

Modern Slavery Act Transparency Statement 2024

This statement provides an update on implementing the transparency requirements of the UK Modern Slavery Act 2015 by Solidcore Resources plc and its subsidiary undertakings (hereinafter referred to as “Solidcore” or “the Company”) for the reporting period 1 January to 31 December 2024.

We reaffirm our **zero tolerance position in respect of slavery and human trafficking** in our organisation and supply chains.

In March 2024, Solidcore Resources plc completed the disposal of its Russian business. The Company continues to operate with two production facilities (Kyzyl and Varvara hub) and a number development projects (Ertis POX, Syrymbet and others) in Kazakhstan. For that reason, the primary focus of this Statement on these operations located in Kazakhstan. This approach provides for the needs of Company’s stakeholders, who (along with management) have a greater vested interest in the operations and prospective assets in Kazakhstan and Central Asia.

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Solidcore at a glance

Solidcore Resources plc is a leading mining company and the second largest gold producer in Kazakhstan listed on Astana International Exchange (AIX) with two producing assets and a number of development projects. The Company's operations and growth strategy are aimed at creating meaningful value for its stakeholders. A major employer in its regions of operations, it is one of the most sustainable and responsibility-driven companies in the sector. In the full value chain from extraction to the end customer, Solidcore is currently positioned as an ore extractor and producer of gold.

KEY FIGURES 2024

2-nd

largest in Kazakhstan
for the gold production

2

stable long-lived assets

2

major development projects

3,577

employees

ZERO

fatalities among employees
and contractors for 7 years

21%

female employees

100%

of operating sites covered
by collective agreements

55%

of purchases sourced
locally in 2024

ZERO

environmental incidents
and violations

\$1,328 M

revenue in 2024

\$9.8 M

social investments in 2024

\$214 M

taxes paid in 2024

For more information, please see our [Integrated Report 2024](#) and [Sustainability Datapack](#) at solidcore-resources.com.

Approach to modern slavery

As a major mining company in its regions, Solidcore has a role to play in global efforts to combat slavery. We recognise that mining activities can affect human rights and apply a comprehensive procedure to mitigate the risk.

In accordance to the UK Modern Slavery Act 2015, we define modern slavery as the recruitment, movement, harbouring or receiving of children, women or men through the use of force, coercion, abuse of vulnerability, deception or other means for the purpose of exploitation.

Solidcore's approach is aligned with universal principles of human rights. We follow the guidelines of the Universal Declaration of Human Rights, UN Global Compact, ILO Declaration, Responsible Gold Mining Principles and National Labour Codes. We have developed and constantly update a range of robust policies that strictly prohibit the use of any type of forced labour, including our [Code of Conduct](#) and [Supplier Code of Conduct](#).

Solidcore's policies and standards guarantee:

- ☐ freedom of workers to terminate employment;
- ☐ freedom of movement;
- ☐ freedom of association; and
- ☐ access to remedy, compensation and justice for victims of modern slavery.

Solidcore's policies and standards prohibit:

- ☑ child labour;
- ☑ discrimination;
- ☑ compulsory overtime;
- ☑ the use of worker-paid recruitment fees;
- ☑ any threat of violence, harassment and intimidation; and
- ☑ confiscation of workers' original identification documents.

The Safety and Sustainability Committee oversees sustainable development, human rights and modern slavery issues on behalf of the Board. The Committee is responsible for setting the strategic direction for our social, ethical, environmental and safety performance as well as evaluating the effectiveness of our initiatives and managing related risks.

Risk Management

Meticulous risk management is a vital component of our business model, helping Solidcore minimise the risks for all its stakeholders while delivering on the strategic objectives and creating sustainable value. We constantly monitor macroeconomic and market volatilities, production risks, environmental issues, the geopolitical situation and local regulatory developments in order to assess the impact on our risk profile, and we have appropriate risk mitigation strategies and preventive controls in place. Risks related to human rights violation are analysed by management on a regular basis.

According to our recent human rights risk assessment across the Company none of the risks identified were high or extreme, with the majority showing as low. We base our approach on the guidance and toolbox of the Danish Institute for Human Rights which takes into account all 11 indicators of the ILO's Special Action Programme to Combat Forced Labour.

SALIENT HUMAN RIGHTS RISKS

Risk area	Risks identified	Relevant Solidcore's policies and standards
Community rights	<ul style="list-style-type: none"> ▪ Limitations in access to resources (water, electricity, etc.), particularly among indigenous communities ▪ Forced resettlement ▪ Accessibility of grievance mechanisms 	<ul style="list-style-type: none"> ▪ Community engagement policy ▪ Political and charitable donations policy
Health and Safety	<ul style="list-style-type: none"> ▪ Injuries and fatalities ▪ Occupational diseases ▪ Road hazards ▪ Poor awareness of employees of health and safety measures 	<ul style="list-style-type: none"> ▪ Health and safety policy ▪ ISO 45001
Environment	<ul style="list-style-type: none"> ▪ Water availability and safety ▪ Climate change risk for future generations ▪ Hazardous waste ▪ Shared resources 	<ul style="list-style-type: none"> ▪ Environmental policy ▪ Climate change policy ▪ Tailings, sludge and water storage facilities management policy ▪ Energy policy ▪ Mine closure policy ▪ ISO 14001

SALIENT HUMAN RIGHTS RISKS (CONTINUATION)

Risk area	Risks identified	Relevant Solidcore's policies and standards
Labour relations	<ul style="list-style-type: none"> ▪ Unfavourable working conditions ▪ Forced or child labour ▪ Violation of collective bargaining agreements 	<ul style="list-style-type: none"> ▪ Human rights policy ▪ Human resources policy ▪ Employment and labour standard
Security	<ul style="list-style-type: none"> ▪ Excessive force by security guards ▪ Violation of privacy rights 	<ul style="list-style-type: none"> ▪ The security force management standard ▪ Privacy notice
Diversity and equality	<ul style="list-style-type: none"> ▪ Discrimination based on gender, race, skin colour, religion, nationality, social origin or political opinions 	<ul style="list-style-type: none"> ▪ Diversity and inclusion policy ▪ Human resources policy
Supply chains	<ul style="list-style-type: none"> ▪ Bribery and corruption ▪ Human rights violation by contractors and suppliers 	<ul style="list-style-type: none"> ▪ Supplier code of conduct ▪ Procurement policy ▪ Anti-bribery and corruption policy ▪ Gifts and entertainment policy ▪ Whistleblower policy

When working with contractors, we pay specific attention to the activities which have been predominantly exposed to modern slavery in regions where we operate. These include tree felling and construction, relevant to Solidcore. We follow strict hiring rules and constantly check existing and potential partners to exclude companies that have been identified or associated with the use of slave labour. In case of detection of human rights violation, we demand to eliminate the causes. If the supplier fails to take corrective measures, it will lead to the termination of the contract. In 2024, we did not find any cases related to modern slavery in our business or supply chains.

Workforce overview

In 2024, our average headcount increased by 12% to 3,577 employees (compared with 3,202 in 2023), with approximately 40% working on a fly-in/ fly-out basis. This growth was driven by the implementation of our development strategy in Kazakhstan, the advancement of our Ertis POX and Syrymbet investment projects and the expansion of our engineering team in Astana. Due to structural changes within the Company, the voluntary turnover rate increased slightly to 2% in 2024, up from 1.4% in 2023. The involuntary turnover slightly decreased from 0.4% in 2023 to 0.3% in 2024.

In 2024, our local employment rate was 97%. All migrants at Solidcore enjoy the same rights as staff with citizenship of the country of presence, including paid parental leave, subsidised nursery fees and guarantees and compensations in connection with dismissal due to layoffs and retirement. For those who want to reside in Kazakhstan, the company helps to go through the immigration process and compensates for the cost of moving the employee and their family members to the place of work, for transportation of their property and for house rental. For those involved in work on a rotational basis, the company compensates the cost of travel from the place of residence to the collection point and back, as well as expenses associated with hotel accommodation in case of a long transfer.

Steps to protect human rights in our business

We strictly follow National Labour Codes and have strong governance enshrined in our Code of Conduct. We take a zero-tolerance approach to any form of discrimination or harassment and promote a culture of equal opportunity. Our commitment to diversity and inclusion is now supported by a corporate programme that includes training, mentoring, talent attraction and internal communications.

We do not discriminate on any grounds, be they gender, race, religion, disability or political affiliation. When advertising a role and recruiting candidates, assessors specify qualification requirements and avoid any conscious or unconscious bias when interviewing people.

Remuneration decisions are based purely on competence for the role, regardless of any other attribute. All issues of equality and inclusion are reviewed at least once a year at the Nomination Committee meeting. We ensure that our employees and contractors are fairly compensated. We monitor average salaries across our regions of operation to ensure that Solidcore's salaries are equal to or exceeds them. Solidcore average salary is twice higher than the regional average in Kazakhstan (1.6:1 for women and 2.1:1 for men). We also check contractors' wages data during open tenders. All salaries of Solidcore's employees and contractors at our sites exceed the local living wage (ratio of average entry-level employee salary to local minimum wage is 2.6:1, including 2.2:1 for women and 2.6:1 for men).

We recognise the right of our employees to join organisations that advocate for and uphold their interests. This encompasses the right to elect representatives in accordance with the laws and practices of the countries where we operate. In 2024, 89% of all employees and 100% of operating site staff in Kazakhstan were covered by collective bargaining agreements. At each operating site, employees have established Workers' Councils, with elected employee representatives serving on the Commissions for Regulation of Social and Labour Relations to facilitate discussion between employees and Solidcore.

Our internal communication system enables employees, contractors, local communities and partners to raise any issues or concerns without retribution and ensures remedial steps are taken. Complex or Group-wide issues are submitted to a Board-level committee for resolution.

Supply chain overview

As a business, we encourage our supply chain partners to meet our rigorous sustainability standards. Our Supplier Code of Conduct outlines the sustainability and ethical standards we expect of all supply chain partners. It articulates our criteria around safety, labour relations and wider social, environmental and ethical risks. We ensure that all suppliers are familiar with the Supplier Code of Conduct.

Sourcing products and services locally not only provides substantial socio-economic advantages to nearby communities, but also reduces our own carbon footprint and transportation expenses, while enhancing operational resilience, especially in remote locations. In 2024, 55% of our procurement was regional. We have incorporated a location criterion into the list of potential suppliers for our sites, prioritising the purchase of locally manufactured goods and aiming to increase the share of regional procurement.

We introduced anti-bribery and human rights clauses in contracts not only with suppliers, but also with our downstream supply partners. Our contracts state that any violation will mean that we will end the contract. We expect our counterparts to respect human rights and categorically reject the use of any forced labour. We do not support the practice of charging for the recruitment of workers in our supply chains.

We understand our obligations to stakeholders to guarantee that our supplier relationship practices comply with international and our own anti-slavery principles. Therefore, we encourage our suppliers, contractors and clients (off-takers) to improve their anti-slavery practices by implementing our Supplier Code of Conduct and making a commitment to anti-slavery a core condition of our agreements with them.

Due diligence in supply chains

In our procurement strategy, we commit to long-term planning and transparency and select our partners via an open tender. We assess suppliers with standardised scorecards to guarantee objectivity and fairness. Solidcore's e-procurement system helps us to enforce the Procurement Policy by applying standards consistently across a large number of contractors.

Steps to address human rights risks in our supply chains:

- ❑ **Security check.** New suppliers are subject to mandatory security checks. Existing suppliers are regularly monitored through open sources by the legal and security services. Screening process is a comprehensive desk-based research. Suppliers are checked on any controversies they may be involved in, including human trafficking and modern slavery, delays in paying salaries and other worker rights abuses, legal proceedings, and community issues. We also request references from the suppliers' customers.
- ❑ **B2B check.** At the time of registration in Solidcore's e-procurement system, a prospective supplier is checked by dedicated legal service, which provides an assessment of a company's accountability based on forty different factors, including Consolidated Risk Indicator, Due Diligence Index, Financial Risk Index, Payment Index, and underlines specific risk factors that should be addressed. Existing suppliers can also be checked when necessary, for example if a complaint or conflicting information about the company arises.
- ❑ **Pre-qualification check of service providers.** Before being allowed to participate in an open tender, a service provider must fill in a questionnaire which includes information on the staff qualifications, regions of presence, company capacities, and financial capabilities. Only those who have been pre-qualified are allowed to participate in Solidcore's open tenders.
- ❑ **Site visits.** We conduct selective audits to ensure the production process and labour conditions are appropriate.

Besides the obligatory checks, we engage with our suppliers to inform them on our ESG policies and expectations: they can be asked to fill in an online self-assessment questionnaire on how they manage ESG issues, such as climate change, equal pay, health and safety and community relations. The information enables us to consider wider ESG criteria when selecting new partners. Our human rights and diversity training materials are available for suppliers as well.

Grievance mechanisms

We expect our suppliers, employees and off-takers to report slavery or trafficking issues as soon as they become aware of them. Our Human Rights Policy establishes a comprehensive grievance mechanism allowing all stakeholders report their concerns. It includes:

- ❑ hotlines with the CEO, COO and site managers to ask questions important to employees, with the answers are published in the corporate newspaper and the intranet, as well as emailed to the employees concerned;
- ❑ helpline for employees, community members and partners to report a concern anonymously, without fear of prejudice or reprisals from the aggrieved person(s);
- ❑ feedback boxes at the sites and in communities to make a query;

- ☑ employee and community surveys and questionnaires;
- ☑ workers councils;
- ☑ performance review meetings with the local communities.

A swift response procedure swings into action as soon as a violation of human rights is detected, including suspicions of slavery and human trafficking. All employees are made aware of these channels from their induction and they are easy to find in corporate media. In 2024, we received 162 enquiries to these channels, with topics raised primarily including living and working conditions, social benefits and remuneration. Each enquiry is investigated and remedied as appropriate. We also conduct a quarterly analysis of all reported issues and share anonymised responses to the most frequent enquiries in our Company newsletter, corporate portal, info-boards and at meetings.

Training and capacity building

We communicate the Code of Conduct and corporate policies to all stakeholders and encourage human rights awareness training for all staff. All of our employees receive the Code of Conduct training at induction. We assign qualified personnel in all operational regions responsible for internal and external communications on any issues related to human rights, ensuring transparent grievance mechanisms for all our stakeholders.

Having identified issues relating to insufficient awareness of our corporate diversity and inclusion policies, we have developed a dedicated course on the inclusion of people with special physical needs. We also updated our online course on human rights to include more practical case studies. Both courses are now included in the induction training package for new employees and are also available to representatives of contracting organisations.

Moving Forward

We will continue overseeing the Act's implementation at our operations in Kazakhstan and potential development projects in the Central Asia region to identify further areas for continuous improvement. This will involve reviewing assessment reports on potential human rights issues and developing recommendation to avoid human rights violations. There are further steps we will take to ensure that modern slavery will not occur in our operations or supply chain:

- ☑ regularly reviewing and refining our policies and procedures to ensure they are in line with the best practice;
- ☑ expanding training to employees at all operating sites to increase their awareness of human rights, help them identify human rights risks and instruct about the actions everyone can take to prevent and address violations;
- ☑ conducting internal assessments throughout the company to identify the human rights issues requiring the most attention to prevent any risks materialising; and
- ☑ implementing a self-assessment questionnaire for our suppliers to better understand potential human rights issues that may arise in our supply chain in order to prevent them.

Contacts

We welcome any queries from our stakeholders. Questions regarding the content and application of the Solidcore's Modern Slavery Act Transparency Statement can be forwarded to our specialists in any convenient form, including by phone or via e-mail. Our contact details can be found in the Contacts section at solidcore-resources.com.