The Response of "China's Zijin Mining Polluting Serbian Village, Says Group", 13 May 2022 from Zijin Mining

To **Business & Human Rights Resource Centre**,

Thank you for the attention from the Business & Human Rights Resource Centre. The article you linked contains distorted facts and is highly misleading. With a responsible attitude towards all stakeholders, we provide the following response to the article:

The Bor copper mine began development in 1903 and has a history of 119 years. It was owned and operated by Serbian government, called RTB Bor. In 2018, Zijin Mining acquired the Bor Copper Mine 63% share, and Serbia Zijin Copper established, then Zijin Mining began controlling and operating this mine.

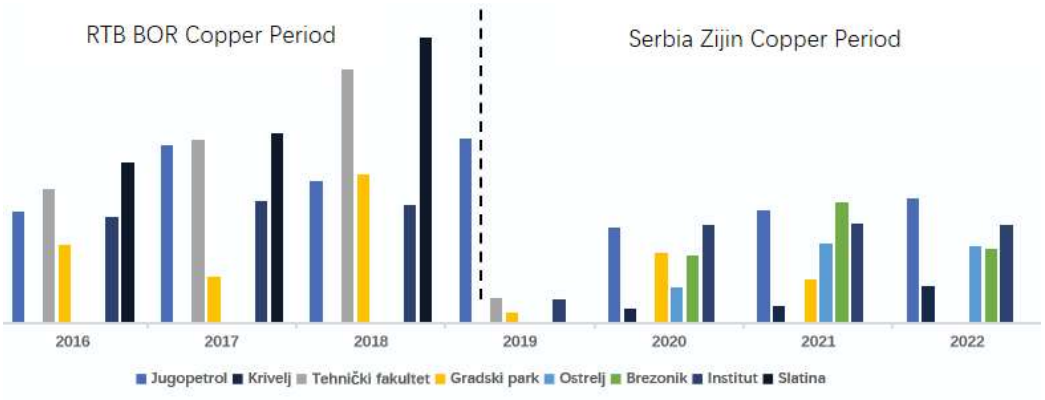
Prior to the acquisition, Zijin Mining commissioned ERM to conduct three times Environmental and Social Impact Assessments (ESIAs) on the environmental, social, and economic conditions of the project's location. The company also submitted reports to the government, and we conducted due diligence to identify any potential risks. It was discovered that the former RTB Bor company lacked sufficient funds to update environmental protection and safety equipment since 1999. During DD procedures, there were concerns about the old equipment, facilities, and inadequate pollution treatment capacity of the mine, which posed significant risks and could lead to environmental and community problems.

After taking over the Bor copper mine in December 2018, Zijin Mining's top priority was to address environmental issues before considering economic benefits. We prioritized the construction and implementation of environmental treatment facilities, such as wastewater, exhaust gas, and slag treatment. Zijin Mining designed and built these facilities to meet the most stringent environmental protection standards of Serbia, China, and the European Union. Over the past four years, the key environmental treatment facilities at the mine and smelter have been completed and updated. As of March 2023, Serbia Zijin Copper has invested $207 million in ecological and environmental protection.

In addition, Serbia Zijin Copper is committed to increasing its transparency and gaining community trust through various disclosure and communication channels. We have installed online monitoring systems at all discharge outlets, which are operated by third parties. Data is submitted in real-time to regulatory authorities and made public. Our operational plans for all sites are displayed through public announcements. We have also established community communication centers and stationed personnel on-site. Regular community communication efforts are organized to inform the community of our plans and collect their concerns.

The dust issue in Ostrelj village is primarily due to RTB Bor's insufficient investment in ecological restoration over the years, resulting in long-term exposure of bare land. Zijin Mining is gradually carrying out vegetation restoration work, and as of now, the green area has reached 600,000 square

meters. The chart below shows the comparison of PM10 public monitoring data at various monitoring points in Bor city. It is clear to see that after Zijin Mining acquired RTB BOR Group, the PM10 dust value at various monitoring points in Bor city has decreased significantly. The overall reduction rate exceeds 80%, and the PM10 dust monitoring data in Ostrelj village has dropped by more than 50% compared to before Zijin Mining took over. In the future, Serbia Zijin Copper will continue with ecological restoration work, and we plan to invest RMB 150 million to complete the project by 2024-2025. By then, the dust problem in the entire Bor city and Ostrelj village will be eradicated.



As a responsible company, Serbia Zijin Copper takes the environment so seriously and welcomes the government, community and various environmental protection agencies, organizations and individuals to supervise our environmental conditions. At the same time, we also call on the media, NGOs, and others to objectively, fairly, and responsibly report the news.

ESG Office
Zijin Mining Group Co., Ltd.
May 8th, 2023