



## ANNOUNCEMENT COMMUNIQUE



6 January 2025

### **Metalkol's Response to Business & Human Rights Resource Centre Weekly Update**

Metalkol is committed to respecting and upholding universally recognised human rights standards. We are bound by the Eurasian Resources Group (ERG) [Human Rights Policy](#) and the supplementary [Metalkol Human Rights Statement of Commitment](#), which elaborates on the former. Further, ERG is committed to the United Nations' (UN) [Guiding Principles on Business and Human Rights Framework \(UNGPS\)](#) and the [Sustainable Development Goals \(SDGs\)](#). We take our commitments to these standards extremely seriously.

Following a comprehensive review of the allegations concerning labour rights violations, as outlined in the *Forced Labour in Cobalt Mining in the Democratic Republic of the Congo 2023 report*, we confirm that the allegations regarding our labour practices are unfounded and false.

Our human resources and recruitment procedures strictly comply with DRC labour laws and ILO conventions on child and forced labour. Our procedures ensure that we employ and contract only adults over the age of 18 and that all workers on site are legally authorised to work.

Metalkol is committed to providing a safe and equitable workplace, free from human rights abuses, including forced and child labour. All employees are treated fairly, equally, and without discrimination, irrespective of gender, race, religion, age, disability, or sexual orientation.

As of Q4 2024, Metalkol employed 2,119 employees and 2,199 contractors, with 95% of the workforce being Congolese.

As an open and transparent company, committed to the DRC's regulatory frameworks, our approach to labour relations is underpinned by constructive engagement with our employees' trade unions. Metalkol fully respects the right of all employees to join trade unions and to freely engage in collective bargaining. Meetings between management and union representatives are held on a quarterly basis, with additional meetings arranged when necessary to address any urgent matters.

Metalkol provides competitive remuneration in line with union agreements and legislative requirements, completed by a collective bargaining agreement. In addition, permanent Congolese employees receive school fees, housing, transport and family allowances as well as other social benefits. We continue to work with union representatives to review the framework for employee benefits.

All contracted workers are employed in compliance with DRC labour laws, and their remuneration adheres to statutory pay rates. Contractors are obligated to comply with all applicable laws, as well as ERG and Metalkol policies. Metalkol has never been subject to any regulatory or legal actions regarding violations of the DRC Labour Code in relation to forced labour.

Compliance with these policies and procedures is subject to internal audits as well as the PWC assurance conducted of our Clean Cobalt and Copper Framework, referenced below.

### **Programmes to eliminate child labour in the neighbouring ASM communities near our operations**

In 2017, Metalkol partnered with the Good Shepherd International Foundation (GSIF) to support sustainable development initiatives in artisanal and small-scale mining (ASM) communities near our operations. These initiatives address the conditions of poverty that contribute to child exploitation and the worst forms of child labour. Over the years, we have fully funded intervention programmes in the Tshala community, managed by Bon Pasteur Kolwezi, GSIF's implementing partner. These programmes focus on alternative livelihoods, socio-economic empowerment, child protection and capacity-building.

### **Labour relations with suppliers**

Metalkol's human rights policy extends to suppliers through the [ERG Supplier Code of Conduct](#) which mandates that our suppliers:

- provide a safe and healthy working environment, adhering to the higher standard as between ERG policies and applicable laws;
- do not conduct forced or child labour; and
- comply with ERG's Human Rights Policy, the UN Guiding Principles, OECD Due Diligence Guidance, and the Voluntary Principles on Security and Human Rights.

The selection criteria for our suppliers include their adherence to our Human Rights Policy and Supplier Code of Conduct. These requirements are evaluated through counterparty due diligence (CPDD) at onboarding and contract renewal, as well as through supplier audits and training for high-risk suppliers (based on our risk assessment process).

Our [contractual agreements](#) with suppliers include our requirements for labour rights, health and safety, and the human rights of employees. Supplier audits include thorough reviews of human resources files, policies, and payroll records. As part of contractor management, on-site contractors are also subject to various types of inspections and reviews, ranging from daily safety inspections to formal audits.

### **Ethics and governance**

The human rights commitments and policies outlined above are at the core of our [Clean Cobalt & Copper Framework](#), which is designed to deliver high levels of responsible cobalt and copper production, value chain assurance, and help to improve living conditions for local communities. One of the primary goals of the Framework is to uphold a zero-tolerance policy towards child labor. This commitment is integrated into all ERG policies and management systems, including those governing contractors. Strict controls are implemented during onboarding and access management to ensure compliance.

Our Clean Cobalt & Copper Framework performance reports are independently assured by PwC, and the most recent performance report and assurance report are linked below.

[Metalkol Clean Cobalt and Copper Performance Report 2024](#)

[ERG Clean Cobalt and Copper Framework PwC Assurance Report 2024](#)

Metalkol has also aligned with the [Responsible Minerals Assurance Process](#) (RMAP) under the Responsible Minerals Initiative (RMI) since 2020. RMAP includes a Step 6 on Community Participation which we fully apply at Metalkol through various processes including stakeholder engagement, participatory rural appraisals, community development initiatives, local economic opportunities and a community grievance mechanism.

In February 2023 and September 2024, Metalkol was reaffirmed as conformant with the Assessment Standard for Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc (2021) and Cobalt (2018). These assurance processes demonstrate our commitment to the continuous improvement at our operations. Metalkol has also committed to [assurance under The Copper Mark](#).

ERG is also an active member of the Cobalt Institute, highlighting our commitment to traceability and responsible production.