



EGC Responsible Sourcing Standard

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Introduction

Entreprise Générale du Cobalt (EGC) is owned by the state of the Democratic Republic of the Congo (DRC). Under the terms of decrees 19/15 and 19/16, dated 5 November 2019, EGC holds the monopoly for the purchase, treatment, transformation, sale and export of cobalt extracted by artisanal miners or artisanal mining companies in the DRC. The DRC Agency for Regulation and Control of the Strategic Mineral Substance Markets (ARECOMS) has regulatory oversight of EGC.

The following 'EGC Responsible Sourcing Standard' ('EGC Standards'), which have been developed and approved by the EGC Technical Committee¹, are intended to align with and respect DRC law as well as standards as deployed by ARECOMS, the Department of Assistance and Supervision of Small-Scale Mining (SAEMAPE) and the Center of Expertise, Evaluation and Certification (CEEC).

EGC Standards, which will be updated on an ongoing basis, apply to all sites overseen by EGC and are designed to go beyond regulatory compliance. They align with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas², and give due consideration to work undertaken by other actors committed to developing responsible supply chain standards for artisanal cobalt production. External standards benchmarked as part of the EGC Standards' development process included Certified Trading Chains (CTC)³, the Craft Code⁴, Amnesty International's Principles⁵ and Responsible Minerals Initiative's Risk Readiness Assessment (RRA)⁶.

The application and development of EGC Standards depends upon close collaboration and ongoing dialogue between a broad array of stakeholders. This document sets out a series of standards for the following:

- **Miners:** These define the 'golden rules' that all workers on EGC controlled artisanal and small-scale mining (ASM) cobalt sites must adhere to.
- **Cooperatives:** These define the governance and operational management requirements that EGC will place on cooperatives that are authorised to operate on ASM cobalt sites.
- **EGC:** These define the standards that EGC will hold itself to in its governance, management and oversight of the supply chain from mine through to processing plant.
- **Buyers:** These define the measures that the buyers agree to hold themselves to in relation their role as purchaser of EGC-produced material and, where applicable, as a member of the EGC Technical Committee, to ensure the effective implementation of the EGC's Responsible Sourcing Standard.

The EGC Technical Committee is tasked with implementing management controls and due diligence processes to drive the application of these Standards.

1 The 'EGC Technical Committee' includes representatives of EGC's senior staff, the NGO 'Pact'

2 <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>

3 https://www.bgr.bund.de/EN/Themen/Min_rohstoffe/CTC/Concept_MC/CTC-Standards-Principles/ctc_standards-principles_node_en.html

4 <https://www.craftmines.org/en/>

5 <https://www.amnesty.org/en/documents/act30/3544/2021/en/>

6 [http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/risk-readiness-assessment-\(rra\)/](http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/risk-readiness-assessment-(rra)/)

1. EGC Responsible Sourcing Standard for Workers

The following rules are mandatory for all workers on all EGC sites. Individuals who do not comply with these Standards may be removed from the site and not permitted to work.

Site access



Be fit to work and not under the influence of alcohol or drugs



Carry your site registration ID at all times



Wear the Personal Protective Equipment (PPE) that is provided to you

Conduct



Obey rules set by site management



Be respectful of others

Mining



No pits to exceed 10 metres in depth



Tunnelling is forbidden



Stop work if unsafe

Report



Report any safety concerns or incidents immediately

2. EGC Responsible Sourcing Standard for Mining Cooperatives

The EGC Responsible Sourcing Standard for cooperatives operating on ASM cobalt sites have two components:

- **Organisational governance and management:** These define EGC's standards for the management processes and controls that cooperatives shall establish that apply across all their operations and activities.
- **Site level management:** These define the minimum standards to be applied at the mine site.

Adherence to these Standards will be regularly assessed by EGC. Failure by cooperatives to adhere to these Standards will mean risk mitigation is required and may result in a decision to temporarily suspend purchasing while risk mitigation measures are established, or to disengage with a cooperative either after failed attempts at mitigation or where the buyer and/or EGC deems mitigation not feasible or the risks of continued engagement unacceptable. EGC will provide support to cooperatives in complying with these Standards and will assist cooperatives in developing the necessary processes and controls. Throughout this Standard, the term "EGC" includes both direct employees of EGC as well as those individuals and/or organisations directly appointed by EGC to conduct activities and/or provide services in support of EGC.

Organisational governance and management

2.1. Commitment to the EGC Responsible Sourcing Standard

- 2.1.1. Mining cooperatives shall comply with all applicable national laws and regulations whilst noting that some of the requirements within the EGC Responsible Sourcing Standard may exceed national laws and regulations.
- 2.1.2. Mining cooperatives shall commit, in writing, to uphold these EGC Responsible Sourcing Standard.
- 2.1.3. Mining cooperatives are encouraged to show how their governance structure supports these Standards, including how operational decisions relevant to these Standards are made.
- 2.1.4. Mining cooperatives shall facilitate and fully cooperate with actions, controls, systems and due diligence processes implemented by EGC.
- 2.1.5. Mining cooperatives shall report any incidents of illegal control or taxation exerted over miners, the cooperative and other related parties by government or private security forces.
- 2.1.6. Mining cooperatives and their members shall participate in training provided by EGC related to the implementation of these Standards.
- 2.1.7. Mining cooperatives are encouraged to regularly review and assess the implementation of these Standards and develop corrective actions as necessary.

2. EGC Responsible Sourcing Standard for Mining Cooperatives

2.2 Mining operators shall work within the DRC legal framework

- 2.2.1. Mining cooperatives shall be registered and either operate within an artisanal mining area (ZEA) instituted by ministerial order and assigned to the cooperative, or in a designated area within a private concession that has been assigned for this purpose by the concession title holder. Where the mine site is within the perimeter of a private concession, the cooperative shall provide evidence of the existence of a written authorisation from the concession title holder.
- 2.2.2. Mining cooperatives shall make available all legally required registration documentation, including the required details on the cooperative's ownership, to EGC upon request.
- 2.2.3. Mining cooperatives shall ensure that members abide by the Artisanal Mining Code of Conduct as specified under Article 416 of the DRC Mining Code, whilst noting that the EGC Responsible Sourcing Standard place additional obligations in certain areas

2.3 All taxes and other obligations to the Government shall be paid

- 2.3.1. Mining cooperatives shall pay all legal taxes, fees and royalties to the Government for the purposes of mineral extraction, trade, handling, and transport. Proof of such payments shall be maintained and made available to EGC upon request.

2.4 Bribery, corruption and money laundering shall not be tolerated

- 2.4.1. Mining cooperatives will not engage in or facilitate bribery, corruption or money laundering.
- 2.4.2. Mining cooperatives are encouraged to make a written commitment or formalise a policy not to engage in bribery, corruption and money laundering.
- 2.4.3. Mining cooperatives are encouraged to develop and actively promote anti-bribery procedures, with special attention to payments made with the intent of concealing the origin of minerals, or evading tax payments.
- 2.4.4. Mining cooperatives shall ensure that workers are not subject to demands for payment of informal or illegal taxes by, for example, public and private security forces, cooperative management or their associates at the mine site(s), internal supply chain or point(s) of sale, or transport routes.

2.5. Material traceability

- 2.5.1. Only minerals from controlled areas within the designated ZEA or artisanal mining area will be provided to EGC (i.e. without blending, mixing, or aggregating ores from other non-declared / non-approved sources).
- 2.5.2. Mining cooperatives shall not permit any minerals originating from outside the EGC-designated mining area to be brought onto the site. Mining cooperatives shall not misrepresent the origin of any minerals.
- 2.5.3. Mining cooperatives shall facilitate and fully cooperate with the material traceability controls required by EGC.

2.6. Production and transaction records shall be maintained

- 2.6.1. Mining cooperatives are encouraged to maintain inventory and transaction records of the weights, volumes, ore grades, dates and attributable sellers for all mineral production held on-site and/or transferred to EGC buying stations. Production data shall be updated daily, where practicable.

2. EGC Responsible Sourcing Standard for Mining Cooperatives

2.7. Security provision will be formalised and controlled

- 2.7.1. Mining cooperatives shall cooperate with security providers contracted by EGC.
- 2.7.2. Any supplemental security personnel contracted directly by the cooperative shall be unarmed. Cooperatives shall maintain written records (e.g. written contracts and related payment proof) of any public or private supplementary security organisations commissioned by the cooperative and make these records available to EGC upon request.
- 2.7.3. Mining cooperatives shall ensure that any occurrence of violence at the site(s), including disputes among on-site workers, the use of force by security providers on the site, and interventions on the site by armed groups or public security forces not based at the site shall be reported.

2.8. Affiliation with non-authorized public security forces or non-state armed groups shall not be tolerated

- 2.8.1. Mining cooperatives shall not affiliate with, or procure staff and services from, any party responsible for serious abuses.
- 2.8.2. Mining cooperatives shall not procure staff or services from serving military, other public security forces (unless permitted under the DRC Mining Code), criminal networks or non-state armed groups.

Site level management

2.9. Documentation of organisational control

- 2.9.1. Mining cooperatives shall maintain an up-to-date register of all people active within the site and make this register available to EGC upon request.

2.10 Safe mining

- 2.10.1. Mining cooperatives shall work with EGC to monitor pit depths, coordinate overburden removal and ensure that no pit exceeds 10 metres in depth.
- 2.10.2. Mining cooperatives shall monitor pit workings and ensure there is no undercutting of pit walls or tunnelling.
- 2.10.3. If pits are found to exceed 10 metres in depth or to have undercutting of pit walls or tunnelling, mining cooperatives shall immediately suspend activities at that pit until it has been made safe by EGC through overburden removal.
- 2.10.4. Mining cooperatives shall ensure that all personnel on site are fit to work and not under the influence of alcohol or drugs.

2.11 Safety risks will be assessed and managed

- 2.11.1. On an ongoing and systematic basis, mining cooperatives, shall identify and document salient risks to the safety of people working at or otherwise associated with artisanal mining, mineral processing and transportation at the mine site and risks posed to the safety of surrounding communities. Safety risk assessment documentation shall be made available for review by EGC upon request.
- 2.11.2. Mining cooperatives shall identify mitigation measures or controls for identified safety risks, document the identified risk mitigation measures and controls and make such documentation available for review by EGC upon request.
- 2.11.3. Mining cooperatives shall ensure that adequate, task-appropriate Personal Protective Equipment (PPE), supplied to the cooperatives by EGC, is distributed to all workers free of charge.
- 2.11.4. Mining cooperatives shall ensure workers have access to task-appropriate and safe tools and equipment.
- 2.11.5. Mining cooperatives shall make provisions within their site organisation to accommodate medical treatment facilities provided by EGC.

2. EGC Responsible Sourcing Standard for Mining Cooperatives

2.12 Health risks will be assessed and managed

- 2.12.1. On an ongoing and systematic basis, mining cooperatives shall identify and document salient risks to the health of workers on the mine site, including workers engaged in mineral processing and transportation, as well as risks posed to the surrounding communities (e.g. risks caused by vehicle traffic). Health risk assessment documentation shall be available for review by EGC upon request.
- 2.12.2. Mining cooperatives shall identify mitigation measures or controls for identified health risks, document the identified risk mitigation measures and controls, and make such documentation available for review by EGC upon request.
- 2.12.3. With due regard to the DRC Mining Code, mining cooperatives shall make provisions to allow pregnant women to work safely on site.

2.13 Environmental risks will be assessed and managed

- 2.13.1. On an ongoing and systematic basis, mining cooperatives shall identify and document salient risks to the environment resulting from site operations. Environmental risk assessment documentation shall be made available for review by EGC upon request.
- 2.13.2. Mining cooperatives shall identify mitigation measures or controls for identified environmental risks, document the identified risk mitigation measures and controls, and make such documentation available for review by EGC upon request.
- 2.13.3. Mining cooperatives shall ensure that any mineral washing activities do not contaminate water sources and that any washing facilities are located at least 500 metres away from flowing water used by people or animals and at least 20 metres away from any other water source (as required under the 2018 DRC Mining Regulations).
- 2.13.4. Mining cooperatives shall ensure that waste on site is managed appropriately so as to mitigate harm to people and/or the environment.

2.14 Accidents and incidents shall be reported

- 2.14.1. Mining cooperatives shall record all incidents occurring on-site that did not cause injury but did have, or could have had, a significant impact on people, property, site operations or the environment.
- 2.14.2. Mining cooperatives shall record the details of any accidents that occur on site or are associated with site operations. Details will include a description of the accident, details of the personnel impacted and details of the mining cooperative's response (e.g. medical treatment provided).
- 2.14.3. Mining cooperatives shall provide an initial alert to EGC at the earliest possible time not exceeding 12 hours from the occurrence of a serious accident or incident. Serious accidents or incidents may include, but are not limited to:
 - A fatality
 - An injury requiring hospitalisation
 - A risk that could have resulted in death or serious injury
 - A road traffic accident involving a mine-related vehicle and causing injury or death to a member of the public
 - A security incident involving the use of force by state or private security forces
 - A security incident involving non-state armed groups at the site
 - A significant chemicals spill likely to cause long-term or widespread environmental damage.
- 2.14.4. Mining cooperatives shall record any incidents related to the solicitation of unofficial payments, in-kind mineral contribution, sexual favours or other undue advantage by government officials, state or private security forces, cooperative management or other site personnel, and report such incidents to EGC at the earliest possible opportunity.
- 2.14.5. Mining cooperatives shall cooperate with the investigation process to be conducted by EGC or its appointees and commit to any remediation as required.

2. EGC Responsible Sourcing Standard for Mining Cooperatives

2.15. Site access shall be controlled

- 2.15.1. Mining cooperatives shall ensure that all individuals at the mine site(s) hold the relevant permits and/or registrations as required by law (e.g. registration with the relevant regulatory authorities, possession of traders' and artisanal miners' permits, etc.).
- 2.15.2. Mining cooperatives will require that all workers are registered with the cooperative and carry on their person at all times a valid identity card issued by the cooperative. Individuals without a valid identity card shall not be permitted entry to the mine site.
- 2.15.3. Mining cooperatives shall not permit anyone under the age of 18 to access the site(s) including but not limited to: mineral production areas, pits, mineral waste dumps, washing/processing, buying stations, or vehicles transporting ore or ore-bearing material.

2.16. Training on safe working will be provided

- 2.16.1. Mining cooperatives shall accommodate, provide and/or oversee training and technical assistance to all workers on site pertinent to any risks that they face or that mining activities present to the surrounding community.
- 2.16.2. Mining cooperatives shall maintain records of training provided to workers on site including the topics covered. Such records shall be made available to EGC upon request.
- 2.16.3. Mining cooperatives are encouraged to include within training records details of the individuals who have received the training.

2.17. Labour standards and working conditions will be controlled

- 2.17.1. Mining cooperatives shall not tolerate any underage labour, forced labour or torture, cruel, inhuman, or degrading treatment, including sexual and gender-based discrimination, harassment or violence.
- 2.17.2. Mining cooperatives are encouraged to engage with workers to raise awareness of and discourage those issues highlighted above.
- 2.17.3. Mining cooperatives will not permit any working on site before or after authorised working hours. Authorised working hours shall be within daylight hours.
- 2.17.4. Mining cooperatives shall implement controls that ensure workers do not work more than 60 hours per week and six days per week.

2.18. Access to a grievance mechanism will be provided

- 2.18.1. Mining cooperatives shall provide or facilitate access to a grievance mechanism that enables workers, local community members and third parties speaking on behalf of those who may not be likely or able to report themselves (such as children) to freely and anonymously raise concerns relating to operational activities.
- 2.18.2. Mining cooperatives are encouraged to document all grievances and implement a management process for reviewing, prioritising and responding to such grievances.
- 2.18.3. Mining cooperatives will ensure there are appropriate safeguarding measures to protect those raising grievances from retaliation or other penalty by individuals or organisations who are the subject of the grievance.

3. EGC Responsible Sourcing Standard for Entreprise Générale du Cobalt

The “EGC Responsible Sourcing Standard” defines the standards that the EGC will hold itself to in relation to those aspects of the cobalt supply chain for which the EGC has operational accountability or management control. The EGC Technical Committee is the governance body that, supported by its appointees, will assess the EGC’s application of these Standards and commitments. Whilst EGC may appoint third party contractors to deliver works or services relating to these Standards, EGC retains accountability for ensuring that the performance of such contractors meets the requirements of these Standards.

Organisational governance and management

3.1. Commitment to the EGC Responsible Sourcing Standard

- 3.1.1. EGC shall formally endorse the EGC Responsible Sourcing Standard as the mandatory responsible sourcing standard for ASM cobalt supply chain.
- 3.1.2. EGC shall facilitate and accommodate third party site-based assessments of all EGC mining and processing sites against the EGC Responsible Sourcing Standard.

3.2. Senior management engagement

- 3.2.1. EGC will designate a nominated senior manager as EGC’s lead for responsible sourcing matters.

3.3. Establish supply chain controls

- 3.3.1. EGC shall incorporate into its commercial contract with the buyer a commitment to implement recommendations in Annex II of the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas (the OECD Guidance).
- 3.3.2. EGC shall require mining cooperatives to adopt and implement the EGC Responsible Sourcing Standard.
- 3.3.3. EGC shall require that all contractors and service providers that it appoints are vetted against and adhere to all relevant components of the EGC Responsible Sourcing Standard.
- 3.3.4. EGC shall require that contractors, cooperatives, logistics providers, processing plants and other relevant suppliers fully implement and adhere to minerals traceability controls.
- 3.3.5. EGC shall include commitment to and engagement with the EGC Responsible Sourcing Standard as a key component of supplier engagement and performance reviews.

3. EGC Responsible Sourcing Standard for Entreprise Générale du Cobalt

3.4. Report transparently on performance

- 3.4.1. EGC shall report publicly, on an annual basis, on its progress in implementing these EGC Responsible Sourcing Standard.

Mine site management

3.5. Mine planning and rehabilitation

- 3.5.1. EGC will develop documented mine development and closure plans for each EGC mine site, at a minimum in accordance with the DRC Mining Code. These plans will be communicated to relevant stakeholders, including mining cooperatives.

3.6. Relocation

- 3.6.1. EGC shall ensure that any relocation, loss of shelter or livelihood for communities or individual households related to activities at, and impacts of, the site(s) shall at a minimum be consistent with national law. EGC will engage its technical partners as necessary to provide appropriate support in any relocation required at ASM cobalt sites.

3.7. Selection of mining cooperatives

- 3.7.1. EGC will select mining cooperatives that will operate on ASM cobalt mine sites through a structured process that includes evaluation of the cooperatives' willingness and capacity to implement the EGC Responsible Sourcing Standard.
- 3.7.2. EGC, with the support of its technical partners, will provide advice and appropriate support to mining cooperatives to strengthen the cooperatives' capacity to comply with EGC's performance standards.

3.8. Support the effective management of health and safety risks

- 3.8.1. EGC, or its appointees, will provide advice and appropriate support to mining cooperatives to ensure that any safety risks are identified, mitigated, managed and monitored under the direction and oversight of the EGC Technical Committee. This will include the development of management controls and implementation of ongoing performance monitoring and incident reporting and investigation processes.
- 3.8.2. EGC shall ensure that all mine site workers have access to adequate, task-appropriate Personal Protective Equipment (PPE) free of charge.
- 3.8.3. EGC shall ensure that medical treatment facilities are available at all ASM cobalt sites.

- 3.8.4. EGC shall ensure that adequate potable water and sanitation facilities (taking due account of gender) are available at all ASM cobalt sites.

- 3.8.5. EGC shall implement controls at all ASM cobalt sites to ensure that no persons are exposed to radioactivity beyond safe limits.

3.9. Support the effective management of environmental impacts

- 3.9.1. Where required under DRC law, EGC will commission Environmental Impact Assessments (EIAs) for ASM cobalt sites. With support from EGC's technical partners, the Environmental Management Plans resulting from such EIAs will be integrated into EGC's management processes and controls.

3.10. Ensure no direct or indirect support to security forces implicated in human rights abuses

- 3.10.1. EGC shall ensure that no public or private security forces who illegally control mine sites or mineral trade or who have been credibly implicated in human rights abuses shall be contracted to provide security for any ASM cobalt sites.
- 3.10.2. EGC shall ensure that all directly contracted security forces will be engaged in accordance with the principles of the Voluntary Principles on Security and Human Rights (VPSHR). Particular emphasis shall be given to:
- Training security personnel on threat de-escalation, reasonable steps to avoid the use of force and, in situations where the use of force is unavoidable, ensuring force used is limited and proportionate to the threat.
 - Requiring that personnel authorised to bear firearms do not use firearms against persons except in self-defence or the defence of others against the imminent threat of death or serious injury, or to prevent the perpetration of a particularly serious crime involving grave threat to life.

3.11. Build strong stakeholder relations

- 3.11.1. EGC, with support from its technical partners, will implement community engagement and relationship management programmes with communities impacted by EGC operational activities.
- 3.11.2. EGC shall seek to build relationships with local authorities and Government agencies impacted by or interacting with EGC operations, and will support technical partners' and mining cooperatives' engagement with such authorities as appropriate.

3. EGC Responsible Sourcing Standard for Entreprise Générale du Cobalt

Mineral transport

3.12. Transportation contractors will be required to adhere to EGC standards

- 2.12.1. EGC shall ensure that all transportation contractors are vetted against standards (e.g. safety) as set by the EGC Technical Committee.

Ore purchasing and buying station management

3.13. Ensure fair and transparent pricing

- 3.13.1. EGC shall ensure that the prices paid to miners are calculated according to a consistent and transparent methodology. Details of the methodology shall be clearly displayed at mine sites and the EGC Buying Station(s), alongside up-to-date external market data used to define the prices paid.

3.14. Material traceability

- 3.14.1. EGC shall ensure that only minerals from EGC controlled sites, with the appropriate traceability tags, will be accepted at the EGC Buying Station(s). Any materials received at a Buying Station with discrepancies in the chain of custody will be immediately physically segregated and will not be processed or purchased by EGC until all discrepancies have been fully resolved.

3.15. Provide a secure working environment

- 3.15.1. EGC shall seek to ensure that the Buying Station(s) have adequate and appropriate security provision.
- 3.15.2. EGC shall seek to ensure that no public or private security forces who illegally control mine sites or mineral trade or who have been credibly implicated in human rights abuses shall be contracted to provide security for the Buying Station(s) or associated operations.
- 3.15.3. EGC shall seek to encourage Provincial Government authorities responsible for the management of Buying Station security to engage security providers in accordance with the principles of the Voluntary Principles on Security and Human Rights (VPSHR).

3.16. Ensure that buying stations operate safely

- 3.16.1. EGC shall ensure that health and safety rules are in place at the EGC Buying Station(s) and are clearly communicated to all workers through signage and regular communications.

- 3.16.2. EGC shall ensure that risks to workers' health and safety at the EGC Buying Station(s) is regularly assessed and that controls are developed to manage or eliminate identified risks and hazards.

- 3.16.3. EGC shall ensure that all buying station workers have access to adequate, task-appropriate Personal Protective Equipment (PPE) free of charge.

Processing plants

3.17. Selection of cobalt processing plants

- 3.17.1. EGC shall ensure that any processing plants being considered for the EGC supply chain undergo a full site-based assessment against an appropriate responsible sourcing standard as agreed with the buyer, with the results of this assessment discussed by the EGC Technical Committee prior to any final selection decision.

3.18. Material traceability

- 3.18.1. EGC shall require processing plants to facilitate and fully cooperate with the EGC material traceability controls.

3.19. Processing plants' due diligence practices shall be independently audited

- 3.19.1. EGC shall actively encourage processing plants that process cobalt ores from EGC sites to achieve and maintain 'compliant' status under the Responsible Minerals Assurance Program (RMAP) for cobalt.
- 3.19.2. EGC shall actively encourage processing plants that process cobalt ores from EGC sites to achieve ISO 14001 and ISO 45001 certification.

Reporting

3.20. Performance against the EGC Responsible Sourcing Standard will be reported

- 3.20.1. EGC shall provide publicly available reports on the implementation of the EGC Responsible Sourcing Standard on an annual basis. In alignment with Step 5 of the OECD Guidance, these reports will disclose management activities, results of due diligence assessments and details of risk mitigation measures taken.

4. EGC Responsible Sourcing Standard for Buyers

The “EGC Responsible Sourcing Standard for buyers” define the standards that the buyer agrees to hold themselves to in relation their role as purchaser of EGC-produced material and, where applicable, as a member of the EGC Technical Committee.

Management systems

4.1. Commit to upholding robust minimum requirements for responsible sourcing

- 4.1.1. Buyer shall adopt and commit to a supply chain policy that is aligned with the recommendations in Annex II of the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas (the OECD Guidance).
- 4.1.2. Buyer shall endorse these EGC Responsible Sourcing Standard as the reference minimum standard for responsible sourcing of cobalt from artisanal and small-scale producers and will support the work of EGC in implementing these Standards through the EGC cobalt value chain.

4.2. Dedicate resources to implementation of the EGC Responsible Sourcing Standard

- 3.2.1. Buyer shall assign senior staff, supported by external advisors and delivery partners as appropriate, with the necessary authority, responsibility and resources to support EGC in the implementation of the EGC Responsible Sourcing Standard.

4.3. Establish controls and transparency over the mineral supply chain

- 4.3.1. Buyer shall incorporate into its commercial contract with EGC a commitment to implement the recommendations of the OECD Guidance.
- 4.3.2. Where such information is not privileged or confidential and where such requests are made during normal business hours and upon reasonable notice, buyer will make available to downstream purchasers of EGC produced material reports from responsible sourcing due diligence assessments commissioned by buyer of EGC production.

4. EGC Responsible Sourcing Standard for Buyers

4.3.3. In support of the DRC's efforts to promote transparency within the natural resources sector, buyer shall support the implementation of the principles and criteria of the Extractive Industries Transparency Initiative (EITI) by reporting annually in accordance with the "EITI Reporting Guidelines for companies buying oil, gas and minerals from governments" and publishing these reports on its website.

4.4. Strengthen engagement with suppliers

4.4.1. Buyer shall support EGC in communicating the EGC Responsible Sourcing Standard to EGC's suppliers (i.e. cooperatives) and external stakeholders, including Buyer's downstream counterparties and relevant multi-stakeholder organisations.

4.4.2. Buyer shall make reasonable efforts to support EGC in building the capacity of EGC's suppliers to comply with the performance standards of the EGC Responsible Sourcing Standard.

4.5. Establish a company level grievance mechanism

4.5.1. Buyer shall make a grievance mechanism available for any interested party (affected persons or whistle-blowers) to voice concerns relating to the EGC supply chain.

Supply chain due diligence

4.6. Undertake regular site-based due diligence assessments

4.6.1. Buyer shall provide support to EGC in coordinating and maintaining ongoing monitoring and capacity building at all operational sites to assist EGC contractors and suppliers in meeting the requirements of the EGC Responsible Sourcing Standard.

4.6.2. Buyer shall ensure that all EGC mining and processing sites are subject to site-based assessment against the EGC Responsible Sourcing Standard. Assessments will be delivered by a competent and experienced third party assessor.

4.6.3. Buyer shall ensure that site assessment and monitoring data is communicated to the EGC Technical Committee.

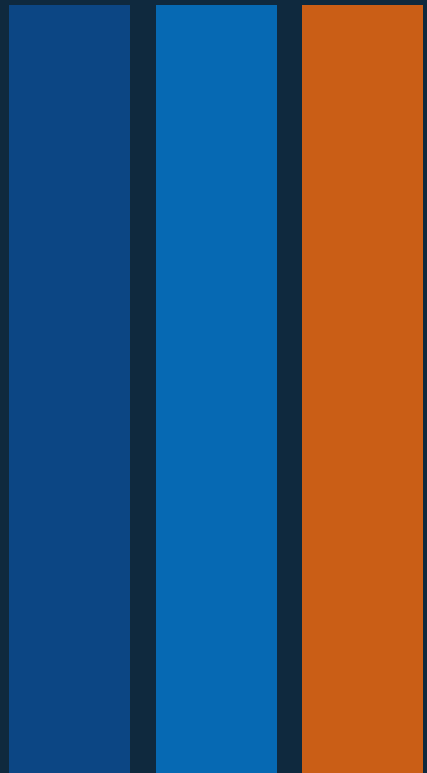
4.6.4. Where buyer is a member of the EGC Technical Committee, buyer shall monitor and apply its leverage through the EGC Technical Committee to address risks identified through the site-based assessments.

4.6.5. Upon request from EGC, buyer will commission assessments of cobalt processing plants against relevant responsible sourcing standards, with the results of these assessments presented to the EGC Technical Committee.

Reporting

4.7. Performance against the EGC Responsible Sourcing Standard will be reported

4.7.1. Buyer shall provide publicly available reports on the implementation of the EGC Responsible Sourcing Standard on an annual basis. In alignment with Step 5 of the OECD Guidance, these reports will disclose management activities, results of due diligence assessments and details of risk mitigation measures taken.





CONTACTS PRESSE

ENTREPRISE GÉNÉRALE DU COBALT (EGC)

275, Avenue Kasavubu, Commune de Dilala,
Ville de Kolwezi, province du Lualaba,
République Démocratique du Congo
Email : info@egcobalt-rdc.com
www.egcobalt-rdc.com