



Konkola Copper Mines plc



Corporate Social Investments and Community Development

As one of the largest mining companies operating in Zambia, Konkola Copper Mines (KCM) strives to ensure that the impact of our investment goes beyond simply paying taxes, but benefits communities where we operate. Since 2005, KCM has spent over US\$150 million on corporate social investment (CSI) programmes.

Our social responsibility programmes are organised through four pillars:

- Health
- Education
- Sustainable Livelihoods
- Sports

Our CSI programmes have a rich history. Compared to our industry peers, KCM specifically took on significant social responsibilities from the period before privatization of the mines, including hospitals, schools and other social programmes. After the acquisition of KCM, the CSI programmes have been expanded to ensure effective and maximum outreach.

Health



Investing in the health of our employees, the communities in which we operate and the population of Zambia is a key priority in our CSI programmes. KCM continues to operate two and eight clinics hospitals it inherited prior to Vedanta's acquisition of the mine, providing subsidised medical services to more than 63,000 people annually from across Zambia, including KCM employees and their dependents, who receive free medical services.

Over the years KCM has supported a number of important health initiatives, including:

- **Eye screening programmes:** Between 2008 and 2012, KCM financed eye-screening; provided 15,000 reading glasses to school children and elderly people, and conducted 171 cataract eye operations.
- **Artificial limbs:** In 2008, KCM provided 176 amputees in Zambia with artificial limbs.
- **Kidney disease surgery:** Since 2012, KCM has supported the first private sector programme bringing permanent access vascular surgery for haemodialysis treatment in Zambia for patients suffering from kidney disease.
- **Malaria:** Since 2004, KCM has supported the Expanded Rollback malaria programme, involving an integrated vector management approach through Indoor Residual Spraying (IRS) of between 35,000 to 40,000 households per year. Recently, the programme has moved to provide mosquito nets to households.
- **HIV/AIDS:** In 2007, KCM launched its workplace HIV/AIDS policy to mitigate effects of HIV/AIDS among employees. Since then, the programme has been extended to communities around KCM operation areas.



Education

KCM continues to run the two trust schools it inherited and has extended the two primary schools to full secondary level schools through investment in infrastructure and teachers, providing education to over 2,000 students.

Other school programmes and investments include:

- **Computer literacy programme:** KCM has, since 2010, provided 410 computers to government run schools, impacting up to 11,000, students. The project has been adopted by government as a national policy.
- **Nampundwe Primary School:** The school, near Lusaka, has been converted into a high school and an examination centre by constructing 10 classroom blocks as well as two science laboratories; doubling enrolment to 1,700 in 2013.
- **Classroom construction:** We have also constructed nine classrooms in two government run schools in Chingola so as to reduce congestion. Another initiative was to connect a rural school to the national power grid.
- **School hygiene investments:** In order to improve hygiene as well as enhance school attendance we invested in school infrastructure. This included installing boreholes in 10 government run schools, as well as toilet facilities for each school.
- **Scholarship programme:** KCM has awarded 302 students with scholarships to study in various fields like medicine, mining and business courses in the UK, Australia, India, Namibia, Kenya and Zambia since 2007. These include our employees and their dependents.

KCM also runs a separate scholarship programme for pupils in government schools. 40 children annually are awarded scholarships, which include full payment of school fees.

- **Kitwe Trade School:** As one of the largest vocational training centres in Africa, the school provides artisans with skills that are critical for the mining sector, including KCM. It trains an average of 200 people students each year.

KCM is aware of the critical importance of early childhood development particularly through education. In line with this, KCM invested in building day care centres:

- The two day care centres in Chililabombwe and Chingola cater for a total of 160 children.
- The centres also ensure that children receive three nutritious meals per day, in line with Zambia's national policy for promoting nutrition for children and advocated in the United Nations Millennium Development Goals (MDGs).



Sustainable development

KCM invests in the adjacent communities to its operations through support for sustainable livelihoods. Several projects have been launched such as:

- **Youth skills development:** KCM supports initiatives for youth skills development through its NGO partners. This programme targets youths involved in illegal small scale mining by providing training in life skills like tailoring, art, livestock rearing and career guidance for conventional education.
- **Sustainable livelihoods programme:** In 2012, KCM launched the US\$ 2.5 million enhanced sustainable livelihood programme, which provides livestock to small scale farmers, particularly to women and youth. Beneficiaries are imparted with farming knowledge and the programmes have helped with income generation, a reduction of poverty and enhanced food security.



Infrastructure

In 2012, we invested in road infrastructure, reconstructing 7.5 kilometres of road network in Chingola and targeting roads leading to densely populated areas at a cost of \$4.5 million.





Sports

KCM is the largest sponsor of football in Zambia, and is the only privately owned firm that supports three teams in the top leagues of the Football Association of Zambia (FAZ). The teams we support in the league are:

- Nchanga Rangers
- Konkola Blades
- Nampundwe FC

Football is not simply important as a sport in Zambia, but it also provides an alternative source of livelihood for thousands of young footballers and support staff. Our teams provide employment to 160 young talents. These three KCM teams have provided 10 players to various junior and senior national football teams. In addition, two coaches from the KCM clubs have been appointed to train Zambia's national youth teams.

Our football support and sponsorship initiatives have included:

- **FAZ leagues:** KCM pioneered the private sector sponsorship of all structures in the FAZ leagues from 2005 to 2011. Our support to the FAZ league was comprised of financial support to all registered teams, footballs and the use of two KCM stadiums to the Zambian national team.
- **African Cup of Nations:** In 2012, Zambia won Africa's premier football event, the African Cup of Nations (Afcon). In celebration of the achievement, KCM chartered a Boeing 737 aircraft to carry supporters from Zambia to Gabon and back to Zambia, accompanied by the victorious national soccer team. Key to this success was the holistic approach taken to support the FAZ league, the hiring of specialist coaches, and the sponsorship of four teams in the league.

Football is not the only sport that KCM has supported:

- KCM has also provided Platinum sponsorship of the Zambia Open golf championship - a fixture in the Sunshine Tour - in both 2011 and 2012.
- In 2012, the company also provided a US\$2 million upgrade of the Nchanga golf course to its former glory - which was ranked 14th best outside the USA in 1979.

