



Rutongo Mines Limited (RML)  
Masoro, Rulindo, Northern Province,  
P.O. Box 6132 Kigali-Rwanda | +250 791701498  
[www.trinity-metals.com](http://www.trinity-metals.com)

**2022 ANNUAL DUE DILIGENCE REPORT**

**05 February, 2023**

**Table of Contents**

<b>1. Company Information and Policy Overview .....</b>	<b>1</b>
<b>2. Risk Identification and Mitigation Approach.....</b>	<b>1</b>
<b>3. Annual Risk Mitigation Efforts.....</b>	<b>3</b>

## 1. Company Information and Policy Overview

Rutongo Mines Limited (RML) is a Rwandan mining Company, which is part of Trinity Metals Group. It was granted a 25-year large-scale mining licence by the Government of Rwanda to operate the Rutongo mines. These cover a surface of around 10,000 hectares located in the Rulindo District in the northern province of the Republic of Rwanda and produces Tin. Every year we produce and publish a Due Diligence Report on our Mineral Supply chain in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ('OECD Due Diligence Guidance' hereafter). The five-step framework of the OECD Due Diligence Guidance requires that companies meaningfully report on supply chain due diligence to generate public confidence in the measures companies are taking.

Rutongo Mines produce essential metals in a responsible and sustainable manner and in line with all the national and international relevant legal and regulatory requirements and good practices. We utilise RCS Global services, including traceability and due diligence systems to support our efforts.

Better Mining (BM), implemented by the RCS Global Group, is an upstream assurance mechanism that puts in place a number of systems to support that exports of minerals from Conflict-Affected and High-Risk Areas (CAHRA) are produced, transported and exported by companies operating in a manner that is aligned with the requirements of the OECD Due Diligence Guidance, the Better Mining program, and the Responsible Minerals Initiative (RMI) Responsible Minerals Assurance Process (RMAP).

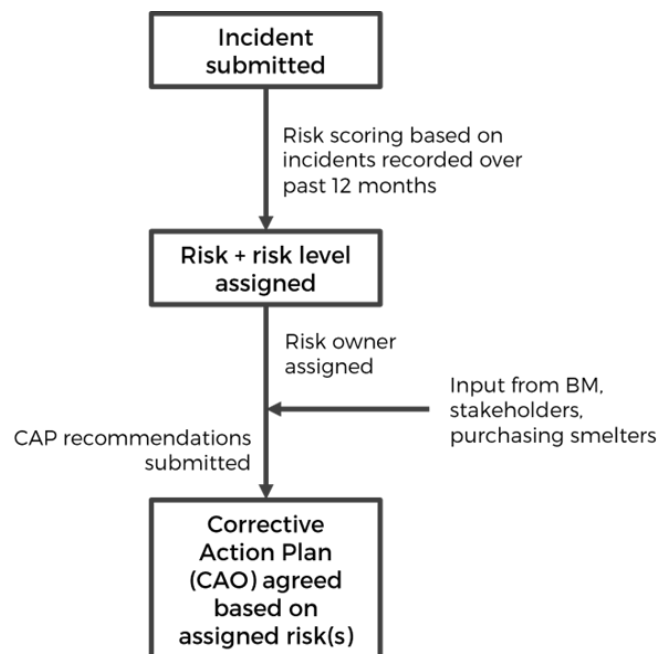
As far as corporate governance is concerned, a Board of Directors was established, which meets every quarter to discuss the Company business. The General Manager and Management Team oversee day-to-day operations of the Company and are supported by the Group shared services.

## 2. Risk Identification and Mitigation Approach

### 2.1 Due Diligence

The Due Diligence we apply is risk based and commensurate to the severity and likelihood of identified risks. The process includes:

- (1) Identifying risks using evidence-based information that extends across all risks noted in the OECD Due Diligence Guidance.
- (2) Supporting the assessment of risks against our supply chain policy, national laws, and international guidance.
- (3) Responding to, managing, and reporting on identified risks in a measurable and accountable manner.
- (4) Promoting transparency along the supply chain, as part of an accurate depiction of local circumstances, to enhance engagement among supply chain members and improve access to market and investment for local operators and communities.
- (5) Promoting continuous reporting of risk-related information along our supply chain to downstream buyers.



Incidents that may occur at our site are recorded by independent monitors deployed by BM on an ongoing basis to our mine site. Monitors digitally record incidents in line with the RCS Global incident and risk categorization (aligned with the OECD Due Diligence Guidance Annex II risks). The collection and verification of incidents form the basis of the risk assessment approach. Following the logic outlined in the RCS Risk Management Procedure (RMP) the incidents recorded over the past 12 months are used to assign adequate risk levels for each monitored Risk. In parallel, the Company has identified all the risks associated with its operations and regular monitoring systems are in place.

The risk mitigation approach at Rutongo Mines seeks to address issues in a structural manner. Based on the Risk Assessment a comprehensive Corrective Action Plan (CAP) is provided to Rutongo Mines monthly by BM including the following information for each risk:

- Risk category
- Risk level
- Number of incidents associated with that risk category recorded over the past month.
- Suggested actions for risk mitigation
- Required evidence.
- Recommended timeline for implementation of mitigation actions
- Responsible actor(s) for implementation
- Status (not started, in progress, completed) of mitigation actions.
- Risk owner notes (to be completed based on risk owner feedback)

In line with the core 'continuous improvement' principle in the OECD Due Diligence Guidance and accepted by market requirements, our company implements proactive and risk-based risk mitigation ('corrective action').

## **2.2 Traceability**

Based on recommendations from the OECD Guidance, Chain of Custody System Standards from the ICGLR Regional Certification Mechanism (RCM), and RMI RMAP audit requirements, BM deploys a digital traceability system for materials from mine to export. The objective of BM-implemented traceability is to provide assurance that the minerals exported originate from BM-monitored mine sites and to protect against the smuggling and laundering of minerals into BM-monitored supply chains.

The approach relies on recording traceability information at upstream level, and data reconciliation in real time. The approach allows for systematic identification of all participants in the supply chain. The traceability system digitally records the weight, purity, tag number of mineral bags as well as the names of present stakeholders and tunnel supervisors at the production level and verifies the information at each supply chain step up to export. No mineral is purchased, received, or otherwise gained from any source other than from RML own mining operations. Minerals are upgraded at RML's own premises under the supervision of its own employees and Better Mining field agent. With full traceability in place, mineral concentrates are packed, tagged, recorded and the concentrates are exported directly from the Rutongo premises.

## **2.3 Grievance Mechanism**

Unethical or undesirable behaviour or any violations of the Company Code of Ethics can be reported to the Company. Various policies were adopted in that regard including the whistleblowing policy. The Company has assigned a number to all whistle-blowers. This Hotline has been used for all reporting purposes, and only designated managers have access to the names and details of the relevant

employees. A Grievance Process for internal employees, the host community and stakeholders can be found in detail at [trinity-metals.com](http://trinity-metals.com).

### 3. Annual Risk Mitigation Efforts

In 2022 considerable progress was made regarding incident management. In 2022, **43** incidents were recorded, which is roughly half the number recorded in the previous year. The vast majority (67%) of those were recorded in the risk category “Legality/ Legitimacy” linked predominantly to illegal mining activities within the concession and not directly linked to business operations. The remaining incidents are divided between “Security” (16%), pertaining to conflicts with illegal miners, “Working conditions” (7%) associated with accidents related to mining activities, “Environment” (5%) pertaining to wastewater management and “Human Rights” (5%) related to insufficient training of security personnel on the Voluntary Principles on Security and Human Rights. 49% of incidents fall in the incident score categories “Low” and “Moderate”, while 51% scored either “High” or “Very high”. No “Critical Breach” incidents were recorded for 2022.

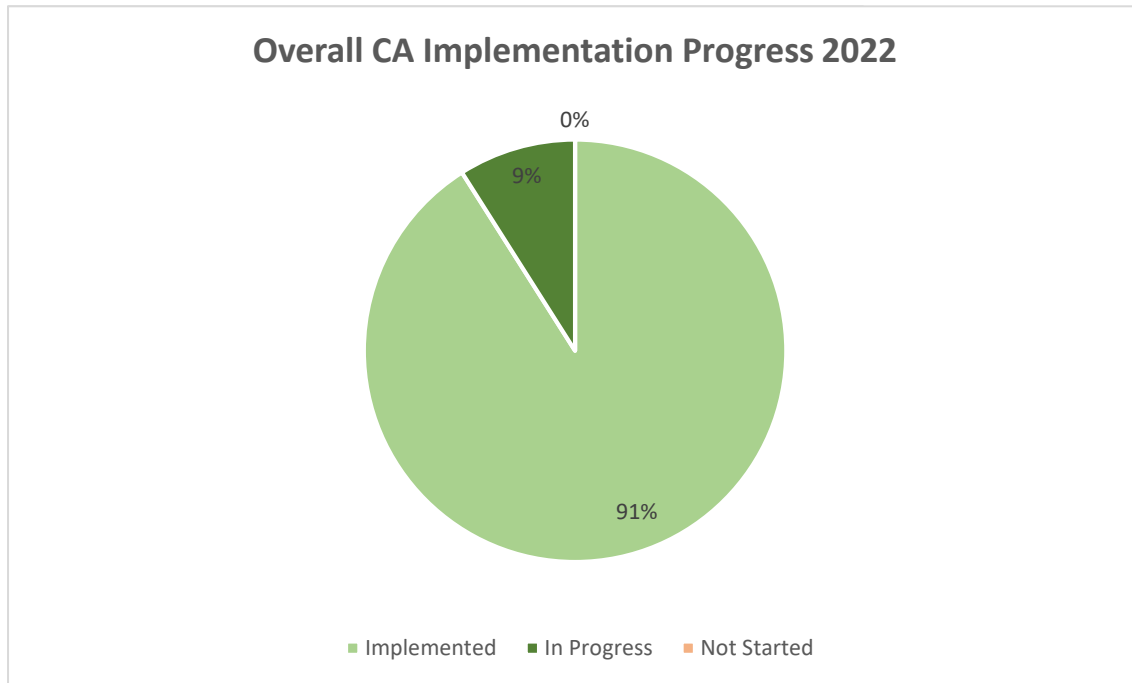
The below table shows the average score recorded for each risk during the year 2022.

Risk category	Risk	Risk score
Human Rights	Child Labour	Low Risk
	Worst Forms of Child Labour	Low Risk
	Discrimination	Least Risk
	Forced Labour	Least Risk
	Gender	Least Risk
	Torture, cruel, inhuman treatment	Least Risk
	General Security	Moderate Risk
Security	International Humanitarian Law	Least Risk
	Non-State Armed Group	Least Risk
	Public or Private Security Forces	Moderate Risk
Working Conditions / Safety	Occupational Health and Safety	Low Risk
	Worker Rights	Least Risk
Environment	Emissions / Waste	Least Risk
	Water	Low Risk
	Mine Closure and Reclamation	Low Risk
	Protected Flora / Fauna	Least Risk
	Resource / Land Management	Least Risk
Legality / Legitimacy	Corruption / Bribery	Least Risk
	Legal / Transparent Tax Paying (EITI)	Least Risk
	Money Laundering	Least Risk
	Operational Legality (linked predominantly to illegal mining but not linked to RML operations)	High Risk
	Transparency / Reporting	Low Risk
Community	Business Conflict	Least Risk
	Community Engagement / Development	Least Risk
	Indigenous / FPIC / Heritage	Least Risk
Chain of Custody	Traceability	Least Risk

To mitigate the identified risks Rutongo Mines worked on the implementation of mitigation actions in line with the BM-issued Corrective Action Plans. 91% of the actions were successfully implemented.

For 9% of the mitigation actions, the implementation is still ongoing, and 0% actions are yet due to be started.

The below chart shows the rates of implementation of corrective actions for each risk that has been identified during 2022.



In 2022, several actions were taken pertaining to Occupational Health & Safety, Transparency and Reporting, Operational Legality, Human Right, Environment and Community Engagement/Development.

**Occupational Health and Safety:**

Rutongo Mines now has a dedicated employee who is responsible for safety and tunnel captain personnel that oversees risk assessment at work (inside and outside tunnels) before any activity commences. In 2022, Rutongo securely closed different pits across the concession which were created by illegal miners.

**Transparency/Reporting**

Rutongo Mines Ltd has the obligation to report on the status of Due Diligence annually and can publish the report on RCS Global Group website as well on Trinity Metal Group’s different platforms. The Annual Due Diligence Report for the year 2021 was published to RCS Global Group website on February 28,2022.

**Operational Legality:**

Rutongo Mines Limited establishes and maintains good relationships with all stakeholders including central and local government, RCS global and other Non-Governmental Organisations. Illegal miners and smugglers are the main challenge from an operational perspective. Rutongo is continuously expanding mining activities in new areas to incentivize illegal miners to operate legally.

### **Child labour**

Rutongo Mines Ltd has a strict recruitment policy, and only recruits employees aged 18 years old and above. No child is allowed in its mining operations. Unfortunately, RML does not have total control on illegal mining operators and their fellow buyers but has been engaging various stakeholders in discouraging any form of child labour given that illegal mining can lead to the involvement of children in these illegal mining activities. RML does everything in their power and capacity to prevent the presence of children on mine sites within the Rutongo concession, in collaboration with the government of Rwanda and other stakeholders.

### **Environment.**

The construction of a tailing's treatment plant at Nyamyumba site has been completed. This plant upgrades ore production from tunnel BV32 and Tunnel BV31. This is the corrective action for artisanal ground sluicing which pollutes land and destroys biodiversity.

### **Community Engagement/ Development**

In 2022, Rutongo Mines has focussed on creating more employment opportunities. Rutongo Mines has helped the host community by funding two Early Childhood Development Centres whose aim is to ensure children are well catered during the day when their parents are at work. Rutongo also has helped women to engage in various projects such as mushroom cultivation to provide complete nutrition to their children.

In 2022, school competitions were organised to inform children at an early age about the negative effects of unauthorised mining and encourage them to be creative and enthusiastic. Alongside this activity, their parents were supported in their initiatives to obtain alternative opportunities.

The company actively participates in communal activities such as Umuganda, also known as community work, that takes place on the last Saturday of the month, together with the local community. On Umuganda day, the community meets local leaders in an open meeting and discuss various issues and challenges that impede their development.