption, BIO leaching, KIO leaching
	Pyrometallurgy	Oxidative roasting
	Heap leaching	Heap leaching of gold and silver
	Gold production	Refining and production of 999.9 gold and silver bars
Refined gold sales	Transportation	Transportation of finished product

Geography and markets of presence

100% of NMMC's operations are in Uzbekistan and approximately 60% of production comes from one of the world's largest gold mining quarries, Muruntau-Myutenbay. NMMC's production facilities are located in the Navoi, Samarkand, Jizzakh and Tashkent regions in the central part of the Republic of Uzbekistan.

Table 4. Main divisions of NMMC

GRI 2-6

<i>Main divisions</i>
NMMC Administration
Northern Mining Unit (NMU)
Central Mining Unit (CMU)
Southern Mining Unit (SMU)
HMP-1 Mining Unit (HMP-1)
Navoi Machine-Building Plant (NMBP)
Zarafshan Construction Department (ZCD)

Four Mining Units (Mining and Metallurgical Enterprises) are the main gold production facilities of NMMC, the structure of the enterprise also includes the Navoi Machine-Building Plant production association and the Zarafshan Construction Department.

The above-mentioned production complexes are the city-forming enterprises of the cities of Navoi, Uchkuduk, Zarafshan and Nurabad. The cities have autonomous life support systems, including centralized heat and water supply, housing stock and social facilities, are provided with transport infrastructure and energy.

Table 5. Main units

Units of NMMC	Brief description	Ore throughput, million tons	Number of employees
Central Mine Unit	<p><u>Location:</u> city of Zarafshan <u>Function:</u> extraction of gold-bearing ore and technological processes from grinding of ore containing precious metals to obtaining finished products in the form of high-quality cast gold and silver <u>Main assets:</u> Muruntau, Auminzo-Amantoy, GHLF, HMP-2, HMP-5, HMP-7, Amudarya-Zarafshan waterway</p>	<p>HMP-2 – 51.7 HMP-5 – 4.8 HMP-7 – 15.8 GHLF – 11.3</p>	21,218
Northern Mine Unit	<p><u>Location:</u> city of Uchkuduk <u>Function:</u> extraction of gold-bearing ore and technological processes from grinding of ore containing precious metals to obtaining semi-finished finished products in the form of flotation concentrate <u>Main assets:</u> Eastern, Daugyztau, HMP- 3</p>	HMP-3 – 8.2	7,917
Southern Mine Unit	<p><u>Location:</u> city of Nurabad <u>Function:</u> extraction of gold-bearing ore and technological processes from grinding of ore containing precious metals to obtaining semi-finished finished products in the form of flotation concentrate <u>Main assets:</u> Zarmitan, Gujumsay, Marjanbulak, Urtalik, HMP-4, MGEP</p>	<p>HMP-4 – 2 MGEP – 0.9</p>	5,885
HMP-1 Mine Unit	<p><u>Location:</u> city of Navoi <u>Function:</u> extraction of gold-bearing ore and technological processes from grinding of ore containing precious metals to obtaining semi-finished finished products in the form of flotation concentrate <u>Main assets:</u> Karakutan, Aristantau, HMP-1</p>	<p>HMP-1 – 1.9 HMP-6 – start-up and commissioning</p>	3,603

Zarafshan Construction Department	<u>Location:</u> city of Zarafshan <u>Function:</u> construction of facilities and production of necessary building materials for the needs of NMMC JSC	n/a	2,622
Navoi Machine- Building Plant production association	<u>Location:</u> city of Navoi <u>Function:</u> production of machine tools, building metal structures, repair of industrial equipment for the needs of NMMC JSC	n/a	3,326

Asset Management

The Company's main objective in relation to asset management is to maximize shareholder value and increase overall profitability. The Company ensures the principle of business continuity and a stable financial position through optimization of the structure of liabilities: debt and capital.

Table 6. Total capitalization by debt and equity, \$ million

Indicators	2021	2022	2023
Total capital	5,774	4,965	4,716
Volume of long-term liabilities	2,093	3,231	3,116
Current liabilities volume	946	854	738

Transformation of NMMC JSC

As part of the reforms taking place in Uzbekistan, NMMC is currently undergoing a period of transformation. To further improve the management system and increase the efficiency of NMMC, as well as to attract investments (through IPO, SPO and Eurobonds), modernize production and increase competitiveness, a transformation project was launched in 2019.

At the first stage of the transformation, work was carried out to revalue the company's assets in accordance with market conditions, as well as to implement international financial reporting standards (IFRS).

In 2019, a reserve assessment was conducted in accordance with the JORC code. More than 76% of the reserves were assessed in accordance with this code and confirmed by auditors of SRK and Mining One.

In 2021, as a result of economic reforms carried out at NMMC, 3 independent enterprises were established:

- NMMC JSC – a manufacturing enterprise for the extraction and production of precious metals;
- “NMMC Fund” State Institution– an organization for the management of social facilities;
- “NMMC” State Enterprise was renamed to “Navoiyuran” State Enterprise – an enterprise for the extraction and processing of natural uranium and rare earth metals.

In 2022, a program for further transformation of NMMC JSC for 2023–2025 was approved, which is aimed at increasing the efficiency of the enterprise. The program includes six key areas of work:

- Development of the resource base based on an intensive program of geological exploration and optimization of design solutions;
- Improving the operational efficiency of production and auxiliary processes;
- Implementation of modern digital platform solutions and technologies to optimize production processes, improve the quality of monitoring and management;
- Improving the efficiency of the investment process;
- Organizational development and improvement of the efficiency of the management model;

- Implementation of international ESG and industrial safety standards.

NMMC has plans to conduct an extensive exploration program in the region of its presence. To expand the resource base in 2023, NMMC has been assigned new license areas within a radius of 50-100 kilometers from known deposits and processing facilities.

As part of improving operational efficiency and expansion, large and strategically important investment projects are being implemented.

As part of digitalization, NMMC carried out work to automate processes in the enterprise resource planning (ERP system). This system was implemented to automate the formation of reports in accordance with IFRS.

A product for the unification and automation of business processes in the field of procurement has been implemented. Operations on the movement of goods in NMMC warehouses are registered in the information system. Thanks to the implemented management reports, users can receive all the necessary information about any stage of the procurement process in real time.

As part of the transformation processes, ESG principles are being introduced into the NMMC management model. NMMC supports the initiatives of the state sustainable development strategy project "Uzbekistan-2030", within the framework of which ongoing work is being carried out to find opportunities to integrate "green" technologies into NMMC production processes.



In collaboration with teams of international consultants, a number of activities were carried out to reduce the impact of NMMC on the environment and local communities:

- for the first time, NMMC calculated financial obligations for environmental restoration in accordance with international financial reporting standards;
- an audit was conducted followed by the preparation of roadmaps to ensure that the company's activities comply with the Responsible Gold Mining Principles (RGMP) and the International Cyanide Management Code (ICMC).

NMMC is developing a project to issue corporate Eurobonds, which will allow it to attract additional investments and increase its attractiveness to investors. A big step will be obtaining an international credit rating as a tool that can confirm the financial stability of NMMC and help establish trusting relationships with potential investors.

The transformation of NMMC JSC launched a new stage of the enterprise's development, increasing its efficiency and competitiveness, and contributing to the maximization of the Company's shareholder value.

Sustainable Development Management

Key indicators for 2023
<ul style="list-style-type: none">Dividends paid in the amount of \$1,202 million
Contribution to achieving Sustainable Development Goals
 
GRI, SASB indicators
GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-19, 2-20, 2-23, 2-24, 2-29, 3-3, 202-2

APPROACH TO SUSTAINABLE DEVELOPMENT MANAGEMENT ISSUES

GRI 3-3, 2-24

Adherence to the principles of sustainable development is a key factor in the Company's long-term success and satisfaction of stakeholders. Sustainable development is integrated into NMMC's business strategy and the daily operational activities of each department.

Transformation in the field of sustainable development and implementation of the Responsible Gold Mining Principles (RGMP) is a tool for achieving the strategic goals of NMMC JSC, it is determined by internal and external factors:

Internal factors

- NMMC JSC carries out activities to implement effective organization of transformation and privatization processes in joint-stock companies. The transition to full-fledged activity in the form of a joint-stock company presupposes independent entry into international financial markets and the creation of partnerships for further growth.
- Within the framework of the NMMC JSC Transformation Action Program for 2023-2025, "Implementation of modern ESG standards and culture, as well as best industrial safety practices" was identified as one of the areas for achieving long-term effects and a long-term foundation for the development of NMMC JSC.

External factors

- In connection with the transformation processes taking place in the Republic of Uzbekistan, a number of state reforms were initiated in 2022-2023 to implement the "Development Strategy of the New Uzbekistan", which involves the introduction of new principles of work in all spheres of social, economic and industrial activity of the country, and will be impossible without the participation of large industrial enterprises.

During 2023, a number of legislative requirements of the Republic of Uzbekistan were issued, which define strategic priorities and the need to implement ESG principles in the activities of all economic entities:

- Decree of the President of the Republic of Uzbekistan dated 08.04.2022 No. UP-101 “On the next reforms to create conditions for stable economic growth by improving the business environment and developing the private sector”;
- Decree of the President of the Republic of Uzbekistan dated 02/28/2023 No. DP-27 “On the state program for the implementation of the Development Strategy of the New Uzbekistan for 2022-2026 in the “Year of Caring for People and Quality Education”;
- Decree of the President of the Republic of Uzbekistan dated September 11, 2023 No. DP-158 “On the Strategy “Uzbekistan - 2030”;
- Resolution of the President of the Republic of Uzbekistan dated September 11, 2023 No. RP-300 “On measures for high-quality and timely implementation of the Strategy “Uzbekistan - 2030” in 2023”;
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated August 25, 2022 No. 474 “On measures to determine environmental requirements and environmental protection standards in the mining and metallurgical industry based on international standards.”

Based on the analysis of the expectations of NMMC stakeholders and the legislative requirements of the Republic of Uzbekistan, the goals and objectives of ESG transformation for NMMC were determined.

ESG transformation goals at NMMC:

- Increasing the investment attractiveness of NMMC;
- Meeting the requirements and expectations of stakeholders;
- Ensuring sustainable business development in the long term, transition to the principles of a “green” economy;
- Systemic integration of ESG principles into the business model and corporate culture.

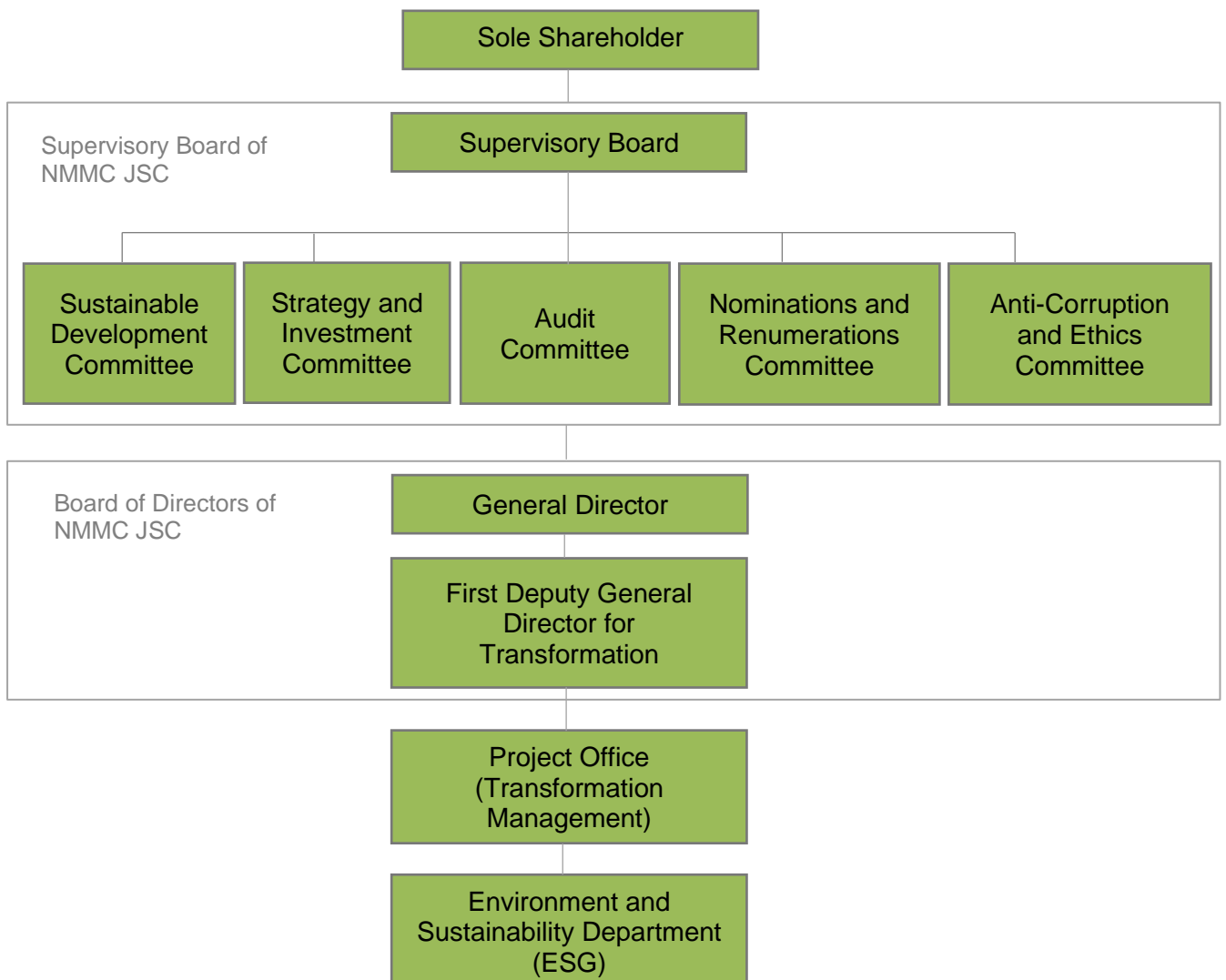
Management structure and tools

GRI 2-17, 2-23

Sustainable development management at NMMC JSC is carried out at several levels and covers all aspects of the Company's activities. According to internal regulatory documents, the sustainable development management system is formed and implemented with the participation of the Shareholder, the Supervisory Board and the Management Board, each of which acts within the scope of its authority. These governing bodies provide strategic guidance and control over the integration of sustainable development principles into all business processes of the Company.

The Company's activities and results in the field of sustainable development are under the control of the Supervisory Board. The Supervisory Board approves the company's goals and strategy, makes decisions on risk management in the field of sustainable development, annually approves strategic activities and monitors environmental and occupational safety indicators.

Figure 1. Corporate governance framework for sustainable development issues for 2023



In 2023, as part of the transformation program to implement ESG principles and Responsible Gold Mining Principles (RGMP), the Sustainable Development and Environment (ESG) Department was formed in the Transformation Department. The main functions of the department are:

- Aligning strategic and operational ESG transformation objectives with senior management;
- Coordination and definition of ESG transformation objectives;
- Developing and implementing corporate policies on sustainability areas;
- Preparation of periodic reporting on NMMC's non-financial performance;
- Monitoring the achievement of ESG transformation goals and periodic adjustment of the work plan.

An important element of effective sustainable development management is the involvement of employees and managers at all levels. Active participation of each employee in the process of promoting sustainable development contributes to the achievement of corporate goals and the integration of sustainable development into daily operations. For these purposes, the Department of Sustainable development and environment (ESG) interacts with all production units of NMMC and departments of the Management of NMMC JSC, and also involves the Management Board and managers at all levels in the process of developing programs and making decisions in the interests of sustainable development.

In October 2023, with the support of experts from the consulting company BCG, an information and training session on ESG and sustainable development was held for the Senior Management of NMMC JSC with the participation of the Chief Engineer, First Deputy for Transformation, Chief Power Engineer, Head of the Environmental Protection Department, Head of the Central design bureau and Head of the investment department. An international expert in the field of developing strategies for sustainable development and adaptation to climate change was invited to organize the session. This session was the first step towards raising awareness of the implementation of ESG principles and understanding the participation of each department in achieving the long-term goals of sustainable development of the Company.

The Company has the following regulatory documents governing the sustainable development management processes and available on the Company's website:

- Charter of NMMC JSC (approved by the Extraordinary Shareholders' Meeting, 2022);
- Code of Ethics for the employees of NMMC JSC (Approved by the Supervisory Board, 2022);
- Anti-corruption policy of NMMC JSC (Approved by the Supervisory Board, 2022);

- Policy of the Central Mining Unit of NMMC in the field of quality, environment, health and safety (Approved by the Supervisory Board, 2022);
- Labor Regulations Policy;
- Regulations on the Sustainable Development Committee;
- Regulations on the Company's Youth Leadership Council;
- Regulations on the Compliance Service (Approved by the Supervisory Board, 2022);
- Collective Agreement (updated in 2023);
- Regulations on Human Resources Management;
- Personnel policy , 2023;
- Regulations on Personnel Recruitment (Approved by the General Director, 2022);
- Regulations on professional retraining and professional development of the Company's personnel;
- Regulations on the organization of training and knowledge testing;
- Regulations on the personnel reserve;
- Regulations on the Procedure for Handling Appeals of Individuals and Legal Entities at the Company;
- Regulations on the Procedure for Technical Investigation of the Causes of Incidents at Hazardous Production Facilities of NMMC (Approved by the Supervisory Board, 2022);
- Regulations on the organization and implementation of industrial control over compliance with industrial safety requirements at NMMC JSC hazardous production facilities;
- Regulation on the Scientific and Technical Council of NMMC JSC;
- Concept of Innovative Development of NMMC JSC for 2022-2026;
- Program of Innovative Development of NMMC JSC until 2026;
- ESG Transformation Roadmap, 16.10.2023;
- Roadmaps for achieving compliance with the RGMP and ICMC.

Sustainable development risk management

In a rapidly changing world, risk management is an important component of business sustainability and stable growth. NMMC provides systemic management of risks that may affect the company's operating activities, financial indicators, and stakeholders.

The development and implementation of ESG programs and projects that ensure the sustainable development of NMMC in the long term takes into account:

- stakeholder expectations;
- regional context and legislative requirements of the Republic of Uzbekistan;
- international trends in the mining and gold mining industry;
- UN Sustainable Development Goals.

The Company's approach is holistic and includes identification, assessment, monitoring and management of financial and non-financial risks in all aspects of its activities. All risks are periodically assessed to ensure that they are taken into account and effective management measures are developed. The Company then analyses risk factors, including sustainability risks, that may negatively impact business development and the achievement of set goals and indicators. In risk management, NMMC focuses not only on minimising threats, but also on identifying opportunities that can stimulate innovation and enhance competitive advantages.

As part of the company's commitment to its stakeholders, an audit for compliance with the "RGMPs" and "ICMC" was conducted in 2023 with the participation of a team of international experts. The main objective of the audit was to develop a roadmap to identify key areas and issues that need to be addressed by the Company to move towards the application of best international practices.

In addition to meeting the expectations of international financial institutions, the audit also identified risks in the area of sustainable development management. Based on the audit results, topics were identified for additional analysis and research to obtain data and develop long-term plans and a strategy for sustainable development of NMMC JSC. The identified issues were discussed with the functional heads of the involved divisions, and the research horizons were determined. As a result of internal discussions, 13 priority research topics were identified, which were approved by the Senior Management of NMMC and included in the Innovative Development Program of NMMC JSC for 2024-2025. The development of research on these topics is relevant for the implementation of the RGMP principles, and also fully complies with the legislative requirements and expectations of the stakeholders of NMMC JSC.

Risk management work is carried out at the level of production units and functional services of the NMMC Management. The company has identified the following key risks and is conducting systematic work to manage them.

Table 7. Categories and analysis of key risks

Type of risk	Risk management measures
Industry risks	
Risks of gold price decline	<ul style="list-style-type: none"> • production cost management – maintaining one of the lowest costs in the industry; • use of conservative metal prices when calculating cut-off grades and preparing development projects; • regular analysis and forecast of the dynamics of gold supply and demand; • constant monitoring of the Company's cash costs.

Production risks	<ul style="list-style-type: none"> • annual, quarterly and monthly production planning and subsequent monthly monitoring of budget execution; • timely acquisition of equipment; • regular organization of personnel training; • weekly analysis of the supply of inventory items, chemical reagents and materials; • engaging international consultants to review the production plan.
Risk of Incorrect Stock Estimation	<ul style="list-style-type: none"> • conducting an independent audit of reserves at prospective and developed fields. Preparation of reports on the results of geological exploration and reserve security. Conducting verification drilling, additional exploration of fields (advance and operational); • significant volumes of geological exploration to study new and confirm and further study existing sites.
Operational risks	
Risk of ineffective budget management	<ul style="list-style-type: none"> • regular clarification of the models and assumptions used in the evaluation of investment projects; • unification of principles for evaluating investment projects; • taking into account the results of post-investment monitoring of completed projects when planning similar projects.
Risk of low quality of project assessment	<ul style="list-style-type: none"> • involvement of highly qualified specialists (including experts from international consulting companies) in the examination of investment projects.
Financial risks	
Risk of failure to obtain debt financing	<ul style="list-style-type: none"> • search for alternative sources of financing among possible sources; • assessment of compliance with the requirements of external financing sources, as well as the requirements for entering an IPO (such as development of necessary documents - Corporate Governance Code, dividend policy, availability of audited financial statements, etc.); • formation of a reliable process for preparation and disclosure of financial and non-financial information; • timely receipt of credit ratings with the proper value.
Liquidity risks	<ul style="list-style-type: none"> • the function of the Financial Department of NMMC includes operational control of the Company's financial resources, a comprehensive economic and financial analysis of the Company, the development of measures to reduce financial risks and increase the Company's profitability; • maintaining detailed budgeting and cash forecasting processes and coordinating the maturity dates of financial assets and liabilities to ensure the availability of sufficient funds to meet payment obligations.
Sustainability risks under the Responsible Gold Mining Principles (RGMP)	
Ethical principles of business conduct	<ul style="list-style-type: none"> • implementation of the Compliance Service and integration of the anti-corruption management system based on the principles of the ISO 37001:2016 standard;

	<ul style="list-style-type: none"> • implementation of the NMMC Anti-Corruption Action Program for 2023; • implementation of internal policies and procedures to combat corruption, including: <ul style="list-style-type: none"> ○ Anti-corruption policy; ○ Regulation on managing conflicts of interest at NMMC and its divisions; ○ Regulation on the procedure for providing charitable and sponsorship assistance to NMMC; ○ Regulation on the implementation of the antimonopoly compliance system and the procedure for its operation at NMMC and its divisions; ○ Procedure for conducting internal audit in the field of combating corruption at NMMC;
<p>Understanding the impact our activities have</p>	<ul style="list-style-type: none"> • implementation of the functions of a single mechanism for receiving and processing complaints and appeals from internal and external stakeholders, which will help determine and control the impact of our activities on the environment and communities (the function is implemented by the Department for Control and Coordination of Work with Appeals from Individuals and Legal Entities); • maintaining communication channels available to stakeholders, as well as processing appeals received through the Appeals Portal of the Presidential Administration. Implementation of a Telegram bot for receiving appeals and an electronic assistant on the official website of the company; • implementation of periodic receptions of citizens at the main Office and off-site receptions at the centers of production units of NMMC JSC, to organize the full-fledged work of the complaints review commission, if necessary, on-site visits with the involvement of specialists in the commission in areas of activity to implement the necessary mitigation and corrective measures, develop decisions on the provision of charitable / sponsorship assistance or compensation;
<p>Suppliers and contractors</p>	<ul style="list-style-type: none"> • implementation of the Regulations on prequalification checks of suppliers; • implementation of the Instructions for checking counterparties in NMMC and its divisions; • implementation of the procedure for checking by the Compliance Service the activities of counterparties wishing to enter into contractual relations with NMMC;
<p>Health and Safety</p>	<ul style="list-style-type: none"> • increasing the efficiency of the occupational health and safety control system, thanks to a fundamentally new system of occupational health and safety inspections, using specialized checklists for each production facility; • updating the methodology for analyzing the hidden causes of incidents; • implementing structural reforms of the OHS and assigning additional responsibility to heads of production units; • implementing additional measures to increase staff motivation to comply with occupational health and safety requirements; • providing free medical care to all employees, members of their families and pensioners of the Company.

Human Rights and Conflicts	<ul style="list-style-type: none"> • certification of workplaces (planned completion of work in the 4th quarter of 2024); • development and implementation of a human rights policy during 2024; • inclusion in the NMMC Innovative Development Program of a comprehensive audit of Human Rights during 2025;
Labor relations	<ul style="list-style-type: none"> • development and implementation of the HR Policy of NMMC JSC; • retention of personnel through a system of internal transfers between production divisions of NMMC; • introduction of amendments and additions to the Collective Agreement for 2022-2024 based on decisions of the Central Commission of the Council of the Trade Union of Employees of NMMC JSC to verify the implementation of the collective agreement for 2022.
Working with communities	<ul style="list-style-type: none"> • creation of jobs in remote areas of the Republic; • processing of requests from external stakeholders received through the portal of requests of the Presidential Administration. • inclusion in the Innovative Development Program of NMMC JSC of a comprehensive assessment of social impact during 2025.
Caring for the environment	<ul style="list-style-type: none"> • The Company is implementing a number of initiatives aimed at monitoring and limiting the impact of production activities on the environment. These include external expert assessment of the pollution produced, the use of industry best practices in relation to policies and procedures at the corporate level, and the introduction of controls within the framework of operational activities at the level of individual divisions. • The Company also conducts its own and undergoes periodic scheduled and unscheduled inspections by state regulatory services. • inclusion in the Innovative Development Program of NMMC JSC of a comprehensive assessment of environmental aspects during 2025.
Biodiversity conservation, land use and mine closure activities	<ul style="list-style-type: none"> • inclusion in the Innovative Development Program of NMMC JSC of the following: <ul style="list-style-type: none"> ○ comprehensive assessment of environmental aspects by 2025; ○ biodiversity studies in the area of existing production facilities, near mines and quarries by 2025; ○ development of a methodology for closing enterprises and production facilities and assessing closure obligations by 2025.
Water resources, energy consumption and climate change	<ul style="list-style-type: none"> • development and implementation of programs to improve the efficiency of water and energy resources use (2022-2024) with annual updating of action plans; • inclusion in the Innovative Development Program of NMMC JSC of the following during 2025: <ul style="list-style-type: none"> ○ inventory of GHG emissions, climate risk assessment and development of a decarbonization and climate change adaptation strategy; ○ assessment of land and water use near and downstream of NMMC production activities in order to determine potential impacts on local communities and the environment.

Innovative development

GRI 3-3

Innovative development is one of the key conditions for the dynamic growth of the mining and processing industry, and in the long term is accompanied by the need to implement the achievements of the best available technologies, innovative and rationalisation ideas, as well as new approaches to the implementation of daily tasks. Innovations occupy a key place in the development of NMMC, determining the Company's competitiveness and sustainability. Improvement of existing approaches in various aspects of production and management contribute not only to increasing productivity and competitiveness, but also to minimising environmental impact and ensuring sustainable development in the long term.

Today, NMMC allocates significant investments in research and development and is also a leader in terms of the number of promising solutions and rationalisation proposals introduced into production. In addition, the Company has accumulated considerable experience in the commercialisation of scientific and scientific-technical developments.

Innovation issues are supervised by the Innovation Development Department, and are also brought up for discussion in the Scientific and Technical Council of NMMC, with the participation of the Chief Engineer and specialists in the main areas of activity. Currently, the following structures effectively operate within the company:

- Innovation Center;
- Central Research Laboratory.

The Company also has an efficient functioning:

- Central Design Bureau;
- Central Project Bureau;
- Central Physical-Chemical Laboratory at the Northern Mining Unit;
- Central Plant Laboratories at Hydrometallurgical Plants No. 2 and 3.

NMMC has an Innovation Centre for the introduction of new technologies, established in 2018. The Innovation Centre's activities are aimed at creating effective mechanisms to stimulate the development and implementation of R&D and innovation projects in the processes of modernisation, technical and technological upgrade of production, as well as continuous improvement of the technological level of NMMC's production by introducing modern technologies into production process.

The structure of the Innovation Centre of NMMC includes:

- Group for production of scientific and technical products;
- Group for implementation of new technologies;
- Editorial group of the "Gorny Vestnik Uzbekistana" magazine.

Since 2022, the Company also has a Scientific and Technical Council (STC), which is a filter and driver for the introduction of advanced ideas, and a platform for discussing issues of technical and innovation policy of NMMC.

Within the framework of the STC, work is carried out to coordinate rationalisation and invention activities, scientific, technical and development work aimed at reducing resource intensity, production costs and improving product quality.

As part of its innovation activities, NMMC is guided by:

- Regulations on the Innovation Centre for Introduction of New Technologies;
- Regulations on the Fund for Support of Innovative Activity of NMMC JSC;
- Innovative Development Programme of NMMC JSC;
- Concept of Development of the Innovation Centre of NMMC JSC for 2022-2026;
- Regulations on rationalisation activities.

In order to finance scientific and applied research, R&D, innovative developments, experimental and design work and their implementation, the Company has established the Fund to support innovation activities. The Fund accumulates funds aimed at supporting and developing NMMC's innovation activities.

To ensure unconditional implementation of the production tasks planned until 2026 and to ensure conditions for successful implementation of the NMMC Innovative Development Programme until 2026, the Company annually develops and approves this programme jointly with specialists from divisions, departments and services. NMMC's Innovative Development Programme is regularly reviewed and updated to take into account new technologies and industry challenges. To date, the Innovation Centre has developed 6 Innovative Development Programmes starting from 2018. Over 317 different innovation projects have been registered under these Programmes, 237 of which have been successfully completed.

In 2023, 64 new innovative projects were included in the Programme, which are designed to significantly increase the efficiency of mining and processing of gold-bearing ores, as well as improving environmental management mechanisms. The implementation of these projects will create additional opportunities to optimise production processes and improve the Company's environmental sustainability, which will be an important step towards achieving NMMC's strategic goals until 2026.

The main areas of innovative development at NMMC include:

- Geological exploration;
- Mining operations;
- Gold production;
- Mechanical engineering and mechanics;
- Transport;
- Energy;
- Automation and information and communication technologies;
- Integrated processing;

- Ecology;
- Labour Protection;
- Safety Engineering;
- Industrial Safety;
- And others.

Innovative projects implemented in 2023 as part of localisation resulted in:

- manufacturing of new types of machine tools of NMP PA (polishing machine NS-6, NS-7, band saw, plasma and gas-oxygen sheet metal cutting unit URM 2500, vertical lathe NVT-1600);
- research on the production of activated coals from local raw materials used in the processing of ores of noble metals;
- modification of hard alloys with rhenium in order to increase wear resistance, improve the quality of steel and cast iron castings, production of high-strength ground pins for rotary crushers;
- manufacturing of process equipment used in technological schemes for gold production (ball mills, hydrocyclones, flotation machines, etc.).

To the current date, a new Innovative Development Programme for 2024 has been approved, within which a section of innovative work on Sustainable Development has been approved, including issues on climate agenda, resource management, tailings management and research on socio-economic impact on communities.

Rationalisation proposals

In addition to innovation projects, the Innovation Centre includes rationalisation and invention activities, as well as research and development.

In the period from 2018 to 2023, as part of the Innovation Centre's work, 1,046 rationalisation proposals of NMMC specialists were implemented, which brought an economic effect of \$ 53.7 million (630.1 billion soums).

Table 8. Implemented solutions within the rationalization activities during the period of 2021-2023.

Years	Number of accepted and implemented rational proposals	Economic effect from use, million \$
2018	97	1.9
2019	113	7.2
2020	173	5.8
2021	187	23.8
2022	235	6.5
2023	241	8.5 (pending)

Table 9. Implementation of patents and inventions from 2021 to 2023.

Years	Number of active patents	Applications submitted	Patents received
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2021	11	5	3
2022	12	6	6
2023	12	11	2

In the last two years, Central Mining Unit, one of the Company's largest divisions, has implemented several rationalisation proposals aimed at improving production processes. At Hydrometallurgical Plant No. 7, the electrolysis process was improved in the coal desorption and reactivation shop, and the introduction of a two-stage process significantly increased the efficiency of this production stage.

The experimental mill block was created on the basis of MMC 70x23 mills in the first stage of grinding and MSHZ 55x75 mills in the second stage. The main technological feature of the block is the ratio of the volume of mills of the second stage to the first stage equal to 2:1. According to the test results:

1. The productivity on initial ore makes 185-190 t/h, that is on 19 % higher, than at the traditional mill block with the ratio of working volumes of mills 1:1.
2. The expanded second stage can additionally grind part of the discharge of stage I mills, which increases the productivity.
3. The specific power consumption of the experimental mill unit decreased by 15%.

At the Muruntau mine, gamma-activation analysis is carried out in the Central Laboratory (CLGAA) using the latest equipment, which is unique and has no analogue. Gamma radiation is used to determine the gold content in the ore.

In recent years, the productivity of the Central Laboratory of Gamma Activation Analysis has increased 3.5 times from 620 thousand to 2 million analyses per year. The total number of geological samples analysed from 1977 to May 2024 was more than 30 million. A total of 2,200,000 analyses are planned for 2024. The high throughput is due to the fast analysis cycle - it takes only 18 seconds per sample. None of the currently existing industrial physical laboratories in the world can perform such volumes of analyses, so the CLGAA laboratory is unique.

In 2023, Hydrometallurgical Plant No. 2 successfully implemented a rationalisation proposal to transport pulp between the hulls, which ensured stable operation of the mills, reduced the risk of downtime and improved the quality of ore grinding.

Another important achievement was the introduction at Muruntau mine of a device for protective disconnection of leakage currents on the excavator. This solution improved labour safety by protecting workers from electric shock.

CORPORATE GOVERNANCE SYSTEM

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 202-2

NMMC adheres to high international standards of business conduct, transparency, and reporting to achieve sustainable development goals. The Company's corporate governance is conducted in accordance with the Corporate Governance Code.

To implement modern management methods, transition to market mechanisms, and enhance competitiveness, on March 6, 2020, the President of the Republic of Uzbekistan issued decree No. PD-4629 aimed at reforming the State Enterprise "Navoi Mining and Metallurgical Combinat" (NMMC). This decree is intended to modernize corporate governance and strengthen the enterprise's position in the global market.

Highest governing body and shareholders

According to the Charter of NMMC JSC, the General Meeting of Shareholders is the supreme governing body. The shareholder approves the development strategy for medium- and long-term periods with specific timelines based on the main directions and goals of the Company.

As of December 2023, during the reporting period, the Ministry of Finance of the Republic of Uzbekistan and the Agency for State Asset Management acted as shareholders in NMMC JSC's authorized capital. The Ministry plays a crucial role in shaping the strategic direction of the company's activities, ensuring that NMMC's operations align with national economic goals and sustainable development priorities while helping support Uzbekistan's socio-economic development.

Ministry of Economy and Finance of the Republic of Uzbekistan:

- Ownership share – 98%
- Basis - Presidential Resolution No. PR-283 dated August 18, 2023, "On additional measures to improve the mechanism for reforming enterprises and commercial banks with state participation".

Agency for state asset management of the Republic of Uzbekistan:

- Ownership share – 2%,
- Basis – Basis - Presidential Resolution No. PR-102 dated March 24, 2023, "On additional measures to reduce state participation in the economy".

Supervisory Board

The Supervisory Board provides overall management of NMMC's activities, except for matters assigned by legislation and the Charter to the competence of the General Meeting of Shareholders. The Supervisory Board oversees and coordinates the activities of the Management Board of NMMC JSC, approves the company's development strategy and priority areas, and ensures that its operations comply with sustainability obligations.

Members of the Supervisory Board and the Management Board actively engage with government authorities and other stakeholders on these issues. The Supervisory Board also regularly hears reports from the Management Board regarding measures taken to achieve technological and investment strategy goals. Additionally, it reviews economic and social impacts, as well as associated risks and opportunities related to the company's ongoing activities.

The operating regulations, rights, duties, and election of members of the Supervisory Board are outlined in the Regulation on the Supervisory Board of NMMC JSC dated May 25, 2021. Members are elected by decision of the General Meeting of Shareholders for a term of one year. Elections are conducted through cumulative voting using paper ballots. Members of the Management Board of NMMC JSC cannot be elected to the Supervisory Board.

Individuals elected to the Supervisory Board may be re-elected according to the procedures established by the legislation of the Republic of Uzbekistan, the Charter, and NMMC JSC's Corporate Governance Code. The General Meeting of Shareholders has the right to prematurely terminate the powers of all or individual members of the Supervisory Board. The powers of such a member cease from the date of the General Meeting's decision on their early termination.

GRI 202-2

The proportion of senior management¹ in regions where they operate, hired from the local community², was 100% in 2023.

GRI 2-9, GRI 2-11

The Supervisory Board³ represents the Company's official position on all key issues within its competence before government authorities and other stakeholders. Members of the Supervisory Board possess a wide range of expertise:

- Economics and finance;
- banking;
- international relations and diplomacy;
- jurisprudence;
- business management and development;
- geology, energy and manufacturing.

The Supervisory Board consists of 7 members:

- Government officials: 7 (100%);
- Independent members: 0;
- Men: 6 people (86%);
- Women: 1 people (14%).

¹ Senior executives - members of the Supervisory Board.

² Local community - citizens of the Republic of Uzbekistan

³ A more detailed description of the members of the Supervisory Board can be found on the official website of NMMC JSC www.NMMC.uz

Composition of NMMC's Supervisory Board as of December 31, 2023:

 <p>Kuchkarov Jamshid Anvarovich</p>	<p>Chairman of the Supervisory Board, Deputy Prime Minister of the Republic of Uzbekistan – Minister of Economy and Finance of the Republic of Uzbekistan.</p>	<p>Kuchkarov Jamshid Anvarovich was born on October 19, 1964, in the Samarkand region, in the city of Katakurgan. He graduated from the Tashkent Institute of National Economy (now Tashkent State Economic University) and in 1996 from Colorado State University (USA). Over the years, he has held leadership positions in the Ministry of Finance and served as Prime Minister of Uzbekistan for economic development, structural transformation of investments, reforming the banking and financial system, and coordinating activities in free economic and small industrial zones. Since January 24, 2020, he has been the Deputy Prime Minister of Uzbekistan (Vice Prime Minister) for financial and economic issues and poverty reduction, and since February 24, 2020, he has been the Minister of Economic Development and Poverty Reduction of Uzbekistan. As of August 3, 2023, by presidential decree, Kuchkarov Jamshid Anvarovich was appointed Deputy Prime Minister – Minister of Economy and Finance of Uzbekistan. He holds a PhD in Economics.</p>
 <p>Saidova Galina Karimovna</p>	<p>Member of the Supervisory Board, Deputy State Advisor to the President of the Republic of Uzbekistan on Socio-Economic Issues.</p>	<p>Saidova Galina Karimovna was born in 1956 in Samarkand. She has higher education, graduating from Samarkand Cooperative Institute (now Samarkand Institute of Economics and Service) with a degree in Economics. She is a Doctor of Economic Sciences and a professor. Since November 1, 2017, she has been serving as Deputy State Advisor to the President of Uzbekistan on socio-economic issues.</p>

 <p>Tashkulov Akbar Jurabaevich</p>	<p>Member of the Supervisory Board, Minister of Justice of the Republic of Uzbekistan</p>	<p>Born on September 21, 1971, in the Jizzakh district of Jizzakh region. He holds a higher education degree as a lawyer and first-level legal advisor. In 1994, he graduated from Tashkent State Law Institute. He began his career as a senior consultant at the International Law Department of the Ministry of Justice of Uzbekistan from 1994 to 1995. By presidential decree No. PF-249 dated November 15, 2022, A. Tashkulov was appointed Minister of Justice of Uzbekistan.</p>
 <p>Islamov Bobir Farhodovich</p>	<p>Member of the Supervisory Board, Minister of Mining Industry and Geology of the Republic of Uzbekistan</p>	<p>Islamov Bobir was born in 1984 in Tashkent. In 2005, he graduated from Tashkent State Technical University with a degree in geology and mineral exploration, obtaining his master's degree in 2007. From 2002 to 2008, he worked as a technician and geological technician at the "Apartak" mining company. In 2010, he graduated from the Banking Financial Academy specializing in financing investment projects. He holds a PhD in Geological and Mineralogical Sciences. From 2008 to 2010, he held various positions at the Scientific-Practical Center for Precious and Non-Ferrous Metals Geology. From 2010 to 2015, he served as director at "Gosgeolinformcenter". From 2015 to 2016, he was director of the Research Institute for Mineral Resources. Since July 28, 2017, he has been Chairman of the State Committee for Geology and Mineral Resources of Uzbekistan. On June 11, 2020, he was appointed Acting Rector of the University of Geological Sciences. From April to December 2022, he served as an advisor to the Prime Minister on production issues, energy,</p>

		industry, and basic supply regarding geology. Since December 2022 to present, he has been serving as Minister of Mining Industry and Geology of Uzbekistan.
	Member of the Supervisory Board, First Deputy Chairman of the State Tax Committee of the Republic of Uzbekistan.	Born in 1982 in Jizzak region. Education - higher education. In 2003 graduated from Tashkent Financial Institute, and in 2005 graduated from Tashkent Financial Institute with a Master's degree. Since 2022 - First Deputy Chairman of the Central Bank of the Republic of Uzbekistan.
	Member of the Supervisory Board, First Deputy Chairman of the Tax Committee of the Republic of Uzbekistan	Mirzaev Mubin Mukhidinovich was born in 1969 in Bukhara region. In 1993, he graduated from Tashkent State University with a degree in Mathematics; in 2001 – from Tashkent Financial Institute with a degree in Finance; in 2002 – from Japan's National Institute for Political Science with a master's degree in Economics. Since December 2018, he has been working as First Deputy Chairman at the State Tax Committee. M.M. Mirzaev has the title of 2nd level consultant of the tax service.
Khodjaev Bobur Botirovich	Member of the Supervisory Board, Deputy Minister of Economy and Finance of Uzbekistan	Information on the Supervisory Board member is not available at the time of report preparation and publication (August, 2024).

Committees of the Supervisory Board

Supervisory Board Committees have been formed to support the Supervisory Board's activities on the most important issues. They conduct preliminary studies of key issues within the Supervisory Board's competence and develop recommendations to help the Supervisory Board make decisions on these issues.

In order to maintain operations and to provide more in-depth and qualitative consideration of issues, the following Committees operated under the Supervisory Board of NMMC in 2023:

- Audit Committee;
- Strategy and Investment Committee;
- Nomination and Remuneration Committee;
- Anti-Corruption and Ethics Committee;
- Sustainable Development Committee.

The committees report to the Supervisory Board in accordance with the powers granted to them by the Supervisory Board and the respective committee regulations.

Table 10. Functions of committees

Committee	Functions
Strategy and Investment Committee	Preparation of recommendations to the Supervisory Board on defining strategic and priority areas of activity, on the amount of dividends and the procedure for their payment, on the management of the Company's assets, selection and assessment of the efficiency of the Company's investment projects. Approval of the annual business plan, external financing programmes, risk map, procurement list.
Audit Committee	Facilitating the effective fulfilment of the Supervisory Board's functions in terms of preliminary consideration of issues related to control over the Company's financial and economic activities. Control over the formation of accounting reports, supervision over the reliability and efficiency of internal control and risk management systems, ensuring the independence and objectivity of internal audit, as well as control over the effectiveness of the system for alerting and preventing unfair practices on the part of employees and third parties, supervision over special investigations into potential fraud cases.
Nomination and Remuneration Committee	Preparation of recommendations to the Supervisory Board on the appointment of candidates for senior management positions, on the employee motivation and remuneration system, approval of the Company's internal documents regulating employee remuneration issues, supervision over the implementation of decisions in the area of HR management strategy and employee motivation.
Anti-Corruption and Ethics Committee	Monitoring compliance with ethical standards, anti-corruption legislation and policies, overseeing internal anti-corruption investigations.
Sustainable Development Committee	Preparation of recommendations to the Supervisory Board on participation in the formation and implementation of the Company's sustainable development strategy and public promotion of ethical, transparent and responsible business conduct, monitoring of activities in terms of integrity of the

	Company's overall approach to sustainable development, consideration of corporate social responsibility issues, monitoring of the Company's environmental and occupational health and safety performance and approval of annual and strategic activities in these areas.
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Management Board

GRI 2-19, 2-20

The Management Board manages the day-to-day operations of NMMC, ensures that the Company fulfils its strategic goals and the decisions of the Supervisory Board.

In 2021, the Company approved the Regulations on the Management Board. The Regulations on the Management Board regulate the work and powers of the executive body, the election of its members, their rights and obligations, and the procedure for holding meetings of the Management Board. Members of the Management Board are appointed by the Supervisory Board by voting. The decision on election of the Chairman of the Management Board is made by voting of the General Meeting of Shareholders. According to the Charter of NMMC JSC (clause 15.3), the General Director and members of the Management Board are elected for a term of 3 years. There were no significant changes in the structure of the Management Board in 2023.

According to the Charter of NMMC JSC (clause 13.6, sub-clauses l,m), the General Meeting of Shareholders has the competences to:

- appointment of the Chairman of the Management Board - General Director, extension of the term of office of the Chairman of the Management Board - General Director, as well as early termination of his powers;
- approval of the organizational structure of NMMC JSC, establishment of remunerations and (or) compensations payable to the members of the Management Board, as well as their maximum amounts.

The salaries of the members of the Management Board and (or) the Chairman of the Management Board (General Director) are determined by the decision of the Supervisory Board and approved by the shareholder. The salaries of the members of the Management Board are fixed and determined by the labour contract.

During 2023, the Chairman of the Management Board of NMMC managed the day-to-day operations and reported quarterly to the Supervisory Board on the results of production and business activities and on the progress of implementation of the approved development programmes of the Company.

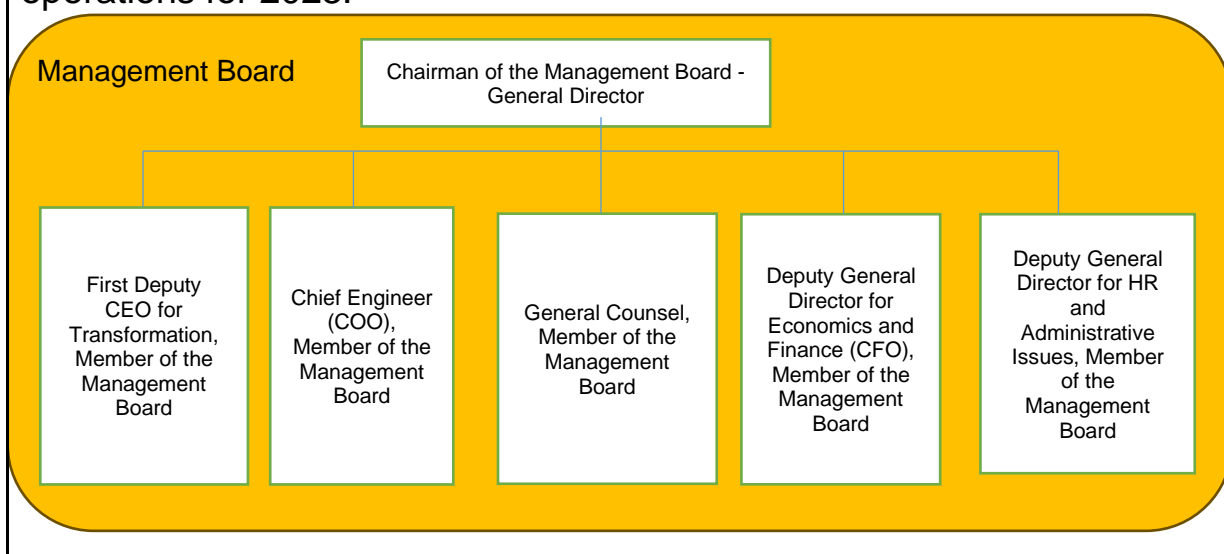
Responsibility at the executive level for economic, environmental and social issues is vested in all members of the Management Board.

Chairman of the Management Board of NMMC in the period of activity for 2023:



Sanakulov Kuvandik Sanakulovich
Chairman of the Management Board - General Director (reappointed in June 2022)

Composition of the Management Board of NMMC in the period of operations for 2023:



Internal audit service and Corporate advisor

The Corporate Counsel is appointed by the Supervisory Board to assist in improving corporate governance practices.

According to the Company's Charter and the Regulations on the Corporate Consultant, the Corporate Consultant informs the Supervisory Board and heads of structural units about changes in legislation in the field of corporate governance, acts as an advisor to the Supervisory Board and the Management Board on issues related to corporate governance, participates in organizing the preparation and holding of the General Meeting of Shareholders, and acts as a secretary at meetings.

The Internal Audit Service evaluates the activities of the company's executive body, its structural divisions or individual processes through independent and objective verification, analysis and monitoring. The Service conducts audits for compliance with legislation, the Charter, applicable company standards and other regulatory documents, for the reliability of financial statements, and analyses the effectiveness of internal control systems and individual business processes. The Service also provides

advisory support and makes recommendations on improving processes and eliminating identified non-compliances.

ETHICS AND ANTI-CORRUPTION

EM-MM-510a.1

Approach to management

GRI 3-3, 2-15

"Rules of Ethical Conduct for Employees" establish values, principles, standards and norms of behaviour binding on all employees, regardless of their positions. These rules are aimed at preventing offences, countering corruption and complying with the principles of legality, fairness and prevention of conflicts of interest.

Control over the fulfilment of the requirements set out in the Rules is vested in the Ethics Commission, which is responsible for:

- Considering complaints and suggestions from the Company's employees on ethics issues;
- Consideration of cases of non-performance of official duties by employees;
- Preventing conflicts of interest;
- Settlement of corporate conflicts.

The Anti-Corruption and Ethics Committee under the Supervisory Board of NMMC ensures compliance with the anti-corruption policy and professional ethics standards.

Activities of the Compliance service

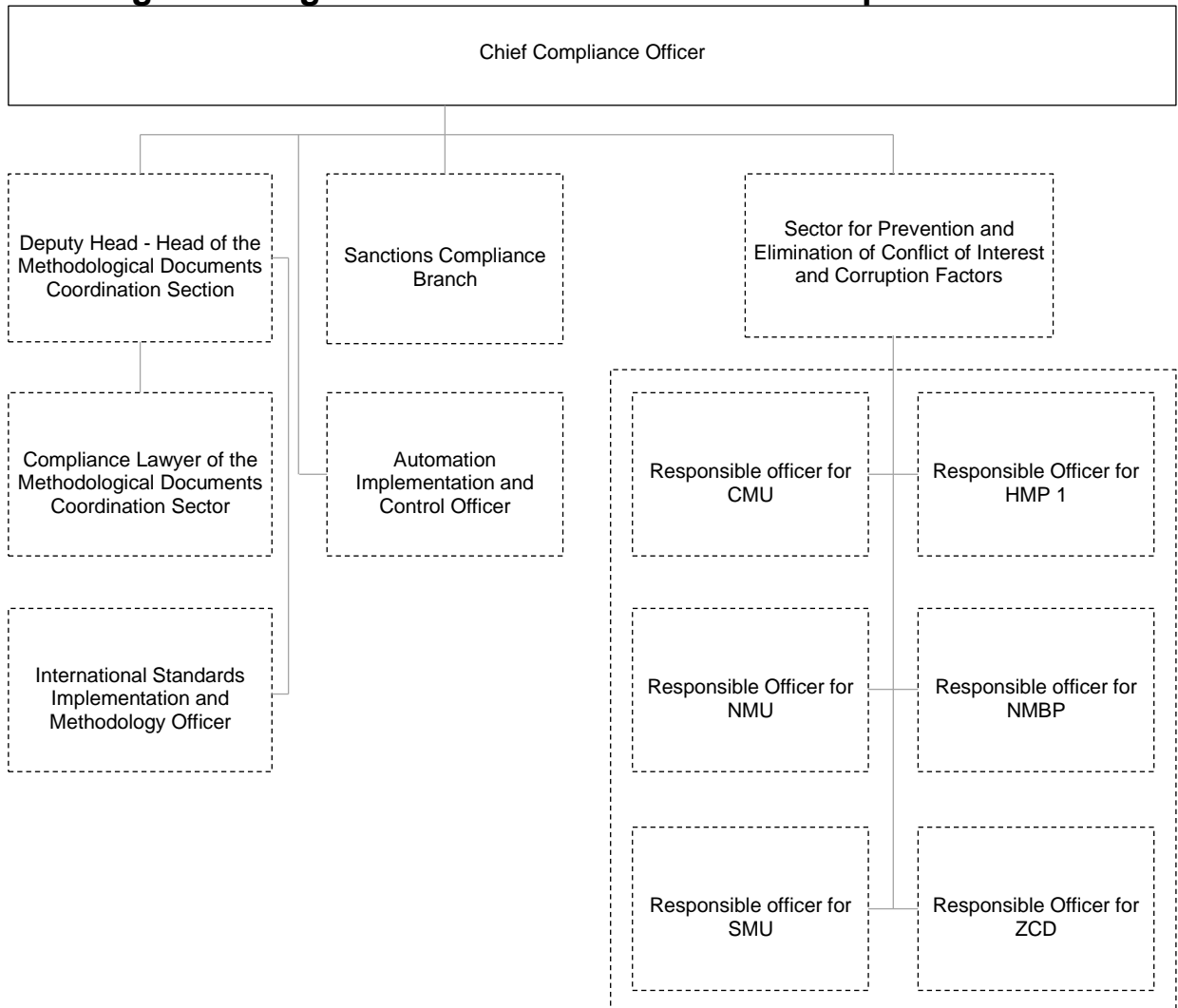
GRI 2-15, 205-3

To manage corruption risks in the Company, the Compliance Service operates under the Supervisory Board.

The main objectives of the Compliance Service are:

- Ensuring compliance of the Company's internal documents with regulatory legal documents;
- Improvement of the Company's anti-corruption activities;
- Preventing and combating corruption offences;
- Ensuring efficient operation of the anti-corruption system and control over it;
- Organization of the procurement sphere based on the principles of rationality, economy and efficiency in the use of financial resources;
- Organizing an atmosphere of openness and transparency in the Company;
- Reduction of corruption risks in management and business processes, organization of control procedures over these processes.

Figure 2. Organizational structure of the Compliance Service



The Company's main regulatory documents in the area of anti-corruption and ethics are as follows:

- Anti-Corruption policy of NMMC's;
- Code of Ethics of NMMC employees;
- Regulations on the Compliance Service of NMMC;
- Regulations on competitive recruitment or transfer of personnel at NMMC and its structural subdivisions;
- Procedure for hiring employees to the Compliance Service of NMMC;
- Regulations on Receipt and Consideration of Reports on Corruption Actions Received by NMMC and its structural subdivisions via Communication Channels;
- Instruction on verification of candidates for employment at NMMC and its structural subdivisions;
- Regulations on conducting official investigations and inspections of cases of corrupt practices, violations of ethical rules and other violations on the part of employees of NMMC and its structural subdivisions;
- Regulations on preparation and submission of a report on anti-corruption activities at NMMC and its structural subdivisions;

- Instruction on organisation of training of employees of NMMC and its structural subdivisions in the field of ethical rules and anti-corruption;
- Regulations on assessment of corruption risks at NMMC and its subdivisions;
- Joint map of corruption risks based on the results of corruption risk assessment;
- Programme for elimination of corruption risks, their further prevention and counteraction to corruption based on the results of corruption risk assessment;
- Methodology for monitoring and controlling the effectiveness of anti-corruption procedures at NMMC and its divisions;
- Procedure for rewarding employees who reported corruption offences at NMMC and its divisions;
- Instruction on checking counterparties at NMMC and its subdivisions;
- Regulations on Conflict of Interest Management at NMMC and its subdivisions;
- Anti-Corruption Action Programme of NMMC's for 2023;
- Regulations on the procedure for providing charitable and sponsorship assistance to NMMC;
- Regulations on the implementation of the antitrust compliance system and the procedure for its operation at NMMC and its subdivisions.

During the reporting year, the Commission “Procurement of Goods, Works and Services”, which includes the Compliance service, reviewed documents of suppliers for 8 tenders and 75 selection documents, ensuring their compliance with the legislation.

The Compliance service checked the activities of 85 counterparties willing to enter into contractual relations with NMMC. As a result of the audit, it was found that the documents of 22 counterparties did not comply with the established requirements, after which the necessary corrections were made.

During the reporting year, Compliance Service employees took part in online and traditional training courses 35 times, including:

- 2 employees were trained in “Audit of the anti-corruption management system in accordance with the international standard ISO 37001:2016”;
- 8 employees completed courses in the area of “Preventing fraud and corruption in public procurement”;
- 1 employee completed the course “Combating Fraud and Corruption in Public Procurement” organized by the University of Pennsylvania (USA);
- 3 employee completed training at the International Anti-Corruption Academy on “Prevention of Conflicts of Interest in the Private Sector”;

- 1 employee received a certificate on “International sanctions, secondary sanctions, international arbitration and practical problems”;
- 20 certificates were obtained by employees in other areas of training.

In 2023, 35 internal investigations and performance reviews were conducted, 13 of which were referred to law enforcement agencies for necessary action. As a result, 46 employees, including 16 managers, were disciplined; two managers were dismissed.

The Compliance Service also reviewed 24 applications from legal entities and individuals. Of these, 12 were subjected to an internal review, 6 were studied, and another 6 were sent to the relevant authorities for further consideration. All the authors of the appeals were provided with official responses.

In the course of monitoring, the Company identified 5 cases of conflict of interest, which were eliminated in a timely manner. All cases of violations and investigations are reported to the members of the highest governing body - the Supervisory Board of NMMC.

To report corruption, conflicts of interest and other negative actions committed by officials of NMMC and its subsidiaries, the Company has a Regulation on Prevention of Conflict of Interest and has developed accessible communication channels and a single mechanism for appeals and a special helpline available to all employees and external stakeholders.

Plans for 2024 and the medium term:

- Identification of corruption risks based on the Methodology for Identification and Assessment of Corruption Risks in the Activities of Public Authorities and Management Bodies and Organisations with a State Share of More than 50%, registered by the Ministry of Justice on 31 August 2022 under No. 3383, and carrying out the assessment at NMMC;
- Carrying out anti-corruption legal expertise, analysing and continuously amending or supplementing internal regulatory documents adopted at NMMC;
- Promoting the antitrust compliance system, anti-corruption policy, ethics rules and other regulatory legal documents, as well as organising training seminars for NMMC employees;
- Ensuring implementation of the requirements of the Law “On Public Procurement” by reviewing and approving draft procurement documentation as part of the Procurement Commission;
- Control over updating of information on the official website to ensure openness and transparency of NMMC's work (PF-6247, PF-154, Order 84 dated 02.07.2022, Action Plan dated 12.06.2022);
- Taking measures to improve the indicator achieved by NMMC in 2023 (76.2 points) in the “Openness Index” conducted by the Anti-Corruption Agency of the Republic of Uzbekistan;

- Taking measures to improve the result achieved by NMMC in 2023 (64 points) in the rating of efficiency in the fight against corruption;
- Participation in the meetings of the Ethics Commission and making proposals to improve the ethics policy;
- Obtaining certification of the international standard ISO 37001:2016 “Anti-Corruption Management Systems” for NMMC's central office;
- Taking measures to prevent conflicts of interest and eliminate identified cases in the NMMC system;
- Organising training for Compliance Service employees at international anti-corruption seminars, trainings and refresher courses;
- Organisation of anti-corruption events during the month dedicated to the International Anti-Corruption Day (9 December);
- Certification of the Anti-Corruption Management System that meets the requirements of the international standard ISO 37001:2016 “Anti-Corruption Management Systems. Requirements and Recommendations for Application”;
- Implementation of measures in accordance with the Compliance Service Work Plan;
- Development of the Procedure for internal audit in the field of anti-corruption at NMMC;
- Development of the Regulations on the value of gifts that may be received by employees of NMMC and its subdivisions in connection with business trips, international and other official events, as well as the procedure for their disposal.

Complaints and suggestions mechanism

GRI 2-16, 2-25, 2-26, 205-3

NMMC has a unified mechanism for filing appeals, complaints and suggestions, which is available to all categories of persons (individuals and legal entities, employees and representatives of local communities) on any issues. The work of this mechanism is coordinated by the Division for Control and Coordination of Work with Applications of Individuals and Legal Entities. This mechanism is in place in all divisions of the Company, allowing applicants to receive personalized support.

All appeals from both staff and external stakeholders are recorded in an electronic database and treated with equal priority. A variety of communication channels are available for easy submission of applications, as well as flexible appointment schedules, including:

- Written appeals (via mail or directly to NMMC);
- Oral appeals (by phone, at a personal reception through a specialist of the Department or during an on-site reception of individuals and legal entities on personal issues with the management of NMMC JSC);

- Electronic appeals (through the virtual reception of NMMC or on the NMMC website).

The Company also handles appeals received through the virtual receptions of the President and the Prime Minister of the Republic of Uzbekistan.

Complaints and suggestions mechanism fully accordance with the Law of the Republic of Uzbekistan “On appeals from individuals and legal entities” dated September 11, 2017. According to Article 6 of the law “On appeals from individuals and legal entities”, applicants must provide their contact details for feedback when submitting an inquiry. In accordance with Articles 14 and 15 of the law, any information regarding the identity of the applicant shall not be disclosed at the applicant's request, appeals unrelated to the appeals regarding individuals and legal entities are not permitted, and harassment of individuals and legal entities, their representatives, and family members is prohibited.

At NMMC, an internal regulation has been implemented in accordance with the legislation that applies to all production sites of the Company. The company guarantees that employees will not face harassment or dismissal for submitting complaints related to violations or for criticizing internal processes.

Within this framework, employee complaints are reviewed jointly with the trade union and the employer. For issues arising in the workplace, employees can approach their immediate supervisor, a representative of the Trade Union, or a specialist from the Department for handling appeals from individuals and legal entities. At the corporate level, labor rights commissions have been established, comprising representatives from the trade union and the human resources department.

The Company also organizes regular receptions for citizens and employees with the General Director, his deputies, and department heads. Targeted on-site meetings are held at mining units, where complaints are addressed in the presence of the applicant. The directors of NMMC divisions also participate in resolving labor conflicts and complaints, with the opportunity to hold meetings with employees regardless of their work schedules. For the convenience of employees, complaints can be submitted through a suggestion box located in the reception area, as well as via a hotline available to all employees, allowing them to leave their contact number for feedback.

Statements, complaints, and suggestions addressed to the company are received by responsible specialists and registered in both a physical logbook and an electronic system. Depending on the subject matter of the application, questions are referred to specialized specialists for consideration. If necessary, management issues the appropriate order for the commission to review the inquiries. The Department for Monitoring and Coordination of Appeals from Individuals and Legal Entities organizes the

collection of necessary information for discussing the received issues. Following the commission meetings, a report is prepared and sent to the applicant.

During the reporting period, NMMC received 3,679 appeals. Of these, 2,275 appeals were received through the virtual and public reception centre of the President of the Republic of Uzbekistan, 796 written and 469 oral appeals were received directly by NMMC (not through the virtual reception centre), and 139 appeals were sent through e-mail. No appeals were received through the Prime Minister's lobby for consideration by businessmen.

In addition, the management of NMMC held in-person meetings with 369 citizens, of which 126 people were received by the General Director, 243 people were received by the Deputy General Directors, and 83 people were received at off-site receptions through mobile reception centres. No appeals to public reception centres were received during the reporting period.

Table 11. Types of appeals by sources for 2021-2023 received by the NMMC Directorate, excluding appeals received by NMMC divisions, units.

Types of appeals	2021	2022	2023
Written	784	680	796
Electronic, incl.	1,860	2,444	2,414
- appeals received by the official email info@NMMC.uz	112	90	139
- appeals received through the virtual reception of the President	1,748	2,352	2,275
- appeals received through the virtual reception of the Prime Minister	0	2	0
Oral	167	211	469
Total	2,811	3,335	3,679

The Company's official website has introduced the Anti-Corruption and Open Data sections. These sections contain internal departmental documents, information planned for publication, current (hotline and e-mail) communication channels for sending appeals, as well as information on responsible employees of the Compliance Service

Plans for 2024 and the medium term

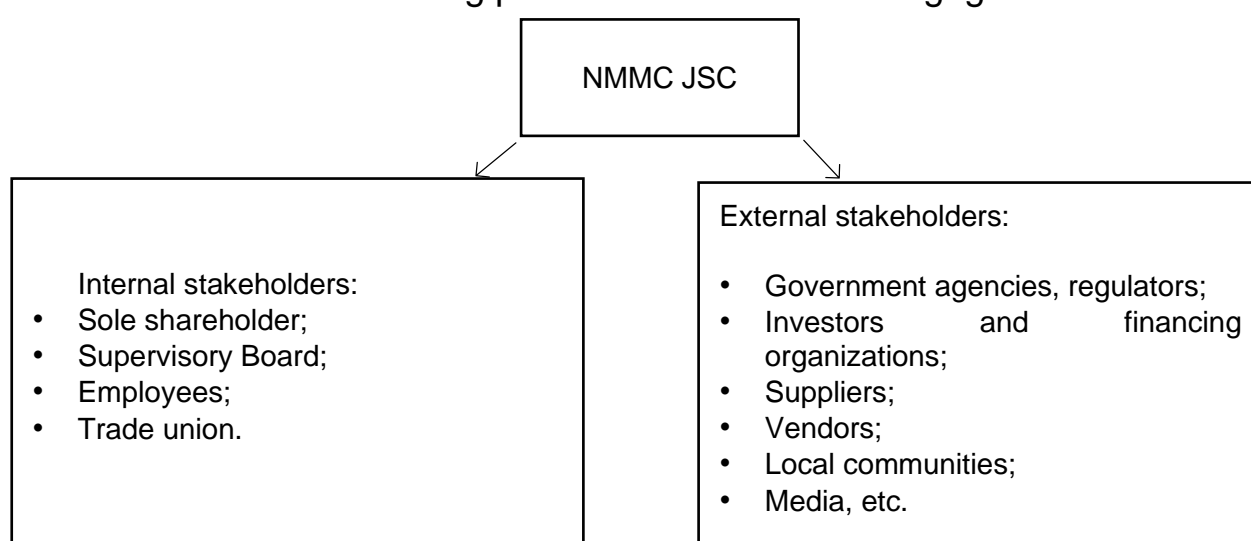
- Creation of consolidated statistics of appeals for all NMMC production units.
- Approval of the composition of the working group for consideration of appeals.
- Development of a memorandum of co-operation between NMMC JSC and Nurata district khokimiyat.

STAKEHOLDER ENGAGEMENT

GRI 2-29

The success and long-term sustainability of the Company depends on its engagement with a wide range of stakeholders. NMMC's approach to stakeholder engagement is based on transparency and active communication, which ensures that stakeholder opinions are considered in the decision-making process.

The Company identifies key stakeholder groups and takes an individualised approach in its interaction with each of them in order to understand their needs and expectations and prevent negative impacts. Key stakeholder groups are identified based on an assessment of their impact on the Company's current operations and strategic development, as well as in accordance with the existing practice of stakeholder engagement.



The key stakeholders of NMMC include the Company's employees and management, Shareholder, public authorities, local communities, public organizations, partners, investors, mass media and others.

A key element of NMMC's stakeholder engagement strategy is the ability to effectively respond to concerns and questions raised by stakeholders. Stakeholder engagement is conducted through meetings, roundtables, surveys and feedback forms, public reports, training and other events, partnerships, as well as through official public communication channels. When covering its activities, NMMC relies on the principles of relevance, materiality and openness of information provision.

Table 12. Stakeholder engagement

Stakeholder	Key results for 2023	Interaction methods
<p>Sole Shareholder</p> <p>Principles:</p> <ul style="list-style-type: none"> • protection of Shareholder's rights; • transparency of information disclosure. 	<ul style="list-style-type: none"> • paid \$1,202 million as dividends 	<ul style="list-style-type: none"> • interaction through representatives within the Supervisory Board; • meetings and negotiations; • periodic reporting; • official website
<p>Government authorities/regulating bodies</p> <p>Principles:</p> <ul style="list-style-type: none"> • compliance with legislative requirements; • taxes and other payments to the budget; • implementation of state programs and initiatives. 	<ul style="list-style-type: none"> • about \$2,061 million in taxes and other payments to the state budget in 2023 	<ul style="list-style-type: none"> • correspondence and requests; • reporting platforms; • official website.
<p>Employees/ trade union</p> <p>Principles:</p> <ul style="list-style-type: none"> • safe and equal working conditions; • training, growth, and professional development. 	<ul style="list-style-type: none"> • in 2023, investments in employee training totalled \$1,488 million. • in May 2023, amendments to the Collective Agreement of NMMC JSC for 2022-2024 were approved by the Central Commission at the labour collective conference. 	<ul style="list-style-type: none"> • training and workshops; • corporate events, meetings, and discussions; • internal corporate channels; • official website; • the Company's social networks.
<p>Investors, financing organisations</p> <p>Principles:</p> <ul style="list-style-type: none"> • improving efficiency and financial performance; • execution of obligations. 	<ul style="list-style-type: none"> • Entered into a loan agreement for a long-term syndicated loan for 5 years from leading international banks in the amount of over \$1 billion. 	<ul style="list-style-type: none"> • submission of reports and financial indicators; • meetings and presentations; • official website.
<p>Suppliers</p> <p>Principles:</p> <ul style="list-style-type: none"> • support for local producers; • constructive and open cooperation. 	<ul style="list-style-type: none"> • The share of local suppliers in NMMC's total procurement costs is 93%. 	<ul style="list-style-type: none"> • procurement sites; • fairs, briefings, and other events for suppliers; • official website.
<p>The Media and public</p> <p>Principles:</p> <ul style="list-style-type: none"> • data disclosure transparency; • open cooperation. 	<ul style="list-style-type: none"> • 128 messages, news, articles, reports, photo reports were published on the websites of the republican and local electronic media in 2023. 	<ul style="list-style-type: none"> • press releases and interviews; • Participation of the Company's representatives in open

	<ul style="list-style-type: none"> Participation of NMMC representatives in regional and international forums on mining and gold mining, sustainable development and investor relations. 	<ul style="list-style-type: none"> events with the general public; official website and social networks of the Company.
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PRIORITY UN SDGS

As part of its operational activities, the Company supports the UN Sustainable Development Goals by contributing to the development of the regions where it operates, upholding the principles of responsible business conduct, working to preserve the environment and ensuring fair labour conditions for employees.

NMMC recognises the importance of all 17 SDGs adopted in 2015 by the UN General Assembly and actively participates in their achievement as part of its activities. Due to the industry specifics of the Company, as well as in accordance with the Company's mission and goals, NMMC has identified eight prioritised UN SDGs to which it can make the most significant contribution. The table below provides a brief overview of the Company's activities related to these priority goals and identifies the material aspects of sustainable development that are consistent with these goals.

Table 13. UN SDGs

Topic	Goal	Results for 2023
Climate action	<p>Goal 6: Ensure availability and sustainable management of water and sanitation for all</p>	<ul style="list-style-type: none"> • The laboratory for studying water issues, in collaboration with the regional environmental department, conducted research on water supply sources in Navoi region to assess the quality of drinking water for the population; • In 2023, 1.87 million m³ (1.87 thousand ML) of water was saved, exceeding the program's target by 3%. • The percentage of reused and treated water has been increasing year by year: in 2021, it was 9.2% of total consumption; in 2022, it rose to 12% of total consumption; and in 2023, it reached 12.2%
	<p>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<ul style="list-style-type: none"> • The volume of energy generated from solar installations increased by 35% in 2023, reaching 13,301 GJ compared to 9,819 GJ in 2022. • During the reporting period, 3,346 solar installations for hot water supply were set up, achieving a total capacity of 7,000 Gcal.
	<p>Goal 12: Ensure sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> • The energy efficiency reduction program and the implementation of energy-saving technologies allowed to achieve target indicators for energy savings, total energy consumption reduction was 1,153.98 thousand GJ. • At HMP-5, a pilot industrial installation for filtration, drying, and roasting of products has been launched, aimed at increasing the gold recovery during ore processing.
	<p>Goal 13: Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> • As a result of the measures implemented in 2023 (such as introduction of alternative energy sources, fuel and lubricant saving, optimisation of technical and technological processes, replacement of obsolete vehicles and equipment), NMMC achieved GHG emission reductions of 43,259 tons CO₂eq. in 2023, a 20% increase compared to 35,929 tons CO₂eq. in 2022. • 11 CCGTs with an efficiency of over 90% have been implemented.

Topic	Goal	Results for 2023
Social corporate responsibility and labour protection	Goal 3: Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> • All employees, their family members and retirees of the Company are provided with free medical care. • 89% of employees have undergone professional medical periodic examinations. • As part of decisions on sponsorship and charity programs, NMMC sponsors Sports federations in preparation for the Summer Olympic and Paralympic Games in Paris in 2024.
	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> • Sponsored secondary schools, boarding schools and institutes. • Retraining and professional development programs were provided. • Support was provided to young specialists wishing to continue their education. • Young specialists employment. • 279 students received grants for training at the expense of NMMC. • \$1.5 million was allocated for employee training.
	Goal 5: Achieve gender equality and empower women and girls	<ul style="list-style-type: none"> • Women constitute 13% of the workforce. • Women represent 14% of management positions. • A total of 428 women were hired in 2023. • An application has been submitted to the international organization "Women in Mining."
	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> • A total of 1,445 jobs were created. • Hires during 2023 include: <ul style="list-style-type: none"> - 209 individuals on quotas from labor exchange: <ul style="list-style-type: none"> - including 7 persons with disabilities, - and 11 individuals released from places of detention.

Topic	Goal	Results for 2023
Corporate governance	Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	<ul style="list-style-type: none"> • Implementation of the NMMC innovative development program until 2026, particularly in the areas of ecology and energy, with ongoing projects in R&D and applied research. • Increased funding for scientific research and rationalization activities, totaling \$14 million. • The number of active patents stands at 12, with 2 patents granted in 2023. • A total of 241 rationalization proposals have been accepted and implemented, with an anticipated economic effect of approximately \$8.5 million.
	Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development	<p>As a socially responsible enterprise, NMMC actively participated in the development of infrastructure in the regions where it operates:</p> <ul style="list-style-type: none"> • Construction of an international chess school at the "Tudakul" recreation center in the Kyzyltepa district of Navoi region. • Launch of a specialised school for 504 pupils in Tamdyn district of Navoi region. • Scientific research and technology development jointly with scientific institutes and foreign companies; • The purchase of products within the framework of inter-sectoral industrial cooperation (including with representatives of small businesses) totalled \$468.6 million.

MEMBERSHIP IN ASSOCIATIONS AND ADHERENCE TO INTERNATIONAL PRINCIPLES

GRI 2-28

Since 1994, the Company has been actively participating in international and industry exhibitions of industry and gold mining. Over the years of development, many awards have been achieved, and the “Optimal delivery” status of the London Bullion Market Association (LBMA) has been repeatedly confirmed, confirming the successful completion of regular tests for full compliance with market requirements. Since 2019, NMMC has been translating and estimating Mineral Resources and Ore Reserves in accordance with the requirements of the JORC Code.

Table 14. Participation in associations and adherence to international principles

No	Certification	Current commitments	Time of validity	Responsible department
1	Member of the London Bullion Market Association	Fulfillment of commitments under the Global Precious Metals Market Code	Every year since 1994	Technical Control Service, Sales Department, International Cooperation and Protocol Department
2	Proactive Monitoring Certificate - Gold	CPL of the Central Mining Unit testing to perform correct laboratory analysis of 999.9 gold	Every 3 years, since 1994	Technical Control Service, Sales Department, International Cooperation and Protocol Department
3	Responsible Gold Certificate – RGG LBMA)	Annual publication of the report as required by management. Assurance of the report by an external independent party, disclosure of data on the Company's website.	Every year since 2015	Sales Department, International Cooperation and Protocol Department
4	O'zDSt ISO/IEC 17025:2019 - General requirements for the competence of testing and calibration laboratories	Conducting an annual external independent audit.	Every year since 2000	CPL of the CMU
5	ISO 9001:2015 - Quality Management System	Conducting an annual external independent audit.	Every year since 2005	CMU, NMBP
6	ISO 14001:2015 - Environmental Management System	Conducting an annual external independent audit.	Every year since 2015	CMU
7	ISO 45001:2018 - Occupational health and safety management system	Conducting an annual external independent audit.	Every year since 2018	CMU

№	Certification	Current commitments	Time of validity	Responsible department
8	O'z DSt ISO 50001:2019 - Energy Management System	Conducting an annual external independent audit.	Every year since 2017	CPED of the CMU, SMU, NMBP

NMMC is in the process of adapting its internal processes and procedures to elevate the Company to a new stage of development in line with leading industry practices to accelerate growth, modernization, and expansion of production. The Company has implemented a corporate governance and reporting system in accordance with international standards, including financial reporting under IFRS and the disclosure of non-financial information in accordance with GRI standards.


The reorganization process encompasses areas such as management, design, technology, production control, monitoring, and efficiency enhancement within the framework of the NMMC Transformation Program.

As part of the transformation program at NMMC JSC, a team of international experts (SRK Consulting) participated in an audit for compliance with the “RGMPs” and the “ICMC”. The main purpose of the audit was to develop a roadmap to identify the key areas and issues that the Company needs to address in order to transition to international best practice. The audit and implementation of these principles is also aimed at meeting the expectations of international financial institutions and improving the Company's investment appeal.

Plans for 2024 and the medium term

- Conducting a scheduled recertification audit of the CMU Management System according to ISO standards 9001:2015, 14001:2015, and 45001:2018.
- Certification of the anti-corruption management system of NMMC's central administration in accordance with the ISO 37001:2016 standard.
- Implementation of activities within the NMMC program for the further improvement of water resource conservation and rational use from 2022 to 2026.
- Development and approval of a Decarbonization Strategy for the implementation of "green energy" principles, as well as a Water Resource Management Strategy.
- Development, adoption, and implementation of strategic and tactical management decisions.
- Ensuring transparency and accessibility of information regarding the Company's production, financial, social, and environmental activities.
- Implementation of social support and investment programs.
- Development and launch of a program to align the Company's activities with the “RGMPs” and the “ICMC” as part of a comprehensive ESG principles implementation program.

Environmental management

Key indicators 2023	Material topics
<ul style="list-style-type: none"> • 4,424 ML - volume of treated and reused domestic and industrial wastewater after sewage treatment • 1,114.7 thousand tons of CO₂-eq - total greenhouse gas emissions • The volume of renewable energy obtained from solar installations increased by 35% • 31.8 million GJ - total energy consumption in the Company • 43,259 tons of CO₂-eq. - total reduction of greenhouse gas emissions due to the implementation of energy saving measures • 99% of the total volume of non-hazardous waste is transferred for disposal on the territories of facilities 	<ul style="list-style-type: none"> • Energy • Water • Biodiversity • Emissions and climate change • Discharge and waste
Contribution to UN SDGs	
	
GRI, SASB indicators	
GRI 2-24, 2-27, 302-1, 302-3, 302-4, 3-3, 303-1, 303-2, 303-3, 303-4, 304-1, 304-2, 304-3, 304-4, 305-1, GRI 305-5, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5. EM-MM-120a.1, EM-MM-140a.1, EM-MM-140a.2, EM-MM-150a.5, EM-MM-150a.7, EM-MM-150a.9, EM-MM-150a.10, EM-MM-160a.1, EM-MM-160a.3, EM-MM-130a.1, EM-MM-110a.2.	

ENVIRONMENTAL MANAGEMENT SYSTEM

GRI 2-24, 3-3, EM-MM-160a.1

Environmental protection is one of the main aspects of NMMC's sustainable development. The Company strives to ensure a balance between economic growth and the preservation of natural ecosystems by efficiently utilizing natural resources, reducing emissions, wastewater, and waste, and implementing energy-saving technologies and renewable energy sources.

The Company acknowledges the significant impact of its production processes on the environment and seeks to minimize it through effective environmental management methods.

In accordance with the international standard ISO 14001, a certified Environmental management system (EMS) operates at the Central Mining Unit, where the main production facilities of NMMC and the Muruntau open-pit mine are located. This standard provides a systematic framework for managing environmental impacts, ensuring that the Company effectively identifies, controls, and mitigates environmental risks. The EMS applies to all production facilities of NMMC. The Environmental Protection Department oversees compliance and implementation of the EMS.

The main activities of NMMC within the framework of environmental management include compliance with legislation and internal environmental

regulations, daily operational control, conducting environmental impact assessments to identify and evaluate potential impacts on the environment, and developing measures to mitigate negative effects. They also monitor key environmental indicators such as air quality, wastewater, emissions, soil quality, etc., as well as conduct training on environmental protection issues for employees.

When developing environmental documentation, the Company relies on the regulatory requirements of national legislation. The Company consistently develops and implements new regulations and standards in the field of environmental protection aimed at ensuring compliance with environmental legislation, and regularly updates internal regulatory documentation in response to current changes in the legislative framework.

In 2023, the following internal regulatory documents continue to be in effect within the Company:

- Environmental Monitoring Program at NMMC for 2021–2025;
- NMMC Order on the Further Improvement of Economic Mechanisms for Environmental Protection in the Republic of Uzbekistan;
- Regulation on the Department of Environmental Protection of NMMC JSC;
- Action Plan for Environmental Protection and Rational Use of Natural Resources for 2023.
- In the field of environmental protection, NMMC has identified the following priority areas:
 - Reducing emissions of pollutants into the environment;
 - Keeping records of environmental incidents and assessing their potential consequences;
 - Decreasing specific energy consumption by utilizing renewable energy sources in the energy mix and implementing energy-saving and resource-saving technologies at production sites;
 - Introducing "green," environmentally friendly, waste-free technologies into the production process;
 - Creating an environmentally comfortable setting, including landscaping and greening adjacent areas;
 - Enhancing the competence of company employees and conducting training in the field of environmental protection.

In 2023, as part of the Innovative Development Program of NMMC JSC, several projects were implemented aimed at improving the environmental situation and protecting the environment. Among them are "Research on Methods for Purifying Groundwater Sources Used for Drinking Water Supply in the Navoi Region" and "Implementation of an Automated Air Pollution Monitoring System for the Filtration, Drying, and Roasting Workshops at HMP-3".

Management structure and tools

The Environmental Protection Department is responsible for current activities related to environmental protection and the management of ecological aspects, reporting to the Director of Labor Protection, Industrial Safety, and Ecology (ESG). At NMMC's enterprises and divisions, environmental responsibilities are assigned to environmental engineers, or these duties are incorporated into the functions of safety department staff.

Environmental Monitoring Program for 2021–2025.

The Company has implemented an environmental monitoring program designed to improve measures for minimizing the impact of its operational activities. NMMC conducts environmental monitoring and collects and analyzes samples of air, water, and soil at its industrial sites. In accordance with legal requirements, the Company also conducts monitoring outside industrial facilities within sanitary protection zones (SPZ) and at designated monitoring points in local communities.

Actual monitoring and analysis include:

- air samples along the perimeter of quarries and tailings dumps, as well as at the sites of the Company's processing plants and own boiler houses;
- emissions of pollutants directly from sources (some of them);
- soils at industrial sites;
- domestic wastewater before and after treatment.

The results of laboratory studies are analyzed for compliance of concentrations with the established norms or conditions of license permits, in accordance with the requirements of national legislation, without assessing the dynamics. In cases where the monitoring reveals comments on the operation of gas cleaning equipment or water treatment facilities, the laboratory service and environmental protection specialists issue instructions for the implementation of corrective actions to eliminate the comments.

Table 15. Environmental protection monitoring program for 2021-2025, thousand \$

№	Main activities	Mechanism Implementations	Time Perform	Expected Outcomes	Amounts and sources of funding		
					2021	2022	2023
I. Monitoring of sources of water pollution					2021	2022	2023
1	Monitoring of wastewater quality and efficiency of treatment facilities and sewerage.	1) Water sampling, field research and study of the condition of treatment facilities; 2) analysis of samples taken in laboratory conditions and office data processing; 3) assessment of the data obtained and presentation of the results to the interested state control bodies and the SEA to the NMMC management, implementation of appropriate measures; 4) entering the results of monitoring into an electronic database; 5) preparation of quarterly reports.	Quarterly	Timely detection of water pollution by polluted wastewater and ensuring effective environmental control over compliance with environmental standards by business entities on discharges of pollutants into the environment. Providing local authorities and state environmental control bodies with monitoring information to take appropriate measures to reduce specific indicators of discharges of harmful substances, as well as to improve the efficiency of treatment facilities. Assistance in creating a safe environmental and sanitary-epidemiological situation in the areas of wastewater discharge.	15.5	16.4	18.9

II. Monitoring of sources of atmospheric air pollution							
2	Monitoring of sources of emissions into the atmosphere at stationary sources of pollution, which are the main of the complex that have a negative impact on the environment.	1) Organization of field visits, sampling and measurements at emission sources; 2) study of the efficiency of dust and gas cleaning plants; 3) analysis and evaluation of monitoring results; 4) submission of the results to the territorial divisions of the State Committee for Nature Protection and Environmental Protection of the NMMC for the adoption and implementation of appropriate measures; 5) entering the results of monitoring into an electronic database and developing recommendations on environmental protection measures; 6) preparation of reports.	Monthly	Providing local public authorities, specially authorized state bodies and involved business entities with information on the volume of pollutant emissions. Assistance in eliminating the negative consequences caused by excess emissions. Ensuring effective environmental control to take measures to reduce emissions of harmful substances from stationary sources. Development of measures to improve the efficiency of dust and gas cleaning plants in order to increase the share of captured and neutralized pollutants in the total amount of waste gases from pollutants.	17.3	17.9	18.2
III. Monitoring of sources of soil contamination							
3	Monitoring of sources of soil contamination in the areas of tailings dumps according to the list in accordance with Appendix 1 to this Program.	1) Preparation of a plan for monitoring sources of land pollution; 2) organization of field visits, sampling of soils and conducting the necessary field surveys and measurements; 3) office processing and generalization of research results,	Once every six months	Creation of a system for monitoring the state of the environment in waste disposal areas. Providing stakeholders with information for the implementation of measures aimed at reducing the negative impact of production and consumption waste on the environment, developing territorial waste management schemes.	20.8	21.3	21.4

		assessment of the degree of land pollution; 4) entering the results of monitoring into an electronic database; 5) submission of the results to the territorial divisions of the State Committee for Nature Protection, local public authorities and the SEA management of NMMC for the adoption and implementation of appropriate measures.					
IV. Monitoring of Sources of Groundwater Pollution							
4	Monitoring of groundwater pollution in observation wells of tailings dumps.	1) Preparatory work; 2) organization of field research with water sampling; 3) analysis of water samples and office processing of research results; 4) generalization of data and preparation of a report with recommendations; 5) submission of the results to the territorial divisions of the State Committee for Nature Protection, local public authorities and the SEA management of NMMC for the adoption and implementation of appropriate measures.	Once every six months	Identification of patterns and forecast of the formation of seasonal and long-term hydrogeochemical and hydrodynamic regime of groundwater in natural and disturbed conditions. Timely information support of local government agencies.	8.8	9,1	9,2

Environmental compliance

GRI 2-27, EM-MM-160a.1

NMMC operates within the framework of the environmental legislation of the Republic of Uzbekistan and works to minimize the negative impact on the environment. In 2023, no cases were initiated against the Company related to violation of environmental legislation, no sanctions were applied and no fines were imposed. In the reporting year, NMMC's expenses for environmental activities amounted to \$8,660.1 thousand. Compensation payments for environmental pollution and waste disposal in 2023 amounted to \$185.7 thousand.

Plans for 2024 and the medium term for the environmental management system

- Development of a general environmental protection plan in all areas;
- Development of an environmental protection strategy;
- Implementation of priority tasks provided for by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated 25.08.2022, within the framework of the "Program for the establishment of environmental requirements and environmental protection standards in the mining and metallurgical industry based on international standards" until 15.06.2023;
- Implementation of an environmental management system in the production sector based on international standards of ecology and environmental protection ISO 14001:2015;
- Formation and support of a culture of acceptance by employees of responsibility for environmental knowledge in the workplace;
- Providing conditions and resources for the safety of employees in the event of emergencies related to the environment.

WATER RESOURCES PROTECTION

GRI 303-1, 303-2

Effective management and economical use of water resources are key in the sustainable development of not only NMMC, but also on the scale of Uzbekistan, as the region is characterized by a shortage of water resources.

In accordance with its obligations in the field of environmental protection, NMMC is actively working on the implementation of measures aimed at improving the efficiency of the use of consumed water resources. The Company's approach to water resources management includes efficient water use, i.e. increasing water reuse, reducing fresh water intake from natural sources, using treatment technologies and introducing production processes with less water consumption, laboratory control of wastewater quality, and its treatment before wastewater disposal to natural sites.

The Company is guided by global standards, including the UN SDGs, with a particular focus on Goal 6, which aims to ensure universal access to clean water and sanitation, as well as the rational use of water resources.

The Company has in place the "NMMC JSC Program for Further Improvement of the Conservation and Rational Use of Water Resources for 2022-2026". The developed water consumption plan provides for the distribution of water resources for technical, drinking and irrigation needs until 2026 in the context of each division, indicating the sources of water supply. The data was provided and agreed with the Ministry of Water Resources and the Ministry of Mining and Geology of the Republic of Uzbekistan.

For the scientific study of water supply and water conservation problems, the Company operates the "Laboratory for the Study of Water Problems" on the basis of the Central Research Laboratory, the main task of which is to research and search for innovative solutions for the treatment and reuse of municipal and industrial wastewater in the production process. The laboratory is equipped with modern equipment and staffed with high-class specialists with scientific degrees.

The main regulatory documents within the framework of water use and water protection:

- Law of the Republic of Uzbekistan "On Nature Protection";
- Law of the Republic of Uzbekistan "On Water and Water Use";
- Procedure for issuing permits for special water use, development and approval of projects of maximum permissible discharges (MPD) of substances entering water bodies and terrain with wastewater;
- Sanitary Rules for the Use of Post-Treated Municipal Wastewater in Industrial Water Supply;
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On Approval of the Environmental Monitoring Program in the Republic of Uzbekistan for 2021-2025".

Special water use and water consumption of NMMC subdivisions is carried out in accordance with the permit issued by the State Committee of the Republic of Uzbekistan for Ecology and Environmental Protection. For each production facility, the State Ecological Expertise of the Republic of Uzbekistan has agreed on projects of maximum permissible discharges (MPD).

Water supply

GRI 303-3, EM-MM-140a.1

For NMMC, water resources management mainly means finding and implementing effective water recycling (reuse) technologies to achieve independence from external water sources. Thus, the ratio "fresh water – recycled water" is determined, which should be calculated based on the best available technologies (BAT) for the treatment of recycled water, which will be a key parameter for assessing the efficiency of water use.

Water is a strategically important resource, and access to it in the regions of Central Asia with a high level of water stress⁴ and its rational use

⁴ [Uzbekistan country ranking](#)

is a critical factor for the sustainable development of the Company and the well-being of communities. According to the Water Atlas of Conflicts⁵, the regions of presence and production activities of NMMC JSC are not at risk of conflicts over water resources. use of water resources The Company implements programs for their rational use in its activities.

Production development plans should take into account the availability of the necessary resources. Most of the production facilities are located in areas with an arid climate. In this regard, NMMC carries out constant active work and implements programs for the rational use of water resources, measures to increase the level of recycled water supply and water reuse.

In 2023, there were no significant changes in the nature of NMMC's impact on water resources in the regions where the Company's enterprises are located (Navoi, Samarkand, Jizzakh and Khorezm regions).

The main facilities for the extraction and production of NMMC are located in arid and low-water areas of the Zarafshan-Uchkuduk industrial region.

Water supply to production facilities located in the city of Navoi (HMP-1 Mining Unit, "NMBP" Production Association and others) is carried out under a contract by the water supply organization - the State Unitary Enterprise "Issiklik Manbai". Water supply (water intake) in the city of Navoi is carried out from the Zarafshan River. Work on the study of water resources and watercourses in the Company's area is carried out by SUE "Uzbekhydrogeology" by order of the Company on a contractual basis. Based on the results of the studies, hydrogeological conclusions are issued, which indicate the volume of reserves, chemical properties, inflow and other parameters of the water basin. The design and construction of water bodies is carried out in accordance with the national requirements of the Republic of Uzbekistan (BCR).

Water supply to NMMC facilities in the regions of operation is mainly carried out from surface sources - the Amu Darya and Zarafshan rivers, the Tusunsay reservoir, as well as from underground sources - Karak-Ata, Beshbulak, Sangzor and Boitup fields.

Drinking and technical water supply to NMMC settlements, production and social facilities in Zarafshan-Uchkuduk region, the cities of Zarafshan and Uchkuduk, is provided from the Amu Darya River, located at a distance of more than 310 km from the source, with the help of the "Amudarya-Zarafshan" and "Zarafshan-Uchkuduk" water pipelines laid in the desert. This water conduit is necessary not only for technological and production purposes, but also to provide water supply to the entire local population of the city of Zarafshan, which makes the rational consumption of water resources a priority for the Company.

⁵ [Water Atlas of Conflicts Water, Peace and Security](#)

Table 16. Total volume of water withdrawal, Megaliters (ML)

GRI 303-3

Index	2021	2022	2023
Water withdrawal volume	112,300	122,550	124,031

In the reporting year, the Company withdrawal 124 thousand ML of water.

Table 17. Total volume of water withdrawal by sources (ML)

GRI 303-3

Name of sources	2021	2022	2023
Surface	92,123	97,862	95,499
Underground	7,072	8,075	12,377
Mine, quarry, tailings dump	7,024	12,121	12,632
From third-party providers	6,037	4,492	3,523
Total:	112,256	122,550	124,031

Table 18. Volumes of fresh and technical water withdrawal in 2023 (ML)

GRI 303-3

Subdivision	Fresh water	Technical	Total water withdrawal
CMU	3,330	85,849	89,179
NMU	3,563	17,162	20,725
SMU	916	5,586	6,501
HMP-1 MU	260	6,113	6,373
NMBP	332	676	1,009
Other units of Navoi city	137	107	244
Total	8,538	115,493	124,031

The main responsibility for the stable and reliable operation of the Company's power systems, including the water supply system, lies with the specialists of NMMC's energy service. Water supply specialists in NMMC divisions are engaged in the implementation of a set of works aimed at uninterrupted supply of drinking and technical water to the Company's divisions, as well as carry out monitoring to ensure the safe operation of NMMC's water supply systems.

Reliability and safety of water supply of NMMC industrial facilities is ensured by:

- availability of reserve water reservoirs (lakes, reservoirs) and the number of water pipelines (2 or more) from the source;
- pumping stations and backup equipment installed at the position and available in warehouses;
- trained maintenance personnel and repair and restoration equipment servicing the water supply system in the context of each subdivision.

One of the main areas of water conservation of NMMC is the rational use of water using new technologies, including modernization of production, saving and reuse of water resources, scientific achievements and experience of the Company's personnel. Water saving measures are being implemented on an ongoing basis:

- reuse of water in technological processes;
- use of recycled water supply;
- use of mine and groundwater;
- introduction of a drip irrigation system for irrigation of green spaces on the territory of factories and mining units;
- optimization of operation and maintenance of technological equipment.

The Company implements the process of reusing industrial and treated city municipal wastewater for technological needs, irrigation of green spaces. Treated wastewater from Uchkuduk, Zarafshan city is fully used for the technological needs of the Company's subdivisions, as well as for irrigation of green areas of the adjacent territories, which amounts to about 4.23 thousand ML per year.

Saving water resources depends to a large extent on the correct organization and feasibility of rationing the consumption of water resources, as well as fuel and electricity. In the context of growing production volumes, the need for rational water consumption, as well as an increase in the share of reused water, is increasing. NMMC continues to work to increase the volume of water reuse and reduce the volume of fresh water withdrawn. However, it is also worth taking into account changes in the structure of the water balance: strict control of the volume of consumption from surface water, use of highly saline (brackish) groundwater with subsequent treatment, increase in the share of reused and recycled water.

Table 19. Quantity of reused water resources by type and by subdivision for 2023 (ML)

Subdivision	2023				Total
	Recycled water from the tailings storage	Use of mine (quarry) water	Reuse of water from sewage treatment plants	Use of highly mineralised groundwater	
CMU	7,100	1,224	13	1,389	9,726
NMU	-	-	4,218	6,634	10,852
SMU	1,117	1,836	-	-	2,953
HMP-1	1,470	61	-	-	1,531
Total:	9,687	3,121	4,231	8,023	25,062

Implemented activities

In 2023, the Company approved the Environmental Protection and Rational Use of Natural Resources Action Plan for 2023. The action plan provides for the costs of rational use of water resources in the amount of \$1.53 million.

Table 20. Goals and results for rational use and conservation of water resources in NMMC

Years	Unit	Plan	Fact	%
2022	ML	14,334	15,048	105
	thousand \$	4,704	2,567	
2023	ML	1,884	1,938	103
	thousand \$	657	689	

In accordance with this Programme, the following activities were carried out:

- Return of discharge and wash water from chambers 1-12 of FC (flaking chambers) to BOS-1,2 during washing of turbid sediments of the Air Force OES - 227 ML;
- Treatment of water from the upper discharge of thickener Ts-100 No.1, which is formed during thickening of neutralization tailings of BWWT and reuse of treated water in the process of preparation of lime milk in the Shop of thickening, neutralization of industrial effluents and preparation of reagents - 876 ML;
- Increase in the use of mine water from the Main mine and No. 3 of the Zarmitan mine for the technological needs of HMP-4 200 ML;
- Reduction of fresh water use by increasing the amount of water return from the tailings pond of HMP-1 300 ML;
- Treatment of sludge water from metallurgical furnaces of foundry production at NMBP PA using a water treatment plant and its reuse in technology 100 ML.

Water discharge

GRI 303-4

The water used in production processes must be purified before being discharged into natural sources.

Sampling and analysis of industrial wastewater is carried out at the inlet and outlet of local treatment facilities, as well as in control wells immediately before discharge. At the same time, in order to implement the control process, the volume of industrial wastewater discharged is measured in control wells and at the most critical points of the industrial sewerage network.

The list of priority potentially hazardous substances in wastewater includes suspended solids, nitrogen nitrates, nitrogen nitrites, ammonium nitrogen, sulfates, chlorides, phosphates, petroleum products, total iron and

BOD 1. The regulation of pollutant discharges is approved in the draft standards for maximum permissible discharges.

Table 21. Total volume of discharges to treatment facilities and terrain by the Company, ML

GRI 303-4

Indicator	2021	2022	2023
Total volume discharges	5,102	5,157	4,424

The Company does not discharge into surface or groundwater. Industrial effluents are discharged to tailings dumps. Treated domestic wastewater is reused at the Company's production assets and for irrigation of green areas.

The volume of wastewater discharges in 2023 is 4,424 ML, which is 0.8% lower than last year's figure.

Table 22. Volumes of treated and reused effluents in 2023, (ML)

Wastewater Treated	Untreated wastewater discharged	Reused effluents
3,783.7	322.1	3,492.0

Monitoring of sources of water pollution

GRI 2-27, 303-4, EM-MM-140a.2.

NMMC carries out environmental control over compliance by economic entities with environmental standards for discharges of pollutants into the environment. The company works to prevent and timely detect cases of contaminated wastewater entering water resources. Water treatment is carried out by biological and physicochemical methods.

In order to prevent pollution of water bodies and terrain in the regions of operation, as well as the rational use of water resources, the Company monitors sources of water pollution by taking wastewater samples in accordance with the analytical control schedule. Groundwater pollution is also monitored by sampling from observation wells around the perimeter of tailings dumps. Groundwater pollution in settlements in the zone of influence of NMMC's industrial facilities was not detected.

NMMC has carried out a number of activities within the framework of the "Environmental Monitoring Program in the Republic of Uzbekistan for the period from 2021 to 2025", approved by the Resolution of the Council of Ministers of the Republic of Uzbekistan dated June 3, 2021 No 343. As part of this task, 12 sources of wastewater were analyzed in the structural subdivisions of NMMC, 447 water samples were taken and subjected to 6,434 chemical analyses. In addition, 3,289 water samples were taken and 12,505 chemical analyses were performed in monitoring groundwater pollution in monitoring wells in the area of the tailing dump.

NMMC strictly adheres to the principles of responsible water use and prevention of pollution of water bodies, making all compensation payments on time and in full in accordance with the legislation of the Republic of Uzbekistan. Payments for excess discharges in the reporting year are associated with exceeding the permissible values of MPC standards, as well as the discharge of treated domestic water onto the terrain.

In order to solve problematic issues of water use and radiometric monitoring of production facilities, the Company operates the Central Research Laboratory (CRL) and the Laboratory for Solving Water Supply Problems (LSWSP).

The main tasks of the LSWSP are:

- Monitoring of the quality of water used in hydrometallurgical production.
- Control and implementation of projects for the reuse of water resources in NMMC divisions.
- Control, together with the laboratories of the subdivisions, over the quality of the drinking water used.
- Monitoring of the work of laboratories of NMMC subdivisions to analyse groundwater pollution in observation wells of tailings dumps, analysis of wastewater discharged into the environment, according to the approved list of types of components to be determined.
- Preparation of information and maintenance of statistics on water quality, water use by NMMC.
- Control and participation, together with the laboratories of NMMC subdivisions, in conducting analyses of sources of centralized domestic drinking water supply.

The CRL carries out radiological monitoring of surface and groundwater.

In 2023, as part of the implementation of the Innovative Development Program of NMMC JSC for 2023, a number of projects were implemented in the field of water resources, including:

- study of radiation indicators of groundwater in the territory of Kyzylkum;
- search for ways to use groundwater for consumption that contains gaseous radon;
- synthesis of sorbents used in water treatment, and the creation of methods for the development of compositions based on local minerals.

Plans for 2024 and the medium term

- In order to implement the "Program for saving water resources and further improving the rational use of water in NMMC JSC for 2022-2026", it is planned to increase the volume of reuse of water from tailings dumps in the technological process;

- Accelerate work on water conservation, widespread use of recycled water and develop appropriate performance indicators.

In the medium term, the Innovative Development Program of NMMC JSC for 2024-2025 is planned, which includes, but is not limited to, the following projects in the field of water resources:

- Study of the possibility of separating water from the tail pulp HMP-2 (HMP-7) in paste-type thickeners;
- Development of a technology for bringing the chemical composition of wastewater from the pond of the HMP-3 tailing dump to the chemical composition of process water.

AIR QUALITY

GRI 305-7, EM-MM-120a.1.

As a major player in the mining and metallurgical sector, NMMC takes responsibility for minimizing emissions of harmful pollutants into the atmosphere and safeguarding air quality in the regions where it operates.

The reduction of pollutant emissions into the atmosphere is a key component of NMMC's environmental protection activities. The Company actively seeks to minimize the negative impact of its operations on air quality through regular environmental monitoring and the integration of advanced technological solutions and innovations.

NMMC conducts regular industrial environmental monitoring and implements measures to reduce atmospheric emissions of pollutants generated by production processes. The Company measures air quality at emission sources and at the boundary of the sanitary protection zone in accordance with the schedule "Control over Compliance with Maximum Permissible Emissions (MPE) at emission sources by NMMC divisions for 2023", which has been agreed upon with the territorial bodies of the Ministry of Natural Resources.

Emissions of pollutants are inevitable throughout the entire production process. Sulphur oxides (SOx), nitrogen oxides (NOx), particulate matter and volatile organic compounds (VOCs) are the main air pollutants emitted as a result of production. Fuel combustion is a major source of nitrogen and carbon oxides.

Table 23. Types and description of emission sources

Types	Description
Organised sources of emissions equipped with dust and gas cleaning equipment	Furnaces of plants and boiler houses, and technological installations emissions carried out through the constructed flue gases and pipes
Organised emission sources without treatment	Furnaces of plants and boiler plants, and process equipment without steam-gas units
Unorganised sources emissions	Metalworking machines, welding, and paintwork emissions
Volley emissions	Accidental releases and blasting releases

Mobile sources	Cars and trucks, buses
----------------	------------------------

In 2023, the volume of pollutant emissions into the atmosphere at NMMC facilities amounted to 6,747 tons, representing a 9.3% increase compared to 2022, and an 47.5% reduction than in 2021. The calculations include CO, NO, NO₂, SO₂, SO₃, PM₁₀, Pb, and VOCs.

The reduction in emissions is attributed to the following factors:

- In 2021, the companies NMMC JSC, Navoiyuran SE and NMMC Fund SI were separated.
- In 2023, new dust collectors CBU RPU in the amount of 11 pieces were introduced, in which the cleaning efficiency is 99.5%;
- Irrigation of mine faces with technical water using watering and irrigation machines has significantly reduced dust generation at mining sites using alcohol-based bard sulfate for dust suppression on technological roads in the mines.

Table 24. The volume of pollutants, tons

305-7

Pollutant	2021	2022	2023
Total volume, including:	12,860	6,170	6,747
CO	1,928	694	907
NO _x (NO _x volume includes NO and NO ₂ , but does not include N ₂ O)	537	458	650
SO _x (SO _x volume includes SO ₂ and SO ₃)	2,469	206 ⁶	204
Particulate matter PM ₁₀ (particulate matter 10 micrometers in diameter or less)	7,842	4,779	4,963
Lead (Pb)	0.06	0.06	0.05
Volatile organic compounds (VOCs)	84	33	23

⁶ significant reduction in sulphur oxides is due to the transfer of the Sulphuric Acid Production Company to the balance sheet of SE Navoiyuran after the latter is separated into an independent entity in 2021.

Figure 3. Total emissions of NMMC into the atmosphere, tons

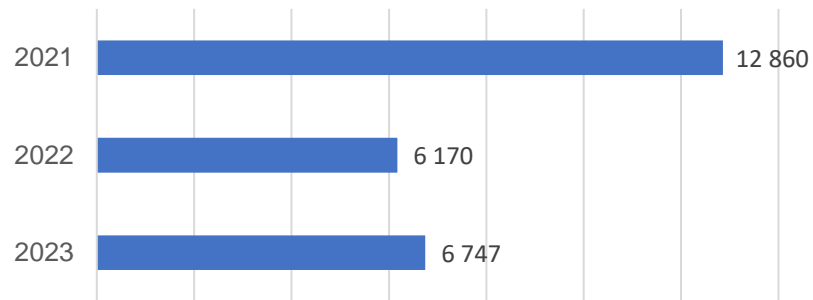


Figure 4. Main emissions of NMMC into the atmosphere, tons

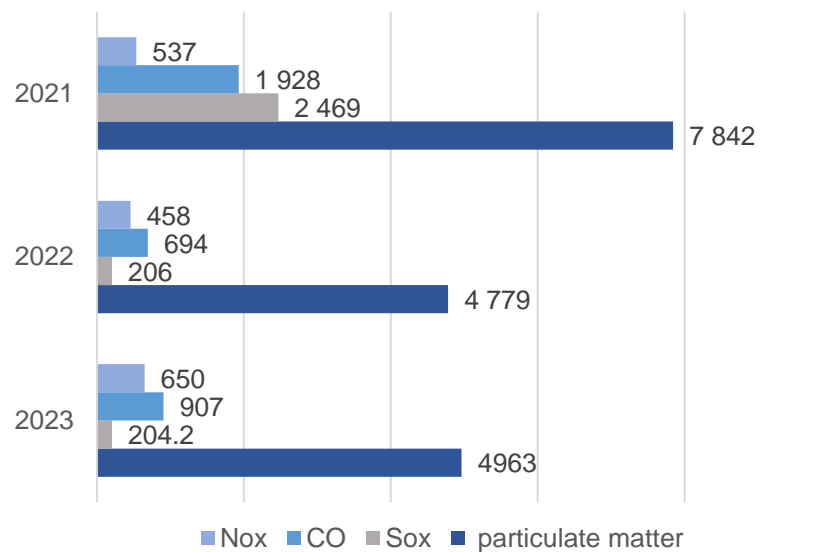
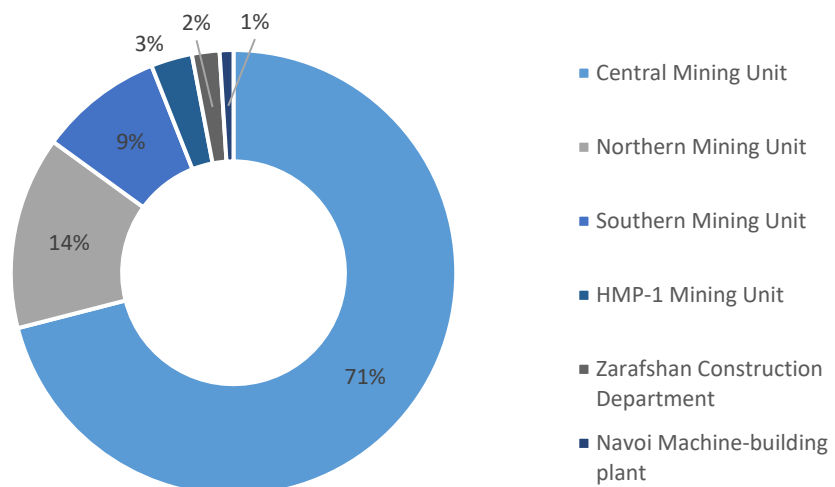


Figure 5. Share of pollutant emissions into the atmosphere by key divisions of NMMC in 2023, %



Manufacturing division	2023
NMU	938.53
CMU	4,904.58
SMU	645.67
HMP-1	218.77
NMBP	100.71
ZCD	86.59
Other	1.67

In 2023, the total volume of pollutant emissions into the atmospheric air did not exceed the values of the standards established by the Ministry of Natural Resources.

In the reporting year, the following activities were carried out to reduce the negative impact on the atmospheric air:

- Reduction of dust emissions during the charging of drilled holes by improving the quality of the face and reinforcing the support wall, along with dust suppression through the spraying of technical water at extraction sites;
- Decrease in atmospheric pollution through the use of emulsion explosives without trotyl;
- Utilization of groundwater for irrigating mineral extraction sites to reduce dust from operational vehicles and excavators;
- Dust suppression on roads;
- Repair and maintenance of fuel systems for motor vehicles;
- Greening of industrial site areas;
- Technical maintenance and modernization of gas and dust collectors;
- Regular monitoring of emissions from road vehicles.

The total expenses allocated for the implementation of the aforementioned activities during the reporting year amounted to \$4.97 million.

In 2023, NMMC had draft standards for permissible polluting emissions for the facilities of the CMU, NMU, SMU, NMBP, HMP-1, ZCD units, which provide the monitoring of compliance with these relevant standards.

In accordance with the schedule, laboratory monitoring of compliance with atmospheric emission standards is regularly carried out at NMMC divisions.

The Central Research Laboratory carries out radiological monitoring of the air in working areas, industrial sites and adjacent populated areas.

During the reporting period, contracts were concluded with suppliers of equipment for continuous instrumental monitoring of permanent sources of air pollution (for sampling and emission analysis) at production facilities and sanitary protection zones at HMP-2, HMP-3 and HMP-5. The installation of the stations is planned for 2024.

Table 25. Specific emissions of nitrogen and sulfur oxides in 2021–2023, tons of emissions per ton of processed ore

	2021	2022	2023
Nitrogen oxides (NOX)	0.000013	0.000005	0.000006
Sulphur oxides (SOX)	0.000012	0.000002	0.000003

Plans for 2024 and the medium term

Also, within the framework of the innovative development program of NMMC JSC for 2023-2024, it is planned:

- Implementation of an automatic air pollution control system in the filtration, drying and roasting shop of HMP-3;
- Creation of an environmentally friendly technology for processing exhaust gases of industrial enterprises of the Navoi region.
- Conducting an inventory of GHG emissions for Scope-1 and Scope-2, to develop a strategy for decarbonization of NMMC enterprises.

CLIMATE CHANGE

Approach to climate change management

GRI 3-3

Climate change and growing concerns from the global community and stakeholders require major companies to take immediate and decisive action in this area. NMMC supports the goals of the Paris Agreement and Uzbekistan's commitment to reduce greenhouse gas emissions by 2030. The company implements energy efficiency measures and the introduction of RES. Climate change issues at the Supervisory Board level are managed by the Sustainable Development Committee.

Table 26. Organizational structure of climate change governance

Functional division	Key responsibilities in combating climate change
Committee on Sustainable Development	<ul style="list-style-type: none"> • supervises the strategy and processes at the Company-wide level, designed to manage risks and opportunities in the areas of occupational safety, industrial security, environmental protection, socio-economic issues, and combating climate change; • supports the Supervisory Board in identifying necessary climate change policies and initiatives, overseeing their implementation, and determining the acceptable level of risk associated with climate change.
General Director	<ul style="list-style-type: none"> • has ultimate authority to address the challenges faced by the Company and oversees risk management activities and sustainability programs; • oversees the development of climate change plans and monitors the implementation of climate-related tasks at the Company-wide level. Approves relevant reports to the Sustainable Development Committee and the Supervisory Board.

Department of the Chief Power Engineer and Department of Motor Transport	Represents the Company's interests in the field of energy efficiency and is responsible for: <ul style="list-style-type: none"> • monitoring of climate regulation and decarbonization initiatives; • formulating the Company's position on issues related to energy efficiency and energy saving; • implementation of decarbonization programs and projects, development of the energy management system and overall environmental efficiency of the Company's operations.
General Directorate of Occupational Safety and Health, Environmental Protection Department and Production Control Department	<ul style="list-style-type: none"> • supervise labor protection, industrial safety and environmental protection issues; • implement climate initiatives and programs, integrating them into the company's daily operations, and monitor them at the operational level in line with the Company's overall strategy and climate change action plan.

NMMC implements a programme to reduce energy savings and introduce energy-saving technologies and systems in the economic and social spheres for 2022-2024, which makes it possible to control the amount of emissions despite continuous production growth and capacity expansion.

In addition, NMMC is implementing a set of measures that help reduce greenhouse gases. In 2023, a number of measures were implemented:

Table 27. Measures to reduce greenhouse gases

Current initiatives	Plans for the next ten years
<p>Completion of measures to modernize energy-intensive production facilities and improve energy efficiency in the use of fuel and energy resources, including:</p> <ul style="list-style-type: none"> • modernization and reconstruction; • improvement of technological processes; • use of secondary energy resources; • reduction of non-productive losses. <p>Completion of measures to introduce and expand the use of alternative and renewable energy sources, primarily the introduction of biogas plants.</p>	<ol style="list-style-type: none"> 1. Developing a program of initiatives to reduce carbon footprint and improve energy efficiency. 2. Continued implementation of measures to modernize energy-intensive production facilities and improve energy efficiency of fuel and energy resources use, including adoption of energy-efficient technologies. 3. Continued implementation of measures to introduce and expand the use of alternative and renewable energy sources, including: <ul style="list-style-type: none"> • installation of solar collectors for hot water supply of NMMC facilities; • installation of photovoltaic power plants at NMMC facilities; • other measures to save gasoline and diesel fuel (for more details, see the Energy consumption section).

Climate threats and opportunities

Currently, climate risks are classified as environmental risks of sustainable development in the risk management system of NMMC. In the medium term, the Company plans to implement a comprehensive process for identifying, assessing and managing climate-related risks. This involves assessing the impact of climate change on all production activities, with an emphasis on both physical risks (e.g. extreme weather events) and transition

risks (e.g. changes in the regulatory framework and changes in market demand).

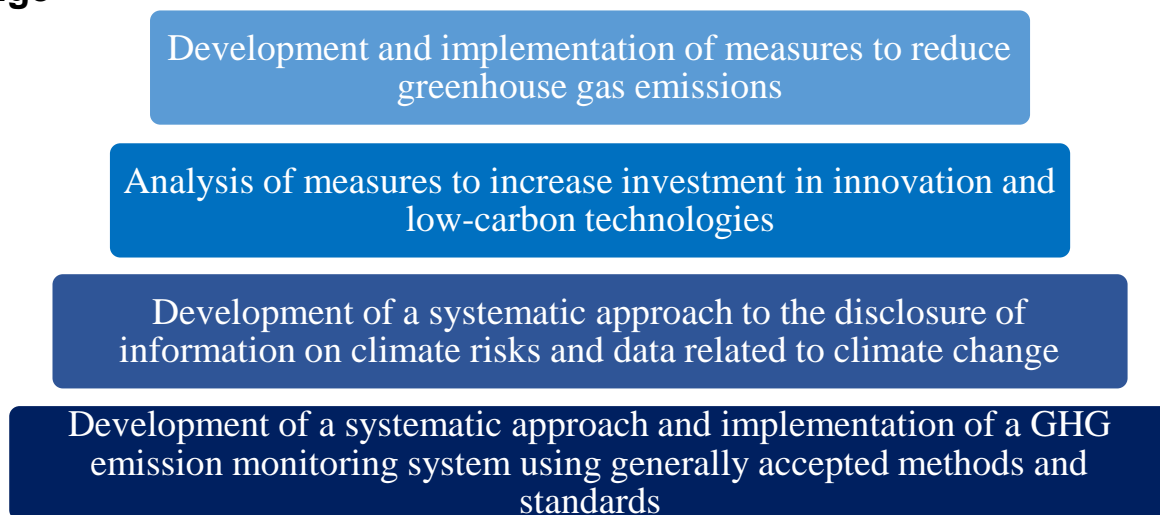
The company is analyzing the opportunities arising from climate change. NMMC considers the following areas to be the most relevant:

- implementation of organizational and technical measures within the framework of the plan for saving fuel and energy resources;
- increasing resource efficiency through wider use of secondary energy sources;
- changes in energy sources due to the transition to less carbon-intensive energy sources, increasing the share of renewable energy sources;
- identification of opportunities in new markets related to climate change adaptation and mitigation.

In the short term, NMMC's priority is to minimize greenhouse gas emissions by increasing energy efficiency and reducing energy consumption. Specialists are developing additional measures to modernize technological processes to reduce the carbon footprint in the medium and long term. The most promising areas of activity are the introduction of energy-saving technologies and the use of secondary energy resources.

The Company highlights the following measures to prevent risks associated with climate change:

Figure 6. Measures to prevent risks associated with climate change



NMMC implements projects both for generating its own energy and for efficient consumption of energy resources and utilization of renewable energy sources.

Monitoring of greenhouse gas emissions

GRI 305-1, GRI 305-5, EM-MM-110a.1, EM-MM-110a.2

Currently, NMMC monitors and calculates greenhouse gas emissions of Scope 1, which are direct emissions of greenhouse gases into the atmosphere caused using fuel and energy resources by NMMC facilities. Among the greenhouse gases of this Scope, an important component is

carbon dioxide (CO₂). The Company's responsibility is aimed at increasing production efficiency and reducing the direct impact on the environment.

The main sources of direct greenhouse gas emissions are the following:

- **Power plants:** In this context, power plants are systems in which hydrocarbon fuels are combusted. The combustion of such fuels emits greenhouse gases into the atmosphere.
- **Motor vehicle engines:** Engines used in automobiles and other transportation are also significant sources of greenhouse gas emissions. The internal combustion of gasoline, diesel, compressed natural gas, and liquefied natural gas in vehicle engines produces greenhouse gases that are released into the atmosphere.

In 2023, the total volume of greenhouse gas emissions amounted to 1,115 thousand tons of CO₂-eq., an increase of 2.6% compared to 1,085 thousand tons of CO₂-eq. in 2022, which is associated with the launch of new capacities at NMMC and the growth of precious metals production. Greenhouse gas emissions were calculated using the IPCC (2006) methodology.

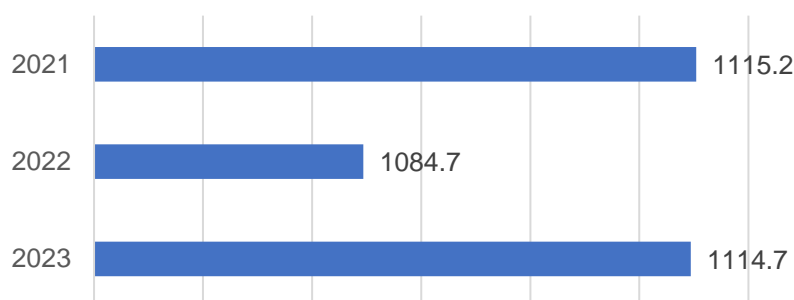
Monitoring and quantitative assessment of direct greenhouse gas emissions is carried out at all facilities controlled by NMMC. Currently, NMMC only calculates Scope 1 emissions. In the future, it is planned to calculate Scope 2 emissions from purchased heat and electricity.

Table 28. Volume of greenhouse gases (CO₂) emitted by NMMC divisions, thousand tons

GRI 305-1

Sources of greenhouse gases	2021	2022	2023
Natural gas	211.5	217.3	215.0
Fuel oil	9.1	9.4	8.2
Heating oil	0.2	0.1	0.1
Gasoline	4.3	2.8	2.5
Diesel fuel	887.2	853	887.4
Compressed natural gas	0.001	0.004	0.003
Liquefied gas	2.9	2.1	1.5
Total	1,115.2	1,085	1,114.7

Figure 7. Total direct greenhouse gas emissions (Scope-1), thousand tons CO2-eq



As a result of the measures implemented in 2023, NMMC achieved a reduction in greenhouse gas emissions in the amount of 43,259 tons of CO₂-eq. in 2023, which is 20% more than the result achieved in 2022 - 35,929 tons of CO₂-eq.

The reduction of greenhouse gas emissions is calculated based on energy savings data. At present, NMMC does not have a specific emission reduction target.

In 2023, the Company implemented the following measures to help reduce greenhouse gas emissions:

- Implementation of energy-saving technologies;
- Saving fuel and energy resources;
- Modernization and replacement of vehicles, road construction machinery and mining equipment in order to reduce fuel consumption;
- Optimization of technological processes;
- Introduction of alternative energy sources.

Plans for 2024 and the medium term

- The Company has planned to conduct a climate risk assessment during 2024-2025.
- Conducting an inventory of greenhouse gas emissions of Scope-1 and Scope-2 and developing a strategy for decarbonisation of NMMC enterprises. Also in the long term, NMMC intends to conduct an inventory of suppliers and whether they have greenhouse gas emission records to calculate Scope-3 emissions.
- Also, the innovative development program of NMMC JSC for 2023-2024 includes the development of a project for the technology of CO₂ recycling in the NMBP foundry.

ENERGY MANAGEMENT

Energy efficiency

GRI 3-3

Energy efficiency is one of the central elements of environmental protection. Reasonable energy consumption will allow the Company to reduce its environmental impact, reduce operating costs and enable the transition to a low-carbon economy.

The main guiding document in the field of energy management is the ISO 50001:2018 standard.

NMMC has adopted a programme of measures to reduce energy intensity and introduce energy-saving technologies and systems in various industrial and social sectors. It was developed and adopted for the first time in 2020 and is reviewed annually. For the reporting period, the Programme includes a list of measures for energy saving and rational use of resources, which involves both technical and administrative measures. The latest version of the Programme sets annual energy saving targets in 2023:

- for electricity - 55,481 thousand kWh,
- for gas - 1,212 thousand m³,
- for water resources - 1,867 thousand m³.

To manage energy resources, NMMC has a Department of Chief Power Engineer in the corporate management and energy services in each mine unit. The Central Energy Operational Dispatching Service manages all power supply facilities and controls their operating schedule. The Energy Divisions and the Central Energy Operational Dispatch Service report to the Company's Chief Power Engineer. The Company monitors the implementation of energy efficiency measures on an ongoing basis.

Energy consumption

GRI 302-1, EM-MM-130a.1

Metal mining and refining processes consume significant amounts of energy resources. The Company strives to reduce energy consumption and increase the share of RES in its energy structure. NMMC operates in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 22 dated 12.01.2018 "On additional measures to improve the procedure for the use of electricity and natural gas".

In the reporting period, total energy consumption at NMMC amounted to 31.8 million GJ. Energy consumption increased by 1,3% compared to 2022 (31.5 million GJ), which was due to the commissioning of new production facilities as part of the implementation of investment projects, growth in ore processing and an increase in rock mass mining, product production, mining and processing of raw materials.

Table 29. Consumption of purchased energy, GJ

GRI 302-1

Types of energy	2021	2022	2023
Electricity	14,560,194	15,628,679	15,824,299
Thermal energy (hot water + steam)	351,011	468,788	348,252
Total:	14,911,205	16,097,467	16,172,551

Table 30. Fuel consumption from non-renewable sources by fuel type, GJ

GRI 302-1

Types of fuel	2021	2022	2023
Fuel oil	111,479	116,570	102,345
Natural gas (including LPG and LNG)	3,769,036	3,874,566	3,832,654
Gasoline	52,673	40,550	35,807
Diesel fuel	11,356,981	11,278,200	11,731,105
Total:	15,290,169	15,309,886	15,701,911

Reduction of energy consumption

GRI 302-4

NMMC introduces technologies and implements measures aimed at energy and resource conservation. The Company takes measures to reduce dependence on traditional energy sources through the widespread introduction of modern energy-efficient technologies and the use of alternative energy.

The following energy conservation measures were implemented in 2023:

Table 31. Results of implementation of measures to introduce resource and energy saving technologies in 2023

GRI 302-4

Measure	Savings, thousand GJ	
	Plan	Execution
Department of Transport (saving of fuel resources)		
Optimisation of technical and technological processes	291.25	305.85
Replacement of morally and physically obsolete vehicles	6.06	7.62
Optimisation of morally and physically obsolete vehicles (temporary storage, write-off, etc.)	3.41	3.41
Revision and reduction of fuel consumption rates of vehicles and DCMs	4.02	5.67
Optimisation of routes and distances travelled by vehicles	206.09	211.06
Further implementation of GPS/GSM based "Fuel and lubricant control"	11.47	12.59

Conversion of vehicles to alternative fuels	0.40	0.40
Total	522.72	546.60
Chief Power Engineer Department (energy saving, unless otherwise stated)		
Installation of motor with transistor conversion in excavators EQC	3.36	21.47
Application of frequency converters in electric motors	10.17	17.11
Installation of energy efficient lighting equipment	0.21	0.22
Replacement of existing equipment with low-power equipment, including:		
Equipment modernisation	0.63	0.77
Improvement of technological processes	65.29	94.65
Installation of renewable energy sources	90	28.9
<i>Total: electricity</i>	196.93	199.73
<i>Total: natural gas</i>	40.84	41.20
Total	237.77	240.93

The cumulative energy savings in 2023 achieved by implementing the above measures totalled 787.5 thousand GJ. All of these efforts not only contribute to reducing operating costs, but also support the Company's strategic goals of energy efficiency and environmental integrity.

At the end of 2023, total savings in electricity, natural gas, gasoline and diesel were achieved through the implementation of the energy intensity reduction programme and the introduction of energy saving technologies. The total amount of energy resources savings due to the implementation of the programme to reduce energy intensity and introduce energy-saving technologies amounted to 781.15 thousand GJ.

Table 32. Energy resources savings for 2023 by NMMC divisions

Subdivision	Unit of measurement	Electricity	Natural gas	Gasoline	Diesel fuel	Total saving
CMU	t.f.o.e	2,226.89	1,406.04	23.69	11,908.85	15,565.47
NMU	t.f.o.e	3,155.42	-	8.79	4,380.45	7,544.66
SMU	t.f.o.e	1,040.55	-	0.74	348	1,389.29
HMP-1 MU	t.f.o.e	40.75	-	2.83	1,445.65	1,489.23
NMBP	t.f.o.e	360.51	-	0.00	0.00	360.51
Other units of Navoi city	t.f.o.e	-	-	0.59	313.2	313.79
Total	thousand GJ	200.00	41.21	1.07	539.15	781.15

Calculation of fuel and energy resources savings was carried out according to the methodology developed by the Ministry of Energy of the Republic of Uzbekistan, considering the current base year.

To ensure rational use of energy resources during design, reconstruction, construction and commissioning of buildings and structures, they are checked for compliance with urban planning norms and regulations on the use of energy efficient and energy saving technologies. Also, the

design, reconstruction and construction of all buildings and structures, except for individual housing construction, require the mandatory installation of certified solar hot water supply systems and energy-saving lamps. In addition, it is important to consider energy efficiency criteria in technical specifications for procurement of energy equipment, works and services, as well as design, and in further procurement of energy equipment, works and services.

Alternative energy

The use of renewable energy sources is one of the strategically significant directions of the general policy of development of the economic sector of NMMC. Taking into account the available technical potential, the role and place of renewable energy in the current and future energy balance of the Company have been determined. In this regard, NMMC is implementing a number of projects aimed at introducing renewable energy sources as part of current production.

In terms of expanding the use of renewable energy sources, the Company acts in accordance with the Decree of the President of the Republic of Uzbekistan No. PP-57 dated 16.02.2023 “On measures to accelerate the introduction of renewable energy sources and energy-saving technologies in 2023”.

Table 33. Energy consumption from renewable energy sources by type of energy sources, GJ

GRI 302-1, EM-MM-130a.1

Amount of own generated energy by its types (RES)	2021	2022	2023
Electricity (PV stations)	1,112.37	1,254.88	3,581.26
Thermal energy (hot water+steam)	7,301.81	12,808.83	28,571.61
Total:	8,424.18	14,063.71	32,152.87

Every year, the Company increases the amount of energy consumed from renewable sources. The amount of energy from photovoltaic and solar installations increased significantly in the reporting year 2023 compared to 2022 and totalled 32,152.87 GJ.

The share of renewable energy consumption in 2023, 2022 and 2021 was 0.04%, 0.05% and less than 0.02% of total energy consumption respectively.

Taking advantage of favorable climatic conditions and the positive potential of solar energy in Uzbekistan, the Company implemented projects to apply thermal energy to provide hot water supply using solar power plants.

In 2023, the total capacity of commissioned photovoltaic power plants totalled 1,450 kW. The plan for 2024 is to commission a fleet of photovoltaic power plants with an expected total capacity of 10,500 kW, which will generate an additional 18.9 million kWh of electricity per year.

In the reporting period, together with international technical experts, the development of a project for the construction of a large photovoltaic power plant in the Zarafshan-Uchkuduk region with a capacity of 500 megawatts at a total cost of \$450 million was initiated. The project is realised in 2 stages. The first phase with a capacity of 220 MW is planned to be commissioned in the 1st and 2nd quarters of 2025, and the second phase with a capacity of 280 MW by the end of the 4th quarter of 2025. This PV plant is scheduled to be commissioned by the end of 2025 and will generate about 1 billion kWh of electricity. According to calculations, the purchase of electricity generated by the plant will cover more than 20% of NMMC's total annual electricity consumption. It is planned to sign an agreement on long-term electricity supply.

The focus is on producing not only electricity but also heat with solar energy. The total number of solar water heaters in use has increased to 4,993 units.

In the summer season (April-October), NMMC's hot water supply needs are covered by 100% renewable energy sources and amount to 1.7 million cubic meters (1.7 thousand megaliters) per year.

Solar installations are in operation in the Northern, Central and Southern Mining Unit, Navoi Machine-Building Plant, HMP-1 Mining Unit, Zarafshan Construction Department and others.

Energy intensity

GRI 302-3

In 2023, the level of specific consumption of fuel and energy resources in the Company's divisions remained at the same level as in 2022. Energy efficiency was assessed by the energy intensity indicator, which amounted to 0.016 GJ/\$ of total revenue⁷. In calculating this indicator, all types of energy and fuel, including electricity, heat, natural gas, steam, diesel, gasoline and fuel oil consumption, were taken into account in relation to total revenue in 2023.

**Table 34. Production energy intensity indicators in 2021–2023
GJ/\$ of total revenue**

GRI 302-3

Energy intensity indicator	2021	2022	2023
		0.020	0.019

Automated Information and Measuring System for Electricity Control and Metering

In the reporting year, work was underway to upgrade the Automated Information and Measuring System for Electricity Control and Metering (AIMSECM), the facilities of which will have a local system, as well as the

⁷ The energy efficiency indicator of an enterprise is determined by the ratio of total consumption of all types of energy resources (purchased, excluding renewable energy) reduced to a single indicator (GJ) to total revenue (GJ/dollar of total revenue).

inclusion of additional facilities in the unified AIMSECM and integration of accounting systems with the accounting systems of the Ministry of Energy.

AIMSECM is designed for automatic remote metering of electricity meter readings and data processing. The purpose of AIMSECM development and implementation is to increase the level of control and metering of electricity, to provide all users of the system with complete information on electricity consumption at NMMC facilities for:

- obtaining energy consumption readings in automatic mode;
- prevention of commercial losses of electricity;
- application of a multi-tariff metering system and ensuring rational energy consumption;
- introduction of a unified data collection system for NMMC;
- eliminate the human factor;
- reduction of transportation costs due to remote collection of data from meters;
- operational metering of electricity consumption for financial settlements;
- analysis of forecasting and operational tracking of loads;
- improving the accuracy of electricity billing.

Plans for 2024 and the medium term

To further develop energy saving and improve energy efficiency, the Company will focus on rational management and operation of power supply systems, implementation of new technological solutions, modernization of equipment and increased use of renewable energy sources.

In accordance with the government decisions on measures to improve the efficiency of energy resources utilisation for 2024, the Combine has set targets for electricity savings of 725.04 thousand GJ and 118.98 thousand GJ of natural gas. In fulfilment of this resolution the Combine has developed and approved by Uzenergoinspektion measures on saving 947,83 thousand GJ of electric power and 244 thousand GJ of natural gas according to the following:

- improvement of technological processes - 455.68 thousand GJ of electricity and 226.57 thousand GJ of natural gas;
- modernisation and reconstruction (including replacement of equipment with lower capacity, withdrawal to reserve) - 425.43 thousand GJ of electricity;
- introduction of alternative energy sources - 24.69 thousand GJ of electricity and 17.44 thousand GJ of natural gas;
- application of frequency-controlled electric drive - 20.72 thousand GJ of electric power;
- introduction of TrP-D system on excavators ECG - 10.52 thousand GJ of electricity.
- reduction of unproductive losses - 10.79 thousand GJ of electricity.

SUSTAINABLE LAND USE

EM-MM-160a.1

The Company adheres to the principles of rational use of land resources. From exploration and production to decommissioning, NMMC focuses on reducing the impact on soils, subsoil and ecosystems.

At all stages of its operations, NMMC strictly follows the following legislative norms and standards in the field of land exploitation and conservation:

- Land Code of the Republic of Uzbekistan;
- Law of the Republic of Uzbekistan “On Protected Natural Areas”;
- Law of the Republic of Uzbekistan “On Radiation Safety”;
- SanRN No. 0183-05 “Hygienic requirements for the quality of soil of residential areas in specific natural and climatic conditions of Uzbekistan”; SanRN No. 0191-05 “Maximum permissible concentrations (MPC) and approximate permissible concentrations (APC) of exogenous harmful substances in soil”.
- Unified rules for the protection of subsoil during the development of mineral deposits.

In 2023, 34.23 hectares of the Bessapan non-metallic deposit site (limestone) was closed, where reclamation was carried out. According to the conclusion of the Commission on Recultivation of Disturbed Lands, the site complies with environmental and sanitary requirements.

Monitoring of soil contamination sources

Based on the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 343 dated June 3, 2021 “On further improvement of the system of assessment of the level of environmental pollution”, monitoring of land resources is conducted semi-annually. In 2023, 125 samples were taken from 60 locations and 125 laboratory analyses were carried out in the course of monitoring at sources of land pollution. In 2023, the specialists of the Ministry of Natural Resources conducted a number of inspections, soil samples were taken from the tailing dump and industrial waste landfills.

NMMC has successfully implemented a number of activities related to monitoring within the framework of the “Environmental Monitoring Program in the Republic of Uzbekistan for the period from 2021 to 2025” approved by the Decree of the Council of Ministers of the Republic of Uzbekistan dated June 3, 2021 under the number 343. One of the important aspects of this monitoring is the assessment of sources of soil pollution. During 2023, monitoring of soil contamination sources in the area of waste landfills, tailing dumps and sanitary zones of production facilities was conducted in the structural subdivisions of NMMC. 125 samples were taken to assess the condition of soil cover.

According to the results of monitoring within the SPZ of industrial facilities, it was established that the soil condition of tailings ponds at the boundary of the SPZ for the investigated ingredients does not exceed the

established standards. In 2023, the spread of soil contamination in the zone of influence of tailings facilities was not recorded, and no growth trend was observed.

The following activities aimed at soil cover protection were implemented during the reporting year:

- recultivation of the Bessapan limestone deposit site, cleaning of soil from oil products, waste removal;
- implementation of measures to comply with sanitary and hygienic standards related to the treatment and utilization of industrial waste;
- research of soil contamination level in the SPZ.

The total cost of soil protection measures in the current reporting period amounted to \$2.19 million.

WASTE AND TAILINGS MANAGEMENT

Waste management

GRI 3-3, 306-1, 306-2, 306-3, EM-MM-150a.10, EM-MM-150a.7, EM-MM-150a.4, EM-MM-150a.6

In the mining industry, where operations generate significant amounts of waste, waste management is critical to minimize environmental impact, improve resource efficiency and ensure compliance with regulatory standards.

The Company's waste management complies with the approved draft waste generation and disposal limits approved by the Ministry of Natural Resources. All structural subdivisions of NMMC have developed draft waste generation and disposal limits with positive conclusions from the State Expert Review.

The main regulatory documents that the Company follows when carrying out activities related to waste management:

- Law of the Republic of Uzbekistan “On Waste”;
- Law of the Republic of Uzbekistan “On Environmental Control”;
- Law of the Republic of Uzbekistan “On Environmental Expertise”;
- Decree of the Cabinet of Ministers of the Republic of Uzbekistan “Regulations on State Monitoring of Natural Environment in the Republic of Uzbekistan” from April 03, 2002 No. 111;
- Decree of the Cabinet of Ministers of the Republic of Uzbekistan “On regulation of import into the Republic of Uzbekistan and export from its territory environmentally hazardous products and wastes” of April 19, 2000 No. 151;
- Decree of the Cabinet of Ministers of the Republic of Uzbekistan “On streamlining the activities of enterprises for the use and disposal of lamps and devices containing mercury” of October 23, 2000 No. 405;
- Decree of the Cabinet of Ministers of the Republic of Uzbekistan “On measures to further improve the efficiency of work in the field of household waste management” dated October 02, 2018 No. 787;
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On measures to further improve the efficiency of work in the field of household waste management” of February 06, 2019 No. 95;
- AUSS 30772-2001 “Resource conservation. Waste management. Definition terms”;
- ISO 14001:2015;
- SanRN No. 0128-02 “Hygienic Classifier of Toxic Industrial Waste in the Conditions of the Republic of Uzbekistan”;
- SanRN No. 0157-04 “Sanitary rules for collection, storage, transportation, neutralization and municipal solid waste (MSW) in cities of the Republic of Uzbekistan”;

- SanRN No. 0158-04 “Sanitary rules and norms for collection, transportation and disposal of asbestos-containing waste in Uzbek conditions”;
- SanRN No. 0300-11 “Sanitary Rules and Norms for Organizing the Collection, Inventory, Classification, Decontamination, Storage and Disposal of Industrial Waste in Uzbek Conditions”;
- SanRN No. 0317-15 “Sanitary Norms and Rules for Waste Collection, Storage and Disposal in Health Care Facilities”.

Control and collection of data on waste generation and disposal from NMMC's divisions is carried out by the Environmental Protection Department (EPD), which forms a single consolidated report and subsequently sends it to the relevant environmental and nature protection organizations.

The main types of waste generated by the Company's operations are developed rock mass and tailings of gold-containing ore processing at hydrometallurgical plants, which are stored in specially equipped tailings facilities built and operated in accordance with the design documentation.

Total waste generation amounted to 104.74 million tons, of which non-hazardous - 16.54 million tons and hazardous - 88.2 million tons. The volume of hazardous waste increased by 10% compared to 2022 due to the launch of new production facilities HMP-5 and HMP-7 and increased production of precious metals.

Among non-hazardous waste, 16.52 million is overburden. The majority of hazardous waste, totaling 88.2 million tons, consists of sludges and tailings from beneficiation plants.

In 2023, HMP-7 processed 15.9 million tons of anthropogenic waste from the Muruntau production cluster.

Figure 8. Volume of waste generated, million tons

GRI 306-3

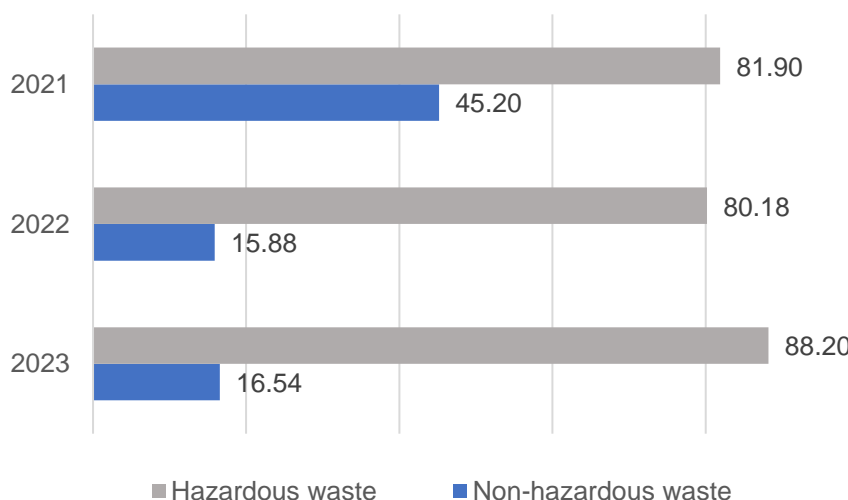


Figure 9. Total waste generation, million tons

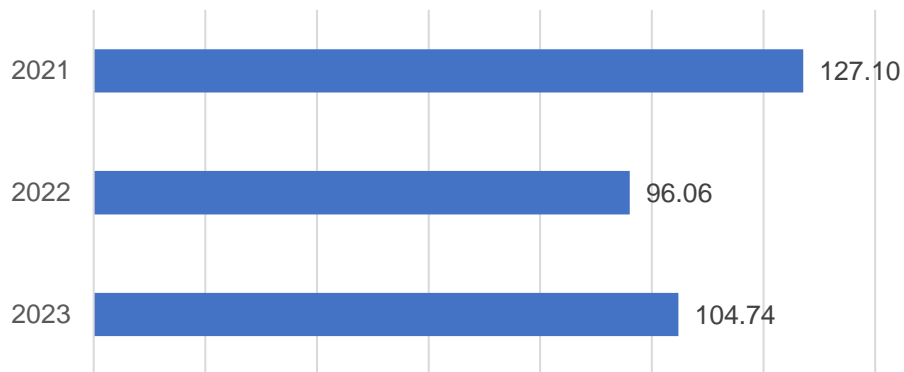
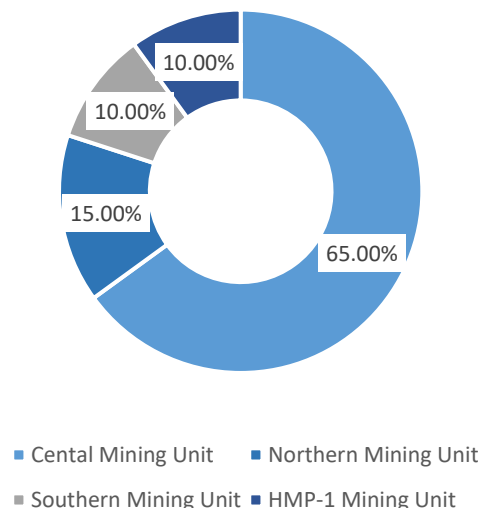


Figure 10. Share of hazardous waste generation by key divisions of NMMC in 2023, %



Every month the Company carries out control at the facilities where industrial and household waste is generated and stored. On a quarterly basis, according to the established reporting forms, subdivisions submit a report to NMMC Administration.

The Corporate Environmental Protection Service of NMMC collects and consolidates data on all production facilities and analyzes all reports from the Company's facilities, and then prepares a consolidated report on all these facilities.

Waste utilization

GRI 306-4, 306-5, EM-MM-150a.9, EM-MM-150a.8

NMMC's divisions separate collection of scrap metal, plastic, waste oil, tires, waste paper, waste batteries, fluorescent and mercury lamps. Some waste is transferred to third-party organizations for disposal, neutralization or burial outside the Company. NMMC carries out regular environmental control at the industrial site, including control over waste accumulation,

removal certificates, as well as the availability of waste disposal limits and payments for negative environmental impact. There were no incidents involving hazardous materials and waste management violations in 2023.

The methodology used to calculate the indicators is based on the Regulation on the Procedure for State Accounting and Control in the Field of Waste Management in the Republic of Uzbekistan. The data are collected by the Environmental Protection Department of the central office on a regular basis.

Figure 11. Total weight of non-hazardous waste sent for disposal, thousand tons

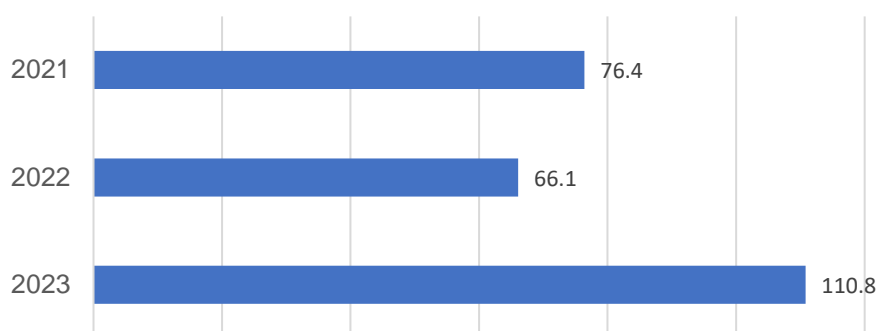


Table 35. Waste sent for disposal, thousand tons

Waste name	2021	2022	2023
Total weight of non-hazardous waste sent for disposal to the Company's facilities	74.50	64.40	108.10
Total weight of non-hazardous waste sent for disposal outside the Company's facilities	1.90	1.70	2.70
Total weight of hazardous waste sent for disposal to the Company's facilities	1.02	1.11	0.14
Total weight of hazardous waste sent for disposal outside the Company	0.007	0.00	0.00

Table 36. Volume of waste sent for recycling, broken down by hazardous and non-hazardous waste, tons

GRI 306-4

Waste name	Units of measurement	2021	2022	2023	Deviation, %
Waste recycled at the Company's facilities					
Hazardous waste	tons	24.0	20.0	0.0	-100
Non-hazardous waste	tons	10.8	10,0	0.0	-99
Waste transferred to third-party organizations for recycling					
Hazardous waste	tons	253.2	241.5	159.7	-1.5

Non-hazardous waste ⁸	tons	65,219.0	10,532.5	17,643.6	59
Waste reused					
Hazardous waste	tons	99.3	61.9	33.0	-14
Non-hazardous waste	tons	86,444.5	79,110.3	41,739.7	-60
Total waste recycled and reused					
Hazardous waste	tons	376.5	323.4	192.7	81
Non-hazardous waste	tons	151,674.3	89,652.8	59,383.3	34

The total volume of hazardous waste recycled by the Company in 2023 amounted to 192.67 tons, which is 1.6% less than the previous year. The volume of non-hazardous waste recycled was 59.4 thousand tons, a decrease of 34% compared to 2022.

Table 37. Volume of waste directed to waste disposal by hazardous and non-hazardous waste, tons

GRI 306-5

Name	Unit	2021	2022	2023	Change, %
Transferred to third-party organizations for waste disposal and neutralization					
Hazardous waste	Tons	245.7	241.5	56.8	42
Non-hazardous waste	Tons	63,263.9	10,532.5	17,643.6	59
Waste disposal at the Company's facilities					
Hazardous waste	Tons	81,867,73 9.5	84,990,699. 3	88,193,075. 3	3
Non-hazardous waste	Tons	45,122,20 3.4	33,812,612. 0	16,687, 147.2	51
Total amount of waste disposed					
Hazardous waste	Tons	81,867,98 5.3	84,990,940. 8	87,467,930. 5	3
Non-hazardous waste	Tons	45,185,46 7.2	33,823,144. 6	16,704,790. 8	51

The total amount of hazardous waste removed increased by 3% in 2023, while the amount of non-hazardous waste removed decreased by 51%.

Tailings management

EM-MM-150a.5, EM-MM-540a.1, EM-MM-540a.2, EM-MM-540a.3

Tailings are inevitably generated in the process of gold mining, and their safe storage and minimization of environmental impact are top priorities for NMMC. The Company actively supports initiatives to improve the regulatory framework for tailings management. NMMC also implements a set of measures aimed at thorough assessment and mitigation of risks associated with the operation of these facilities.

⁸ Decrease in the volume of non-hazardous waste transferred to third-party organizations for disposal in 2022 compared to 2021 is due to the fact that in 2022 NMMC was divided into a joint-stock company and two organizations, i.e. NMMC, Navoiuran and NMMC Fund.

NMMC has 10 tailing ponds: 8 in operation and 2 preserved tailing ponds, which are located in the following divisions:

Operating

- Tailings storage facility HMP-1, 4 km from the city of Navoi, Navoi region;
- Tailings storage facility 1 HMP-2, 28 km from the city of Zarafshan, Navoi region;
- Tailings storage facility 2 HMP-2, 50 km from the city of Zarafshan, Navoi region;
- Tailings storage facility HMP-3, 20 km from the city of Uchkuduk, Navoi region;
- Tailings storage facility HMP-4, 5 km from the village of Zarkent, 70 km from the city of Samarkand, Samarkand region;
- Tailings storage facility HMP-5, 10 km from the village of Daugyztau, 37 km from the city Zarafshan, Navoi region;
- Tailings storage facility HMP-6, 7.5 km from the village of Ulus, Navoi region;
- Tailings storage facility 2 MGEPS, 5 km from the village of Marjanbulak, Jizzakh region.

Inactive

- Tailings storage facility 1 MGEPS, 5 km from the village of Marjanbulak, Jizzakh region;
- Tailings GEP Auminzo-Amantoy mine, 35 km from Zarafshan, Navoi region.

Tailings are formed during the crushing, grinding and processing of mined ore to extract valuable metals. They are a mixture of fine mineral particles, reagent residues and water. These wastes are transported as a suspension to specially designed structures called tailings storage facilities.

Since tailings dams are complex hydraulic structures, they are under strict regular control of authorised state bodies, such as the inspection of the State Committee for Industrial Safety, the State Committee for Ecology and Environmental Protection, the Ministry of Emergency Situations of the Republic of Uzbekistan and others. Design, construction and management of tailings ponds and heap leaching operations are carried out in accordance with state legislative requirements.

Author's supervision of construction is carried out by the designer of the tailings dams (Uzgeorangmetliti Design Institute), which is an expert organisation independent of NMMC. After commissioning, the design institute carries out quarterly monitoring of the tailings dams' condition with the issuance of a report on detected observations and recommendations for their elimination. The monitoring results are reviewed collegially by the Scientific and Technical Council of NMMC with appointment of responsible persons and deadlines for elimination of deficiencies, if necessary.

Accident elimination plans have been developed for each tailing's storage facility, and emergency response drills are conducted, which is monitored by NMMC's Emergency Department. In the history of the Company's operations, there have been no incidents related to the violation of the integrity or stability of tailings ponds.

The tailings management facilities, in addition to the tailings ponds themselves, include a tailings hydraulic transportation system. Tailings dams are equipped with an impervious blanket and containment dams. The geomembrane eliminates drainage of liquid from tailings into the subsoil. Drainage of acidic rocks in the tailings storage facilities in operation is absent, since the technology used in NMMC leads to the formation of alkaline waste. The Company regularly monitors their condition and proper operation. All tailings dams are equipped with a system of monitoring wells. Groundwater quality monitoring through sampling of observation wells takes place on a quarterly basis.

In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On the State Program on Forecasting and Prevention of Emergency Situations" dated April 3, 2007, No. 71, NMMC conducts tailings dam stability studies, based on the results of which recommendations are developed to improve stability and repair and restoration works, if necessary. Tailings dam emergency response plans are in place for each tailings management facility.

Table 38. Information on tailings facilities in NMMC for 2021-2023, units.

Name	Units	2021	2022	2023
Number of operating tailings	pcs.	7	7	8
Area of operating tailings	km ²	74,5	76,4	77,8
Number of inactive tailings	pcs.	2	2	2
Area of inactive tailings	km ²	1,7	1,7	1,7
Volume generation tails	million tons	81,8	85,4	88.2

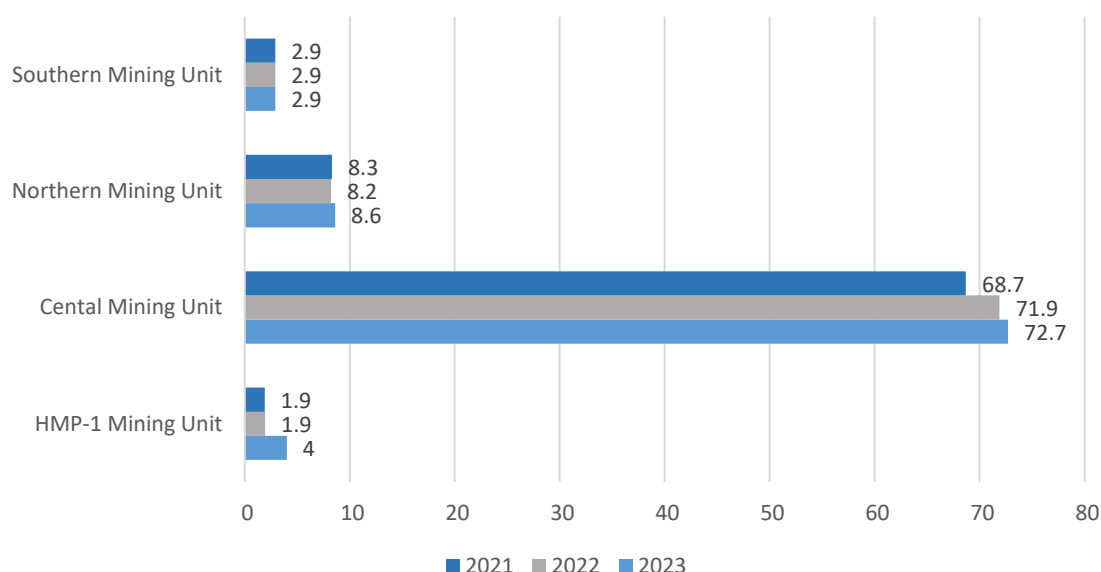
The volume of waste sent through the slurry pipeline for 2023 was 88.2 million tons.

Table 39. Waste volume by tailings storages

No	Name of objects	Maximum capacity, thousand tons	Current number of stored tailings, thousand tons (as of 31.12.2023)
	Operating		
1	Tailings storage HMP-1	96,164.0	93,428.7
2	Tailings storage 1 HMP-1	169,684.3	1,370,973.9
3	Tailings storage 2 HMP-2	1,307,699.0	
4	Tailings storage HMP-3	169,438.8	159,525.4
5	Tailings storage HMP-4	30,253.0	26,298.0
6	Tailings storage HMP-5	20,792.0	11,169.8
7	Tailings storage HMP-6	16,000.0	2,054.6

8	Tailings storage 2 MGEP	7,980.0	4,985.8
	Inactive		
9	Tailings storage GEP	15,000.0	11,900.0
10	Tailings storage 1 MGEP	20,000.0	19,940.0
	Total	1,838,011.1	1,695,290.4

Figure 12. Waste volumes sent through the slurry pipeline by NMMC production units, million tons



Cyanide management

EM-MM150a.10

Cyanide is the most important reagent used in the gold processing process, so its responsible management is critical to NMMC's operations and environmental protection. As part of its commitment to sustainable development and minimization of environmental and social risks, the Company adheres to the highest standards of cyanide management, ensuring the safety of employees, local communities and surrounding ecosystems.

Main regulatory documents that the Company follows when handling cyanide:

- Safety Rules for crushing, screening, mineral processing and pelletizing of ores and concentrates, approved by Goskompromprombez of the Republic of Uzbekistan in 2008;
- General safety rules for metallurgical operations, approved by Goskompromprombez of the Republic of Uzbekistan in 2009.

Work with cyanide and other hazardous chemicals at NMMC is implemented on the basis of the current legislation of the Republic of Uzbekistan, the International Cyanide Management Code, as well as in accordance with the Company's internal regulatory documents.

Processes for managing hazardous substances

The Company has implemented and maintains a set of measures to prevent and avoid natural and man-made emergencies.

Cyanide control

NMMC strives to implement current business practices, including safe transportation, storage, use and disposal of cyanide. These practices include:

- Conduct regular internal audits of the cyanide handling process;
- Monitoring of local water bodies and discharges for potential traces of cyanide;
- Safe use and storage of cyanide with spill containment systems;
- Formal tracking of all cyanide-related incidents;
- Training of employees involved in cyanide handling, transportation and disposal;
- Specialized training and equipment for cyanide emergency response teams;
- Verification of cyanide suppliers and transporters for compliance with applicable national legislation on the production and handling of hazardous chemicals.

As part of the cyanide operations process, continuous monitoring of hazardous and potentially hazardous production facilities, as well as areas of increased technological hazard created by the Company's facilities, was ensured. The main objective of this monitoring is to prevent cyanide, used as a leaching agent in the extraction of gold from ore, from entering the ecosystem.

Also, as part of measures to prevent and prevent emergencies, as well as work with hazardous, potent, explosive substances, petroleum products, and pressurized equipment, processes are regulated by the Company's comprehensive OHS and emergency response system. In accordance with this system, NMMC provides training and briefings to all employees directly working with hazardous substances.

One of the main documents ensuring the process in emergency situations is the Emergency Response Plan. This document is updated annually in accordance with internal regulations and serves as a tool to minimize the risks of emergency or other unforeseen situations. As part of this Plan, NMMC defines measures for the safe handling and disposal of harmful chemicals to avoid unforeseen consequences for human health and the environment, as well as to exclude the reuse of these materials.

NMMC has identified technological risks related to cyanide operations:

- Risk on failures in supply of reagents (sodium cyanide, etc.) and due to limitations of natural gas supply due to climatic conditions in winter period.

Measures taken: letters were sent to the Ministry of Mining and Geology and the Ministry of Energy of the Republic of Uzbekistan on the need to provide natural gas.

- Risk of supply disruptions of imported reagents related to logistics (occurrence of force majeure).

Measures taken: organization of reagent requests in advance and provision of 2-3 months stock of reagents.

BIODIVERSITY PROTECTION

GRI 304-1, 304-2, 304-3, 304-4, EM-MM-160a.1, EM-MM-160a.3

NMMC pays great attention to the introduction of best land use practices, land reclamation and species habitat restoration, and landscaping, striving to ensure that mining activities do not cause long-term damage to local ecosystems. Measures to protect and restore biodiversity are included in the annual Environmental Action Plan. The Company's facilities are not located within World Heritage sites, specially protected natural areas or areas of high biodiversity value.

NMMC assesses the risks associated with impacts on biodiversity and seeks to minimize negative impacts at all stages of its operations. In particular, before commissioning the Company's facilities, an assessment of the current status and an assessment of the impact on biodiversity during project implementation are carried out.

The fauna in the region where the Company's operations take place is represented by species typical of the desert zone, including reptiles, rodents and birds. The area of NMMC deposits is not inhabited by animals listed in the IUCN red list and the national list of protected species of Uzbekistan. The animal world of the region is characterized by stability of species composition, despite the changes in the settlement structure caused by adaptation to changing environmental conditions as a result of geological exploration at the fields. As the changes are localized, they do not significantly affect the overall abundance of species in the region.

NMMC's responsibility with respect to land management is to properly decommission facilities so that mines, underground workings, drilling sites and buildings do not pose a threat to the environment after closure. NMMC's projects necessarily include measures to eliminate the environmental damage caused, such as land reclamation. During the reporting period, 34.23 hectares of land were reclaimed and returned to the national economy.


In accordance with the Development Strategy of the Republic of Uzbekistan, NMMC implements the Yashil Makon project for planting tree and shrub seedlings. For 2023-2025 it is planned to plant 1,329 thousand seedlings. In 2023, 443 thousands of seedlings of fruit and ornamental trees and shrubs were planted: more than 162 thousands in spring and 281 thousands in autumn. Also, in the spring season of the reporting year, a new orchard 'Yangi Uzbekiston' with an area of 4 hectares was planted, where 4 thousand saplings of fruit trees and 46 thousand seedlings of trees for

protective belt were planted. In the jubilee year for NMMC, 15.0 thousand tree seedlings were planted on the territory of 8 hectares to organise an orchard “65th Anniversary of NMMC”. Trees were also planted to organise protective green belts around production facilities (mines and factories) and in nearby settlements. More than \$178 thousand was spent on the purchase and planting of tree seedlings.

Plans for 2024 and the medium term

- Conduct biodiversity surveys in the vicinity of existing operations and future operations;
- Implementation of biodiversity monitoring programs;
- Taking measures to prevent negative impacts on biodiversity through research and collaboration to develop innovative solutions for remediation of damaged land;
- Regular updating of the work plan and measures for technological and biological remediation at existing fields.

Management of social aspects

Key indicators for 2023	Significant topics
<ul style="list-style-type: none"> Number of personnel - 47,596 people Turnover rate (actual) - 2.92%. Investments in personnel training - \$1.488 million Lost Time Injury Frequency Rate (LTIFR) - 0.21 FAR - 0.01 13% female employees \$98,730 thousand sponsor support 	<ul style="list-style-type: none"> Personnel management Socio-cultural diversity and equal opportunities Occupational Health and Safety and Emergency Preparedness Local Communities
Contribution to the UN SDGs	
	
GRI, SASB indicators	
GRI 2-7, 202-1, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 405-1, 405-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 203-1, 203-2, 413-1, 413-2 EM-MM-320a.1, EM-MM-310a.2	

HUMAN RESOURCES MANAGEMENT

Approach to human resources management

GRI 3-3

The Company realizes that its success is directly related to the efficiency of teamwork and professionalism of each employee. The Human Resources Department is the key body regulating labor relations and plays a strategic role in creating a favorable working environment and supporting professional development.

In addition to labor legislation, international conventions and treaties ratified in the Republic of Uzbekistan, the Company is guided by internal documents in the field of human resources management:

- Regulations on Personnel Management;
- Regulations on the procedure for payment of allowances related to traveling and mobile nature of work, approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan;
- Regulations on Personnel Department;
- Regulations on bonuses;
- Regulations on personnel selection;
- Regulations on professional retraining and advanced training of the Company's personnel;
- Regulations on the organization of training and knowledge testing;
- Regulations on the personnel reserve;

- Internal labor regulations;
- Regulations on the Procedure for Handling Appeals of Individuals and Legal Entities at the Company;
- Regulations on the Council of Youth Leaders of the Company;
- Collective Agreement;
- Regulations on the Compliance Service;
- Code of Ethics of NMMC JSC employees.

In 2023, the NMMC Personnel Policy was adopted, which establishes the principles of personnel management. The main provisions of the policy stipulate:

- Introduction of a career model that provides for the successive passing of job steps of a career;
- Hiring on the basis of open competition;
- Formation of an effective and professionally trained personnel reserve;
- Creation of a unified personnel record keeping system;
- Introduction of an automated system of personnel management accounting and control.

The priority of NMMC's HR management activities is to create a favorable and healthy working environment that provides for individual characteristics of employees at all levels of corporate management. This contributes to the full development of employees' potential. The Company continuously implements modern initiatives and programs aimed at enhancing the professionalism of its employees and their personal development, supporting their health and well-being.

Thanks to the recruitment and talent pool policy, as well as the possibilities of the system of internal personnel redistribution between production units, NMMC attracts and retains highly qualified specialists. The Company strictly complies with the labor legislation of the Republic of Uzbekistan and applicable international regulations, ensuring attractive working conditions, fair remuneration and social protection and equal opportunities for employees.

The Company endeavours to make a positive contribution to the achievement of the SDGs, particularly in areas such as human rights and diversity. NMMC has a zero tolerance approach to discrimination and is committed to minimising and eliminating discrimination in all aspects of its operations. In 2023, there were no cases related to discrimination of employees in the workplace on age, cultural, religious, racial or other grounds.

The Company does not conduct gold mining and processing activities in high-risk areas, does not support or contribute to illegal armed conflicts, and strictly adheres to legal and regulatory instruments for the protection of human rights and international humanitarian law⁹.

⁹ [The Conflict Barometer - 2022, Heidelberg Institute for International Conflict Research](#)

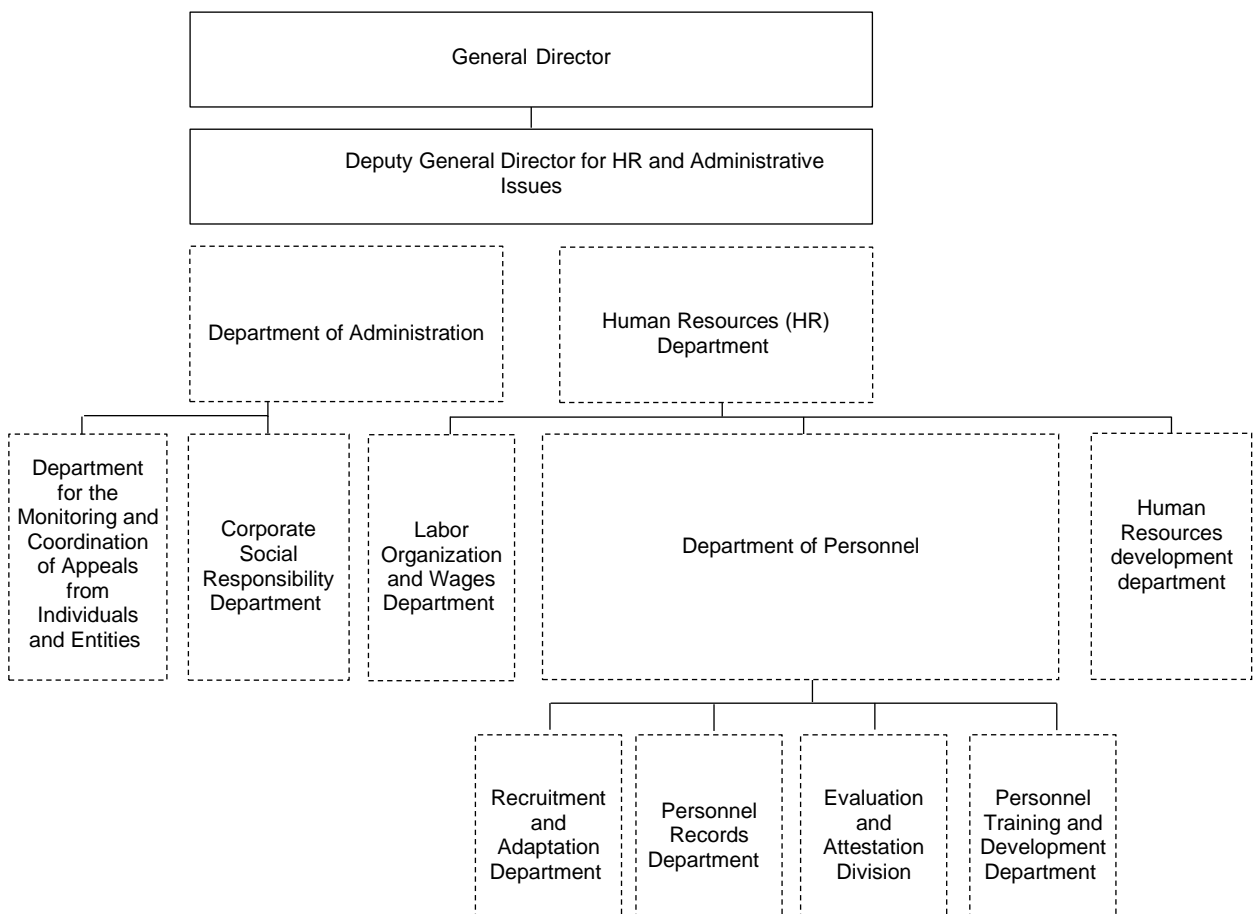
NMMC does not use and prohibits the use of child and forced labour in its business and commercial operations and is committed to the complete elimination of all forms of forced labour in all aspects of its operations.

Management structure and tools

In the Company, responsibility for issues related to HR management and compliance with the social policy is vested in the Human Resources Department (Human Resources Department, Labor and Wages Organization Department, Human Resources Development Department), Corporate Social Responsibility Department and the NMMC Trade Union Council, whose main responsibilities include:

- Organization and execution of the Company's payroll budget;
- Personnel policy planning, both in the Company's central offices and in the implementation of other projects;
- Formation of the personnel reserve;
- Motivation of employees (provision of benefits, compensations and other incentives);
- Protection of labor rights of employees;
- Organization of training processes, such as master classes, seminars, staff development courses.

Figure 13. Organizational structure of personnel management



In 2023, the structure of the Human Resources Department was revised. Based on the enterprise order, the changes were implemented in the Central Office and in all production divisions of NMMC. Key HR management functions were identified, based on which the relevant specialized departments were allocated:

- Recruitment and Adaptation Department;
- Personnel Records Division;
- Evaluation and Attestation Department;
- Personnel Training and Development Department.

As part of the management reorganization, a Recruitment and Adaptation Department was formed, within the framework of which the recruitment and adaptation functions were updated and structured, and a regulation on the talent pool was introduced.

For 2024, work is planned in the following areas:

Recruitment and Adaptation:

- Onboarding programs to reduce employee turnover;
- Career site and job seeker portal.

Attestation and Assessment:

- Organization and implementation of independent assessment of key personnel;
- Introduction of the personnel evaluation process into regular practice;
- Development and implementation of documents regulating the personnel appraisal procedure;
- Development of individual development plans for professional and managerial competencies.

Personnel training and development:

- Development of a standard for training and development of personnel competencies.

Labor and salary organization:

- KPI for top management CEO - CEO-2;
- Order on KPI implementation.

Staff involvement and satisfaction:

- Conducting the first large-scale survey of staff engagement and satisfaction.

Digitalization and automation of HR function:

- Attracting traffic to career portal for internal employees;
- Attracting traffic to career site for external candidates;
- Optimization of HR processes in an automated system;
- Implementation of automated recruitment system ATS (Application Tracking System);
- Implementation of a full cycle HCM (Human Capital Management) system.

Council of Trade Unions of NMMC JSC and protection of employees' rights

Freedom of association is a key factor in ensuring the well-being and rights of employees. The interests of the Company's employees are represented by the NMMC Employees' Trade Union, and its structural subdivisions established in the Company's divisions, which is enshrined in Article 3 of the NMMC Collective Agreement. The Trade Union Council of employees consists of 7 united trade union committees and 152 primary trade union organisations. Trade union representatives are located in all divisions of the Company.

The fundamental and permanent task of the Trade Union of NMMC employees is to improve the economic and social status of the Company's workers, as well as to protect professional, social, economic, spiritual, environmental, intellectual and legal interests of trade union members.

The Collective Agreement is a local normative legal act regulating labour and socio-economic relations between the employer and employees. The Collective Agreement is concluded on the one hand by the employees represented by the Trade Union Council of NMMC JSC employees, and on the other hand by the employer represented by the Chairman of the Management Board - General Director of NMMC JSC.

The conference of the NMMC labor collective is held annually, where the results of the Collective Agreement implementation for the previous year are discussed, as well as the approval or introduction of proposals for additions to the Collective Agreement for the next period. The main attention is paid to the implementation of tasks defined in the Collective Agreement, the work done in social and economic spheres, the results achieved and plans for the future period. There is also an annual inspection of compliance with labor legislation and provision of benefits in respect of employees of groups of privileged categories.

In May 2023, a conference of the labor collective was held to discuss the results of the implementation of the Collective Agreement for 2022, as well as to hear the reports of the Deputy General Director for Human Resources and the Director for Occupational Health, Safety and Environment. In addition, other important issues related to the improvement of labor conditions and protection of employees' rights were discussed. During the event they also considered proposals for amendments and additions to the contract in connection with the new requirements of the Labor Code of the Republic of Uzbekistan, which came into force on April 30, 2023.

Significant changes in the Collective Agreement in 2023, approved by the Protocol No. 1 of the meeting of the Central Commission to verify the implementation of the Collective Agreement for 2022 and amendments to the Collective Agreement for 2022–2024 from May 17, 2023:

- social leave (paid time off) for 1 day in connection with a marriage ceremony and for 3 days in connection with the death of a close relative;
- 50% payment for travel to sanatoriums in Yalta/Kislovodsk;
- provision of free travel for employees to sanatoriums and preventoriums in the Republic of Uzbekistan.

Employment

GRI 2-7, EM-MM-310a.2, EM-MM-000.B

As of December 31, 2023, the number of employees at NMMC is 47,596, of which 9,921 are quota employees. The total number of employees increased by 2% over the year.

Table 40. Headcount at the end of the year, persons.

GRI 2-7

Indicator	2021	2022	2023
Total headcount	45,221	46,643	47,596

Table 41. Change in the average number of personnel, persons.

GRI 2-7

Indicator	2021	2022	2023
Average headcount on average for the period	53,680	45,696	46,220

Table 42. Headcount by production unit and gender, persons

GRI 2-7

Division	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Total	39,032	6,189	40,428	6,215	41,335	6,261
Central Mine Unit	17,183	2,577	18,508	2,624	18,606	2,612
Northern Mine Unit	6,918	1,175	6,982	1,177	6,764	1,153
Southern Mine Unit	5,497	465	5,490	461	5,433	452
Zarafshan Construction Department	2,887	330	2,631	307	2,332	290
Representative office in Moscow	3	1	3	1	3	1

Representative office in Tashkent	5	3	5	3	4	3
Research and Production Center	0	2	0	0	0	0
Geological exploration expedition	475	60	537	70	529	69
Navoi Machine Building Company	2,780	702	2,737	696	2,647	679
Mine Group Hydrometallurgical Company-1	2,021	258	2,223	265	3,287	316
Substation of the network and workshop	135	24	129	25	150	25
Automation office	113	71	109	69	107	69
Central Research Laboratory	56	144	55	147	51	145
Autobase No. 3	349	31	338	29	369	29
Training centre	10	10	10	9	10	11
Central Archive	0	7	0	7	0	0
Information and communication technology management	73	56	65	41	0	0
Central project office	46	32	44	30	48	27
Central design bureau	16	4	13	4	16	4
Innovation Centre for implementation New Technologies	9	7	7	7	0	0
Central material and technologic base	174	60	171	57	167	51

Tashkent material and technologic base	32	17	34	19	31	21
Supervisory board unit	3	0	15	0	11	0
Administration	233	153	308	167	770	304
Mining unit No. 5	0	0	0	0	0	0
Jewellery factory	0	0	0	0	0	0
Agama	0	0	0	0	0	0
Hotel in Tashkent	0	0	0	0	0	0
Railway service centre	0	0	0	0	0	0
Housing and utilities department	0	0	0	0	0	0
Agrofirm	0	0	0	0	0	0
NMMC Hospital	0	0	0	0	0	0
Project office	0	0	0	0	0	0
Utility Grid	0	0	0	0	0	0
Typography	0	0	0	0	0	0
SMD and PS	0	0	0	0	0	0
ID	0	0	0	0	0	0
Department of Capital Construction	0	0	0	0	0	0
Material and technological management	0	0	0	0	0	0
KGTU	14	0	14	0	0	0

Due to the transformation of NMMC SE, a part of subdivisions transferred to Navoiuran SE and Fund SE in 2021-2022. These changes affected the number and structure of personnel, as well as staff turnover during the transition period in 2021-2022.

The geography of the Company's presence covers four key regions where, by working on development in the mining industry, NMMC makes a significant contribution to economic growth and sustainable development.

NMMC supports local communities, including by creating jobs in remote areas of the Republic of Uzbekistan, for example:

- Surkhandarya region, Termez city - Termez Mechanical Plant (NMZ) - 50 people.
- Republic of Karakalpakstan, Takhiatazhskiy district, Takhiatazhskiy plant for the manufacture of metal structures and non-standard equipment (NMP) - 106 people.
- Khorezm region, Sazakino settlement (CMU and ZCD) - 142 people.

As part of the statistical data for the reporting period, the number of employees of these production facilities will be taken into account in the cities of Navoi, Zarafshan and Nurabad, according to the location of the production units of which they are a part.

Table 43. Headcount by region, persons.

GRI 2-7

Region	2023
Navoi	9,891
Zarafshan	23,840
Uchkuduk	7,917
Nurabad (Southern Mining Unit) + Jizzak	5,885
Other cities (Tashkent, Moscow)	63

In 2023, more than 95 per cent of employees, regardless of gender, were employed on a full-time basis.

Part-time employment implies employment in which an employee works less than full-time. Full-time employment implies employment in which an employee works full-time. Regardless of the type of employment, employees are provided with conditions and benefits stipulated by the Collective Agreement of NMMC JSC.

Table 44. Personnel structure by type of employment, %

GRI 2-7

Type of employment	2021	2022	2023
Full-time	95	95	94
Part-time	5	5	6

Table 45. Number of employees by type of employment by region and gender, persons.

Region	Total Staff by Region 2023	2023	
		Male	Female
Total	47,596	41,335	6,261
Navoi	9,891	8,162	1,729
<i>Full-time</i>	9,820	8,120	1,700

<i>Part-time</i>	71	42	29
Zarafshan	23,840	20,938	2,902
<i>Full-time</i>	23,813	20,921	2,892
<i>Part-time</i>	37	17	10
Uchkuduk	7,917	6,764	1,153
<i>Full-time</i>	7,813	6,721	1,092
<i>Part-time</i>	104	43	61
Nurobod	5,885	5,433	452
<i>Full-time</i>	5,764	5,319	445
<i>Part-time</i>	121	114	7
Others	63	38	25
<i>Full-time</i>	62	37	25
<i>Part-time</i>	1	1	0

All employees of NMMC are hired through labour contracts on an open-ended or fixed-term basis. In the reporting year, more than 90% of employees signed open-ended employment contracts, including interns, seasonal employees and experts invited for individual projects.

Table 46. Personnel structure by type of contract, %

GRI 2-7

Type of contract	2021	2022	2023
Open-ended	90	90	90
Fixed term	10	10	10

Table 47. Number of employees by type of contract by region and gender, persons

Region	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Total	39,032	6,189	40,428	6,215	41,335	6,261
Navoi	6,507	1,621	6,775	1,623	8,162	1,729
Open-ended	-	-	6,765	1,564	8,119	1,651
Fixed term	-	-	10	59	43	78
Zarafshan	20,070	2,907	21,139	2,931	20,938	2,902
Open-ended	-	-	21,103	2,913	20,822	2,860

Fixed term	-	-	36	18	116	42
Uchkuduk	6,918	1,175	6,982	1,177	6,764	1,153
Open-ended	-	-	6,743	939	6,531	911
Fixed term	-	-	239	238	233	242
Nurabad	5,497	465	5,490	461	5,433	452
Open-ended	-	-	5,470	454	5,414	445
Fixed term	-	-	20	7	19	7
Others	40	21	42	23	38	25
Open-ended	-	-	42	21	38	23
Fixed term	-	-	0	2	0	2

Recruitment

GRI 401-1

The key document regulating the personnel recruitment process in the Company is the Regulations on the Recruitment of Personnel of NMMC JSC. This document applies to all structural divisions of the Company, guaranteeing equal, transparent and fair recruitment conditions. The Personnel Recruitment Regulations are aimed at objective assessment of candidates' professional skills and competences, which helps to attract qualified and suitable employees. An important aspect of this regulation is to ensure that the recruitment process is in line with the Company's corporate values, which enables the formation of a competent and cohesive team capable of achieving high results. Special attention is paid to the development of young personnel. According to the Regulations, the process of hiring employees at NMMC's enterprises is carried out on a competitive basis.

During the reporting period, the Company hired 3,981 new employees, 223 of whom were hired under the quota and 1,343 by transfer from other NMMC units. The remaining number of employees were hired through open recruitment. The predominant categories among the 2023 hires are “men”, “less than 30 years old” and “Central Mine Unit” prevail.

Table 48. Number of hired employees by gender and age groups, persons

GRI 401-1

Indicator	2021		2022		2023			
	persons	%	persons	%	persons	%	Including transfers among NMMC's units	
							persons	% of total recruitment
Total for the Company:	4,912	100	3,770	100	3,981	100	1,343	33.7
By gender group:								
Females	771	16	321	9	425	11	178	13.2
Males	4,141	84	3,449	91	3,556	89	1,165	86.7
By age group:								
Less than 30 years	2,944	60	1,766	51	1,846	46.3	395	29.4
30–50 years	1,756	36	1,830	45	1,908	47.9	803	59.7
Over 50 years	212	4	174	4	227	5.7	145	10.7

The bulk of new hires are concentrated in Navoi and Zarafshan. At the same time, the number of new hires in Navoi increased almost 2.5 times compared to 2022. This fact is due to changes in the organisational structure among the Company's divisions located in Navoi (reassignment of divisions and centralisation of departments).

Table 49. Number of hired employees by region, persons.

GRI 401-1

Region	2021	2022	2023	
Total for the Company:	4,912	3,770	3,981	Including transfers among NMMC's units
				1,343
Navoi	928	861	2,230	1,154
Zarafshan	3,355	2,354	1,233	100
Uchkuduk	489	389	343	17
Nurabad	140	149	160	67
Others (Moscow, Tashkent)	0	17	15	5

Staff turnover

GRI 401-1

In 2023, the total number of employees with whom labour relations were terminated was 3,030, including 1,272 due to transfer to another division of NMMC. Among them, by age category, the groups “30-50 years” and “over 50 years” are distinguished. In terms of gender groups, the largest number are men employed in the Central Division.

Table 50. Number of employees with whom labour relations were terminated by gender and age groups, persons.

GRI 401-1

Indicator	2021	2022	2023	
Total for the Company:	11,364	2,344	3,030	Including transfers among NMMC's units
				1,272
By gender group:				
<i>Females</i>	6,378	291	392	190
<i>Males</i>	4,986	2,053	2,638	1,082
By age group:				
<i>Less than 30 years</i>	7,545	510	846	403
<i>30-50 years</i>	2,354	877	1,429	732
<i>Over 50 years</i>	1,465	957	755	137

Based on the provisions of the Labour Code of the Republic of Uzbekistan, the heads of NMMC's divisions are delegated the right of the employer, therefore internal transfers between divisions and some changes in the Company's organisational structure are carried out in the form of dismissal and admission of employees, which artificially affects the total number of dismissed and hired employees.

To calculate the employee turnover rate for the reporting period, the statistics of dismissals at the employee's initiative and at the employer's initiative (excluding transfers of employees between NMMC's divisions, as well as excluding dismissals for reasons beyond the control of the parties) was used. Thus, the turnover rate for 2023 was 2.9%.

Table 51. Staff turnover¹⁰, %

GRI 401-1

Indicator	2021	2022	2023
Total for the Company:	21.17	5.13	2.9
By gender group*:			
<i>Females</i>	11.88	0.64	0.3
<i>Males</i>	9.29	4.49	2.6
By age group*:			
<i>Less than 30 years</i>	14.06	1.12	0.9
<i>30-50 years</i>	4.38	1.92	1.3
<i>Over 50 years</i>	2.73	2.09	0.7

GRI 402-1

The minimum notice period for employees in case of adverse changes to working conditions (termination of the employment contract due to staff reduction or downsizing) is 2 months, in accordance with Article 137 of the Labor Code of the Republic of Uzbekistan and the provisions of the NMMC Collective Agreement for 2022–2024.

Remuneration and motivation

GRI 202-1

The remuneration and motivation system is a key tool for retaining and attracting highly qualified specialists and improving the corporate culture. It is based on the principles of equality and transparency and includes such tools as benefits, social guarantees, tangible and intangible incentives.

The remuneration system is unified, complies with the requirements of the Labour Code of the Republic of Uzbekistan and affects all subdivisions and branches of NMMC. Wages are formed on the basis of a base salary, which is based on a tariff grid. The wage grid takes into account labor conditions, professional skills, as well as the specifics and nature of the work performed. Gender differences do not affect the calculation of salaries, thus ensuring equality, meritocracy and non-discrimination.

In order to continuously improve working conditions, increase employee motivation and ensure fair remuneration, the Company's human resources policy, including salary levels, is regularly reviewed by management taking into account macroeconomic factors. The average salary level is \$838, up 10% year-on-year.

Within the framework of the HR policy and provisions of the Collective Agreement of NMMC, payments in the form of allowances and bonuses are provided, which contributes to additional motivation and encouragement of

¹⁰ Calculation of the staff turnover rate by gender and age groups was made on the basis of the headcount in each of the presented groups. Analysis of staff turnover includes those who resigned at their own request and employees dismissed at the employer's initiative.

employees. The Company pays bonuses for length of service, bonuses to employees working on a rotational basis, to locomotive drivers, for travelling work and others.

In addition to allowances and bonuses, the regional (territorial) coefficient is taken into account in calculating the salary in accordance with the Decree of the Cabinet of Ministers of the Republic of Uzbekistan. This coefficient varies from 1.2 to 1.6 depending on the location of the unit. The maximum amount for accrual of district (territorial) coefficients to the salaries of NMMC employees is 2.11 of the minimum wage established in the territory of the Republic of Uzbekistan.

Table 52. Geography of dissemination of the Resolution on District Coefficients, %

Name of districts and localities with severe and unfavorable natural and climatic working conditions	Amount of regional coefficient allowances to the official salary
Zarafshan	1,6
Uchkuduk	1,6
Tamdyn	1,6
Kanimeh	1,6
Nuratin	1,6
Navoi	1,6
Gijduvan	1,6
Peshkun	1,6
Bukhara region	1,6
Hazarasp	1,6
Nurabad	1,3
Koshrabad	1,3
Pakhtachi	1,3
Urgut	1,3
Gallaaral	1,3
Zaamin	1,3
Karmanin	1,2
Shahrisabz	1,2
Kitab	1,2
Almalyk	1,2

Pskent	1,2
Ahangaran	1,2

Table 53. Employee Salary Indicators, units.

GRI 202-1

Indicator	2021	2022	2023
Minimum wages in regions of operation, \$	72.3	79.6	82.3
Salary of an entry-level employee in the Company, \$	104.8	126.5	136.9
Ratio of minimum wage in the Company to wages in regions of operation, times	1.5	1.6	1.7

In 2023, the Company's minimum wage in the regions where it operates (Navoi, Zarafshan, and Uchkuduk) was 66% higher than the minimum wage in the Republic of Uzbekistan.

Table 54. Average salary of employees by region, \$

GRI 405-2

Region	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Navoi (Hydrometallurgical Plant -1, Navoi Machine Engineering Plant)	422	620	562	743	602	835
Zarafshan (Central Mining Unit, Zarafshan Construction Management)	452	728	518	786	561	851
Uchquduq (Northern Mining Unit)	472	761	683	886	734	927
Nurobod (Southern Mining Unit)	534	815	467	828	538	966
Other regions (Tashkent, TMTB representations)	526	616	489	594	433	765
NMMC JSC	379	676	548	792	592	870

Remuneration, including remuneration and incentives for management personnel, is based on performance indicators, achievement of production goals, as well as the results of occupational safety inspections and is aimed at increasing motivation and efficiency (KPI).

Table 55. Ratio of basic salaries of employees by categories and gender groups, \$

GRI 405-2

Category	2021		Ratio, %	2022		Ratio, %	2023		Ratio, %
	Female	Male		Female	Male		Female	Male	
Managers	1,077	1,388	0.78	1,327	1,362	0.97	1,459	1,617	0.90
Specialists	758	898	0.84	819	953	0.86	949	1,054	0.90
Production personnel	434	653	0.66	447	655	0.68	563	797	0.71
Technical personnel	459	586	0.78	486	535	0.91	603	622	0.97
Service personnel	326	407	0.80	346	420	0.82	420	507	0.83

The HR policy provides for the calculation of salary levels depending on the position held, ensuring equal pay for men and women in the same positions.

The difference in the average salary between men and women in 2023 was \$278. The difference in the level of average salary for women is due to the specific nature of the Company's operations and the fact that women mainly work in administrative positions.

Training and development of personnel

GRI 404-1, 404-2

Investments in training and development of personnel are a priority of NMMC's HR policy. As a city-forming company, NMMC actively invests in the training and development of its employees, achieving its commercial goals while making a significant contribution to the development of the entire metallurgical industry.

To ensure continuous staff development in line with modern trends and best global practices, the Company annually develops a "Professional Training Plan." Within the framework of this Plan, employees participate in advanced training courses, various production training sessions, seminars, and retraining courses as part of the internal rotation system.

The training and development process is based on three principles:
 1. **multilevel** – training covers all categories of personnel;

2. **differentiation** – formation of homogeneous groups based either on job level or functional and professional criteria;
3. **continuity** – training is viewed as a continuous process that ensures the growth of employees' knowledge, skills, and competencies.

The training and development of professional competencies are supported by the administration of NMMC and the leaders of all structural divisions. Educational programs are implemented by the Company's educational structures, such as training centers, vocational training colleges, and training points.

All employees have the right to professional training, retraining, and skill enhancement in accordance with labor legislation, other legal acts regarding labor, employment contracts, and the Collective Agreement of NMMC JSC.

Professional training for women is conducted only for positions where their labor is permitted according to current labor legislation.

In total, in 2023, 15,048 employees of the Company underwent training, including:

- Trained in secondary and related professions and retrained - 5,305 people,
- Skilled workers underwent qualification enhancement - 6,902 people,
- Qualification enhancement for engineering and technical personnel and specialists - 2,841 people,
- Qualification enhancement in occupational safety - 140 people.

In 2023, 5,282 young employees participated in qualification enhancement courses, including 7 individuals who were trained in Russia, Turkey, and other countries.

Table 56. Share of Employees Who Completed Training as a Percentage of Total Employee Count, units.

GRI 404-1

Personnel	2021	2022	2023
Headcount, persons	45,221	46,643	47,596
Share of employees trained, %	32%	32%	32%
Total trained, persons	14,328	15,051	15,048

Table 57. Number of employees trained in 2020-2022, persons.

GRI 404-1

Personnel	2021	2022	2023
Total trained, persons	14,328	15,051¹¹	15,048
Production personnel and employees	12,424	12,764	12,207
Specialists	1,346	1,385	1,872
Managers	558	902	969
By gender group:			
<i>Males</i>	12,439	14,055	13,623
<i>Females</i>	1,889	996	1,425

Table 58. Average annual training hours per employee by employee category and gender, hours¹²

GRI 404-1

Categories of Employees	2021	2022	2023
Production personnel and employees	27	27	25
Specialists	15	15	19
Managers	5	8	8
By gender:			
<i>Males</i>	25	28	26
<i>Females</i>	24	13	18

Due to the transformation of NMMC SE, as well as staff turnover during the transition period in 2021-2022, the average annual number of training hours per woman has been reduced.

The Company's divisions have established training centers located in the cities of Navoi, Zarafshan, Uchkuduk and Nurabad. The training centers provide training in mining and processing professions. NMMC has more than 300 professions, some of which are taught in the Company's educational institutions are listed below:

- hydrometallurgist;
- firing operator;

¹¹ The boundaries of this indicator include the Central Mining Unit, Northern Mining Unit, Southern Mining Unit, Zarafshan Construction Department, and the NMMC Administration (Training Center of NMMC JSC).

¹² When calculating the average annual number of training hours by employee category, the duration of training for workers is accepted as an average of 80 hours regardless of the course for workers and employees and 40 hours for managers. When calculating the average annual number of hours by gender groups, the duration of training is taken as an average of 80 hours of training, regardless of the course.

- car driver;
- driver of a heavy-duty quarry vehicle;
- miner;
- forklift driver;
- operator for the separation of noble and rare earth elements.

To study advanced foreign practices in the metallurgical industry, the Company provides the opportunity to receive training abroad. In 2023, NMMC sent specialists from its production units to foreign countries (UAE, Kazakhstan, Russia and others) to study leading practices of international experience in gold mining.

NMMC specialists also participate in training sessions organized by government agencies and partners, participate in experience exchange programs with other enterprises of the Republic of Uzbekistan, and also travel to similar enterprises abroad to familiarize themselves with best practices in the industry.

Thus, during the reporting period, the Company's employees took part in information seminars on human rights, gender equality, climate change, preparation of IFRS S1 and S2 reporting, organised by representatives of the UN Global Compact in Uzbekistan together with international consulting companies in the field of ESG practices.

To improve the level of knowledge and skills, NMMC has created an electronic library with a book fund of more than 562 thousand books. In addition to specialists and employees of NMMC, the electronic library is used by teachers and students of Navoi Mining and Technology University, Navoi State Pedagogical Institute and Islam Karimov Tashkent Technical University.

Investment in training

In 2023, the Company allocated a total of \$1,487.498 thousand on training, which is 37% more than in 2022 (\$1,077.44 thousand).

Table 59. Investments in personnel training, million \$

Indicator	2021	2022	2023
Volume of investments in personnel training	0.87	1.08	1.50

Personnel reserve

NMMC strives to ensure continuity in management and production processes, which places the training and development of personnel within the Company among the key areas of HR policy. Particular attention is paid to the training of employees who are able to take responsibility and effectively perform tasks without stopping processes. In this regard, the Company has created and is actively developing a Personnel Reserve, formed in accordance with the Regulation on the Personnel Reserve.

As of 2023, the number of personnel reserves reached 12,190 people, which is 29.8% of the total number of employees.

The structure of the personnel reserve includes the following levels:

- Reserve of personnel included in the nomenclature of the Administration of the President of the Republic of Uzbekistan;
- Reserve of personnel included in the nomenclature of the General Director of the Company;
- Reserve of personnel of the Head of the Human Resources Department;
- Reserve of personnel for heads of structural divisions of the Company.

Intellectual capital

NMMC supports the intellectual capital of its employees by incentivising their training and participation in scientific conferences. In order to create additional conditions for financial incentives for the practical application of knowledge and experience of highly qualified personnel in the field of science and innovation, the Regulation “On the procedure for payment of additional remuneration to employees of NMMC JSC with academic degrees” was introduced. This Regulation is introduced on the basis of the Cabinet of Ministers of the Republic of Uzbekistan from 24.12.2019 No. 1030 “On the order of payment of additional remuneration to employees with scientific degrees, engaged in scientific, scientific-pedagogical and labour activity in state organizations” paragraph 26 and the order of NMMC JSC for No. 54 from 31.01.2023.

As of 2023, more than 11,997 employees with higher education (1,319 women), 9 doctors of science and 16 candidates of science, including 1 female candidate of science, 524 masters of science (including 96 women) work in NMMC.

More than 30 specialists of NMMC teach (lectures, practical classes, laboratory works) at Navoi State Mining and Technological University. Among them 3 persons have the title of professor and 8 persons have the title of associate professor.

In 2023, NMMC specialists made a significant contribution to scientific and educational activities by publishing several important books, including:

- “GOLD: History, Geography, Technologies” (collection of articles);
- “The history of creation and development of uranium industry in Uzbekistan”;
- “NMMC: at a new stage of development”;
- “Physical and colloidal chemistry for metallurgical specialities” (textbook) and others.
- Reference book. Harmful substances. Their classification and general safety requirements.

Since 1997, NMMC has been publishing a scientific, technical and production journal “Mining Bulletin of Uzbekistan”. The journal is included in

the list of recommended journals of the Higher Attestation Commission of Uzbekistan, as well as in the database of periodicals of Ulrich USA. The editorial staff includes scientists and specialists of the plant, as well as invited scientists from Kazakhstan, Tajikistan, Ukraine, Germany and Canada.

In 2023, NMMC specialists took part in more than 10 international and national conferences with reports. In October 2023, NMMC participated in the organisation of the 27th International Scientific and Practical Conference “Innovation-2023” in Tashkent on the topics of education, sectoral innovations, energy and resource saving, mining, metallurgy, environmental protection, etc.

Also, within the framework of the 65th anniversary of NMMC, the IV International Conference “Complex innovative development of Zarafshan region: achievements, problems and prospects” was held at Navoi State Mining and Technological University, where key issues of the region's development and innovation prospects were discussed.

Employees of NMMC publish articles in cited journals (Scopus and Web of Science), also more than 70 articles were published in Republican scientific and technical journals.

Socio-cultural diversity and equal opportunities

NMMC recognizes that socio-cultural diversity is the foundation for achieving high results and efficiency in all production processes. In this regard, the Company is committed to create an inclusive environment for all employees and supports employees regardless of gender, race or nationality, the presence or absence of disabilities.

Women's Council of NMMC

NMMC has a Women’s Council, which carries out extensive work to improve working conditions, social activity, provide career opportunities in the Company, and increase women's involvement in the development of their professional skills. The principles of gender equality and granting equal rights to all female employees are verified during periodic inspections by the Council of Trade Unions, as well as by periodic inspections by the relevant state services.

In accordance with the 2023 work plan of the Women's Council, a number of activities have been developed in the following areas:

- Conducting a broad information campaign aimed at promoting equal rights and opportunities for men and women working at NMMC and its divisions;
- Studying and monitoring the application of additional benefits for women, improvement of their working conditions, as well as compliance with labour legislation and occupational safety standards in their professional activities;

- Studying factors that have a negative impact on the social and moral atmosphere in employees' families and developing measures to eliminate them;
- Organising regular meetings with female production leaders with significant practical experience and merits in the production sphere in order to motivate and share experience with female employees;
- Proposals to reward women of excellence on important national dates;
- Organising festive events, holding information meetings and seminars, and organising master classes for women aimed at teaching them additional sources of income in their spare time.

Key events for gender equality in 2023 include the following:

- In January, a meeting with women working in the field of information technologies was held at the Navoi regional branch of "IT Park", where a representative of the Information and Communication Technologies Department of NMMC was awarded a commendation for her worthy contribution to the development of the sphere;
- In April 2023, on the initiative of the NMMC Women's Council, a round table was organised at Navoi Machine-Building Plant on "Family Strength, Responsibility and Role of Women in Raising Children";
- In May, a spiritual-educational event was held for the employees of the South Mining Unit of NMMC and employees of the Nurabad Territorial Department of the State Institution "Fund of NMMC" dedicated to the International Day of Family under the slogan "Family at peace - society in prosperity", where the issues of women's social activity, gender equality and upbringing of children were discussed;
- Within the framework of the 5th International Mining and Metallurgical Forum of Uzbekistan in November 2023, a panel discussion on "NMMC: New Challenges, New Horizons" was held, which included, among other things, a discussion on the promotion of women's leadership and the importance of the role of women in the development of the mining industry, where Sabokhat Yuldashevna Nazarova, Chairperson of the NMMC Women's Council, made a presentation.
- In November 2023, representatives of NMMC Women's Council took part in a workshop on Women's Empowerment Principles (WEPs) organised by the UN Global Compact Office in Central Asia with the participation of the Regional Programme Manager of UN Women (United Nations Entity for Gender Equality and Women's Empowerment).
- As part of the Company's efforts to promote gender equality and women's empowerment at NMMC, the Company established contact with the international non-profit organisation Women in Mining (IWIM)

and discussed the prospects for further cooperation and membership in the organisation.

NMMC pays attention to encouraging female employees for their work and contribution to the Company's development. In 2023, there are 1,588 women who received awards and honours, ranging from letters of thanks from the management of departments to state awards, some of the brightest examples being:

- In December 2023, the Northern Mining Unit of NMMC won the "Most Active District Organisation in Ensuring Gender Equality" category of the Gender Equality Activist competition.
- In October 2023, within the nomination "The Best IT-woman", the second degree diploma was awarded to Marziya Sayfulloeva Saifulloeva, a specialist of the Department of Information and Communication Technologies of the NMMC Administration.
- In accordance with the Decree of the President of the Republic of Uzbekistan "On awarding in connection with the International Women's Day - 8 March", Zulfiya Akhmedova, a machinist of forging and press shop of Navoi Machine-Building Plant of NMMC JSC, was awarded with the Order "Mekhnat shuxrati".

In 2023, the gender structure of the personnel was 87% men, 13% women. This difference is due to the specifics of the mining industry, where some types of work require tasks to be performed in conditions that may be limited for women for legal and physical reasons. Nevertheless, women play an important role in the Company's activities, occupying management positions. NMMC supports the promotion of women to management positions and an increase in their share in leadership positions. The share of women in the Supervisory Board is 14%, and in the Management Board - 17%.

Table 60. Share of women among NMMC personnel in 2023, %

Category	Total	% of Total Headcount
Management team	1	17.0
Managers	265	5.5
Specialists	1,071	27.9
Employees	4,714	12.2
Production personnel	210	65.7
% of women among NMMC personnel total	6,261	13.0

Table 61. Structure of the Supervisory Board by Gender and Age, %

GRI 405-1

	2021	2022	2023
By gender group:			
<i>Females</i>	1	1	1
<i>Males</i>	7	7	6

By age group:			
<i>Less than 30 years</i>	0	0	0
<i>30-50 years</i>	6	4	3
<i>Over 50 years</i>	2	4	4

Table 62. Number of employees by category and gender group as of December 31, 2023

GRI 405-1

Category	Total, persons	Male, persons		Female, persons	
		Total	% from total	Total	% from total
Number of employees, total:	47,596	41,335	87.0	6,261	13.0
<i>Management (members of the Management Board)</i>	6	5	83.0	1	17.0
<i>Managers (directors of production units, team leaders, heads of departments, deputy heads of departments, heads of services, foremen)</i>	4,724	4,459	94.5	265	5.5
<i>Specialists (ITO, specialists by category)</i>	3,847	2,776	72.1	1,071	27.9
<i>Employees</i>	320	110	34.3	210	65.7
<i>Production personnel</i>	38,699	33,985	87.8	4,714	12.2

The average age of NMMC employees is 37 years. More than 14% of employees are over 50 years of age - the most representatives of this category in management - experienced employees share their knowledge with younger colleagues and support the development of the mining industry. To provide a favourable working environment for employees approaching retirement age, keep them employed and retain highly skilled and experienced professionals, the company offers the opportunity to work remotely or move to a new mentoring position at the employee's request.

The company is actively expanding its young workforce, with more than 25% of employees under 30 years of age.

In 2023, the majority of employees in the "production personnel" category were in the age group of 30 to 50 years, which indicates the prevalence of experienced employees with high professional skills in the active phase of labour activity.

Table 63. Employee Headcount by Categories and Age Groups as of December 31, 2023

GRI 405-1

Category	Total, persons	Up to 30 years	30–50 years	Over 50 years
		Persons	Persons	Persons
Number of employees, total	47,596	12,314	28,462	6,820
Executive Management	6	0	5	1
<i>Managers</i>	4,724	392	3,546	786
<i>Specialists</i>	3,847	688	2,627	532
<i>Employees</i>	320	98	190	32
<i>Production personnel</i>	38,699	11,136	22,094	5,469

NMMC employs representatives of 39 different nationalities, which underlines the cultural diversity of the Company and contributes to the formation of an inclusive working environment. Of the total number of the Company's employees, the main share is made up of representatives of Uzbek (local residents), Kazakh, Tajik, Karakalpak and Russian nationalities.

Table 64. Employee statistics by ethnicity, persons

GRI 405-1

Nationality	2021	2022	2023
Uzbeks	39,267	40,835	42,007
Kazakhs	2,877	2,868	2,777
Tajiks	189	187	188
Karakalpaks	553	554	548
Russians	1,182	1,077	1,004
Tatars	523	495	470
Ukrainians	108	101	96
Other nationalities	1,324	1,108	976

The principles of gender equality are also observed in the payment of wages. The personnel policy stipulates that the level of wages is determined by taking into account the position held, ensuring equal pay for men and women in the same positions.

Youth policy

NMMC's youth policy is aimed at comprehensive development of young employees and creation of favourable conditions for their professional and personal growth. Currently, over 25% of the Company's employees

(more than 12.5 thousand people, of which about 1,400 are women) are young people (young professionals under 35 years old). It is important to note that 3,316 young employees have higher education, of which 12% hold managerial positions and 21% are specialists of various categories.

To work effectively with young people, the Company has established and successfully operates youth organisations. The positions of chairmen of the Youth Leadership Council and leaders in key divisions have been introduced, while in other departments youth initiatives are managed on a voluntary basis. The main tasks of these organisations include protecting the rights and interests of young employees, assisting in production processes, implementing youth initiatives, organising meaningful leisure activities and supporting young people's aspirations for professional and personal development.

Since 2017, when the Council of Youth Leaders was established, a programme for the implementation of state youth policy has been developed annually, initiatives are actively supported, and funds are allocated for the implementation of youth projects. In 2023, more than 100 sports events such as football matches, volleyball, table tennis, chess, cycling, track and field marathons and cyber sports were organised under the slogan "Love Sport, Live Sport". An important achievement was the 2nd place of the NMMC junior team in the international competition "New Breath – Ekiden" in Tashkent. In addition, in 2023, on the eve of the Youth Day at NMMC, football matches of the mini-football and volleyball tournaments "NMMC Cup" were held, in which employees of NMMC JSC units, Navoiuran State Institution and NMMC Foundation State Institution took part.

Special attention is paid to the spiritual and cultural development of young people. As part of the "I am a descendant of great ancestor" project, spiritual and educational events and round tables on great scientists and figures have been held. More than 1,300 young workers visited historical sites in Uzbekistan as part of the "Travel to Uzbekistan!" programme. Eleven family teams took part in the "Dad, Mum and I - a sporty family" competition, aimed at strengthening family values and promoting healthy lifestyles.

Every year from December to June the "NMMC Cup" in the intellectual game "Zakovat" is held. This event is aimed at educating young people in the spirit of respect and devotion to their Motherland, national values, historical and spiritual heritage, broadening their outlook and thinking, increasing their creative potential.

Young people are actively involved in scientific research and rationalisation activities. NMMC holds an annual contest "Best Rationalisation Proposal", in which 113 people took part in 2023, submitting 146 proposals, of which 53 were recognised as winners. The Best Young Specialist of the Year contest also allows identifying and supporting promising young engineers and specialists.

Volunteer activities of young people play an important role in the social life of the Company. More than 443,000 tree saplings were planted as part

of the nationwide project “Yashil Makon”. In 2023, about 100 representatives of young people employed by NMMC and its structural subdivisions took part in the environmental action “Green Year” in Muynak district of the Republic of Karakalpakstan.

The campaigns to help those in need were organised: 1,750 food packages were handed over to families, pensioners and veterans. Young people of NMMC also took an active part in more than 40 blood donation campaigns.

Support of initiatives and comprehensive development of young people remain a priority in NMMC's strategy. The Company provides opportunities for training and professional development both in republican institutes and abroad, which allows young people not only to grow professionally, but also to make a significant contribution to the development of the Company and the country. In 2024, declared the Year of Support for Youth and Business in Uzbekistan, NMMC will continue its work on implementation of youth policy, strengthening the role of youth in modernisation and development of the country's economy.

Social support for staff

GRI 2-30, 401-2, 401-3, EM-MM-310a.1

The Company is aware of its responsibility to employees in ensuring social stability, comfortable working conditions, and protecting employees' rights. The key instrument of NMMC's social policy is the Collective Agreement, updated in 2023 to take into account new requirements. Compliance with its provisions is monitored by representatives of both parties at joint meetings. In the reporting period, the Collective Agreement covered 100% of all NMMC employees without exception.

In 2023, NMMC hired the following citizens who fall into the category of vulnerable groups of the population:

- Parents with many children - 7;
- Parents raising a child with a disability - 3;
- Young professionals - 685;
- Single parents - 24;
- Persons from places of imprisonment - 11;
- Those after service in the armed forces - 17;
- Employees with disabilities - 7.

In 2023, the Company had 115 employees with disabilities. In Uzbekistan, there are legal requirements for hiring employees with disabilities, on this issue, NMMC reports to the regional office of the Center for Employment Promotion and Poverty Reduction. Navoi inter-district administrative court in January 2023 satisfied the claim of NMMC to increase the number of places for employment of privileged categories of citizens.

Below is a partial list of benefits provided by the Company to its employees based on the Collective Agreement:

- Provision of a vehicle for travelling to cultural and sporting events;

- Organisation of collective recreation for employees and retirees, excursions to historical places of the Republic of Uzbekistan;
- Free medical care for employees and retirees of NMMC;
- Allocation of service housing for employees of certain positions invited to work from other settlements or transferred from NMMC divisions;
- Provision of vouchers for health resort treatment;
- Provision of therapeutic and preventive nutrition for employees working in conditions with high health risks;
- Assistance to employees with dependent minor children;
- Allocation of places in pre-school institutions for children of NMMC employees and retirees;
- Allocation of funds to purchase New Year gifts for children of NMMC employees and retirees;
- Allocation of funds for the purchase of agricultural products;
- Material remuneration to employees who are NMMC pensioners, who terminate their labour contract for the first time due to retirement (on the employee's initiative, due to the employee's incompatibility with the work performed, registration of disability groups 1 and 2);
- Coverage of expenses related to the burial of deceased NMMC employees and their close relatives;
- Partial payment of expensive medical supplies for employees with disabilities or former employees who suffered labour injuries;
- Benefits established in the Labour Code.

According to the Collective Agreement, in the event of injuries during the performance of professional duties, employees have the right to social support and payments from the Company. In addition, payments and benefits for child care are provided.

In 2023, 680 women took advantage of parental leave. In addition, in accordance with Article 404 of the Labor Code of the Republic of Uzbekistan, the Company provides women with maternity leave of seventy calendar days before childbirth and fifty-six (in case of complicated childbirth or at the birth of two or more children - seventy) calendar days after childbirth with the payment of benefits in the amount established by law, but not less than seventy-five percent of the average monthly salary.

During the reporting period, no complaints regarding withholding or non-payment of compensation were received on the Company's hotline.

Table 65. Employees on parental leave, persons.

GRI 401-3

Year	Total	Female	Male
2021	709	708	1
2022	691	689	2
2023	680	680	0

Plans for 2024 and the medium term

- Organisation of remote work of employees (e.g., IT workers);
- Systematisation of staff development, organisation of business training for senior technical specialists, business training for leading specialists, international experience exchange, mentor-apprentice, retention of qualified employees, introduction of rotation programmes and personnel evaluation system;
- Updating the motivation system at the level of mining units based on the principles of key performance indicators, to take into account strategic initiatives based on the experience of leading companies.
- Restructuring of the personnel recruitment system at NMMC, introduction of a website for job seekers;
- Revision of the organisational structure of personnel management;
- Development and approval of policies on human rights, diversity and inclusion at NMMC.
- Updating the HR risk management system.
- Development of the formation and timekeeping system in terms of employee performance evaluation;
- Digitalisation of the HR management system;
- Development and implementation of the Individual rehabilitation programme .

LABOR PROTECTION, INDUSTRIAL SAFETY AND EMERGENCY PREPAREDNESS

Approach to the management of occupational health and safety issues

GRI 403-1, 403-2, 403-3, 403-4, 403-8

NMMC considers one of its priorities to be compliance with safety in all divisions of the Company. The mining industry is characterised by a high level of danger and requires effective occupational health and safety measures and emergency preparedness.

Responsibility for maintaining compliance, managing and analyzing potential risks, and regularly updating safety standards lies with the Director for Occupational Health, Safety and Environment (ESG) and the managers of production divisions. Each employee is accountable for adhering to the OHSMS requirements. The active involvement of the Company's top management, including the General Director and Chief Engineer of NMMC, plays a crucial role in driving continuous improvement and implementing necessary changes to enhance safety performance and outcomes.

The OHSMS requirements are aimed at creating safe working conditions. The Company's priority goal is to achieve zero injuries, therefore the Company carries out systematic activities to prevent accidents and emergencies, hazard identification and risk assessment, based on the results of which it improves and updates labour protection requirements. Core functions of the OHSMS:

- Planning, organisation and coordination of occupational health and safety activities;
- Detection (identification) of hazards and risk assessment;
- Labour protection training and knowledge testing;
- Monitoring the state of occupational health and safety;
- Assessment and root cause analysis of incidents.

The relevant sections of the Collective Agreement provide for the provision of personal protective equipment and safe working conditions, including welfare the production processes. In addition to the provisions of the Collective Agreement, a range of measures are implemented to maintain workplace safety and enhance the overall culture of occupational safety. These initiatives are applied continuously and adjusted as needed, based on ongoing assessments of occupational health and safety (OHS) conditions and thorough analysis of the root causes of any incidents.

Table 66. Objectives and progress of NMMC in 2023

NMMC's objectives	Progress for 2023
Establishing an effective management system for Occupational Health, Safety, and Emergency Response in accordance with global standards and best practices, systematically enhancing the safety culture, preventing accidents and occupational illnesses, reducing workplace risks, and promoting safe and healthy behaviors among employees.	<ul style="list-style-type: none"> • For 12 months. 2023, a significant reduction of 72% in the number of accidents was achieved compared to 2022. The number of fatal accidents decreased from 14 (2022) to 1 (2023).
	<ul style="list-style-type: none"> • A new programme of workplace inspections for compliance with HSE rules and checklists has been introduced. • Monthly analysis of inspection results for further summarisation / identification of areas of concern.
	<ul style="list-style-type: none"> • A new HSE training and self-training system with an automated computerised knowledge testing system has been introduced. • A system of 'Golden Rules' (categorically unacceptable to violate) and incentives has been introduced. • Internal investigation of incidents to identify hidden causes of incidents with a view to their subsequent elimination, both to prevent recurrence and to spread to similar locations at other production sites. • A regulation on the HSE and production incentive system has been implemented.

The Company is guided by the legislative acts of the Republic of Uzbekistan in the field of labour protection, as well as by the internal regulations of NMMC in the field of OHS:

- Law of the Republic of Uzbekistan "On Labour Protection" dated September 22, 2016;
- «Occupational health and safety management systems» standard - ISO 45001:2018;
- Collective agreement;
- Quality, environmental, health and safety policies;

- Regulations on the procedure for technical Investigation of the Causes of Incidents at Hazardous Production Facilities of NMMC;
- Regulation on the organisation and Implementation of production control at Hazardous Production Facilities of NMMC.

Production control at hazardous facilities

In 2023, specialists of NMMC's Production Control Department carried out a number of measures to comply with industrial safety requirements in accordance with the legislative norms of the Republic of Uzbekistan. In particular, targeted and comprehensive inspections were carried out to improve the level of safety at hazardous production facilities (HPFs). Special attention was paid to monitoring and adjusting the number of HPFs, as well as preparing for the re-identification procedure due to the introduction of new facilities at the enterprise.

In early 2023, to ensure industrial control over compliance with industrial safety requirements at HPFs NMMC, in accordance with the order of the General Director, commissions of chief engineers and specialists were established, schedules of targeted and comprehensive inspections, work plan, and industrial safety measures for the year were approved.

An important area of work in 2023 was the examination of technical devices that have reached the end of their regulatory service life. More than 1,760 units of technical equipment, such as hoisting equipment, tanks, conveyors, drilling rigs and excavators, were examined. Together with specialists from the chief mechanic and chief power engineer departments, the residual resources of the equipment were determined and decisions were made on the possibility of their further operation.

Management structure and instruments

At NMMC, designated structural units are tasked with overseeing all aspects of occupational health and safety, specifically established to achieve these goals.

In 2023, the OHS management structure was changed in accordance with the decision of the Sole Shareholder of NMMC JSC. The position of the “Director for Occupational Health and Safety” was replaced by the “Director for Occupational Health, Safety and Environment (ESG)”. The Occupational Health and Safety Department was restructured into the Main Occupational Health and Safety Department of NMMC.

Table 67. Structure of OHS department

Supervisory board			
General director			
Chief engineer officer			Department of Emergency Situations
Director for Occupational Health, Safety and Environment (ESG)			
General Directorate of Occupational Safety and Health	Occupational Safety Department	Environmental Protection Department	

<p>The Directorate organises work to create safe working conditions in the Company, monitors compliance with applicable legislation, instructions, rules and regulations on occupational health and safety, and provides employees with established benefits for working conditions. The Directorate includes subdivisions or individual OHS specialists.</p>	<p>The Occupational Safety Department exercises administrative and production control over compliance with industrial safety requirements during the operation of hazardous production facilities by the Company's structural subdivisions.</p>	<p>The Environmental Protection Department ensures organisation and coordination of activities of the Company's structural subdivisions to comply with environmental norms and rules in the course of production activities, prevention of harmful impact of production on the environment.</p>	<p>The Department of Emergency Situations provides the Company with the resources and responsibilities to address all human and material assets of the Company in the aspect of emergencies (prevention, preparedness, response, mitigation and recovery).</p>
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OHS activities are monitored at all levels of the Company with the involvement of managers of both production units and NMMC's management in the process of analysis and decision-making.

The OHS Service conducts regular internal audits to assess the results achieved in the field of occupational safety.

Health and safety inspections of employees' workplaces are carried out by a commission consisting of representatives of employees and the administration. Based on the results of the inspections, repeatedly identified or previously unaddressed deficiencies are analyzed and submitted to the Company's management for decision-making on the implementation of corrective measures.

NMMC's key OHS activities during the reporting period were:

- Training and instruction;
- Risk assessment;
- Ensuring the provision of safe working conditions and the availability of safety equipment;
- Monitoring;
- Identifying and preventing the root causes of incidents;
- Increasing employee engagement through the implementation of a motivation and reward system based on occupational health and safety performance outcomes.

Training and instruction

GRI 403-5

Training is an integral part of NMMC's OHS management processes. All employees undergo mandatory training and relevant briefings as required. Contractor organizations are instructed on safety with drawing up the Act of admission to the territory of the subdivisions where the work will be carried out.

NMMC conducts annual employee training in accordance with national, industry, and international occupational health and safety standards. The Company implements a comprehensive program aimed at fostering a culture of safe work practices, enhancing employees' knowledge and skills in compliance with OHS requirements, and aligning with best international practices. Training strengthens the company's human resources potential and ensures the necessary level of employee training to meet the requirements of occupational health and safety.

Table 68. Occupational health and safety training in 2023

GRI 403-5

Indicator	Training provider	Number of employees	Hours of training
Advanced training course in occupational health and safety	External supplier	160	72
Training under the international certification programme NEBOSH	External supplier	20	80
Industrial Safety course	External supplier	320	40
Testing on the system of preparation of work permits for high-risk operations	NMMC Training Centre	5,979	Not applicable
Testing according to Model Provisions No. 272 and 273 of 14.08.1996.	NMMC Training Centre	6,617	Not applicable
Computer testing on HSE rules and regulations	NMMC Training Centre	31,202	Not applicable

20 HSE employees were trained under the NEBOSH international certification programme by an accredited training provider, and 160 HSE specialists successfully completed a 72-hour occupational safety refresher course.

On a contractual basis, training was organized for 320 managers and specialists of hazardous production facilities on a 40-hour Industrial Safety course.

In the reporting year, the Company introduced a new HSE training and self-training system with an automated computerised knowledge testing system. In 2023, 4,644 engineers underwent computerised testing for the system of permit orders and for high-risk work, also 6,617 persons were tested under Model Regulations Nos. 272 and 273 of 14.08.1996. A total of 31,202 people, including 11,759 engineers and technicians and 19,443 workers, completed computerised HSE testing.

OHS Risk assessment

GRI 403-2, 403-7, 403-3, 403-6, 403-10

Risk assessments take place at site level to identify and inform employees of any potential operational risks and the most appropriate controls to prevent and avoid them. The Company has a principle of dialogue with colleagues responsible for OHS at sites about conducting a personal risk assessment before any employee or team undertakes potentially

hazardous or non-standard work activities. Risk assessment and minimisation is carried out by a team of staff who are trained and have sufficient engineering experience and qualifications.

OHS risks are controlled for each mining unit through joint work of management and responsible divisions. Internal inspections of facilities are carried out according to the established schedule, which allows for timely identification and elimination of potential threats.

To ensure effective management of industrial safety, the company has a system of the AISMS, which integrates data on facilities, employees and documents in the field of occupational health and safety, allows to effectively collect and analyze information on potential sources of danger, monitor the number of employees trained in HSE, carry out technical inspections of equipment under supervision, as well as monitor compliance with regulations of state authorities.

The Company identifies two categories of risks:

1. Industrial safety risks.
2. Occupational health and safety risks.

Occupational safety risks include:

- Handling of explosives;
- Sudden manifestation of rock pressure leading to rock falls in underground mine workings;
- Increased level of electromagnetic radiation;
- Risks associated with hydrometallurgical beneficiation processes,
- Work with hoisting mechanisms;

Some of the risks associated with health and safety are as follows:

- physical - noise, vibration, temperature differences, exposure to ionising and non-ionising radiation, etc;
- chemical - interaction with harmful substances;
- biological - interaction with plants, animals, microorganisms;
- severity of the labour process - everything that is connected with physical loads during work;
- strain of the labour process - strain on perceptual organs and emotional strain.

To mitigate the risks of both groups, the Company has developed a number of processes to identify potential hazards to employees at workplaces in a timely manner, such as a system of inspections of workplace occupational health and safety facilities.

The Company implements a set of measures to mitigate risks and prevent their unfavourable consequences. In addition to the hierarchical system of control over compliance with occupational health and safety requirements, including responsible individuals in structural units and the labour protection service, the practice of pre-shift medical examinations of employees engaged in production has been introduced. This makes it possible to promptly identify potential health risks and take appropriate

measures to eliminate them. If an employee's health condition does not allow to continue performing their current duties, the Company considers the possibility of transferring them to a job with more favourable working conditions.

All employees of NMMC, in accordance with the legislation of the Republic of Uzbekistan and internal regulations of the Company, are provided with emergency, ambulance and pre-medical assistance.

Control over the provision of safe working conditions and safety equipment

One of the fundamental factors for achieving occupational safety objectives is control over the provision of safe working conditions and personal and collective protective equipment.

Day-to-day monitoring of the use of proper PPE during work and timely provision of PPE to employees is the basis for safe work performance and the golden safety rule.

Control over equipment serviceability is one of the factors that is given special attention during occupational health and safety inspections. Based on the results of inspections, action plans are developed to reduce or eliminate identified risks, as well as to implement a set of measures aimed at reducing the probability of accidents and minimising the impact of hazardous production factors on employees and the environment.

Workplace certification is carried out once every five years in accordance with the requirements of the legislation of the Republic of Uzbekistan. In 2023, an agreement was concluded with two contracting organisations that have the relevant accreditation for this type of work. Workplace certification is planned for 2024 at all operating units of NMMC.

Medical examinations are also an integral part of ensuring working conditions as stipulated by the Collective Agreement between NMMC and its workforce. In accordance with Article 14, "Medical Services," of the Collective Agreement and Appendix No. 10 to the Collective Agreement titled "Procedure for Providing Medical Services to Individuals Mentioned in Article 14 of the Collective Agreement," adopted by the decision of the workforce conference on June 14, 2022 (updated on May 17, 2023), the employer is obligated to provide free medical services, including pre-employment, periodic, and targeted medical examinations, for the following categories of individuals:

- NMMC payroll staff according to Company's official staff structure (Order No. 200 of the Ministry of Health dated 10.07.2012);
- Employees of the Trade Union Council;
- Family members of NMMC employees;
- NMMC retirees;
- Former NMMC employees who suffered injuries, occupational diseases, or other health impairments related to the performance of their work duties;

- Dependents of deceased employees who are entitled to compensation due to the worker's death resulting from a work-related injury, occupational disease, or other health impairment connected to the performance of work duties.

In 2023, the plan for periodic medical examinations was fulfilled by the medical and sanitary departments at a rate of 99.8% (compared to 99.2% in 2022), and 99.8% of women of childbearing age underwent a complete medical examination. The number of illnesses resulting in temporary disability decreased by 0.9 cases and 17.3 days compared to 2022.

Table 69. Statistics on the periodic occupational medical examinations of NMMC employees for 2023, persons.

Division	Gender	Total number of employees who underwent periodic occupational medical examinations		Age category (actual)			Employee category (actual)		
		Planned	Actual	up to 30 years	30 to 50 years	over 50 years	Managers	Specialists	Production personnel
Navoi site	Male	5,105	5,011	1,370	2,527	1,114	115	413	4,483
	Female	684	660	249	294	117	7	85	568
SMU	Male	6,089	6,089	897	4,315	877	605	1,095	4,389
	Female	479	479	46	326	107	47	82	350
CMU	Male	19,869	19,863	6,401	10,774	2,688	1 755	761	17,347
	Female	2,403	2,357	566	1,385	406	94	232	2,031
NMU	Male	6,707	6,707	1,656	4,162	889	725	442	5,540
	Female	1,133	1,133	314	640	179	54	185	894
Total:	Male	37,770	37,670	10,324	21,778	5,568	3 200	2,711	31,759
	Female	4,699	4,629	1,175	2,645	809	202	584	3,843

Incident prevention and monitoring

GRI 403-7, 403-9, SASB EM-MM-320a.1

Monitoring is systematically carried out at NMMC through regular internal and external audits, as well as inspections of safety procedures. Internal safety rules are applied daily to actively engage employees in identifying potential deficiencies in control measures and developing alternative or additional controls for the future.

In 2023, a fundamentally new inspection system was introduced, aimed at identifying violations, determining corrective measures and deadlines for their resolution, and verifying the implementation of planned actions. For these inspections, 27 types of checklists were developed, tailored to specific types of production activities. These checklists contain various sections and specific safety requirements in each section for detailed verification. Inspections are conducted by occupational health and safety specialists, who define corrective measures, collect supporting documents confirming the implementation of these measures, and compile photo reports for each identified violation. Further analysis is conducted centrally on a weekly basis in collaboration with NMMC's top management.

The development of an electronic portal is underway to integrate this system, enabling weekly entry of inspection results across all production sites of the Company. The electronic system will be based on checklists, which will subsequently be used to generate occupational health and safety inspection reports.

Additionally, the root cause analysis system for incidents has been updated during the reporting period, aiming to prevent the recurrence of incidents and implement preventive measures. All inspection results are subject to statistical analysis to identify and address potential bottlenecks and problem areas. These findings are discussed with NMMC's management for informed decision-making and effective implementation of corrective actions.

Since 2022, as part of the implementation of the occupational health and safety roadmap, the Company has introduced special suggestion and complaint boxes focused on health and safety issues. These boxes operate anonymously and are placed in all production units of the Company. Additionally, employees of each production unit have the opportunity to discuss safety, working conditions, and occupational health matters with authorised representatives of the trade union and workforce health and safety committees. Information gathered from these sources is reviewed jointly with the occupational health and safety service and the trade union representatives, and then presented for consideration to implement necessary changes and improvements.

Identification and prevention of root causes of incidents

At NMMC, a thorough analysis of each accident is conducted on a monthly basis, and measures are developed to prevent similar incidents from occurring in the future.

In the 12 months of 2023, a significant reduction of 72% in the number of accidents was achieved compared to 2022. The number of fatal accidents decreased from 14 (2022) to 1 (2023).

Table 70. Accidents in 2023, units

GRI 403-9, EM-MM320a.1

Indicators	2021	2022	2023
Fatal accident	5	14	1
Accidents with severe injuries	28	28	11
Accidents with minor injuries	25	12	5
LTIFR ¹³	0.63	0.68	0.21
FAR ¹⁴	0.05	0.18	0.01

The severity of incidents is classified according to the degree of injury sustained and is determined based on medical reports issued by specialized medical institutions, in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 286 dated June 6, 1997, "On the approval of the regulation on the investigation and recording of occupational accidents and other health damages related to the performance of work duties by employees."

As part of OHSMS, all incidents occurring at production facilities in structural units are reviewed on a monthly basis. The details of each incident are discussed, along with the implementation of all measures outlined in Form N-1 "Occupational and Industrial Accident" to prevent harm to health and other types of damage.

Based on the analysis of accidents that occurred in NMMC divisions in 2023, the following causes of incidents were identified:

- Violations in the proper execution of open-pit and underground mining operations;
- Mining activities associated with collapses and cave-ins;
- Failure to comply with traffic rules;
- Personal negligence and inattention of the affected individuals.

At all sites and stages where incidents occurred, an incident investigation commission was formed by order of NMMC management to carry out the following actions:

- Interviewing witnesses and eyewitnesses;
- Inspecting the incident site;

¹³ LTIFR does not include injuries among contractors. The formula for calculating this indicator is (number of injuries * 1,000,000)/total hours worked.

¹⁴ FAR (fatal accident rate) was calculated as follows: (number of fatal accidents * 1,000,000)/total hours worked.

- Reviewing regulatory and technical documentation (expert commissions may be involved in the investigation, if necessary);
- Establishing the circumstances and causes of the accident.

After the root causes of the incident have been determined, the occupational safety department prepares a report that includes a set of prescribed measures to eliminate these causes, which are then implemented in the relevant production divisions.

Under the employment contract and the legislation of the Republic of Uzbekistan, the families of affected employees are entitled to full support from NMMC.

In 2023, the following measures were implemented at NMMC based on the identified causes of incidents:

- A new programme of inspections of workplaces for compliance with HSE rules was introduced, with checklists to be filled in.
- A system of 'Golden Rules' (categorically unacceptable for violation of safety rules) was introduced.
- Organized training courses on safe work practices to enhance occupational safety knowledge.
- Strengthened efforts in organizing and conducting employee knowledge assessments.
- A computer-based testing system on occupational health and industrial safety has been implemented for employees.

Internal investigations of incidents to identify hidden causes of incidents are conducted not only for the purpose of their subsequent elimination and prevention of recurrence, but also for dissemination to similar locations of other production units of NMMC.

Table 71. Material consequences of accidents in 2023, \$ thousand

Type of compensation for material consequences	Compensations made
Lump-sum allowance to family members in connection with the death of a breadwinner as a result of an industrial accident in excess of the established legislation	174.03
Monthly additional payments of compensation for damages in excess of those established by law to the victim of a labor injury	321.38
Compensation to the victim for additional expenses caused by the labor injury at work	168.20
Payments for moral damages	0.00
Monthly compensation for family members in connection with the death of a breadwinner as a result of an industrial accident	512.42
Lump-sum benefit in the amount of one year's earnings to a victim of a labor injury	221.86
Monthly indemnity for the injured person	537.16

Compensation payments for the care of an occupationally ill person	0.35
Regression claims	86.74
Total	2,022.08

Enhancing employee engagement

To enhance employee motivation in the field of occupational health and safety, a reward system for exemplary NMMC teams was introduced in 2023. Any team (brigade, unit, or shift) from the main production facilities of NMMC that achieves outstanding performance and meets occupational health and safety requirements can be nominated for recognition and rewards.

Exemplary teams are awarded a bonus equal to 1.5 times their monthly base salary (excluding the coefficient for salary increase).

The same criteria are used to evaluate the performance of repair service supervisors, heads, and deputy heads of production units at NMMC.

Based on the quarterly performance results, specialists from the Main Occupational Health and Safety Department assess the teams according to established criteria and submit their recommendations for rewards to NMMC management by the 10th of the month following the reporting quarter.

Achieving 100% of the production plan (output norms) during the quarter is a basic criterion for eligibility for the evaluation and subsequent bonus. If this basic criterion is not met, the bonus will not be awarded.

To evaluate the teams, NMMC management has approved the following criteria:

- Zero incidents reported;
- Exemplary condition of work order logs and proper issuance of work orders with corresponding occupational health and safety briefings;
- Documentation at the workplace – exemplary organization and condition;
- Safe and compliant condition of work areas, meeting all regulatory, design, and operational requirements (where applicable);
- Equipment and technical devices – proper functioning and presence of necessary protective devices (guards, grounding, etc.);
- Personal protective equipment (PPE) – complete compliance with standards applicable to specific work areas;
- Employee knowledge of occupational health and safety at the workplace – interviews with site employees regarding the content of OHS instructions included in the training, briefing, and knowledge assessment programs for their respective professions.

During the four quarters of 2023, 11 teams, consisting of a total of 157 employees, were rewarded for meeting these criteria.

Emergency preparedness

Ensuring preparedness for emergency situations (hereinafter referred to as ES) and response to them at the corporate level is entrusted to the NMMC Emergency Situations Department. At the managerial level,

emergency preparedness and response are regulated by the Laws of the Republic of Uzbekistan, Resolutions of the Cabinet of Ministers of the Republic of Uzbekistan:

- Law RUz “On protection of population and territories from natural and technogenic emergencies”;
- Law RUz “On Civil Protection”;
- Law RUz “On Industrial Safety of Hazardous Production Facilities”;
- Law of the RUz “On Fire Safety”;
- Law of RUz “On Labor Protection”.

The main internal document regulating the activity of NMMC in the field of emergency preparedness is the “Regulations on the Emergency Situations Department” of NMMC JSC. The main tasks of the Emergency Department are:

- Organization, methodological guidance, and control over the implementation of planned activities:
 - prevention and elimination of emergencies, improvement of reliability and sustainability of NMMC facilities, compliance with fire safety requirements;
 - to equip formations and Civil protection services (hereinafter — CP), NMMC employees with the necessary collective and personal protective equipment, equipment and engineering protective structures.
- Organization and control of readiness of management bodies, forces and means intended for prevention and elimination of emergencies at NMMC facilities.
- Organization and management of localization of emergencies, evacuation of NMMC employees in case of emergencies.
- Ensuring collection, analysis, and generalization of information on emergency and fire safety issues in accordance with the established procedure, preparation of records and reports to higher management bodies on the basis thereof.

“The Action Plan for Prevention of Natural and Technogenic Emergencies Associated with Floods, Mudflows, Snow Slides, and Landslides at the Facilities and Operations” of NMMC JSC is developed on an annual basis. According to this document, the following measures to prevent emergencies were implemented in 2023:

- Monitoring of production locations, facilities, and NMMC sites to identify areas at risk of flash floods, mudflows, and landslides.
- Inspection of the technical condition of existing dams, drainage and mudflow diversion channels, as well as road and rail sections and bridges located in areas potentially affected by heavy rains, mudflows, and landslides, including necessary bank reinforcement works and the clearing of drainage systems near ravines and other hazardous zones.

- Ensuring the readiness of emergency response teams with vehicles, necessary equipment, supplies, and tools for prompt deployment to flood-affected areas or sites damaged by mudflows.

As a result of these preventive measures, no emergencies were recorded in 2023.

NMMC has specially trained emergency response teams stationed at all its facilities. Additionally, each division of the Company has employees who have undergone training in providing first aid.

In the underground mines, specially trained rescue teams are on standby, and all underground work sites are equipped with shelters in case of rockfalls or collapses. Regular drills and equipment tests are conducted at NMMC to ensure preparedness for emergency situations.

In 2023, the emergency response services of NMMC's divisions (Central, Northern, Southern, and HMP-1 mining unit) organized and conducted training activities aimed at enhancing the knowledge and practical skills of both the command and rank-and-file personnel of CP formations in emergency prevention and response. These activities were carried out in accordance with a 15-hour training program involving all categories of workers and employees from NMMC divisions.

In accordance with the 2023 training and exercise schedule, NMMC divisions conducted 17 tactical and specialized drills, involving 930 CP personnel and 78 units of heavy equipment. During these exercises, the following training was provided:

- 299 of the commanding and senior staff (CP);
- 366 rank-and-file personnel of CP formations were trained;
- 17,716 workers and employees not included in the CP formations were trained.

At the Civil Defence Institute of the Ministry of Emergency Situations of the Republic of Uzbekistan, 9 specialists (responsible employees) completed training in civil protection.

Each year, the Company develops and updates action plans for the localization and elimination of accident consequences. All emergency response plans and procedures are widely and regularly communicated to employees, the public, and all stakeholders.

NMMC has established and approved a schedule for comprehensive and targeted inspections to prevent accidents and emergencies, as well as to monitor occupational health, environmental protection, and safety compliance. In accordance with this schedule, inspections of the Company's structural units are conducted, and directives are issued to address identified violations. These violations are then thoroughly discussed at the Council meetings for Strengthening Industrial Discipline.

In 2023, NMMC divisions established 402 civil protection formations, comprising a total of 4,197 personnel.

In the reporting year, the implementation of an automated alert system was initiated to enable rapid response at Company facilities.

Table 72. Enhancement of NMMC fire safety systems in 2023, \$ thousand

Material and technical means	Expend
Spare parts for Ansul fire extinguishing systems	453.483
Fire extinguishers	48.011
Fire hoses	36.314
Fire hydrant	3.955
Total	541.764

Plans for 2024 and the medium-term regarding health, safety and emergency situations

- Introduction on a permanent basis of the first section on the state of labour protection in weekly extended conference calls of NMMC's managers and specialists with a detailed review of measures to prevent occupational injuries in NMMC's divisions and the state of executive discipline.
- Complete transition to a unified information digital system for recording compliance with and control over HSE requirements - ASUPB.
- Introduction of a weekly cycle of regular inspections (each production facility is inspected weekly), with filling in the acts of prescriptions in the unified electronic system 'eistb.ngmk.uz.'. (Obligatory parameters for assigning deadlines for elimination, uploading supporting documents to close the prescription protocols).
- Introduction of an interactive system of remote training of ITD on key safety rules (open pit mining, underground mining, hydrometallurgical processes of gold extraction, tools and devices).
- Provision of regulatory literature on key industrial safety rules to all the personnel at all production sites (including audio versions).
- Phased implementation of the 'Integrated Positioning, Communication and Signalling System' within the framework of the project 'Development of Lower Horizons of the Mining Complex on the Basis of Zarmitanskaya Gold Ore Zone Deposits'.
- Increased control over drilling and blasting operations, as well as control over accounting, storage and distribution of explosive materials.
- Prohibition of operation of facilities and equipment that do not have securely fastened barriers preventing access to moving and rotating parts of machines and mechanisms during operation until they are brought into compliance with the requirements of safety regulations.

- Implementation of accident prevention measures based on the results of identified underlying (hidden) causes of accidents, including:
 - Streamlining of intra-career activities and in-career site shifts,
 - Implementing the use of process service areas for mining equipment repairs,
 - Use of portable metal fencing around the perimeters of hazardous areas.

INTERACTION WITH LOCAL COMMUNITIES

Management approach

GRI 3-3, EM-MM-210b.1

NMMC commits to supporting the residents of the regions where it operates and beyond, striving to contribute to the social development of the country.

The main vectors of interaction and development of local communities are: opening of jobs in remote areas of Uzbekistan, support of socially vulnerable groups of the population, development of culture and sports, and medicine.

To organise control over the provision of socially important issues, the NMMC Fund operates, with representative offices in all major cities of the gold mining segment of NMMC: Zarafshan, Navoi, Uchkuduk and Nurabad. The Found's functions are aimed at covering all spheres of life of the local population, from preventive health care and support of physical culture to the development of education, enlightenment and culture. The Foundation co-operates with State structures such as khokimiyats and citizens' assemblies in the mahallas.

All production units have established contact with local authorities. Meetings with representatives of local authorities are held as necessary, but at least once a month at most ore mining departments.

At NMMC's units, the Director of the unit is responsible for liaising with the local community. Reception days are organised on a weekly basis, where the division director receives citizens and gets acquainted with their suggestions and comments.

The Company engages with local communities through several methods, including:

- Conducting public hearings in areas near mining facilities.
- Meetings with the Company specialists responsible for inquiries from individuals typically regarding housing or employment issues.
- Regular meetings with local authorities, often focusing on topics related to women and youth issues.
- Events held such as intellectual games, quizzes for youth, and events dedicated to national holidays in cooperation with local authorities.

NMMC has a unified mechanism for filing appeals, complaints and suggestions, which is available to all categories of persons (individuals and legal entities, employees and representatives of local communities) on any issues. This mechanism is coordinated by the Department for Control and Coordination of Work with Individuals and Legal Entities. This mechanism operates in all divisions of the Company, which allows applicants to receive personalised support.

All applications are registered in an electronic database and are treated with equal priority. For the convenience of submitting applications, various communication channels are available, as well as flexible appointment schedules, including:

- Appeals in writing (by mail or directly to NMMC);
- Appeals in oral form (by phone, at personal reception through a specialist of the Department or during an on-site reception of the Ethics Commission);
- Appeals in electronic form (via the NMMC virtual reception centre, on the NMMC website).

In addition, the Company accepts applications received through the virtual reception centres of the President and Prime Minister of the Republic of Uzbekistan.

The Company organises regular receptions of citizens by the General Director, his deputies and heads of departments. Targeted field meetings are held in ore mining departments, where complaints are considered with the participation of the complainant.

Depending on the subject matter of the complaint, issues are referred to specialised specialists for consideration. If necessary, for commission review. The Department for Control and Coordination of Work with Applications of Individuals and Legal Entities organises collection of necessary information for discussion of the received issues. Based on the results of the commission meetings, a statement is prepared and a reply is sent to the applicant, and necessary measures are taken to eliminate the inconvenience of negative impact on communities in cases where it is necessary.

To ensure transparency and fairness in charitable activities, NMMC conducts a thorough review of all sponsorship applications. A similar approach is taken in communications between the Company's representatives and local authorities to better understand the needs of local communities.

All results, as well as reports on charity events, sponsorship and meetings with local communities, are posted on the Company's official website.

During the reporting period, NMMC JSC received 3,679 appeals. Of these, 2,275 references were received through the virtual and public reception centre of the President of the Republic of Uzbekistan, 796 written and 469 oral references were received directly to NMMC JSC (not through

the virtual reception centre), and 139 references were sent through e-mail. No appeals were received through the Prime Minister's lobby for consideration by businessmen.

In addition, the management of NMMC JSC held personal meetings with 369 citizens, of which 126 persons were received by the General Director, 243 persons were received by the Deputy General Directors, and 83 persons were received at off-site receptions through mobile reception centres. No appeals to public reception centres were received during the reporting period.

Topics of written appeals to the Management of NMMC in 2023:

- Employment - 290;
- Re-employment - 6;
- Wage-related issues - 13;
- Appeals regarding labour and employment issued- 152;
- Appeals on allocation of housing (dormitory) - 16;
- Issues related to education - 33;
- Issues related to social protection - 153;
- Health issues - 65;
- Issues related to pension - 23;
- Other issues - 45.

Projects of community support

GRI 203-1, 413-1, 413-2

In 2023, sponsorship and charity support for to local communities amounted to \$99 million. These funds were allocated to social support programs, the development of social infrastructure, and sponsorship for sports organizations and educational institutions. Decisions on funding allocations are made by both the Shareholder representatives and Management Board of NMMC.

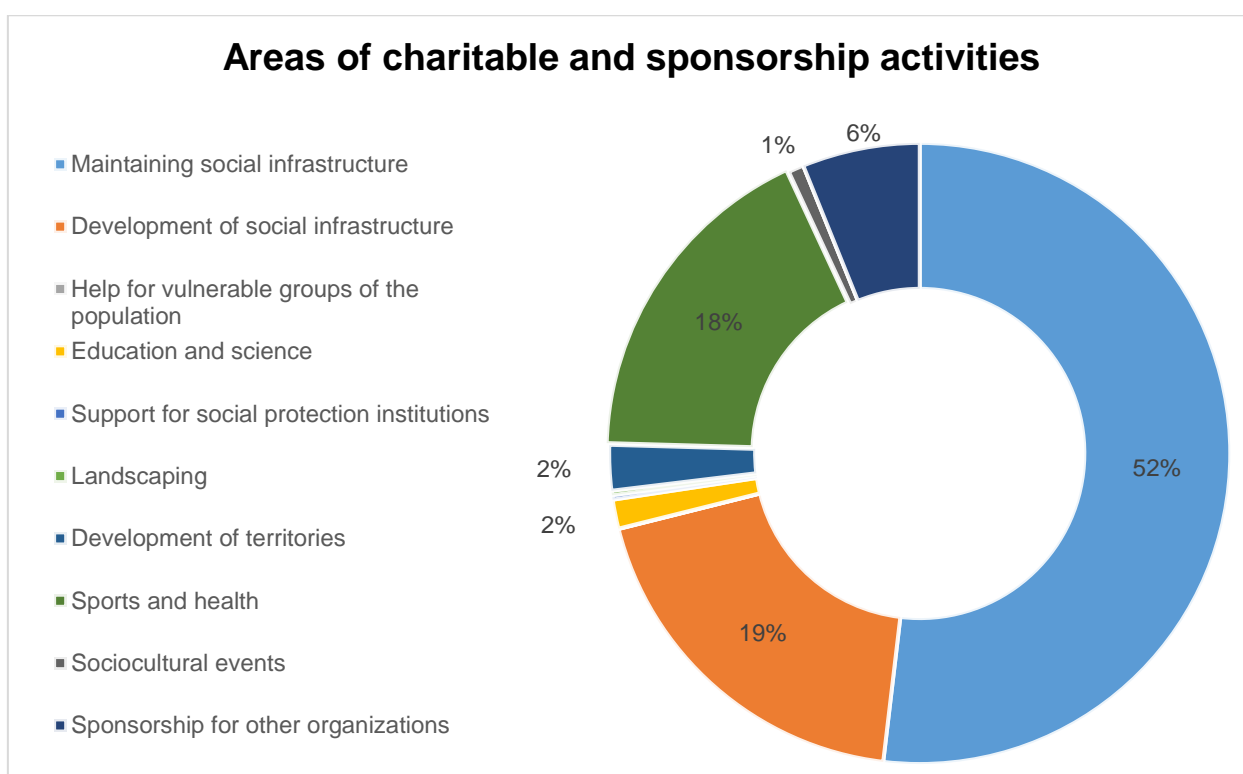
The youth of the Company actively participates in NMMC's community engagement efforts. For example:

- as part of the "United for Good!" initiative, young volunteers distributed 1,750 food packages to families who had lost their primary breadwinner, those in need of social support, as well as to retirees and veterans.
- as part of the "Fidoiy Yoshlar" project, volunteers have been involved throughout the year in cleaning and enhancing the surroundings of cemeteries, mosques, and retirement homes.

NMMC participates in activities aimed at combating environmental risks. In 2023, around 100 young employees from NMMC and its structural units took part in the environmental campaign "Green Year" in the Muynak district of the Republic of Karakalpakstan.

Table 73. Information on sponsorship assistance for NMMC in 2023, \$ thousand

Purpose of contribution	Amount
Maintaining social infrastructure	51 217.47
Development of social infrastructure	18 971
Help for vulnerable groups of the population	16
Education and science	1 496
Support for social protection institutions	227
Landscaping	230
Development of territories	2 329
Sports and health	17 406
Sociocultural events	795
Sponsorship for other organizations	6 043
Total	98,730



Creating jobs in remote regions

GRI 203-2, 413-1, 413-2

NMMC strives to have a positive economic impact in the regions where it operates in order to maintain and create jobs for the local population through the implementation of the “Investment Program of the Republic of Uzbekistan for 2022–2026.”

The implementation of such large-scale social infrastructure projects creates opportunities for the development of small and medium-sized businesses in the region and thus has a multiplier effect.

During the reporting period, 1,445 new jobs were created.

Table 74. Number of jobs created in 2023, persons

Total Number of New Jobs Created at NMMC JSC in 2023		1,445
	under the Investment program	1,354
1	Development of the Chukurkuduk Deposit	191
2	Construction of a mining pit at the "Balpantau" and "Tamdybulak" deposit	43
3	Construction of a mine for the extraction and processing of gold ores from the "Pistali" deposit (HMP-6)	882
4	Expansion of mining and processing capacities for the development of the "Turabay" deposits	112
5	Development of the lower Levels of the mining Complex at the Zarmitan gold ore zone deposits (down to the 0.00 m mark)	90
6	Development of the "Muruntau" open pit (Phase V) Stage 1	36
	Under the industry development programmes	91
1	Innovative project at the Central Mining Unit's HMP-5.	85
2	Other organizational and technical initiatives	6

Throughout 2023, 11 apartments from the service housing units under the administration of the NMMC Fund are allocated to employees for the duration of their service in the assigned positions. Specifically:

- 6 apartments in Navoi,
- 4 apartments in Zarafshan,
- 1 apartment in Uchkuduk District.

Additionally, rooms in dormitories managed by the fund are allocated to provide housing for workers and staff:

- 81 rooms in Navoi,
- 56 rooms in Zarafshan,
- 46 rooms in Uchkuduk District.

Furthermore, dormitories in Zarafshan accommodated 425 employees. New dormitories and dining facilities have been constructed and commissioned for workers at the Balpantau, Tamdybulak, and Turabay mines, as well as at the Ajibugut quarry. The dormitory for employees of the Pistali mine and HMP-6 has been furnished with new furniture and equipment, and the medical office has been completely renovated.

Support to small-scale and artisanal miners

In compliance with the Resolution of the President of the Republic of Uzbekistan dated November 26, 2018, No. 4030, "On Measures to Create Conditions for the Activity of Gold Mining by Artisanal Miners," a gold reception office have been established at HMP-1 and HMP-4 located in Navoi and Nurabad. The offices are responsible for receiving gold-containing

products from miners engaged in artisanal gold extraction. In order to determine the procedure for accepting, processing, calculating and paying the cost of gold-containing product delivered to NMMC, the Company has adopted "Regulation on the Procedure for Accepting, Processing, Calculating and Paying the Cost of Gold-containing Product delivered to NMMC JSC."¹⁵ Artisanal miners are remunerated in accordance with the morning fixing price of gold as traded on the London Metal Exchange, less costs incurred by the Company for packaging, transportation and assaying and refining of the gold-containing product. Furthermore, planned profitability and VAT are duly considered in the calculation.

NMMC supports small-scale and artisanal miners by paying them a fair market price for gold-containing products without additional markups, retaining only production and operational costs. Furthermore, NMMC takes on the responsibility for further processing and marketing of the products, ensuring a complete cycle from extraction to the final product.

NMMC – for children and retirees

GRI 203-2

The Company strives to contribute to the creation and preservation of the cultural and educational heritage of Uzbekistan. A significant part of its social and charitable initiatives is aimed at assisting children and retirees.

In 2023, as part of the implementation of the Collective Agreement, the Company, in collaboration with the NMMC Fund, carried out initiatives aimed at providing health and recreational activities for the children of employees and non-working retirees of NMMC during the summer holiday period. A total of \$2,723.7 thousand was allocated by NMMC to support these initiatives.

During the summer season "Summer 2023," recreational activities were organized in 13 health camps of the Fund for 10,943 children in need of social support. Specifically:

- Vacation vouchers were provided to 9,609 children of the Company's employees and retirees of the Fund based on a joint decision of NMMC and the Trade Union Council.
- An additional 1,334 vouchers were allocated to children in need of social support, including those from low-income families, children with disabilities, and orphans living in the Navoi, Samarkand, and Khorezm regions.

In anticipation of the New Year, numerous charitable initiatives were undertaken due to the collaboration between the administration and the Trade Union Council of NMMC. Representatives of NMMC and trade unions visited about a thousand pensioners, providing them with material assistance and handing them food packages and material support worth 500 million soums (\$42,600). Low-income, socially vulnerable, and single retirees, as well as employees with disabilities and those in need, received holiday food

¹⁵ [Regulations on the Procedure for Acceptance, Processing, Calculation, and Payment of the Value of Gold-Containing Products Submitted to NMMC JSC.](#)

packages and material support worth 400 million soums (\$34,080). Also, 20 employees with disabilities were allocated sanatorium vouchers worth 68 million soums (\$5,794).

The Company also upholds the noble tradition of annually presenting New Year gifts to children. This year, 43,400 children of NMMC employees aged between 1 and 10 received holiday gifts. As part of its sponsorship and charitable efforts, 2,400 New Year gifts were distributed to students of boarding schools, low-income families, as well as to the societies for the blind and deaf in the Navoi region.

NMMC actively participates in the development of infrastructure in the regions where it operates. During the reporting period, two major socially significant facilities were constructed and put into operation:

- an international chess school located at the Tudakul recreation center in the Kyzyltepa district of the Navoi region.
- a specialized school with a capacity of 504 students in the Tamdy district of the Navoi region.

Students of schools No. 1, 2, 3, 4, and 8 in the Muynak district were gifted modern computers and 12,500 electronic books.

NMMC supports not only the youth employed by the company but also the youth across the entire Navoi region. In 2023, the Company's management engaged with 40 representatives of the youth, including:

- 11 were employed;
- 6 received medical assistance;
- 14 received socio-economic support;
- 9 received practical assistance in addressing other issues.

NMMC – culture and sport

GRI 203-2

NMMC supports the aspirations of its colleagues and employees in the areas of sports and cultural development, while also playing a significant role in organizing wellness activities in the regions where it operates. The Company organizes various sports events for its employees and their family members, including football and volleyball matches, tennis tournaments, and competitions in checkers and chess.

In support of the state policy in the field of sports and cultural education, as well as support for the health of the nation, in 2023, NMMC provided more than \$50 million in direct sponsorship assistance to sports organizations in accordance with the decisions of the Shareholder.

NMMC was recognized as the winner in the category "For contribution to the Support of the Olympic movement" at the National Sports Awards ceremony, held to identify the best in sports in Uzbekistan for the year 2023.

In 2023, NMMC provided sponsorship support to the following organizations:

- Uzbekistan Swimming Federation,
- Uzbekistan Judo Federation,

- Uzbekistan Canoe Federation,
- Football Federation,
- National Paralympic Association,
- National Olympic and Paralympic Committee, and others.

NMMC – medicine

GRI 203-2

Throughout 2023, the Medical and Sanitary Department and its associated healthcare units of the Fund provided free medical services to NMMC employees and Fund staff, their minor children, and NMMC retirees in accordance with the Collective Agreement.

The number of employees who underwent occupational medical examinations in 2023 amounted to 42,299. Among them:

- Male – 81%;
- Female – 19%;
- Employees aged under 30 – 27%;
- Employees aged 30 to 50 – 58%;
- Employees aged over 50 – 15%.

In accordance with the sanitary rules and regulations of the Republic of Uzbekistan No. 0184-5 dated February 18, 2005, and Article 12, Section IV of the current Collective Agreement of NMMC JSC, employees working under adverse conditions are provided with free therapeutic and preventive nutrition based on the established standards (rations 1, 2, 3, 4, and 5).

In 2023, in collaboration with the NMMC Fund, the Medical and Sanitary Department of the Fund provided the necessary inpatient medical services to:

- 8,047 employees,
- 4,451 children aged 0-14 years,
- 218 adolescents aged 15-17 years,
- 2,477 retirees,
- 793 people with disabilities.

During the reporting period, there were 632,887 outpatient visits to the medical and sanitary units and departments of the Fund.


Additionally, throughout 2023, the Medical and Sanitary Department provided necessary medical services to employees and retirees in need of prosthetic and orthopedic devices. Specifically, funds were allocated for:

- Dental prosthetics: \$26.7 thousand (313.57 million soum),
- Prosthetic and orthopedic devices: \$53.1 thousand (624 million soum),
- Nutritional support for blood donors: \$1.4 thousand (16.46 soum).

In 2023, NMMC issued referrals for 825 individuals to medical centers, research institutes, and specialized healthcare institutions of the Ministry of Health of the Republic of Uzbekistan, with a total cost of \$283.5 thousand.

In order to organize the health improvement of the plant's employees, their family members and retirees in sanatoriums and health resorts, more than \$7 thousand (84.0 million soum) were allocated in sponsorship assistance for the purchase of vouchers.

Management of economic aspects

Key indicators for 2023	Material topics
<ul style="list-style-type: none"> 97% - local procurement 1,059 active suppliers 	<ul style="list-style-type: none"> Responsible supply chain Economic effectiveness Information technology and digitalization Innovative development
Contribution to the UN SDGs	
	
GRI, SASB indicators	
GRI 2-17, 2-23, 3-3, 201-1, 204-1, 205-3	

ECONOMIC PERFORMANCE

Approach to management

GRI 3-3

Effective economic activities and strong financial results enable NMMC to create value for all key stakeholder groups. The company pays taxes and other contributions to the state budget and is one of the largest taxpayers in the country. It ensures the fulfillment of financial obligations to capital providers, remaining a reliable partner. In its operational activities, NMMC strives to maintain decent working conditions for its employees and offers a package of financial and non-financial incentives. NMMC invests in the socio-economic development of the regions where it operates and in projects of social significance.

Table 75. Generated and distributed direct economic value, \$ million

GRI 201-1

Indicators	2021	2022	2023
Generated direct economic value	4,775	5,095	5,709
Revenue	4,795	5,095	5,708
Financial income	1	2	2
(Expense)/income from sales of tangible assets	(21)	(2)	(1)
Distributed economic value	4,285*	4,229	5,173
Operating expenses	1,724*	1,680	2,219

Salaries, production costs	251	332	426
Salaries, administrative expenses*	35	42	46
Maintenance of social facilities	21	1	1
Charitable donations and sponsorship	71	232	99
Payments to capital providers	1,103	1,591	1,621
Dividends paid	982	1,389	1,202
Financial costs	121	202	419
Payments to the state	2,237*	1,540	1,991.5
MET	723	517	584
Income tax (excluding the deferred taxes effect)	1,458*	958	1,333
Taxes, except for subsoil use tax and income tax	24	23	24
Single social payment from salaries	32	42	50.5
Retained economic value for the year = Direct economic value generated – Distributed economic value	490*	866	36

- The data in the table is calculated based on the audited financial statements of NMMC JSC for the year 2023: [NMMC IFRS FS 2023 signed.pdf \(NMMC.uz\)](#).
- **Revenue** - In 2023, gold sales reached \$5.709 million, marking a 12% increase compared to \$5.095 million in 2022. This growth was driven by a 4% increase in production and an 8% rise in the average selling price of gold.
- **Operating expenses** - In 2023, the cost of gold sales increased by 23% compared to 2022, amounting to \$2,654 million. The rise in cash operating expenses was attributed to increases in all categories of cash costs included in the cost of sales, except for fuel. This was further influenced by the indexing of base salaries for all production staff and high inflation in 2023, which significantly impacted the cost of raw materials used in the Company's production process and spare parts, typically sourced from foreign suppliers. This had a considerable effect on the cost of sales. See Appendix 6 in the audited financial statements for 2023: [NMMC IFRS FS 2023 signed.pdf \(NMMC.uz\)](#).

- **Salaries, production costs** - In 2023, labor expenses increased by 28% compared to 2022, totaling \$426 million. This rise was driven by a 15% increase in the average salary due to regular indexing, a 1% increase in the average number of employees, and a 7% rise in actuarial expenses.
- **Charitable donations and sponsorship** – Sponsorship expenses in 2023 amounted to \$99 million, which is \$133 million less than in 2022. This decrease is attributed to a reduction in sponsorship payments as decided by the Government of the Republic of Uzbekistan (the Shareholder).
- **Including financial costs** - The total amount of financial costs and their overall dynamics were influenced by an increase in the weighted average effective interest rate from 6.73% in 2022 to 9.48% in 2023. This was due to a significant rise in variable interest rates, such as SOFR or its equivalent, on certain loans of the company, as well as an overall increase in the loan portfolio by 7%.
- **MET** - In 2023, remunerations expenses increased by 13% compared to 2022, totaling \$584 million. This growth was due to increase in gold sales and the implementation of the rent tax in 2023.
- **Income tax (excluding the deferred taxes effect)** – increase that is directly proportional to the growth in profit in 2023.
- * - **The changes in the 2021 data** are due to a revision in the calculation methodology used for the 2022 reporting. To ensure data comparability across the reporting periods, the Company adjusted the figures using the updated methodology.

RESPONSIBLE SUPPLY CHAIN

Approach to management

GRI 3-3

NMMC is continually working on the development of its procurement system, aiming to ensure both economic and operational efficiency while simultaneously enhancing the transparency of business processes and protecting the interests of suppliers.

The procurement management for all divisions of the company is carried out by the Main Department for Organization and Improvement of Procurement Methodology.

In accordance with the requirements of the Law of the Republic of Uzbekistan “On public procurement” and based on the principle of transparency and contract conclusion, NMMC conducts procurement procedures on the resources and platforms public procurement cooperation.uz, xt-xarid.uzex, also on the UZEX (the Uzbek Commodity Exchange).

NMMC has a Compliance Department in accordance with the requirements of the Anti-Corruption Agency of the Republic of Uzbekistan. The department monitors compliance with international and national

business standards and oversees the processes of raw material and material procurement.

To determine the most effective approach to the procurement of goods, works, and services, taking into account the maximization of benefits in the long-term or short-term, appropriate procurement strategies are developed.

The main principles of procurement strategies are the following:

- Acquisition of quality goods, works, and services;
- Maximization of economic impact;
- Transparency of criteria for selecting potential suppliers;
- Management of supplier performance;
- Risk management.

GRI 2-23

Fundamental regulatory acts and international documents:

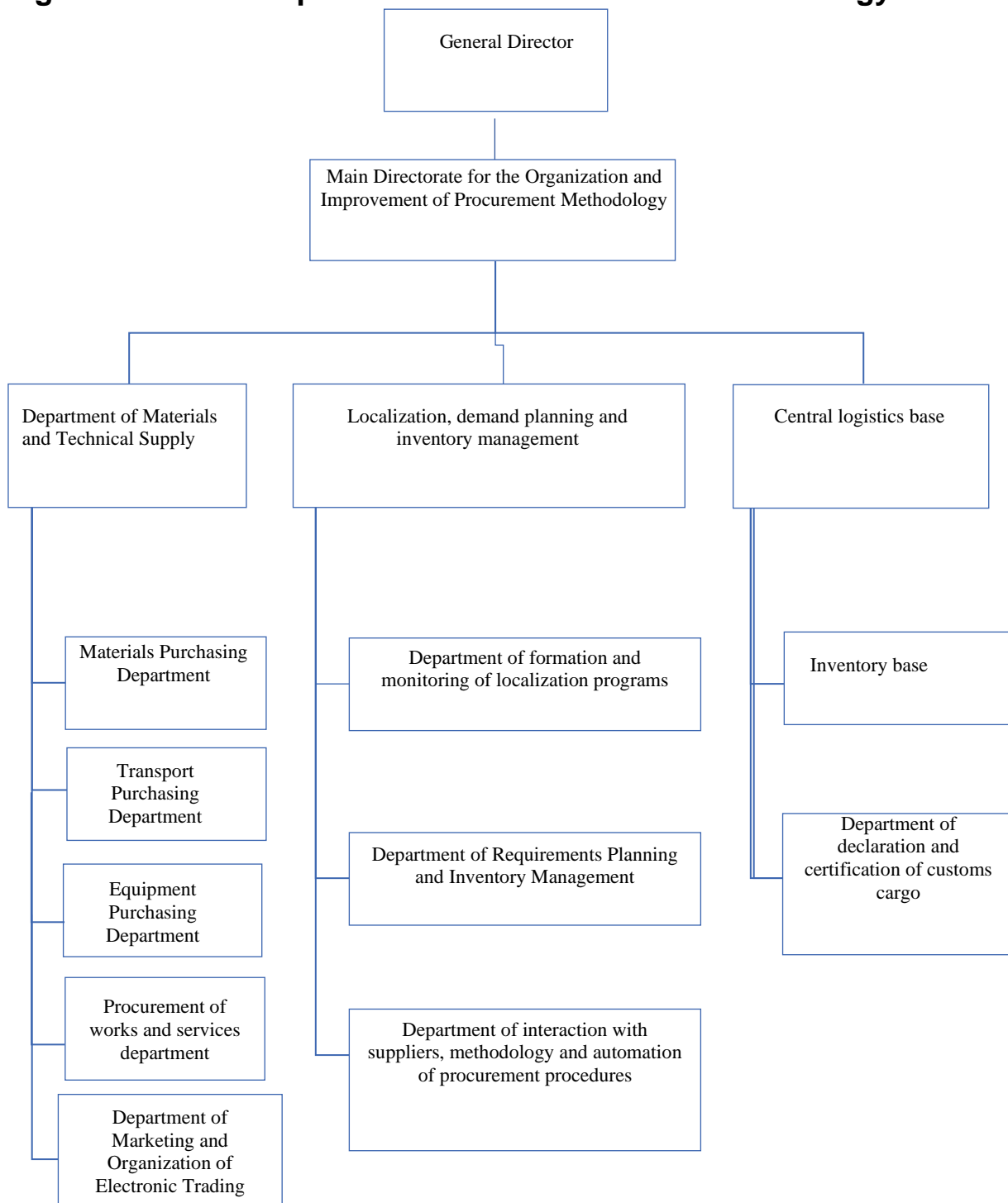
- The State Procurement Act.

Corporate documents:

- Code of ethics in the procurement process;
- Procurement Regulation;
- Regulation on General Procurement Office and improvement of procurement methodologies;
- Regulation on Material and technical procurement department;
- Regulations on departments (procurement of works and services; transportation; equipment; materials);
- Regulations on inventory management, demand planning, supplier performance management;
- Regulations on the pre-qualification of potential suppliers for NMMC JSC.

The procurement plan is published on the official corporate website of NGMK and the state portal. NMMC's corporate website has a section "Tenders and Competitions", where information on current tenders and necessary information for participation is available.

Figure 14. Organisational structure of the General Directorate for Organisation and Improvement of Procurement Methodology



Purchasing from local suppliers

GRI 204-1

The volume and terms of purchases from local suppliers, as well as the transparency of procurement procedures, have a significant social and economic impact on the development of the regions where NMMC's structural subdivisions operate.

In addition to the economic impact, working with local suppliers helps reduce logistics costs. When selecting suppliers, their geographical location

is taken into account in order to optimise delivery times, save money and ensure environmental friendliness.

NMMC is one of the largest consumers of locally produced products, which is confirmed by the results of inter-sector cooperation programmes. The procurement system on electronic platforms is designed to attract and support local producers. As part of product fairs, the Company organizes meetings with local producers to discuss issues of cooperation and production development.

Table 76. Total number of suppliers to NMMC, units

Year	Number of local suppliers	Number of foreign suppliers	Total
2021	919	50	969
2022	997	43	1,040
2023	1,034	23	1,057

Table 77. Total expenses of NMMC for purchase of raw materials and supplies, \$ thousand¹⁶

Year	Amount of expenditures on purchases in the domestic market (local suppliers)	Amount of expenditures on purchases in the foreign market (foreign suppliers)	Total expenditures
2021	1,654,738	88,648	1,743,386
2022	1,544,325	156,471	1,700,796
2023	2,558,723	121,890	2,680,613

Table 78. Share of local and foreign suppliers, %

Year	Local suppliers	Foreign suppliers
2021	95	5
2022	91	9
2023	95	5

¹⁹ Region of presence is the region (oblast, district) of the Company's operating activities (the Republic of Uzbekistan).

The geographical definition of "local" and the main place of NMMC's operations implies the country of the Company's presence - the Republic of Uzbekistan.

¹⁶ The table presents data on all subdivisions of the Company. 100% of the Company's subdivisions are located in the Republic of Uzbekistan.

Monitoring and verification of suppliers

The Company has established a transparent supplier selection system, where most processes are conducted through electronic platforms, accelerating the selection and screening of suppliers. The selection process is based on standard questionnaires, ensuring equal opportunities for all participants.

The primary stage of supplier vetting includes a review of suppliers' activities using open information sources conducted by the Procurement Committee to preliminarily qualify potential suppliers. This stage of screening includes identification of breach of obligations to previous contractors, violation of legislation in the countries of business, presence or absence of human rights violations, supplier's policy on employees and the environment. In 2023, the Procurement Committee reviewed 9 tenders.

The Regulations on Pre-qualification of Potential Suppliers of NMMC JSC establish the procedure for pre-qualification of potential suppliers of goods, works and services, as well as for keeping the register of potential suppliers and keeping it up to date.

Preliminary qualification of potential suppliers is carried out during the best offer selection and tender procedure. This is one element of the overall procurement process, but its results are not the final basis for the award of a contract or contract.

The "Regulations on the Preliminary Qualification of Potential Suppliers" provides:

- Assessment of legal, financial and technical reliability of bidders, as well as qualification of personnel before admission to participation in a tender;
- Examination of the potential supplier's documentation (to ensure that the terms and conditions of the contract can be fulfilled in accordance with the established requirements);
- If necessary, visiting the supplier's work sites to review the production process, corporate culture and to check for factors influencing the procurement decision.

Plans for 2024 and medium term

- Preparation and approval of technical specifications for procurement through the internal electronic procurement system of NMMC JSC;
- Improvement of the processes of needs planning, development and implementation of analytical tools for procurement support;
- Continued work on the development and management of relations with key suppliers.

INFORMATION TECHNOLOGY AND DIGITALIZATION

Approach to management

GRI 3-3

The introduction of modern information and communication technologies and production automation are key elements of work on the expansion and modernization of existing facilities.

Information technology and digitalization issues are supervised by the First Deputy CEO for Transformation, as well as by the Information and Communication Technology Department and the Production Automation Department

According to the results of 2023, NMMC with the result of 97.07% became the leader in the rating of the level of digital development among the economic management bodies of the Republic of Uzbekistan.

Information technologies in the Company

As of the date of publication of this report, NMMC has developed and implemented by the Company's own specialists such systems as: transport management, production, finance, personnel, logistics, enterprise energy resources, accounting, etc.

An information system for enterprise resource planning (ERP) was introduced, which allows automating the main business processes, managing key performance indicators of the enterprise, organizing interaction between services and divisions, coordinating the activities of production units, assessing the efficiency of the enterprise, individual divisions and reporting according to the International Financial Reporting Standard (IFRS).

Mining and geological information systems were introduced to create an electronic database of geological exploration data, map the geological structure of open pits, forecast deformation of pit sides, calculate reserves and design mining operations.

Automated process control systems (APCS) with the use of elements of artificial intelligence and machine learning technologies were introduced at the production sites. The introduction of automated process control systems allowed the Company to reach a higher level of production, ensured stabilisation of technological processes, and provided an opportunity to implement elements of digital production.

A system for dispatching and monitoring the operation of heavy-duty dump trucks and excavators based on a satellite monitoring system was introduced at open-pit and underground gold mining assets.

One of the most important tasks in the development of digital technologies is to ensure cyber security. NMMC uses modern data security systems, anti-virus applications and cyber-attack prevention systems. Professional development courses, trainings and seminars are organised on a regular basis to improve personnel competence. Close cooperation with Tashkent IT Park and educational organisations has been organised.

For efficient and fast performance of production tasks, the speed of the Internet network was increased from 100 Mbit/s to 512 Mbit/s, data transmission network from 400 Mbit/s to 600 Mbit/s, as well as the speed of data transmission between data processing centres was increased from 1Gbit/s to 10Gbit/s; 6 new automatic telephone exchanges were put into operation, and about 1,000 subscribers were connected to the corporate telephone network.

The following digitalisation projects were implemented in 2023:

- The following digitalisation projects were implemented in 2023:
- Implementation of a budgeting information system;
- Automation of tax accounting in the 1C: ERP information system;
- Implementation of an automated vehicle management system;
- Completion of automation of procurement management processes on the basis of the 1C: ERP information system;
- Implementation of data loss prevention system (DLP);
- Completion of implementation of an automated process control system (SCADA) in Mill Block-3 of HMP-5;
- Implementation of SCADA system in Mill Block-1 of HMP-6;
- Establishment of a production process control centre at NMMC's Central Mining Unit.

Steps towards innovation

In 2023, together with the Boston Consulting Group, a strategy for the digital transformation of NMMC JSC until 2030 was developed, as well as a roadmap for implementing the Strategy, according to which the further development of digital solutions is currently being carried out in the Company.

Plans for 2024 and mid-term

Based on the approved digitalisation strategy, priority projects were identified in 3 areas of activity:

- Geological Exploration
- Ore mining
- Ore processing

List of projects planned for implementation:

- Implementation of mining and geological information systems for digitalisation of geological data collection and analysis;
- Use of drones for topographic surveying during surveying works;
- Development of digital prompts and modern BI tools at quarries and hydrometallurgical plants;
- Development and implementation of remote control and telemechanics of cyclic-flow technology;
- Implementation of automated process control system of mill units at HMP-3 and HMP-7;
- Automation of the technological process of beneficiation with the use of artificial intelligence technologies.

These projects will be implemented in 2024-2025 in accordance with the approved roadmap.

Appendix

Appendix 1. About the report

GRI 2-3, 2-5

NMMC's Sustainability Report (hereinafter referred to as the "Report" or "Sustainability Report") discloses information on the performance of key sustainability and social responsibility management practices for 2023. The Report provides information from 1 January to 31 December 2023 on the environmental, social and economic impact in the regions where NMMC operates, as well as on the interaction with all stakeholders.

The Sustainability Report is published in Russian and English. The Report has been prepared in accordance with GRI Standards 2021 (disclosure level - basic) and SASB standards for the metals and mining industry.

Since 2019, the Company has been issuing annual sustainability reports disclosing non-financial information and including an expanded chapter on corporate social responsibility. The Company's latest reports, as well as additional information on sustainable development indicators, are available on the official website of NMMC.

The Report is approved by the top management of NMMC and communicated to stakeholders through publication on the corporate website. The Report preparation process is coordinated by the Head of the Sustainable Development and Environment (ESG) Department of the Transformation Division.

In 2024, the Company engaged independent consultants to confirm the reliability of information provided as part of non-financial reporting and to conduct external assurance of the 2023 Sustainability Report.

The exchange rate used in the financial figures presents data according to the average exchange rate for 2023 and amounts to 11,737.16 soum per \$1.

Report boundaries

GRI 2-2

The Report discloses information on the performance of the key practices of the Company and its structural subdivisions of the gold mining segment presented in the table below.

The boundaries of the Sustainability Report correspond to the boundaries of the financial statements for 2023.

Where the disclosure boundaries differ from those given, the boundaries are specified separately.

Table 79. Assets included in the Report

Structural unit	Legal name	Region
NMMC Administration	Navoi Mining and Metallurgical Combinat JSC (hereinafter referred to as NMMC JSC)	Navoi region, Navoi city

Central Mining Unit	Central Mine Unit of NMMC JSC	Navoi region, Zarafshan city
Northern Mining Unit	Northern Mine Unit of NMMC JSC	Navoi region, Uchkuduk district
Southern Mining Unit	Southern Mine Unit of NMMC JSC	Samarkand region, Nurabad city
HMP-1 Mining Unit	Hydrometallurgical Plant-1 Mine Group of NMMC JSC	Navoi region, Navoi city
Zarafshan Construction Department	NMMC JSC Zarafshan Construction Department	Navoi region, Zarafshan city
Navoi Machine Building Plant Production Association	Navoi Machine Building Plant Production Association NMMC JSC	Navoi region, Navoi city

Material topics

GRI 3-1, 3-2

When disclosing information, NMMC adheres to the principle of materiality, seeking to cover the most important issues and present the key data required.

In preparing this Report, a selection of topics of importance to internal and external stakeholders was made. The topics are assessed in three stages: analysing open sources, collecting stakeholder opinions, and compiling a list of material topics by their increasing level.

First of all, the Company conducted a comparative analysis of material topics disclosed by benchmark companies and an analysis of best practices in the industry, which resulted in a preliminary list of topics of significance for the Company. The second stage utilised the results of last year's survey, in which participants assessed the materiality of each topic for stakeholders and the level of the Company's impact within the topic. Based on the results of this survey, a list of the most significant topics was identified and agreed to be disclosed in this Report at the final stage.

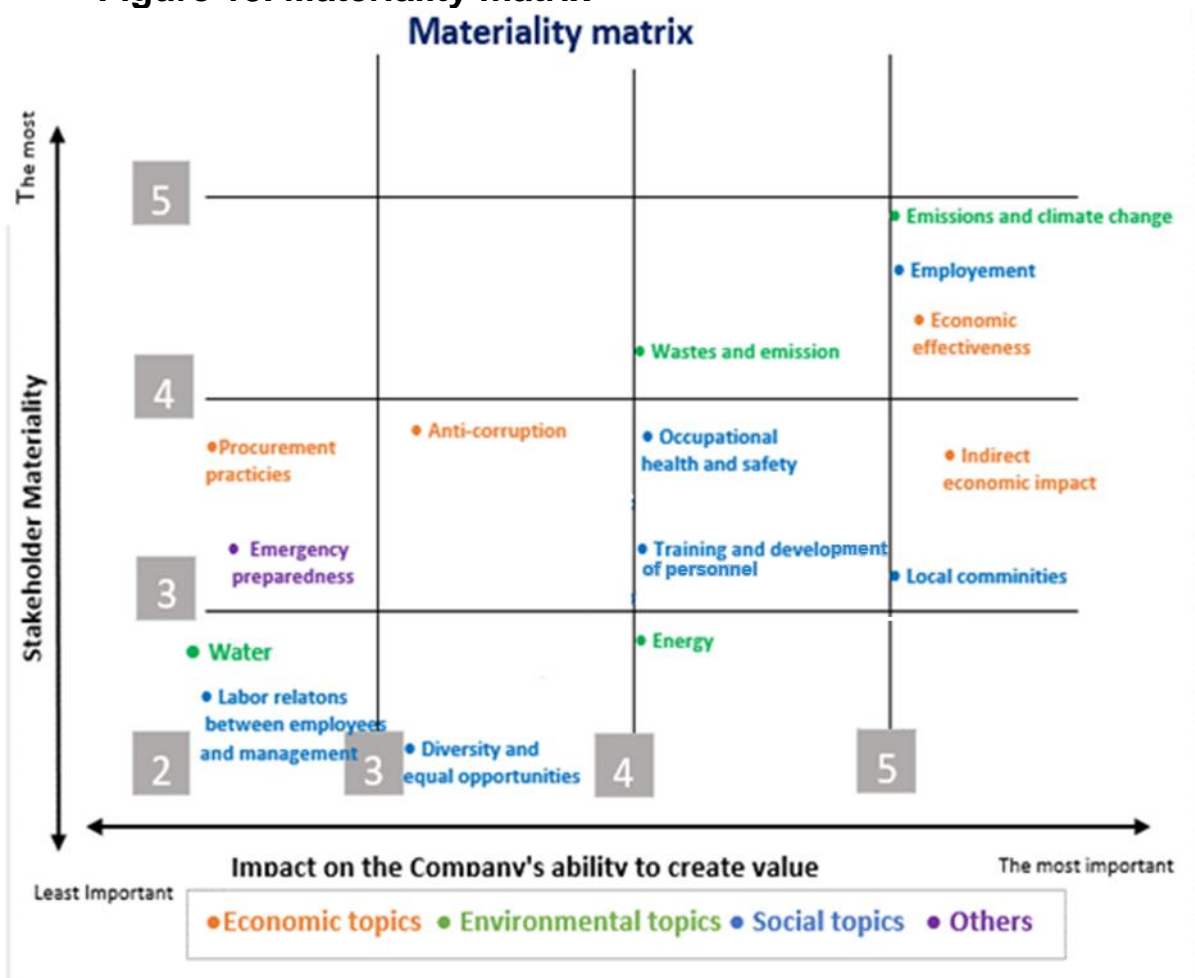
The stakeholder survey took into account two main criteria: the significance of the Company's economic, environmental or social impact and the impact on stakeholders' judgements and decisions.

Table 80. Approach to identifying material topics

1. Analysis of open sources	2. Collection of stakeholder opinions	3. Finalization of the list of material topics
<ul style="list-style-type: none"> - Analysis of the requirements of rating agencies in ESG area. - Benchmark analysis of material topics disclosed by peer companies. 	<ul style="list-style-type: none"> - Analysis of requests from creditors in ESG area. - Interviews with the representatives of the Company's business units. - Analysis of responses from internal and external stakeholders. 	<ul style="list-style-type: none"> - Ranging topics by materiality level. - Determining the materiality threshold. - Approving the list of material topics by the responsible party for sustainable development.
<p>→ Preliminary list of material topics</p>	<p>→ Specified list of material topics</p>	<p>→ Approved list of material topics</p>

Based on the results of the research, material topics were selected for disclosure in this Report, as presented in the matrix below.

Figure 15. Materiality matrix



Data on sustainability performance for this Report was collected at the level of NMMC Administration. The indicators are disclosed and calculated

in accordance with the requirements of GRI standards and SASB sample indicators. This Report provides references (indices) to the relevant standards that were used to disclose a particular indicator.

Many of the selected topics are closely interrelated and material across the Company's value chain. For the purposes of this Report, the material topics are categorised as follows:

Material topics	
<p>Economic topics</p> <ul style="list-style-type: none"> • Economic impact • Indirect economic impacts • Procurement practices • Anti-corruption 	<p>Environmental topics</p> <ul style="list-style-type: none"> • Energy • Water • Biodiversity • Emissions and climate change • Discharge and waste
<p>Social topics</p> <ul style="list-style-type: none"> • Employment • Labour relations between employees and management • Occupational health, safety and emergency preparedness • Training and development of personnel • Socio-cultural diversity and equal opportunities • Local communities 	<p>Other material topics</p> <ul style="list-style-type: none"> • Information technology and digitalisation • Innovative development

Appendix 2. Contact information

GRI 2-1, 2-3

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E-mail: info@NMMC.uz

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Non-financial reporting and sustainability contacts

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Appendix 3. Table of GRI indicators

GRI indicat or index	Indicator name	Section in the Report	Comment
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
2-1	Organizational details	NMMC's history Company's Business model	
2-2	Entities included in the organization's sustainability reporting	Appendix 1. About the Report	
2-3	Reporting period, frequency, and contact point	Appendix 1. About the Report Appendix 2. Contact Information	
2-4	Restatements of information		There have been no changes to the information published in previous reports.
2-5	External assurance	Appendix 1. About the Report	
2-6	Activities, value chain and other business relationships	Company's Business model Geography and markets of presence	
2-7	Employees	Employment	
2-8	Workers who are not employees		The Company does not employ many outsourced persons since the majority of employees are employed on the basis of open-ended contracts
2-9	Governance structure and composition	Corporate governance system	
2-10	Nomination and selection of the highest governance body	Corporate governance system	
2-11	Chair of the highest governance body	Corporate governance system	
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate governance system	
2-13	Delegation of responsibility for managing impacts	Corporate governance system	

2-14	Role of the highest governance body in sustainability reporting	Corporate governance system	
2-15	Conflicts of interest	Compliance service activities	
2-16	Communicating critical issues to the highest governing body	Complaints and suggestions mechanism	
2-17	Collective knowledge of the highest governance body	Sustainability management approach; Innovation development	In 2023, no training was conducted for the Supervisory Board or the Management Board on ESG and SD issues.
2-18	Evaluation of the performance of the highest governance body		In 2023, the performance of governing bodies was not assessed
2-19	Remuneration policies	Management Board	
2-20	Process to determine remuneration	Management Board	
2-21	Annual total compensation ratio		The company does not disclose the amount of annual total compensation due to the confidentiality of this information.
2-22	Statement on sustainable development strategy	Management message	
2-23	Policy commitments	Supervisory Board; Corporate Governance	
2-24	Embedding policy commitments	Sustainability management approach; Environmental management system	
2-25	Processes to remediate negative impacts	Complaints and suggestions mechanism	
2-26	Mechanisms for seeking advice and raising concerns	Complaints and suggestions mechanism	
2-27	Compliance with laws and regulations	Compliance with environmental requirements; Monitoring of water pollution sources	No significant fines were paid during the reporting period.
2-28	Membership associations	Participation in associations and adherence to international principles	
2-29	Approach to stakeholder engagement	Stakeholder Engagement	
2-30	Collective bargaining agreements	Social support for staff	

<i>GRI 3: Material Topics 2021</i>			
GRI 3-1	Process to determine material topics	Appendix 1. About the Report	
GRI 3-2	List of material topics	Appendix 1. About the Report	
GRI 3-3	Management of material topics		The indicator is disclosed under each material topic
Corporate governance (G)			
<i>Ethics and anti-corruption</i>			
205-3	Confirmed incidents of corruption and actions taken	Activities of the Compliance Service	The Company has had no cases of corruption among employees and business partners, and there have been no public court cases of corruption in 2023.
<i>Economic performance</i>			
201-1	Direct economic value generated and distributed	Economic performance	
<i>Responsible supply chain</i>			
204-1	Proportion of spending on local suppliers	Responsible supply chain	Local suppliers are suppliers from the regions of the Republic of Uzbekistan that coincide with the regions of the Company's presence.
Environmental management (E)			
<i>Energy</i>			
302-1	Energy consumption within the organization	Energy consumption; Alternative energy	The company does not sell energy to third parties and does not consume energy for cooling.
302-3	Energy intensity	Energy intensity	Formula for calculating energy intensity: total fuel consumed / total revenue
302-4	Reduction of energy consumption	Reduction of energy consumption	
<i>Biodiversity</i>			
304-1	Operational sites owned, leased or managed by the organization and located in protected areas and areas of high biodiversity value, outside or adjacent to protected areas	Biodiversity protection	
304-2	Significant impact on biodiversity	Biodiversity protection	
304-3	Habitats conserved or restored	Biodiversity protection	In the reporting year, the Company did not carry out land reclamation
304-4	IUCN Red List species and national conservation list	Biodiversity protection	In the area where the NMMC deposits are located, no habitats or animals included in

	species whose habitats are located in areas affected by the Company's operations		the IUCN Red List or the national list of protected species of Uzbekistan were found
<i>Water</i>			
303-1	Interactions with water as a shared resource	Water resources protection	The processes of interaction with local communities and business partners are not disclosed due to the lack of a systematic approach to such interaction
303-2	Management of water discharge-related impacts	Water resources protection	The company adheres to state standards established for the quality of wastewater discharge
303-3	Water withdrawal	Water supply	Data on the separation of the mineralization of the withdrawn water are not disclosed due to the lack of data.
303-4	Water discharge	Water discharge	The company does not perform water drainage into water bodies. In 2023, a partial discharge of treated wastewater was carried out onto the terrain. Data on the separation of the mineralization of the discharged water are not disclosed due to the lack of data. The company does not disclose the volume of water discharged into municipal sewer networks, since such discharge does not have a negative impact on the environment.
<i>Emissions and climate change</i>			
305-1	Direct (Scope 1) GHG emissions	Monitoring of greenhouse gas emissions	The Company has no biogenic CO ₂ emissions in metric tons of CO ₂ equivalent. Base year: 2021, due to the fact that in 2021 NMMC was separated as a separate enterprise (gold mining sector). Consolidation method: statistics are shown for objects directly controlled by the Company on the basis of ownership and on the balance sheet. The calculation is performed using the IPCC methodology (2006).
305-5	Reduction of GHG emissions	Monitoring of greenhouse gas emissions	Base year: 2021. Consolidation method: statistics are shown for objects directly controlled by the Company on the basis of

			ownership and on the balance sheet. The calculation is performed using the IPCC methodology (2006).
305-6	Emissions of ozone-depleting substances (ODS)	Air quality	There are no ozone-depleting substances in the emissions from the Company's activities
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air quality	
<i>Discharge and waste</i>			
306-1	Waste generation and significant waste related impacts	Waste management	
306-2	Management of significant waste-related impacts	Waste management	The Company does not have any procedures in place to verify compliance with contractual and statutory obligations of third parties regarding waste disposal
306-3	Waste generated	Waste management	
306-4	Waste diverted from disposal	Waste utilization	
306-5	Waste directed to disposal	Waste utilization	The Company does not have a process in place to collect data on waste incineration (with or without energy recovery)
Management of social aspects (S)			
<i>Indirect economic impacts</i>			
203-1	Infrastructure investments and services supported	Projects of community support	Investments and services are provided on a gratuitous basis.
203-2	Significant indirect economic impacts	Creation jobs in remote regions; NMMC – for children and retirees; NMMC - culture and sports; NMMC - medicine	
<i>Employment</i>			
202-1	Ratio of standard entry-level wage by gender compared to the local minimum wage	Remuneration and motivation	
202-2	Percentage of senior management hired from the local community	Supervisory Board	
401-1	New hires and turnover	Personnel recruitment; staff turnover	

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social support for staff	
401-3	Parental leave	Social support for staff	The Company complies with all requirements of the legislation of the Republic of Uzbekistan. Employees retain their positions and wages in accordance with the Labor Code of the Republic of Uzbekistan. Data on employees who returned from parental leave, as well as those who returned from parental leave and continued to work for 12 months, employee return and retention rates are not disclosed in this reporting period due to the lack of statistical data collection.
402-1	Minimum notice periods regarding operational changes	Employee turnover	In 2023, there were no cases of filing claims by the Company's employees for non-compliance with this requirement of labor legislation.
<i>Occupational health and safety and emergency preparedness</i>			
403-1	Occupational health and safety management system	Approach to the management of occupational health and safety issues	
403-2	Hazard identification, risk assessment, and incident investigation	Approach to the management of occupational health and safety issues; OHS Risk Assessment	
403-3	Occupational health services	Approach to the management of occupational health and safety issues	
403-4	Worker participation, consultation, and communication on occupational health and safety	Approach to the management of occupational health and safety issues	The Company has a trade union organisation representing the rights of all employees.
403-5	Worker training on occupational health and safety	Training and instruction	
403-6	Promotion of worker health	OHS Risk Assessment	
403-7	Prevention and mitigation of occupational health	OHS Risk Assessment; Incident prevention and monitoring	

	and safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health and safety management system	Approach to the management of occupational health and safety issues	
403-9	Work-related injuries	Incident prevention and monitoring	No records of accidents among contractors are held
403-10	Work-related ill health	Incident prevention and monitoring	
<i>Personnel management</i>			
404-1	Average hours of training per year per employee	Training and Development of Personnel	
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development of Personnel	The total number of professional development courses was not disclosed.
<i>Socio-cultural diversity and equal opportunities</i>			
405-1	Diversity of governance bodies and employees	Socio-cultural diversity and equal opportunities	
405-2	Ratio of base salary and remuneration of women to men	Socio-cultural diversity and equal opportunities	
<i>Local communities</i>			
413-1	Operations with local community engagement, impact assessments, and development programs	Projects of community support; Creating jobs in remote regions	Community development programmes based on the needs of local communities are implemented as part of the Company's overall operations.
413-2	Operations with significant actual and potential negative impacts on local communities	Creating jobs in remote regions	
<i>Child labour</i>			
408-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		Not applicable
Forced or compulsory labor			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		Not applicable
<i>Safety practices</i>			

410-1	Security personnel trained in human rights policies or procedures		Not applicable
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Appendix 4. Content of SASB indicators

SASB Indicator	Indicator name	Report section and p. number/ Comments	Comments
Occupational health protection and industrial safety			
EM-MM-320a.1	(1) MSHA all-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Training and instruction	The Company does not conduct statistics on (MSHA), (NMFR) for full-time and contract employees
Labor Relations			
EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements	Social support for staff	
EM-MM-310a.2	Number and duration of strikes and layoffs	Staff turnover	The Company did not observe any protests, strikes or mass dismissals during the reporting period
Greenhouse gas emissions			
EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Monitoring of greenhouse gas emissions	There are no maximum standards for greenhouse gas emissions in Uzbekistan
EM-MM-110a.2	Discussion of the long-term and short-term Scope 1 emissions management strategy or plan, emission reduction targets, and analysis of progress against these targets.	Monitoring of greenhouse gas emissions	
Air quality			
EM-MM-120a.1.	Air emissions of the following pollutants: <ul style="list-style-type: none"> • CO (carbon monoxide) • NOx (excluding N2O) • SOx (sulphur oxide) 	Air quality	Air pollutants do not contain mercury and mercury compounds (Hg)

	<ul style="list-style-type: none"> • PM10 (particulate matter) • Pb (lead) • VOC (volatile organic compounds) 		
Energy management			
EM-MM-130a.1.	<ul style="list-style-type: none"> • Total energy consumed • Percent of the grid • Percentage of renewable 	Energy consumption	The Company does not count the percentage of energy consumed that is derived from grid electricity due to a lack of data collection
Water management			
EM-MM-140a.1.	<p>The section on water resources protection discloses in the reports:</p> <ul style="list-style-type: none"> • total freshwater withdrawal • total freshwater consumed • the percentage of each indicator in regions with high or extremely high baseline levels of water scarcity 	Water supply	The Company does not calculate according to the classification of the World Resources Institute (WRI) Water Risk Atlas tools, Aqueduct. Information on the volume of fresh water is not disclosed due to lack of data.
EM-MM-140a.2	Number of cases of non-compliance with water quality permits, standards and regulations	Monitoring of sources of water pollution	Total number of non-compliance incidents, including violations of process standard (including exceedances of toxic and solid substances) and exceedances of quality standards is not disclosed due to lack of collection of necessary data
Waste and hazardous substances management			
EM-MM-150a.4	Total weight of non-mineral waste generated	Waste management	The total mass of non-mineral waste generated is part of the total mass of non-hazardous waste generated
EM-MM-150a.5	Total weight of tailings produced (tons)	Tailings management	
EM-MM-150a.6	Total weight of waste rock generated	Waste management	

EM-MM-150a.7	Total weight of hazardous waste generated (tons)	Waste management	
EM-MM-150a.8	Total weight of hazardous waste recycled	Waste management	
EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	Waste utilization	There were no incidents involving hazardous materials and waste management in 2023
EM-MM-150a.10	Description of waste and hazardous material management policies and procedures for active and inactive operations	Waste management	There is no description of coordination between contractors in terms of waste management. Due to the lack of a data collection process, there is no disclosure of the recycling waste management approach
Impacts on biodiversity			
EM-MM-160a.1	Description of environmental management policies and practices for active sites	Compliance with environmental requirements; Monitoring of sources of soil contamination; Biodiversity protection	The Company does not disclose the extent to which its policies and practices comply with the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability dated 1 January 2012
EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur (2) actively mitigated (3) under neutralization or remediation		Information related to acidic wastewater is not disclosed due to the lack of a data collection process
EM-MM-160a.3	Percentage of (1) proved (2) probable reserves in or near sites with protected conservation	Biodiversity protection	The Company does not operate on the protected areas or near endangered species

	status or endangered species habitat		
Security, human rights, indigenous rights			
EM-MM-210a.1	Percentage of (1) proven and (2) probable reserves in or near conflict areas		The Company does not operate in or near conflict areas
EM-MM-210a.2	Percentage of (1) proven and (2) probable reserves on or near Indigenous lands		The Company does not operate within or near the territory of indigenous peoples
EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict		The Company does not operate within or near the territory of indigenous peoples
Engagement with local communities			
EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Engagement with local communities	
EM-MM-210b.2	Number and duration of non-technical delays	Employee turnover	During the reporting period, the Company did not observe any protests or strikes
Business ethics and transparency			
EM-MM-510a.1	Description of the management system to prevent corruption and bribery throughout the value chain	Ethics and anti-corruption	
EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index		There is no production in such countries
Tailings management			
EM-MM-540a.1	Tailings storage facility inventory table: (1)	Tailings management	

	facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP		
EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	Tailings management	
EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	Tailings management	
Performance indicator			
EM-MM-000.A	Production of (1) ore containing valuable metal and (2) saleable products	NMMC today - with confidence towards the future	
EM-MM-000.B	Total number of employees, share of employees	Employment	The Company does not employ many outsourced persons due to the fact that the majority of employees are employed on the basis of open-ended contracts

Appendix 5. Glossary

Abbreviations	Transcript
AIMSECM	Automated Information and Measuring System for Electricity Control and Metering
AIS	Automated Information System
AISISM	Automated Information System for Industrial Safety Management
AISMS	Automated Industrial Safety Management System
APCS	Automated process control system
APCS&MS	Automated process control system and metrological support
BCG	Boston Consulting Group
BV	Business venture
BWTP	Biological wastewater treatment plant
CPL	Central plant laboratories
CDB	Central Design Bureau
CRDL	Central Research and Development Laboratory
CMU	Central Mining Unit
CPCL	Central Physical and Chemical Laboratory
CAPEX	Capital expenditure
CDO	Chief Data Officer
CH ₄	Methane
CO ₂	Carbon dioxide
CLGAA	Central Laboratory of Gamma Activation Analysis
CO _x	Carbon monoxide
DDP	Delivered, Duty paid
DLP	Data Loss Prevention
EBITDA	Earnings before interest, taxes, depreciation and amortization

ENRC	Eurasian Natural Resources Corporation
ERG	Eurasian Resources Group
ERP	Enterprise Resource Planning
ESG	Environmental, Social, Governance
EMS	Environmental management system
EPS	Environmental Protection Specialist
EDS	Electronic digital signature
FAR	Fatal Accident Rate
FER	Fuel and energy resources
GRI	Global Reporting Initiative
GJ	Gigajoules
HEI	Higher Education Institution
HHWS	Heating and hot water supply
HCS	Housing and communal services
HMP-1,2,3	Hydrometallurgical Plant -1,2,3
IFRS	International Financial Reporting Standards
ICT	Information and communication technologies
IDP	Individual development plan
ITO	Information Technology Officer
ICMC	International Cyanide Management Code
IOSH	Institution of Occupational Safety and Health
IPO	Initial Public Offering
ISO	International Organization for Standardization
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
LBMA	London Bullion Market Association

LTIFR	Lost Time Injury Frequency Rate
LPMS	Labour protection management system
LLC	Limited Liability Company
LRF	Labour remuneration fund
MBA	Master of Business Administration
MRT	Magnetic resonance tomography
MMCT	Multispiral or multislice computed tomography
MES RUz	Ministry of Emergency Situations of the Republic of Uzbekistan
MET	Mineral extraction tax
MPE	Maximum permissible emission
MAC	Maximum allowable concentration
MAD	Maximum allowable discharge
NMMC JSC	Navoi Mining and Metallurgical Company Joint Stock Company
“NMMC Fund” SI	Navoi Mining and Metallurgical Fund State Institution
NMBP	Navoi Machine-Building Plant
N ₂ O	Nitric oxide
NMU	Northern Mining Unit
NEBOSH	National Examination Board in Occupational Safety and Health
Nox	Nitric oxides
OHS	Occupational health and safety
OHSMS	Occupational health and safety management system
PVS	Photovoltaic station
PPE	Personal protective equipment
PMVOC	Particulate matter and volatile organic compounds
RI	Research Institute

RES	Renewable energy sources
R&D	Research and development work
RW	Research work
RPC	Research and Production Centre
RFID	Radio Frequency Identification
RGMPs	Responsible Gold Mining Principles
SAP	Systems, Applications and Products in Data Processing
SASB	Sustainability Accounting Standard Board
SOx	Sulfur oxide
SPO	Secondary public offering
SPZ	Sanitary protection zone
SMU	Southern Mining Unit
SGP	Steam-gas plant
SE	State Enterprise
SPZ	Sanitary protection zone
STC	Scientific and Technical Council
TrC-M	Transistor converter motor
UN SDGs	United Nations Sustainable Development Goals
WIPO	World Intellectual Property Organisation
Zero Harm	The programme - zero harm
ZCD	Zarafshan Construction Department