

RESPONSIBLE WATER MANAGEMENT

Our aim is to manage water sustainably, through innovation, efficiency and recycling, to reduce environmental impacts, strengthen operational resilience and support long-term access for local communities. We monitor water use across our operations to identify opportunities for improvement, reduce consumption and increase re-use. All effluent is managed in line with environmental regulations, with mitigation measures applied where required. In line with our Environment Policy, we take a proactive approach to protecting water quality and availability, recognising the importance of balancing operational needs with environmental and community expectations.

Management approach

At CAML, we recognise water as a critical shared resource and manage it through a structured responsible approach aligned with legal and regulatory requirements in the countries in which we operate. Compliance is supported by active monitoring and tailored strategies at each site, reflecting local environmental and operational conditions. We identify water-related impacts during project development through Environmental and Social Impact Assessments. These impacts are assessed throughout the operational life cycle, as part of broader initiatives covering climate change, biodiversity and mine closure planning. Both of our Group operations have Environmental Management Systems (EMSs), approved by site senior management and implemented in line with national and international standards, such as ISO 14001, International Finance Corporation Performance Standards and the Equator Principles. These systems are underpinned by the Group's Board-approved Environment Policy, which applies to all stages of our operations. The EMS provides a framework for identifying and managing water-related risks and opportunities, supporting continuous improvement.

Site-specific Water Management Plans (WMPs) guide our operational responses. At Sasa, the WMP is well-established and integrated into operational planning and risk management. Kounrad's WMP is in development and will support the identification of efficiencies, optimisation of water use and long-term resilience, particularly in response to the declining levels of Lake Balkhash, which is a key water source for the operation. Contingency planning will form part of this process to enable proactive responses to emerging risks. The WMPs are reviewed and updated regularly to reflect operational, environmental and regulatory changes. Both operations have monitoring programmes, with regular sampling. Kounrad's programme focuses on the leaching blocks at the Western and Eastern Dumps, while that at Sasa focuses primarily on surface water monitoring, carried out on site and downstream, alongside targeted groundwater monitoring. Where elevated levels of potential contaminants are detected, follow-up sampling and mitigation measures are implemented as required. Communication and education of our workforce on environmental issues, including issues related to water, are important elements of the Group's approach, and are conducted via inductions, educational talks and training sessions for employees, as well as contractors and visitors. Ongoing skills development for the environmental teams is delivered through targeted training throughout the year.

Ensuring an effective approach

Monitoring, measurement, analysis and evaluation are central to water management at our operations and to CAML's broader environmental strategy. Water use and discharge are monitored against baseline levels, with controls in place to ensure compliance with permits and consumption limits. Data are reported externally each year. This helps us to gauge the effectiveness of our strategies and identify areas for improvement. The Group adheres to regulatory standards for effluent discharge, implementing thorough monitoring to prevent pollution of surface and groundwater, with each site reporting data to the relevant authorities. Regular inspections by regulators – both scheduled and unscheduled – are conducted at both operations. We set external environmental targets for water with internal objectives linked to annual remuneration. By continuously monitoring performance, integrating environmental considerations into decision-making and reviewing our EMSs through audits and data analysis, we ensure our approach remains effective and responsive to evolving best practices.

Sasa's water management system is integrated within its ISO 14001-certified environmental management system. Although Kounrad is not formally certified, it operates in line with international standards; a 2022 audit confirmed alignment with ISO 14001, IFC Performance Standards and the Equator Principles.

Responsibility and accountability

CAML's Board has ultimate accountability for the Group's approach to water stewardship, strategy, risk management and performance, supported by the Sustainability Committee. The Chief Executive Officer has overall responsibility for implementing CAML's strategies and objectives, with the Head of Sustainability responsible for day-to-day management and enforcement. At an operational level, site General Directors and Environmental Departments, which include qualified environmental engineers, are responsible for ensuring compliance with site EMSs, WMPs and CAML's Environmental Policy. We recognise that responsible water management requires a proactive and co-ordinated approach, which is why all water-related aspects at Sasa are overseen by a dedicated Water Project Manager.

The Group's water management performance is reported to the Sustainability Committee on a quarterly basis. Water-stress risks identified as a material physical risk from climate change are discussed quarterly by the Group Risk Committee and communicated to the Audit Committee under Principal Risk 5: Climate change. The Sustainability Committee co-ordinates with the Audit Committee in presenting these risks and the Group's overall water performance to the Board. These findings directly inform Group decision-making and strategy.

Why it matters?

Water is a vital shared resource. Access to fresh water is a fundamental human right, essential for human life and well-being.

CAML has a high dependence on water for its production processes, being used for extraction and processing, dust management, rehabilitation and domestic water services. Potential water shortages, particularly related to declining water levels in Lake Balkhash, therefore pose a risk of operational disruption. Without a responsible approach to water management, we are aware that mineral extraction activities have the potential to negatively impact water quality, local ecosystems, biodiversity and community resources through contamination, depletion and habitat disruption. Water stress can lead to local competition for water resources, affecting pricing and availability. This could potentially impact our operations and associated costs owing to our reliance on water within our processing facilities.

Where our impact occurs:

- Group operations
- Our local communities

Relevant Policies:

- Environment Policy

Long-term targets:

- 75% reduction in abstraction at Sasa by 2026 vs 2020

Reporting Frameworks and Initiatives:

- GRI 303
- SASB 140a
- Global Industry Standard on Tailings Management (GISTM)

Associated SDG's:



CARING FOR THE ENVIRONMENT