

ZCMC

ZANGEZUR
PRESERVING
VALUES

SHIFTING PERSPECTIVES

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**SUSTAINABILITY
REPORT**

2025

Zangezur Copper Molybdenum
Combine CJSC

Hypericum eleonora

Armenian Endemic

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2025 at a glance

203,919
wmt

Production volume
of copper concentrate

15,548
wmt

Production volume
of molybdenum concentrate



\$723.0

million
revenue

4,828

Number of employees
at the end of 2025

3,829

Male employees



4,282

Workers from local
communities

452

Newly hired employees

5.86%

Employee turnover rate

99%

Employees are members
of the Trade Union

1.06

Average hours of training
received by each employee



1,045,057
metric tons of CO₂ eq.

Total GHG emission

98,095

Scope 1 GHG emissions



705,668

Scope 3 GHG emissions

241,293

Scope 2 GHG emissions

69,298
megaliters

Total volume of water
withdrawn

35,317
megaliters

Total volume of water
discharge



48,091,856
metric tons

Total waste generated

3,447,670
gigajoules

Total energy consumption



1,800.62
kg

Total CO₂ absorbed

42.5
hectares

Area restored



\$18.2
million

Investments in local
communities and
administrative
expenses



Statement from the General Director

GRI 2-22

\$723.0
million

revenue for 2025

203,919
wmt

the production volume of copper concentrate

15,548
wmt

the production volume of molybdenum concentrate

IT IS MY PLEASURE TO PRESENT THE 2025 SUSTAINABILITY REPORT OF THE ZANGEZUR COPPER AND MOLYBDENUM COMBINE.

For us, this Report is more than an annual summary of our achievements. It reflects the journey our Company continues to take to strengthen a culture of responsibility, transparency, and long-term sustainable development.

2025 marked an important milestone in enhancing our reporting practices and strengthening confidence in the information we disclose. The Company maintained the independent external assurance of its sustainability data through a professional third-party assurance organization. This represents a significant step forward for our Company. Sustainable development cannot be achieved without reliable information, systematic data management, an honest assessment of our progress, and openness to acknowledge the areas where further improvement is still needed.

Another significant achievement was the Company's progress in its ESG assessment and in benchmarking against international industry practices. The improvement in our performance confirms that the direction we have chosen is delivering tangible results.

During 2025, we also continued to strengthen our corporate governance framework and decision-making culture. For a large industrial company such as ZCMC, sustainability begins with effective governance, clear rules, transparent processes, accountable leadership, and the ability to balance the interests of all stakeholders, including our employees, local communities, government, business partners, investors, and future generations.

ZCMC HAS A HISTORY SPANNING MORE THAN 70 YEARS. YET THE SUSTAINABILITY OF A COMPANY IS DEFINED NOT ONLY BY ITS PAST, BUT BY ITS ABILITY TO EVOLVE, LEARN, TAKE RESPONSIBILITY, AND MOVE FORWARD WITH CONFIDENCE.

Engagement with local communities remains one of the cornerstones of our sustainability approach. We fully recognize that the long-term success of an industrial enterprise depends on trust, open dialogue, and collaborative problem-solving. Throughout the year, we continued to promote transparency, meaningful stakeholder engagement, and a partnership-based approach.

Environmental stewardship and biodiversity became even more prominent on our agenda in 2025. As Armenia prepares to host COP17 on biodiversity, we believe it is particularly important to demonstrate that responsible mining can and should be part of the broader national and international dialogue on nature, climate, natural resources, and a sustainable future.

ZCMC has a history spanning more than 70 years. Yet the sustainability of a Company is defined not only by its past, but by its ability to evolve, learn, take responsibility, and move forward with confidence. The achievements of 2025 reaffirm that we remain firmly committed to this path.

I would like to express my sincere gratitude to the employees of ZCMC, our business partners, local communities, government institutions, and all our stakeholders for their trust, cooperation, and contribution to the Company's continued development. I am confident that together we will continue to build a more responsible, modern, and competitive mining industry in Armenia.

Roman Khudoliy

General Director
of the Zangezur
Copper Molybdenum
Combine CJSC

Statement from the Sustainable Development Director

GRI 2-22

4,828
people

Number of employees
at the end of 2025

42.5
hectares

Area restored

\$18.2
million

Investments
in local communities and
administrative expenses

I AM HAPPY TO INTRODUCE THE FIFTH CONSECUTIVE SUSTAINABILITY REPORT OF ZCMC.

I am happy to introduce the fifth consecutive Sustainability Report of ZCMC. Each year, we have tried to objectively present our achievements and shortcomings not just as an accountability exercise but also as a self-audit for further improvement.

The year 2025 was an important period of transformation for Zangezur Copper Molybdenum Combine.

2025 revealed tangible issues with employee satisfaction, resulting in a 10-day on-site protest. The conflict was resolved peacefully through negotiations led by the Senior management. However, we were sadly forced to let go of eight employees who initiated the unlawful action. This incident highlighted the need for more targeted employee engagement and communication that followed throughout the year, building trust and driving human resources management improvements.

Many of the sustainability-driven initiatives advanced during the reporting year were structural. Their full results will become more visible in 2026 and the following years. Nevertheless, the work carried out in 2025 marks a significant step in ZCMC's ongoing journey to embed sustainability more deeply into the way the Company is governed, managed, and developed.

One of the key areas of progress was the further development of Board-level oversight of sustainability, ESG matters, and enterprise risk management. During 2025, the Company advanced the establishment of the Sustainability, ESG and Risk Committee, with formal approval expected in 2026. This was further proof that the Company's leadership and its Shareholders are committed to integrating sustainability and risk management into the business strategy.

ZCMC established a Compliance Committee – yet another important step in strengthening ethical, transparent, and accountable business practices across the Company.

During the year, we also initiated and advanced the development of several key corporate policies and internal regulations, including the Sustainability Policy and the Procurement Policy. These documents are intended to provide clearer guidance, strengthen decision-making consistency, and support the integration of sustainability principles into daily business processes. Additional corporate policies are planned for development and adoption in 2026, further reinforcing the Company's governance and management framework.

One important milestone was the establishment of a KPI-based Performance Management Framework. The fact that the Senior management KPIs are tied to sustainability performance, particularly health and safety performance and the ESG score, is yet another encouraging piece of evidence that, at ZCMC, sustainability is not the responsibility of our Sustainability Directorate. It is a commitment that all of the Senior management team signed up for voluntarily, and I am particularly grateful for and proud of this.

The year also reaffirmed the strategic importance of ZCMC's Expansion Project. This project is essential for the Company's long-term growth and future competitiveness. At the same time, its successful implementation requires a responsible and balanced approach, one that considers operational efficiency, environmental and social performance, stakeholder engagement, and the long-term development of the communities and regions connected to ZCMC's activities. A dedicated team has worked very hard to prepare an Environmental and Social Impact Assessment Report that will not only comply with RA legislation but also with international standards. In 2025, we also began working on our TNFD report, which is due in 2026. ZCMC continues to engage in leading international initiatives that support responsible business practices. In 2026, we plan to join the United Nations Global Compact (UNGC), marking another important step in aligning our business with the best international practices.

I would like to thank ZCMC's management team, the Shareholders, the Board of Directors, our employees, and all colleagues involved in this work. Sustainable transformation requires commitment across the entire Company. The achievements of 2025 are the result of this collective effort, and they provide a strong basis for the next stage of ZCMC's development.

**Armen
Stepanyan**

Sustainable Development
Director of the Zangezur
Copper Molybdenum
Combine CJSC

6.531

million metric tons

Total copper/molybdenum ore reserves of the Kajaran ore basin

1

Organizational Profile: "Zangezur Copper Molybdenum Combine" CJSC

12

Organizational Profile

14

Engagement: Strengthening Partnerships Across the Mining Sector

14

Supply Chain Responsibility

Organizational Profile

GRI 2-1

"ZANGEZUR COPPER MOLYBDENUM COMBINE" CLOSED JOINT-STOCK COMPANY (HEREINAFTER "ZCMC" OR "THE COMPANY") IS A LEGALLY REGISTERED ENTITY UNDER THE LAWS OF THE REPUBLIC OF ARMENIA (RA). THE OWNERSHIP STRUCTURE COMBINES PUBLIC AND PRIVATE INTERESTS, WITH THE RA HOLDING A 21.875% SHARE AND THE REMAINING EQUITY HELD BY PRIVATE SHAREHOLDERS.

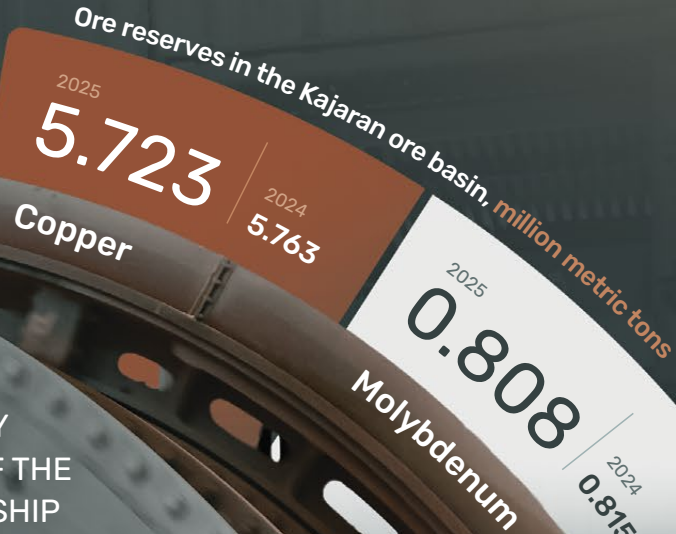
The Company's headquarters are in Kajaran, Syunik Marz. All operational activities are conducted within Armenia and include an open-pit mine, the enrichment plant located in Kajaran, and the Artsvanik Tailings Storage Facility (TSF) near Kapan. No geographic expansion or changes to the operational footprint were recorded during the reporting period.

Share Distribution Among Stakeholders of the Company



45,000062%

"Promyshlennaya Kompania" Joint Stock Company (RF)



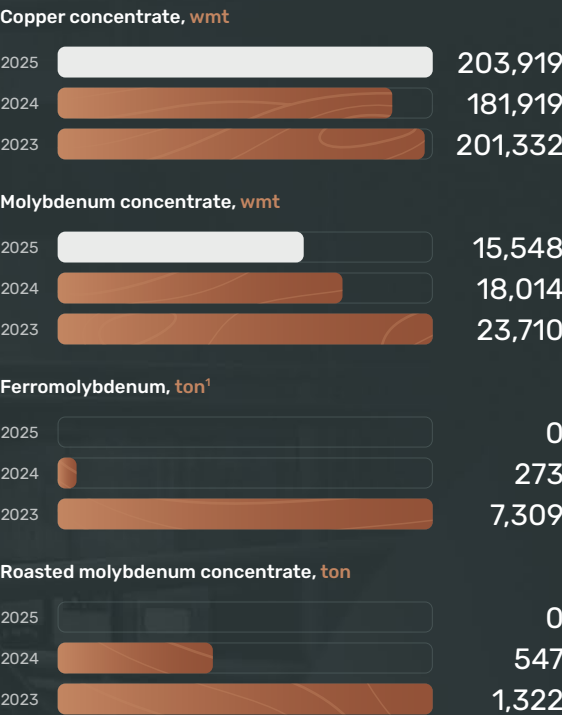
In 2025, the Company continued to operate an integrated production cycle encompassing ore extraction, processing, and the delivery of copper and molybdenum concentrates. These products remain essential inputs for a range of global industries, including construction, manufacturing, and technologies supporting the energy transition.

Production performance in 2025 remained positive, supported by copper concentrate output and with the slight decrease of molybdenum which is due to the ore characteristics. Copper concentrate production increased 12% year

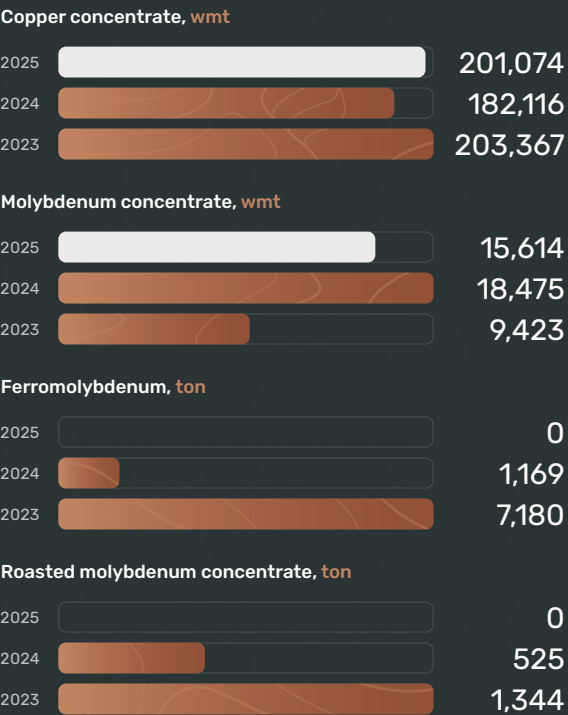
over year to 203,919 wmt, reflecting improved operational stability and higher ore throughput. Molybdenum concentrate production totaled 15,548 wmt, in line with the composition of the ore processed during the reporting period.

Sales trends aligned with production dynamics. Growth in copper output led to higher sales volumes, which increased by 10% to 201,074 wmt. In contrast, molybdenum sales declined by 15%, totaling 15,614 wmt, reflecting both production trends and market dynamics over the reporting period.

Amount of production per concentrate type



Sales volumes per concentrate type



21,87500%

The Republic of Armenia, State Property Management Committee (RA)

15,00000%

"Urbanevent plus" Limited Liability Company (RF)

12,49990%

"Zangezur Mining" Limited Liability Company (RA)

5,62504%

"AMP Holdings" Closed Joint Stock Company (RA)

¹ Ferromolybdenum and roasted molybdenum concentrate were not produced in 2025.

Engagement: Strengthening Partnerships Across the Mining Sector



GRI 2-28

ZCMC continued to participate actively in key industry platforms, contributing to sector-wide dialogue and responsible mining development. ZCMC remains engaged with the following organizations:²

- ▶ Armenian Mining and Metallurgy Association (AMMA);
- ▶ Extractive Industries Transparency Initiative (EITI);
- ▶ Union of Manufacturers and Businessmen of Armenia (UMBA);
- ▶ Armenian British Business Chamber (ABBC);
- ▶ European Business Association of Armenia (EBA).

In 2026 ZCMC plans to join the United Nations Global Compact (UNGC), further strengthening its commitment to sustainable business practices and internationally recognized ESG principles.

Supply Chain Responsibility



In 2025, ZCMC continued to advance its supply chain management approach, building on earlier improvements and moving toward a more structured, system-driven, and sustainability-integrated model. This transition was supported by the approval of an updated Procurement

Policy in June 2025 and new Procurement Guidelines in October 2025. Together, these documents aligned procurement practices more closely with ISO 20400:2017 and international good practice, established clearer procedures and stronger controls, and ensured a more consistent integration of sustainability considerations into procurement activities.

During the year, governance arrangements were further strengthened by finalizing additional operational procedures, including warehouse management standards covering health and safety, good warehousing practices, and housekeeping. A dedicated Scrap and Idle Materials Procedure was also approved. Together, these measures supported more efficient use of resources and improved environmental performance across the warehouse operations.

Alongside these governance improvements, the Company focused on strengthening coordination and efficiency across the supply chain. Procurement processes were adjusted to reinforce category management across both OPEX and CAPEX streams, and cross-functional collaboration among procurement, planning, and operational units was further reinforced. In parallel, preparatory work for the ERP system upgrade continued, including master data cleansing, standardization, and the introduction of digital tools to improve data accuracy and process transparency.

A further step in this transition was an upgrade to supplier evaluation and approval processes, shifting to a centralized electronic platform. This change improved the traceability, control, and auditability of procurement decisions, thereby enhancing transparency and process efficiency.

To strengthen oversight, supply chain performance was assessed using an expanded set of KPIs covering operational, financial, and sustainability dimensions. These KPIs included inventory turnover, stock optimization, procurement efficiency, supplier performance, idle asset management, compliance results, and environmental metrics such as logistics-related emissions and resource consumption.

Throughout 2025, ZCMC's strategic priorities remained focused on maintaining supply continuity amid a volatile external environment, strengthening workforce capacity, and embedding sustainability considerations more systematically across procurement and logistics processes. A particular emphasis was placed on improving forecasting accuracy, reducing procurement lead times, optimizing working capital, and lowering the environmental footprint of operations through logistics optimization and improved inventory management.

Overall, 2025 marked another step toward a more evolved supply chain model, characterized by optimized governance and digital solutions, improved operational integration, and a more consistent integration of sustainability principles into ZCMC's day-to-day activities.

GRI 301-1

In 2025, the Company continued to monitor and manage the use of key materials in production and packaging as part of its commitment to efficient use of resources and responsible consumption. Material consumption patterns largely reflected higher production activity and the normalization of processing requirements.

Summary of the main materials used in production and packaging³

Material	Metric	2023	2024	2025
Ore	Ton	21,433,511.0	22,333,137.0	22,674,379.0
Oil	Ton	654.9	647.1	559.6
Lubricants	Ton	153.8	141.2	64.9
Balls	Ton	14,982	15,305	15,162
Quick lime and lime more than 80% activated	Ton	16,803	11,678	14,449
Pine oil	Ton	89	123	144
Foaming agent	Ton	250	273	316
Xanthogenate	Ton	493	499	586
Sodium sulfide and sodium hydrosulfide	Ton	11,750	13,239	14,625

² Further details on these organizations and the nature of ZCMC's engagement are available in the [2024 Sustainability Report, section 1, page 15](#).

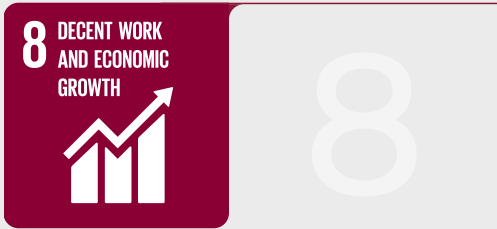
³ A more detailed breakdown of materials is presented in [Appendix 3](#).

\$73.5
million

Total payments to the state
budget in 2025

2

Economic Impact: Driving Regional and National Prosperity



GRI 3-3

ZCMC continues to reinforce its integrated approach to economic management, further embedding established policies, its Stakeholder Engagement Plan, and internal governance frameworks into daily operations.

Senior management remains actively involved in shaping economic priorities and overseeing the implementation of the Stakeholder Engagement Plan. Executive leadership’s strategic oversight ensures that financial decisions are aligned with corporate objectives, regulatory requirements, and sustainability commitments, while maintaining high levels of accountability and transparency across all processes.

In 2025, particular attention was paid to strengthening economic resilience and expanding opportunities for inclusive growth. The Company advanced initiatives to support local⁴ economies, including sustained engagement with domestic suppliers, continued investment in community infrastructure, and ongoing dialogue with stakeholders to better address emerging needs and expectations.



Economic Impact in Numbers

ZCMC continues to hold a leading position within the Republic of Armenia’s (RA) economy, contributing to both national output and broader economic activity. In 2025, the Company recorded total revenue of USD 723.0 million, according to its audited financial statements, showing a 1.4% increase over the previous year.

The Company remained one of Armenia’s largest taxpayers in 2025, ranking third nationally. The change in ranking primarily reflects lower royalty tax accruals compared with the exceptionally high level recorded in the prior year. Total payments to the state budget amounted to approximately USD 73.5 million, including corporate income tax and royalties, underscoring the Company’s ongoing role in supporting public finances.

COMPREHENSIVE DATA ON THE COMPANY’S ECONOMIC VALUE GENERATION AND DISTRIBUTION ARE PRESENTED IN THE TABLES BELOW. THE COMPANY’S DIRECT CONTRIBUTION TO GROSS DOMESTIC PRODUCT IS ESTIMATED AT APPROXIMATELY 2.5%, PRIMARILY DRIVEN BY VALUE CREATION FROM COPPER AND MOLYBDENUM CONCENTRATE PRODUCTION. THIS DIRECT CONTRIBUTION IS AMPLIFIED BY ZCMC’S BROADER ECONOMIC IMPACT ACROSS SUPPLY CHAINS AND CONSUMPTION CHANNELS.

Economic impact, million USD

GRI 201-1, SASB EM-MM-000.A

Indicator	2023	2024	2025
1. Direct economic value created	795.8	713.1	723.0
Income (revenue)	795.8	713.1	723.0
2. Allocated economic value	619.5	1,009.6	641.5
Operating expenses	289.9	317.8	291.1
Wages, salaries, and employee benefits	117.1	120.1	142.7 ⁵
Payments to capital providers (dividends)	0	337.6	115.8
Payments to the state, including:	192.3	215.8	73.6
– Corporate income tax	56.7	48.6	34.7
– Royalties	135.6	167.2	38.8 ⁶
Social Investments	20.2	18.3	18.2
3. Retained economic value (1 – 2)	176.3	-296.5	81.6

 **\$723.0**
million

Total revenue was recorded by the Company in 2025

 **+1.4%**

Growth in the Company’s total revenue in 2025

 **\$73.5**
million

Total payments to the state budget

 **2.5%**

The Company’s direct contribution to gross domestic product

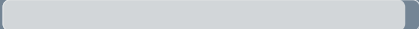
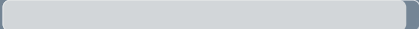
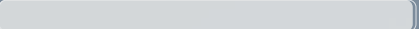
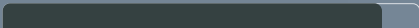
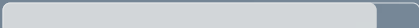
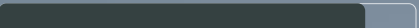
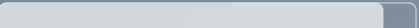
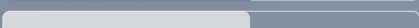
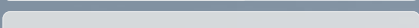
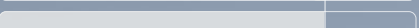
⁴ ZCMC defines ‘local’ as the towns of Kajaran and Kapan in the Republic of Armenia, where the Company’s core operational activities are concentrated. These locations are also considered the significant areas of operation.

⁵ The increase reflects the Company’s commitment to fair compensation. Please refer to Case Study: Workforce Relations, Operational Disruption and Recovery (2025).

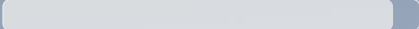
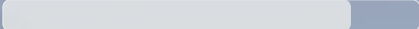
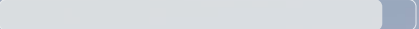
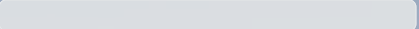
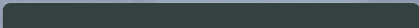
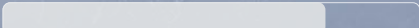
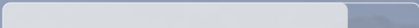
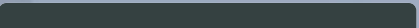
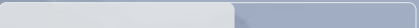
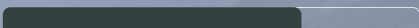
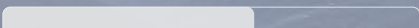
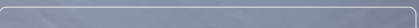
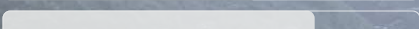
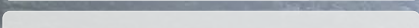
⁶ The royalty receivable decreased in 2025 because royalty accruals during the year were lower than the amounts settled during the same period.

Overview of Main Performance Indicators for 2025, million USD

GRI 207-4

Indicator	ZCMC CJSC	Ler-Ex LLC ⁷
 Number of employees	2025  4,828 2024  4,654 2023  4,666	2025  97 2024  115 2023  114
 Revenue from third-party sales	2025  723.024 2024  713.087 2023  795.787	2025  2.693 2024  2.827 2023  3.104
 Revenue from intra-group transactions	2025  0 2024  0 2023  0	2025  0 2024  0 2023  0
 Profit/loss before tax	2025  225.891 2024  215.030 2023  363.308	2025  -0.336 2024  -0.515 2023  -103.513

Tangible assets other than cash and cash equivalents:

 Property, plant, and equipment	2025  673.952 2024  614.268 2023  547.932	2025  1.733 2024  1.879 2023  2.046
 Inventories	2025  118.468 2024  90.419 2023  96.670	2025  0.278 2024  0.157 2023  0.150
 Corporate income tax paid on cash basis	2025  34.749 2024  48.570 2023  29.263	2025  0 2024  0 2023  0
 Corporate income tax accrued on profit/loss	2025  34.749 2024  42.341 2023  56.671	2025  0 2024  0 2023  0

⁷ Please see [Appendix 1](#).

Indirect Economic Impact

GRI 203-2

The Company's economic footprint extends well beyond its core operations. With an estimated employment multiplier of five, ZCMC's activities support a significantly larger workforce across related industries. As a result, up to 20,000 additional jobs are sustained indirectly through business relationships and economic interdependencies.

This extended impact stems from procurement activities, contractor engagement, and employee-driven spending, benefiting a broad range of sectors, including transportation, technical services, trade, and other support industries.

5  Estimated employment multiplier of ZCMC's activities

>20,000
additional jobs

are sustained indirectly through business relationships and economic interdependencies

Procurement and Economic Development

GRI 204-1

~\$359.4 million

the total procurement expenditure for goods and services in 2025

ZCMC REMAINS DEDICATED TO FOSTERING LOCAL BUSINESS OPPORTUNITIES TO STIMULATE THE REGIONAL ECONOMY AND SUPPORT ECONOMIC RESILIENCE IN ITS OPERATIONS.

Breakdown of goods and services purchases, USD

359,418,393 Total



The Company’s prioritization of domestic sourcing is reflected in the 2025 results: 62% of all goods were purchased from Armenia, through 392 Armenian suppliers, while 91.6% of services were sourced from Armenia, via 475 local service providers. Consequently, the total share of local procurement reached a weighted average of 77.3%.

In 2025, total procurement expenditure for goods and services amounted to approximately USD 359.4 million. Of this total, USD 278 million (about 77%) was allocated to 867 companies operating within RA, as summarized below. This strategic allocation directly supports national job creation, enhances the competitiveness of local businesses by enabling them to improve the quality of their products and services, and drives broader economic growth across the country.

Procurement of Goods

Compared with 51% in 2024, the share of locally procured goods rose to 62% in 2025. Procurement from Europe also increased, from 8% to 10%, while the share from the Russian Federation (RF) declined from 23% to 18%.

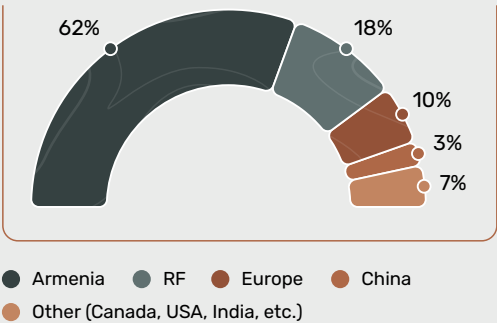
A similar pattern is observed in the procurement of goods, with 392 suppliers (60% of all goods suppliers) based in Armenia, followed by 134 suppliers (21%) located in the Russian Federation.

Consistent with the historical pattern, Yerevan remains the primary destination for spending on goods, accounting for 75.8% of total domestic purchases, a slight increase from 73% in 2024. Other regions, including Kotayk and Syunik, each account for about 8.5% to 9.8% of the domestic share.

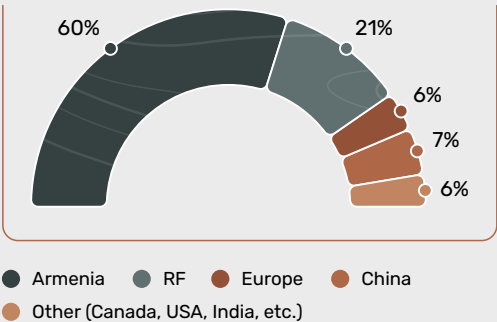
Of the total procurement within the Syunik region:

- 51.6% originates from Kapan.
- 26.8% from Agarak.
- 17.9% from Kajaran.
- 3.4% from other locations in the Syunik region.
- 0.3% from Goris.

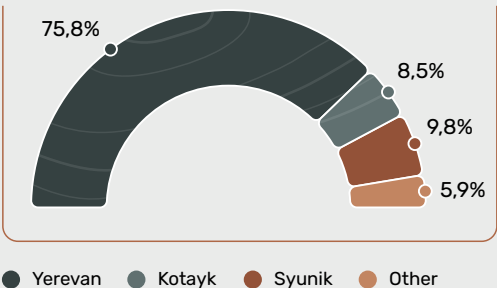
Geography of procurement of goods per amount in 2025



Geography of procurement of goods per number of companies in 2025



Geographic breakdown of goods procurement expenditure within Armenia



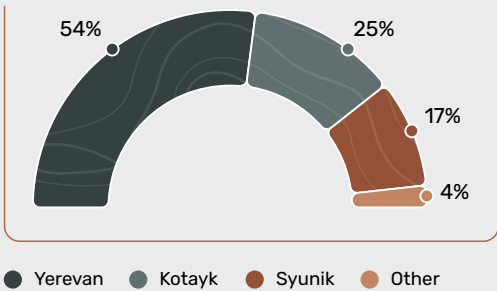
While the share attributed to Syunik saw a proportional decline from 13.5% to 9.8%, the internal distribution within the region remained consistent with prior rankings. Procurement efforts are strategically concentrated in the communities closest to the Company’s operations to maximize the local economic multiplier effect.



Suppliers of Goods within Armenia

Of the 392 local goods suppliers in Armenia, 213 suppliers (54% from total suppliers) are based in Yerevan, while 66 (17%) operate in Syunik. The remaining suppliers are located in Kotayk (4%) and other regions (25%), as illustrated below.

Geography of local suppliers of goods in 2025 in Armenia



Procurement of Services

In 2025, service procurement showed a high level of domestic integration, significantly exceeding the local share of goods procurement. Total expenditure on services purchased amounted to USD 188.9 million, representing 53% of the Company's total procurement spending for the year, with goods procurement representing the remaining 47%.

\$188,9 million **53%**

Total expenditure on services purchased

of the Company's total procurement spending for the year

Russian Federation

6.6%

of total services procured

\$12.4 million

sourced from

23 local suppliers

Other

1.8%

of total services procured

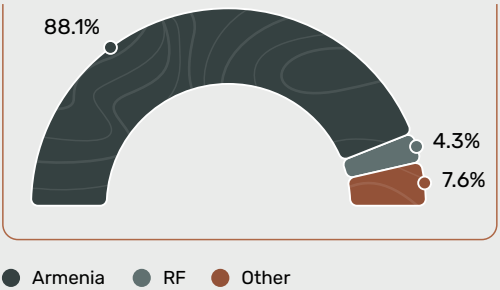
\$3.4 million

sourced from

41 local suppliers

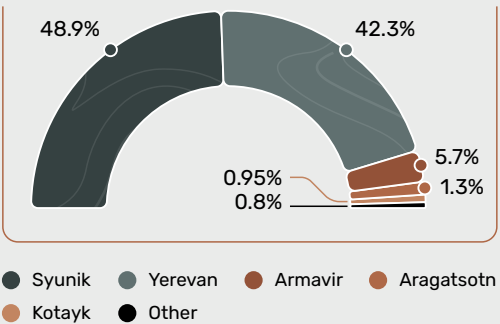
REGARDING SERVICE SUPPLIERS, 88% ARE BASED IN ARMENIA.

Geography of procurement of services per number of companies in 2025



Unlike trends in goods procurement, service procurement expenditure was highest in Syunik⁸, representing the largest share of domestic service spending at 48.9% (USD 84.6 million). This underscores the Company's deep integration with and reliance on regional service providers for operational and technical needs. Yerevan remains a key hub, representing 42.3% (USD 73.2 million) of total service purchases within Armenia, primarily through 312 specialized contractors. Other regions, including Armavir (5.7%) and Aragatsotn (1.3%), also contribute to the Company's domestic supply chain, demonstrating a broad-based economic impact across RA.

Proportion of purchase of services within Armenia



The geographic distribution of service procurement shows an overwhelming preference for Armenian providers:

Armenia

91.6%

of total services procured

\$173.1 million

sourced from

475 local suppliers

⁸ The higher share of service procurement expenditure in the Syunik region was primarily driven by construction-related activities, with works carried out by contracted partner organizations based in Kapan and Kajaran.

15

senior executives

comprised Senior Management in 2025,
with responsibility for day-to-day management and
strategic oversight of the Company's key functions

3

Corporate Governance: Building Strong Institutions Through Ethical Leadership

28	Corporate Governance
32	Compensation Strategy: KPI-Driven Performance Management System
33	Anti-Corruption: Strengthening Zero Tolerance Measures and Ethical Practices
37	Sustaining Trust: Commitment to Fair Competition
38	Digital Transformation Initiative: Accelerating Digital Integration Across Operations

Corporate Governance



GRI 3-3, 2-23, 2-24

At ZCMC, responsible mining and the creation of a sustainable long-term legacy for society are central to our corporate governance approach. Our governance structure is built on transparency, accountability, and respectful engagement with

the Shareholders, Board of Directors (BoD), employees, regulators, local communities, civil society organizations, and international partners. Through the open dialogue with stakeholders, we aim to ensure ethical decision-making, operational integrity, and sustainable value creation for all parties involved.

Our corporate governance framework is built on a strong foundation of 14 corporate policies aligned with industry best practice guidance. We continue to adhere to leading international frameworks to bolster our commitment to responsible, transparent, and ethical business practices. By fostering accountability, transparency, and inclusive engagement, ZCMC strengthens its long-term sustainability performance and builds lasting trust with stakeholders.

In 2025, the Board approved two further policies which are available on our [website](#).⁹

SUSTAINABILITY POLICY

This policy establishes the Company’s commitment to integrating sustainable development principles across all aspects of its operations. It emphasizes our commitment to minimizing environmental impacts, safeguarding employee health and safety, supporting local communities, and ensuring transparent stakeholder engagement. Overall, it positions sustainability as a core operational principle that underpins long-term value creation, responsible resource management, and alignment with best international practices.

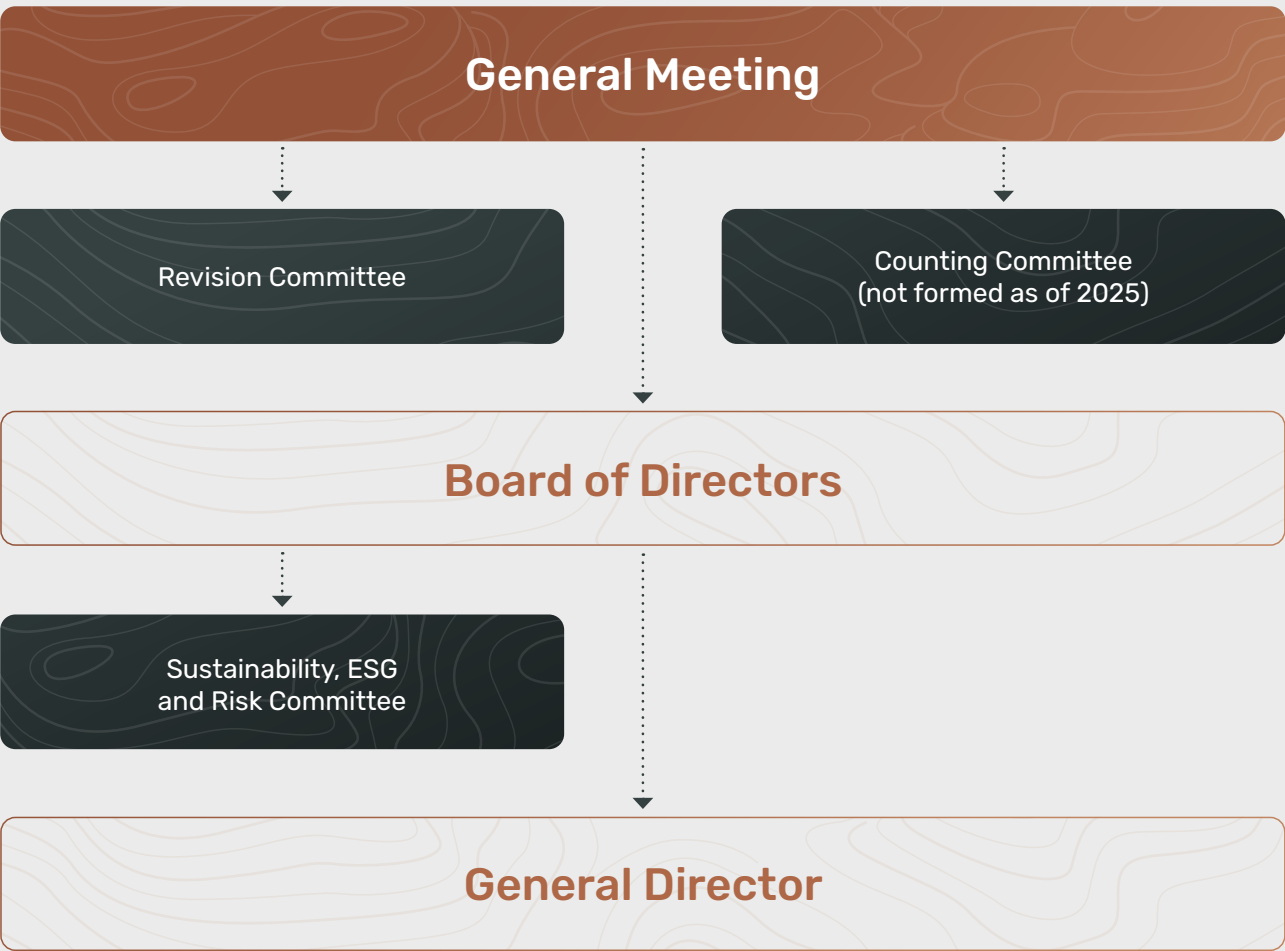
PROCUREMENT POLICY

This policy sets out the principles and procedures governing the Company’s procurement activities, and is designed to ensure efficiency, transparency, and accountability in sourcing goods, works, and services. It is based on key principles, including value for money, fairness, competition, and ethical conduct covering conflict-of-interest management and supplier requirements. The policy sets forth structured processes for procurement planning, risk management, supplier selection, and contract execution, along with clear delegation of authority and complaint mechanisms. It also underscores the importance of stakeholder engagement and promotes environmentally and socially responsible procurement practices.

AT ZCMC, GOOD GOVERNANCE IS THE BACKBONE OF OUR COMPANY AND THE FOUNDATION OF OUR SUCCESS.

GRI 2-9

The basic structure of our corporate governance system is shown in the diagram below.



GRI 2-10

The General Meeting of Shareholders is the highest body in ZCMC’s governance structure. It brings together shareholder representatives to set the Company’s strategic direction and make key governance-related decisions, including electing members of the Board of Directors.¹⁰

To support the General Meeting, the ZCMC Revision Committee independently oversees the Company’s financial and economic activities.

Composed of three non-employee members elected by Shareholders, the committee is established by the General Meeting. It reviews financial matters, monitors management decisions, and helps ensure compliance with applicable laws and the Company’s Charter.

Although the Company’s Charter provides for the establishment of a Counting Committee, where necessary, taking into account the number of the Company’s Shareholders and its organizational and legal form as a closed joint stock company, the functions of the Counting Committee were performed by the Corporate Secretary throughout 2025.

28 ⁹ See the 2024 Sustainability Report, section 3, page 39.

¹⁰ See the 2024 Sustainability Report, section 3, page 40.

GRI 2-11

The Board of Directors of ZCMC oversees the strategic governance of the Company’s activities. Board members are elected by the General Meeting of Shareholders. The Board consists of seven members: each shareholder, including the Government of the Republic of Armenia (RA), has a representative, and two Executive Management team members are also on the BoD: the General Director and the Deputy General Director. Three members of the Board of Directors have industry experience, only one of whom is a non-executive director.

Operational management is provided by the General Director, the Company’s sole executive body, who is also

responsible for monitoring the impact of ZCMC on the economy, the environment, and people, and for ensuring that decisions are implemented consistently across all operations. The General Director holds an indirect interest in the Company’s share capital through intermediary companies, representing 6.0703%.

The Board Chairman presides over BoD meetings and ensures effective strategic oversight. The Board Chairman does not hold any executive position at the Company.¹¹

In accordance with GRI reporting requirements, ZCMC defines Senior Management as the General Director and executive managers who report directly to the General Director or are responsible for strategic directions. In 2025, Senior Management comprised 15 senior executives with responsibility for day-to-day management and strategic oversight of the Company’s key functions.

GRI 2-12, 2-13, 2-14

ACCOUNTABILITY IN IMPACT MANAGEMENT

At ZCMC, accountability for managing the economic, environmental, and social impacts of our operations is integral to our leadership and operational approach. The General Director, as the Company’s sole executive body, provides overall oversight of ZCMC’s impacts on the economy, the environment, and people, while senior managers are responsible for managing impacts within their respective areas.

This oversight process is supported by regular internal reporting: senior executives raise impact-related issues in weekly and ad hoc meetings with the

General Director, enabling timely decisions and follow-ups. Strategic issues and significant developments are then escalated to the Board of Directors for oversight and guidance.

The Sustainability, ESG and Risk Committee was established to strengthen this feedback loop by supporting Board-level oversight of risk management, sustainability priorities, and ESG performance, thereby helping to ensure alignment with ZCMC’s sustainability commitments.

The Senior management of ZCMC performs an overall review of the report, providing strategic oversight its readiness for publication. Although the Board of Directors and the General Meeting of Shareholders have no direct oversight of the report, they receive regular ESG briefings to ensure alignment with corporate objectives and priorities.

Committees of the Board of Directors:

SUSTAINABILITY, ESG AND RISK COMMITTEE

At the end of 2025, the Company established the Sustainability, ESG and Risk Committee. The ZCMC Board subsequently approved the committee’s establishment in February 2026. The committee is a standing committee responsible for proposing initiatives, providing advisory input, and reporting to the board and other governance bodies on risk management, sustainable development, and corporate governance. Its main objective is to provide strategic oversight of the Company’s risk management framework, sustainability strategy, and ESG performance, and to ensure all three are aligned with ZCMC’s business aims and stakeholder expectations.

The committee comprises four members, including one non-executive board member, two executive board members, and a Deputy General Director (Sustainability Development Director). It supports the board in informed decision-making on risk and sustainability by contributing to the identification, analysis, and evaluation of key risks, and by advancing the implementation of international corporate governance best practices. In addition, the committee plays a key role in setting clear sustainability targets in areas such as occupational safety, environmental stewardship, community engagement, and climate change, while also monitoring performance against these objectives. It also helps ensure that the Company upholds its stated sustainability commitments and provides transparent reporting to stakeholders.

AT ZCMC, EFFECTIVE SUSTAINABILITY GOVERNANCE IS DRIVEN BY A CONTINUOUS FOCUS ON THE FOLLOWING KEY AREAS.



GRI 2-15

INTEGRITY IN DECISION-MAKING

ZCMC upholds integrity in decision-making by setting clear expectations for identifying and managing conflicts of interest across the organization. Prevention and mitigation are governed by the conflict of interest provisions in the Code of Conduct available on the Company’s website.

The Code of Conduct requires all employees, including Senior management and Board members, to act in the Company’s best interests and to avoid personal considerations that could impair their professional judgment. The Code defines what constitutes a conflict of interest and provides guidance on identifying, reporting, disclosing, and addressing such situations.

To support transparent and responsible decision-making, employees must promptly disclose any potential or actual conflicts of interest. Reports are submitted to the Sustainable Development Director and the Head of the Legal Department for assessment and guidance. Deputy General Directors report potential conflicts to the Deputy General Director/Head of the Legal Department and the General Director for further review and consideration.¹²

30 ¹¹ See the [2024 Sustainability Report, section 3, page 43](#).

¹² For more details, please refer to ZCMC’s [2024 Sustainability Report, section 3, page 46](#).

Compensation Strategy: KPI-Driven Performance Management System

GRI 2-19, 2-20

BEGINNING IN 2025, ZCMC INTRODUCED A STRUCTURED, KPI-BASED PERFORMANCE MANAGEMENT FRAMEWORK TO ASSESS MANAGEMENT PERFORMANCE AND STRENGTHEN ALIGNMENT WITH THE COMPANY'S STRATEGIC OBJECTIVES AND SUSTAINABILITY PRIORITIES.

The framework brings together company-wide indicators — including EBITDA growth, ESG rating, health and safety performance, total cash cost efficiency, and copper-equivalent production — alongside defined performance targets to provide a consistent basis for evaluation. Under this approach, management compensation is tied to performance against the ESG matrix, reinforcing accountability for both financial and sustainability-related results.

These metrics are supported by function-specific KPIs that translate strategic objectives into clear, measurable responsibilities at both the departmental and individual levels. This approach enhances transparency, consistency, and accountability across the organization and facilitates timely identification of discrepancies and, when necessary, corrective actions.

Performance evaluation is complemented by qualitative assessments conducted by direct managers. These assessments review not only the achievement of quantitative targets but also execution quality, responsiveness to operational challenges, leadership performance, and overall contribution to Company objectives.



Anti-Corruption: Strengthening Zero Tolerance Measures and Ethical Practices

GRI 3-3, GRI 205-1, GRI 205-2, SASB EM-MM-510a.1

ZCMC IS COMMITTED TO THE HIGHEST STANDARDS OF ETHICAL CONDUCT AND MAINTAINS A ZERO-TOLERANCE POLICY TOWARD CORRUPTION, AS SET FORTH IN ITS CODE OF CONDUCT AND ANTI-CORRUPTION POLICY. COMPLIANCE IS ENSURED THROUGH A COMBINATION OF ESTABLISHED POLICIES, INTERNAL CONTROLS, AND EMPLOYEE TRAINING.

In 2025, ZCMC continued to strengthen its integrity and ethical governance framework and broadened its focus beyond written commitments to the systems and processes that ensure those commitments are properly implemented. Although the Anti-Corruption Policy does not yet prescribe a formal, recurring risk assessment cycle, corruption risks are managed through targeted compliance activities, including:

- Compliance monitoring and due diligence in high-risk operational areas, such as procurement and third-party interactions.
- Internal controls geared towards preventing instances of corruption, fraud, and conflicts of interest.
- Confidential whistleblower channels that enable employees to report unethical behavior.

Key areas where corruption risks are managed:

- Procurement and contracting: ensuring fair competition and independent decision making at all times.
- Third party relationships: supported by robust due diligence procedures for suppliers, contractors, and business partners.
- Gifts and hospitality: governed by clear internal thresholds designed to prevent undue influence.
- Interactions with public officials: upholding ethical standards and compliance requirements in all engagements with government officials.

GRI 205-3

At the end of 2025, the Compliance Committee identified two instances of non-compliance for further action. Both cases involved breaches of the Code of Conduct. The first case also constituted non-compliance with the Policy Against Workplace Violence, Harassment, Discrimination, and Retaliation. The second case also included non-compliance with the Procurement Policy, specifically its conflict-of-interest provisions. Following a meeting of the Compliance Committee, a unanimous decision was made to issue formal written warnings to the employees involved in accordance with internal company policies and procedures. The employees concerned were encouraged to review the Code of Conduct and associated policies to strengthen their awareness and support ongoing compliance.

Competition Compliance, Ethics and Anti-Corruption

ZCMC HAS DEVELOPED A COMPETITION COMPLIANCE PROGRAM TO UPHOLD ANTIMONOPOLY PRINCIPLES AND PREVENT UNFAIR MARKET BEHAVIOR. ALTHOUGH FORMAL APPROVAL WAS INITIALLY PLANNED FOR 2025, THE PROGRAM'S DEVELOPMENT IS ONGOING AT THE TIME OF WRITING, AND SUBSTANTIAL EFFORTS ARE UNDERWAY TO FINALIZE IT. APPROVAL REMAINS A STRATEGIC PRIORITY FOR 2026.

As we mentioned last year, the Company has strengthened its compliance framework by establishing a dedicated Compliance Service. The function includes a Competition Compliance Coordinator and a General Compliance Specialist, whose responsibilities are currently handled by the Compliance Coordinator and Legal Department. The Competition Compliance Coordinator reviews technical procurement-related assignments and oversees sales and procurement processes to ensure adherence to the principles of competition, equality, and transparency. During 2025, more than 60 procurement procedures and over 40 technical specifications were reviewed by the Coordinator as part of the ongoing competition compliance oversight activities.

The coordinator also plays a key role in identifying and mitigating potential competition risks, including possible conflicts of interest, signs of collusion, and other patterns that may indicate anti-competitive behavior. The General Compliance Specialist is responsible for screening for sanctions, conducting counterparty due diligence, and handling other compliance-related risk matters. Together, they ensure that the Company's business operations comply with applicable Armenian legislation, including competition law, as well as internal policies and regulations. In addition, the Compliance Service provides competition compliance support for mergers and acquisitions, thereby reinforcing the Company's risk management and governance practices.

As part of the Company's broader integrity framework, detailed Anti-Corruption Regulation is being developed under the Anti-Corruption Policy which is scheduled for adoption in 2026.

Transparency is fundamental to ZCMC's efforts to build trust in the Republic of Armenia. We actively support the national implementation of the Extractive Industry Transparency Initiative (EITI), and meet all legal obligations related to anti-corruption and transparency in financial transactions. Each year, we publish our performance in line with the EITI reporting standards. ZCMC also participates in the EITI Multi-Stakeholder Group (MSG), contributing to national EITI reporting and decision-making processes related to transparency in the extractive sector.

To put these commitments into practice, ZCMC conducted various training and awareness programs in 2025. Some employees participated in sessions covering:

- Ethical decision making.
- Antibribery expectations.
- The Company's Code of Conduct.
- Proper use of reporting channels.
- Managing corruption risk in high-exposure roles.

These learning activities were designed not only to communicate rules but also to assist participants in navigating real-life situations and, hence, foster a shared responsibility for integrity.

Encouraging a Speak Up Culture

GRI 2-26

A transparent organization fosters an environment where individuals feel safe raising concerns. To support this, ZCMC continues to promote its Whistleblower Policy, which provides confidential channels for reporting suspected violations. Whether related to inappropriate payments, conflicts of interest, favoritism, discrimination, or other forms of misconduct, employees and stakeholders are always encouraged to speak up. The Compliance Committee, chaired by the Sustainable Development Director and comprising senior executives, is responsible for reviewing and escalating critical issues involving violations of the Code of Conduct including ethical violations, workplace misconduct, operational risks, and reports submitted under the Whistleblowing and Grievance Policies.

A core element of ZCMC's approach is a commitment to protecting individuals who raise concerns in good faith. The Whistleblowing Policy guarantees confidentiality and prohibits any form of retaliation, whether direct or indirect. These safeguards apply regardless of the outcome of a case, underscoring ZCMC's message that speaking up is not only protected but encouraged.

To make reporting as accessible as possible, ZCMC maintains various communication channels including on-site grievance boxes, a dedicated hotline, an email address¹³, social media platforms, and a website contact form, giving employees, partners, and external stakeholders a wide range of options to raise concerns safely and conveniently.

¹³ ZCMC Grievance Mechanism contact channels: hotline +374 95 364587; email: grievance@zcmc.am

Grievance Mechanism

GRI 2-25

Throughout 2025, ZCMC remained focused on addressing community concerns. Guided by the Grievance Policy, the Company adopted a structured approach to receiving, evaluating, and resolving complaints.¹⁴

Each grievance is handled on a case-by-case basis. Depending on the nature of the complaint, ZCMC involves relevant departments or engages external experts to assess the complaint or conduct investigations. Grievance outcomes in 2025 ranged from direct compensation and corrective actions to ongoing dialogue with affected individuals to ensure their concerns are fully understood and addressed.

Community engagement is a core part of the process. Feedback is collected through meetings, public consultations, and ongoing interactions with local stakeholders. The Company maintains detailed records – including grievance logs, community request databases, and meeting notes – to track issues and identify recurring themes. Wherever possible, corrective actions are implemented to mitigate or prevent similar impacts.

By embracing this approach, ZCMC continues to build a transparent and responsive grievance management system, ensuring that complaints are handled fairly and that lessons learned inform ongoing improvements.

In 2025, ZCMC received 12 new land-related grievances. Eleven were resolved during the reporting year, and one remained open pending completion of external valuations.¹⁵

To facilitate the resolution of land and property damage cases, ZCMC's social and environmental teams conducted joint site visits with Kajaran municipality representatives to collect baseline data. The Legal Department provided additional support for the compensation process to ensure compliance with internal procedures and applicable regulatory requirements.

Some cases required additional time owing to:

- Challenges in confirming land-use rights in cases where parcels were cultivated by users rather than by registered owners.
- A need to work with municipal authorities to obtain, validate, or update relevant records.
- Disputes arising from historical land use or informal arrangements require detailed clarification.

STRENGTHENING THE SYSTEM FOR THE FUTURE

In 2025, ZCMC drafted two new important procedural documents:

- A detailed procedure for managing land and property damage grievances.
- A structured, step-by-step guide for handling grievances and whistleblowing within the Sustainability Directorate.

The documents are still under review at the time of writing and will be finalized for the General Director's approval. Implementing the documents will support the standardization of practices, improve consistency across departments, and provide stakeholders with clearer expectations for grievance handling.

¹⁴ Further details on the Company's grievance mechanisms are disclosed in the [2024 Sustainability Report, section 3, page 51](#).

¹⁵ All grievances originating in 2024 were resolved: a total of USD 53,674 was paid to 28 land users and one landowner; one claim was deemed ineligible, and other cases were transferred to municipal authorities where appropriate.

Sustaining Trust: Commitment to Fair Competition

GRI 2-27, 206-1

ZCMC CONTINUES TO STRICTLY COMPLY WITH ALL APPLICABLE ANTITRUST AND COMPETITION REGULATIONS. THE COMPANY'S CODE OF CONDUCT CLEARLY PROHIBITS PRACTICES SUCH AS PRICE FIXING, BID MANIPULATION, AND OTHER CONDUCT THAT UNDERMINES FAIR MARKET CONDITIONS. ALL EMPLOYEES INVOLVED IN PROCUREMENT, CONTRACTING, OR COMMERCIAL NEGOTIATIONS MUST STRICTLY ADHERE TO THESE PRINCIPLES.

In the reporting year:

- ▶ There were no pending or completed legal actions involving ZCMC related to anti-competitive behavior.
- ▶ No legal action was taken against ZCMC for violations of competition law.
- ▶ Some administrative penalties were recorded in 2025; for details of all such penalties imposed for violations of applicable laws and policies, see [Appendix 3](#).

Digital Transformation Initiative: Accelerating Digital Integration Across Operations

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



9

ZCMC continued to advance its digital transformation program, strengthening the technological foundations essential to efficient, safe, and sustainable mining operations. Building on the strategic framework established earlier, 2025 marked a shift from assessment and planning to large-scale implementation across production, corporate processes, security, and IT infrastructure.



AUTOMATED PROCESS CONTROL PROGRAM

In 2025, ZCMC successfully completed the initial phase of its automation and digital integration program. Key production units were automated, and local systems were fully integrated with the DELTA V SCADA platform, improving operational control and efficiency. In parallel, the Courier 6 analysis system was deployed at three sampling points, improving real-time process monitoring and boosting operational reliability and performance. Progress also included detailed design documentation for replacing outdated 0.4 kV electrical equipment.

As part of the 2026 implementation roadmap, the Company will continue to advance automation and process optimization. Planned activities include automating the tailings-thickening system, expanding the Courier 6 system by adding sampling points, and finalizing the technical specifications and design documentation for upcoming electrical equipment upgrades.

PRODUCTION PROGRAM

In 2025, the Company introduced several key production systems, and various initiatives were nearing the later stages of development and deployment. The Dispatch Fleet Management System and Manufacturing Execution System (MES) are undergoing user-acceptance testing, while the Production Planning System has completed its design phase. The Laboratory Information Management System (LIMS), geological database, and Pit Wall Stability Monitoring System were successfully rolled out.

ZCMC plans to complete the implementation of the dispatch fleet management system and MES and introduce a production planning system to further enhance operational planning and performance.

CORPORATE PROCESSES PROGRAM

In 2025, ZCMC made substantial progress in developing its target system architecture and the core enablers for the business transformation. Key milestones included defining the target system architecture, preparing and deduplicating three core reference databases (material and technical resources, services, and counterparties), and determining organizational changes aligned with the transformation objectives. The initial automation phase was launched per the roadmap, and the ERP HR module was developed and prepared for user acceptance testing.

ZCMC intends to complete normalization and formal acceptance of its primary reference databases, introduce the ERP HR module, and prepare key ERP modules for user acceptance testing to support integrated business processes.

SECURITY PROGRAM

In 2025, the Company prioritized preparing the technical and project documentation required to support a future system implementation. Progress included the continued development of project documentation for the access control system and of technical specifications for the fire alarm system.

The Company plans to complete the access control system documentation and initiate the first phase of implementation. Work will also continue to finalize the technical specifications and project documentation for the fire alarm system, after which the initial implementation phase will begin.

IT INFRASTRUCTURE PROGRAM

In 2025, ZCMC made substantial progress in upgrading its IT infrastructure; new data centers were built and are undergoing user-acceptance testing. At the same time, the server and network infrastructure were upgraded, and the migration of legacy systems to a new fault-tolerant environment began.

Looking ahead, the Company plans to fully commission the data centers and finalize the migration of legacy systems to improve system resilience, operational availability, and cybersecurity.

4,828

people



Number of employees at the end of 2025

4



Human Capital: People at the Heart of Sustainable Performance

42

Human Capital

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Human Capital Dynamics: Attracting and Retaining Talent

48

Investing in People: A Commitment to Workforce Development

51

Fair Pay and Benefits: Supporting employee Well-being

Human Capital

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

**People,
communities,
and purpose are
foundational
to ZCMC**

99%

of employees are covered
by collective bargaining
agreements

For reporting purposes, employees are defined as individuals on the Company's payroll, including full-time, part-time, short-service, executive, labor, salaried, seasonal, migrant, and hourly employees, while excluding contract workers. Contract workers are defined as individuals who are not on the Company's payroll but are supervised and managed by the Company, including independent contractors and individuals employed by third parties (e.g., temporary agencies and labor brokers).

MANAGEMENT APPROACH

ZCMC recognizes its workforce¹⁶ as a key stakeholder group and a core driver of operational continuity and long-term sustainability. The Company's approach to human capital management focuses on maintaining safe and decent working conditions, promoting equality and non-discrimination, contributing to skills development, and ensuring effective social dialogue.

As part of its human capital management, the Company ensures adherence to the applicable laws and regulations of the Republic of Armenia, including the RA Labor Code. Compliance with national labor legislation underpins all employment practices and internal policies.

People-related risks and opportunities are addressed through policies, internal procedures, and operational practices that cover employment conditions, labor rights, occupational safety, learning and development, and employee engagement.

GOVERNANCE AND ACCOUNTABILITY

Responsibility for workforce management rests with the Human Resources Division, which operates within the Administrative Department and reports to the Deputy General Director. This governance structure ensures that the Company's existing human capital management practices are effectively overseen and remain aligned with strategic and operational objectives.

EMPLOYMENT AND LOCAL WORKFORCE INTEGRATION

ZCMC prioritizes local employment as part of its commitment to regional development in its significant areas of operation. In 2025, approximately 89% of the total workforce and 83% of new hires were from local communities, reflecting the Company's continued focus on local hiring and community integration.

LABOR RIGHTS, FREEDOM OF ASSOCIATION, AND COLLECTIVE BARGAINING

ZCMC respects employees' rights to freedom of association and collective bargaining in accordance with applicable laws and internal policies. Employees may exercise these rights without intimidation, retaliation, or discrimination. The Company maintains ongoing, constructive engagement with the Trade Union representing its workforce. As a result, 99% of employees are covered by collective bargaining agreements. For employees not formally covered, working conditions and employment terms are applied in line with the same collective agreements to ensure consistency and equal treatment across the workforce.

Human Capital Dynamics: Attracting and Retaining Talent

+3.7%



Growth in the number of employees compared to 2024

GRI 2-7

ZCMC IS DEVELOPING A RECRUITMENT AND EMPLOYMENT SYSTEM CENTERED ON VALUE CREATION AND FOSTERING MECHANISMS THAT ENABLE ITS EMPLOYEES TO SHARE IN THE COMPANY’S SUCCESS.

In 2025, ZCMC employed a total of 4,828 people, marking a 3.7% increase compared to 2024. The total workforce growth in 2025 was primarily driven by an increase in male employees from the Kapan region, which correlates with the massive construction works initiated by ZCMC.

Total employee breakdown by gender¹⁷



Total employee breakdown by region¹⁷



¹⁷ Detailed information on the total number of employees, including breakdowns by employment type, gender, and region, is presented in the Human Capital section of [Appendix 3](#).

¹⁸ The number for 2023 represents the total 'local' workforce, including employees from both Kajaran and Kapan.

GRI 402-1

In 2025, the Company welcomed 452 new employees, while total employee turnover was 278, resulting in a turnover rate of 5.86%. The consistently high share of newly hired employees from local communities reflects the Company’s strong connection to the communities surrounding its operations, particularly Kajaran and Kapan.

New hires and turnover rate

Indicator	2023		2024		2025	
	Hires, persons	Turnover rate, %	Hires, persons	Turnover rate, %	Hires, persons	Turnover rate, %
By gender						
Male	259	5.30	167	5.25	377	4.43
Female	76	6.10	49	3.66	75	11.10
By age group						
Under 30 years old	105	2.70	71	3.46	183	2.62
30-50 years old	181	1.90	117	2.43	231	3.49
Over 50 years old	49	15.90	28	11.91	38	13.71
By region						
Local (Kajaran and Kapan)	256	4.60	160	4.26	374	5.83
From other regions of the RA and abroad	79	12.00	56	9.92	78	6.17
Total	335	5.53	216	4.89	452	5.86

Diversity in governance bodies and among employees

GRI 405-1, GRI 202-2

The total number of Senior management is 15, comprising individuals from Yerevan (9), other regions of Armenia (2), and abroad (4).

Diversity of governance bodies and employees

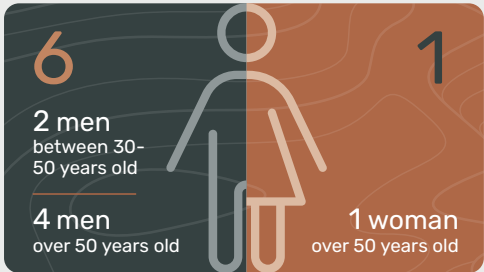
Indicator	2023			2024			2025		
	BoD	Senior Management	Laborers	BoD	Senior Management	Laborers	BoD	Senior Management	Laborers
By gender									
Male	6	15	3,625	6	14	3,603	6	15	3,814
Female	1	0	1,026	1	0	1,037	1	0	999
By age									
<30	0	0	603	0	0	578	0	0	645
30-50	3	12	2,885	2	10	2,916	2	11	3,027
>50	4	3	1,163	5	4	1,146	5	4	1,141
Total	7	15	4,651	7	14	4,640	7	15	4,813

The Company has not adopted a policy on gender equality. However, around 20% of our staff are women, which is above the industry average. Additionally, the commitment to human rights and equal employment opportunities is embedded in Armenian legislation as well as ZCMC’s Code of Conduct, which explicitly prohibits discrimination based on race, ethnicity, national origin, gender, sexual orientation, religion, beliefs, disability, age, or any other personal or social characteristic. Consistent with these principles, ZCMC’s workforce also includes employees and contractors from Russia, Uzbekistan, Kazakhstan, England, Germany, and other countries.

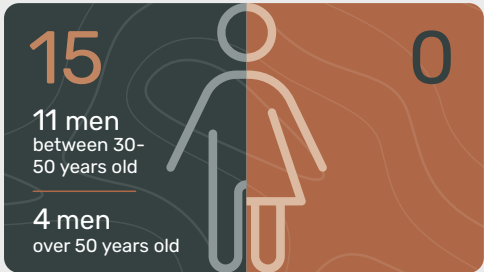
The Company recognizes the importance of Code of Conduct training and considers it an area for continued focus for 2026. In the 2025 reporting year 55 employees completed dedicated training on the Code of Conduct. At the same time, all employees were informed about the Code of Conduct through Company-wide communication channels. The Company will continue to strengthen awareness and communication formats, including face-to-face sessions and other activities where relevant.

Currently, the organizational structure reflects the following composition by age and gender:

Board of Directors



Senior management



Engagement of Contractors

GRI 2-8

In 2025, ZCMC engaged 1,210 non-employees through contractors. The contracted personnel were primarily consultants providing translation, administrative, legal, and business consulting services, as well as support for construction- and production-related activities. Integrated with the relevant departments, they enable the Company to complement its internal capabilities with specialized external expertise.

Employees and contractors

Indicator	Units	2023	2024	2025
Total employment ¹⁹	People	5,268	7,554	6,038
Number of contractors ²⁰	People	602	2,900	1,210 ²¹
Percentage of contractors	%	11.43	38.4	20.04

¹⁹ This indicator comprises both ZCMC’s own workers and contractors.

²⁰ The number of contractors is compiled based on actual headcount, which ensures precise and verifiable data. Data is reported as observed at the end of the reporting period, providing a definitive snapshot of non-employee engagement at a specific time.

²¹ The number of contractors declined in 2025, primarily because the construction works carried out in 2024 had been completed. In 2024, drivers represented the main contractor group; once those activities were finalized as planned, the need for such services decreased, leading to a reduction in contractors in 2025.

Investing in People: A Commitment to Workforce Development

GRI 404-1



4

In 2025, ZCMC organized 254 training sessions across various types and areas of expertise. The total training duration was 865 hours, with 1,996²² participants across all departments and employee categories. Among the participants,

200 were women, and 1,796 were men, representing approximately 20% of the female workforce and 47% of the male workforce respectively. This difference in participation is largely linked to the workforce composition of the mining sector and the operational focus of many training programs, which are predominantly attended by employees in technical and production-related roles.

Nevertheless, ZCMC continues to promote inclusive learning and development opportunities for employees across all departments and employee categories.

Although participation decreased compared to 2024, the Company maintained its focus on targeted and specialized training initiatives.

Training in 2025 (by gender)²³

Gender	2023			2024 ²⁴			2025 ²⁵		
	People	Total hours	Average hours	People	Total hours	Average hours	People	Total hours	Average hours
Male	3,640	9,100	2.5	3,617	1,374	0.38	3,829	4,618	0.96
Female	1,026	2,565	2.5	1,037	282	0.27	999	514	0.11
Total	4,666	11,665	2.5	4,654	1,656	0.36	4,828	5,132	1.06

Training implemented in 2025 (by type)²⁶

Training type	Sessions	Duration (hours)	Participants
Mandatory training	8	416	208
Occupational training	57	890	125
Technical skills training	49	274	129
Soft skills training	2	32	4
Certification training	41	1,162	581
Pre-certification training	97	2,358	949
Total	254	5,132	1,996

1.06²⁷

Average hours spent on training per employee

GRI 404-2

In 2025, ZCMC maintained a structured, comprehensive approach to employee development, ensuring ongoing skill and competency enhancement across the workforce. The following programs are delivered through a mix of in-house sessions, external providers, and e-learning platforms to support continuous learning and career development.

Currently, no formal transition assistance programs are in place to support continued employability or to manage career transitions following retirement or termination of employment.

Below is a breakdown of employees who received certification and attestation during 2025.

Number of employees who received certification and attestation, 2025²⁸

Type	Male		Female		Total
	People	Percentage	People	Percentage	
Attestation	855	17.0%	47	1.0%	902
Certification	1,052	22.0%	13	0.0%	1,065
Total	1,907	39.0%	60	1.0%	1,967



²² The reported figures include only training sessions conducted by the ZCMC Training Centre. Details of Health and Safety (H&S) training are presented in next chapter.

²³ The reported figures include only training sessions conducted by the ZCMC Training Centre. Details of Health and Safety (H&S) training are presented in the chapter “Building a Culture of Safety, Health, and Operational Resilience”.

²⁴ The 2024 data was updated by recalculating the metric based on the total number of employees rather than the total number of training participants.

²⁵ Since 2025, induction information has been provided as part of the employment contract process instead of through dedicated induction sessions.

²⁶ Training hours have been updated to reflect the reporting approach applied in 2025.

²⁷ Information briefing/induction sessions are not included.

²⁸ A more detailed breakdown is presented in the Human Capital section of [Appendix 3](#).

Performance and Career Development Reviews

GRI 404-3

In 2025, ZCMC continued to emphasize employee development through structured performance and career evaluations to align individual capabilities with organizational objectives and support long-term professional growth. These assessments evaluate job-related competencies, overall performance, and development potential, and are integral to the Company's human capital management approach.

During the reporting year, performance and development reviews were conducted for a targeted group of employees, all classified as workers. The gender distribution of the employees reviewed reflected the broader workforce structure, with

95%
males

(261 individuals)

5%
females

(13 individuals),

consistent with the Company's overall demographic composition.

Fair Pay and Benefits: Supporting Employee Well-being

GRI 401-2, GRI 401-3

ZCMC remains committed to safeguarding employees' well-being and safety, recognizing that a robust, thoughtfully designed benefits package is essential to attracting and retaining skilled talent. ZCMC provides its full-time workforce with a comprehensive set of enhanced benefits to support their security, health, and overall quality of life.²⁹ Employees also receive benefits offered by the Trade Union.

The Company ensures compliance with the parental leave requirements set out in the Labor Code of the Republic of Armenia, providing eligible employees with the statutory leave entitlements prescribed by national legislation.

Commitment to Fair Compensation

GRI 202-1, 405-2

In 2025, the average salary was 12.7 times the minimum wage, up from 11.37 times in 2024, reflecting a continued widening of the compensation gap in favor of ZCMC employees. ZCMC, as a potential participant in the UN Global Compact, not being formally committed to the Forward Faster target, will assess and continually improve its living wage performance.

In 2025, ZCMC continued to uphold its commitment to fair and equitable remuneration practices in full compliance with the laws of the Republic of Armenia. In all cases, employees' monthly gross salaries exceeded the minimum wage established by law, in line with the RA Labor Code requirement that wages must not fall below the minimum threshold. This standard is applied uniformly to all employees, with the minimum wage the same for everyone, without differentiation, including across the Company's significant locations of operation.³⁰

12.7

times

the minimum wage was the average salary in 2025, up from 11.37 times in 2024, reflecting a continued widening of the compensation gap in favor of ZCMC employees

The Company maintains a consistent approach to equal compensation, with no gender-based differences in the ratio of entry-level wages to the minimum wage across its key operational locations. The Company maintains a structured bonus scheme under which employees receive biannual bonuses, and additional performance awards may be granted to recognize exceptional achievements and contributions. Gender equality and equal pay principles are fully embedded across all aspects of ZCMC's operations.

²⁹ Further details are presented in the [2024 Sustainability Report, section 4, Page 74](#).

³⁰ 'Significant locations of operation' refer to Kajaran and Kapan, RA, where the main operations of the organization are located.

Total staffing budget,
USD millions



In particular, the ratio of basic salary to total remuneration for women and men remains 1:1 across the Company. Similarly, the ratio of basic salary to remuneration across other relevant diversity indicators is also 1:1, demonstrating ZCMC’s commitment to fairness, inclusivity, and non-discrimination in its compensation practices.

ZCMC increased its staffing budget from 2022 to 2025, reaching USD 140.3 million. This growth reflects the Company’s ongoing commitment to attracting, retaining, and rewarding a skilled workforce and to creating long-term value for employees, local communities, and the business.

1:1
remains the ratio

of basic salary to total remuneration
for women and men across the
Company

\$140.3
million

was the staffing budget reached
by ZCMC after increasing it from
2022 to 2025

Workplace Safety: Upholding Non-Discrimination and Zero Tolerance

GRI 3-3

IN 2025, ZCMC RECORDED NO REPORTED CASES OF DISCRIMINATION, WHETHER BASED ON RACE, COLOR, GENDER, RELIGION, POLITICAL BELIEFS, NATIONAL ORIGIN, SOCIAL BACKGROUND, OR ANY OTHER GROUNDS DEFINED BY THE INTERNATIONAL LABOR ORGANIZATION (ILO), AFFECTING INTERNAL OR EXTERNAL STAKEHOLDERS. THIS OUTCOME REFLECTS A CONTINUATION OF A POSITIVE TRACK RECORD OVER THE PAST FIVE YEARS.

A safe, respectful, and inclusive workplace is an ongoing journey with new targets that ZCMC strives to achieve and maintain. Central to this journey is a zero-tolerance policy against discrimination, harassment, and workplace violence in any form. Every employee and individual connected to the Company’s operations is entitled to fair and equal treatment, regardless of gender, race, ethnicity, religion, sexual orientation, disability, age, or any other personal characteristic. Merit-based decision-making and equal opportunity are integral to how work is conducted.

This topic is governed by ZCMC’s Policy Against Workplace Violence, Harassment, Discrimination, and Retaliation and the Human Rights Policy, which together set the standards and expectations for conduct across the Company.

This standard extends beyond the workforce to include contractors, vendors, and all third parties operating within the Company’s business ecosystem. The Company’s contracts include provisions requiring contractors and their employees to comply with the Company’s Occupational Health and Safety, Human Rights, Code of Conduct and other applicable policies, as well as internal rules and regulations, throughout the provision of services. Any intimidation, threat, retaliation, or conduct that fosters a hostile work environment is strictly prohibited and will result in decisive action. All reported incidents of misconduct are taken seriously, thoroughly investigated, and promptly resolved. To ensure every concern is heard, ZCMC offers multiple reporting channels – a dedicated hotline and email address, an online complaint form, and grievance boxes at the Kajaran administrative building – all accessible anonymously should employees wish.



Case Study: Workforce Relations, Operational Disruption and Recovery (2025)

■ SASB EM-MM-310a.2.

In February 2025, ZCMC faced a temporary disruption to normal operations due to labor-related tensions at the site, resulting in a short-term suspension of mining and processing activities. The event highlighted the importance of structured employee engagement, clear communication, and effective internal mechanisms for resolving workplace concerns to maintain operational continuity.

The disruption was neither organized nor led by the ZCMC Trade Union. At the time of the event, no formal grievances related to the matter had been submitted through the Company's grievance mechanism.



During the suspension period, the Company incurred estimated direct losses of about USD 1 million per day. The interruption also had broader economic implications, including estimated state tax revenue losses exceeding USD 300 thousand per day. These figures underscore the broader economic importance of uninterrupted operations in a large-scale industrial enterprise.

Following an internal review, the Company terminated the employment contracts of eight employees. All terminations were based on the same legal grounds and were in accordance with applicable national legislation and internal procedures.

Before the terminations, multiple discussions and proposals were held with the individuals involved to resolve the situation. These proposals were not accepted, and the employment relationship was subsequently terminated. No additional severance or discretionary remediation beyond statutory requirements was provided, and no third-party review or independent legal assessment has been conducted or is planned.

The situation was managed through internal governance structures comprising operational management and legal functions, with decisions made through established escalation and approval processes. The Company continues to engage with employee representatives, including the Trade Union, as part of its ongoing labor relations practices.

The event also highlighted the need to strengthen early-stage dialogue mechanisms, improve the clarity and accessibility of grievance channels, and reinforce structured communication between employees and management to prevent workplace issues from escalating.

Following the restoration of production, a special internal commission was established under the General Director's (GD) leadership to engage with each workshop in a structured, cooperative manner. The commission reviewed operational and workforce-related issues and developed a comprehensive action plan for wage adjustments to ensure transparent, fair, and consistent remuneration across the organization and to improve working conditions in the production units. The commission met quarterly with employees in the production units, offering them an opportunity to raise their concerns directly. As a result, concerns and grievances (including personal requests) were incorporated into the commission's action plan. Most action items have been successfully implemented, and some are in the development stage, which is monitored by the GD.

Through the middle management chain, progress to date has been communicated to the employees. This process supports the restoration of dialogue and continues to contribute to rebuilding internal trust after the disruption.

The 2025 event underscored the close connections between workforce relations, operational stability, and the Company's broader economic performance. Although operations resumed after the situation was resolved, the event reinforced the need for continuous improvement in employee engagement, transparent decision-making, and structured internal dialogue.

THE ORGANIZATION REMAINS COMMITTED TO STRENGTHENING ITS LABOR RELATIONS FRAMEWORK TO SUPPORT SAFE, STABLE, AND SUSTAINABLE OPERATIONS.

4,266
participants

took part in the occupational health
and safety training courses in 2025

5

Building a Culture
of Safety, Health,
and Operational
Resilience

58	The OHS Management System and Its Foundations
60	Hazard Identification, Risk Assessment, and Control Measures
62	Protection of Workers' Health and Safety
64	Preventing OHS Impacts Across Operations and Business Relationships
65	Building a Safer Workplace Through OHS Training
68	Promoting Worker Health Through Comprehensive Occupational Health Services
69	Access to Healthcare Services
70	Continuous Monitoring and Prevention
71	Work-related Injuries and Ill Health
73	Assessment of the Health and Safety Impacts of Product and Service Categories

The OHS Management System and Its Foundations

GRI 3-3, GRI 403-1, GRI 403-8

ZCMC’s occupational health and safety (OHS) management system remains embedded in the Company’s daily operations and serves as a key framework for managing health and safety risks across its activities. The system is designed to support compliance with applicable national legislation and regulatory requirements and to reflect internationally recognized occupational health and safety standards. This framework is supported by the continuous development of a strong safety culture, which the Company considers essential for achieving safe, reliable, and sustainable operational performance. We build our safety strategy around strengthening safety leadership, integrating safety-by-design principles across our operations, and striving toward Zero Fatalities and Zero Harm.

THE SCOPE OF ZCMC’S OHS MANAGEMENT SYSTEM ENCOMPASSES ALL ACTIVITIES AND WORKPLACES UNDER THE COMPANY’S OPERATIONAL CONTROL, SPANNING THREE INTERCONNECTED DIMENSIONS: PEOPLE, OPERATIONAL PROCESSES, AND SITES/FACILITIES.^{31 32}

Number of ZCMC’s employees covered by the OHS management system

Type	2023		2024		2025	
	People	% of the total number of employees	People	% of the total number of employees	People	% of the total number of employees
Number of people covered by ZCMC’s OHS management system	4,487	96.20%	4,654	100%	4,828	100%
Number of people covered by ZCMC’s OHS management system that passed the internal audit procedure	≈3,634	≈78%	4,654	100%	4,828	100%

Number of non-employees (contractors) of ZCMC covered by the OHS management system

Type	2023		2024		2025	
	People	% of the total number of employees	People	% of the total number of employees	People	% of the total number of employees
Number of non-employees (contractors) covered by ZCMC’s OHS management system	≈602	≈100%	2,900	100%	1,210	100%
Number of non-employees (contractors) covered by ZCMC’s OHS management system that have undergone an internal audit procedure	≈602	≈100%	2,900	100%	1,210	100%



³¹ See the 2024 Sustainability Report, section 5, page 80.
³² Where contractors operate independently outside ZCMC’s operational control (e.g., off-site transportation beyond Company-controlled areas), they are contractually required to maintain their own compliant OHS management systems. Such activities are not directly covered by ZCMC’s OHS management system but are subject to monitoring and periodic audits.

Hazard Identification, Risk Assessment, and Control Measures

GRI 403-2

ZCMC applies systematic processes to identify work-related hazards, assess risks, implement controls, and continuously improve its OHS management system. The Company continues to follow a Plan-Do-Check-Act approach (PDCA)³³, which supports ongoing improvements in workplace safety and helps ensure that risks are proactively and effectively managed.

Through its Hazard Identification and Risk Assessment (HIRA) processes, ZCMC seeks to anticipate risks before they materialize and to embed prevention into daily operational decision-making.



Hazards and associated risks are identified through both routine and non-routine processes, enabling ZCMC to address risks across everyday activities as well as higher-risk or exceptional work situations. These processes are supported by the following mechanisms:

- Job Safety Analysis (JSA) and Safe Work Procedures (SWP).
- Pre-task risk assessments and toolbox talks.
- Workplace inspections and behavioral safety observations.
- Industrial hygiene monitoring, including assessments of dust, noise, vibration, and chemical exposure.
- Health surveillance programs.
- Risk assessments for non-routine activities, including shutdowns, maintenance campaigns, blasting operations, confined space entry, and work at height.

The effectiveness of HIRA processes depends not only on the procedures in place, but also on the competence of the people applying them. ZCMC therefore places a strong emphasis on the quality of its HIRA processes and the capabilities of the personnel involved. Certification is conducted for OHS specialists, engineers, supervisors, and other responsible persons, while mandatory training in risk assessment methodologies helps ensure consistent risk identification and evaluation. Procedures within the OHS management system are also clearly defined to support a common, structured approach across operations.

Quality assurance is further supported by regular internal audits and management system reviews, periodic external audits, such as those conducted by the Health and Labor Inspection Body of the Republic of Armenia and for ISO certification, and the use of accredited laboratories for industrial hygiene measurements.

Findings from HIRA processes, including inspections, monitoring activities, hazardous-factor measurements, and accident and incident investigations, are reviewed by Senior management as part of continuous improvement of the OHS management system. These reviews help strengthen existing control measures and inform decisions on:

- Updating the risk register.
- Revising Safe Work Procedures and operating instructions.
- Defining annual OHS objectives and targets.
- Prioritizing capital investments in engineering controls.
- Informing training programs.
- Improving emergency preparedness and response planning.
- Strengthening contractor management processes.

Hazard identification and risk assessments are also integrated into the design stage of ZCMC's Expansion Project, covering the key industrial facilities scheduled to become operational. Design solutions are developed with consideration of applicable local and international requirements, recognized good practice, and grievances or feedback received from stakeholders. In this way, decision-making and investment planning are directed toward preventing potential risks and reducing existing ones before they become embedded in future operations.

THIS APPROACH SUPPORTS THE COMPANY IN:

- 01** Preventing injuries, occupational diseases, and fatalities by identifying potential sources of harm before incidents occur.
- 02** Managing risks systematically through elimination, substitution, engineering controls, administrative controls, and personal protective equipment (hierarchy of controls³⁴).
- 03** Maintaining compliance with applicable national legislation and international standards.
- 04** Protecting assets, production continuity, and corporate reputation by reducing operational disruptions and losses.
- 05** Supporting informed decision-making in the planning of new projects, process changes, equipment installation, and non-routine work.
- 06** Strengthening safety culture and performance through proactive risk management and continuous improvement.

³³ See the 2024 Sustainability Report, section 5, page 81.

³⁴ See the 2024 Sustainability Report, section 5, page 82.

Protection of Workers' Health and Safety

GRI 403-2

Protecting workers' health and safety remains a core commitment for ZCMC and is supported by processes that encourage early reporting, open communication, and timely responses to potential risks. Workers are encouraged to report work-related hazards and unsafe conditions through several available channels, including direct reporting to supervisors or the OHS Department, email reporting systems, where implemented, and the near-miss reporting³⁵ hotline. Regular safety meetings, toolbox talks, and weekly safety shares also provide structured opportunities for workers to raise concerns and discuss preventive actions.

ZCMC's OHS Policy and Policy Against Workplace Violence, Discrimination, Harassment, and Retaliation support this reporting culture by protecting workers who report hazards, unsafe conditions, near misses, or incidents, from disciplinary action or other reprisal. Through this approach, management seeks to foster a positive safety culture in which workers can proactively raise concerns without fear of negative consequences.

The same protection applies when workers remove themselves from unsafe work situations. ZCMC's OHS Policy gives employees both the right and the obligation to refuse or stop work when they reasonably believe that a serious and imminent risk to life or health exists, in accordance with the RA Labor Code and ISO 45001 requirements.

Once a hazard or unsafe situation is identified, corrective actions are taken before work resumes. Employees are trained to recognize unsafe conditions, understand available reporting channels, and know when and how to safely remove themselves from danger.

To support the ongoing safety of workers and all work-related processes, ZCMC conducts thorough investigations whenever accidents or incidents occur. Each investigation aims to identify root causes, prevent recurrence, and continuously improve the effectiveness of the OHS management system.

DURING THE REPORTING PERIOD, NO CASES WERE REPORTED IN WHICH EMPLOYEES RAISED CONCERNS ABOUT WORK-RELATED HAZARDS OR REMOVED THEMSELVES FROM UNSAFE WORK SITUATIONS.

We operate a series of structured processes to ensure that workers are heard, and that their practical, on-the-ground experience informs our safety practices. Key processes include:

1. Involvement of employees and contractor representatives in hazard identification, risk assessments, and job safety analyses, particularly for high-risk mining and construction activities.
2. Consultation with workers when developing or revising OHS policies, procedures, and safe work instructions, including those related to working at height, mobile equipment, blasting, confined spaces, and construction operations.
3. Active participation in incident investigations to determine root causes and identify corrective and preventive actions.
4. Regular toolbox talks, pre-shift briefings, and safety meetings provide opportunities for workers to raise safety concerns, propose improvements, and receive timely feedback.

5. Accessible mechanisms for reporting hazards, unsafe conditions, near misses, and health concerns, including confidential or anonymous reporting channels where applicable.
6. Engagement of workers and contractors in OHS inspections, audits, and performance reviews to support ongoing improvement of safety performance.

OHS remains a top priority for ZCMC's Senior management. Each week, workshop heads meet to review key safety matters, including hazardous situations, recent incidents, outstanding corrective actions, and other relevant OHS issues. These meetings ensure that risks and concerns are addressed promptly and that safety remains central to operational decisions. The outcomes of these discussions are then reported to Senior management.

³⁵ Near misses are events that could have led to an accident or injury but did not. They are categorized based on potential severity, frequency, and risk level. These are classified by the type of hazard or activity involved, such as mechanical failures, human error, or environmental factors. No near misses were reported during 2025.

Incident Investigation Procedures

ZCMC uses a structured incident investigation process for fatalities, lost-time injuries (LTIs), medical treatment cases, near misses, high-potential incidents, and identified occupational diseases.



By applying this process, ZCMC uses incidents as a basis for organizational learning and continuous improvement. Investigation outcomes help strengthen internal controls, reduce the likelihood of re-occurrence, and further reinforce the effectiveness of the OHS management system, supporting safer and more sustainable operations.

Preventing OHS Impacts Across Operations and Business Relationships

GRI 403-7

ZCMC recognizes that occupational health and safety impacts can extend beyond its direct workforce and may arise from activities related to its operations, products, services, and business relationships. Accordingly, the Company uses a risk-based, preventive approach to identify, prevent, and mitigate significant negative OHS impacts associated with contractors, subcontractors, and suppliers. The implementation of this approach is regularly overseen through weekly executive meetings, where the General Director and the Executive Management review occupational health and safety performance, key risks, incidents, and priority actions to support timely decision-making and continuous improvement.

Key risks associated with these business relationships include heavy equipment operations, blasting operations, work at height, confined space entry, electrical hazards, and exposure to occupational dust and noise.

Contractor-related incidents are investigated using root-cause analysis, followed by corrective and preventive actions and the sharing of lessons learned with relevant teams. Senior management monitors contractor OHS performance through defined KPIs, audits, and regular reviews. ZCMC maintains a zero-tolerance approach to unsafe practices and ensures that safety requirements are not compromised by operational or commercial pressures.



Building a Safer Workplace Through OHS Training

GRI 403-5, SASB EM-MM-320a.1.

The health, safety, and well-being of workers are a priority for ZCMC, and training is essential to safeguard these commitments. Regular generic and specialized OHS training sessions are provided to all employees and non-employee workers, including contractors and subcontractors at Company-controlled sites.



Given the high-risk nature of mining operations and the presence of construction activities across ZCMC sites, specialized training is regularly provided alongside the generic modules. This training is task- and risk-specific and designed for workers exposed to particular hazards or involved in high-risk activities, including:

- ▶ Mining-specific hazard training, such as blasting operations, ground instability, heavy mobile equipment operation, and work in open pits or underground areas (where applicable).
- ▶ Construction-related hazard training, including working at heights, lifting operations, scaffolding, formwork, excavation, and the use of power tools and machinery.
- ▶ Training in confined space entry, hot work, electrical safety, and lockout/tagout procedures.
- ▶ Traffic management and equipment interaction training to reduce vehicle-pedestrian interface risks.
- ▶ Health-focused training on exposure control measures, including dust suppression, noise protection, and chemical handling.

Training courses organized by the Health and Safety Division and the number of participants

	Number of participants in 2023	Number of participants in 2024	Number of participants in 2025
Internal training organized by H&S			
Generic training for employees – Health and safety induction according to all procedures, legal acts, and normative documents	478	593	879
Generic training for visitors ³⁶	343	580	713
Generic training for contractors	602	2,900	1,210
Generic training for practitioners and students	118	91	126
Safe traffic/open pit	-	179	175
Noise and vibration	-	-	559
Training for shift masters	146	152	-
Training for safe work in confined spaces	198 ³⁷	181	34
Training for safe work at height	379	354	44
Internal training for riggers/lifters	418	455	471
Internal training for welders	-	97	-
Fire safety measures and responsible persons	161	184	55
Total	2,843	5,766	4,266

4,266
participants

took part in the training courses
in 2025

Participation in several training programs decreased in 2025 compared with the previous year. The decrease correlates with the periodic nature of these courses, which are typically delivered every two or three years, as well as with work shifts and the number of specialists presented by the relevant departments. ZCMC also introduced a new “Noise and Vibration” training program in 2025, which was attended by 559 participants.

³⁶ Several training categories, namely Generic training for visitors, Generic training for contractors, Generic training for practitioners and students, and Noise and vibration, are introduced as new disclosure categories in the 2025 reporting period.

³⁷ The number of participants for 2023 has been revised.



Certification, qualification and requalification

Employee category	Employees reviewed (% of Total employees) ³⁹		Number of employees 2025
	2024	2025	
Riggers	12.0%	12.2%	591
Employees working with equipment under pressure	8.0%	2.4%	115
Employees responsible for lifting operations (different types of crane operators, forklift operators, elevator operators, lifting hoists operators)	4.0%	3.5%	171
Conveyor operators	3.5%	0%	0
Mine fleet drivers	7.0%	0%	0
Employees responsible for hazardous production facilities	n/a ⁴⁰	3.3%	157
Fuel station operators	n/a	0.4%	19
Drivers of fuel tanker trucks	n/a	0.2%	12
Total			1,065

To ensure training is effective and understandable, ZCMC engages qualified internal trainers or competent external providers to deliver high-quality instruction. Trained staff are required to demonstrate their understanding through competency assessments, practical demonstrations, and, where required, evaluations for high-risk tasks.

Training courses are kept up to date through regular reviews, particularly based on findings from incident investigations and risk assessments.

ZCMC remains committed to promoting sobriety⁴¹ in the workplace, an essential element of occupational health and safety, to help protect employees and maintain a safe working environment. In line with its Zero Harm commitment, ZCMC has purchased alcohol-testing equipment and conducts regular checks to ensure employees are fit for work.

IN 2025, 5,716 ALCOHOL TESTS WERE PERFORMED, WITH EIGHT CASES OF NON-COMPLIANCE IDENTIFIED. THE EMPLOYEES INVOLVED HAVE BEEN DISMISSED, DEMONSTRATING THE ORGANIZATION'S STRONG DEDICATION TO A SAFE, ALCOHOL-FREE WORK ENVIRONMENT.

³⁸ In the table "Training courses organized by the Health and Safety Division and the number of participants" the total amount also includes 713 visitors and 126 practitioners and students which are not considered as employees.

³⁹ Comparable data for 2023 is not available; therefore, the trend analysis is presented only for 2024 and 2025.

⁴⁰ Some 2024 data is unavailable because certifications are conducted every 2-3 years for certain employee categories.

⁴¹ See the [2024 Sustainability Report, section 5, page 85](#).

Promoting Worker Health Through Comprehensive Occupational Health Services

GRI 403-3

Provision of occupational health services is a continuous commitment that ZCMC maintains for all individuals whose work and/or workplace is controlled by the Company across mining sites and associated construction areas. This covers all employees as well as non-employee workers, such as contractors and subcontractors.

In a work environment shaped by mining and ongoing construction, occupational health services focus on prevention, early identification of health risks, and reducing exposure to high-risk working conditions.

ZCMC provides occupational health services to employees and ensures access to emergency medical support for non-employee workers, including contractors and subcontractors, when their work or workplace is under the Company's control.

Pre-employment and periodic medical examinations are not conducted by ZCMC for non-employee workers. However, all workers on site, regardless of employment status, have access to first aid and emergency medical assistance in the event of injury, acute illness, or other health-related incidents.

THESE SERVICES ARE DELIVERED THROUGH THE FOLLOWING FUNCTIONS:

- ▶ Organizing pre-employment and periodic medical examinations for employees in accordance with national legal requirements and internal procedures.
- ▶ Conducting health surveillance for employees exposed to occupational hazards, including noise, vibration, dust, chemicals, heavy physical workload, and other mining-related risk factors.
- ▶ Carrying out fitness-for-work assessments to confirm that employees are medically fit to perform assigned tasks safely.
- ▶ Providing on-site first aid and an emergency medical response for all workers present on the site, including contractors and subcontractors.
- ▶ Analyzing occupational disease trends and health-related data to inform preventive measures and improvements in working conditions.
- ▶ Involving medical personnel and the OHS Department in risk assessments and workplace inspections where health risks are identified.

To maintain the quality and reliability of occupational health services, ZCMC works with licensed medical professionals and accredited medical institutions. Medical examinations are conducted in accordance with national legislation and approved medical protocols, and employees are informed about medical centers, first aid rooms, and relevant procedures during induction and training.

Through these measures, ZCMC strengthens the protection of workers' health and supports the ongoing improvement of occupational health and safety performance across its operations.

Access to Healthcare Services

GRI 403-6, SASB EM-MM-320a.1.



ZCMC prioritizes the health and well-being of its workforce and remains committed to ensuring access to comprehensive on-site medical services, healthcare support provided in collaboration with medical centers in Kapan and Kajaran, and coverage through the insurance provider for all employees and their family members.

Pre-employment medical examinations, which ensure that only candidates deemed medically fit are authorized to work in hazardous positions, along with regular medical check-ups to identify health concerns and take appropriate action, remain mandatory at ZCMC. These practices ensure that employees' health is continuously monitored and protected.

All commitments highlighted in the 2024 Sustainability Report⁴² are being maintained and demonstrate the Company's strong dedication to safeguarding the health and well-being of its employees.

Recognizing the importance of investing in future generations, ZCMC supports initiatives that promote healthy lifestyles, leadership, and social inclusion. Through its partnership with the annual "Davitbekyan Games" festival, the Company helps create a nationwide platform that brings together young people from Armenia and the Armenian diaspora through educational, sports,

and team-based activities. The initiative strengthens leadership, resilience, teamwork, and practical life skills, fosters stronger social connections, and contributes to the long-term development of the Company's host communities and the Syunik region.

The festival also aims to foster social inclusion by facilitating the integration of forcibly displaced young people through shared activities and exchanges with local youth.

Building on these efforts, ZCMC also organized its first Health Day event for employees in 2025. The initiative was designed to promote healthy lifestyles, encourage regular participation in physical activity and sport, and contribute to employee well-being.

The event brought together approximately 300 employees from 13 teams, who participated in a range of amateur sporting activities over two days. In addition to promoting physical well-being, the event provided an opportunity to strengthen teamwork, foster employee engagement, and build a stronger sense of community across the workforce. Participants and top-performing teams were recognized for their commitment, teamwork, and active participation.



Continuous Monitoring and Prevention

IN 2025, EMPLOYEES EXPOSED TO HAZARDOUS WORKING CONDITIONS WERE REQUIRED TO UNDERGO MANDATORY MEDICAL EXAMINATIONS. NO OCCUPATIONAL DISEASES WERE IDENTIFIED.

Periodic medical check-ups in 2023–2025

No. of employees	2023			2024			2025		
	Scheduled	Examined	Examination rate (%)	Scheduled	Examined	Examination rate (%)	Scheduled	Examined	Examination rate (%)
Total	3,035	3,001	98.90%	3,010	2,983	99.1%	3,357	3,321	98.9%
Women	500	496	99.60%	450	448	99.6%	476	472	99.2%

ZCMC continues to provide health insurance coverage to all employees and their family members and additionally supports through charitable foundation those issues that are not covered by the insurance policy. That is a significant annual contribution that finances medical treatments beyond state-funded services. This support extends not only to ZCMC employees but also to members of the local communities.

Work-related Injuries and Ill Health

GRI 403-9, GRI 403-10, EM-MM-320a.1.

ZCMC is committed to ensuring the safety of employees and all workers engaged in activities at Company-controlled sites. ZCMC conducts ongoing monitoring of all work-related incidents and injuries to mitigate their negative impacts and gain insights to minimize similar cases in the future.

In 2025, four high-consequence work-related injuries were recorded⁴³.

Breakdown of High-Consequence Cases⁴⁴

Date	Employment Type	Nature of Injury	Brief Description
02/08/2025	Employee	Open fractures of 3rd and 4th fingers (left hand)	Injury occurred during concentrate sampling near rotating drum; fingers were caught while attempting to retrieve bucket. Surgical treatment performed.
07/08/2025	Contractor	Open comminuted fracture of 4th finger (right hand)	Finger crushed during hydraulic system maintenance of dump truck. Surgical treatment and hospitalization required.
20/08/2025	Employee	Traumatic amputation of 3rd and 4th fingers (right hand)	Sling failure during rotor dismantling caused crush injury. Amputation and surgical reconstruction performed.
29/10/2025	Employee	Partial amputation of 3rd finger (right hand)	Finger trapped under metal rod during conveyor belt preparation work. Surgical treatment performed.



⁴³ During 2025, no fatalities were recorded as a result of work-related injury or ill health.
⁴⁴ High consequence cases are defined by the Organization standard on notification, investigation and registration of “near misses”, incidents and accidents.

Other main injuries suffered by ZCMC employees and contractors include:

- Fractures and musculoskeletal injuries.
- Contusions and superficial injuries.
- Crush and avulsion injuries.
- Maintenance-related injuries.

Injury rates (employees of ZCMC)⁴⁵

Indicator	2023	2024	2025
Number of fatalities related to ZCMC's operations (units)	0	1	0
Fatalities related to ZCMC's operations (%)	0	0.12	0
Number of serious injuries related to ZCMC's operations (excluding fatalities) (units)	6	5	3
Severe injury rate related to ZCMC's operations (%)	0.75	0.62	0.37
Number of lost time injuries (LTI) (units) ⁴⁶	9	10	10
LTI frequency rate (LTIFR) (%)	1.12	1.25	1.26
Total number of working hours (man-hours)	8,009,520	7,983,472	7,928,448
Medical treatment cases (MTC)	69	61	34
Total recordable injury frequency rate (TRIFR)	9.74	8.89	5.54

Injury rates (employees of contractors)

Indicator	2023	2024	2025
Number of fatalities related to ZCMC's operations (units)	0	0	0
Fatalities related to ZCMC's operations (%)	0	0	0
Number of serious injuries related to ZCMC's operations (excluding fatalities) (units)		1	1
Severe injury rate related to ZCMC's operations (%)	0	0.23	0.48
Number of LTI (units)	2	2	3
LTI frequency rate (LTIFR) (%)	0.74	0.48	1.43
Total number of working hours (man-hours)	≈2,719,080	4,176,000	≈2,090,880 ⁴⁷

To reduce injuries, ZCMC continues to strengthen its preventive controls by applying lessons learned from previous incidents and injury investigations. These efforts include reinforcing life-saving rules and critical risk-control standards, delivering targeted safety briefings on injury prevention, increasing supervision during high-risk activities, and implementing engineering controls, such as improvements to machine guarding. ZCMC also enhances the use and monitoring of personal protective equipment and maintains ongoing safety training and awareness initiatives focused on hazard recognition and safe work practices.

34
employees

received first aid at on-site first aid points in 2025. These cases were classified as non-recordable incidents in accordance with applicable legal and regulatory criteria.

⁴⁵ The rates have been calculated based on 1,000,000 hours worked.

⁴⁶ The LTI figure for 2023 was restated.

⁴⁷ A new method for the recoding of the Contractor's working hours is being integrated in the Company to be able to report an absolute number.

Assessment of the Health and Safety Impacts of Product and Service Categories

GRI 416-1, GRI 416-2

Approximately 90% of the Company's significant product and service categories are assessed for health and safety impacts to support ongoing improvement. The Company's significant product categories include copper and molybdenum concentrates, while service-related activities include the extraction, processing, storage, and transportation of mineral products. Health and safety impacts associated with these products and services are systematically evaluated throughout the operational lifecycle.

The evaluation process includes:

- Hazard identification and risk assessment during extraction and processing.
- Assessment of occupational exposure risks (dust, noise, vibration, chemicals).
- Reviews of safe handling, storage, and transportation practices.
- Product quality and compliance verification.
- Internal audits and management review processes.

The remaining product and service categories represent non-core or lower-risk activities. Although they are subject to general safety controls, they are not yet included in the formal health and safety impact assessment process. The Company continues to work to expand the scope of these assessments to ensure comprehensive coverage across all significant categories.

During the reporting period, there were no incidents of non-compliance with regulations or voluntary codes regarding the health and safety impacts of ZCMC's products and services.

Additionally, there were no incidents of non-compliance with regulations or with voluntary codes governing marketing communications.



\$18.2
million

amounted to ZCMC's community investments in 2025



Local Communities: Fostering Inclusive Growth

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Local Communities

GRI 3-3



3

For ZCMC, work with local communities has long been rooted in relationships built over time and strengthened through everyday presence, dialogue, and shared experience for more than seven decades. Over the years, this connection has evolved into a structured approach guided by clear policies, defined responsibilities, and formal governance mechanisms. Through this framework, and in line with applicable legal and international standards, the Company manages the impact of its operations on the local community and supports local development in ways intended to create shared value.⁴⁸

Our social management practices are guided by internationally recognized frameworks, including the UN Declaration of Human Rights and the IFC Performance Standards on Environmental and Social Sustainability, and adhere to the laws of the Republic of Armenia. The Company also encourages its business partners to adhere to international principles and standards when and where applicable.

Today, the Company continues to build on that foundation through established policies, institutional frameworks, and dedicated teams that turn long-term commitment into consistent practice. By aligning these efforts with national legislation and international standards, ZCMC seeks to ensure that its engagement with communities remains collaborative, responsible, and responsive to local needs.

Social Responsibility

Social responsibility has long stood at the center of ZCMC's approach, shaping how the Company supports the well-being of both local communities and the people who work in them. This commitment is reflected in continuous investment in healthcare, education, and social support, and in the fact that over 80% of the workforce comes from neighboring communities, underscoring ZCMC's deep and enduring local presence.

This commitment is evident in everyday life. ZCMC provides comprehensive health insurance for employees and their families and offers support in terms of individual health and social needs to community members. Beyond this, we invest in the local healthcare infrastructure to strengthen services available to our employees and local communities. Within the five settlements directly affected by ZCMC's operations, livelihoods are further supported through regular assistance provided under the land use compensation program.

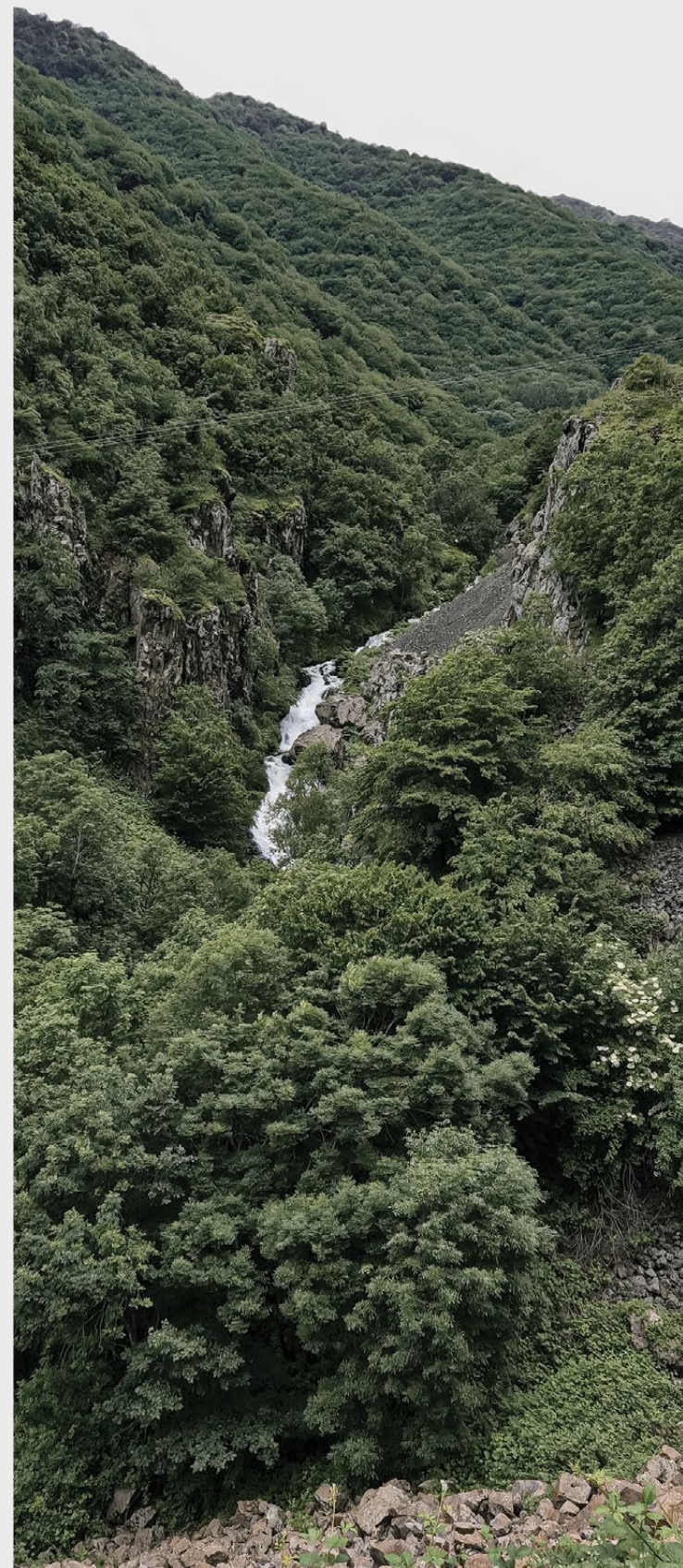
Education and youth development remain an important part of this story. Through support for educational institutions, student programs, and initiatives in sports, culture, and media, ZCMC creates opportunities for young people and contributes to the resilience of community life.

Cultural Heritage

SASB EM-MM-210b.1.

In 2025, ZCMC's commitment to cultural heritage faced a tangible test. During construction, a previously unidentified burial ground dating to the 6th-7th centuries BC was discovered, and some initial damage had occurred before its archaeological significance was recognized.

⁴⁸ See the [2024 Sustainability Report, section 6, page 96](#).



THE COMPANY IMMEDIATELY ACTIVATED ITS "CHANCE FIND" PROCEDURE, HALTED WORK, AND ENGAGED THE INSTITUTE OF ARCHAEOLOGY AND ETHNOGRAPHY TO CARRY OUT DETAILED INVESTIGATIONS. THIS LED TO THE DISCOVERY OF A UNIQUELY STRUCTURED TOMB CONTAINING A MEMORIAL PILLAR, AN ALTAR, RADIALLY ARRANGED STONE SLABS RESEMBLING SUNBEAMS, AND A MULTI-ROW CROMLECH, ALONG WITH A BRONZE BREASTPLATE, WEAPONS, BEADS, AND STONE TOOLS. AFTER FULL DOCUMENTATION AND APPROVAL FROM THE MINISTRY OF EDUCATION, SCIENCE, CULTURE, AND SPORTS OF THE REPUBLIC OF ARMENIA, THE MOST NOTABLE TOMB WAS RECONSTRUCTED AT THE KAPAN GEOLOGICAL MUSEUM TO PRESERVE IT AND MAKE IT ACCESSIBLE TO THE PUBLIC, WHILE FURTHER EXPLORATORY EXCAVATIONS CONTINUE TO THE WEST OF THE SITE. MORE BROADLY, ZCMC CONTINUES TO INTEGRATE CULTURAL HERITAGE PROTECTION INTO ITS OPERATIONS THROUGH REGULAR MONITORING, CLOSE COORDINATION WITH AUTHORITIES AND COMMUNITIES, AND SUPPORT FOR THE RESTORATION OF HISTORICAL SITES, INCLUDING CHURCHES AND MONUMENTS, HELPING TO ENSURE LONG-TERM SAFEGUARDING AND TRANSPARENT DISCLOSURE.⁴⁹ AS PART OF ITS COMMITMENT TO SUPPORTING LOCAL COMMUNITIES AND PRESERVING THEIR CULTURAL HERITAGE, ZCMC ALSO CONTRIBUTED TO THE CONSECRATION OF THE PUHKRUT CHURCH.

Responsible Partnerships

Responsible partnerships at ZCMC are built on continuous dialogue. Consultations, meetings, and public hearings provide regular opportunities to stay connected with stakeholders and hear their concerns and suggestions. Social monitoring tools, including surveys, grievance tracking, and impact assessments, help identify and manage social risks and opportunities as they emerge. By addressing grievances promptly, the Company seeks to maintain trust and transparency in its relationships with communities.

⁴⁹ Progress and related initiatives are transparently disclosed through the Company's official media pages.

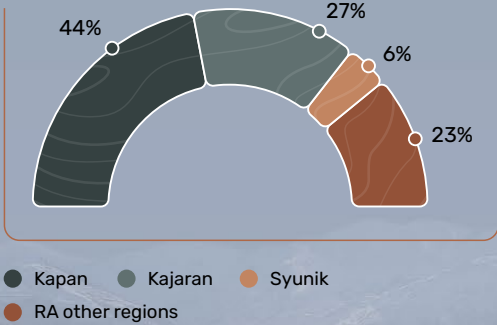
Community Investments

GRI 203-1

ZCMC’s community investments reflect a broader commitment to the development and well-being of the communities surrounding its operations. Rather than standing apart from the Company’s core business, these investments are designed to complement it by improving infrastructure, strengthening municipal capacities, and enhancing access to essential services, particularly in the communities of Kajaran and Kapan.

In 2025, this commitment amounted to approximately USD 18.2 million in social investment, remaining broadly in line with 2024 investments. A significant share of the social investment was directed to the broader communities of Kajaran and Kapan.

Geographic breakdown of community investments, % of total



~\$18.2

million

amounted to ZCMC’s community investments in 2025

Support channeled to municipal and local government remains the largest area of investment, reflecting the importance of public infrastructure and local services in everyday community life. Funding is intended to enable priority infrastructure projects in both rural and urban areas. Beyond infrastructure, support also extends to municipal services and community events, such as Kajaran Day, thereby contributing to local social and cultural activity.

Social investments — detailed breakdown by sector and geography, thousands of USD

Sector	Kapan	Kajaran	Syunik	RA other regions	Total	Share, 2025	Share, 2024	Change
Social aid including aid to individuals (incl. employees), communities, infrastructure development, construction, subvention	5,044	3,993	597	—	9,634	53.0%	44.0%	8.9%
Medical treatment, health facilities	630	573	48	301	1,552	9.0%	6.1%	2.4%
Tuition fee, support to educational institutions	320	335	174	598	1,426	8.0%	9.7%	-1.9%
Development of sport (including Syunik FC)	1,365	115	—	266	1,745	10.0%	9.4%	0.2%
Cultural events (including Syunik TV)	437	14	—	—	450	2.0%	6.1%	-3.6%
Support to organizations and funds (health, social, disabled, mining)	152	—	209	898	1,259	7.0%	7.2%	-0.3%
Contribution to safety	—	—	—	89	89	0.0%	6.4%	-5.9%
Airport and airplane maintenance	—	—	—	2,055	2,055	11.0%	11.1%	0.2%
Total	7,947	5,030	1,028	4,206	18,211	100.0%	100.0%	-0.7%

Alongside these larger investments, ZCMC continues to provide direct financial support to affected communities through monthly land use compensations paid to residents, social support for individuals, and assistance to war victims. In 2025 alone, monthly compensations reached approximately 1,280 residents across five communities. This support is part of the Company’s broader effort to mitigate social impacts and sustain livelihoods in its areas of operation.

Investment in youth sports development remains a key priority. Through partnerships with sports federations, schools, and other organizations, ZCMC supports young people’s participation in sports at the national and international levels. These initiatives consistently engage more than 1,000 children and young people, promoting physical well-being and long-term development.

Taken together, ZCMC’s community investment portfolio tells the story of a structured and balanced approach that combines large-scale municipal support with more targeted social programs. Through these investments, the Company seeks to address immediate community needs while also contributing to longer-term socio-economic development and helping build economic resilience.

Building Partnerships with local NGOs: Where Shared Goals Become Shared Action

IN 2025, THE CORNERSTONE OF ZCMC'S SOCIAL INVESTMENT MODEL REMAINED ITS FORMAL PARTNERSHIP PROGRAMS — INITIATIVES CO-DESIGNED WITH LOCAL AND NATIONAL NGOS WHOSE MISSIONS ALIGN WITH THE COMPANY'S LONG-TERM COMMUNITY DEVELOPMENT PRIORITIES. THESE PARTNERSHIPS GO BEYOND SIMPLE FUNDING ARRANGEMENTS. THEY ARE SHARED COMMITMENTS, FORMALIZED THROUGH CLEAR AGREEMENTS THAT DEFINE PROJECT GOALS, BUDGETS, TIMELINES, AND EXPECTED RESULTS.

These are not passive grants but programs that require active involvement to ensure the intended benefits reach the households they are meant to serve.

By the end of 2025, these partnerships had produced tangible results, with approximately 2,900 individuals and 240 households directly benefiting from programs supported by ZCMC in collaboration with its partners.

Alongside these partnership programs, in 2025 ZCMC continued to provide direct financial support to organizations implementing their own initiatives, often helping to sustain core operations or community services. Unlike the formal partnership model, these arrangements were based on a simpler foundation of mutual trust. Organizations such as the Kapan Charity Fund and the Association of Mining and Metallurgy of Armenia relied on this support to maintain critical local activities and ensure continuity of services throughout 2025.

Through this model, organizations covering a wide range of social issues — from support for children with special needs to local business development initiatives, such as:



SORS Foundation

Providing social and healthcare services to 135 children with disabilities and supporting the Kapan Children's Development Center by providing equipment and training, benefiting 175 children.



City of Smile

Support for cancer treatment for children and young people under 25.



Huysi Havati Ojax

Implementation of the "Healthy Soul, Healthy Body" project to support children with disabilities.



TMM Educational Center NGO

Rehabilitation services and specialized support for children with autism.



Iravater Kapantsi

Construction of five greenhouses in Achanan and training for residents on greenhouse vegetable cultivation.



Freenergy

Installation of solar power plants and solar water heaters in Syunik communities to expand access to renewable energy.



Teach For Armenia

Educational support for 2,000 students in Syunik through teaching and learning initiatives.

A closer look at financial support allocations reveals broader geographic and operational patterns.

~30%

the remaining portion was directed toward supporting organizations rooted in Kapan and Kajaran, ensuring that local institutions remain active in addressing community needs.

~70%

of financial assistance went to Yerevan-based NGOs, which often have stronger institutional capacity and operate through regional branches or implement programs that extend to communities across Armenia, including children and vulnerable groups in ZCMC's areas of operation.

Together, these initiatives demonstrate ZCMC's approach to maximizing the impact of its social investments by supporting national organizations in extending specialized services to Syunik and strengthening the accessibility of community-based support.

Over the past few years, ZCMC has encouraged Yerevan-based partners to move beyond centralized operations and engage more directly with Syunik beneficiaries, bringing services closer to the communities they are intended to support.

- The SORS Foundation deepened its collaboration with the Kapan Children's Development Center by equipping the center, training specialists, and facilitating joint clinical outreach to help children with disabilities and their families.
- The City of Smile initiative used ZCMC's support to ensure that children from Syunik continued to receive treatment and specialized care.

Community Resilience and Livelihoods

GRI 413-1, GRI 413-2, SASB EM-MM-210b.1.

ZCMC operates in Kapan and Kajaran and maintains long-standing relationships with local communities through ongoing engagement, social investment, and collaborative development initiatives. The Company works closely with communities, local authorities, NGOs, and other stakeholders to understand community priorities and help improve the quality of life.

In line with its strategic development plans, ZCMC is actively advancing an Expansion Project. The project is expected to support socioeconomic resilience across the area of influence by creating direct and supply-chain employment, increasing local economic activity through procurement, and providing continued employment opportunities for existing ZCMC employees.

As planning for the Expansion Project progressed, ZCMC identified the need for a stronger evidence base to document community conditions and perspectives across the 16 surrounding communities.

To support this effort, ZCMC conducted two comprehensive surveys⁵⁰ in the first quarter of 2025. Together, the surveys reached nearly 1,000 households and provided valuable insights into livelihoods, land use, food security, health, access to services, and overall well-being.

The findings have strengthened ZCMC’s understanding of community needs and perspectives, informing engagement activities and community development planning within its area of influence.

The findings show that communities with strong social ties and close ties to the mining sector continue to play a vital role in employment and regional development. These strengths have fostered resilience and social cohesion, enabling communities to adapt to changing economic and social conditions. However, the findings also highlight

persistent challenges that cannot be overlooked, including uneven economic opportunities, reliance on a narrow range of income sources, gaps in rural infrastructure, chronic health concerns, and ongoing concerns about air and water quality.

Taken together, these insights paint a picture of communities that are both resilient and vulnerable. While strong social networks and ties to the mining sector provide an important foundation for stability, long-term sustainability will depend on addressing the structural and environmental pressures that continue to affect community well-being. For ZCMC, this evidence offers a valuable basis for shaping ESG priorities, guiding community investments, and developing more informed, targeted, and inclusive responses that strengthen community resilience and sustainable development outcomes.

In parallel, ZCMC continued to update the annual baseline data for all affected communities. The information is under review, with the analysis focused on key livelihood indicators, including demographic trends over the past three to four years, livelihood activities, vulnerability, employment, social infrastructure, migration patterns, challenges, and priority needs. Together, these data provide a basis for identifying and monitoring community needs and pressures over time.

Stakeholder Engagement: Understanding Concerns and Strengthening Dialogue

GRI 2-29

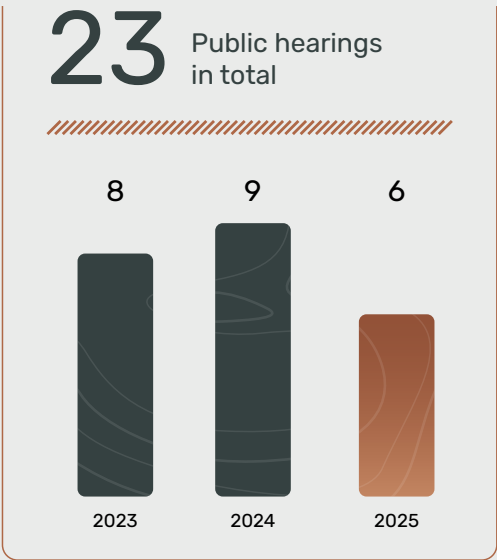
ZCMC views stakeholder engagement as a core element of responsible business conduct, helping the Company understand community perspectives, address concerns, and build transparent relationships.

Stakeholder engagement⁵¹ is governed by the Stakeholder Engagement Plan (SEP), which was updated in 2025 to reflect the planned Expansion Project. The revised SEP introduced a stronger focus on phase-specific engagement approaches and enhanced monitoring systems to ensure that each interaction, from community meetings to consultations with NGOs, is systematically documented and followed up.

In 2025, stakeholder engagement at ZCMC continued to mature into a more structured, insight-driven process. What began years earlier as a system of logs and registers has evolved into a living record of community interactions, concerns, and expectations. Each meeting, survey, and site visit adds another layer to the larger picture: how neighboring communities view the mine, how they experience social and environmental change, and what they expect from a Company that plays such an important role in local life.



Stakeholder engagement: Meetings and public hearings



⁵¹ For further details on stakeholder engagement, see [2024 Sustainability Report, section 6, page 102](#).

⁵² Except for public hearings, these meetings were primarily conducted by the stakeholder engagement team and do not represent all meetings undertaken by the Company. Meeting numbers vary from year to year depending on engagement needs, while additional meetings held by management and executives are not captured in this register.

To ensure transparency in implementing openness around its strategy implementation, ZCMC held six public hearings in 2025 in Kapan and Kajaran. These hearings provided communities and other stakeholders with information on new planned activities, project developments, potential impacts, and proposed mitigation commitments. Conducted in accordance with applicable Armenian legal requirements and relevant international standards, the hearings have created opportunities for stakeholders to ask questions, raise concerns, and offer provide feedback. The Company documents and reviews stakeholder feedback and considers it when developing mitigation measures, engagement activities, and project planning processes. In addition to stakeholder engagement activities documented in the stakeholder engagement log, ZCMC's Senior management regularly meets with municipal authorities, community representatives, civil society organizations, and individual stakeholders to discuss community priorities, emerging issues, and local concerns. These interactions provide Senior management with direct insight into stakeholder perspectives and support timely decision-making. Senior management also follows up on issues raised during these engagements to facilitate their resolution and ensure that concerns receive appropriate attention.

As a result of the stakeholder meetings, several clear patterns emerged:

EMPLOYMENT EXPECTATIONS

ZCMC remains widely regarded as a reliable local employer, and many residents expressed a strong desire to work for the Company. Despite repeated clarification that not everyone can be hired and that skilled positions are essential for safe operations, expectations for priority employment for affected communities remain high.

DEPENDENCE ON MONTHLY COMPENSATIONS

The perception of the monthly compensations introduced in 2018, following the acquisition of land for the TSF, has gradually shifted from temporary assistance to something closer to an entitlement. For some residents, these payments are now viewed as ongoing compensation for health concerns or broader project impacts. At the same time, neighboring villages have increasingly sought inclusion in the program, reflecting both economic need and the influence of support already received by existing beneficiaries. This challenge is currently being mitigated by offering alternative livelihood support and community development projects in the communities that are not included in the project. These measures include the financing of a solar project by the Company to help the community meet its energy needs.



USE OF NATURAL RESOURCES

Surveys and meetings confirmed that concerns about access to water for drinking and irrigation persist, especially in rural settlements near the TSF, such as Artsvanik and Sevakar.

ENVIRONMENTAL CONCERNS AND AIR QUALITY

Residents and NGOs frequently raise concerns about pollution and environmental impacts. Dust, perceived as mainly sourced from earthworks, blasting, loading operations, haulage, and crushing, was mentioned during multiple meetings. Some community members also associated mining activity with declining land quality, reduced market value of agricultural goods, and safety concerns related to fish consumption.

COMMUNITY HEALTH

Health discussions – particularly among women – pointed to challenges that extend beyond the mine itself. Limited local healthcare infrastructure, shortages of basic medicines, and the high cost of treatment in larger towns all contributed to concern among low-income households. Participants also linked headaches, hypertension, respiratory conditions, and, in some cases, cancer to mining activities. At the same time, internal health insurance data from 2022-2025 showed that the most common medical claims were related to dentistry (13%), cardiology and gynecology (10%), and general therapy and endocrinology (8%), while oncology-related requests were the lowest of all (3%). Even so, perceptions of mining-related health impacts remained strong.

EACH CONCERN RAISED THROUGH THE VARIOUS CHANNELS IS ADDRESSED, DEMONSTRATING OUR COMMITMENT TO EFFECTIVE COLLABORATION WITH OUR STAKEHOLDERS. WE CONTINUE TO MAKE PROGRESS IN RESOLVING THE ISSUES IDENTIFIED. FOR EXAMPLE, OUR CHARITABLE FOUNDATION HAS FINANCED THE CONSTRUCTION OF WATER SUPPLY SYSTEMS IN NEARBY VILLAGES OF ARTSVANIK TSF. MEASURES TO IMPROVE DUST MANAGEMENT HAVE ALSO BEEN IDENTIFIED AND ARE REGULARLY DISCUSSED WITH STAKEHOLDERS DURING ENGAGEMENT MEETINGS TO ENSURE TRANSPARENCY AND SUPPORT CONTINUOUS IMPROVEMENT.

42.53

hectares



of land reclaimed and
restored in 2025



Environmental Management and Performance: Advancing Responsible Operations



88	Environmental Policies and International Standards: The Basis of Our Operations
89	Managing Energy Use and Improving Operational Efficiency
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EFFECTIVE ENVIRONMENTAL MANAGEMENT REMAINS A TOP PRIORITY FOR ZCMC, GIVEN THE FOOTPRINT AND NATURE OF ITS OPERATIONS. THE COMPANY'S APPROACH FOCUSES ON ACHIEVING AND MAINTAINING COMPLIANCE WITH LOCAL LEGAL REQUIREMENTS AND APPLYING ALL RELEVANT BEST PRACTICES BY IDENTIFYING AND MONITORING SIGNIFICANT IMPACTS, MANAGING ASSOCIATED RISKS, MAINTAINING COMPLIANCE WITH APPLICABLE REQUIREMENTS, AND IMPLEMENTING IMPROVEMENT MEASURES OVER TIME ACROSS ALL ITS OPERATIONS.

Environmental Policies and International Standards: The Basis of Our Operations

SASB EM-MM-160a.1

Environmental management is the leading consideration when taking and reviewing operational decisions across ZCMC's mining and processing activities throughout the year. This responsibility rests with the Environmental Department, under the direction of the Sustainable HSE Deputy Director, supported by internal policies and procedures that define how environmental impacts are identified, risks are managed, and environmental requirements are applied across operations.

This approach is also supported by more than 12 specialized environmental management plans covering key areas such as waste, water, soil, air, hazardous materials, and biodiversity⁵³, as well as three core policies: the Environmental Policy, Climate Change Policy, and Biodiversity Policy.⁵⁴ Together, these documents provide the framework for addressing environmental priorities across the Company's activities.

In addition to internal procedures, international standards continue to inform ZCMC's environmental management approach. The Company remains aligned with ISO 14001 and continues to integrate the IFC Performance Standards and other international standards defined in the policies into its operations. In 2025, the Company began implementing recommendations from independent assessments of its alignment with the ISO 14001 standard. This work remains ongoing and is part of ZCMC's medium- and long-term environmental objectives.⁵⁵ To support compliance with the standard, ZCMC follows a defined internal action plan and monitors progress annually.

⁵³ See the [2023 Sustainability Report, section 8, page 102](#).
⁵⁴ See the [2024 Sustainability Report, section 7, page 106](#).
⁵⁵ See the [2024 Sustainability Report, section 7, page 108](#).

Managing Energy Use and Improving Operational Efficiency

GRI 3-3, GRI 302-4, SASB EM-MM-130a.1

Energy management remains a key operational challenge for ZCMC. The Company continues to pursue opportunities to improve energy efficiency, including the development of the 2026-2040 Climate Change Strategy, and aligning its practices with its principles. The strategy is detailed in the Climate Change section of this Report. It sets out short- to medium-term goals linked to initiatives to improve energy efficiency, including:

- Increasing the share of renewable power in total electricity consumption.
- Improving the vehicle fleet by introducing electric and hybrid vehicles.
- Completing a feasibility study and initiating the construction of a solar power station.⁵⁶



⁵⁶ Further details on the strategic goals are presented in the Climate Change section of this Report.

Energy Consumption and Energy Intensity

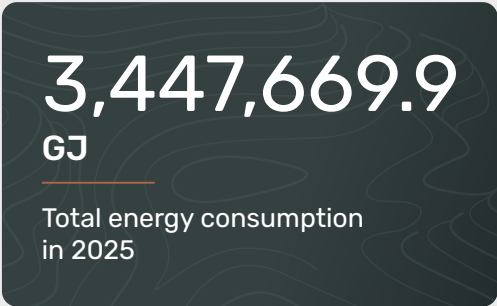
GRI 302-1, GRI 302-3

During 2025, electricity remained ZCMC’s primary energy source, accounting for 57.8% of total energy consumption.⁵⁷ Total energy consumption at ZCMC increased by 10.3% in 2025, primarily due to higher diesel use associated with production-related heavy transportation activities, particularly dump truck operations. Diesel consumption increased by 22.6% compared to 2024, reflecting higher volumes of ore and waste rock extraction and transportation, as well as increased topsoil stockpiling in the open pit.

Petrol is primarily used in light vehicles, while natural gas is used for building heating and steam generation.

Total energy consumption, GJ^{58,59}

Indicator	2023	2024	2025
Diesel products	882,594.662	984,444.408	1,206,662.6
Petrol products	38,264.435	42,008.453	42,177.6
Natural gas	228,241.1	203,316.093	206,347.1 ⁶⁰
Purchased or acquired electricity ⁶¹	1,908,112.882	1,919,552.558	2,056,146.3
Total consumption from non-renewable sources	3,057,213.078	3,149,321.512	3,511,333.6
Electricity sold	(34,374.712)	(24,002.230)	(63,663.7)
Total energy consumption	3,022,838	3,125,319	3,447,669.9



⁵⁷ The Company does not generate its own energy locally.

⁵⁸ Data for 2025 has been collected and verified by the Production Service Department and compiled from all major workshops and operational sites.

⁵⁹ ZCMC is planning to make continuous improvements in its data collection and management processes by developing a clear methodology for energy consumption estimation in the coming years. These processes will be organized to enhance efficiency, minimizing human intervention by applying automated tools and calculation methods. In addition, ZCMC has already started conducting training sessions for its relevant employees to ensure that they have the skills necessary to accurately and effectively collect and manage energy consumption data. Currently the data collection process is primarily conducted through calls, messages, and discussions. While there is no single standardized methodology in place, the data is refined based on information received from the Accounting Department, and additional mechanisms are applied to ensure the accuracy and reliability of energy consumption data.

⁶⁰ Of the total 206,347.12 GJ of energy generated from natural gas in 2025, 184,111.7 GJ (51,142 MWh) was used for steam production and 22,235.42 GJ (6,177 MWh) for heating company infrastructure. All steam was used internally, with no sale of heating, cooling, or additional energy forms.

⁶¹ In 2025, 63,437.5 MWh or 228,375 GJ of electricity was purchased from renewable sources and 57.8% was purchased from ANPP which is green energy.

To provide further insight into energy use patterns, the breakdown of energy carriers and their associated intensity is shown below.

Energy carriers, 2025

Indicator	GJ (2023)	GJ per wmt of produced concentrate (2023)	GJ (2024)	GJ per wmt of produced concentrate (2024)	GJ (2025)	GJ per wmt of produced concentrate (2025)
Primary energy carriers (fuels)	1,149,100	5.7	1,229,769	6.7	1,455,188	7.4
Secondary energy carriers ⁶²	1,873,738	9.3	1,895,550	10.3	1,992,481	10.1
Total energy carriers	3,022,838	15.0	3,125,319 ⁶³	16.9	3,447,669	17.5

To assess and manage energy-use efficiency in production, two key energy-intensity indicators were calculated: energy intensity based on copper molybdenum concentrate output and energy intensity based on revenue.

Energy intensity based on the output of copper-molybdenum concentrate^{64,65}

Indicator	Unit of measurement	2023	2024	2025
Total energy consumption	GJ	3,022,838.0	3,125,319.0	3,447,669.9
Energy intensity	GJ/wmt	13.43	15.63	15.71
Copper-molybdenum concentrate	wmt	225,042.0	199,934.0	219,466.7

In 2025, energy intensity based on production output reached 15.71 GJ/wmt, demonstrating a 0.5% increase compared to 2024. This increase was mainly driven by higher total energy consumption, caused by massive construction works, together with a slight increase (9.8%) in copper-molybdenum concentrate output.

Energy intensity based on revenue

Indicator	Unit of measurement	2023	2024	2025
Total energy consumption	GJ	3,022,838.0	3,125,319.0	3,447,669.9
Specific energy consumption	GJ/million USD	3,785.62	4,382.80	4,768.4
Revenue ⁶⁶	Million USD	795.8	713.1	723.0

The increase in total energy consumption also affected the specific energy consumption indicator, which reached 4,768.4 GJ per million USD, an 8.8% increase from 2024.

Identifying and implementing energy-saving measures remains a continuous focus area and the strategic initiatives outlined above are key actions planned and considered by ZCMC to mitigate increases in energy consumption and intensity.

⁶² This metric was restated for 2023.

⁶³ This metric was restated for 2024.

⁶⁴ Data for this calculation was gathered from various departments within ZCMC, including the Production and Production Service Departments. The methodologies and conversion factors used for these calculations follow industry standards and have been verified by the Company’s Internal Audit Team to ensure accuracy and consistency. All types of energy are included in the intensity ratio calculation.

⁶⁵ In 2023 Cu, Mo, and FeMo concentrates were produced and sold, while in 2025 only Cu and Mo were produced and sold.

⁶⁶ The revenue of ZCMC CJSC and Ler-Ex LLC is presented.

Responsible Water Management and Operational Resilience



GRI 3-3, GRI 303-1, GRI 303-2

Management of water resources is a strategic priority for ZCMC.⁶⁷ The comprehensive Water Management Plan continues to serve as a guiding document for addressing water scarcity challenges and demonstrates a sustainable approach to water use across our operations. In support of these commitments, the Company continued to demonstrate progress on the initiatives mentioned in the 2024 report⁶⁸.

WE HAVE MADE GOOD PROGRESS ON THE THICKENER PROJECT, WHICH WILL ENABLE US TO REDUCE FRESHWATER CONSUMPTION BY UP TO 30%.

Although there are challenges in the permitting process and some changes to the legal requirements, the project is progressing and is on track to start it in 2026/2027. The other key project is the Kajaran sewage and water treatment plant. The permitting process was initiated in cooperation with the Kajaran community to ensure compliance with applicable legal requirements.

The Kajaran community will become the first one in Armenia to have a water treatment plant with wastewater reuse. In parallel, ZCMC launched the purchasing process for materials needed for the wastewater treatment plant, to support the planned start of construction in 2026/2027.

TOGETHER WITH THESE INITIATIVES, THERE ARE OTHER PROJECTS WHICH ARE ALSO UNDER THE PURVIEW OF THE COMPANY, LIKE:

01

Reconstruction and construction respectively of the drinking and sewage network in the main industrial facilities.

02

Ensuring continuous control of water consumption by installing water-metering equipment on freshwater pipelines and an automatic water-level monitoring system on daily-regulation reservoirs.

Water Withdrawal

GRI 303-3

THE COMPANY'S WATER MANAGEMENT ACTIVITIES ARE CONDUCTED UNDER THE OVERSIGHT OF THE MINISTRY OF THE ENVIRONMENT OF THE REPUBLIC OF ARMENIA (RA) IN ACCORDANCE WITH THE ISSUED WATER USE PERMIT (WUP). THE PERMIT SPECIFIES APPROVED WATER INTAKE POINTS, ALLOWABLE EXTRACTION VOLUMES, AND OTHER KEY CONDITIONS.

In 2025, ZCMC used 13 primary water intake points to support both its technical operations and communal needs. The main intake points were Makanajur, Sakkar 1 and 2, Pukhrut, several locations along the Voghji River, and the Geghi Reservoir.

In 2025, the Company withdrew a total of 69,074.9 megaliters of water from surface intake points⁶⁹, with the enrichment plant the primary consumer of water. The remaining water was consumed by open pit operations, energy, ore-crushing and transportation workshops, and other auxiliary operations. All withdrawn water was classified as freshwater, with total dissolved solids (TDS) of 1,000 mg/L or less.

In line with its risk-based management approach and ISO 14001:2015 certification, ZCMC continued to use the 5x5 risk matrix to assess water intake points and estimate baseline water stress, alongside monthly water quality monitoring.

While none of the Company's operational sites were classified as having high (40%-80%) or extremely high (>80%) baseline water stress, moderate stress conditions (exceeding 20%) were identified at the Voghji River intake points. In addition, two other intake points, Geghi (and the Geghi Reservoir) and Sakkar 1, were close to moderate-stress thresholds, with baseline water stress levels of 18.15% and 19.81%, respectively.⁷⁰

Total volume of withdrawn water⁷¹, megaliters

Indicator	2023	2024	2025
Total volume of water withdrawn⁷²	47,164.0	63,159.0	69,297.5
Surface water, including swamps, rivers, lakes	47,027.0	62,996.0	69,074.9
Third-party water (municipal and other water supply systems)	137.0	163.0	222.6

The increase in water purchased from third-party sources was driven primarily by the expansion of certain facilities, such as the Kapan warehouse and the nursery (see the section Reforestation and External Partnerships), where irrigation is supplied from drinking water sources. ZCMC also expanded its Kapan base and acquired a new work site. In addition, drinking water consumption in Yerevan increased, mainly due to a higher number of office employees compared with 2024.

69,297.5

megaliters

total volume of water withdrawn in 2025

⁶⁹ The calculation was based on ZCMC's water use permits.
⁷⁰ Water stress was calculated based on data relating to water availability and water use permits.
⁷¹ No groundwater or industrial water was used.
⁷² The calculations for 2023 and the first quarter of 2024 are based on actual water withdrawal. Starting from second quarter of 2024 the volumes were calculated based on ZCMC's Water Use Permit data, taking into account the change in the existing law regarding the lack of online water metering devices at all water intake points.

Water Discharge

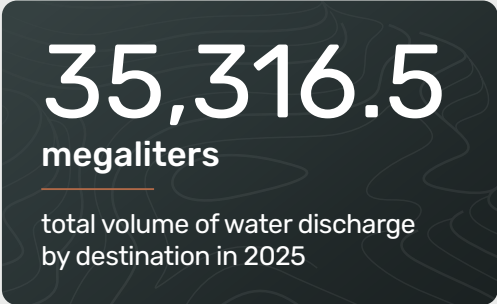
GRI 303-4, SASB EM-MM-140a.1

Wastewater discharge is regulated in accordance with national standards⁷³ and calculated using methodologies approved by the Ministry of the Environment of the Republic of Armenia.⁷⁴ The profiles and hydrology of the Achanan, Norashenik, and Voghji rivers were considered in calculating the maximum permissible discharge limits.

Total water discharge in 2025 amounted to approximately 35,316.5 megaliters. Most of the discharged water was released into surface water bodies in accordance with applicable water discharge limits and environmental legislation. Discharge sources include multiple operational and municipal points, each subject to periodic effluent quality monitoring.

Total volume of discharged water⁷⁵, megaliters

Indicator	2023	2024	2025
Total volume of water discharge by destination	36,692.0	39,318.0	35,316.5
Surface water, including	36,654.0	39,270.0	35,243.3
– Freshwater	23.0	23.0	22.7
– Other water	36,631.0	39,247.0	35,220.6
Water from third-party sources	39.0	48.0	73.3



The primary discharge point remains the Artsvanik Tailings Storage Facility (TSF), where water flows through the fourth tunnel into the Achanan River. This process-affected water is monitored for various pollutants to ensure compliance with regulatory requirements. Discharges occur at the Geghi River from the cooling water of the first Geghi pumping station, and

at the Lernadzor stream from the cooling water of the second pumping station. The Voghji River also receives water from the cutting site of the staples samples after mechanical cleaning, as well as sewage from Kajaran and Kapan.

Breakdown of the total volume of water discharged, megaliters

Discharge points	Effluent category	Discharge information	Quantity of effluents 2024	Quantity of effluents 2025
Achanan River (Norashenik tributary of Voghji River)	Other water (technological wastewater)	Water from the Artsvanik tailings pond	39,248.0	35,220.6
Geghi River	Normative clean freshwater	Excess/surplus cooling water of the 1st recovery pumping station	11.0	11.0
Lernadzor stream	Normative clean freshwater	Excess/surplus cooling water of the 2nd recovery pumping station	11.0	11.0
Voghji River	Industrial normative clean freshwater	Discharged from the cutting site of the staples samples after mechanical cleaning (does not require further cleaning)	1.0	0.7
Sewage collector of Kajaran City	Industrial and domestic, requires cleaning	Wastewater from domestic use	20.2	25.1
Sewage collector of Kapan and Yerevan cities ⁷⁶	Domestic, requires cleaning	Wastewater from domestic use	27.6	48.2
Total Discharge ⁷⁷			39,318.0	35,316.5

⁷³ Individual Current Norms of Water Use and Drainage No. 88, which is valid until 2027.

⁷⁴ In the event of exceeding the norms of water use and water drainage set by the Company's WUP, the Company makes an overpayment to the government in accordance with the requirements set by the RA Tax Code: <https://www.arlis.am>

⁷⁵ The volume of wastewater discharged from the Artsvanik tailings pond to the Achanan River was measured and determined using a water meter. In all other cases, the discharge volume was determined by a calculation based on the volumes of water used.

⁷⁶ The increase in this metric is due to the growth in staff numbers in the Kapan and Yerevan offices.

⁷⁷ Environmental payments and fees related to water intake and discharge in 2025 are presented in [Appendix 3](#).

Water Quality Monitoring and Compliance

GRI 2-27, SASB EM-MM-140a.2

To support effective effluent quality control, the Company works with four responsible entities. Veolia Djur (a water management company) and the Kajaran Utility Service monitor the quality of municipal and domestic wastewater, while the Ministry of the Environment and the Environmental Protection and Subsoil Inspection Body oversee industrial wastewater quality.

Although not required under the RA legislation, ZCMC conducted monitoring of drinking water quality throughout the reporting year across its production areas on a monthly basis. The monitoring was carried out by the employees of the Syunik branch of the National Center for Disease Control and Prevention SNCO under the Ministry of Health of the Republic of Armenia, with specialists from ZCMC’s Environmental Department, covering both external supply points and on-site facilities. The purpose of this initiative is to ensure the quality and safety of water used in the Company’s facilities.

The analysis results indicate that water quality at all sampling points is generally within established hygienic standards. In cases where deviations were identified, particularly for Total Coliform bacteria, the responsible departments were promptly notified, and the use of the affected water sources was immediately suspended.

On the other hand, wastewater quality monitoring was conducted on a selective basis. Effluent discharged into the Achanan River was tested 66 times over the year, with occasional exceedances, depending on operational activities, of molybdenum, manganese, iron, and sulfate ions compared to the permissible limits. The discharge from the cutting site to the Voghji River was monitored four times.

The volume of wastewater discharged into the Achanan River was monitored daily for 249 days with no exceedances recorded. The total discharge through the fourth tunnel into the Achanan River totaled 35,220.6 megaliters, compared with the allowable limit of 49,280 megaliters.

WATER WITHDRAWAL VOLUMES WERE NOT FULLY MEASURED AT ALL INTAKE POINTS DURING THE REPORTING PERIOD. HOWEVER, PARTIAL WATER QUALITY MONITORING WAS CONDUCTED AT WITHDRAWAL POINTS, INCLUDING 10 TESTS AT THE VOGHJI INTAKE POINTS AND 11 AT THE VOGHJI-2 INTAKE POINTS, WITH NO VIOLATIONS IDENTIFIED. ACCORDING TO THE LEGAL REQUIREMENTS, MONITORING RECORDS ARE SUBMITTED TO THE MINISTRY OF THE ENVIRONMENT AND ARE PUBLICLY AVAILABLE ON ITS WEBSITE.

In total, the Company spent about **\$52,000⁷⁸** on drinking water monitoring in 2025



Water Use and Consumption

GRI 303-5, SASB EM-MM-140a.1

In 2025, total water consumption across ZCMC’s operations totaled 33,980.95 megaliters, calculated as the difference between total water withdrawal and total water discharge.⁷⁹

Water intensity based on the output of copper-molybdenum concentrate

Indicator	Unit of measurement	2023	2024	2025
Total water consumption	Megaliters	10,472	23,840	33,981
Water intensity	Megaliter/wmt	0.05	0.12	0.15
Copper-molybdenum concentrate	wmt	225,042.0	199,934.0	219,466.7

Water intensity based on revenue

Indicator	Unit of measurement	2023	2024	2025
Total water consumption	Megaliters	10,472	23,840	33,981
Specific water consumption	Megaliter/million USD	13.2	33.4	47.0
Revenue	Million USD	795.8	713.1	723.0

Water consumption in areas experiencing water stress accounted for about 5.3% of total available water resources in the relevant river basins, up from about 4.4% in 2024. This estimate is based on total water consumption of 33,980,950.58 m³, compared with an estimated 642,344,947.2 m³ of available water across all relevant rivers and tributaries.⁸⁰

Water consumption reflects the volume of water irreversibly lost as a result of mining and processing operations. This includes:

- ▶ Water used for dust suppression.
- ▶ Losses from steam generation systems during drilling and processing.
- ▶ Evaporation and seepage from the TSF.
- ▶ Water is absorbed into the tailings material.
- ▶ Water is incorporated into the final concentrate products.
- ▶ Irrigation of green areas.
- ▶ Technological losses, including approximately 3% from production processes and 6%-6.5% from hydro cleaning activities.⁸¹

⁷⁹ All discharged water ultimately returns to the Voghji River basin, therefore, no water consumption is associated with transfers between different catchment areas.

⁸⁰ Water availability was estimated based on water consumption across three river basins; in 2024, the estimate of 535,995 megaliters was derived using data from two river basins.

⁸¹ Water consumption components, such as evaporation losses and water incorporated directly or indirectly into products, are not separately measured and are therefore not available.

Managing Waste Impacts and Advancing Resource Efficiency

GRI 3-3, GRI 306-1, GRI 306-2, SASB EM-MM-150a.10

Waste management is a key priority for any mining operation and remains a challenge and an integral part of ZCMC’s approach to responsible environmental performance. ZCMC seeks to manage waste-related impacts through a structured management system aligned with applicable national requirements and informed by international frameworks, including ISO 14001 and IFC standards.

The Company’s approach is guided by the Waste Management Plan and supported by the primary Waste Management Register and the Waste Registry Book.

To assess and manage waste-related environmental impacts, ZCMC applies the risk assessment methodology, using a 5x5 risk matrix to identify, evaluate, and prioritize risks associated with waste streams across its operations.

Waste Generation and Diversion

GRI 306-3, GRI 306-4, SASB EM-MM-150a.7, SASB EM-MM-150a.8

ZCMC MONITORS WASTE GENERATION ON A MONTHLY BASIS. THE ENVIRONMENTAL DEPARTMENT MAINTAINS A CENTRALIZED DATABASE TO ENSURE ACCURATE TRACKING OF WASTE FLOWS AND COMPLIANCE WITH REGULATORY REQUIREMENTS AND INTERNAL STANDARDS.

In 2025, total waste generation increased by 30.2%, primarily driven by a 38% increase in extracted mountain mass⁸², containing higher levels of waste rock.

The increase in waste generation comprised a 17.4% rise in hazardous waste and a 44% increase in non-hazardous waste. Notably, the composition of waste shifted during the reporting year: non-hazardous waste accounted for approximately 53% of total waste generated in 2025, whereas in 2023 and 2024, hazardous waste accounted for the larger share, at approximately 58% and 52%, respectively.

Waste generation by types, metric tons

Waste type	2023	2024	2025
Hazardous waste	21,232,189	19,153,967	22,479,930
Non-hazardous waste	15,152,336	17,789,918	25,611,926
Total waste	36,384,525	36,943,886	48,091,856

DESPITE INCREASED WASTE GENERATION, ZCMC IMPROVED ITS WASTE RECOVERY AND DIVERSION PERFORMANCE DURING THE REPORTING YEAR.

In 2025, a total of 7,623 metric tons of waste were diverted from disposal through recovery pathways, including recycling, preparation for reuse, and other recovery operations. This represents a substantial increase compared with 2024, when 2,086 metric tons were diverted from disposal, with improvements across both hazardous and non-hazardous waste streams.

Waste diverted from disposal, in metric tons

Waste type	2023	2024	2025
Hazardous waste:	1,733.6	1,887.3	2,815.3
Preparation for reuse	137.3	29.5	16.8
Recycling	1,596.3	1,858.0	1,979.7
Other recovery operations	—	—	818.8
Non-hazardous waste:	1,879.2	198.8	4,807.6
Preparation for reuse	279.0	166.5	142.4
Recycling	1,600.3	32.3	116.3
Other recovery operations	—	—	4,548.9
Total	3,612.8	2,086.1	7,622.8

The strong increase in waste diverted from disposal was largely driven by the introduction of other recovery operations in 2025. This reflects ZCMC’s growing efforts to find practical recovery pathways for metal-containing waste streams. These streams included hazardous waste such as unsorted ferrous metals as well as non-hazardous waste such as uncontaminated alloyed steel scrap.

During the reporting year, these materials were transferred to recycling or retreatment companies, marking a small but important step in expanding the Company’s recycling practices. When waste was later resold to third parties, and its final treatment or recovery outcome could not be fully verified, it was reported under “other recovery operations”, consistent with applicable reporting practices. The contractual arrangements supporting these recovery pathways were established in 2025, the same year in which these practices began to be implemented.

Building on the commitments made in the 2024 Sustainability Report⁸³, in 2025 ZCMC turned its stated intention to increase recycling rates and expand options for wood waste reuse into measurable progress. Wood waste reuse increased significantly, rising from 28.8 metric tons in 2024 to 110.6 metric tons in 2025.⁸⁴ Wood waste has been collected from construction sites, vegetation, and clearance works in operational areas, and has been transferred and used by the Kajaran community and ZCMC employees for their needs.

Materials and Waste

SASB EM-MM-150a.9

According to data from the Environmental Department, a total of eight incidents related to the handling of hazardous materials and waste were recorded in 2025. All incidents were reported to the Syunik Regional Environmental Protection and Mining Inspection Body of the RA in accordance with regulatory requirements.

The incidents were primarily related to tailings pipeline leaks, equipment failures, and fuel spills, and were promptly addressed with a focus on timely and effective containment, remediation, and prevention of recurrence.

82 The extracted mountain mass reached 44,214,250 wmt compared to 32,043,174 wmt in 2024.

83 See the 2024 Sustainability Report, section 7, page 118.

84 For more details on recycled and reused waste, please see the Appendix 3 of this report.

Managing Air Emissions and Improving Air Quality Performance

GRI 3-3

Air emissions mitigation measures are integrated into operational improvement plans, with additional measures implemented as needed. A dedicated team oversees dust control across our operations in close cooperation with the Environmental Department. Air emissions are monitored in accordance with the Air Quality Management Plan and the Pollution Prevention Management Plan, ensuring systematic oversight and timely responses to potential issues.⁸⁵

ZCMC’s commitments to air quality management are further strengthened by adopting the principles of the newly developed 2026-2040 Climate Change Strategy.

Air Emissions Performance

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

A combined approach was used to collect and calculate air emissions data. In some cases, emissions were measured directly, while in others, engineering-based calculations were used. Normative permissible thresholds were considered in accordance with local regulations. As standard practice, ZCMC uses national emission standards and the limits specified in its Air Emissions Permit as the primary reference, ensuring full compliance with regulatory requirements before assessing alignment with relevant international guidelines, where applicable.

WHILE THE STRATEGY IS STILL PENDING FORMAL APPROVAL, ZCMC HAS ALREADY BEGUN ALIGNING ITS CLIMATE-RELATED APPROACH WITH ITS CORE PRINCIPLES. IN ADDITION TO OTHER MEASURES, THE STRATEGY SETS TARGETED GOALS TO REDUCE AIR EMISSIONS, INCLUDING INITIATIVES TO IMPROVE THE VEHICLE FLEET BY INTRODUCING HYBRID AND ELECTRIC VEHICLES.⁸⁶

ACCORDING TO THE ANNUAL MONITORING REPORT, TOTAL AIR EMISSIONS IN 2025 TOTALED 878.44 METRIC TONS, REPRESENTING A SLIGHT YEAR-OVER-YEAR DECREASE OF 1.5%. THIS DECLINE WAS PRIMARILY DRIVEN BY IMPROVEMENTS IN DUST CONTROL SYSTEMS AND OPERATIONAL EFFICIENCY MEASURES IMPLEMENTED DURING THE YEAR.

Volume of pollutant emissions into the atmosphere, metric tons⁸⁷

Substance	2023	2024	2025
Nitrogen oxides (NOx)	59.6	54.0	55.9
Sulfur dioxide (SOx)	0.090	0.056	0.073
Persistent organic pollutants (POPs)	–	–	–
Volatile organic compounds (VOCs)	0.1	0.1	0.1
Hazardous air pollutants (HAP)	0.000006400	0.000003800	0.000005286
Particulate matter (PM)	694.5	684.4	670.5
Carbon monoxide (CO)	154.4	150.3	148.3
Other polluting emissions ⁸⁸	4.3	2.8	3.6
Total emissions	912.9	891.6	878.4

Ozone-Depleting Substances (ODS) Emissions

GRI 305-6

Protecting the ozone layer remains an important part of responsible environmental management because ozone-depleting substances (ODS) deplete the Earth’s natural shield against harmful ultraviolet (UV-B) radiation. Their use is therefore regulated internationally under the Montreal Protocol on Substances that Deplete the Ozone Layer, which provides the global framework for phasing out such substances.

In 2025, ZCMC neither produced nor destroyed any ozone-depleting substances. The only ODS used during the reporting year was HCFC-22 (R-22 refrigerant), chemically known as Mon chlorodifluoromethane (CAS No. 75-45-6). This substance has an atmospheric lifetime of approximately 11.9 years and an ozone depletion potential (ODP) of 0.055 under the Montreal Protocol (0.04 according to WMO, 2011). It also has a global warming potential (GWP) of 1,810 under IPCC AR4 and 1,760 under IPCC AR5.

The use of HCFC-22 was limited to the maintenance of six medium-sized air-conditioning units, and total use during the reporting year amounted to 5.284 kg.⁸⁹

Because HCFC-22 has a non-zero ozone depletion potential and is being phased out globally, ZCMC is committed to gradually discontinuing the use of equipment containing R-22 refrigerant, in line with international obligations and the RA’s legislation. This approach reflects the Company’s broader commitment to regulatory compliance and responsible environmental stewardship in areas governed by international environmental agreements.

⁸⁷ We currently do not have data showing how these emissions are distributed by individual sites. These numbers are calculated based on the volume of ore we process.

⁸⁸ Mercury (Hg) and lead (Pb) are not being monitored.

⁸⁹ In accordance with GRI 305-6 and the Montreal Protocol methodology, ODS emissions were calculated in CFC-11 equivalents. Applying the relevant ODP factor, this corresponds to 0.00029 metric tons of CFC-11 equivalent, equivalent to approximately 0.29 kg of CFC-11.

⁸⁵ See the 2024 Sustainability Report, section 7, page 120.

⁸⁶ Further details on the Climate Change Strategy are provided in the Climate Change section of this report.

Case Study: Achieving Operational Excellence at the Artsvanik Tailings Facility

GRI 3 3, SASB EM MM 540a.1, SASB EM MM 540a.2

IN THE MOUNTAINOUS TERRAIN OF SYUNIK PROVINCE, THE ARTSVANIK TAILINGS STORAGE FACILITY⁹⁰ IS CENTRAL TO OUR OPERATIONS. AS A VALLEY-TYPE FACILITY CONSTRUCTED USING THE UPSTREAM METHOD, IT CURRENTLY CONTAINS APPROXIMATELY 312 MILLION M³ OF TAILINGS, WITHIN A PERMITTED OVERALL CAPACITY OF ABOUT 538 MILLION M³.

Under the Global Industry Standard on Tailings Management (GISTM), Artsvanik is classified as an “Extreme Consequence Tailings Storage Facility”, meaning that a potential failure could have catastrophic consequences for people, the environment, and infrastructure. This classification guides our approach to every aspect of its management: heightened scrutiny, continuous monitoring, and long-term responsibility.

Our current program began in 2023, when an independent technical review by Knight Piésold identified the need for buttressing measures to ensure the facility’s long-term stability. Rather than treating this as a discrete engineering task, we used it as a catalyst to strengthen the broader system surrounding the facility, including its assessment, monitoring, and governance.

This marked a shift from periodic interventions to a more integrated, risk-based approach aligned with international expectations for facilities with extreme consequences.

We have initiated a phased stability improvement program. Phase 1, over approximately six years, focuses on achieving long-term stability aligned with international best practice. Phase 2 will continue throughout the life of the mine, embedding structural resilience into the ongoing operations.

To support this work, we have invested

\$2.6
million

in geotechnical investigations and assessments, including in-situ testing, laboratory analysis of undisturbed samples, instrumentation, and detailed stability modeling. These studies provide the technical foundation for future construction and design decisions.



At the same time, we are significantly enhancing the facility’s monitoring. Today, Artsvanik is equipped with 68 piezometers, survey monuments, accelerometers, and a 24/7 seismograph and weather station. These systems are now being expanded to include 36 new piezometers and four inclinometers, and to transition to a real-time digital monitoring platform.

Once fully implemented, monitoring frequency will increase from weekly readings to every two hours, with a pilot slope stability radar system planned for continuous 24/7 deformation monitoring. This transition represents a move toward continuous visibility of ground behavior and earlier detection of potential instability. Governance is being strengthened in parallel. Accountability for the Artsvanik TSF extends from site-level management to the Executive Management team and is embedded in our ESG systems. Tailings risk assessments are conducted every two to three years to ensure that any decisions made reflect current conditions and the evolving understanding of risk.

In line with GISTM requirements, we plan to establish an Independent Tailings Review Board (ITRB) to provide external technical oversight and challenge our thinking and decision-making. We are transparent in stating that we are working toward full conformity with GISTM requirements.

From 2023 to 2025, the Company undertook initiatives to improve the safety and stability of the TSF. A reassessment of the facility’s conformance with the standard is scheduled for 2026.

Preparedness for extreme scenarios is as important as ongoing monitoring. A site-specific Emergency Preparedness and Response Plan, developed in accordance with Canadian Dam Association guidelines, has been in effect since 2020. It is tested annually through tabletop exercises and full-scale evacuation drills conducted in coordination with local stakeholders, ensuring that response arrangements are practical, familiar, and continually improved.

ALONGSIDE OPERATIONAL AND SAFETY IMPROVEMENTS, WE ARE ADVANCING REHABILITATION ACTIVITIES IN LINE WITH THE CLOSURE PLAN DEVELOPED TO RESTORE DISTURBED LAND. AT THE ARTSVANIK SITE, APPROXIMATELY 179 HECTARES HAVE BEEN REHABILITATED, AND AN ADDITIONAL 116.57 HECTARES ARE UNDERGOING ACTIVE REHABILITATION, WHILE WORK CONTINUES AT ASSOCIATED WASTE ROCK FACILITIES.

THE NEXT INDEPENDENT TECHNICAL REVIEW IS SCHEDULED FOR 2026, MARKING AN IMPORTANT MILESTONE FOR ASSESSING PROGRESS IN ENGINEERING, MONITORING, AND GOVERNANCE.

TAKEN TOGETHER, THESE ACTIONS DEMONSTRATE OUR LONG-TERM COMMITMENT TO MOVING BEYOND COMPLIANCE TOWARD A MORE PROACTIVE, TRANSPARENT, AND RESILIENT APPROACH TO TAILINGS MANAGEMENT, APPROPRIATE FOR AN EXTREME CONSEQUENCE FACILITY AND ALIGNED WITH EVOLVING GLOBAL EXPECTATIONS.

⁹⁰ At this stage, the closure of Artsvanik TSF is not envisaged. Tailings facilities that were previously transferred to the RA remain outside the Company’s current monitoring scope.

Managing Biodiversity Impacts and Conserving Natural Ecosystems



GRI 3-3

Biodiversity considerations continue to shape ZCMC’s environmental management approach, particularly given the ecological sensitivity of areas surrounding some of its operations.

IN 2025, THE COMPANY CONTINUED IMPLEMENTING THE ECOSYSTEMS AND BIODIVERSITY MANAGEMENT PLAN, A CORE COMPONENT OF ITS ENVIRONMENTAL MANAGEMENT SYSTEM.

The plan is aligned with applicable national and international frameworks, including Armenian legislation on flora and fauna, IFC Performance Standard 6, the Bern Convention, the Red Book of Armenia, and the IUCN Red List. It also draws on ongoing biodiversity monitoring results, helping to keep the Company’s approach informed, relevant, and responsive to changing environmental conditions.

Operational Context and Sensitive Areas

GRI 304-1

The Company’s production areas include the open pit, the ore crushing and transportation plant, the enrichment plant, and the Tailings Storage Facility. The open pit is located adjacent to an area of high biodiversity value due to its proximity to Arevik National Park. It is located in the Syunik region of the RA, approximately 21 km west of Kapan and 3.5km south of Kajaran, and is bordered to the west by the Zangezur National Sanctuary, and the proposed Zangezur Emerald Site, immediately adjacent to the footprint of the Project. The open pit covers 555 hectares and has a maximum depth of 695 meters. In 2025, the actively exploited area of the open pit was 55.2 hectares (0.552 km²).

The open pit is bordered by Arevik National Park on its northern side. At its closest point, the distance between the open pit boundary and the national park is approximately 1.3km, however, the Company’s operations do not extend into the Park’s territory.

Arevik National Park, adjacent to the open pit, was established by the Government of the Republic of Armenia under Resolution No. 1209-N, dated October 15, 2009. The Park covers 34,401.8 hectares. It was established to preserve natural ecosystems, landscapes, and biological diversity, including endemic, rare, and endangered species and their habitats within the Meghri and Zangezur mountain ranges. The area features mountain and forest terrestrial ecosystems and is recognized for its high conservation value. As a specially protected natural area under Armenian legislation, it hosts priority species for conservation, including the Caucasian leopard, Bezoar goat, brown bear, otter, and other rare fauna.

Assessment of Biodiversity Impacts

GRI 304-2

The Company assesses the potential direct and indirect impacts of its operations on biodiversity through annual biodiversity monitoring, camera-trap observations, and environmental monitoring (including groundwater composition and levels).⁹¹

The data are compared with those from previous years to identify potential changes in ecosystems and species. In 2025, ZCMC engaged international experts to conduct a biodiversity impact assessment with an expanded scope and a more detailed approach, covering a broader range of species and biodiversity.

THE RESULTS OF THESE ASSESSMENTS ARE ORGANIZED INTO FOUR MAIN AREAS:

01

The operation of the open pit and associated road infrastructure generates noise, blasting-induced vibrations, nighttime lighting, and dust, which may lead to habitat fragmentation and disruption of animal migration routes, particularly for nocturnal species.

According to monitoring results, no changes in the species composition of flora and fauna related to these factors were observed during the reporting year.

02

The operation of the open pit and associated road infrastructure generates dust and gas emissions, which are continuously monitored by environmental controls.

During the reporting year, no negative impacts on biodiversity were identified based on monitoring data.

03

During the reporting period, no significant impacts from invasive species on biodiversity were recorded within the Company’s area of influence. Landscaping projects implemented by the Company primarily use local species typical of the region.

No cases of the introduction or spread of invasive species were recorded during the reporting year.

04

As part of biodiversity monitoring, animal species are identified and documented.

According to the monitoring results for the reporting year, all species recorded in the previous year were again observed and documented, indicating the preservation of species composition.⁹²

⁹¹ During the reporting year, groundwater level measurements were carried out in the mining area, however, an assessment of the impact on biodiversity has not yet been conducted.

⁹² At present, no significant changes in biodiversity resulting from habitat transformation have been recorded. At the final stage of mining operations, it is planned to develop a mine closure plan and implement restoration measures.

Although no significant adverse impacts were identified through monitoring, ZCMC recognizes the presence of certain localized and potentially significant effects, as outlined below:

- ▶ Localized changes have been observed in the populations of certain species. For example, the frequency of occurrence of *Capoeta capoeta* has decreased at some observation points, while an increase in population density has been recorded for the bellflower (*Campanula zangezura*).
- ▶ The physical transformation of habitats is primarily associated with the open-pit mining area and remains confined within the licensed mining boundaries. The impact is localized and does not extend to adjacent protected areas.
- ▶ Impacts on biodiversity are mainly associated with specific phases of production activities and are temporary, occurring during drilling, blasting, and ore transportation.
- ▶ The identified impacts are assessed as largely reversible. Following the completion of mining operations, the restoration and reclamation of disturbed areas are planned to support the gradual recovery of habitats.

We are committed to continuously improving our biodiversity monitoring tools, assessing the impacts of our operations on biodiversity, and implementing necessary measures to mitigate any potential adverse effects.

Advancing Our TNFD Journey: Nature-related Dependencies, Impacts, Risks and Opportunities

IN LINE WITH OUR COMMITMENT TO PROTECTING THE ENVIRONMENT, WE HAVE BEEN WORKING WITH THE TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD). IN 2025, THIS COMMITMENT EVOLVED INTO A STRUCTURED PROGRAM EXAMINING HOW OUR OPERATIONS DEPEND ON AND AFFECT THE NATURAL SYSTEMS AROUND US. THE FOLLOWING OUTLINES THE INITIAL OUTCOMES.

The biodiversity assessment informing our first TNFD assessment was conducted from late 2024 to early 2025. We expect to complete the inaugural TNFD Report in the first half

of 2026 and will use its results to inform our approach to nature-related disclosure and management.

The purpose of this work is straightforward. ZCMC operates within the Caucasus biodiversity hotspot, near Arevik National Park and other protected areas, and our license to operate depends on managing that setting credibly. Treating nature as a matter of governance, risk, and reporting, rather than a purely environmental concern, keeps operational continuity, biodiversity, and stakeholder trust within a single management view. It also provides a common framework for the operational programs described elsewhere in this report – tailings stewardship at Artsvanik, annual biodiversity monitoring, and progressive land rehabilitation – so that these are prioritized and connected on a risk basis rather than as separate initiatives.

Our applied LEAP Methodology

WE IDENTIFY, ASSESS, AND PRIORITIZE NATURE-RELATED ISSUES USING THE TNFD'S LEAP APPROACH – LOCATE, EVALUATE, ASSESS, AND PREPARE – AND MANAGE THEM WITHIN ZCMC'S RISK FRAMEWORK RATHER THAN IN ISOLATION.

The assessment was conducted on an operated-asset basis, covering the Kajaran open pit, the ore-crushing and enrichment plants, the waste rock dumps, the Artsvanik Tailings Storage

Facility (TSF), and the connecting tailings pipeline, over an area of approximately 1,082 hectares across the Voghji and Achanan sub-basins. The process also drew on the Company's established biodiversity monitoring and its Ecosystems and Biodiversity Management Plan, so the assessment built on that work rather than restating it. We tested materiality through two independent lenses, impact and dependency on one side and financial effect on the other, across short-, medium-, and long-term horizons, and applied the TNFD's additional guidance for the metals and mining sector. Outputs were cross-walked to other frameworks already in use to ensure the work reinforces our wider reporting rather than duplicating it.

LOCATE

The biodiversity program recorded 50 habitat types across 28 survey sites and advanced 12 priority locations to subsequent phases. The footprint lies within a broader sensitive landscape. The open pit borders Arevik National Park along its northern edge, about 1.3 km away at the closest point. The surrounding area includes the Zangezur Sanctuary, the Shikahogh State Reserve, the Meghri Key Biodiversity Area, and the Zangezur Important Bird Area and Emerald Site.

EVALUATE

The analysis was condensed to 10 material dependencies, with water purification and rainfall-pattern regulation rated highest, and to 10 material impact drivers, led by land-use change, water extraction, waste rock dumps, invasive species, and local air quality. These are the pathways screened as potentially material on a forward-looking, risk basis; biodiversity monitoring to date has not recorded significant adverse impacts, and the assessment is intended to keep that record under active management.

ASSESS

Each screened issue was rated for magnitude using a qualitative severity band (severe, major, or moderate), a priority band, and a time horizon (short, zero to 22 years; medium, three to 10 years; or long-term). The two materiality lenses were applied in parallel, so operational significance and financial effect were weighed together.

PREPARE

Each material issue was mapped to a management response, most often aimed at reducing its impact, with associated metrics, owners, and host systems, and was indexed to the 14 TNFD-recommended disclosures. In practice, these responses are integrated into programs already underway – the Artsvanik stability and monitoring program, annual biodiversity monitoring, and progressive rehabilitation and reforestation – rather than a separate workstream.

Metrics, Targets, and Next Steps

The boundary covers the operating assets. We treated the value chain and cumulative effects qualitatively. The first cycle used a single scenario and drew on 2024 data, but does not yet include formal biodiversity-condition indices. We note this as an area for development. Quantitative target values remain to be set, and this cycle was not externally assured, although the registries, evidence packs, and traceability arrangements were designed with future assurance in mind.

Our priorities for the next cycle are concrete:

- Hold the deferred multi-stakeholder risk and opportunity workshop.
- Secure full Board and Executive sign-off of the governance model and disclosure architecture.
- Develop a two-by-two scenario analysis.
- Set quantitative 2027 and 2030 targets.
- Extend coverage along the value chain.
- Close the control gaps identified in this cycle.

Strategic Nature Transition Plan

Alongside the assessment, we prepared a Strategic Nature Transition Plan. Across the issues screened, 30 were confirmed as material, comprising 24 risks and 6 opportunities. For now, it is a strategic framework rather than a finalized set of commitments: it sets the intended direction and outlines how an operational transition plan will be developed and, in subsequent cycles, executed. The framework is built around six pathways:

- Integrating nature into financial and strategic decisions.
- Avoiding and reducing negative impacts.
- Securing critical water-related dependencies.
- Restoring and protecting priority ecosystems.
- Transitioning the value chain.
- Transforming services and business models.

IT COMPRISES 55 SUB-ACTIONS THAT THE OPERATIONAL PLAN WILL TRANSLATE INTO SPECIFIC TARGETS AND TIMELINES. THE PLAN IS DESIGNED TO ALIGN WITH TARGETS 14 AND 15 OF THE GLOBAL BIODIVERSITY FRAMEWORK AND TO BE PROGRESSIVELY EMBEDDED INTO OUR RISK MANAGEMENT, CAPITAL PLANNING, ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM, PROCUREMENT, AND REPORTING CYCLES. GOVERNANCE FOLLOWS OUR EXISTING STRUCTURES, WITH THE BOARD RETAINING ULTIMATE OVERSIGHT.

Monitoring of Red-Listed Species

GRI 304-4, SASB EM-MM-160a.3.

In 2025, the Company gained more detailed insights into biodiversity, particularly regarding Red List species.⁹³ The information regarding the listed habitats in areas affected by operations will be represented in the ESIA which will be publicly available during the expertise period.

AS WE CONTINUE TO ENHANCE OUR UNDERSTANDING OF HABITATS AFFECTED BY OUR OPERATIONS, INCLUDING IN THE AREAS OF INFLUENCE, BIODIVERSITY MONITORING PROCESSES WILL BECOME INCREASINGLY EFFICIENT AND TARGETED, SUPPORTING THE EFFECTIVE MITIGATION OF POTENTIAL IMPACTS ON BIODIVERSITY.

⁹³ See the 2024 Sustainability Report, section 8, page 122.

Environmental Restoration and Land Rehabilitation

GRI 304-3

As part of our commitment to responsible mining and environmental stewardship, ZCMC continues to implement progressive land rehabilitation alongside our ongoing operations. Restoration activities comply with RA legislation and are integrated into our Environmental Management System.

Restoration Activities in 2025

TOTAL RESTORATION ACTIVITIES INCLUDE THE FOLLOWING:

Reclamation and restoration of

42.53 hectares

Sowing of

2,880 kg

of seeds, including corn, grass and cornelian seeds

Planting of

340 shrubs

Planting of

4,209 trees

including ash (*Fraxinus* spp.), maple (*Acer* spp.), catalpa (*Catalpa* spp.), and poplar (*Populus* spp.)

In 2025, the Company continued the biological and technical phases of reclamation across key operational areas, primarily at the Artsvanik TSF⁹⁴, the Dzorategh waste rock dump and open pit areas.

These measures were intended to stabilize the surface, reduce soil erosion, and establish vegetation cover in accordance with national reclamation requirements. The commitment to a 2-hectare reforestation in Kapan remains incomplete and is scheduled to take place in early 2027.

Reforestation: External Partnerships and More

During the reporting year, ZCMC continued its collaboration with “Hayantar” SNCO as part of its reforestation program:

- The Company’s nursery prepared and supplied 23,000 seedlings for planting.
- Total investment in the program amounted to approximately USD 0.2 million.

AT THE END OF THE REPORTING PERIOD, REFORESTATION AREAS DEVELOPED IN COOPERATION WITH “HAYANTAR” SNCO, COVERING 18 HECTARES, SHOWED PARTIAL PRESERVATION OF PLANTED SEEDLINGS, WITH SURVIVAL RATES OF 66% IN ACHANAN AND 69% IN KARMRAKAR, FALLING SHORT OF THE 70% TARGET. TO REACH THE TARGET, ADDITIONAL PLANTING, MAINTENANCE, AND IRRIGATION ADJUSTMENTS ARE PLANNED.

Total recultivation expenditure in 2025 totaled

\$819,890

reflecting the Company’s continued commitment to land rehabilitation and ecosystem restoration

Case Study: Forest Land Acquisition and Reforestation Partnership

As part of developing and operating its mining infrastructure, ZCMC requires access to land, including areas classified as forest land. These activities are conducted under national legislation with a focus on environmental protection, responsible land use, and long-term sustainability.

To ensure effective land acquisition, ZCMC has engaged extensively with local and national authorities to ensure structured, compliant land management. This collaborative approach has strengthened transparency and alignment with regulatory expectations while supporting more sustainable land-use outcomes.

The parties recognize the importance of:

- Coordinated reforestation activities using combined capabilities.
- Strengthening cooperation to support long-term environmental protection.
- Developing joint solutions to mitigate environmental impacts associated with land use.

A memorandum of cooperation is scheduled for 2026 to formalize this partnership. This will be followed by a detailed joint action plan outlining specific reforestation measures, responsibilities, and implementation timelines.

The planned 273-hectare initiative is a structured step toward mitigating environmental impacts and supporting

A key outcome of this engagement has been the development of a future collaborative reforestation initiative between ZCMC, the Ministry of the Environment, and “Hayantar” SNCO, covering approximately

273 hectares

long-term ecological recovery. In addition to biodiversity and land restoration benefits, the reforestation program is expected to contribute to climate change mitigation by sequestering carbon and supporting a gradual reduction in the Company’s overall greenhouse gas (GHG) footprint.

This experience shows that responsible land acquisition requires not only regulatory compliance but also proactive collaboration and long-term environmental planning. Through ongoing engagement with the authorities and the establishment of a formal reforestation partnership, ZCMC is working to balance operational requirements with environmental stewardship and to contribute to broader climate-related objectives and sustainable land use.

20%

target reduction in absolute Scope 1 and Scope 2 greenhouse gas emissions by 2040 (relative to the 2022 baseline)

8

Climate Change Governance: Introduction to the 2026-2040 Climate Change Strategy

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13

GRI 3-3, SASB EM MM 110a.2

Recognizing the growing importance of climate change to its long-term resilience and sustainable development, ZCMC has developed a Climate Change Strategy for 2026-2040, which is scheduled for approval by the Board of Directors in 2026. The strategy reflects the Company's commitment to strengthening climate governance and aligning with Armenia's climate commitments under the Paris Agreement and the country's transition to a low-carbon, climate-resilient economy. It defines ZCMC's long-term climate ambitions and establishes clear objectives, implementation measures, governance arrangements, and responsibilities to support the effective management of climate-related risks and opportunities across the Company's operations.

International Framework Alignment

The strategy serves two purposes: first, to facilitate internal planning through clear operational roadmaps, and second, to meet stakeholder expectations for transparency through public disclosure. The approach is aligned with the Science Based Targets initiative (SBTi), ensuring the Company's emissions-reduction targets are grounded in climate science, and with the Task Force on Climate-related Financial Disclosures (TCFD), structuring risk management and reporting in line with global best practices. The strategy also incorporates Wood Mackenzie's independent red flag assessment recommendations.

ZCMC's climate ambition is set against the backdrop of evolving expectations in the global copper mining sector. While peers are setting increasingly ambitious targets, the Company has defined its climate goals in alignment with its strategy and anticipated global demand for metals. We have also ensured our targets are achievable, realistic, and aligned with the national strategy, rather than being overly ambitious.

As a hard-to-abate sector, mining faces inherent decarbonization challenges, particularly given projected growth in demand for copper and molybdenum to support the clean energy transition. Recognizing that this growth could increase industry emissions without targeted intervention, ZCMC's approach focuses on managing emerging regulatory and market risks, including the EU Carbon Border Adjustment Mechanism, evolving national climate policy in Armenia, and buyer-driven emissions requirements, while maintaining competitiveness and market access.

To support this, ZCMC has established a regulatory monitoring process to track climate-related developments across key jurisdictions, including Armenia, the EU, the US, and China. The Company also engages with industry associations and participates in stakeholder consultations to stay informed about policy trends, contribute to sector dialogue, and anticipate regulatory changes.

In its strategy, ZCMC sets a high-level goal to reduce absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions by

20%

by 2040 (relative to the 2022 baseline),

demonstrating the Company's intention to contribute to global climate efforts while recognizing the realities of its operating context.

This long-term target underscores the ZCMC leadership team's intention to achieve sustainable mining and its commitment to meaningful emissions reductions over time. At the same time, the Company is adopting a flexible approach — its strategy will be periodically reviewed and adjusted as technologies evolve, new opportunities arise, and external conditions change. Through this approach, ZCMC aims to remain aligned with internationally recognized best practices for climate action while preserving the agility to respond to future developments.



Climate Change Governance

GRI 3-3, SASB EM MM 210a.1

TO SUPPORT THE EFFECTIVE ADOPTION AND IMPLEMENTATION OF THE CLIMATE CHANGE STRATEGY IN 2026, ZCMC HAS ESTABLISHED A CLEAR GOVERNANCE FRAMEWORK THAT INCLUDES DEFINED GOVERNANCE STRUCTURES, CLEAR ACCOUNTABILITY, AND ROBUST OVERSIGHT MECHANISMS. THE TWO MAIN ACTORS IN THIS FRAMEWORK ARE THE COMPANY'S BOARD OF DIRECTORS AND THE SUSTAINABILITY AND RISK COMMITTEE.

The **Board of Directors** retains ultimate oversight of ZCMC's climate strategy and performance. The BoD reviews progress on the Climate Strategy at least annually, receiving updates on the emissions-reduction trajectory, milestone progress, and any material changes to climate-related risk exposure or the strategic direction.

The **The Sustainability, ESG and Risk Committee**, established at the end of 2025 under ZCMC's governance charter, will provide an additional layer of oversight by integrating climate-related risks. This includes monitoring transition risks – regulatory, market, and technology-related – and physical risks, such as water stress and extreme weather events relevant to ZCMC's operations in the Syunik region.

Operational Scope and Regulatory Context of Emissions Management

ZCMC's emissions management strategies⁹⁵ apply to the Company's entire operational footprint, which consists of a single operating segment focused on copper-molybdenum mining and processing.⁹⁶

As stated in the 2024 Sustainability Report⁹⁷, ZCMC also participates in Armenia's Extractive Industries Transparency Initiative (EITI), which focuses on transparency in resource governance rather than emissions-specific regulation. In parallel,

voluntary alignment with international disclosure and reporting frameworks, including TCFD, GRI, and SASB, reflects the Company's commitment to internationally recognized climate-related disclosure practices.

These operational and regulatory considerations provide the strategic context for ZCMC's emissions management approach, which is implemented through the five emissions-reduction pillars described below and primarily focuses on ensuring effective mechanisms for managing and reducing Scope 1 and Scope 2 greenhouse gas emissions, alongside a structured approach to Scope 3 emissions engagement.



⁹⁵ As of FY2025, ZCMC's emissions management strategies are not directly associated with any emissions trading or carbon pricing programmes, such as emissions trading schemes (ETS) or cap-and-trade systems. Armenia does not currently operate a national ETS or mandatory carbon pricing mechanism applicable to the mining sector. Nevertheless, ZCMC monitors evolving international regulatory developments, including the European Union Carbon Border Adjustment Mechanism (CBAM) and EU supply chain due diligence requirements, which may have indirect implications for downstream buyers, competitiveness, and market access.

⁹⁶ The scope of these strategies includes the following assets and activities: (1) Kajaran open-pit mine and processing plant; (2) Artsvanik Tailings Storage Facility; (3) all ancillary facilities, transport fleet, and administrative operations.

⁹⁷ See the [2024 Sustainability Report](#), section 1, page 15.

Strategy Implementation Roadmap

GRI 3-3, SASB EM MM 110a.2

To ensure the successful implementation of the strategy, ZCMC developed a clear implementation roadmap with defined goals for the short to medium term (2026-2030) and the long term (2031-2040), as outlined below.



SHORT TO MEDIUM TERM (2026-2030)

Technically mature and cost-effective measures

Renewable electricity: Achieve a 30% share of renewable power in total electricity consumption (covering both process loads and buildings). Investigate long-term PPAs and RECs.

Process modernization: Increase energy efficiency through targeted retrofits and operational optimizations (e.g., high-efficiency motors, improved grinding circuits). Develop MACC to prioritize investments.

Transport decarbonization: Introduce eco-driving training and policies. Target a 20%-30% electric/hybrid vehicle share in the passenger fleet. Target a 15%-30% share of renewable-powered trains for on-site rail haulage.

LONG TERM (2031-2040)

Emerging or higher-cost solutions that will unlock further reduction potential

Renewable power: Scale renewables to reach up to 100% renewable electricity for all operations and facilities.

Advanced fleet decarbonization: Achieve 100% renewable-powered trains and begin deploying hydrogen-fueled heavy machinery (subject to go/no-go decision gates). Move up to 100% electric/hybrid passenger vehicle fleet.

Complete building upgrades: Retrofit 100% of buildings to low-carbon standards.

ZCMC has also demonstrated progress in implementing the short- and long-term goals outlined in the Sustainability Report 2024. The following developments were achieved:



SOLAR ENERGY

ZCMC has initiated a pilot project for a 5 MW solar power plant. It plans to obtain the necessary license and commence construction in late 2026. As a sustainable solution, the project is planned to be implemented at a previously closed TSF operated by ZCMC.



WIND ENERGY

ZCMC has signed a four-party Memorandum of Understanding with the Ministry of the Environment of Armenia, the Ministry of Territorial Administration and Infrastructure, and Komaihaltec Inc. (Japan) to conduct a feasibility study, expected to be completed in Q1 2027.



SHORT TO MEDIUM TERM (2026-2030)

Technically mature and cost-effective measures

Building retrofits: Retrofit buildings to low-carbon standards (insulation upgrades, efficient HVAC systems).

Solar power station: Complete feasibility study and financing plan (by 2028). Begin construction, targeting commissioning by 2030-2031. Up to 150 GWh/yr capacity covering ~20% of total energy consumption.



LONG TERM (2031-2040)

Emerging or higher-cost solutions that will unlock further reduction potential

Process electrification/fuel switching: Electrify remaining fuel-based processes where feasible, or switch to low-carbon fuels (e.g., green hydrogen) for equipment that cannot yet be fully electrified.

Scope 3 engagement: Implement supplier engagement program. Set and track Scope 3 reduction targets per SBTi methodology. Annual disclosure.

Transparency and Stakeholder Engagement

Transparency is a core principle for ZCMC and is reflected in the strategy through a written commitment to TCFD-aligned disclosures and external assurance in our sustainability report. Key metrics include annual trends in Scope 1 and Scope 2 emissions, energy consumption per unit of output⁹⁸, the share of renewable energy, and progress in fleet modernization.

ZCMC is also committed to providing annual third-party limited assurance of Scope 1, Scope 2, and Scope 3 emissions data, with a transition to reasonable assurance by 2030. Assurance findings and any material restatements will be disclosed in the annual sustainability report. This transparency enables external parties to assess ZCMC’s climate performance and credibility and helps meet evolving expectations from investors, lenders, and regulators.

ZCMC’S COMMITMENTS RELATING TO STAKEHOLDER ENGAGEMENT COMPRISE, BUT ARE NOT LIMITED TO:

01



Employees through:

- Climate action training programs.
- Energy-saving suggestion schemes.
- Recognition of sustainability achievements.

02



Local communities through:

- Transparent communication on environmental improvements.
- Consultation on adaptation measures, particularly regarding watershed management.

03



Investors and lenders can benefit through clear disclosure on climate risk management and ZCMC’s positioning as a future-ready business, potentially improving access to capital and reducing financing costs.

04



Buyers engagement, highlighting how ZCMC’s products are becoming more sustainable, creating opportunities for market differentiation.



Greenhouse Gas Emissions Overview

GRI 305-1, 305-2, 305-3

In 2025, ZCMC’s total greenhouse gas (GHG) emissions decreased by 5%, mainly due to a 10% decrease in Scope 3 emissions. A detailed breakdown of GHG emissions by type is provided below.

Amounts for types of greenhouse gas emissions, **metric tons of CO₂ equivalent**⁹⁹

Indicator	2023	2024	2025
GHG emissions (Scope 1) ¹⁰⁰	76,218	82,370	98,095
GHG emissions (Scope 2) ^{101,102}	226,913	229,555	241,293
GHG emissions (Scope 3)	767,857	785,239	705,668
GHG emissions (Scope 1 + Scope 2)	303,131	311,924	339,388
GHG emissions (Scope 1 + Scope 2 (market-based) + Scope 3)¹⁰³	1,070,988	1,097,164	1,045,057

GRI 305-1, SASB EM-MM-110a.1

ZCMC’s direct greenhouse gas emissions increased in 2025, showing an upward trend during the reporting year. As the numbers show, the increase in emissions was primarily linked to high electricity and fuel consumption, driven by massive construction and transportation in the production areas.

Direct greenhouse gas emissions, **metric tons of CO₂ equivalent**¹⁰⁴

Indicator	2023	2024	2025
Total direct emissions (Scope 1) of GHGs¹⁰⁵	76,218	82,370	98,095
Carbon dioxide (CO ₂)	75,321	81,375	96,932
Methane (CH ₄)	29.8	30	35
Nitrous oxide (N ₂ O)	867.1	966	1,047
HFCs, PFCs ¹⁰⁶	n/a	n/a	80.157

⁹⁹ Currently, ZCMC does not provide disaggregated Scope 1 and Scope 2 GHG emissions for other investees, associates, or joint ventures. Given evolving international standards and stakeholder expectations, ZCMC acknowledges the need to develop such disaggregation. Future ESG disclosures will include efforts to accurately attribute emissions across our non-consolidated investees, particularly focusing on associates or joint ventures.

¹⁰⁰ For a breakdown of gross direct (Scope 1) GHG emissions by source, please refer to [Appendix 3](#).

¹⁰¹ For location-based Scope 2 emissions, grid electricity emission factors were taken from CDM Standardized Baseline ASB0038-2021: Grid emission factor for the electricity system of the Republic of Armenia. The emission factor on power sector emissions is 0.43596.

¹⁰² For the table of gross location-based energy indirect (Scope 2) GHG emissions by mine site, please refer to [Appendix 3](#).

¹⁰³ ZCMC tracks overall emissions using an absolute GHG emissions metric (tCO₂-eq.), supplemented by intensity metrics (e.g., tCO₂-eq. per ton of concentrate).

¹⁰⁴ The calculation of two out of seven GHGs covered under the Kyoto Protocol – sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃) – are not available.

¹⁰⁵ Scope 1 emissions are defined and calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition, March 2004), published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), including applicable guidance on direct emissions from stationary combustion sources. Emission factors and global warming potential (GWP) rates are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (2014). Greenhouse gas emissions are expressed as CO₂ equivalents (tCO₂-eq) using 100-year GWP values.

¹⁰⁶ HFCs and PFCs were not included in this metric before 2025, however the amount for 2024 was 0.42 tCO₂ eq.

120 ⁹⁸ Please also refer to [Appendix 3](#) of this report.

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GRI 305-3

ZCMC’s Scope 3 emissions maintained a broadly similar overall shape in 2025, with the processing of sold products continuing to dominate the footprint and holding its position with little change from the previous year. At the same time, emissions linked to purchased goods and capital investments grew notably, strengthening their role as the second-largest contributor. In contrast, transportation-related categories moved in a more positive direction as employee commuting fell significantly, upstream transport dropped even more sharply, and downstream logistics eased, suggesting greater efficiency across parts of the value chain.

The Scope 3 greenhouse gas emissions, metric tons of CO₂ equivalent

Indicator ¹⁰⁷	2023	2024	2025
Category 1. Purchased goods and services ¹⁰⁸			
	121,907	173,029	231,658 ¹⁰⁹
Category 2. Capital goods			
Category 3. Fuel- and energy-related activities, not included in Scope 1 or Scope 2	91,930	57,208	62,714
Category 4. Upstream transportation and distribution	29,317	107,857	6,970
Category 5. Waste generated in operations	0	120	186
Category 6. Business travel	252	313	424
Category 7. Employee commuting	31,086	58,268	16,119
Category 9. Downstream transportation and distribution	123,544	43,824	40,817
Category 10. Processing sold products	369,821	344,620	346,781
Total other indirect emissions (Scope 3) of GHGs	767,857	785,239	705,668

GRI 305-4

Intensity of greenhouse gas emissions per ton of concentrate produced, per sales, and per person, 2025

Indicator	GHG intensity		
	Per dry metric tons (tCO ₂ -eq./t)	Per sales (tCO ₂ -eq./USD million)	Per person (tCO ₂ -eq./employee)
Scope 1	0.5	136	20.3
Scope 2	1.2	334	50
Scope 3	3.5	976	146.2
Scope 1 + Scope 2	1.7	469	70.3
Scope 1 + Scope 2 + Scope 3	5.2	1,445	216.5

Specific greenhouse gas emissions (carbon intensity) per revenue

Indicator	Unit of measurement	2023	2024	2025
Total GHG emissions (Scope 1 and 2)	Metric tons of CO ₂ equivalent	303,131	311,924	339,388
Specific GHG emissions (Scope 1 and 2)	Metric tons CO ₂ of equivalent/million USD	381	437	469
Revenue	Million USD	795.8	713.1	723.0

¹⁰⁷ ZCMC, in line with its principles, is continuously improving the emission monitoring and calculation approaches and as a result more accurate calculations are presented, which for some categories resulted in a decrease from 2024 to 2025.

¹⁰⁸ For this category, emissions were calculated using emission factors sourced from a different source, [MyCarbon.co.uk](#), resulting in an approximately 12% increase in the calculated emissions.

¹⁰⁹ Of this value, 105,172 tCO₂-eq is calculated using the activity-based method and 126,486 tCO₂-eq using the spend-based method. The increase in Category 1 and Category 2 is primarily attributable to higher expenditure on purchases of goods and services in 2025, as well as due to inventory replenishment.

Land Rehabilitation and Landscaping

GRI 304-2, 304-3

AS PART OF ITS EFFORTS TO REDUCE THE ENVIRONMENTAL FOOTPRINT OF ITS OPERATIONS, ZCMC CONTINUED TO INVEST IN LARGE-SCALE LANDSCAPING AND LAND REHABILITATION ACROSS ITS SITES AND NEARBY COMMUNITIES. IN 2025, THESE EFFORTS TOOK VISIBLE SHAPE THROUGH THE PLANTING AND CARE OF 72,194 TREES, FLOWERS, AND SHRUBS, WITH A SUBSTANTIAL SHARE – 51,132 PLANTS – REMAINING VIABLE AND SUPPORTING THE RESTORATION OF LOCAL ECOSYSTEMS.

Follow-up monitoring in early 2026 helped clarify the climate implications of these efforts. By measuring plant characteristics such as height, age, and stem diameter, ZCMC estimated the amount of carbon dioxide absorbed by the restored vegetation. While this confirmed that the program contributes to carbon sequestration, it also showed that the impact remains very small relative to the Company’s overall greenhouse gas footprint, making restoration valuable primarily as an ecosystem and rehabilitation measure rather than as a significant emissions offset. ZCMC estimated that the restored vegetation absorbed 1,801 kg of CO₂. Set against the Company’s total annual greenhouse gas emissions of 1,045,057 tCO₂-eq across Scopes 1, 2 (market-based), and 3, this represented an offset of approximately 0.000172%.

Some species stood out more than others in this work. Apple, Fraxinus, and Acer trees at the Achanan and Karmrakar sites, along with Acacia trees around the Artsvanik tailings facility, showed the strongest carbon absorption performance among the planted vegetation.

To understand the broader ecological picture, ZCMC also conducts annual biodiversity monitoring through field observations, camera traps, and assessments of air and groundwater quality, helping track how operational areas and surrounding habitats respond over time.

In the reporting year:

- ▶ No changes in the composition of flora or fauna were recorded that were attributable to noise, dust, vibration, lighting, or emissions from mining and transport activities.
- ▶ No significant impacts from invasive species were identified; landscaping activities primarily use native species.
- ▶ All species recorded in the previous year, including endemic and Red Book species, were observed again, indicating stability in species composition.
- ▶ Impacts from production activities remained local, temporary, and largely reversible.
- ▶ No biodiversity losses from habitat transformation were identified during the reporting period.

Restoration and reclamation measures are planned to be implemented progressively and at mine closure to support the long-term recovery of affected habitats.

Appendices

Appendix 1: About this Report

■ GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5

THIS SUSTAINABILITY REPORT AIMS TO PROVIDE STAKEHOLDERS WITH A CLEAR UNDERSTANDING OF ZCMC'S PERFORMANCE AND IMPACTS. IT HIGHLIGHTS OUR CONTRIBUTION TO THE COUNTRY'S ECONOMIC AND SOCIAL DEVELOPMENT AND OUTLINES THE ENVIRONMENTAL ASPECTS OF OUR OPERATIONS.

As part of our commitment to transparent and effective stakeholder engagement, we follow recognized international sustainability reporting standards. This Report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI) and the guidelines of the Sustainability Accounting Standards Board (SASB). This year, it has been expanded to include a dedicated chapter on the Taskforce on Nature-related Financial Disclosures (TNFD), outlining the Company's approach to identifying, assessing, and managing nature-related risks and opportunities.

For non-financial disclosures, the reporting boundary includes "Zangezur Copper Molybdenum Combine" CJSC and excludes its subsidiaries. However, financial disclosures cover both "Zangezur Copper Molybdenum Combine" CJSC and "Ler-Ex" LLC, as detailed in the audited consolidated financial statements.

ZCMC publishes its Sustainability Reports annually, aligning the reporting period with the financial year. This Report includes data for ZCMC from January 1 to December 31, 2025, and will be published in August 2026.

No restatements have been made to data from prior reporting periods unless otherwise indicated in the Report. Comparable 2023 data can be found in our 2024 Sustainability Report if not included here. We acknowledge the importance of independent verification, and The Independent Assurance Report is attached to this report.

Appendix 2: Double Materiality Assessment

■ GRI 3-1

ZCMC conducted a double materiality assessment (DMA) to identify and assess sustainability-related impacts, risks, and opportunities that are material. The assessment considered both the Company's impacts on people and the environment and sustainability-related risks and opportunities that have, or may reasonably be expected to have, financial effects on the Company.

The assessment covered ZCMC's operations and relevant upstream and downstream value chain areas, including key suppliers, contractors, and logistics providers. The scope of the assessment reflected the Company's business model, activities, products, operating locations, stakeholder groups, business relationships, and external operating environment. The reporting boundary aligns with the scope of the Company's consolidated financial statements.

The assessment covered the reporting period ending December 31, 2025, and considered short-, medium-, and long-term time horizons, as defined by ZCMC, with the short term up to 1 year, the medium term 1 to 5 years, and the long term more

than 5 years. These time horizons were applied consistently when assessing both impacts and financial risks and opportunities.

The process was coordinated by the Sustainability Directorate and involved relevant internal experts across sustainability, finance, risk management, legal, compliance, HR, procurement, operations, sales, and internal audit. ZCMC also drew on information from existing management processes, including risk management, compliance monitoring, internal audit, strategic and financial planning, procurement and HR processes, and stakeholder engagement.

The assessment was based on Company-specific data, internal documentation, expert judgment and comments, existing risk management information, and external context, including regulatory, market, and sector-related developments. When quantitative data was unavailable, incomplete, or insufficiently granular, ZCMC relied, in particular, on expert judgment, both internal and external.

Identification of Impacts, Risks, and Opportunities

ZCMC began the assessment by analyzing its business model, strategy, activities, products and services, operating locations, and value chain. This analysis was used to identify sustainability matters relevant to the Company and to develop an initial list of actual and potential impacts, risks, and opportunities across the ESRS topical areas.

Impacts were identified by assessing how ZCMC affects, or may affect, people and the environment through its operations and business relationships. This included consideration of whether impacts are caused by the Company, contributed to by the Company, or linked to the Company through its upstream or downstream value chain. ZCMC considered both actual and potential impacts, both positive and negative, and classified them by value chain location, time horizon, and human rights impact.

Stakeholder perspectives were gathered through employee and stakeholder surveys, grievance mechanisms, whistleblowing channels, supplier

and contractor engagement, community engagement, and other existing engagement processes. When direct engagement with affected stakeholders was not possible, ZCMC relied on internal expertise, available complaint and grievance data, sector information, external benchmarks, and other relevant sources to assess potential effects on people and the environment.

Sustainability-related risks and opportunities were identified by assessing how sustainability matters may affect the Company's financial position, financial performance, cash flows, access to finance, and cost of capital. ZCMC also considered whether dependencies on natural, human, or social resources could create financial risks or opportunities, and whether identified impacts could translate into financial effects, for example, through regulatory exposure, remediation costs, operational disruption, buyer expectations, reputational effects, or financing conditions.

Assessment and Prioritization

ZCMC assessed impacts based on their severity. For negative impacts, severity was determined by reference to scale, scope, and irremediable character. Scale reflected the gravity of the impact, scope reflected its extent, and irremediable character reflected the extent to which it could be reversed or remediated. For positive impacts, the assessment considered only scale and scope.

For potential impacts, likelihood was also considered, except for potential negative human rights impacts. For such impacts, ZCMC applied the severity-over-likelihood principle. This means likelihood was not scored separately, and the materiality conclusion was based on the severity of the potential impact. This approach was applied to avoid excluding severe potential human rights impacts solely because their likelihood is uncertain or difficult to estimate.

Risks and opportunities were assessed based on the magnitude of their potential financial impact and the likelihood of their occurrence within the relevant time horizons. In assessing magnitude, ZCMC also considered potential effects on the Company's financial position, financial performance, cash flows, access to finance, and cost of capital. Where available, the assessment was supported by quantitative financial data; otherwise, qualitative judgment from finance, risk, and business experts was applied.

ZCMC applied predefined scoring criteria and thresholds to prioritize impacts, risks, and opportunities. The scoring criteria addressed impact and financial materiality separately, while the final materiality conclusion was determined using the double materiality principle.

A sustainability topic was considered material if it was material from either the impact or the financial materiality perspective, or both. The scoring scales for severity, magnitude, and likelihood, the weightings applied, and the threshold at or above which a matter was concluded material are set out in the Company's DMA methodology.

The assessment identified 49 material impacts, 22 material risks, and 9 material opportunities.

These findings correspond to 8 material sustainability topics comprising 31 sub-topics. The results are summarized in the DMA Summary Table on the following pages. These eight topics were selected from the full set of ESRS topical standards screened in the assessment; topics deemed not material, including ESRS S2 (Workers in the value chain) and ESRS S4 (Consumers and end-users), were assessed on the same basis and remain under review.

Consideration of Connections Between Impacts, Risks, and Opportunities

As part of the assessment, ZCMC evaluated the relationship between the identified impacts and related financial risks and opportunities. Negative impacts were analyzed to determine whether they could give rise to financial risks, including increased compliance costs, regulatory penalties, litigation, remediation costs, operational disruption, reputational damage, loss of buyers, or higher financing costs.

Similarly, positive impacts and sustainability-related initiatives were considered to determine whether they may create opportunities, such as operational

efficiencies, improved market access, enhanced buyer relationships, access to sustainable finance, stronger employee retention, or improved resilience of the business model.

ZCMC also considered dependencies on resources and relationships that support its business model, including energy, water, a skilled workforce, suppliers, contractors, local communities, and financing. These dependencies were taken into account when assessing whether sustainability matters could affect the Company's strategy, operations, financial planning, or risk profile.

Governance, Internal Review, and Integration into Management Processes

The DMA process underwent internal review and validation. The Sustainability Directorate reviewed preliminary IROs and scoring results.

The DMA results are intended to serve as a basis for further integrating sustainability considerations into relevant management processes. Sustainability-related risks identified through the DMA may be considered in the Company's existing risk, compliance, internal control, strategic planning, or financial planning processes, where relevant and practicable.

Similarly, opportunities identified through the DMA will be considered in connection with strategy development, commercial planning, operational improvements, investment planning, or financing considerations, as relevant to the Company's activities and decision-making.

ZCMC will use the DMA results to support sustainability reporting, management discussions, and the future development of actions, policies, targets, and metrics required by applicable standards. ZCMC will also ensure that the DMA is externally audited and reviewed at least annually.

Material Topics, Impacts, Risks, and Opportunities

The table below is based on the DMA’s final outcomes and summarizes the material impacts, risks, and opportunities identified by ZCMC.

DMA Summary Table

Description of sustainability issues	Type of IROs			Nature of IROs	Place in the value chain	Time perspective
	Impact	Risk	Opportunity	Positive/Negative Actual/Potential	Upstream	Short
					Own operations	Medium
Downstream						
Long						
ESRS E1 – Climate change						
Climate change mitigation						
Scope 1 GHG emissions from combustion of diesel/fuels in mobile mining equipment (haul trucks, loaders, drills), on-site generators, and stationary combustion for heating/boilers.	✓			Negative/Actual	Own operations	Short, Medium, Long
Scope 2 GHG emissions from purchased electricity for crushing, grinding/milling, flotation, pumping, and dewatering.	✓			Negative/Actual	Own operations	Short, Medium, Long
Scope 3 upstream GHG emissions from production and transport of key inputs (explosives, flotation reagents, steel and spare parts, tires, cement, outsourced services).	✓			Negative/Actual	Upstream	Short, Medium, Long
Scope 3 downstream GHG emissions associated with transportation and further processing/smelting/refining of concentrates/products.	✓			Negative/Actual	Downstream	Short, Medium, Long
Reducing Scope 1 and 2 GHG emissions through process efficiency improvements (lower kWh per ton, improved comminution efficiency, advanced process control, reduced rework and losses).	✓			Positive/Potential	Own operations	Medium, Long
Reducing Scope 1 and 2 GHG emissions through increased renewable electricity share (PPAs/on-site generation) and electrification of equipment where feasible.	✓			Positive/Potential	Own operations	Medium, Long
Exposure to higher operating costs from rising diesel/fuel prices and tightening fuel quality/emissions rules; potential carbon pricing/excise/ETS-type costs on direct combustion emissions; increased maintenance and replacement CAPEX to meet emissions standards for mobile equipment; potential penalties for non-compliance, and downtime from enforcement actions.		✓		n/a	Own operations	Short, Medium, Long
Structural growth in demand for copper and molybdenum concentrate, polymetallic ore, refined lead (electrification, grids, renewables, EV supply chains, energy efficiency, energy storage) supports volume growth, stronger long-term pricing, and improved contract terms/offtake optionality (including longer contract durations).			✓	n/a	Downstream	Medium, Long
Energy						
Fuel consumption intensity in mining and internal logistics contributing to climate impact via direct combustion emissions (linked to Scope 1).	✓			Negative/Actual	Own operations	Short, Medium, Long
High energy demand of mining and mineral processing (especially comminution and pumping), driving a higher indirect climate impact through electricity consumption (linked to Scope 2 emissions).	✓			Negative/Actual	Own operations	Short, Medium, Long
Exposure to electricity price volatility, grid tariff increases, and potential carbon pass-through in power prices; risk of supply disruptions/curtailment affecting production; potential requirement for CAPEX in energy efficiency, backup power, or grid connection upgrades; possible higher cost of capital if emissions intensity remains high.		✓		n/a	Own operations	Short, Medium, Long
Comminution and pumping are typically the biggest power loads; targeted upgrades (high-pressure grinding rolls/variable speed drives — HPGR/VSDs, circuit optimization, advanced process control) can create a durable cost position and reduce exposure to energy price volatility.			✓	n/a	Own operations	Short, Medium, Long
Climate change adaptation						
Reducing resilience of the local environment/community if site infrastructure and land management measures do not account for changing precipitation/temperature patterns and thereby aggravate local vulnerability (e.g., inadequate stormwater management causing higher runoff peaks and erosion downstream).	✓			Negative/Actual	Own operations	Medium, Long
Inadequate climate-informed infrastructure and land/water management increases the likelihood of physical climate disruption costs (repair CAPEX, cleanup costs, insurance premiums), production downtime, and potential regulatory sanctions if runoff/erosion leads to environmental breaches; can also trigger permit constraints and community opposition translating into schedule delays and added mitigation costs.		✓		n/a	Own operations	Medium, Long

Description of sustainability issues	Type of IROs			Nature of IROs	Place in the value chain	Time perspective
	Impact	Risk	Opportunity	Positive/Negative Actual/Potential	Upstream Own operations Downstream	Short Medium Long
ESRS E2 – Pollution						
Air pollution						
Fugitive dust emissions (particulate matter 10/2.5 micrometers – PM10/PM2.5) from blasting, crushing, screening, conveyors, stockpiles, tailings beaches, haul roads, and traffic, impacting ambient air quality in nearby settlements.	✓			Negative/Actual	Own operations	Short, Medium, Long
Windblown dust from tailings and waste rock areas, increasing particulate deposition on soils, vegetation, buildings, and surface waters.	✓			Negative/Actual	Own operations	Short, Medium, Long
Reduction of dust emissions through the use of sprinkler systems, dust covers, conveyor belt roofing, and road improvements.	✓			Positive/Potential	Own operations	Short, Medium, Long
Risk of enforcement actions requiring stabilization measures (tailings surface management, covers, wind breaks, binders), increasing maintenance CAPEX and operating costs; potential third-party claims (property/health nuisance) and reputational damage affecting permitting outcomes and access to financing.		✓		n/a	Own operations	Short, Medium, Long
Water pollution						
Exceedances of permitted effluent limits (e.g., metals, total suspended solids – TSS, pH, sulfates) from mine site/processing discharges, causing deterioration of surface water quality downstream.	✓			Negative/Actual	Own operations	Short, Medium, Long
Contaminated stormwater runoff from ore stockpiles, waste rock, tailings areas and haul roads transporting suspended solids and dissolved contaminants to receiving waters.	✓			Negative/Actual	Own operations	Short, Medium, Long
Increased pollutant loads during high-flow events if containment and treatment capacity is exceeded, leading to episodic pollution pulses.	✓			Negative/Actual	Own operations	Short, Medium, Long
Risk of fines and permit non-compliance consequences, including mandated production curtailment, tighter discharge limits, or permit suspension; material CAPEX for treatment upgrades (neutralization, clarification/filtration, metals removal) and ongoing OPEX for reagents/sludge management; increased legal exposure and cross-border stakeholder pressure where downstream impacts are alleged.		✓		n/a	Own operations	Short, Medium, Long
Build robust treatment capacity and automation (removal of metals, neutralization, handling of solids) and – where feasible – recover value (e.g., recover metal from process streams/sludges).			✓	n/a	Own operations	Medium, Long
Soil pollution						
Deposition of metal-bearing dust (from ore/concentrate handling, tailings, haul roads) contributing to incremental soil contamination in surrounding areas.	✓			Negative/Actual	Own operations	Short, Medium, Long
Reclamation and improvement of soil quality in post-mining areas through the addition of organic matter, liming, and phytoremediation.	✓			Positive/Actual	Own operations	Short, Medium, Long
Substances of very high concern (SVHC)						
Regulatory risk related to the presence of naturally occurring SVHC in ores (arsenic, cadmium, lead); tightening emission limits; authorization procedures for used SVHC substances; liability for worker exposure to carcinogenic, mutagenic and reprotoxic (CMR) substances; exposure control measure costs; risk of exclusion from supply chains requiring SVHC-free products.		✓		n/a	Own operations	Medium, Long
ESRS E3 – Water and marine resources						
Water consumption						
High net water consumption for mineral processing (including evaporation, entrainment in tailings, moisture in concentrate) reducing local water availability for ecosystems and other users, particularly during low-flow periods.	✓			Negative/Actual	Own operations	Short, Medium, Long
Reducing net consumption through water process optimization and reuse, increasing water available to the catchment and improving ecological flow conditions.	✓			Positive/Potential	Own operations	Short, Medium, Long
Exposure to water availability constraints (permitting limits, seasonal abstraction restrictions) that can force throughput curtailment or higher-cost operating models; increased OPEX for securing alternative supplies (pumping, storage, treatment) and CAPEX for efficiency improvements; potential higher closure/provisioning costs if water balance management increases long-term obligations.		✓		n/a	Own operations	Short, Medium, Long
Invest in process optimization (thickening, reclamation, leak reduction, improved water balance control) to reduce net consumption per ton and operating variability.			✓	n/a	Own operations	Medium, Long

Description of sustainability issues	Type of IROs			Nature of IROs	Place in the value chain	Time perspective
	Impact	Risk	Opportunity	Positive/Negative Actual/Potential	Upstream Own operations	Short Medium Long
				Downstream	Long	
Water withdrawals						
Large-volume surface water withdrawals decreasing river/stream base flow and seasonal flows, potentially degrading aquatic habitats and ecosystem services.	✓			Negative/Actual	Own operations	Short, Medium, Long
Withdrawal patterns increasing competition for water with local communities and agriculture (inside – out consequence: reduced availability/quality of shared resource).	✓			Negative/Actual	Own operations	Short, Medium, Long
Risk of regulatory tightening of abstraction permits and environmental flow requirements leading to reduced allowable withdrawals, operational disruption, and mandated CAPEX (reservoirs, intake redesign, bypass flows) and OPEX (monitoring, compliance reporting).		✓		n/a	Own operations	Short, Medium, Long
Build a measurable pathway to higher recycling rates and publish intensity metrics (m³/ton), using automation and metering to verify performance.			✓	n/a	Own operations	Medium, Long
Water discharges						
Discharge of process water into surface water bodies, mine drainage water containing elevated concentrations of metals and sulfates into surface water bodies, and rainwater from mine areas containing suspended solids and pollutants into water bodies.	✓			Negative/Actual	Own operations	Short, Medium, Long
ESRS E4 – Biodiversity and ecosystems						
Direct impact drivers of biodiversity loss – Land use change, freshwater use change and sea use change						
Occupation of land for excavation, spoil heaps, roads, and TSF leading to the loss and fragmentation of natural habitats and the disconnection of migration corridors.	✓			Negative/Actual	Own operations	Short, Medium, Long
Transformation of watercourses and water reservoirs through regulation, construction of dams for flotation tanks, and changes in hydrological regimes.	✓			Negative/Actual	Own operations	Short, Medium, Long
Risk of permitting delays or refusals driven by regulatory pressure to protect habitats and species; exposure to costly compensatory requirements (offsets, habitat restoration); potential project suspensions or delays triggered by NGO or community intervention; increasing costs of biodiversity monitoring and ecological assessments; ‘no net loss’ or ‘net positive impact’ requirements, and costly biodiversity offsets.		✓		n/a	Own operations	Medium, Long
Direct impact drivers of biodiversity loss – Direct exploitation						
Removing overburden and mining deposits leads to the direct destruction of terrestrial and soil habitats, eliminating species with low mobility and disrupting ecological processes.	✓			Negative/Actual	Own operations	Short, Medium, Long
Direct impact drivers of biodiversity loss – Pollution						
Mineral dust emissions and trace metal deposition from waste piles and technical roads damage plant tissues, alter the soil microbiome, and reduce habitat productivity.	✓			Negative/Actual	Own operations	Short, Medium, Long
Impacts on the state of species						
Increasing the population of selected species through active conservation and restoration programs as part of nature compensation measures.	✓			Positive/Actual	Own operations	Short, Medium, Long
Impact on habitats of through direct land conversion and behavioral disturbance.	✓			Negative/Actual	Own operations	Short, Medium, Long
Impacts on the extent and condition of ecosystems						
Long-term exposure of barren surfaces, wind erosion, and limited water retention contribute to the steppe/desertification of degraded areas.	✓			Negative/Actual	Own operations	Short, Medium, Long
Significant reclamation and ecosystem function restoration costs; tightening reclamation standards requirements; financial guarantee refusal with insufficient ecosystem restoration plans; liability for degradation beyond the mine site (subsidence, erosion); stockpile ground stabilization costs; loss of post-mining economic land use possibilities; in dry regions – liability for accelerating desertification.		✓		n/a	Own operations	Medium, Long
Impacts and dependencies on ecosystem services						
Reduced water retention and quality in the watershed weakens water supply services for communities and agriculture.	✓			Negative/Actual	Own operations	Short, Medium, Long
Financial and operational risk from degradation of ecosystem services (water retention, soil stability, pollination) affecting infrastructure, water availability or local socioeconomic conditions; exposure to community claims where the ecosystem service impacts affect agriculture or resource access; potential mitigation or compensation requirements increasing cost structures.		✓		n/a	Own operations	Short, Medium, Long
Operating savings from utilizing ecosystem services (natural water filtration, erosion control by vegetation); building operational resilience through protection of ecosystems delivering key services; potential positioning as TNFD reporting leader attracting investors; partnerships with local communities in ecosystem service management.			✓	n/a	Own operations	Short, Medium, Long

Description of sustainability issues	Type of IROs			Nature of IROs	Place in the value chain	Time perspective
	Impact	Risk	Opportunity	Positive/Negative Actual/Potential	Upstream Own operations Downstream	Short Medium Long
ESRS E5 – Circular economy						
Resource outflows related to products and services						
Supplying copper and molybdenum as raw materials for the production of long-lasting, recyclable products.	✓			Positive/Actual	Own operations	Short, Medium, Long
Changing buyer preferences requiring ‘green copper’ certification and low carbon footprint; traceability and certification requirements (Copper Mark, International Council on Mining and Metals (ICMM)) as a condition for premium market access; risk of secondary copper market development and primary copper demand decline; potential extended producer responsibility (EPR) regulations affecting product specifications.		✓		n/a	Downstream	Medium, Long
Increasing buyer demand for certified, low-carbon, and traceable copper products creates opportunities to access premium markets, strengthen buyer relationships, enhance market differentiation through sustainability certifications, and benefit from emerging circular economy and product stewardship requirements.			✓	n/a	Downstream	Medium, Long
Resources inflows, including resource use						
High consumption of auxiliary materials (steel for spare parts, tires, explosives, chemical reagents) derived from non-renewable resources.	✓			Negative/Actual	Upstream	Short, Medium, Long
Increasing the share of secondary resources (e.g., steel recycling, reuse of structural elements) reduces the demand for materials.	✓			Positive/Potential	Own operations	Short, Medium, Long
Intensive use of flotation reagents (xanthates, frothers, depressants) that burden the environment through emissions throughout the entire lifecycle of these chemicals, from production to their decomposition in flotation waste.	✓			Negative/Actual	Own operations	Short, Medium, Long
The production of copper and molybdenum concentrate generates waste and by-products of limited value, reducing the efficiency of geological resource utilization and increasing pressure for new mining.	✓			Negative/Actual	Own operations	Short, Medium, Long
Interruptions in the supply of key inputs due to supply chain disruptions, geopolitical conflicts or trade restrictions; input price volatility (steel, energy, fuels, chemicals) with limited ability to pass increases on to buyers; potential minimum recycled content requirements or primary resource taxes; supply chain due diligence costs; exposure to resource efficiency ratings.		✓		n/a	Upstream	Short, Medium, Long
Waste						
Operation and inappropriate management of the tailings facilities may cause stability issues and environmental impact.	✓			Negative/Potential	Own operations	Short, Medium, Long
Hazardous waste (oils, chemicals) that is not sufficiently segregated increases the burden on external disposal facilities, limiting the efficiency of raw material recovery.	✓			Negative/Actual	Downstream	Short, Medium, Long
Use of mining waste as a secondary raw material (aggregate for concrete production, material for road maintenance).	✓			Positive/Potential	Own operations	Short, Medium, Long
Landfilling or stockpiling mining waste instead of using it as a secondary raw material, leading to increased volumes of unused waste, greater land degradation, and missed opportunities to support circular material flows in construction and reclamation activities.	✓			Negative/Actual	Own operations	Short, Medium, Long
Exposure to significant CAPEX/OPEX for tailings management upgrades as regulations and safety requirements tighten; risk of sanctions, permit limits, or operational shutdowns in the event of non-compliance; increasing costs for hazardous waste handling (oils, chemicals) and liability exposure if contamination occurs; potential high rehabilitation costs for degraded areas.		✓		n/a	Own operations	Medium, Long
ESRS G1 – Business conduct						
Corporate culture						
Risk of hidden abuses and violations discovered by media instead of internal channels with multiple times higher reputational costs; loss of employee and stakeholder trust with a culture tolerating unethical behavior; talent attraction difficulties due to negative reputation; ethics and compliance programs implementation and maintenance costs; insufficient clarity regarding the rules and unacceptable conduct toward business partners may lead to misunderstandings about expectations and misinterpretations of the Company’s policies and standards.		✓		n/a	Own operations	Short, Medium, Long
Protection of whistleblowers						
Risk of ongoing misconduct where safe and anonymous reporting channels are absent; exposure to regulatory sanctions for inadequate whistleblower protection; risk of issues escalating to media or NGOs if workers distrust internal reporting mechanisms.		✓		n/a	Own operations	Short, Medium, Long
Political engagement and lobbying activities						
Reputational risk from the disclosure of unethical lobbying; transparency requirements (lobbyist registers, disclosure of donations) and penalties for violations; criminal liability for illegal political party payments; sanctions and public tender exclusion for illegal influence on administrative decisions.		✓		n/a	Own operations	Short, Medium, Long

Description of sustainability issues	Type of IROs			Nature of IROs	Place in the value chain	Time perspective
	Impact	Risk	Opportunity	Positive/Negative Actual/Potential	Upstream Own operations Downstream	Short Medium Long
Corruption and bribery – Incidents						
Corruption incidents and the absence of appropriate corrective measures, allowing unethical practices to persist, increasing the likelihood of repeated violations, and undermining stakeholder trust and corporate reputation.	✓			Negative/Potential	Own operations	Short, Medium, Long
Multi-million penalties and management criminal liability for anti-corruption regulation violations, multi-jurisdictional proceedings with defense, permit and concession loss if corruption is proven; loss of investor and buyer trust arising from corruption scandals; exclusion from International Financial Institutions (IFI) and commercial banks financing; compliance program costs; liability for agent and intermediary actions.		✓		n/a	Own operations	Medium, Long
ESRS S1 – Own workforce						
Working conditions – Adequate wages						
Providing additional employee benefits (bonuses, health insurance, pension plans) that improve financial well-being.	✓			Positive/Actual	Own operations	Short, Medium, Long
Working conditions – Health and safety						
High exposure to mineral dust (silica, metal dust) increases the risk of lung diseases, including pneumoconiosis, chronic obstructive pulmonary disease (COPD), and occupational diseases.	✓			Negative/Potential	Own operations	Short, Medium, Long
Whole-body vibration (WBV) in dump truck and loader operators increases the risk of musculoskeletal disorders.	✓			Negative/Actual	Own operations	Short, Medium, Long
Incidents of serious and fatal accidents (equipment collisions, crushing injuries, machine overturns).	✓			Negative/Actual	Own operations	Short, Medium, Long
Conducting training courses on occupational health and safety, lockout tagout systems, equipment inspection, and the 'stop work authority' culture to build community competence, raise awareness, and thereby enhance human capital.	✓			Positive/Actual	Own operations	Short, Medium, Long
Risk of labor shortages and rising employment costs due to competition for skilled workers; exposure to operational disruptions from high turnover or absenteeism in demanding shift conditions; strikes and protests over unresolved conflicts with multi-week stoppages; increased health and safety related expenditures and mandatory benefits in high risk environments; risk of labor disputes or union pressure leading to higher costs or operational constraints.		✓		n/a	Own operations	Short, Medium, Long
Reduced absenteeism, turnover and recruitment costs through best occupational health and safety (OHS) practices and working conditions; higher productivity and employee engagement with positive safety culture; talent acquisition advantage as preferred employer in the industry; lower insurance and compensation claim costs; operational stability through constructive trade union relations; institutional knowledge retention with low turnover of experienced workers.			✓	n/a	Own operations	Short, Medium, Long
Working conditions – Social dialogue						
Maintaining social dialogue with technical universities and organizing scholarship and educational programs.			✓	n/a	Own operations	Medium, Long
Equal treatment and opportunities for all – Training and skills development						
Investing in employee retraining in the context of automation and digitization of mining processes.	✓			Positive/Actual	Own operations	Short, Medium, Long
Equal treatment and opportunities for all – Measures against violence and harassment in the workplace						
Ensuring safe and confidential mechanisms for reporting cases of violence and harassment.	✓			Positive/Actual	Own operations	Short, Medium, Long
ESRS S3 – Affected communities						
Communities’ economic, social and cultural rights – Adequate food						
Support programs for local communities (infrastructure development, training, cultural development, access to seeds, financial support, social dialogue with technical universities, including scholarships and educational programs).	✓			Positive/Actual	Downstream	Short, Medium, Long
Communities’ economic, social and cultural rights – Security-related impacts						
Potential failure of the Tailings Storage Facility (TSF) and release of waste into the environment.		✓		n/a	Own operations	Short, Medium, Long
Risk of community conflict and regulatory constraints where mining impacts air, water, or land quality; exposure to claims or litigation linked to agricultural degradation or reduced food security; potential obligations for costly compensation (water infrastructure, road upgrades, land compensation); risk of losing social license to operate, causing operational delays or investment blockages; community development programs and benefit-sharing agreement costs.		✓		n/a	Own operations	Medium, Long
Reputational and legal risk if communities consider consultation processes inadequate or restrictive; exposure to protests and NGO pressure affecting project timelines; risk of regulatory intervention when allegations arise regarding restrictions on freedom of assembly or expression; boycott campaigns and ESG investor pressure; dialogue and grievance mechanism costs.		✓		n/a	Own operations	Short, Medium, Long
Communities’ economic, social and cultural rights – Water and sanitation						
Reduced water availability for local communities as a result of water abstraction by the mine or contamination from tailings (runoff, leaks, seepage).	✓			Negative/Actual	Own operations	Short, Medium, Long

Appendix 3¹¹⁰

Environmental topics

MATERIALS

GRI 301-1

Non-renewable materials, 2025 (In metric tons)

Material Description	Weight (tons)		
	2023	2024	2025
Total	21,511,521.6	22,370,543.04	22,766,689.4
Ore	21,433,511.0	22,333,137.0	22,674,379.0
Natural Gas	4,557.6	4,059.9	4,120.4
Metallic Aluminum ¹¹¹	4.7	2.5	15.9
Metallic Lead	0.1	0.2	0.2
Metallic Tin	-	-	-
Metallic Copper	58.6	141.1	140.2
Metallic Zinc	n/a	856.2	47.2
Other metallic items Steel Items & Details	n/a	8,969.0	6,204.6
Balls for Grinder/Crusher	14,982.0	15,305	15,162.4
Liners (Metallic)	4,440.0	872.6	352.0
Oils	654.9	647.1	559.6
Lubricants	153.8	141.2	64.9
Sand/Stucco ¹¹²	149.9	675.9	2,892.4
Babbitt Alloy	0.6	8.0	7.7
Bronze Alloy	0.5	0.7	0.9
Soil (for Greenery Work)	20.2	40.0	20.0
Filter for Machines	4.6	6.4	33.1
Concrete	13.1	576.5	558.2
Explosives	4,686.0	3,953.9	2,517.8
Tires	15.2	1,126.4	1,597.6
Electrodes for Welding	16.3	41.9	30.4
Rubber Conveyor Belts	108.9	91.3	18.5
Resin Items	n/a	128.5	180.8
Adhesives/Glue	31.0	43.8	50.8
Paints	13.1	11.0	23.2
Plastic Materials	2.6	185.8	105.9
Batteries	n/a	4.0	22.5

¹¹⁰ Minor differences (≤ 1) between component figures and their totals are due to rounding.

¹¹¹ The increase in purchased aluminum items is mainly due to the increase in the volume of construction works carried out in 2025.

¹¹² The increase in purchased sand/stucco is mainly due to the increase in the volume of construction works carried out in 2025.

Material Description	Weight (tons)		
	2023	2024	2025
Chemical Reagents for Flotation	27,818.19	25,754.99	30,211.75
Sodium Hydrosulfide	5,185.8	8,769.0	6,816.9
Potassium Butyl Xanthate	60.3	0.002	39.2
Sodium Isobutyl Xanthate	123.0	16.6	51.0
Sodium Butyl Xanthate ¹¹³	309.65	482.864	496.0
Foaming OPC5	250.3	272.6	316.4
Lime (>80% Activated)	16,803.5	11,677.9	14,449.2
Sodium Sulfide (60% Activated)	5,009.3	4,470.4	7,807.7
Antifoam/Flocculant	—	0.1	—
Other Reagents (incl. solvents & coolant)	76.4	65.7	235.4
Cylinder Gases	122.64	121.10	113.14
Propane Gas	15.5	15.9	12.4
Oxygen Gas	98.9	95.2	90.6
Carbon Dioxide Gas	4.5	3.9	5.0
Nitrogen Gas	3.5	3.3	2.5
Nitrogen Liquid	0.4	0.6	1.0
Argon Gas	—	1.7	1.4
Freon Gas R134A	—	0.5	0.2
Other Cylinder Gases ¹¹⁴	0.000009	—	0.019
Fuel (Total)	20,156.25	22,468.15	27,258.41
Petrol Premium A-95	650.5	728.6	755.2
Petrol A-91	158.4	159.5	142.3
Diesel	19,347.3	21,580.0	26,361.0

Renewable materials (in metric tons), 2025

Material Description	Weight (tons)		
	2023	2024	2025
Water ¹¹⁵	47,027,406.8	62,996,017.0	69,074,934.1
Pine Oil ¹¹⁶	89.5	122.6	144.0
Paper ¹¹⁷	2.0	6.0	45.9
Wood Materials	3.5	88.6	29.7
Piller/Oily Wood ¹¹⁸	28.5	24.0	—
Wrapping Bags (for Molybdenum)	0.5	4.0	2.1
Total	47,027,530.7	62,996,262.2	69,075,155.8

¹¹³ This category was added in 2025.

¹¹⁴ This category was added in 2025.

¹¹⁵ Water was not included in the calculation of total renewable materials in 2023 and 2024.

¹¹⁶ This material was recategorized as renewable in 2025.

¹¹⁷ In 2025 paper item calculations also included single-use paper cups and plates, (as well as office printing paper), while it was absent from the 2024 calculations. In addition, in 2025, compared to the previous year, paper items were also used instead of single-use plastic items, which is reflected in the decrease in the volume of plastic items.

¹¹⁸ This category was added in 2025.

GRI 301-2

Recycled and input materials used, 2025

Description	Value		
	2023	2024	2025
Input materials used, tons ¹¹⁹	68,539,052.3	85,366,805.2	91,841,845.2
Recycled input materials used, tons ¹²⁰	n/a	145.0	100.144
Percentage of total input that is recycled ¹²¹	n/a	0.000169%	0.000109%

WATER

GRI 303-3

Water withdrawal¹²² by intake point and water stress¹²³, 2025 (in metric megaliters)

Water Intake Point	Volume			Water stress
	2023	2024	2025	2025
Total	47,027.4	62,996.0	69,074.9	n/a
Voghji	16,224.1	20,173.0	20,550.2	34.04%
Geghi + Geghi Reservoir	17,666.0	25,320.1	28,617.0	18.15%
Voghji-1	436.4	3,489.7	3,725.5	4.52%
Voghji-2	1,059.6	3,500.9	3,819.8	4.14%
Voghji-3	4,869.4	3,792.6	4,245.3	3.67%
Dzagedzor	—	1,752.4	2,079.0	6.40%
Tsaghkar 1/Sakkar 1		3,853.8	4,580.4	19.81%
Tsaghkar 2/Sakkar 2	3,613.3	67.9	71.3	0.57%
Pukhrut		1,022.9	1,363.3	14.12%
Achanan Dzor: for nursery	—	11.4	11.6	0.49%
Achanan	—	6.6	6.6	0.02%
Girathagh	1.4	0.4	0.4	0.00%
Makanajur	—	4.3	4.4	0.08%
'Artsakh' drainage tunnel	3,157.3	—	—	0.00%

¹¹⁹ Total input materials are the sum of renewable and non-renewable materials.

¹²⁰ This category was not monitored before 2024.

¹²¹ This category was not monitored before 2024.

¹²² There was a methodological change in the calculation of water withdrawal volumes. The calculations for 2023 and the first quarter of 2024 are based on actual water withdrawal. Starting from second quarter of 2024 the volumes were calculated based on ZCMC Water Use Permit data, taking into account the change in the existing law regarding the lack of online water metering devices at all water intake points.

¹²³ When compiling the information, the Company used publicly available and reliable tools and methodologies for the assessment of water stress in the given area, the available data defined by the WP were used as the basis for the calculations.

Total water withdrawal by source¹²⁴, 2025 (in metric megaliters)

Source	Volume		
	2023	2024	2025
Total Water Withdrawal	47,164.0	63,158.8	69,297.5
Surface Water	47,027.0	62,996.2	69,074.9
Third-party Water	137.0	162.6	222.6

Third-party water breakdown, 2025 (in metric megaliters)

Source	Volume		
	2023	2024	2025
Total	136.9	162.7	222.6
Kajaran city municipal supply ¹²⁵	92.7	93.1	122.8
Kapan (Veolia Djur) supply ¹²⁶	44.0	68.8	99.0
Yerevan city supply ¹²⁷	0.21	0.17	0.24
Bottled water ¹²⁸	n/a	0.50	0.53

Water intake by division, 2025 (in metric megaliters)

Division	Water intake quantity		
	2023	2024	2025
Total	n/a	62,996.2	69,080.0 ¹²⁹
Processing/mill plant	n/a	62,337.9	68,500.3
Open pit (including drilling site and other workshops)	n/a	344.6	88.0
Ore Crushing and Transportation Division	n/a	126.0	396.0
Energy workshop	n/a	129.8	29.7
Mechanical workshop	n/a	9.0	1.1
Parking station for trucks and vehicles	n/a	9.0	46.2
Environmental Department	n/a	0.5	13.2
Auxiliary	n/a	39.3	5.5

¹²⁴ No groundwater, seawater, or industrial water was used.

¹²⁵ Water consumption from the Kajaran municipal water supply increased in 2025, primarily due to the installation of new water pipelines.

¹²⁶ The increase is driven by two factors: (i) expansion of the nursery farm by 2,200 m², with irrigation carried out using drinking water; and (ii) expansion of the Kapan base, including the acquisition of a new work site.

¹²⁷ The increase in drinking water consumption in Yerevan is due to an increase in the number of office employees in 2025.

¹²⁸ This category was not monitored before 2024.

¹²⁹ In this table, water use permit amounts are aggregated by site; therefore, the total water use volume is 5,0659 megaliters (5,065.9 m³) higher than the “Surface water” volume of 69,074.934 megaliters presented in the “Total water withdrawal by source, 2025 (in megaliters)” table.

GRI 303-4

Total water discharge by source¹³⁰, 2025 (in metric megaliters)

Source	Volume		
	2023	2024	2025
Total	36,692.0	39,318.0	35,316.5
Surface water	36,654.0	39,270.0	35,243.3
Third-party water	38.0	48.0	73.3

GHG EMISSIONS

GRI 305-1

Gross direct (Scope 1) GHG emissions, 2025 (in metric t CO₂-eq)

Source	Emissions		
	2023	2024	2025
Total GHG Emissions	76,218.0	82,369.4	98,095.0
Stationary Fuel Combustion	11,670.0	10,307.0	10,725.0
Mobile Fuel Combustion ¹³¹	64,647.0	72,062.0	87,289.8
Direct Fugitive Emissions ¹³²	n/a	0.4	80.2

GRI 305-2

Gross Location-Based Energy Indirect (Scope 2) GHG Emissions by Mine Site (in metric tons CO₂-eq)

Mine Site	Emissions		
	2023	2024	2025
Total	226,913.0	229,554.7	241,291.0
Open pit	2,186.7	1,493.0	2,356.0
Processing plant/mill plant	166,621.7	202,047.0	223,963.0
TSF	551.9	10,532.0	477.0
Kapan base	149.4	212.0	204.0
Administration	459.7	576.0	540.0
Auxiliary buildings	56,943.8	14,694.0	13,751.0

¹³⁰ No groundwater, seawater, or industrial water was used.

¹³¹ The increase in this category is due to the increase in diesel usage, which is linked to production-related heavy transportation activities, particularly dump truck operations.

¹³² This category was not monitored before 2024. The increase in this category is due to improvement in monitoring. In 2025 the data includes emissions from all air conditioners and freezers.

GRI 305-4

Production and Financial Data, 2025

Aspect	Value		
	2023	2024	2025
a. Ore treated (dry metric tons/year)	21,433,511.00	22,333,137.00	22,674,379.00
b. Amount of production (dry metric tons concentrate/year)	204,918.84	182,284.66	199,568.54
- Cu concentrate (dry metric tons)	184,578.440	166,777.58	186,178.857
- Mo concentrate (dry metric tons)	20,340.398	15,507.08	13,389.680
a. Ore treated (wet metric tons/year)	22,225,135	23,023,850	23,268,342
b. Amount of production (wet metric tons concentrate/year)	225,041.540	199,933.72	219,466.670
- Cu concentrate (wet metric tons)	201,331.540	181,919.720	203,918.670
- Mo concentrate (wet metric tons)	23710.000	18,014.000	15,548.000
c. Revenue (million USD)	795.8	713.1	723.0
c. Revenue (million Euro)	738.4	658.4	634.0
d. Regular Employees (FTE)	4,666.00	4,654.00	4,828.00

GRI 305-7

Other Standard Categories of Air Emissions, 2025 (in metric ton/y)

Emission Type	Emissions		
	2023	2024	2025
Total	158.7	153.1	151.9
Sulfuric acid vapor	0.09	0.06	0.07
Nitric acid vapor	0.11	0.07	0.09
Hydrochloric acid vapor	0.14	0.09	0.11
Hydrocarbons without VOC (C _x H _y)	3.98	2.58	3.37
Carbon monoxide (CO)	154.35	150.30	148.29

WASTE

GRI 306-2

Waste Generation and Outputs¹³³, 2025

Baseline Materials/Input ¹³⁴	Waste Generation Process/Activity	Name of Waste/Outputs ¹³⁵
Lead-acidic type batteries (5)	Operation of electrical equipment, office machinery	Stationary batteries deprived of their consumption properties: lead-acid *
Nickel-cadmium (Ni-Cd) batteries (5)	Operation of electrical equipment, office machinery	Used primary galvanic batteries: nickel-cadmium *
Car batteries (2)	Operation of vehicles and technical means	Exhausted lead batteries and grunge
Exhausted lead batteries (5)	Waste is generated in the operation of storage and dispose of exhausted lead batteries and grunge	H ₂ SO ₄ from exhausted lead batteries and grunge
Exhausted cartridges (5)	Office activities, computer equipment operation	Used printer cartridges *
Vehicles' engine oils (2)	Operation of vehicles and technical means	Waste of used engine oils
Vehicles' diesel engine oils (2)	Lubrication of diesel engines of vehicles, camshaft bearing screw	Used diesel oil
Industrial oils used in the operation and repair of equipment and machine tools (2)	Operation and repair of equipment and lathe (machinery)	Used industrial oil
Hydraulic oils used in the operation and repair of equipment, machines and appliances (2)	Operation of compressor equipment	Used hydraulic oils not containing halogens
Sacks of building materials, reagents, explosives, copper and molybdenum concentrate dewatering filters / Air, oil filters (2)	Operation of vehicles and technical means In the process of emptying the construction material and reagents' bags, the copper concentrate dehydration	Harmfully (inorganically) polluted filter fabrics and sacks
Copper wires for electric motor windings (2)	Electro-mounting works, metal processing	Unsorted copper scrap
Sand, absorbent (2)	Oil storage, emptying of containers, maintenance of transportation means	Oil -contaminated sand (oil content is less than 15%)
Crushed ore sample, concentrate sample, chemical materials (2)	Laboratory experiments	Other laboratory waste and chemical residues
Quartz sand used as a molding (1)	Casting production, preparation of molds	Casting production sand
Welding electrodes (2)	Welding work	Welding slag
Tires of trucks, cars, loaders (2)	Operation of auto transport and technical means	Exhausted pneumatic tires
Ferrous metal (cast iron, steel) (2)	Metal processing lathe operations, making various spare tool parts	Waste containing unsorted ferrous metals (including cast iron and / or steel powder)
Paper, polypropylene materials, glass, cotton cloth, food remnants, iron, wood (1)	Cleaning of utility areas	Unsorted waste generated from household territories of organization (except for the huge edge-cuttings)
Clothes, textiles (2)	While changing the overall	Other waste of contaminated textile
Clothes (2)	Cleaning of equipment, pollution of overall	Oily clothes (greasy shreds)
Ore pulp (4)	Mine enrichment	Sludge and tailings of Processing Plant
Sawdust (2)	Oil storage, emptying of containers, maintenance of transportation means	Oil-sacked sawdust
Sand/jell for water treatment station (5)	Water treatment process for steam production	Boiler water treatment sludge
Asbestos sheet (5)	Generated from construction, renovation work, furnace repair work, pipeline repair work	Asbestos waste in pieces
Oil-impregnated wood (5)	Generated in woodworking workshops, Dismantling of narrow-gauge railways, etc. From electricity pylons	Unsorted soaked and coated timber waste

Baseline Materials/Input ¹³⁴	Waste Generation Process/Activity	Name of Waste/Outputs ¹³⁵
Plastic items (5)	Arise from water supply and discharge service processes	Waste mixtures of hardened heterogeneous plastics *
Office equipment (printers, scanners and multifunction devices) (5)	It is involved in the transportation, maintenance, and operation of office equipment.	Printers, scanners, multifunction equipment deprived of their consumption properties *
Office equipment (keyboard, computer mouse) (5)	It is involved in the transportation, maintenance, and operation of office equipment.	Keyboard, computer mouse with connecting cables deprived of their consumption properties *
Office equipment (liquid crystal monitors) (5)	It is involved in the transportation, maintenance, and operation of office equipment.	Liquid crystal monitors deprived of their consumption properties *
Metallic Balls for milling (5)	Generated in Ore treatment process in mill plant	Waste containing unsorted steel (including steel powder) *
Metallic liners (5)	Generated in Ore treatment process in mill plant	Waste containing unsorted steel alloy (including steel powder) *
Details made of ferrous metals (steel) (5)	The process of manufacturing parts, repair	Uncontaminated steel shavings
Details made of ferrous metals (steel) (5)	Equipment repair work	Waste containing steel in the form of pieces *
Details made of ferrous metals (alloyed steel) (5)	Occurs as a result of metalworking, repair and installation work	Uncontaminated alloyed steel scrap in pieces (Uncontaminated cast steel scrap in the form of pieces)
Construction materials (1)	Construction and repair work	Mixed waste from construction, building and equipment demolition
Construction items, materials, such as boards, plywood and other timber (2)	Operation of wood processing lathe (machinery)	Waste of pure natural wood
Wood (2)	Operation of wood processing lathe (machinery)	Pure natural sawdust
Mineral and drinking water containers, non-alcoholic beverages, juice containers, polyethylene bags (2)	As a result of emptying drinking and mineral water containers and opening of packaged boxes of products.	Uncontaminated plastic container deprived of its consumption properties
Conveyor belts, rubber tubes, other rubber items (2)	While changing the conveyor belts and boots	Uncontaminated rubber items deprived of their consumption properties
Aluminum wires, spare parts of tools (2)	In the process of changing electrical wires	Uncontaminated aluminum wire unfit for use
Paper and cardboard (2)	In the result of opening the packed product in the warehouse	Uncontaminated cardboard packaging waste
Paper and cardboard (2)	In the result of administrative work	Paper and cardboard waste generated from office work
Overburdens (3)	Ore extraction, Mine/subsoil opening works	Overburden

¹³³ Downstream processes of waste recycling are not controlled by ZCMC.

¹³⁴ The processes used for collection and monitoring of waste-related data differs by type of the Baseline Materials/Input. The processes, based on the type of the Baseline materials/Input are as follows:

(1) In the case of the formation of a fixed amount in the workshops, the waste is weighed and dumped into a landfill. The collected data is filled in the registry book in the month following the reporting month.

(2) In the case of the formation of a fixed amount of waste in the workshops, the waste is weighed and transported to the main storage area. The collected data is filled in the registry in the month following the reporting month.

(3) The Mining Planning Department provides data for the previous month every month.

(4) The Technical Regulation Center provides monthly data for the previous month.

(5) When a certain amount of waste is generated in the workshops, it is weighed in the ZCMC weighing workshop and transported to the main storage location. The collected data is entered into the register book the following month.

¹³⁵ Waste types with a " * " sign were added into the waste list in 2025.

GRI 3-3

WASTE MANAGEMENT PROCEDURES OF ZCMC¹³⁶

1	Procedure for handling harmfully (inorganically) contaminated filter fabrics and bags
2	Procedure for handling used industrial oils and used halogen-free hydraulic oils
3	Procedure for handling used engine oils and used diesel oils
4	Procedure for handling exhausted pneumatic tires
5	Procedure for handling welding slag
6	Procedure for handling laboratory waste and chemical residues
7	Operational procedure for vertical double-cylinder hydraulic press machine
8	Procedure for handling oil-contaminated sand (oil content less than 15%)
9	Procedure for handling oil-contaminated filter fabrics and bags (oil filters)
10	Procedure for handling oily clothes (greasy materials)
11	Procedure for handling unsorted copper scrap
12	Procedure for handling waste containing unsorted ferrous metals (including cast iron and steel dust)
13	Procedure for handling uncontaminated rubber items that have lost their useful properties
14	Procedure for handling uncontaminated aluminum wire unfit for use
15	Procedure for handling exhausted lead batteries and related waste materials (pending approval)
16	Procedure for handling paper and cardboard waste from office and packaging activities (pending approval)
17	Procedure for handling uncontaminated plastic containers that have lost their useful properties (pending approval)

Waste reuse and recycling practices, 2025

Waste type	Process description
Lead accumulators	Given to the processing organization, under the contract of agreement (the latter receives lead alloy molds for processing)
Ferrous metals and steel scrap	Part of the ferrous metals are given/sold to the recycling companies (the latter processes the reinforcement and rod), the other part is given/sold to the reselling company (the latter resells it to another recycling company)
Used industrial oil	Given to the processing organization (the latter receives the fuel for processing)
Sawdust	Reused by the ZCMC nursery farm
PP big bags	Given to the processing organization (the latter receives the fuel for processing)
High-quality oils	Given to the processing organization (the latter receives the fuel for processing)
Maintenance practices ¹³⁷	n/a
Tires	Given to the processing organization (the latter receives the fuel for processing)
Air filters ¹³⁸	n/a
Natural wood waste	Provided to ZCMC employees for reuse
Casting production sand	Moved to the Kapan community landfill

Waste management by third parties, 2025

Waste Type	Management Process
Pyrolysis	Tires, oils, and PP filter bags are pyrolyzed and fuel is obtained.
Landfill	Household waste and construction waste are collected by Kajaran Communal Economy CJSC and Kapan Communal Economy NCO.
Paper and cardboard processing	Given to the recycling organization (the latter receives recycled napkins, toilet paper, etc.)
Metal processing	Part of the metal waste is given/sold to the recycling companies (the latter processes the reinforcement and rod), the other part is given/sold to the reselling company (the latter resells it to another recycling company).
Ore, ore pulp	The Company does not have such waste, only sludge and tailings from the enrichment plant are present, which are placed in the "Artsvanik Tailings Dump".
Metallic liners from ferrous alloys (steel)	Given/sold to a reselling company (which in turn resells to another processing company).
Balls for milling	Given/sold to a reselling company (which in turn resells to another processing company).
Sand for water treatment station ¹³⁹	n/a
Asbestos sheet, asbestos slate roofs, asbestos pipes ¹⁴⁰	n/a
Wood	Provided to ZCMC employees for reuse.
Ferrous metals (steel)	Part of the ferrous metals are given/sold to the recycling companies (the latter processes the reinforcement and rod), the other part is given/sold to the reselling company (the latter resells it to another recycling company).
Boards, plywood and other timber used in construction	Provided to ZCMC employees for reuse.
Wood	Provided to ZCMC employees for reuse.

¹³⁷ According to Sustainability report 2024, maintenance practices were conducted on concrete areas with pallets and sorbents to prevent oil leakage.

¹³⁸ According to Sustainability report 2024, air filters were cleaned and reused to extend service life.

¹³⁹ This waste category was not generated in 2025.

¹⁴⁰ This waste category was not generated in 2025.

Waste management by third parties, 2025

Waste Type	Management Process
Mineral and drinking water containers, beverages-juice containers, polyethylene bags ¹⁴¹	n/a
Conveyor belts, rubber tubes, other rubber items	Provided to ZCMC employees for reuse.
Aluminum wires, spare parts of tools	Given/sold to a reselling company (which in turn resells to another processing company).
Papers and cardboards	Given to the recycling organization (the latter receives recycled napkins, toilet paper, etc.).
Papers and cardboards	Given to the recycling organization (the latter receives recycled napkins, toilet paper, etc.).
Ore	Ore processing produces waste rock, which is placed in waste rock dumps, and tailings from the enrichment plant, which are placed in the "Artsvanik Tailings Storage".

■ GRI 306-3, SASB EM-MM-150a.5, SASB EM-MM-150a.6

Breakdown of Waste Types, 2025 (in metric tons)

Waste Type ¹⁴²	Amount (metric tons)	
	2024	2025 ¹⁴³
Exhausted lead batteries and grunge	10.1	12.5
Stationary batteries deprived of their consumption properties: lead-acid *	n/a	-
Used primary galvanic batteries: nickel-cadmium *	n/a	-
Used printer cartridges *	n/a	-
Waste mixtures of hardened heterogeneous plastics *	n/a	0.2
Printers, scanners, multifunction equipment deprived of their consumption properties *	n/a	-
Keyboard, computer mouse with connecting cables deprived of their consumption properties *	n/a	-
Liquid crystal monitors deprived of their consumption properties *	n/a	-
Waste containing unsorted steel (including steel powder) *	n/a	873.3
Waste containing unsorted steel alloy (including steel powder) *	n/a	532.2
Waste containing steel in the form of pieces *	n/a	-
H ₂ SO ₄ from exhausted lead batteries and grunge	0.9	-
Waste of used engine oils	9.2	6.0
Used diesel oil	117.3	104.3
Used industrial oil	39.8	39.8

¹⁴¹ There is not any contract with any third party regarding the reuse or recycling of this waste category.

¹⁴² For this table, the waste types with a “*” mark were added into the waste list in 2025, therefore were not monitored during 2024.

¹⁴³ The increase of waste categories “welding slag”, “construction mix waste” and “unsorted waste generated from household territories” is due to increase in construction works in 2025, while the increase in waste categories “exhausted lead batteries and grunge”, “used hydraulic oils”, “exhausted pneumatic tires”, “overburden/waste rock”, “sludge and tailings” is due to extraction and recultivation works in 2025.

Waste Type ¹⁴²	Amount (metric tons)	
	2024	2025 ¹⁴³
Used hydraulic oils	63.6	94.2
Harmfully (inorganically) polluted filter fabrics and sacks	190.6	211.7
Unsorted copper scrap	1.7	1.6
Oil-contaminated sand (oil content < 15%)	98.3	56.3
Other laboratory waste and chemical residues	1.2	1.6
Casting production sand	70.0	70.0
Welding slag	0.4	12.4
Exhausted pneumatic tires	657.4	1,113.8
Waste containing unsorted ferrous metals (including cast iron and/or steel powder)	1,587.2	1,616.8
Construction mix waste from construction, building, and equipment demolition	30,007.0	47,615.1
Unsorted waste generated from household territories (except for huge edge-cuttings)	267.6	372.0
Other waste of contaminated textile	-	-
Oil-sacked sawdust	-	-
Oily clothes (greasy shreds)	1.2	-
Sludge and tailings of Processing Plant ¹⁴⁴	19,150,851.0	22,474,811.0
Boiler water treatment sludge	-	-
Asbestos waste in pieces	-	-
Unsorted soaked and coated timber waste	-	-
Uncontaminated steel shavings	51.8	62.7
Uncontaminated alloyed steel scrap in pieces	2,057.8	227.1
Uncontaminated steel scrap metal chips ¹⁴⁵	-	n/a
Waste of pure natural wood	33.8	99.4
Pure natural sawdust	3.7	2.8
Uncontaminated plastic containers (deprived of consumption properties)	3.1	4.2
Uncontaminated rubber items (deprived of consumption properties)	114.1	174.3
Uncontaminated aluminum wire unfit for use	0.5	0.9
Uncontaminated cardboard packaging waste	1.4	6.8
Paper and cardboard waste generated from office work	4.2	13.9
Overburden (waste rock) ¹⁴⁶	17,757,641.0	25,563,719.0
Total	36,943,885.8	48,091,856.1

¹⁴⁴ The definition of tailings is consistent with that provided in the Global Tailings Review Global Industry Standard on Tailings Management (GISTM).

¹⁴⁵ This waste type was removed from the waste list and replaced by the “Uncontaminated alloyed steel scrap in pieces” category.

¹⁴⁶ Waste rock is defined as mineral materials and low-grade ore with no economic interest at the time of mining.

GRI 306-4

Total Waste Diverted from Disposal, 2025 (in metric tons)

Waste Type	Weight	
	2023	2024
	2023	2024
Total Waste Diverted	3,612.8	2,086.2
Waste of Used Engine Oils	6.3	9.0
Used Diesel Oil	108.9	134.6
Used Industrial Oil	31.0	51.3
Used Hydraulic Oils	44.8	67.8
Harmfully Polluted Filter Fabrics	139.6	189.8
Oil-Contaminated Sand	0.1	94.6
Exhausted Pneumatic Tires	872.0	1,319.3
Waste Containing Unsorted Ferrous Metals	515.3	19.8
Oily Cloths	0.3	1.2
Uncontaminated Alloyed Steel Scrap ¹⁴⁷	n/a	21.9
Waste containing steel in the form of pieces	1,605.5	n/a
Uncontaminated Steel Shavings	19.8	51.8
Waste of Pure Natural Wood	166.0	28.8
Uncontaminated Rubber Items	86.6	85.9
Exhausted lead batteries and grunge	13.7	—
Other laboratory waste and chemical residues	1.7	—
Pure natural sawdust	0.3	—
Uncontaminated plastic container deprived of its consumption properties	1.0	—
Uncontaminated Cardboard Packaging Waste	—	4.0
Paper and Cardboard Waste	—	6.4
Unsorted copper scrap	—	—
Uncontaminated aluminum wire unfit for use	—	—
Waste containing unsorted steel (including steel powder)	—	—
Waste containing unsorted steel alloy (including steel powder)	—	—

SASB EM-MM-110a.1

CO₂, CH₄, and N₂O emissions resulted from natural gas, petrol, and diesel consumption, 2025 (in metric tons)

	Natural Gas	Petrol	Diesel	Total
CO ₂	10,704.17	2,813.38	83,414.00	96,931.55
CH ₄	15.93	9.92	9.15	35.00
N ₂ O	4.93	8.22	1,034.25	1,047.41

GRI 306-3, SASB EM-MM-150a.4

Non-mineral hazardous waste generated (in metric tons)

Waste type	2023	2024	2025	Class of hazard
Total waste	3,598.2	3,116.4	3,713.2	2-nd, 3-rd, 4-th
Exhausted lead batteries and grunge	9.8	10.1	12.5	2-nd
H ₂ SO ₄ from exhausted lead batteries and grunge	n/a	0.9	—	2-nd
Waste of used engine oils	7.8	9.2	6.0	3-rd
Used diesel oil	116.5	117.3	104.3	3-rd
Used industrial oil	48.6	39.8	39.8	3-rd
Used hydraulic oils	52.2	63.6	94.2	3-rd
Harmfully (inorganically) polluted filter fabrics and sacks	140.9	190.6	211.7	3-rd
Unsorted copper scrap	1.4	1.7	1.6	3-rd
Oil-contaminated sand (oil content is less than 15%)	0.1	98.3	56.3	4-th
Other laboratory waste and chemical residues	4.0	1.2	1.6	4-th
Casting production sand	70.0	70.0	70.0	4-th
Welding slag	0.1	0.4	12.4	4-th
Exhausted pneumatic tires	485.1	657.4	1,113.8	4-th
Waste containing unsorted ferrous metals (including cast iron and/or steel powder)	1,331.5	1,587.2	1,616.8	4-th
Construction waste generated from the demolition of buildings	1,091.0	n/a	n/a	4-th
Unsorted waste generated from household territories of the Company (except for the huge edge-cuttings)	239.1	267.6	372.0	4-th
Oil-sacks sawdust	0.3	—	—	4-th
Oily clothes (greasy shreds)	—	1.2	—	4-th

GRI 306-3

Non-mineral non-hazardous waste generated, 2025 (in metric tons)

Waste type	2023	2024	2025
Total waste	2,047.0	32,277.0	48,207.2
Uncontaminated cast steel scrap in pieces	1,758.8	2,057.8	227.1
Uncontaminated steel shavings	19.8	51.8	62.7
Waste of pure natural wood	178.0	33.8	99.4
Pure natural sawdust	1.0	3.7	2.8
Uncontaminated plastic container deprived of its consumption properties	1.0	3.1	4.2
Uncontaminated rubber items deprived of their consumption properties	78.6	114.1	174.3
Uncontaminated aluminum wire units for use	1.3	0.5	0.9
Uncontaminated cardboard packaging waste	3.3	1.4	6.8
Paper and cardboard waste generated from office work	5.2	4.2	13.9
Mixed waste from construction, building and equipment demolition	n/a	30,007.1	47,615.1

Information about waste diverted from disposal, 2025 (in metric tons)

Recovery Operations	2023	2024	2025
– on-site	9.9	29.5	16.8
– off-site	1,723.7	1,857.8	2,798.5
Total hazardous waste recovered ¹⁴⁸	1,733.6	1,887.3	2,815.3
– on-site	0.3	–	15.9
– off-site	1,878.9	198.8	4,791.7
Total non-hazardous waste recovered ¹⁴⁹	1,879.2	198.8	4,807.6

GRI 306-5

Waste directed to disposal (in metric tons)

Waste type	2023	2024	2025
Total	36,380,298.2	36,938,838.1	48,086,589.5
Hazardous waste:	21,229,993.2	19,151,190.0	22,475,255.5
Incineration (with energy recovery)	–	–	–
Incineration (without energy recovery) ¹⁵⁰	2.0	1.5	2.5
Landfilling	1,400.1	337.6	442.0
Other disposal operations ¹⁵¹	21,228,591.0	19,150,851.0	22,474,811.0
Non-hazardous waste:	15,150,305.1	17,787,648.0	25,611,334.1
Incineration (with energy recovery)	–	–	–
Incineration (without energy recovery)	–	–	–
Landfilling	16.1	30,007.0	47,615.1
Other disposal operations ¹⁵²	15,150,289.0	17,757,641.0	25,563,719.0

¹⁴⁸ Unsorted copper scrap was not recycled in 2024 and 2023, in 2025 it was given to the retreatment company (the latter also processes copper alloy molds).Waste containing unsorted ferrous metals (including cast iron and/or steel powder) was not recycled in 2024, due to the lack of relevant contracts, causing the increase in this metric.

¹⁴⁹ The increase is driven by the increased amounts of generated and reused pure natural wood. Wood waste has been collected from construction sites, vegetation, and clearance works in operational areas, and has been transferred and used by the Kajaran community and ZCMC employees for their needs.

¹⁵⁰ The waste category “H2SO4 from exhausted lead batteries and grunge” was not available in 2024, and since it was added in 2025, the volume of Incineration (without energy recovery) was increased.

¹⁵¹ The increase is mainly attributable to the higher volume of waste category “tailing and sludge of processing plant” generated as a result of treated ore.

¹⁵² The increase is mainly attributable to the higher volume of overburden and waste rock generated as a result of increased excavation activities in 2025.

Composition of waste directed to disposal, 2025 (in metric tons)

Waste type, metric tons	2023	2024	2025
H ₂ SO ₄ from exhausted lead batteries and grunge	n/a	n/a	0.9
Other laboratory waste and chemical residues	2.0	1.5	1.6
Casting production sand	70.0	70.0	70.0
Construction waste generated from the demolition of buildings	1,091.0	n/a	n/a
Mixed waste from construction activities, building, and equipment demolition	n/a	30,007.0	47,615.1
Unsorted waste generated from household territories of the Company	239.1	267.6	372.0
Sludge and tailings of Processing Plant	21,228,591.0	19,150,851.0	22,474,811.0
Overburden	15,150,289.0	17,757,641.0	25,563,719.0
Total Waste Directed	36,380,282.1	36,938,838.1	48,086,589.5

Information about waste directed to disposal, 2025 (in metric tons)

Distribution by location	2023	2024	2025
– on-site	21,228,591.0	19,150,851.0	22,474,811.0
– off-site	1,402.1	339.1	444.5
Total hazardous waste directed	21,229,993.1	19,151,190.1	22,475,255.5
– on-site	15,150,289.0	17,757,641.0	25,563,719.0
– off-site	16.1	30,007.0	47,615.1
Total non-hazardous waste directed	15,150,305.1	17,787,648.0	25,611,334.1

SASB EM-MM-150a.8

Composition of hazardous waste recycled, 2025 (in metric tons)

Waste type	2023	2024	2025
Exhausted lead batteries and grunge	13.7	–	9.7
Waste of used engine oils	6.3	9.0	8.3
Used diesel oil	108.7	134.6	107.2
Used hydraulic oils not containing halogens	44.8	67.8	99.3
Used industrial oil	23.0	41.6	39.5
Harmfully (inorganically) polluted filter fabrics and sacks	139.6	189.8	215.7
Unsorted copper scrap ¹⁵³	n/a	n/a	7.2
Oil-contaminated sand (oil content is less than 15%)	0.1	94.6	60.0
Exhausted pneumatic tires	744.6	1,319.3	1,346.8
Waste containing unsorted ferrous metals (including cast iron and/or steel powder)	515.3	–	86.1
Oily clothes (greasy shreds)	0.3	1.2	–
Total Waste	1,596.3	1,857.8	1,979.7

¹⁵³ Unsorted copper scrap was not recycled in 2024 and 2023. In 2025 it was given to a retreatment company (the latter also processes copper alloy molds).

GRI 306-4

Composition of hazardous waste reused, 2025 (in metric tons)

Waste type	2023	2024	2025
Total	37.3	29.5	16.8
Used industrial oil	8.0	9.7	7.1
Used diesel oil	0.2	-	-
Waste containing unsorted ferrous metals (including cast iron and / or steel powder)	n/a	19.8	9.7
Exhausted pneumatic tires	127.4	-	-
Other laboratory waste and chemical residues	1.7	-	-

Composition of non-hazardous waste reused, 2025 (in metric tons)

Waste type	2023	2024	2025
Total	279.0	166.5	142.4
Uncontaminated steel shavings	19.8	51.8	-
Waste of pure natural wood ¹⁵⁴	166.3	28.8	110.6
Uncontaminated rubber items deprived of their consumption properties	86.6	85.9	19.4
Waste containing steel in the form of pieces ¹⁵⁵	5.2	n/a	n/a
Uncontaminated plastic container deprived of its consumption properties	1.0	-	-
Pure natural sawdust	-	-	7.16
Waste containing unsorted steel alloy (including steel powder) ¹⁵⁶	n/a	-	5.3

SASB EM-MM-140a.2

Fees for the exceedances of the permissible discharge limits¹⁵⁷ into the water resource, 2025 (in USD¹⁵⁸)

Quarter	Total environmental fees	Metric tons	Fines for violations	Metric tons
Annual total	75,291.1	22,508	39,749.7	1,274.8
First quarter	22,606.4	4,103.7	16,074.2	195.6
Second quarter	9,974.6	5,068.4	1,098.9	119.0
Third quarter	9,229.8	6,060.2	1,223.1	199.4
Fourth quarter	33,480.3	7,276.0	21,353.4	760.8

¹⁵⁴ The reuse of wood waste in 2025 has increased compared to previous years due to several main factors: 1. From November 2025 to January 2026, in front of the Company's air conditioning station, on the right bank of the Voghji River, approximately 760 m of improvement and river regulation works were carried out (according to the project), during which approximately 21 m3 of wood was removed and provided to the Kajaran community, transporting them to the territory of "Kajaran Community Communal Economy CJSC". 2. In April 2025, a site of approximately 600 square meters owned by the Company (in the area adjacent to the forging and casting shops of the mechanical workshop) was cleared of existing vegetation. During this work, approximately 6 m3 of wood was removed and donated to the Kajaran community. The area was then landscaped with the planting of new species of trees and roses. 3. Similar works related to clearing old areas of existing vegetation and landscaping with new tree species were carried out in other locations of the Company, during which the removed wood waste was provided either to the administration of the Kajaran community municipality or to employees in accordance with applications within the framework of social assistance.

¹⁵⁵ This category was removed from ZCMC's waste list in 2025.

¹⁵⁶ This category was not monitored before 2024.

¹⁵⁷ Discharged water is monitored daily against applicable permitted limits. Exceedances are recorded on a regular basis, for which the Company pays the applicable environmental fines to the government in accordance with regulatory requirements.

¹⁵⁸ The average annual exchange rate of 2025 is applied (1 USD = 387 AMD).

Fees for the exceedances of the permissible discharge limits into the water resource, 2024 (in USD)

Quarter	Total environmental fees	Metric tons	Fines for violations	Metric tons
Annual total	142,425.2	42,705.0	78,131.5	5,695.2
First quarter	28,739.9	18,076.0	6,258.9	3,649.0
Second quarter	33,059.8	11,822.0	15,583.7	824.4
Third quarter	48,758.2	6,635.0	39,303.3	782.6
Fourth quarter	31,867.3	6,172.0	16,985.6	439.1

Fees for the exceedances of the permissible discharge limits into the water resource, 2023 (in USD)

Quarter	Total environmental fees	Metric tons	Fines for violations	Metric tons
Annual total	64,592.9	48,726.0	17,323.0	8,464.7
First quarter	6,582.2	10,152.0	3,903.2	3,924.2
Second quarter	11,006.8	12,154.0	3,701.7	3,264.0
Third quarter	16,665.8	12,274.0	3,130.6	423.6
Fourth quarter	30,338.0	14,146.0	6,587.6	852.9

HUMAN CAPITAL¹⁵⁹

Composition of permanent and temporary employees by gender

	2023			2024			2025		
	Total	Permanent employees	Temporary employees	Total	Permanent employees	Temporary employees	Total	Permanent employees	Temporary employees
Men	3,640	3,621	19	3,617	3,595	22	3,829	3,802	27
Women	1,026	1,017	9	1,037	1,028	9	999	985	14
Number of employees as of 31 December 2025	4,666	4,638	28	4,654	4,623	31	4,828	4,787	41

Composition of permanent and temporary employees by location

	2023			2024			2025		
	Total	Permanent employees	Temporary employees	Total	Permanent employees	Temporary employees	Total	Permanent employees	Temporary employees
Kapan and Kajaran	4,134	4,115	19	4,130	4,103	27	4,282	4,245	37
Other regions of Armenia and abroad	532	523	9	524	520	4	546	542	4
Number of employees as of 31 December 2025	4,666	4,638	28	4,654	4,623	31	4,828	4,787	41

¹⁵⁹ Data is reported based on actual head counts taken at the end of the reporting period on 31/12/2025.

Composition of full-time and part-time employees by gender

	2023			2024			2025		
	Total	Full-time employees	Part-time employees	Total	Full-time employees	Part-time employees	Total	Full-time employees	Part-time employees
Men	3,640	3,639	1	3,617	3,617	—	3,829	3,826	3
Women	1,026	1,023	3	1,037	1,034	3	999	988	11
Number of employees as of 31 December 2025	4,666	4,662	4	4,654	4,651	3	4,828	4,814	14

Composition of full-time and part-time employees by location

	2023			2024			2025		
	Total	Full-time employees	Part-time employees	Total	Full-time employees	Part-time employees	Total	Full-time employees	Part-time employees
Kapan and Kajaran	4,134	4,130	4	4,130	4,129	1	4,282	4,272	10
Other regions of Armenia and abroad	532	532	—	524	522	2	546	542	4
Number of employees as of 31 December 2025	4,666	4,662	4	4,654	4,651	3	4,828	4,814	14

Employee turnover, people (by gender, age group, and region)

Indicator	2023	2024	2025
By gender			
Male	193	190	165
Female	63	38	113
By age group			
Under 30 years old	16	20	16
30-50 years old	55	71	104
Over 50 years old	185	137	158
By region			
Local (Kajaran and Kapan communities)	192	176	245
From other regions of the RA and abroad	64	52	33
Total turnover	256	228	278

GRI 404-2

Attestations received per employee category, 2025¹⁶⁰

Employee category	2025
Drivers of mining haul trucks (CAT 789, BELAZ 7513, Komatsu 785-7)	3.9%
Painters and plasterers	0.8%
Seamstresses	0.3%
Adjusters/setters	0.2%
Shift supervisors	0.8%
Battery technicians	0.0%
Fitters/mechanics	0.4%
Power engineers/energy specialists	2.8%
Welders	3.1%
Locksmiths	1.0%
Blasting specialists	0.3%
Warehouse workers, loaders, and warehouse managers	1.6%
Crushers	0.5%
Mill operators	1.2%
Quarry loader and excavator operators	1.0%
Bricklayers	0.0%

Parental leave

Parental leave	2023			2024			2025		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees entitled to maternity or childcare leave (according to the RA Labor Code)	3,640	1,026	4,666	3,617	1,037	4,654	3,829	999	4,828
Number of employees who took parental leave	1	33	34	1	26	27	-	26	26
Number of employees who returned to work at the end of the leave	-	10	10	1	29	30	-	32	32
Number of employees who returned to work in the previous year at the end of parental leave and were still working after 12 months	-	9	9	-	27	27	-	29	29
Return to work rate (%)	-	30.30	29.41	-	100	100	-	100	100
Retention rate (%)	-	90	90	-	93	90	-	90,63	90.63

¹⁶⁰ The percentage indicates the share of employees within each category who received attestation; no corresponding data is available for 2023 and 2024.

OTHER TOPICS

GRI 2-27

Administrative penalties in USD¹⁶¹, 2025

Date	Counteragent	Amount	Description
2/24/2025	State Budget	1,292	Payment of the administrative fine in accordance with Decision No. 707332/20 dated 02.12.2024 (Fine for failure to submit a financial statement).
11/27/2025	State Budget	388	Compensation for environmental damage caused (tailings dam accident), Report No. 4115; Inspection No. 214-A dated 04.07.2025.
8/13/2025	State Budget	388	Compensation for environmental damage caused (tailings dam accident), Report No. 2676; Inspection No. 67-A dated 14.03.2025.
11/27/2025	State Budget	258	Compensation for environmental damage caused (tailings dam accident), Report No. 4115; Inspection No. 214-A dated 04.07.2025.
9/2/2025	State Budget	164	Compensation for environmental damage caused (tailings dam accident), Report No. 1948; Inspection No. 214-A dated 04.07.2025. Pursuant to Decision No. S/12-25-V dated 11.08.2025.
5/20/2025	State Budget	63	Compensation for environmental damage caused (tailings dam accident), Report No. 1518; Inspection No. 67-A dated 14.03.2025.
10/22/2025	State Budget	26	Payment of the administrative penalty imposed by Decision No. VB0183274 for failure to timely submit documents to the tax authority in the case of importation of goods from EAEU member states.

GRI 403-1

Legal and regulatory frameworks, guiding the Occupational Health and Safety management system of the Company

▶ Labor Code of the Republic of Armenia¹⁶²,

▶ Law of the Republic of Armenia on State Regulation of Technical Safety¹⁶³,

▶ Order of the Minister of Health of the Republic of Armenia on Approval of the sanitary norms and rules No. 2-III-A2-2 “Sanitary protection zones of drinking, domestic-use water pipelines and water supply sources”¹⁶⁴,

▶ Order of the Minister of Health of the Republic of Armenia on “Hygienic Classification of Work Based on Harmful and Hazardous Factors of the Working Environment, and Indicators of the Severity and Intensity of the Work Process”¹⁶⁵,

▶ Order of the Minister of Health of the Republic of Armenia on Approval of the sanitary norms No. 2-III-11.3 “Noise in workplaces, residential and public buildings, and residential development areas”¹⁶⁶,

▶ Decision of the Government of the Republic of Armenia on Establishing Technical Safety Rules for the Safe Operation of Open-Pit Mineral Deposits¹⁶⁷,

▶ Decision of the Government of the Republic of Armenia on Approving Unified Technical Safety Rules for Blasting Operations¹⁶⁸,

▶ Decision of the Government of the Republic of Armenia on Establishing Technical Safety Rules for Crushing, Classification and Beneficiation of Minerals¹⁶⁹,

▶ Decision of the Government of the Republic of Armenia on Approving Safety Rules for the Operation of Electrical Installations¹⁷⁰,

▶ Decision of the Government of the Republic of Armenia on Approving the procedure for licensing the use of explosive materials, blasting equipment, or the performance of blasting operations, as well as the form of the license¹⁷¹.

¹⁶² <https://www.arlis.am/hy/acts/221446/latest>
¹⁶³ <https://www.arlis.am/hy/acts/218720/latest>
¹⁶⁴ <https://www.arlis.am/hy/acts/163249/latest>
¹⁶⁵ <https://www.arlis.am/hy/acts/163255/latest>
¹⁶⁶ <https://www.arlis.am/hy/acts/169599/latest>

¹⁶⁷ <https://www.arlis.am/hy/acts/165588/latest>
¹⁶⁸ <https://www.arlis.am/hy/acts/168766/latest>
¹⁶⁹ <https://www.arlis.am/hy/acts/165734/latest>
¹⁷⁰ <https://www.arlis.am/hy/acts/176783/latest>
¹⁷¹ <https://www.arlis.am/hy/acts/192687/latest>

Appendix 4

Abbreviations

Abbreviation	Full Form
ABBC	Armenian British Business Chamber
AMMA	Armenian Mining and Metallurgy Association
BoD	Board of directors
CAPEX	Capital expenditure
CDM	The Clean Development Mechanism
CJSC	Closed Joint Stock Company
CMR	Carcinogenic, Mutagenic and Reprotoxic
CO	Carbon monoxide
CO ₂	Carbon dioxide
Cu	Copper
DMA	Double Materiality Assessment
EBRD	European Bank for Reconstruction and Development
EITI	Extractive Industries Transparency Initiative
EPRP	Emergency Preparedness and Response Plan
ERP	Enterprise resource planning
ESG	Environmental, social, and governance
ESRS	European Sustainability Reporting Standards
ETS	Emissions Trading System
EV	Electric vehicle
FeMo	Ferromolybdenum
GDP	Gross domestic product
GHG	Greenhouse gas
GISTM	Global Industry Standard on Tailings Management
GJ	Gigajoules
GRI	Global Reporting Initiative
H&S	Health and safety
HFCs	Hydrofluorocarbons
HPGR	High Pressure Grinding Rolls
ICMM	International Council on Mining and Metals
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
ILO	International Labor Organization
IPCC	The Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
IRO	Impacts, Risks, and Opportunities
ISO 14001	ISO's standard for Environmental Management Systems
ISO 14001:2015	The specific version of the ISO standard for Environmental Management Systems
ISO 20400:2017	The specific version of the ISO standard for Sustainable Procurement
ISO 45001	ISO's standard for Occupational Health and Safety Management System
IUCN	International Union for Conservation of Nature

Abbreviation	Full Form
kg	Kilogram
KPIs	Key performance indicators
LIMS	Laboratory information management system
LLC	Limited liability company
LTl	Lost time injury
LTIFR	Lost time injury frequency rate
m³	Cubic meter
MES	Manufacturing execution system
Mo	Molybdenum
MSG	Multi-Stakeholder Group
NF3	Nitrogen trifluoride
NGO	Non-governmental organization
NOx	Nitrogen oxides
OHS	Occupational health and safety
OPEX	Operational expenditure
PFCs	Perfluorinated compounds
pH	Potential Hydrogen
PPA	Power Purchase Agreement
PPE	Personal protective equipment
RA	Republic of Armenia
SASB	Sustainability Accounting Standards Board
SASB EM-MM	SASB Code for Mining and Metals, specific to Environmental Management
SEP	Stakeholder engagement plan
SF ₆	Sulfur hexafluoride
SOx	Sulfur oxides
SVHC	Substances of very high concern
tCO ₂ -eq	Carbon dioxide equivalent in metric ton
TCFD	Task Force on Climate-related Financial Disclosures
TDS	Total dissolved solids
TNFD	Taskforce on Nature-related Financial Disclosures
TSF	Tailings Storage Facility
TSS	Total Suspended Solids
UMBA	Union of Manufacturers and Businessmen of Armenia
UN	United Nations
USD	United States dollar
VOCs	Volatile organic compounds
VSD	Variable Speed Drive
wmt	Wet metric tons
ZCMC	Zangezur Copper Molybdenum Combine

Appendix 5

GRI Content Index

Statement of use	ZCMC has reported in accordance with the GRI Standards for the period from January 1, 2025, to December 31, 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI standard	Disclosure	Location	Notes
General Disclosures			
GRI 2 General Disclosures 2021	1. The organization and its reporting practices		
	2-1 Organizational details	Organizational Profile: 'Zangezur Copper Molybdenum Combine' CJSC	
	2-2 Entities included in the organization's sustainability reporting	About this Report Appendix 1	
	2-3 Reporting period, frequency and contact point	About this Report Appendix 1	
	2-4 Restatements of information	About this Report Appendix 1	
	2-5 External assurance	About this Report Appendix 1	
	2. Activities and workers		
	2-6 Activities, value chain and other business relationships	Business Model and Value Chain	Please refer to the 2024 Sustainability Report, page 16.
	2-7 Employees	Human Capital Dynamics: Attracting and Retaining Talent	There are no employees at ZCMC on non-guaranteed hours contracts.
	2-8 Workers who are not employees	Engagement of Contractors	
	3. Governance		
	2-9 Governance structure and composition	General Meeting of Shareholders Board of Directors	The tenure for members of the Board of Directors has not been yet established. We do not disclose information on the number of other significant positions and commitments held by each member, and the nature of the commitments due to confidentiality reasons. We do not currently have independent directors on the Board. As per local legislation we are not required to have independent directors.
	2-10 Nomination and selection of the highest governance body	Board of Directors	
	2-11 Chair of the highest governance body	Board of Directors	The highest governance body of ZCMC is the General Meeting of Shareholders pursuant to ZCMC's Charter. Chairman of the Board of Directors is not a senior executive of the Company.

GRI standard	Disclosure	Location	Notes
GRI 2 General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	-	
	2-13 Delegation of responsibility for managing impacts	Accountability in Impact Management	
	2-14 Role of the highest governance body in sustainability reporting	Accountability in Impact Management	Sustainability Report is reviewed by the Senior management, including the respective department involved in the composition of the Report. The Board of Directors is not currently involved in sustainability reporting.
	2-15 Conflicts of interest	Integrity in Decision-Making	The regulations guiding the conflict of interest are included in the Code of Conduct, approved in 2024.
	2-16 Communication of critical concerns	Communication of Critical Concerns	Please refer to the 2024 Sustainability Report, page 41.
	2-17 Collective knowledge of the highest governance body	-	At the end of the reporting period, there are no formal mechanisms to develop the collective knowledge, skills, and experience of the highest governance body. Nonetheless, members of the General Meeting of Shareholders and the Board of Directors may seek professional advice on relevant issues as required.
	2-18 Evaluation of the performance of the highest governance body	Performance Evaluation	Please refer to the 2024 Sustainability Report, page 41.
	2-19 Remuneration policies	Compensation Strategy: KPI-Driven Performance Management System	
	2-20 Process to determine remuneration	Compensation Strategy: KPI-Driven Performance Management System	
	2-21 Annual total compensation ratio	-	The information on the highest paid individual remuneration is confidential according to the Company's policies. Information on total 'Management remuneration' is reported annually in the financial statements.
	4. Strategy, policies and practices		
	2-22 Statement on sustainable development strategy	Statement from the General Director Statements from the Sustainable Development Director	
	2-23 Policy commitments	Corporate Governance: Building Strong Institutions Through Ethical Leadership	This is included in the Code of Conduct and other related policies.
	2-24 Embedding policy commitments	Corporate Governance: Building Strong Institutions Through Ethical Leadership	

GRI standard	Disclosure	Location	Notes
GRI 2 General Disclosures 2021	2-25 Processes to remediate negative impacts	Grievance Mechanism	
	2-26 Mechanisms for seeking advice and raising concerns	Encouraging a Speak Up Culture	
	2-27 Compliance with laws and regulations	Sustaining Trust: Commitment to Fair Competition	
	2-28 Membership associations	Engagement: Demonstrating a Strong Commitment to the Industry	Please refer to the 2024 Sustainability Report, page 14.
	5. Stakeholder engagement		
	2-29 Approach to stakeholder engagement	Stakeholder Engagement: Understanding Concerns and Strengthening Dialogue	
	2-30 Collective bargaining agreements	Human Capital	
Material topics			
GRI 3 Material topics 2021	3-1 Process to determine material topics	Appendix 2	
	3-2 List of material topics	Appendix 2	
Economic impact			
GRI 3 Material topics 2021	3-3 Management of material topics	Economic Impact: Driving Regional and National Prosperity	
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	Economic Impact: Driving Regional and National Prosperity Economic Impact in Numbers	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Commitment to Fair Compensation	No defined benefit plan obligations or other retirement plans are established within the Company.
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change Governance: Introduction to the 2026-2040 Climate Change Strategy	Climate Change-related risks and opportunities are presented in the DMA summary table.
GRI 201 Economic performance 2016	201-4 Financial assistance received from government	-	During the reporting periods, ZCMC did not receive any financial assistance from the RA Government.
GRI 202 Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Commitment to Fair Compensation	The ratio of standard entry level wage by gender compared to local minimum wage is not disclosed in this Report. We will continue to work on disclosing this metric in the future.
Business Ethics, Anti-corruption and Transparency			
GRI 3 Material topics 2021	3-3 Management of material topics	Anti-Corruption: Strengthening Zero-Tolerance Measures and Ethical Practices	
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption: Strengthening Zero-Tolerance Measures and Ethical Practices	Total number and percentage of operations for risks related to corruption were not assessed for the current reporting year. Significant risks related to corruption have not been identified for the current reporting year.
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption: Strengthening Zero-Tolerance Measures and Ethical Practices	The Anti-Corruption Policy has been approved in 2024, the respective mechanism is planned to be approved in 2026.

GRI standard	Disclosure	Location	Notes
			No confirmed incidents in which employees were dismissed or disciplined for corruption. No incidents where contracts with business partners were terminated or not renewed due to corruption-related violations. No registered corruption cases were brought against the organization or our employees during the reporting period.
GRI 205 Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption: Strengthening Zero-Tolerance Measures and Ethical Practices	
GRI 206 Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustaining Trust: Commitment to Fair Competition	
Payments to governments			
GRI 207 Tax 2019	207-1 Approach to tax	Tax Governance: Transparency and Executive Accountability	Please refer to the 2024 Sustainability Report, page 27.
	207-2 Tax governance, control, and risk management	Tax Governance: Transparency and Executive Accountability	Please refer to the 2024 Sustainability Report, page 27.
	207-3 Stakeholder engagement and management of concerns related to tax	Public Policy: Engagement with Tax Authorities and Stakeholders	We did not make any political contributions, monetary or in kind, during the 2025 reporting period. Please refer to the 2024 Sustainability Report, page 28.
	207-4 Country-by-country reporting	Economic Impact: Driving Regional and National Prosperity Economic Impact in Numbers	
Supply chain responsibility			
GRI 301 Materials 2016	301-1 Materials used by weight or volume	Supply Chain Responsibility	
GRI 204 Procurement practices 2016	204-1 Proportion of spending on local suppliers	Procurement and Economic Development	
GHG emissions			
GRI 3 Material topics 2021	3-3 Management of material topics	Managing Energy Use and Improving Operational Efficiency	
GRI 302 Energy 2016	302-1 Energy consumption within the organization	Managing Energy Use and Improving Operational Efficiency	
	302-2 Energy consumption outside of the organization	-	The Company does not consume energy outside the scope of its activities.
	302-3 Energy intensity	Managing Energy Use and Improving Operational Efficiency	
	302-4 Reduction of energy consumption	Managing Energy Use and Improving Operational Efficiency	Data collection on the energy reduction achieved through conservation and efficiency initiatives is in progress. The Company is actively preparing to gather and report this information in the near future.
	302-5 Reduction of energy consumption	Managing Energy Use and Improving Operational Efficiency	Data on the reductions in energy requirements of sold products and services is not available.
Water and effluents			
GRI 3 Material topics 2021	3-3 Management of material topics	Responsible Water Management and Operational Resilience	
GRI 303 Water and Effluents 2018	303-1 Interactions with water as a shared resource	Responsible Water Management and Operational Resilience	
	303-2 Management of water discharge-related impacts	Responsible Water Management and Operational Resilience	

GRI standard	Disclosure	Location	Notes
GRI 303 Water and Effluents 2018	303-3 Water withdrawal	Responsible Water Management and Operational Resilience	
	303-4 Water discharge	Responsible Water Management and Operational Resilience	
	303-5 Water consumption	Responsible Water Management and Operational Resilience	
Biodiversity			
GRI 3 Material topics 2021	3-3 Management of material topics	Managing Biodiversity Impacts and Conserving Natural Ecosystems	
GRI 304 Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Managing Biodiversity Impacts and Conserving Natural Ecosystems	Production activities of the Company do not affect protected environmental areas.
	304-2 Significant impacts of activities, products, and services on biodiversity	Managing Biodiversity Impacts and Conserving Natural Ecosystems	GRI 304-2 is partial due to the current lack of data on population trends and species-specific impacts, limiting the ability to quantitatively assess biodiversity losses, benefits, or reversibility, with more detailed biodiversity research initiated in 2024 to align practices with the EBRD biodiversity standard, with results expected in future reports.
	304-3 Habitats protected or restored	Managing Biodiversity Impacts and Conserving Natural Ecosystems	GRI 304-3 is partial due to the fact that the results of the 42.53-hectare land restoration, including the reclamation of the Artsvanik tailings embankment and Dzorategh dam, have not yet undergone external verification, and no third-party partnerships were established for habitat protection or restoration beyond the Company's direct efforts, with external verification still in the planning stage.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Managing Biodiversity Impacts and Conserving Natural Ecosystems Environmental Restoration and Land Rehabilitation	The GRI 304-4 is partial due to the incomplete determination of the exact number of species on the IUCN Red List and national conservation lists in areas affected by the Company's operations, with a full quantitative assessment still in progress.
GHG emissions			
GRI 3 Material topics 2021	3-3 Management of material topics	Greenhouse Gas Emissions Overview	
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions Overview	
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions Overview	For Scope 2 emissions, the gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all, are not available.
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions Overview	
	305-4 GHG emissions intensity	Greenhouse Gas Emissions Overview	
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions Overview	No GHG emissions were reduced in 2025 as a direct result of reduction initiatives.
	305-6 Emissions of ozone-depleting substances (ODS)	Environmental Management and Performance: Advancing Responsible Operations	

GRI standard	Disclosure	Location	Notes
Air emissions			
GRI 3 Material topics 2021	3-3 Management of material topics	Air Emissions Performance	
GRI 305 Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Emissions Performance	
Waste			
GRI 3 Material topics 2021	3-3 Management of material topics	Managing Waste Impacts and Advancing Resource Efficiency	
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	Managing Waste Impacts and Advancing Resource Efficiency	
	306-2 Management of significant waste-related impacts	Managing Waste Impacts and Advancing Resource Efficiency	
	306-3 Waste generated	Managing Waste Impacts and Advancing Resource Efficiency	
	306-4 Waste diverted from disposal	Managing Waste Impacts and Advancing Resource Efficiency	
	306-5 Waste directed to disposal	Managing Waste Impacts and Advancing Resource Efficiency	
Employee management			
GRI 3 Material topics 2021	3-3 Management of material topics	Human Capital: People at the Heart of Sustainable Performance	
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	Human Capital Dynamics: Attracting and Retaining Talent	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fair Pay and Benefits: Supporting Employee Well-being	
	401-3 Parental leave	Fair Pay and Benefits: Supporting Employee Well-being	
GRI 402 Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Capital Dynamics: Attracting and Retaining Talent	The minimum notice period typically provided is three days, in accordance with the RA Labor Code.
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	Investing in People: A Commitment to Workforce Development	
	404-2 Programs for upgrading employee skills and transition assistance programs	Investing in People: A Commitment to Workforce Development	ZCMC currently does not provide transition or dismissal assistance programs aimed at supporting employees through career endings due to retirement or termination. The Company focuses on skill enhancement and professional development during the tenure of employment and does not have formal processes to facilitate post-employment employability or manage career transitions.
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance and Career Development Reviews	

GRI standard	Disclosure	Location	Notes
GRI 405 Diversity and Equal opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Commitment to Fair Compensation	
Employee safety			
GRI 3 Material topics 2021	3-3 Management of material topics	Building a Culture of Safety, Health, and Operational Resilience	
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Building a Culture of Safety, Health, and Operational Resilience	
	403-2 Hazard identification, risk assessment, and incident investigation	Hazard Identification, Risk Assessment, and Control Measures	
	403-3 Occupational health services	Promoting Worker Health Through Comprehensive Occupational Health Services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Protection of Workers' Health and Safety	
	403-5 Worker training on occupational health and safety	Building a Safer Workplace Through OHS Training	
	403-6 Promotion of worker health	Building a Safer Workplace Through OHS Training	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Building a Culture of Safety, Health, and Operational Resilience	
	403-8 Workers covered by an occupational health and safety management system	Building a Culture of Safety, Health, and Operational Resilience	
	403-9 Work-related injuries	Work-related Injuries and Ill Health	
	403-10 Work-related ill health	Work-related Injuries and Ill Health	
Non-discrimination and equal opportunity			
GRI 3 Material topics 2021	3-3 Management of material topics	Fair Pay and Benefits: Supporting Employee Well-being	
GRI 405 Diversity and Equal opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity in Governance Bodies and Among Employees	
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Workplace Safety: Upholding Non-Discrimination and Zero Tolerance	
Community engagement			
GRI 3 Material topics 2021	3-3 Management of material topics	Local Communities: Fostering Inclusive Growth Fair Pay and Benefits: Supporting Employee Well-being	

GRI standard	Disclosure	Location	Notes
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Local Communities: Fostering Inclusive Growth Community Investments	GRI 203 Indirect Economic Impacts 2016
GRI 203 Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Indirect Economic Impact	GRI 203 Indirect Economic Impacts 2016
GRI 408 Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	-	Child labor is prohibited by law and no cases have been reported.
GRI 409 Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	No operations within the Company are considered to have risks for incidents of forced or compulsory labor. No access to information regarding suppliers/contractors in respect of incidents of forced or compulsory labor.
GRI 413 Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Resilience and Livelihoods	All operations of ZCMC are in one place, so the implemented local community engagement, impact assessments, and/or development programs cover 100% of the operations.
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Resilience and Livelihoods	Further information on material impacts on local communities is provided in the DMA.
Public policy			
GRI 415 Public Policy 2016	415-1 Political contributions	-	ZCMC did not make any political contributions, either in cash or in kind, during the 2025 reporting period. This includes direct contributions to political parties, candidates, political action committees (PACs), or advocacy organizations whose primary purpose is to influence public policy or legislation. ZCMC maintains a policy of political neutrality and complies fully with national regulations prohibiting or restricting political financing by corporate entities.
Additional GRI disclosure(s)			
GRI 416 Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period.
GRI 417 Marketing and Labelling 2016	417-3 Incidents of non-compliance concerning marketing communications	-	There were no incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications within the reporting period
Critical incident management			
GRI 3 Material topics 2021	3-3 Management of material topics	Hazard Identification, Risk Assessment, and Control Measures	
Closure and rehabilitation			
GRI 3 Material topics 2021	3-3 Management of material topics	Environmental Restoration and Land Rehabilitation	
Tailings Storage Facility			
GRI 3 Material topics 2021	3-3 Management of material topics	Achieving Operational Excellence at the Artsvanik Tailings Facility	
Climate change adaptation and resilience			
GRI 3 Material topics 2021	3-3 Management of material topics	Climate Change Governance: Introduction to the 2026-2040 Climate Change Strategy	

Appendix 6

SASB Content Index

Topic	Metric	Code	Location and Notes
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-MM-110a.1	Greenhouse Gas Emissions Overview
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MM-110a.2	Environmental Management and Performance: Advancing Responsible Operations Climate Change Governance: Introduction to the 2026-2040 Climate Change Strategy
Air Quality	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N ₂ O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	EM-MM-120a.1	Air Emissions Performance Note: the disclosure is partial due to the absence of monitoring data for mercury and lead, as well as the need for clarification on the PM and NOx categories
Energy Management	(1) Total energy consumed, (2) Percentage of grid electricity and (3) Percentage renewable	EM-MM-130a.1	Managing Energy Use and Improving Operational Efficiency
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with high or extremely high baseline water stress	EM-MM-140a.1	Responsible Water Management and Operational Resilience
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	EM-MM-140a.2	Responsible Water Management and Operational Resilience
Waste & Hazardous Materials Management	Total weight of non-mineral waste generated	EM-MM-150a.4	Appendix 3
	Total weight of tailings produced	EM-MM-150a.5	Appendix 3
	Total weight of waste rock generated	EM-MM-150a.6	Appendix 3
	Total weight of hazardous waste generated	EM-MM-150a.7	Responsible Water Management and Operational Resilience
	Total weight of hazardous waste recycled	EM-MM-150a.8	Appendix 3
	Number of significant incidents associated with hazardous materials and waste management	EM-MM-150a.9	Responsible Water Management and Operational Resilience

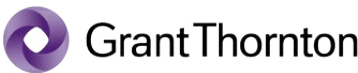
Topic	Metric	Code	Location and Notes
Waste & Hazardous Materials Management			Responsible Water Management and Operational Resilience
	Description of waste and hazardous materials management policies and procedures for active and inactive operations	EM-MM-150a.10	ZCMC has not established a formally documented approach for the identification, assessment, and application of recycling, reuse, and repurposing strategies across all waste streams. The Company does not currently have specific internal policies or procedures governing waste disposal or incineration activities. No formalized policies or procedures are currently in place to remediate environmental or social impacts associated with incidents involving the mishandling of hazardous waste. ZCMC does not currently have a defined approach or documented procedures for the decommissioning of waste management facilities. Policies and procedures related to waste avoidance are not available. The preferred option for waste management is known as the waste hierarchy defined in the EU Waste Management Framework Directive. There are no procedures in place to deal with the consequences of spills, leaks, poisonings, accidents and incidents that could have catastrophic consequences for human health, the local population and the environment. The main guidance documents are the MSDS for each hazardous substance.
Biodiversity Impacts	Description of environmental management policies and practices for active sites	EM-MM-160a.1	Environmental Management and Performance: Advancing Responsible Operations
	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	EM-MM-160a.2	In ZCMC we do not have any acid generation.
	Percentage of (1) proved, and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	EM-MM-160a.3	Managing Biodiversity Impacts and Conserving Natural Ecosystems Note: The reported information does not provide specific quantitative data on the percentage of proven and probable reserves located in such areas as required by the indicator.
Security, Human Rights & Rights of Indigenous Peoples	Percentage of (1) proved, and (2) probable reserves in or near areas of conflict	EM-MM-210a.1	Not applicable for ZCMC.

Topic	Metric	Code	Location and Notes
Security, Human Rights & Rights of Indigenous Peoples	Percentage of (1) proved, and (2) probable reserves in or near indigenous land	EM-MM-210a.2	Not applicable for ZCMC.
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	EM-MM-210a.3	
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	EM-MM-210b.1	Local Communities: Fostering Inclusive Growth Community Resilience and Livelihoods
	(1) Number, and (2) duration of non-technical delays	EM-MM-210b.2	
Labor Practices	Percentage of active workforce employed under collective agreements	EM-MM-310a.1	Labor Rights, Freedom of Association, and Collective Bargaining
	(1) Number, and (2) duration of strikes and lockouts	EM-MM-310a.2	
Workforce Health & Safety	1) All-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) direct employees, and (b) contract employees	EM-MM-320a.1	Access to Healthcare Services Building a Safer Workplace Through OHS Training Work-related Injuries and Ill Health
Business Ethics & Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-MM-510a.1	Anti-Corruption: Strengthening Zero-Tolerance Measures and Ethical Practices
	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-MM-510a.2	Not applicable, as the only country where ZCMC operates is Armenia.

Topic	Metric	Code	Location and Notes
Tailings Storage Facilities Management	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, and (12) site-specific EPRP	EM-MM-540a.1	Achieving Operational Excellence at the Artsvanik Tailings Facility Note: The disclosure is partially provided due to the absence of consequence classification, site-specific EPRP confirmation, tabular presentation of mitigation measures, and ownership status, with full compliance expected by 2028.
Tailings Storage Facilities Management	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities	EM-MM-540a.2	Achieving Operational Excellence at the Artsvanik Tailings Facility Note: The disclosure for EM-MM-540a.2 is partial, as the report does not include a comprehensive summary of governance systems and structures in line with GISTM Principles 7–11. Additionally, it lacks information on the frequency of risk assessments and independent technical reviews. While monitoring systems and stability measures are described, the report does not clearly link these to the GISTM Principles or provide an overview of the governance structure from site level to Senior management.
	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	EM-MM-540a.3	Please refer to the Sustainability Report 2024, Section 7, page 121.

ACTIVITY METRICS

Activity Metric	Code	Location and Notes
Production of (1) metal ores, and (2) finished metal products	EM-MM-000.A	Economic Impact in Numbers.
Total number of employees, percentage contractors	EM-MM-000.B	Engagement of Contractors



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To the Board of Directors of Zangezur Copper Molybdenum Combine CJSC

Independent Practitioner’s limited assurance report on identified non-financial information included in Zangezur Copper Molybdenum Combine CJSC’s Sustainability Report for the reporting period 1st January 2025 – 31st December 2025

We have been engaged by Zangezur Copper Molybdenum Combine (‘ZCMC’ or ‘the Company’) vide our engagement letter dated 16.06.2026 to provide limited assurance in accordance with the International Standard on Assurance Engagements (‘ISAE’) 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information (‘ISAE 3000 (Revised)’) issued by the International Auditing and Assurance Standards Board (‘IAASB’), on identified non-financial information included in the Sustainability report of the Company for the calendar year ended 31 December 2025 (hereinafter referred to as the “identified Sustainability Information”) prepared by management with reference to the Criteria stated below.

Identified Sustainability Information

The Identified Sustainability Information included in the Sustainability Report of the Company for the calendar year ended 31 December 2025, is summarised as below:

Series	GRI standard	GRI disclosure	
GRI – 2 General Disclosures		2 – 1	Organizational details
		2 – 2	Entities included in the organization’s sustainability reporting
		2 – 3	Reporting period, frequency and contact point
		2 – 4	Restatements of Information
		2 – 6	Activities, value chain and other business relationships

Internal

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Series	GRI standard	GRI disclosure	
		2 – 7	Employees
		2 – 8	Workers who are not employees
		2 – 9	Governance structure and composition
		2 – 10	Nomination and selection of the highest governance body
		2 – 11	Chair of the highest governance body
		2 – 12	Role of the highest governance body in overseeing the management of impacts
		2 – 13	Delegation of responsibility for managing impacts
		2 – 14	Role of the highest governance body in sustainability reporting
		2 – 15	Conflicts of Interest
		2 – 16	Communication of critical concerns
		2 – 17	Collective knowledge of the highest governance body
		2 – 18	Evaluation of the performance of the highest governance body
		2 – 19	Remuneration policies
		2 – 20	Process to determine remuneration
		2 – 23	Policy commitments
		2 – 24	Embedding policy commitments
		2 – 25	Processes to remediate negative impacts
		2 – 26	Mechanisms for seeking advice and raising concerns
		2 – 27	Compliance with laws and regulations
		2 – 28	Membership associations
		2 – 29	Approach to stakeholder engagement
		2 – 30	Collective bargaining agreements
GRI – 3 Material topics		3 – 1	Process to determine material topics
		3 – 2	List of material topics
GRI – 200	201 – Economic Performance (2016)	201 – 1	Direct economic value generated and distributed

Series	GRI standard	GRI disclosure	
Economic	202 – Market Presence (2016)	202 – 2	Proportion of senior management hired from the local community
	203 – Indirect Economic Impacts (2016)	203 – 1	Infrastructure investments and services supported
	204 – Procurement Practices (2016)	204 – 1	Proportion of spending on local suppliers
	205 – Anti-corruption (2016)	205 – 1	Operations assessed for risks related to corruption
		205 – 2	Communication and training about anti-corruption policies and procedures
		205 – 3	Confirmed incidents of corruption and actions taken
	206 – Anti-competitive Behavior (2016)	206 – 1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
	207 – Tax (2019)	207 – 4	Country-by country reporting
GRI – 300 Environment	301 – Materials (2016)	301 – 1	Materials used by weight or volume
		301 – 2	Recycled input materials used
	302 – Energy (2016)	302 – 1	Energy consumption within the organization
		302 – 3	Energy intensity (on revenue)
	303 – Water and Effluents (2018)	303 – 3	Water withdrawal
		303 – 4	Water Discharged
		303 – 5	Water Consumption
	305 – Emissions (2016)	305 – 1	Direct (Scope 1) GHG emissions
		305 – 2	Energy indirect (Scope 2) GHG emissions
		305 – 3	Other indirect (Scope 3) GHG emissions
		305 – 4	GHG emissions intensity (on revenue)
		305 – 6	Emissions of ozone-depleting substances (ODS)
		305 – 7	Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions
	306 – Waste (2020)	306 – 3	Waste generated (Hazardous) and (Non-Hazardous)
		306 – 4	Waste diverted from disposal
		306 – 5	Waste directed to disposal

Series	GRI standard	GRI disclosure	
GRI – 400 Social	401 – Employment (2016)	401 – 1	New employee hires and employee turnover
		401 – 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
		401 – 3	Parental leave Compensation and Benefits: Enhancing Employee Well-being
	402 – Labor/Management Relations (2016)	402 – 1	Minimum notice periods regarding operational changes
	403 – Occupational Health and Safety (2018)	403 – 8	Workers covered by an occupational health and safety management system
		403 – 9	Work-related injuries
		403–10	Work-related ill health
	405 – Diversity and Equal Opportunity (2016)	405 – 1	Diversity of governance bodies and employees
	406 – Non-Discrimination (2016)	406 – 1	Incidents of discrimination and corrective actions taken
	408 – Child Labor (2016)	408 – 1	Operations and suppliers at significant risk for incidents of child labour
	409 – Forced or Compulsory Labor (2016)	409 – 1	Operations and suppliers at significant risk for incidents of forced or compulsory labour
	413 – Local Communities (2016)	413 – 1	Operations with local community engagement, impact assessments, and development programs
		413 – 2	Operations with significant actual and potential negative impacts on local communities
	415 – Public Policy (2016)	415 – 1	Political contributions
	416 – Customer Health and Safety (2016)	416 – 2	Incidents of non-compliance concerning the health and safety impacts of products and services
	417 – Marketing and Labelling (2016)	417 – 3	Incidents of non-compliance concerning marketing communications

Topic	SASB Code	Metric
Greenhouse Gas Emissions	EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions limiting regulations

Air Quality	EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N ₂ O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)
Energy Management	EM-MM-130a.1	(1) Total energy consumed, (2) percentage grid electricity
Water Management	EM-MM-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress
	EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations
Waste & Hazardous Materials Management	EM-MM-150a.4	Total weight of non-mineral waste generated
	EM-MM-150a.5	Total weight of tailings produced
	EM-MM-150a.6	Total weight of waste rock generated
	EM-MM-150a.7	Total weight of hazardous waste generated
	EM-MM-150a.8	Total weight of hazardous waste recycled
	EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management
Community Relations	EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests
	EM-MM-210b.2	(1) Number and (2) duration of nontechnical delays
Labour Practices	EM-MM-310a.1	Percentage of active workforce employed under collective agreements
Workforce Health & Safety	EM-MM-320a.1	(1) All-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR)
Business Ethics & Transparency	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain

Our assurance engagement is with respect to the calendar year ended 31 December 2025 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report, therefore, do not express any opinion/conclusion thereon.

Boundary

Boundary of the report for non-financial disclosures covers Zangezur Copper Molybdenum Combine CJSC, excluding its subsidiaries.

Criteria

The Company has prepared the Identified Sustainability Information included in the Sustainability report by applying the criterion of “Accuracy” as defined by the Global Reporting Initiative (‘GRI’) Sustainability Reporting Standards (‘the GRI Standards’) issued by Global Sustainability Standards Board (GSSB), the guidelines of the Sustainability Accounting Standards Board (SASB) and specific criteria defined by ZCMC as being relevant for its sustainability performance. The Company has also conducted a Double Materiality Assessment in alignment with the GRI Standards and the European Sustainability Reporting Standards (ESRS). Such criteria was specifically designed for sustainability performance, and the subject matter information may not be suitable for another purpose.

Management’s Responsibilities

The Company’s management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Sustainability Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Practitioner’s Independence and Quality Control

We are independent of the Company and have fulfilled our other ethical responsibilities in accordance with the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the ‘IESBA Code’) and have the required competencies and experience to conduct this assurance engagement.

Our firm applies International Standards on Quality Management (‘ISQM’) 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner’s Responsibility

Our responsibility is to express limited assurance in the form of a conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with the ISAE 3000 (Revised). This standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company’s use of the Criteria as the basis for the preparation of Identified Sustainability Information, identifying areas where material misstatement is likely to arise in the Identified Sustainability Information whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:

- Conducting discussions and interviewing senior executives and department heads to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Review of double materiality assessment conducted using GRI and ESRS topical standards.
- Re-performing calculations to check accuracy of claims.
- Reviewing data from independent sources, wherever available.
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing and verifying information/ data as per the Criteria.
- Reviewing accuracy, transparency and completeness of the information/ data provided.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent limitations

GHG quantification, particularly Scope 3 emissions, involves inherent uncertainty due to data variability, estimation methods, and reliance on third-party information. Scope 3 often uses data from external sources, which may not always be directly measurable, leading to a degree of uncertainty in reported figures. Further, absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different but acceptable measures and measurement techniques and can affect comparability between entities.

Exclusions

Our assurance engagement scope excludes the following and therefore we do not express an opinion/ a conclusion on the same:

- Any disclosure other than those mentioned in the Identified Sustainability Information section above

- Data and information outside the defined reporting period
- Data related to Company's financial statement, disclosures, strategy and other related linkages expressed in the Sustainability Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- This assurance does not extend to forward-looking statements, including goals, targets, projections, and commitments. These are inherently uncertain, subject to change, and outside the scope of assurance. No assurance is provided regarding the realization of such statements, and actual outcomes may differ materially due to factors beyond the organization's control.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Conclusion

Based on the procedures we have performed and the evidences we have obtained, nothing has come to our attention that causes us to believe that Company's Identified Sustainability Information contained in the Sustainability report for the Calendar year ended 31 December 2025, is not prepared, in all material respects in accordance with the criteria.

Restriction on use

The Assurance statement issued by us shall be prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, the Assurance Statement may not be suitable for any other purpose and should not be used by any other party other than Board of Directors of the Company. The statement does not constitute regulatory certification or securities law verification. To the fullest extent permitted by law, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom the Assurance Statement is shown or in whose hands it may come without our prior consent in writing.

Any dispute arising out of or related hereto shall be settled by the Parties amicably through negotiation. Each Party shall give positive consideration to any proposal advanced by the other Party. Should the Parties fail to reach agreement, the dispute shall be settled in accordance with the laws of the Republic of Armenia, and the courts of the Republic of Armenia shall have exclusive jurisdiction over such disputes.

Grant Thornton Consulting GTC

25 August 2026

Appendix 8: Contacts

LEGAL NOTICE:

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