

STL STEP 5 ANNUAL DUE DILIGENCE REPORT 2025



Société Congolaise pour le traitement
du Terril de Lubumbashi

Document N° : A10/17/2026	Revision N°: 02
Issue date: 31/03/2025	Uncontrolled copy
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1. Company Overview

Société Congolaise pour le Traitement du Terril de Lubumbashi (STL) is a state-owned company headquartered at 04 Route Kipushi, Lubumbashi City, Haut Katanga Province in the DRC. STL processes historical slag from the former Gécamines operations using pyro- and hydro-metallurgical processes. STL's core products include copper cathode, cobalt hydroxide, zinc oxide (by-product), and germanium concentrate.

CID Numbers: CID003806 | CID003805 | CID003266

2. Reporting Framework and Scope

This report has been prepared in line with Step 5 of the OECD Due Diligence Guidance and the RMI Joint Due Diligence Standard. It provides an overview of STL's responsible sourcing efforts over a one-year period (January to December 2025) and includes updates on supply chain controls, risk management, and stakeholder engagement. In accordance with Section 5.5 of the RMI Joint Due Diligence Standard, this report includes the company's policy reference, the structure of its due diligence system, risk identification and mitigation measures, red-flag analysis outcomes, stakeholder engagement updates, and the application of key reporting principles (accuracy, clarity, comparability, reliability, timeliness).

3. RMAP Assessment

An independent RMAP audit was conducted by Arche Advisors from 25–28 March 2025, covering the period from the 1st of November 2023 to 10th of February 2025. The audit scope included cobalt, copper, and zinc assessed on the JDD standard. STL's conformance summary is published on our website: www.stlgcm.com.

4. Policies and Due Diligence System

STL's due diligence system includes the following key policies and documents:

- The Responsible Supply Chain Due Diligence Policy (aligned with OECD Annex II)
- STL Responsible Disengagement Procedure
- Supplier Standard which is a code and responsible sourcing clause
- Code of Conduct and Ethics (signed by all employees)
- Grievance Mechanism and related access tools
- Responsible due diligence and mitigation plan (Risk Register)
- Chain of Custody and Material Control Process

5. STL Management system

The internal STL appointed RMI representative holds primary responsibility for implementing the due diligence process. She is supported in this role by the General Manager and other managers. STL benefits from a robust and experienced management team that ensures strong governance and strict adherence to ethical mining practices. Our leadership has played a pivotal role in shaping responsible sourcing policies and driving operational excellence. To maintain a good supply chain due diligence STL team is comprised of :

- **Human Resources Manager:** Responsible for the application of the Code of Conduct and Ethics, and the grievance mechanism, and protecting vulnerable people.
- **Compliance Manager:** Ensures that STL's activities comply with DRC standards and assists in establishing policies, reviewing contracts, and implementing international standards including the OECD due diligence principles.
- **Finance Manager:** Promotes financial transparency by publishing the companies' paid taxes on our STL website (e.g. EITI) and making sure STL is compliant with the financial payments.
- **Logistics Manager:** Responsible for the implementation of the supplier standards and STL's responsible supply chain due diligence policies (assessment, mitigation and monitoring; contracts, etc.) and removing any supplier that faults on our due diligence process.
- **Pyro and Hydro production Managers:** Manage risks related to the potential entry of external inputs into the pyro and hydro plant operations. They assist in flagging human resources issues within their departments and implement HSE standards for healthy work environment.
- **Maintenance Manager:** In charge of the maintenance of all equipment and machinery. Inside maintenance there are subdivision of sections such as electrical, instrumentation, mechanics etc. These sections assure, appointed planned maintenance and quality control on the supply of equipments and machinery via internal and external inspections.

- **HSE (Health, Safety & Environment) Manager:** Ensures the safety of employees, and the work environment. Making sure STL employees, visitors, contractors etc. are adhering to the HSE standards. Inductions, training are organised by this department, and inspections are conducted to flag shortcomings.
- **Social Manager:** Their primary responsibility is to engage with external stakeholders, particularly the surrounding communities. Serving as the principal liaison between STL and the community, they facilitate communication on matters such as grievances, company values, and educational initiatives, while ensuring alignment and mutual understanding among all parties involved.
- **Head of Training:** Organises training for staff and other stakeholders based on the needs and requests from internal STL employees.

6. CAHRA Identification and Risk Assessment

6.1 Methodology to identify risks

STL operates in a well-known CAHRA (DRC), and conducts an annual assessment based on the following sources:

- Fragile States Index – P3 Human Rights indicator
- Dodd-Frank Act Section 1502
- EU Regulation 2017/821 CAHRA List
- STL Risk Register – used for internal risk assessments.

The last risk assessment was conducted on the 31st of March 2026.

6.2. Methodology to assess Risks

The STL Responsible Minerals Risk Register serves as a baseline risk assessment, applying a severity–probability matrix to evaluate potential risks across key areas, including health, safety, operational disruptions, corporate reputation, environmental impact, income at risk, and capital at risk.

The risk register provides an initial, broad-based evaluation of potential hazards within specific operational contexts. It offers a comprehensive overview of the risks STL may encounter and outlines the mitigation measures in place. These measures address a wide spectrum of issues—from safeguarding corporate image to preventing business interruptions—ensuring that risk management

efforts are both proactive and strategically aligned. This register will be provided to authorised auditors upon request but will not be published, in order to safeguard confidentiality and ensure the protection of sensitive information.

6.3. Risk Mitigation measures

STL has identified key risks related to human rights, security, community interactions, governance, and supply chain integrity through its Responsible Minerals Risk Register.

During the 2025 reporting period, mitigation efforts were primarily focused on maintaining existing controls, due to operational and financial constraints. These measures include the application of STL's Code of Ethics, ESG Policy, and grievance mechanism, as well as basic security controls to restrict access to the slag heap and prevent unauthorized material introduction.

As part of its risk mitigation approach, STL carried out several community engagement and development initiatives aimed at strengthening relationships with local communities and reducing potential risks. These included support to education and social projects, infrastructure improvements (including road rehabilitation and public lighting), access to potable water, and environmental sanitation activities. These actions contributed to improving community relations and reducing the risk of tensions or conflicts.

Furthermore, STL initiated the communication of its responsible sourcing requirements and disengagement procedure to its suppliers, ensuring that expectations regarding ethical practices and zero tolerance for non-compliance are clearly understood.

While these measures provide a baseline level of risk management, STL recognizes that further strengthening of mitigation measures is required, particularly in areas such as formal supplier due diligence, targeted training, and structured monitoring systems.

STL has therefore identified the following priority actions for future implementation:

Strengthening of due diligence procedures and documentation;

Implementation of targeted training on responsible sourcing (OECD), human rights, anti-corruption, and grievance mechanisms for relevant functions;

Formalization of supplier and contractor due diligence processes, including onboarding checks and contractual clauses;

Continued improvement of community engagement and grievance handling mechanisms;

Reinforcement of internal monitoring and reporting practices.

STL remains committed to progressively improving its due diligence system in line with available resources and operational priorities.

7. Grievance Mechanism

STL has an accessible grievance mechanism for internal and external stakeholders. Complaints can be submitted via:

- Email: info@stlgcm.com
- Postal address: STL, 04 Route Kipushi, Lubumbashi
- Suggestion boxes (onsite and community leaders)
- STL website

8. Monitoring and Audit

Internal audits are performed annually. A third-party audit is conducted through the RMAP. STL also maintains audit records, grievance logs, and training attendance for a minimum of five years.

9. Progress and Alignment with RMI Reporting Requirements

This report meets the requirements outlined in Section 5.5 of the RMI Joint Due Diligence Standard by including:

- A reference to STL's responsible mineral sourcing policy;
- A description of STL's due diligence system and supporting documents;
- An overview of systems used to identify red flags and ensure supply chain transparency;
- A summary of red-flag review methodologies and their outcomes;
- If applicable, risk assessment results and mitigation strategies, including site visits or disengagements;
- Stakeholder engagement initiatives throughout the reporting cycle;
- Adherence to reporting principles such as accuracy, clarity, comparability, reliability, and timeliness;
- Confirmation of public availability while respecting confidentiality and competitive concerns.

APPROVAL:

This report has been reviewed and approved by senior management of Société Congolaise pour le Traitement du Terril de Lubumbashi (STL).

Name:

Title: General Manager

Date:

Signature: