**Report on compliance with the principles and provisions of the Corporate Management Code**

**of Ulba Metallurgical Plant Joint Stock Company for 2023**

| No. | **Principle/Provision of the Corporate Management Code** | **Information on compliance/non-compliance with the principle/provision** | **Explanations and information about the activities carried out to comply with the principle/provision** |
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| 1 | Government as a Shareholder of the Fund | Complied with | Based on the Development Strategy of NAC Kazatomprom JSC, the Development Strategy of UMP JSC for 2018-2028 was developed (resolution of UMP JSC Board of Directors dated December 29, 2018 No. 25).UMP JSC Charter defines its bodies and their competencies:The supreme body is the Sole Shareholder of the JSC;Governing body - Board of Directors;The executive body is the Management Board.The body exercising control over the financial and economic activities of the JSC is the internal audit service.The Regulations on the Sole Shareholder of UMP JSC (General Meeting of Shareholders) and interaction with him, the Regulations on the Board of Directors, and the Regulations on the Executive Board were developed and approved.The composition of the Board of Directors was elected by the decision of the Sole Shareholder who owns all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated May 27, 2022 No. 4/22, Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated January 12, 2023 No. 1/23, Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 23, 2023 No. 13/23 and Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated December 22, 2023. No. 14/23), for a period of 3 years and consists of 7 people.Composition of the Board of Directors as of November 23, 2023:Chairman of the Board of Directors Sarymsakov D.A. – Chief Director for Nuclear Fuel Cycle of NAC Kazatomprom JSC;Members of the Board of Directors:S.B. Zhanybekov– Managing Director for Strategy and Marketing of NAC Kazatomprom JSC;A.A. Ryspanov- Director of the Department of Economics and Planning of NAC Kazatomprom JSC;A.K. Amanzholov– Independent Director.A.S. Zhakipova– Independent Director.A.T. Raimkhanov– Independent Director.S.V. Bezhetskyi– UMP JSC Executive Board Chairman.By the decision of the Sole shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 23, 2023 No. 13/23), the powers of the Chairman of UMP JSC Board of Directors D.A. Sarymsakov were terminated early. K.A. Omarbekov was elected Chairman of UMP JSC Board of Directors.By the decision of the Sole shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated December 22, 2023, No. 14/23), Zh. Zh. Umerbekov was elected to UMP JSC Board of Directors, M.M. Iskakov and N.N. Bokovaya as new members of UMP JSC Board of Directors.Composition of the Board of Directors as of December 31, 2023:Chairman of the Board of Directors Omarbekov K.A. – Chief Production Director of NAC Kazatomprom JSC;Members of the Board of Directors:S.B. Zhanybekov– Managing Director for Strategy and Marketing of NAC Kazatomprom JSC;Zh.Zh. Umerbekov -Managing Director for HR and Social Work of NAC Kazatomprom JSC;M.M. Iskakov– Managing Director for Industrial Safety of NAC Kazatomprom JSC;N.N. Bokovaya– Director of the Department of Accounting and Control of Uranium and Nuclear Materials of NAC Kazatomprom JSC;A.A. Ryspanov - Director of the Department of Economics and Planning of NAC Kazatomprom JSC;A.K. Amanzholov– Independent Director.A.S. Zhakipova– Independent Director.A.T. Raimkhanov– Independent Director.S.V. Bezhetskyi– Chairman of the Board of UMP JSC.UMP JSC has a Code of Corporate Ethics and Compliance approved by decision of UMP JSC Board of Directors dated March 27, 2020 No. 5.UMP JSC Ombudsman is V.P. Dontsov The Ombudsman can be re-elected an unlimited number of times. |
| 2 | Interaction between the Foundation and organizations. The role of the Fund as a National Management Holding Company | Complied with | Distribution of net income in favor of shareholders is carried out in the form of dividends based on the dividend policy of UMP JSC, by the decision of the Sole Shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 18, 2021 No. 14 /20).Every year, the Board of Directors reviews the report on the implementation of the Development Strategy, approves documents on the financial and economic activity plan and development plan, and key performance indicators of members of the Executive Board of UMP JSC.Quarterly the Board of Directors reviews:Risk management report;Report of the CEO (Executive Body) on financial, economic and production activities, including:Report on the main financial results of activities (budget execution);Report on the state of industrial safety;Report on transactions in which the company is interested;Report on the implementation of the investment plan and investment projects;Report of the Corporate Secretary on the implementation of decisions previously adopted by the Board of Directors;Report on social stability issues.Every year, the Board of Directors evaluates the performance of the Executive Body’s KPIs in comparison with the approved KPIs. This assessment affects the remuneration of the Executive Body.UMP JSC has approved regulations on the Sole Shareholder of UMP JSC (General Meeting of Shareholders) and interaction with him, the Board of Directors, and the Management Board. |
| 3 | Sustainable development | Complied with | By the decision of UMP JSC Board of Directors (Minutes of the Board of Directors dated December 29, 2017 No. 17), the Stakeholder Map of UMP JSC was approved. The stakeholder map of UMP JSC is designed to build constructive relationships with both external and internal stakeholders that have a significant impact on the sustainable development of society. An effective system of interaction with stakeholders provides the necessary conditions for creating long-term value, achieving strategic goals and building a positive reputation for society.UMP JSC Board of Directors (Minutes of the absentee meeting of UMP JSC Board of Directors dated August 13, 2020 No. 11) approved the Sustainable Development Program of UMP JSC for 2020-2022 (if it includes the principles of sustainable development, we suggest indicating that this approved by the document) The implementation of the Program is carried out on the basis of the following principles in the field of Sustainable Development:* Openness
* Accountability
* Transparency
* Ethical Behavior
* Respect
* Legality
* Respect for human rights
* Zero tolerance for corruption
* No conflict of interest allowed
* Personal example

In 2023, UMP JSC Board of Directors reviewed the Report on the implementation of UMP JSC Sustainable Development Program for 2020-2022” for 2022.UMP JSC Board of Directors holds meetings, including on the following issues:Annually on approval of the Report on the implementation of the Development Strategy of UMP JSC;Quarterly review:Risk Management Report;Report of the CEO (Executive Body) on financial, economic and production activities, including:Report on the main financial results of activities (budget execution);Report on the state of industrial safety;Report on transactions in which the company is interested;Report on the implementation of the investment plan and investment projects;Report of the Corporate Secretary on the implementation of decisions previously adopted by the Board of Directors;Report on social stability issues.The Industrial Safety Committee of UMP JSC Board of Directors is preliminary considering issues on the sustainable development of UMP JSC. |
| 4 | Rights of shareholders (participants) and fair treatment of shareholders (participants) | Complied with | Shareholders receive information about the activities of UMP JSC through the Internet resource of UMP JSC, NAC Kazatomprom JSC, participates in the management of UMP JSC through the implementation of the functions of the Sole Shareholder as well as through UMP JSC Board of Directors in the manner determined by the legislation of the Republic of Kazakhstan and UMP JSC Charter, as well as the Regulations on the Sole Shareholder of UMP JSC (General Meeting of Shareholders) and interaction with it.UMP JSC has established a transparent mechanism for determining the size and payment of dividends (Dividend Policy of UMP JSC approved by the decision of the Sole Shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 18, 2021 No. 14/20.).Shareholders of UMP JSC receive dividends in the amounts and terms determined by the decision of the Sole Shareholder who owns all voting shares of UMP JSC, based on the legislation of the Republic of Kazakhstan, the dividend policy of NAC Kazatomprom JSC in relation to subsidiaries and UMP JSC Charter Considering that in UMP JSC all common voting shares belong to NAC Kazatomprom JSC - the Sole Shareholder, General Meetings of Shareholders are not held, except as provided for in clause 47 of UMP JSC Charter and clause 4.1. provisions on the Sole Shareholder of UMP JSC (General Meeting of Shareholders) and interaction with him. Decisions on issues referred by the Law of the Republic of Kazakhstan On Joint-Stock Companies and UMP JSC Charter to the competence of the General Meeting of Shareholders are made by the Sole Shareholder of UMP JSC individually and must be documented in writing, provided that these decisions do not infringe or limit rights certified by preferred shares.Decisions on issues related to the Law of the Republic of Kazakhstan On Joint Stock Companies and UMP JSC Charter within the competence of the General Meeting of Shareholders, are adopted by the body of NAC Kazatomprom JSC, which has the right to make such decisions in accordance with the legislation of the Republic of Kazakhstan and the Charter of NAC Kazatomprom JSC.The procedure for preparing and submitting issues for consideration by the Sole Shareholder of UMP JSC (General Meeting of Shareholders) is determined by the Law of the Republic of Kazakhstan On Joint Stock Companies, UMP JSC Charter and NAC Kazatomprom JSC Charter. |
| 5 | Efficiency of the Board of Directors and the Executive Body | Complied with | The composition of the Board of Directors was elected by the decision of the Sole Shareholder who owns all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated May 27, 2022 No. 4/22, Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated January 12, 2023 No. 1/23, Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 23, 2023 No. 13/23 and Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated December 22, 2023. No. 14/23), for a period of 3 years and consists of 7 people.Composition of the Board of Directors as of November 23, 2023:Chairman of the Board of Directors D.A. Sarymsakov– Chief Director for Nuclear Fuel Cycle of NAC Kazatomprom JSC;Board of Directors Members:S.B. Zhanybekov– Managing Director for Strategy and Marketing of NAC Kazatomprom JSC;A.A.Ryspanov- Director of the Department of Economics and Planning of NAC Kazatomprom JSC;A.K. Amanzholov– Independent Director.A.S. Zhakipova– Independent Director.A.T. Raimkhanov– Independent Director.S.V. Bezhetskyi–UMP JSC Executive Board Chairman.By the decision of the Sole shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated November 23, 2023 No. 13/23), the powers of the Chairman of UMP JSC Board of Directors D.A. Sarymsakov were terminated early. K.A. Omarbekov was elected Chairman of UMP JSC Board of Directors.By the decision of the Sole shareholder owning all voting shares of UMP JSC (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated December 22, 2023, No. 14/23), Zh. Zh. Umerbekov was elected to UMP JSC Board of Directors, M.M. Iskakov and N.N. 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Bezhetskyi– UMP JSC Executive Board Chairman.The Board of Directors maintains a balance of skills, experience and knowledge, ensuring the adoption of independent, objective and effective decisions in the interests of UMP JSC and taking into account fair treatment of shareholders and the principles of sustainable development.The composition of the Board of Directors is diverse in terms of experience and personal characteristics.The Board of Directors, among other things, approved:Policy for the induction of newly elected members of UMP JSC Board of Directors (Minutes of the Board of Directors dated December 8, 2017 No. 14);Policy for evaluating the work of the Board of Directors, committees of the Board of Directors and each member of UMP JSC Board of Directors (Minutes of the Board of Directors dated December 8, 2017 No. 14);Policy for improving the qualifications of members of UMP JSC Board of Directors and attracting external experts by UMP JSC Board of Directors (BoD Minutes dated December 8, 2017 No. 14);Policy for resolving corporate conflicts and conflicts of interest at UMP JSC (BoD Minutes No. 8 dated June 30, 2020).The functions of the Chairman of the Board of Directors and the Chairman of the Executive Board (Executive Body) are delimited and enshrined in the Charter of UMP JSC, the Regulations on the Board of Directors and the Management Board.In accordance with the decision of the Sole Shareholder owning all voting shares of UMP JSC (Minutes of the absentee meeting of the Board of Directors of NAC Kazatomprom JSC dated December 4, 2020 No. 14/20, Minutes of the in-person meeting of the Board of Directors of NAC Kazatomprom JSC dated 02/18/2021 No. 1/21, Minutes of the in-person meeting of the Board of Directors of NAC Kazatomprom JSC dated November 24, 2022 No. 13/22) for each Independent Director of UMP JSC Board of Directors are determined fixed remuneration to the amount of 2,500,000 (two million five hundred thousand) tenge per year, additional remuneration in the amount of 25,000 (twenty- five thousand) tenge for each participation of an Independent Director in in-person meetings of committees of UMP JSC Board of Directors .UMP JSC has rules for payment of remuneration and compensation of expenses of Independent Directors - members of UMP JSC Board of Directors (Minutes of the present meeting of the Board of Directors of NAC Kazatomprom JSC dated 02/18/2021 No. 1/21).Meetings of the Board of Directors are held in accordance with the Work Plan of UMP JSC Board of Directors as well as when the corresponding need arises.Meetings of the Board of Directors are held through in-person and absentee voting.Consideration and decision-making on issues of an important and strategic nature are carried out at meetings of the Board of Directors with in-person voting.The Board of Directors is assessed on an annual basis/once every 2 years as part of the Diagnostics of Corporate Management of subsidiaries/dependent enterprises, carried out by the Corporate Management Department of NAC Kazatomprom JSC.Based on the results of this diagnostic, UMP JSC receives recommendations that are reflected in the Action Plan to improve the Corporate Management system approved by the Board of Directors.The following committees of UMP JSC Board of Directors have been formed and operate (Minutes of the Board of Directors dated August 13, 2020 No. 11):1) strategic planning and investment committee;2) nomination and remuneration committee;3) audit committee;4) industrial safety committee.Also, UMP JSC Board of Directors approved regulations on the following committees:1) Regulations on the Committee for Strategic Planning and Investments of UMP JSC;2) Regulations on the Nomination and Remuneration Committee of UMP JSC;3) Regulations on the Audit Committee of UMP JSC;4) Regulations on the Industrial Safety Committee of UMP JSC.Composition of the Committees of the Board of Directors as of December 31, 2022 (Minutes of the present meeting of UMP JSC Board of Directors dated August 31, 2022 No. 14):1) Strategic Planning and Investment Committee:- Raimkhanov Abzal Tulepbergenovich, Independent Director of UMP JSC, Chairman of the Committee;- Almaz Kanatbekovich Amanzholov, Independent Director of UMP JSC, member of the committee;- Zhanybekov Seitzhan Bauyrzhanuly, member of UMP JSC Board of Directors, member of the committee;2) Nomination and Remuneration Committee:- Zhakpiova Asem Serikanovna, Independent Director of UMP JSC, Chairman of the Committee;- Raimkhanov Abzal Tulepbergenovich , Independent Director of UMP JSC, member of the committee;- Almas Abdigalievich Ryspanov, member of UMP JSC Board of Directors - member of the committee;3) Audit Committee:- Almaz Kanatbekovich Amanzholov, Independent Director of UMP JSC, – Chairman of the Committee;Zhakipova Asem Serikanovna, Independent Director of UMP JSC, member of the committee;Raimkhanov Abzal Tulepbergenovich, Independent Director of UMP JSC, is a member of the committee.4) Industrial Safety Committee:Amanzholov Almaz Kanatbekovich, Independent Director of UMP JSC, – Chairman of the Committee;Zhakipova Asem Serikanovna, Independent Director of UMP JSC, member of the committee;Sergey Vladimirovich Bezhetskyi, member of UMP JSC Board of Directors, member of the committee.to UMP JSC, who carries out his activities on the basis of the Regulations on the Corporate Secretary of UMP JSC.According to the regulations on the Executive Board of UMP JSC, the Executive Board is a collegial executive body of the Company which is created to manage the current activities of the Company.The Board is headed by the Chairman. The Chairman of the Executive Board is accountable to the Sole Shareholder and the Board of Directors, ensures compliance of the activities of UMP JSC with the approved strategy and development plans of UMP JSC, as well as decisions made by the Sole Shareholder and the Board of Directors, and is responsible for their implementation and implementation.The sole shareholder elects the Chairman of the Executive Board and also determines his term of office.The Board of Directors elects members of the Management Board, determines the terms of office, the amount of official salary, and the terms of payment for their labor.The Chairman of the Executive Board and members of the Executive Board are evaluated by the Board of Directors.The main evaluation criterion is the achievement of the set efficiency factors.Motivational KPIs of the Chairman of the Executive Board and members of the Executive Board are approved by the Board of Directors. |
| 6 | Risk management, Internal control and audit | Complied with | For a systematic independent assessment of the reliability and effectiveness of the risk management and internal control system, and Corporate Management practices at UMP JSC, the Internal Audit Service of UMP JSC operates.The head of the Internal Audit Service of UMP JSC is Murat Manasovich Satanov, appointed by the decision of UMP JSC Board of Directors.By the decision of UMP JSC Board of Directors, M.V. Mikhailova was appointed risk and compliance officer of UMP JSC.Risk and compliance officer responsible for organizing the functioning of the compliance risk system and conducting an independent, professional assessment of the effectiveness of the risk management system and internal control system, including compliance with mandatory regulatory requirements on anti-corruption issues of the Republic of Kazakhstan.The executive body ensures the maintenance of the functioning of an effective risk management and internal control system, including by implementing and ensuring compliance with the provisions of Policy on the risk management system of UMP JSC, submitting risk management reports to the Board of Directors for consideration and approval on a quarterly basis.The risk management process is based on interaction with key business processes of UMP JSC, such as: strategic planning, operational activities, investment activities, lending activities, budgeting, personnel motivation.At UMP JSC, the Board of Directors approves qualitative and quantitative risk appetites, a register and a risk map. The risk register provides tolerance levels for key risks.Risk reports are submitted to meetings of the Board of Directors once a quarter.All key risk issues submitted for consideration and approval by the Board of Directors are recorded accordingly.In the event of a conflict of interest, each employee of UMP JSC has the right to disclose this information in accordance with the UMP JSC Anti-Corruption and Fraud Policy, as well as the Code of Corporate Ethics and Compliance of UMP JSC. |
| 7 | Transparency | Complied with | JSC UMP has an Information Policy of JSC UMP, including one regulating the disclosure of information.UMP JSC has approved the List of documents and information constituting confidential information of UMP JSC.In addition, each employee signs an Obligation of Non-Disclosure of Information Constituting Confidential Information of UMP JSC.The risk and compliance officer of UMP JSC keeps records and monitors persons who have access to insider information of UMP JSC.Disclosure of information in the media and posting of information on the Internet resource of UMP JSC is regulated by the Information Policy of UMP JSC, approved by the Minutes of the absentee meeting of UMP JSC Board of Directors on May 3, 2019 No. 8.Structural divisions of UMP JSC prepare information in relevant areas for the integrated annual report of NAC Kazatomprom JSC.UMP JSC ensures that the annual financial statements are audited in accordance with the laws of the Republic of Kazakhstan and internal documents of NAC Kazatomprom JSC. The annual audit of financial statements is conducted by engaging an independent auditor.The procedure for selecting an audit organization is carried out in accordance with the Rules for selecting an audit organization for Samruk-Kazyna JSC and organizations, more than fifty percent of voting shares (participatory interests) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of ownership or trust management, approved by the Decision of the Executive Board of Samruk-Kazyna JSC dated December 27, 2016. In accordance with the Decision of the Sole Shareholder holding all voting shares of UMP JSC, PricewaterhouseCoopers LLP was determined as an audit organization to audit the annual financial statements of UMP JSC for 2023-2024.Internet resource of UMP JSC discloses information necessary for the parties concerned to understand the activities of UMP JSC. |