



# SUSTAINABLE SUPPLY CHAIN POLICY

Doc Ref: KMN.PCM.POL005  
Rev/Date: 04/Feb 2024

## 1. Overview

The responsible supply chain policy below describes KIMIN's intention and commitment to achieve or work towards compliance with the OECD DDG. The overall management system is designed to enable KIMIN to fulfil the commitments set out in this policy.

KIMIN supports the principles set out within the OECD DDG, Responsible Mineral Initiative (RMI) and the United Nations Universal Declaration of Human Rights (the "UN Declaration"). KIMIN will endeavour to monitor human rights violations, and the role of conflict minerals in financing such violations. Activities that support armed groups and human rights violations are unacceptable under the UN Declaration. KIMIN fully supports efforts to stop human rights violations in the DRC by requiring transparency of all conflict minerals sourcing from the DRC.

At KIMIN, we have a responsibility to put sustainability at the heart of our business strategy through our market prominent role, our operations, and services. We recognize that our operations can greatly contribute to creating a more sustainable world. It is our leadership responsibility to both improve our sustainability performance through the way we run our business and to influence others. This will be achieved through the alignment of our strategic production, advice, asset life cycle with our business strategy and plans. This policy applies to all Companies Employees, contractor, supplier, service provider, and Stakeholders that can be directly or indirectly related to KIMIN' operations.

KIMIN recognizes the unique opportunity it has to play a prominent role in the development and implementation of a system designed to detect and prevent commercial activities that contribute to the financing of armed groups and human rights violations.

It is KIMIN's policy to not transact business with any parties that may directly or indirectly finance, or benefit armed groups in the DRC and its adjoining countries thereby eliminating the risk that KIMIN's mining activities will create or further the human rights violations associated with conflict minerals. To this end KIMIN commits to:

- Taking a leading role in working with the mining industry and commercial partners in finding viable solutions to this important issue.
- Engaging with upstream suppliers, partners, and subcontractors, central or local government authorities, civil society and affected third parties, as appropriate, to improve and track its performance of due diligence with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales.
- Working with its supply chain to ensure its suppliers of minerals are aware of KIMIN's responsible mineral supply chain policy and KIMIN's Code of Conduct and Ethics which articulates the company's strong commitment to ethical business principles and promoting human rights and environmental protection. KIMIN requires all its partners, subcontractors, and mineral suppliers to implement equally high standards so that it only purchases minerals from responsible sources.



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## 1. Detailed Policy Provisions

Recognising that there are risks of significant adverse impacts which may be associated with extracting, trading, handling and exporting minerals/ metals from conflict-affected and high-risk areas, and recognising that we have the responsibility to respect human rights and not contribute to conflict, KIMIN commits to adopt, widely disseminate and incorporate in contracts and/or agreements with upstream suppliers the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas, as representing a common reference for conflict-sensitive sourcing practices and upstream suppliers' risk awareness from the point of extraction until end user. As noted previously, KIMIN commits to refraining from any action which contributes to the financing of conflict and commits to complying with relevant UN sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

### **Regarding serious abuses associated with the extraction, transport or trade of minerals.**

While sourcing from, or operating in, conflict-affected and high-risk areas, KIMIN will neither tolerate nor by any means profit from, contribute to, assist with or facilitate the commission by any party of:

- Any forms of torture, cruel, inhuman and degrading treatment.
- Any forms of forced or compulsory labour.
- The worst forms of child labour.
- Other gross human rights violations and abuses such as widespread sexual violence.
- War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

### **Regarding risk management of serious abuses**

KIMIN will immediately suspend or discontinue engagement with upstream suppliers where it identifies a reasonable risk that the upstream supplier is sourcing from, or linked to, any party committing serious abuses as defined in paragraph 1 above.

### **Regarding direct or indirect support to armed groups**

KIMIN will not tolerate any direct or indirect support to armed groups through the extraction, transport, trade, handling or export of minerals, which includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, armed groups or their affiliates who

- Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or



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- Illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
- Illegally tax or extort intermediaries, export companies or international traders.

## **Regarding risk management of direct or indirect support to armed groups**

KIMIN will suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing direct or indirect support to armed groups as defined in paragraph 3. Suspension or discontinuation of business will follow a prescribed process. Where possible, KIMIN will work with the upstream supplier to mitigate the identified risks; if, following an additional risk assessment undertaken by (or on behalf of) KIMIN, there is no significant measureable improvement, KIMIN will suspend engagement with the upstream supplier until such time as the risk is eliminated. If it becomes clear that the risk cannot or will not be eliminated, KIMIN will discontinue business with that upstream supplier. Depending on the nature and magnitude of the risk, KIMIN may also choose to immediately suspend business prior to working with the upstream supplier to mitigate the identified risk or discontinue business immediately as soon as the risk is identified.

## **Regarding public or private security forces**

KIMIN agrees to eliminate, in accordance with paragraph 10, direct or indirect support to public or private security forces that illegally control mine sites, transportation routes and upstream actors in the supply chain, that illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded or that illegally tax or extort intermediaries, export companies or international traders.

KIMIN recognises that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.

Where KIMIN or any company in its supply chain contracts public or private security forces, these forces will be engaged in accordance with the Voluntary Principles on Security and Human Rights, with a particular focus on screening to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses are not hired.

KIMIN will support efforts, or take steps, to engage with central or local authorities, international organisations and civil society organisations to contribute to workable solutions to improving transparency,



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proportionality and accountability in payments made to public security forces for the provision of security. This might include forming or utilising stakeholder committees at the local and provincial level.

KIMIN will support efforts, or take steps, to engage with local authorities, international organisations and civil society organisations to avoid or minimise the exposure of vulnerable groups (in particular artisanal miners) to adverse impacts associated with the presence of public or private security forces on mine sites.

## **Regarding risk management of public or private security forces**

Where necessary KIMIN will work with its minerals suppliers to prevent or mitigate the risk of direct or indirect support to public or private security forces or activities that are likely to be at variance with the aims of above paragraphs. If, following an additional risk assessment undertaken by (or on behalf of) KIMIN, there is no significant measurable improvement, KIMIN will suspend engagement with the upstream supplier until such time as the risk is eliminated. If it becomes clear that the risk cannot or will not be eliminated, KIMIN will discontinue business with that upstream supplier. Depending on the nature and magnitude of the risk, KIMIN may also choose to immediately suspend business prior to working with the upstream supplier to mitigate the identified risk or discontinue business immediately as soon as the risk is identified.

## **Regarding bribery and fraudulent misrepresentation of the origin of minerals**

KIMIN will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals or to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export.

## **Regarding money laundering**

KIMIN will support efforts, or take steps, to contribute to the effective elimination of money laundering where it identifies a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

## **Regarding the payment of taxes, fees and royalties due to governments**

KIMIN will ensure that all taxes, fees, and royalties related to mineral extraction, trade and export from conflict-affected and high-risk areas are paid to governments and, in accordance with the company's position in the supply chain, will disclose such payments in accordance with the principles set forth under



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the Extractive Industry Transparency Initiative (EITI) and in line with commitments made by the government of DRC to the EITI as an EITI candidate country.

## **Regarding risk management of bribery and fraudulent misrepresentation of the origin of minerals, and payment of taxes, fees, and royalties to governments**

KIMIN commits to engage with upstream suppliers, central and local governmental authorities, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales. If, following an additional risk assessment undertaken by (or on behalf of) KIMIN, there is no significant measurable improvement, KIMIN will suspend engagement with any upstream supplier contributing to the risk until such time as the risk is eliminated. If it becomes clear that the risk cannot or will not be eliminated, KIMIN will discontinue business with that upstream supplier. Depending on the nature and magnitude of the risk, KIMIN may also choose to immediately suspend business prior to working with the upstream supplier to We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation.

**Management**

**March 22nd, 2024**