

Supply Chain Policy

Introduction

The objective of this Supply Chain Policy is to communicate KCM's position and expectations with respect to the responsible sourcing of raw materials. The Policy aligns with KCM's Code of Business Conduct and Ethics (KCM-P-24) and the Procurement commitments as well as the Sustainability goals.

Our Purpose as a company is to responsibly source the commodities that advance everyday life in areas of social, ethical and legal considerations when managing our relationships with suppliers. We respect human rights in accordance with the United Nations (UN) Universal Declaration of Human Rights, the International Labour Organization (ILO), including all national and international Principles on Business and Human Rights. We cannot do this alone, therefore we rely on strong relationships with our Suppliers to share responsibility in building transparent and ethical supply chains together. We expect our suppliers to undertake mineral supply chain due diligence and risk management consistent with the standards defined in Annex II of the OECD Due Diligence Guidance. Where feasible, engage and promote dialogue with other stakeholders to advance these commitments and industry best practice.

Applicability & Scope

This Policy and other relevant policies and procedures set a minimum standard that must be followed in our supply chain. Where local laws, regulations or rules impose a higher standard, that higher standard must be followed. The scope of the Policy includes the sourcing of all raw materials and related mining services purchased by KCM. The expectations set forth in this Policy apply to all Direct and Indirect Suppliers in our businesses.

RESPONSIBLE SOURCING POLICY

As Konkola Copper Mines Plc, through our policies, standards and processes;

- We will carefully evaluate the compliance of our suppliers and our Company with the OECD compliance guide, National and International Legal and Company Ethical Policies
- We will confirm that our Suppliers and Contractors do not procure minerals and similar materials from conflict zone,

- When we detect that our suppliers and contractors are in violation of the OECD compliance guide, we will engage with the suppliers and depending on the magnitude, complexity and severity of the breach, consequences may range from a suspension, warning to termination of contract.
- We will not obtain profit or benefit from our Suppliers and Contractors who are in violation of the OECD compliance guide.
- We will not tolerate any direct or indirect support to non-state armed groups through mining, transportation, trading, processing or export activities,
- We will not tolerate mineral inputs from supplier who are involved in serious human rights abuse, worst forms of child labor, forced labor, presence and / or involvement of armed groups, presence and role of public or private security forces, bribery, money laundering or non-payment of taxes, fees and royalties.

Requirements and Expectations of Suppliers

1. We expect our suppliers to abide by the requirements and expectations we set in order to ensure that they share our commitment to responsible sourcing.
2. We require our suppliers to undertake mineral supply chain due diligence and risk management consistent with the standards defined in Annex II of the OECD Due Diligence Guidance.
3. All suppliers are required to demonstrate with evidence that the applicable taxes have been paid for both local and international taxes.
4. All suppliers in EITI supporting countries are expected to publicly declare and publish support for governments' efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of minerals in line with the EITI Standard, and contribute to public disclosure of contracts and licenses consistent with government procedures.
5. Suppliers are expected to act in a manner consistent with the KCM Supplier & Contractor Sustainability Management Policy as well as the KCM's Code of Business Conduct and Ethics KCMP-24 Requirements for Suppliers;
6. All suppliers working with KCM, are expected to work in conditions and areas that comply with the following:

- Absence of all kinds of torture, cruelty and inhuman/degrading treatment;
- Employees are not subject to any form of forced labor against their will, by force or by the threat of punishment.
- Absence of child labor;
- Absence of other human rights violations such as sexual violence;
- Absence of war crimes, other serious violations of international humanitarian law, crimes against humanity and genocide in the procurement process;
- No illegal extortion or tax levying in mining sites or transport routes, or in mineral trade areas;
- No illegal taxation or extortion from intermediaries, export companies or international traders in the procurement process;
- In the event any company makes a contract with public or private security forces in our supply chain, these security forces mustn't act against Security and Human Rights.
- Preventing vulnerable groups from the negative effects of labour-intensive and small-scale enterprises, public or private security forces in the supply chain;
- Not offering bribes to conceal or falsify the origin of minerals and to mislead the public about taxes, fees and concession fees paid to governments in mineral extraction, trading, processing, transport and export activities;
- Elimination of money laundering where there is a risk of money laundering arising from or associated with the extraction, trade, processing, transport or export of minerals.

Suspension Policy:

- When we detect that our suppliers and contractors are in violation of the OECD compliance guide, we will engage with the suppliers and depending on the magnitude, complexity and severity of the breach, consequences may range from a suspension, warning to termination of contract.
- Swift action in suspending or discontinuing engagement with upstream suppliers failing to mitigate, remediate, or adhere to KCM's responsible mineral sourcing policy after due attempts at resolution.

Speaking openly

We expect our suppliers, employees, business partners and contractors to speak openly and raise concerns about possible breaches and questionable action regarding any KCM policy with their manager, supervisor or via other available reporting channels. Our Whistleblowing platform and tollfree hotline numbers are available to employees, contractors and external parties. Any of the following channels can be used by the grievance raiser:

1. Email: using the KCM's whistle blowing platform Whistleblower.CEO@kcm.co.zm, 2.

Phone: by Calling KCM toll free hotline number **+1 704-526-1125**

3. Postal Address:

The Chief Executive Officer
KCM Whistle Blower
Konkola Copper Mines Plc
P.O Box 11271
CHINGOLA Zambia

- KCM takes concerns seriously and handles them promptly.
- KCM has zero tolerance for retaliation against anyone who speaks openly about conduct they believe is unethical, illegal or not in line with the KCM Code of Conduct policies, as long as they have not knowingly made a false report.

Our policies support our Values and Code of Business Conduct and Ethics, and reflect what is important to us. KCM takes breaches of our policies seriously. Depending on the magnitude, complexity and severity of the breach, consequences may range from a warning to termination of contract or employment.



Approved By: Manager Quality Assurance