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28 March 2023

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE ENGAGEMENT REPORT

To the Management of Tau-Ken Altyn LLP

Introduction

We have been engaged by the Tau-Ken Altyn LLP management (the "Gold Refinery") to provide a reasonable assurance engagement on the Gold Refinery compliance with the London Bullion Market Association's Responsible Gold Guidance (the "LBMA RGG") for the year ended 31 December 2022 (the "Gold Refinery Report").

Subject Matter and Criteria

The Gold Refinery Report prepared by the Gold Refinery management in accordance with the London Bullion Market Association's Responsible Gold Guidance (version 9) (the "LBMA RGG") issued by the LBMA management is the subject matter of our engagement for the purpose of expressing an opinion on the reasonable assurance engagement.

We have been engaged to express an opinion as to whether the Gold Refinery Report presents fairly in all material respects the activities performed by the Gold Refinery during the year ended 31 December 2022, whether the Gold Refinery is complainant with the LBMA RGG and whether the management overall conclusion as presented in the Gold Refinery Report is compliant with the LBMA RGG.

Gold Refinery Management Responsibility

Gold Refinery management is responsible for the preparation and presentation of the Gold Refinery's Report on Compliance with the LBMA RGG. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is necessary to enable the preparation of the Gold Refinery Report. Furthermore, this responsibility includes designing, implementing, and maintaining systems and processes relevant to the preparation of the Gold Refinery Report in a way that is free from material misstatements due to fraud or error.

The Gold Refinery management believes that the information on the activities described in the Gold Refinery Report is appropriate and relevant to demonstrate compliance with the LBMA RGG.

Management is also responsible for the information and assertions in the Gold Refinery Report.

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Our Responsibility

Our responsibility is to express a reasonable assurance whether the Gold Refinery Report presents fairly in all material respects that all the activities performed by the Gold Refinery during the year ended 31 December 2022 are LBMA RGG compliant as well as that the overall management conclusion drafted in the Gold Refinery Report complies with LBMA RGG.

We performed our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" published by IAASB and confirming the information accuracy as well as in accordance with the requirements of the LBMA Responsible Sourcing Programme - Third-Party Audit Guidance (version 2) (the "Audit Guidance").

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain sufficient and appropriate audit evidence about the accretions of the Gold Refinery management made in the Gold Refinery Report.

The nature, timing, and extent of procedures selected depend on the auditor's professional judgement, including the assessment of the risks of material misstatement of the Gold Refinery Report, whether due to fraud or error.

In assessing those risks we have considered internal controls relevant to the Gold Refinery Report's preparation.

Our engagement also includes assessing whether the Gold Refinery Report meets the LBMA RGG criteria, obtaining an understanding of the non-financial information acceptance process and its information sources, and assessing information credibility.

Limitations of Our Procedures

Non-financial information, such as that included in the Gold Refinery Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. Methods used by different refineries to comply with the LBMA Guidance may differ.

Users of this Report should address Tau-Ken Allyn LLP's relevant policies and procedures.

Our Independence and Quality Control and Statement of Expertise

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. We have also complied with the ethical requirements of the Code of Ethics for Professional Accountants and the Auditor's and Audit Firm's Independence Rules applicable to our reasonable assurance engagement while providing reasonable assurance concerning the Gold Refinery Report. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply International Standard on Quality Control and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance and ethical requirements, professional standards, and applicable legal and regulatory requirements. We confirm that in conducting our engagement, we satisfy the criteria for assurance providers, as set out in the Audit Guidance to perform the reasonable assurance engagement.

Nature and Scope of Our Assurance Engagement

Our assurance engagement covered the following:

- We have conducted interviews with the Gold Refinery management for a better understanding of gold supply chain risk management processes and procedures
- We interviewed the employees responsible for the Gold Refinery Report drafting
- We have performed end-to-end testing of the Gold Refinery know-your-client (KYC) process to obtain an understanding of the policies and procedures in place
- We have assessed the compliance of the Gold Refinery's policies, procedures, and internal controls with the LBMA Guidance
- We visited the Gold Refinery to monitor the Gold Refinery's precious metals acceptance process from suppliers
- We performed a sample testing of the Gold Refinery's KYC procedure before engaging potential precious metals supplying counterparty
- We performed a sample testing of the Gold Refinery's procedures to assess compliance with the KYC processes
- We performed a sample testing of the underlying processes and controls supporting the information disclosed in the Gold Refinery Report, and
- We have tested the statements made by management in the Gold Refinery Report against the issues identified as a result of the performance of the above procedures.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusion.

Opinion on the Reasonable Assurance Engagement

In our opinion, the accompanied Gold Refinery Report for the year ended 31 December 2022, presents fairly in all material respects, the activities undertaken by the Gold Refinery Report during the year to comply with LBMA RGG, and the management's overall conclusion contained in the Gold Refinery Report is LBMA RGG compliant.

Restriction on Distribution and Use

Our opinion on the reasonable assurance engagement has been prepared solely for the Gold Refinery in accordance with our reasonable assurance engagement to assist management in determining whether the Gold Refinery has complied with the LBMA RGG and for no other purpose.

As the law permits we do not accept or assume responsibility to any party other than the Gold Refinery management for our work performed, or for the conclusions made by us in the reasonable assurance report.



Auditor Ruslan Rakhimbayev



Auditor's Qualification Certificate
No. 0001860 dated 11 August 2021
issued by the Qualification Commission
on the Auditors Attestation of the Republic of Kazakhstan

BDO Qazaqstan LLP

State license for audit No. 21012748 of the Internal State
Audit Committee under the Ministry of Finance of the
Republic of Kazakhstan dated 19 March 2021



Director Ruslan Rakhimbayev

BDO Qazaqstan LLP
6 Gabdullin street, Bostandyk District
Almaty, Republic of Kazakhstan

28 March 2023

Refiner's Compliance Report

Table 1: Refiner's details	
Refiner's name	Tau-Ken Altyn LLP
Location	Bldg. 1, A194 Street, ZooT4Y9 Nur-Sultan, Republic of Kazakhstan
Reporting period end	31.12.2022
Date of report	28.03.2023
Senior management responsible for this report	A. Tleulin, CEO A. Segizbayev, Head of Commercial Tel.: +7 (7172) 30-94-70, e-mail: a.segizbayev@taukenaltyn.kz

Tau-Ken Altyn LLP's compliance evaluation

Table 2: Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong supply chain management systems
<p>Compliance statement with requirements: Tau-Ken Altyn LLP (hereinafter, the "Company", "Partnership" or "Refiner") has complied with Step 1: Establish strong supply chain management systems.</p>
<p>Has the Refiner adopted a company policy regarding due diligence for supply chains of gold? Tau-Ken Altyn LLP adopted the Responsible Gold Supply Chain Policy (hereinafter, the "Policy"), which complies with the London Bullion Market Association ("LBMA") Responsible Gold Guidance (hereinafter, the "LBMA Guidance"), on 23 October 2018. Gold supply chains are also regulated by the following Company's documents (latest update on Jan 5th 2022)</p> <ul style="list-style-type: none"> - Regulation on contracts; - Instruction on the procedure for accounting for and storing precious metals, related products and keeping records of their production, use and circulation. <p>The abovementioned policies and regulations were compliant with the LBMA Guidance in terms of responsible gold supply and were sufficient to prevent dealings with high-risk suppliers. The Company evaluates gold supply chain risk as low since most of its gold-bearing materials are produced in the Republic of Kazakhstan by suppliers registered in the Republic of Kazakhstan (hereinafter, "RK"), who have mining contracts and licences of the RK Ministry of Industry and Infrastructural Development and whose activities are regulated by the RK Anti-Money Laundering and Counter-Terrorist Financing Law No. 191-IV dated August 28, 2009 (hereinafter referred to as AML/CFT), with the exception of Polymetal and UGK group of companies which are residents of the Russian Federation, in respect of which the Federal Law of the Russian Federation "On Counteracting the Legalization (Laundering) of Proceeds from Crime and the Financing of Terrorism" No. 115-FZ dated August 7, 2001 is in force.</p> <p>At the same time, raw materials supplied by AGMK LLC are mined at the Bakyrchik field (RK), whose gold-bearing concentrates are exported to the Russian Federation with subsequent return for refining to Tau-Ken Altyn LLP in the form of Dore alloy.</p> <p>In addition, the period of cooperation with companies from the Russian Federation was no more than 3 months, due to the current sanctions regime, while all domestic counterparties of the Partnership are subjects of financial monitoring, and their activities are regulated by the current legislation of the Republic of Kazakhstan.</p> <p>In 2022, no high-level risk suppliers in the gold raw material supply chain were identified in 2022, with regard to cooperation with Russian companies - they were subjected to a full due diligence, risk assessment. Consultations were also held with representatives of the LBMA and an appropriate assessment was received on the acceptability of such transactions.</p> <p>The Policy is available at the Company's official website: https://taukenaltyn.kz/good-delivery</p>

Currently, the Partnership is working on the implementation of ESG principles, after which a more detailed implementation into existing policies will be considered.

In addition, the Refiner undertakes under the environmental policy in clause 4 to control and ensure the rational use of natural, material and energy resources at all stages of the production activities of the Representative Office. This clause is observed by the company, since the contractors are subsoil users who have an Environmental Impact Permit for Category I facilities issued by the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan. To obtain this permit, counterparties must comply with all requirements, apply technology and carry out activities in accordance with the above paragraph, including taking into account the rational use of water resources, in accordance with Article 106 of Chapter 9 of the Environmental Code of the Republic of Kazakhstan (hereinafter - EC). Contractors with an Environmental Permit do not conduct Unauthorized use of World Heritage Sites and Protected Areas. Since this is prohibited by the legislation of the Republic of Kazakhstan, this requirement is taken into account by the Ministry of Ecology and Natural Resources when issuing an Environmental Permit (Law of the Republic of Kazakhstan dated July 7, 2006 № 175-III "On Specially Protected Natural Territories" (as amended and supplemented as of 07.03.2023 In this regard, Tau-Ken Altyn LLP does not conduct business with counterparties that do not have an Environmental Permit, since in case of violation of the above requirements, it entails Suspension and deprivation (revocation) of the environmental permit (paragraph 1 article 109 of the EC RK), without which activity is prohibited and entails criminal liability. This environmental policy reflects the commitment of Tau-Ken Altyn LLP regarding environmental protection, labor safety, health of personnel and local residents. Methods and actual activities are prescribed in environmental protection plans and other normative documents developed on the basis of this policy.

Comments and demonstration of compliance:

The Responsible Gold Supply Chain Policy was approved by the Director of the Partnership and adopted on 23 October 2018.

The Partnership monitors the updates of the LBMA guidelines published on the official LBMA website and makes the necessary changes to the Policy if necessary.

So, all responsible structural divisions listened to webinars regarding the implementation of new RGG policies and Disclosure Guidance

The last updated version was approved on January 5, 2022, after the publication of an updated version of the LBMA.

Has the Refiner set up an internal management structure to support supply chain due diligence?

The Company set up a formalised internal management structure to support supply chain due diligence. Detailed description of the structure is set out in the Instruction on the procedure for accounting for and storing precious metals, related products and keeping records of their production, use and circulation.

Comments and demonstration of compliance:

With the adoption of the Policy, the management and reporting processes, internal audit procedures and similar arrangements which were used to perform due diligence of the gold supply chains were formalized to comply with the LBMA Guidance. Within this, the Partnership monitors the changes made by the LBMA to the Responsible Gold Guidance ("RGG") policy and performs relevant activities.

Compliance officer has been introduced in the company in 2021.

The commercial service of the Partnership monitors the market and attracts new counterparties / monitors existing contracts, collects and updates documents for the KYC procedure and the necessary compliance checks. In accordance with the established procurement procedures, the legal service and the compliance officer of the Partnership deal with compliance with anti-money laundering legislation by reviewing / agreeing contracts, participating in the compliance checks procedure, and performing "know your customer" procedures. Based on the results of the inspections, the issue of approving transactions for the acquisition of gold-bearing raw materials is sent for consideration by the Supervisory Board of the Partnership with the conclusion of compliance officers and comments from the legal service and the economics and risk management service.

The Company's Marketing department, that manages the process and directly reports to the Company's top management, was assigned as responsible for compliance.

The job descriptions of the responsible structural units provide for the requirements for the availability of relevant competencies necessary to ensure high-quality selection of suppliers of gold-bearing raw materials.

During the reporting period, there were no violations in the processes of internal due diligence.

Has the Refiner established a strong internal system of due diligence, controls and transparency over gold and precious metals supply chains, including traceability and identification of other supply chain actors?

Yes. The Company has developed a strong internal system of due diligence, controls and transparency over gold supply chains.

Comments and demonstration of compliance:

The Company has put in place a raw material supply management process. The Company has implemented systematic processes for accepting the consignments of primary and secondary gold and examining it to ensure that all required documents are received, and relevant records are made prior to materials processing. The process for documentation, transfer and custody of gold-bearing raw materials is addressed in the Instruction on the procedure

for accounting for and storing precious metals, related products and keeping records of their production, use and circulation. The Company has developed a strong internal system of due diligence, controls and transparency over gold supply chains. Prior to processing the gold-bearing materials, the Company obtains documents which include a contract (or any other title document) for mining of the supplied gold-bearing materials, charter documents and other documents recommended by LBMA for verification; all the transaction details, such as supplier details and information on the type and weight of the gold-bearing materials, are documented. Each consignment supplied is accompanied by the documents required by the underlying contracts. Prior to raw materials processing, special control procedures required by the Company's internal instructions are performed.

In response to the spread of the COVID-19 coronavirus infection in the Republic of Kazakhstan in 2022, restrictions were imposed on the admission of third parties to the refining plant, control over compliance with sanitary standards was strengthened, a mask and temperature regimes were kept.

In addition, in order to strengthen control over the supply chain of gold-containing raw materials, including the response to the recommendations received in previous years, the Partnership took an active part in the development and launch of a pilot project for extending the virtual warehouse regime to gold-containing raw materials. The corresponding Order of the Ministry of Finance of the Republic of Kazakhstan "On Approval of the Rules and Terms of Implementation of a Pilot Project for the Execution of accompanying invoices for goods and their document flow" was issued on November 16, 2020 under No. 1104. According to the Order all movements of gold-containing raw materials shall be reflected by the companies in the virtual warehouse, this allows to provide an online access to information about all gold supplies and ensure operational control by financial monitoring bodies.

Also, in accordance with subparagraph 15) paragraph 1 of Art. 3 of AML/CFT, individual entrepreneurs and legal entities engaged in transactions with precious metals, precious stones and jewellery are the subjects of financial monitoring (SFM). From 2022, in accordance with Art. 4 of the AML/CFT, the purchase and sale of precious metals, precious stones and jewellery in cash or non-cash form is subject to financial monitoring if the transaction amount is equal to or exceeds 5,000,000 tenge or is equal to an amount in foreign currency equivalent to 5 000 000 tenge or more. In accordance with Art. 10 of the AML/CFT, SFM shall provide the authorized body (Agency) with information about transactions subject to financial monitoring, which contain information about the SFM, information about the transaction, including information about the sides of the transaction, and, if necessary, a sign of identifying a suspicious transaction, additional information on the transaction subject to financial monitoring.

Thus, taking into account the specifics of the gold market, all operations of the Partnership with precious metals are subject to reporting to the authorized body in accordance with the current legislation.

Has the Refiner strengthened company engagement with gold supplying counterparties and (where possible) assisted gold supplying counterparties in building due diligence procedures?

Tau-Ken Altyn LLP has enhanced its cooperation with the suppliers of gold-bearing materials and informed them on the need to comply with the LBMA Guidance requirements.

Comments and demonstration of compliance:

The due diligence procedures are governed by the Regulation on contracts (effective at the Company since 2015) and are supported by the Procurement standard of JSC "Samruk-Kazyna" (Last update on Feb 18th Record No. 12/22) effective for Tau-Ken Altyn LLP. Each counterparty should undergo identification and each contract should go through the internal approval procedure.

In addition, supplier due diligence procedures are required by RK Anti-Money Laundering and Counter-Terrorist Financing Law No. 191-IV (AML/CFT) which is mandatory for all businesses dealing with precious metals across the Republic of Kazakhstan. All raw materials supplied to Tau-Ken Altyn LLP in 2022 was originated in the Republic of Kazakhstan. The exceptions are a number of Russian companies from the Polymetal and Yuzhuralzoloto groups, which carry out deliveries during the period when Russian refineries are removed from the Good Delivery lists until the introduction of a new package of sanctions in June of the same year regarding the origin of raw materials from the territory of the Russian Federation (5.18%). Management works with the gold suppliers on an ongoing basis to ensure compliance of its gold supply chain with AML/CFT law.

Relevant requirements for suppliers' obligations to comply with the LBMA Guidance and to develop policies in accordance with Appendix II to the OECD Due Diligence Guidance are included in the contracts with suppliers or relevant written confirmations on these matters are separately obtained from suppliers.

The Republic of Kazakhstan is included in the EITI list and the Partnership is ready to disclose all necessary information on supplies if necessary.

Has the Refiner established a company-wide communication mechanism to promote broad-based employee participation and risk identification to management?

Tau-Ken Altyn LLP has established a company-wide communication mechanism to promote broad involvement of the Company employees and to report any risks identified to the Company's management.

Comments and demonstration of compliance:

The Company's marketing department performs the functions of complying with the LBMA Guidance, tracking raw material chains and supporting activities to attract raw materials in the Partnership. The functions of identifying and managing risks fall within the competence of the leading analyst and risk manager.

The Company has developed internal communication procedures designed to allow employees to voice their concerns in relation to precious metals supply chain, or newly identified risks.

The Company has appointed a responsible person (a designated AML officer) who reports compliance with the Internal Control Rules directly to the Company's Director. The Management Representative in Charge of the Policy (Incoming Controller) was also appointed as required by the Policy.

If any indication of an unusual transaction (deal) being performed by the counterparty that is subject to control under AML/CFT law, or any sign of extraordinary nature, is identified, the Company's employee should prepare a notification on such deal and send it to the Management Representative in Charge of the Policy who will take further decision on whether the transactions identified should be qualified as unusual or documented as required by the law.

In the group of companies of Samruk-Kazyna JSC, a single hotline has been introduced and is being used, the contacts of which are reflected in all contracts of SDCs of Samruk-Kazana JSC and on the websites of these companies. In addition, there is "feedback" on the Partnership's website, a feedback box is installed at the checkpoint, hotline contacts are posted on the territory of the Partnership. All of the above tools for appeals and feedback are available both for internal access and for third parties. period, no complaints/appeals were received.

Step 2: Identify and assess risks in the supply chain

Compliance statement with the requirement:

The Company has complied with Step 2: Identify and assess risks in the supply chain.

Does the Refiner have a process to identify risks in the supply chain?

Yes, the Company has organized the process for supply chain risk identification as required by the LBMA Guidance and by the anti-money laundering and counter-terrorist financing law of the RK. The Company approved the Policy on 23 October 2018 (last update on Jan 5th 2022).

Comments and demonstration of compliance:

The Company identifies risks for all counterparties prior to entering into any business relationship with them through our contractual procedures and "know your counterparty" (KYC) process.

In addition, there is a unified electronic database in the Republic of Kazakhstan that allows the Company's employees to check the presence/absence of tax arrears for all legal entities registered in the Republic of Kazakhstan, as well as electronic judicial databases that allow, if there are suspected risks, to perform additional verification by searching/analyzing the register of court cases (for a particular judicial body) in which the company has been involved.

At the same time, in accordance with the RGG recommendations, the Policy provides for inspection visits by employees of the Partnership to counterparty companies (on a selective basis) to inspect gold mining enterprises and ensure proper confidence in the compliance of enterprises with the RGG principles, and draw up relevant acts. At the same time, it should be noted that the main part of the Partnership's suppliers are residents of the Republic of Kazakhstan and have been cooperating with the Partnership for more than one year. On-site monitoring actions were carried out in 2021, in 2022, there were no new potentially risky suppliers, the exception was the visit of the management of the Partnership, as well as the compliance officer of the Sole Participant of the Partnership, to AGMK LLC in order to assess the possible risks of continuing cooperation (raw materials are of Kazakh origin, but come from the territory of the Russian Federation due to presence of a refining division at AGMK LLC) – a call was organized on this issue with representatives of the LBMA, as well as personal negotiations took place within the framework of the annual conference held by the LBMA, where the representatives of the LBMA approved the resumption of cooperation with AGMK (acceptance was suspended for risk assessment, after the introduction June package of sanctions). In this regard, the scope of procedures for identifying risks in supply chains was sufficient to ensure proper assurance of the compliance of supplies with the Policy requirements. To review applications for cooperation, a compliance officer of the sole participant of the Partnership with access to the extended databases was involved. Compliance officer position has been introduced in the Company since 11 October 2021, the Supervisory Board does not consider issues of approving transactions with potential suppliers until the relevant conclusion is provided by the compliance officer.

The Company has processes in place to identify supplier chain risks based on the country, company and commodity risk assessments performed as follows:

Country risk: the country risk, in our opinion, is minimal, since in 2022 all gold-bearing raw materials were supplied by suppliers from the Republic of Kazakhstan (94.82%) and Russia (5.18%) (at the same time, all work to consider the possibility of cooperation with enterprises from the Russian Federation agreed with representatives of the LBMA). In addition, in the practice of the Partnership, there has never been a purchase of raw materials in any way related to the CAHRA zones.

Company risk: contracts with suppliers are concluded on an annual basis. Since 2015, the Company takes into account the LBMA Guidance requirements in all contracts concluded. In addition, under the contracts suppliers should provide complete package of documents supporting origin of the gold-bearing materials as required by the Responsible Gold Guidance:

- government mining licence/contract;
- state registration certificate;

- charter, constituent documents;
- financial documents, etc.

Upon the expiration of the validity period of the existing contracts, in case of intention to continue cooperation, all the necessary documents requiring updating are requested.

To obtain a mining license / contract for subsoil use of minerals in the Republic of Kazakhstan, a potential subsoil user undergoes a check of information about the company and its directors, financial and tax status in the authorized state bodies and annually, subsequently, submits reports to the relevant state bodies, is a subject of state monitoring. As part of the supplier due diligence procedures, the Company checks whether the suppliers of gold have current gold mining licences and obtains documents to support information on the top management and ultimate beneficiaries of the mined and recycled gold suppliers.

Commodity risk: supplied raw materials are checked for compliance with the Company's standards for quantity and quality when acceptance acts are issued. The Company agrees terms and condition of gold-bearing materials safe transportation and appropriate packaging with service suppliers.

Based on the supply chains due diligence results for 2022 no high-risk counterparties were identified.

Does the Refiner assess risks associated with gold supply chain participants in line with the adopted risk assessment system?

Yes, the Company assesses risks of its gold supply chain in accordance with the LBMA Guidance requirements. For the deliveries' acceptance purpose the full risk assessment was performed for all suppliers for 2022. Counterparties with a high risk (associated with the imposed sanctions) were not involved in the work, while cooperation with existing suppliers that fell under sanctions against the Russian Federation was immediately terminated.

Comments and demonstration of compliance:

The Company assesses risks as part of its gold supply chain due diligence. Gold supply chain due diligence is performed prior to commencing any business relationship with a third party as required by the Responsible Gold Guidance. The suppliers are monitored on a continuous basis. The Company does not work with high-risk counterparties.

The Company's risk assessment provisions are based on the AML/CFT legislation of the Republic of Kazakhstan (which is mostly consistent with the LBMA Guidance, but has some differences in the definition of risk levels and the rules for identifying the final beneficiary/shareholder), the Policy and the LBMA Guidance. In relation to deliveries for 2021, the Company did not identify counterparties with a high degree of risk.

In 2022, the Company met the requirements of Stage 2 for procedures aimed at identifying risks in the gold supply chain.

Relevant documents and comments were received to confirm suppliers' compliance with the AML/CFT requirements, and in the absence of a formalized AML /CFT policy relevant information on contractors have been searched from open sources (the arbitration court file, the prosecutor's office websites, the bailiff service) and negotiations were held with suppliers to confirm that despite the fact that the procedures are not formalized, no violations of the AML/CFT requirements have been identified. In addition, contracts with suppliers include the section "Guarantees of compliance with the LBMA Guidance", which obliges suppliers to comply with the AML/CFT requirements.

The Company also checked suppliers for inclusion in the international sanctions lists. Companies in respect of which international sanctions were applied were denied cooperation, and therefore, additional assessment procedures (field monitoring, etc.) were not require

All counterparties, being residents of the Republic of Kazakhstan (all suppliers, except LLC "AGMK") must carry out their activities in accordance with the Law of the Republic of Kazakhstan dated August 28, 2009 No. 191-IV "On Countering the legalization (laundering) of proceeds from crime and the financing of terrorism". Most of the counterparties with which the Company cooperated in 2022 were not new to the Company. LLC "AGMK" as a resident of the Russian Federation and must comply with the requirements of the Federal Law of the Russian Federation dated August, 7, 2001 No. 115-FZ "On countering the legalization (laundering) of proceeds from crime and the financing of terrorism". LLC "AGMK" processes raw materials of Kazakhstan origin on a toll basis with the return of the metal to the territory of the Republic of Kazakhstan in the form of Dore alloy. LLC "AGMK" is a member of the Polymetal International PLC group of companies, which is a large public company that publishes reports on a regular basis. According to the results of the performed procedures, the Company's Management concluded that there is a low risk of dishonesty of all suppliers.

Does the Refiner report risk assessment to the designated manager?

The Company informs its senior management on all identified high-risk transactions.

Comments and demonstration of compliance:

The Company's senior management maintains unconditional control over supply chain through the procedure for approval of all new contracts and annual revision of all existing contracts. Prior to final approval each potential counterparty undergoes the process of approval by the commercial, finance and legal departments.. After that the data is sent for consideration to the compliance officer, and, if necessary, additional risk assessment activities are carried out through interaction with government agencies. Subject to the submission by the compliance officer of a

conclusion on a low degree of risk, materials on the approval of the deal are sent for consideration to the Supervisory Board of company.

Any issue causing doubt is investigated, clarified and sent for consideration to the Company's senior management. The risk assessment questionnaire is submitted to the executive officer – Management Representative in Charge of Policy.

Step 3: Design and implement a management system to respond to identified risks.

Compliance statement with the requirement:

The Company has complied with Step 3: Design and implement a management system to respond to identified risks.

Has the Refiner devised a strategy for risk management on identified risk by either: (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk?

The Company has the process for gold supply chain risk identification as required by the anti-money laundering and counter-terrorist financing law of the RK, Policy and LBMA Guidance.

Comments and demonstration of compliance:

Risk identification is based on the risk control procedures. Suppliers who failed to comply with the contractual terms and conditions and/or requirements for accompanying documents are not engaged by the Company to supply gold-bearing materials. In 2022, the Partnership did not enter into cooperation with suppliers with a high degree of risk, and therefore no risk mitigation procedures were required. When identifying potential risks related to cooperation with a potential counterparty, the Partnership undertakes measures to rereview the presence of risks and identify them. For example, the Partnership suspended cooperation with AGMK LLC until a comprehensive analysis and proper risk assessment were carried out, after which it resumed cooperation. The whole process was coordinated with the responsible units of the LBMA. In case of the confirmation or suspicion of the presence of risks, the Company shall not enter into business relations with such a company.

Thus, the Company checked all direct and indirect counterparties for inclusion in the international sanctions lists. Companies in respect of which international sanctions were applied were denied cooperation, and therefore, additional assessment procedures (field monitoring, etc.) were not required.

The relevant procedures are in place, including ongoing monitoring and observations that are used as required to ensure effective risk management.

On 23 October 2018, the Company approved the Policy that is in compliance with the LBMA Guidance which divides the suppliers into the following categories: Low, Medium and High risk. High-risk transactions imply those which have indicators of questionable deals, they are suspended until additional review is performed to reduce the risk and are subject to reporting to the regulatory body. In 2022, the Company's activity was based on a Policy approved in 2018, the LBMA Guidance and RK law requirements.

There were no cases of significant violations of social and environmental legislation by the Company's suppliers in 2022, and there were no cases of increased risk due to the sanctions imposed on the Company's suppliers, their management and owners.

Company's response to the risks is based on the Policy which defines the conditions where the Company has to either freeze or cease trade with the medium-risk or high-risk counterparties. The existing regulations cover the Guidance requirements for Step 3.

In case of detection of risks, the Partnership immediately suspends work with the counterparty to conduct an appropriate assessment and the necessary measures to assess and level the risks. So, after the first sanctions imposed, caused by the current geopolitical situation, in relation to the Russian Federation and some of its persons, the Partnership was forced to stop cooperation with a long-term partner of FIC Alel JSC due to one of the final beneficiaries being included in the sanctions lists.

The responsible structural divisions of the Partnership constantly monitor the changes made to the current legislation, as well as the regulatory documents and guidelines applied by the employees of the Partnership in the framework of their activities. The sanctions monitoring activities were in due course (all the Russian origin gold that was on the way to the facility at the time of new sanctions implementation was rejected and sent back once it reached the refinery) During 2022, no significant changes were made to the AML and CFT legislation. All employees involved in operations with gold-bearing raw materials were familiarized with the latest versions of the laws, received additional necessary internal training by familiarizing themselves with the LBMA Manual and Policy. In 2022 employees of responsible structural divisions also took part in LBMA webinars. At the same time, employees of the responsible structural divisions were trained on the topics as "Anti-terrorist security and ensuring anti-terrorist protection of an object vulnerable to terrorist", on AML / CFT, economic security and other. This set of training activities was assessed by the Company as sufficient for the purposes of compliance with the requirements of the LBMA Guidance and Policies, in the current environment. Therefore, existing regulations and procedures were effective to secure the Company from dealing with high-risk suppliers.

Risk management and mitigation strategy should include measurable steps to be taken, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.

Risk identification is based on the internal risk control procedures. In 2022, no operating high-risk suppliers were identified and therefore no risk mitigation was required. Contracts for cooperation with potentially high-risk companies were not concluded.

After the introduction of the relevant sanctions, the Partnership terminated cooperation with FIC Alel JSC due to the imposition of sanctions on the final beneficiary. Relations with companies supplying raw materials originating in the territory of the Russian Federation were also terminated.

Comments and demonstration of compliance:

Potentially high-risk suppliers were not engaged. The Company's current procedure to approve contracts on a regular basis and to limit the contractual period to one year assures the Company's management that the counterparties and their inherent risks are reassessed on a regular basis and all necessary steps are taken to mitigate such risks. Assessment of counterparties included in the gold supply chain for 2022 showed that there were no suppliers with high-risk activities.

Cooperation with companies initially assessed as low risk but subsequently assessed as high risk due to the imposition of sanctions was immediately terminated.

Step 4: Arrange for an independent third-party audit of the gold supply chain due diligence

Compliance statement with the requirement:

The Company fully complies with Stage 4: Arrange for an independent third-party audit of the gold supply chain due diligence.

Comments and demonstration of compliance:

The Company engaged the independent audit firm, the Limited Liability Partnership "BDO Qazaqstan", accredited by the LBMA for the provision of services whose reasonable assurance report on our compliance report will be available on our website once issued.

Procurement was carried out in accordance with the Procurement Standard of Samruk-Kazyna JSC (as last amended on February 18, 2022, Minutes № 12/22) in force at Tau-Ken Altyn LLP.

Step 5: Report supply chain due diligence

Compliance statement with the requirement:

The Company fully complies with Stage 5: Report supply chain due diligence.

Comments and demonstration of compliance:

The Company has implemented effective management systems, procedures, processes and practices to ensure compliance with the requirements of the LBMA Guidance.

The Company follows the continuous improvement policy and performs ongoing internal monitoring of any steps taken to eliminate weaknesses identified.

In 2018, the Company has developed and implemented the Responsible Gold Supply Chain Policy as required by the LBMA Guidance. (last updated 01.05.2022).

More details on how the Company's systems, procedures, processes and controls are implemented and used to comply with special requirements of the LBMA Guidance is provided in our Policy available on the Company's website (www.taukenaltyn.kz).

To give their feedback on this report to Tau-Ken Altyn LLP, users can send us an e-mail at the following address: sm@taukenaltyn.kz; a.segizbayev@taukenaltyn.kz.

Tau-Ken Altyn LLP's conclusion

Table 3: Management assessment of all five steps of the LBMA Guidance

Step	Rating	Comments
Step 1: Establish strong supply chain management systems	Compliant	In 2022, the Company dealt with its supply chain based on the requirements of: <ul style="list-style-type: none"> - Responsible Gold Supply Chain Policy; - Regulations on contracts;

Table 3: Management assessment of all five steps of the LBMA Guidance		
Step	Rating	Comments
		<ul style="list-style-type: none"> - Instruction on the procedure for accounting and storing precious metals, related products and keeping records of their production, use and circulation. - RK Anti-Money Laundering and Counter-Terrorist Financing Law No. 191-IV dated August 28, 2009. <p>As for supplies in 2022, the Company did not identify high-risk counterparties.</p>
Step 2: Identify and assess risks in the supply chain	Compliant	<p>Tau-Ken Altyn LLP developed a Responsible Gold Supply Chain Policy. The policy regulates the activities of all the Company's employees related to verifying gold-bearing materials suppliers.</p> <p>For 2022 a full risk assessment was conducted for all suppliers. No high-risk counterparties were identified. The Company also checked suppliers for inclusion in the international sanctions lists.</p> <p>The Company conducts risk identification for all counterparties prior to entering into any business relationship with them through contractual and know-your-customer ("KYC") procedures.</p> <p>In addition, a unified electronic database operates on the territory of the Republic of Kazakhstan, allowing employees of the Company to check the presence / absence of tax debts for all legal entities registered in the territory of the Republic of Kazakhstan, as well as electronic judicial databases that allow, if risks are suspected, to carry out additional verification by searching / analysis of the register of court cases in which the company was involved, according to one or another judicial authority.</p> <p>At the same time, in accordance with the recommendations of the RGG, the employees of the Partnership on a selective basis carry out inspection visits to the contracting companies to inspect the gold mining enterprises and ensure proper confidence in the compliance of the enterprises with the principles of the RGG, and draw up appropriate acts.</p> <p>At the same time, it should be noted that the main part of the Partnership's suppliers are residents of the Republic of Kazakhstan and have been cooperating with the Partnership for more than a year.</p> <p>In 2021, the Partnership's employees carried out on-site monitoring visits, in 2022 there were no new potentially risky suppliers, with the exception of the visit of the Partnership's management, as well as the compliance officer of the Sole Participant of the Partnership, to LLC AGMK in order to assess possible risks of continuing cooperation (raw materials are of Kazakh origin, but come from the territory of the Russian Federation due to the presence of a processing redistribution at AGMK LLC) - a call was organized with representatives of the LBMA on this issue, and personal negotiations were held as part of the annual conference held by the LBMA, where representatives of the LBMA approved the resumption cooperation with AGMK (acceptance was suspended for risk assessment, after the introduction of the June package of sanctions). In this regard, the scope of procedures for identifying risks in supply chains was sufficient to provide due confidence in the compliance of supplies with the requirements of the Policy.</p> <p>To consider applications for cooperation, if necessary, a compliance officer of the sole participant of the Partnership was involved, having access to extended databases. Since October 11, 2021, the company also has a compliance officer position. The Supervisory Board does not consider the issues of approval of transactions with potential suppliers until the relevant opinion is provided by the compliance officer. Based on the results of the procedures carried out, the Management of the Enterprise concluded that there was a low risk of dishonesty of all suppliers.</p>

Table 3: Management assessment of all five steps of the LBMA Guidance

Step	Rating	Comments
<p>Step 3: Design and implement a management system to respond to identified risks</p>	<p>Compliant</p>	<p>On October 23, 2018, the Company approved the Policy that complies with the LBMA Guidance requirements and reflects the distribution of suppliers by categories: Low, Medium or High risk. High risk transactions are those that have a sign of doubtful transactions, are suspended until additional analysis is carried out to reduce the risk, and are subject to notification to the regulator. The activities of the Enterprise in 2022 were based on the Policy approved in 2018 (updated on February 5, 2022), the LBMA Guidelines, as well as the requirements of the legislation of the Republic of Kazakhstan.</p> <p>In 2022, no cases of significant violations of social and environmental legislation by the Company's suppliers were identified, and there were no cases of increased risk due to sanctions in force against the Company's suppliers, their managers and owners.</p> <p>The Company's risk response actions are based on the Policy, which defines the conditions under which the Company must either freeze or stop trading with counterparties with a medium or high level of risk. The existing regulations cover the requirements of the Guidelines for Stage 3. Due to the fact that in 2022 the Enterprise received raw materials originating in the Republic of Kazakhstan, the Partnership did not describe measures to respond to the risk associated with the supply of imported material.</p> <p>In case of detection of risks, the Partnership immediately suspends work with the counterparty to conduct an appropriate assessment and the necessary measures to assess and level the risks. So, after the first sanctions imposed, caused by the current geopolitical situation, in relation to the Russian Federation and some of its persons, the Partnership was forced to stop cooperation with a long-term partner of FIC Alel JSC due to one of the final beneficiaries being included in the sanctions lists. The responsible structural subdivisions of the Partnership monitor on an ongoing basis the imposed international sanctions, changes made to the current legislation, as well as regulatory documents and guidelines used by the employees of the Partnership in the course of their activities.</p> <p>During 2022, no significant changes were made to the AML/CFT legislation. All measures to monitor the imposed sanctions were timely (the goods with Russian origin, which were in transit during the period of the introduction of a new package of sanctions, were returned to the supplier upon arrival). All employees associated with operations with gold-bearing commodities have been familiarized with the latest editions of laws, have received additional necessary internal training by familiarizing themselves with the LBMA Guidelines and Policies. In 2022, employees of responsible business units also took part in LBMA webinars. At the same time, employees of the responsible structural divisions were trained on the topic "Anti-terrorist security and ensuring anti-terrorist protection of an object vulnerable to terrorism", AML / CFT, economic security and other topics. This set of training activities has been assessed by the Enterprise as sufficient for the purposes of complying with the requirements of the LBMA Guidelines and the Policy under the current conditions. Thus, the existing policies and processes have been effective in keeping the enterprise safe from dealing with high-risk suppliers.</p>
<p>Step 4: Arrange for an independent third-party audit of the gold supply chain due diligence</p>	<p>Compliant</p>	<p>The Company entered into a contract with the audit firm BDO Qazaqstan Limited Liability Partnership.</p>

Table 3: Management assessment of all five steps of the LBMA Guidance

Step	Rating	Comments
Step 5: Report supply chain due diligence	Compliant	The Company has issued all required reports. The Refiner's Compliance Report and Independent Auditor's Report are available on the Company's website.

Table 4: Management conclusion

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance for the reporting period?

Compliant	<p>The Refiner followed the requirements of the Responsible Gold Guidance in the course of its operations for the reporting period.</p> <p>In 2022, the Company was not involved in business relationships with counterparties with indicators of high risk. Therefore, the existing regulations and procedures were effective to secure the Company from dealing with high-risk suppliers.</p> <p>In conclusion, it is worth noticing that the Company adopted effective management systems, procedures, processes and methods to comply with the requirements of the LMBA Guidance, as explained above, in the reporting period ended 31 December 2022. The Company has carried out work to strengthen the control of supply chains and prevent risks, all possible measures are being taken to ensure the ongoing progress in this regard, and any required corrective actions will be subject to the Company's regular internal monitoring.</p>
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Table 5: Other report comments

If users of this report wish to provide any feedback or comment on the report, they can contact us via e-mail at: a.segizbayev@taukenaltyn.kz.

APPROVED

CEO, Tau-Ken Altyn LLP

_____ A. Tleulin

Person responsible for filling in this questionnaire:

Head of Commercial, Tau-Ken Altyn LLP

_____ A. Segizbayev

28 March 2023

Appendix to Refiner's Compliance Report – Country of Origin Information

Table 1: Refiner's details	
Refiner's name	Tau-Ken Alтын LLP
Location	Bldg. 1, A194 Street, Nur-Sultan ZooT4Y9, Republic of Kazakhstan
Reporting period	31.12.2022
Date of report	28.03.2023
Senior manager responsible for this report	A. Tleulin, CEO A. Segizbayev, Commercial Service Manager Tel.: +7 (7172) 30-94-70, e-mail: a.segizbayev@taukenaltyn.kz

Table 2: Countries of mined and recycled raw material origin	
Country	Amount (gs)
Republic of Kazakhstan (94,82%)	50 902 098,90
primary raw material	30 296 472,28
secondary raw materials, including:	22 605 626,62
<i>Refined gold from the National Bank of Kazakhstan</i>	20 158 284
<i>Jewelry scrap from the National Bank of the Republic of Kazakhstan (tolling)</i>	199 042,30
Russian Federation (5.18%)	2 892 525,96
Total	55 794 624,86

Table 3: Additional information
No additional information attached

CEO, Tau-Ken Alтын LLP


_____ A. Tleulin

Person responsible for filling in this questionnaire:

Head of Commercial, Tau-Ken Alтын LLP


_____ A. Segizbayev

28 March 2023