



## **2022 ANNUAL REPORT ON SUPPLY CHAIN DUE DILIGENCE**

## **1. Introduction**

Piran Rwanda Limited (Piran) is operating in Musha and Ntunga mining sites in the concessions awarded by the Rwandan government on 5th August 2014 for a period of 25 years. Piran Rwanda Limited carries out both mining and ore processing, with the resulting concentrate production exported for refining.

In May 2022, Piran Rwanda Ltd merged with other two big mining companies in Rwanda and formed Trinity Metals Group. The consolidation of the three companies led Trinity Metals to its position as a leading mining company and private-sector employer. The three-way alliance, by design, builds upon the strengths of each of the three companies to achieve operational synergies such as increased production capacity, greater supply chain leverage, improved career growth opportunities for employees, and stronger community and government relations.

Piran remains committed to its goal which is to produce essential metals responsibly and sustainably for an energy revolution. This report is in line with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, especially in the 5<sup>th</sup> step of the guidance that requires companies to report annually on supply chain due diligence. It allows all stakeholders to see what progress has been made to manage risks and increases confidence in supply chains from higher-risk areas.

## **2. Company Management Systems**

Piran Rwanda Ltd aims to conduct all its activities in a sustainable manner in recognition of all relevant laws and regulations. The whole company, from the top level to the lowest level, approaches all supply chain due diligence with the utmost seriousness and professionalism.

- Senior Management – the Company management considers compliance with OECD due diligence guidance as one of the key pillars to achieve its long-term objectives.
- Compliance/Traceability office: The company's traceability team was given the required training to upgrade their skills and ensure supply chain compliance. As previously communicated, the team ensures that minerals are produced, processed, and exported/transported in accordance with the company's supply chain procedure which is in line with due diligence guidance procedures.
- Security of minerals – Additional training was provided to our security team to fulfill their responsibilities in a professional manner while complying with OECD due diligence guidance. The progress is very positive and positive working relations with all concerned levels was a contributing factor.

- Upgrading/processing team – The knowledge of our processing team was upgraded by providing technical training and study tours to ensure that they are within acceptable standards.

### **3. Supply chain policies, due diligence implementation plans**

Piran Rwanda Ltd fully respects human rights and recognizes the risk of significant adverse impacts associated with extracting, trading, handling, and exporting minerals from conflict-affected and high-risk areas. For that reason, our internal policies, plans, and procedures were updated to ensure compliance with OECD due diligence guidance.

Piran mines, processes, and exports materials from its own concession. All people involved in the production, processing, and export operate under strict measures and controls put in place by the company.

*Mining:* Musha Mining operations mostly rely on Underground Mining which is made of 4 levels that are currently active. New expansion activities were initiated, and we expect a significant increase in our production.

- Operations were run in accordance with the set targets.
- All operations were mainly using rock breakers and mined ore is transported to the upgraded processing facilities.
- Technical service team inputs were key to providing a guide to the mining team.

*Mineral processing procedure:* Mined ore is processed through different processing techniques depending on its nature and source to generate a high-grade concentrate. The obtained production passed through a well-designed sampling process to check all key parameters. The resulting product is placed in bags of up to 100kgs, which are tagged by the Government body in charge in presence of our company representative.

*Mineral export procedure:* Prior to export, the previously tagged bags are opened; tags are counted, scanned, and placed in a safe small container to be sent with the shipment later. The concentrated material is laid out on a dedicated surface, for mixing, sampling, and packing, all under the supervision of the third-party laboratory, a government body (RMB), and company staff. All required documentation is processed to accompany the shipment.

### **4. Other compliance requirements**

- *Labour fairness:* Piran aims at giving equal opportunities to all people without any form of discrimination. Priority is given to women, youth, and people with disabilities are encouraged to join and are given an equal platform to get jobs. Child labor is strictly prohibited in our mining operations.

- *Legal compliance:* All operations follow the legal instruments in place and this includes but is not limited to mining law and its implementing orders, a chain of custody regulations, and many other relevant regulations.
- *Prevention of fraud:* The Company does not tolerate any behavior that could be construed to involve corruption of any form or the offer or acceptance of a bribe.

### **5. Risk assessment process, management, and mitigation**

All risks associated with the internal supply chain are regularly identified, and evaluated and appropriate measures are adopted.

- Before opening a new working place, a feasibility assessment is carried out by all compliance teams.
- Appropriate safety and security measures are enforced at each working place/shaft.
- Mined ore is strictly transported to the processing unit by the company personnel in charge.
- Wet production is recorded per shaft in the production books before being transported for upgrading.
- Upgraded concentrate is recorded, bagged, and tagged under strict controls of company security personnel.
- The mixing and sampling of the above-said concentrate takes place at planned intervals in the presence of third parties before export
- The transport route from the mine site to the destination is carried out by a competent contractor who also follows the OECD guidance.

All people involved in this process are regularly trained on specific internal controls to prevent any incidents.

### **6. keeping records keeping, reporting, transparency, and accountability**

All records of our internal operations including but not limited to expenses on internally generated production, taxes, royalties, and traceability fees are kept at the mine site for future reference. We all regularly communicate with all our stakeholders by organizing regular meetings and other means of communication. Regular reports covering all areas of the mineral supply chain are always shared with the relevant Government authorities in charge.

### **7. ICGLR party third-party audits, flagging.**

In line with the International Conference on the Great Lakes Region (ICGLR) through its Regional Certification Mechanism (RCM) Piran Rwanda Ltd was audited by ICGLR auditors and the company was flagged green, and we intend to maintain our that standard.