

ERG Africa statement regarding the Amnesty International report dated 11 September 2023

ERG has been a key partner to the Democratic Republic of the Congo for many years. As a responsible corporate citizen, we have invested more than US\$9 bn in the country with a further US\$2 bn being planned within the next two years; generated more than US\$1,6 bn in taxes, dividends and royalties; created around 10,000 jobs; and contributed substantially to the social-economic development of our surrounding communities.

ERG strongly condemns all acts of violence or coercion. ERG is committed to upholding the international laws and frameworks that protect and preserve the principles of security and human rights for individuals and communities across the globe. We investigate any alleged human rights breaches in accordance with the laws of the jurisdictions where ERG operates. The Group works with host governments to ensure international laws, standards and principles concerning security and human rights are implemented in full.

Respect for human rights is fundamental to Metalkol, and we are committed to having a positive impact on the communities in which we operate. Metalkol is bound by the principles laid out in ERG's [Human Rights Policy](#), [Code of Conduct](#) and [Supplier Code of Conduct](#), as well as the supplementary [Metalkol Human Rights Statement of Commitment](#).

ERG complies with all national and international laws and conforms to internationally recognised responsible minerals standards, including (but not limited to) the UN Guiding Principles (ERG is a signatory of the UN Global Compact), the OECD Guidelines and IFC Performance Standards. Our approach to the implementation of these laws and standards is set out in the ERG Clean Cobalt & Copper Framework, and the Metalkol Performance Report, for which we have obtained third party assurances, including in relation to our social management system. *Our frameworks and reports can be found [here](#).*

In accordance with these commitments, we always seek to avoid involuntary resettlements and constructively engage with local communities in line with relevant laws, international standards, and our stringent internal policies and procedures.

We provide support to relocated families, including through our alternative livelihood programme, and have a range of feedback mechanisms in place to help local communities identify their own development priorities.

ERG has instituted a community grievance procedure, aligned with the International Finance Corporation Performance Standards and the UN Guiding Principles on Business and Human Rights, which supports the continuous, timely identification, review, and management of our actual and potential impacts. This has been developed in conjunction with third party experts and its operation is reviewed as part of the various independent assurance processes described above. The details of the mechanism are publicised widely, including to local communities, and provide an additional conduit for grievances, should they arise. Grievances raised through this mechanism, or through other mechanisms such as the ERG Hotline, are investigated

and resolved in accordance with our Human Rights Policy and the UN Guiding Principles “Protect, Respect and Remedy” Framework.

Where any additional information is provided in relation to specific cases, or grievances are raised which have not already been reviewed and determined, we are guided by our standard approach to conduct further investigations. In relation to the matters raised in the draft report, we have made inquiries in the relevant communities, including with all relevant community chiefs, and we have been unable to verify the specific matters or to obtain any additional information that would inform further investigation and follow up.

In relation to the specific issues raised in Amnesty International’s report, please see the further information below:

1. Samukonga

We have reported extensively on the Samukonga resettlement, and other compensation events, in our Sustainable Development Reports which can be found [here](#).

ERG does not agree with Amnesty International’s description of events in their report – which does not accurately reflect the reality and facts on the ground.

Concerning Samukonga village, its 16 households were relocated as required by the ESIA, based on a risk assessment of the location of the village in proximity to the operations, and this process and the outcomes have been comprehensively reported on by ERG. This was necessary because the village was located next to the Residual Storage Facility.

In order to proceed with the compensation procedure, it is first important to establish engagement with local communities to ensure that everyone is informed about the intentions of the company, given that their fields are within the Metalkol perimeter and very often located in the areas of operations. To facilitate these engagements, we have always and continue to work closely with the Provincial Division of Agriculture (AGRIPEL), who provide valuable support throughout the process. By working together in this way, we can help to ensure that everyone’s needs are considered, and that the compensation process is fair and transparent for all involved.

In line with our procedures, compensation calculations were determined by the information gathered from the surveys conducted in the field, which assess the areas farmed and the type and the maturity of the crops, amongst other criteria. These calculations are based on the official rates published by Provincial Division of Agriculture (AGRIPEL). Metalkol has no authority to adjust the calculations or rates. Once this assessment is completed, Metalkol makes payment through a commercial bank, which will then manage the payment to the farmers under Metalkol’s oversight. No form of coercion is used during this process and the farmers receive their payments fairly and without any undue pressure.

Metalkol does not use the Forces Armées de la République Démocratique du Congo (FARDC) intervention in relation to resettlements, compensation assessments or payments. We have investigated these matters, including with the village chiefs from

the locations of these farmers, who have confirmed that no instances of coercion by the military or police have been reported in relation to the payment process. The presence of FARDC in the region at the relevant time is addressed further below under section 3.

2. Crop compensation – Tshamundenda (2020)

The information regarding the alleged eviction of a group of 144 farmers from their fields within the Metalkol perimeter is incorrect.

A joint team consisting of Metalkol and AGRIPPEL engaged with these farmers, and subsequently, the Provincial Division of Agriculture issued a report indicating that the area had already been compensated twice by Kingamyambo Musonoi Tailings (KMT) and the land had subsequently been illegally reoccupied without the consent of the company.

The land remains unfenced as some of it is being used for community passage. Despite several requests to vacate the land, some farmers are still occupying it without the consent of Metalkol, while others have already moved from the area.

This matter has been the subject of review by AGRIPPEL, the Lualaba Governor's Office and the Provincial Assembly of Lualaba. The reports and supporting documents have been provided to these authorities to confirm this position and we have no reason to believe that there are any outstanding matters relating to these inquiries.

3. FARDC

FARDC is a military organisation of the Democratic Republic of the Congo. Metalkol does not exercise command or control over the deployment of FARDC. FARDC has not been involved in any resettlement or crop compensation activities undertaken by Metalkol. Nor has Metalkol requested its presence in relation to protest actions near the Metalkol offices as described in the report.

At the relevant time, the Government had deployed the FARDC to the region generally in response to significant increases in Artisanal and Small-Scale Mining (ASM). The draft Amnesty International report was provided to the provincial Commandant to urge an investigation, including an incident in June 2019 which resulted in fatalities at the concession of another mine operating in the area.

In accordance with Metalkol's commitments to the Voluntary Principles of Security and Human Rights, we have provided a copy of this draft report to the Lualaba Province Commandant of FARDC to urge an investigation of these matters and requested feedback on the outcome of these investigations.

Metalkol has in place an effective system to handle community grievances, which is consistently communicated to the community. We deplore any instances of sexual violence, and we are working diligently with local communities to investigate all claims and grievances.