

24 April 2024, Johannesburg



Eurasian Resources Group in Africa

1 Sturdee Avenue  
Rosebank  
Johannesburg  
2196

T: +27 11 552 4300

## STATEMENT

### **ERG Africa addresses recent media reports on subcontracting activities in the Democratic Republic of the Congo**

**In response to recent media coverage concerning its subcontracting practices in the Democratic Republic of the Congo (DRC), Eurasian Resources Group (ERG) in Africa issues this statement to provide clarity and address any concerns that may have arisen.**

ERG wishes to affirm its commitment to transparency, ethical conduct, and collaboration with regulatory bodies. Our company, headquartered in Luxembourg and owned by Kazakh investors, operates independently from any Russian affiliations. It's important to note that the subcontractors mentioned in the media reports are not directly associated with ERG.

ERG categorically denies any involvement in illicit activities and remains steadfast in upholding the highest ethical standards across all aspects of its operations. We are fully committed to responsible mining and procurement practices in the DRC and beyond.

We maintain a cooperative relationship with the Regulatory Authority for Subcontracting in the Private Sector (ARSP), undergoing regular audits and providing transparent access to information. While all nine subcontractors mentioned in the media were in possession of valid ARSP certificates, the subcontracting body pursued its own investigations, which we supported and contributed information to.

Following the findings, the ARSP and ERG have been exchanging information and engaging to implement remedying actions and resolve any misalignment between the parties.

ERG is already executing the recommendations provided by the ARSP to ensure compliance with all regulatory requirements, including addressing identified discrepancies in contracts with suppliers found ineligible under applicable laws, and actively seeking alternative, qualified suppliers.

We applaud the stringent implementation of the subcontracting law by the ARSP, as an essential step to helping create a middle class in the DRC and materialising the vision of

the Head of State, President Félix Tshisekedi. We wholeheartedly support this vision and recognise the critical role that organisations like ours can play in achieving them.

As a major economic contributor in the DRC – having invested more than US\$9 billion in our operations between 2009 and 2022, and generated more than US\$1.6 billion in taxes and royalties – we believe that by developing and supporting local entrepreneurs, we will not only support economic development but also create sustainable, long-term partnerships with future suppliers.

We value the ongoing collaboration with regulatory authorities and stakeholders, and are dedicated to continuous improvement in our subcontracting practices for the benefit of local communities and the broader economy.

**For additional information please contact:**

Eurasian Resources Group Africa, Johannesburg  
[Communications.Africa@ergafrica.com](mailto:Communications.Africa@ergafrica.com) or [press@erg.net](mailto:press@erg.net)  
[www.ergafrica.com](http://www.ergafrica.com)

**About Eurasian Resources Group Africa:**

Eurasian Resources Group (ERG) is a leading diversified natural resources group headquartered in Luxembourg with integrated mining, processing, energy, logistics, and marketing operations. The Group operates in almost 20 countries and is a major employer in the industry with more than 80,000 employees and contractors.

ERG Africa combines the Group's assets on the continent and forms a key part of the Group's long-term international growth strategy. ERG Africa is a principal producer of cobalt and copper in the Democratic Republic of Congo, and has further assets and development projects focused on other minerals and products across the continent, including in South Africa, Zimbabwe, Zambia and Mozambique. SABOT, a leading cross-border road haulier in the Southern and Central African region, also forms part of its operations.

ERG is a founding member of the Global Battery Alliance (GBA), hosted originally on the platform of the World Economic Forum. The GBA is dedicated to ensuring an ethical and sustainable global supply chain for the lithium-ion batteries that can power the Fourth Industrial Revolution and a low carbon economy through electric vehicles, renewable energy technologies and smartphones. Since its establishment in 2017, the GBA has grown to include more than 150 leading businesses and international organizations as members, becoming the world's largest multistakeholder consortium in the energy storage space. In 2023, GBA has launched the world's first Battery Passport.

ERG champions the WEF Securing Minerals for the Energy Transition (SMET) initiative, which aims to secure a reliable supply of the critical minerals vital for decarbonization. The Group is one of the first 25 organizations to join the Sustainable Markets Initiative (SMI) – a CEO-led coalition of more than 250 members, including some of the world's largest companies across industry and financial sectors. Launched in 2020 by His Majesty King Charles III, when he was The Prince of Wales, the SMI brings together the private sector to accelerate a sustainable future in line with its mandate the Terra Carta.