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**Zijin Mining Group Co., Ltd.\***

**紫金礦業集團股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2899)**

## **2020 Environmental, Social and Governance Report**

Attached herewith the 2020 Environmental, Social and Governance Report of Zijin Mining Group Co., Ltd.\* (the "Company") for the period from 1 January 2020 to 31 December 2020.

**Investors and shareholders are advised by the board of directors to exercise caution when dealing in the securities of the Company.**

This report is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Chen Jinghe (Chairman), Lan Fusheng, Zou Laichang, Lin Hongfu, Ms. Lin Hongying and Mister Xie Xionghui as executive directors, Mister Li Jian as non-executive director, and Messrs. Zhu Guang, Mao Jingwen, Li Changqing, He Fulong, Suen Man Tak and Bo Shao Chuan as independent non-executive directors.

By Order of the Board of Directors  
**Zijin Mining Group Co., Ltd.\***  
**Chen Jinghe**  
*Chairman*

14 May 2021, Fujian, the PRC

*\* The Company's English name is for identification purposes only*

## Definition

A Share(s)	The domestic share(s) issued by the Company to domestic investors with a nominal value of RMB0.10 each, which are listed on the Shanghai Stock Exchange
Altynken	Altynken Limited Liability Company, a subsidiary of the Company
Articles of Association	The articles of association of the Company, as amended, modified or otherwise supplemented from time to time
Ashele Copper	Xinjiang Habahe Ashele Copper Co., Ltd., a subsidiary of the Company
Bayannur Zijin	Bayannur Zijin Non-ferrous Metals Co., Ltd., a subsidiary of the Company
Board, Board of Directors	The board of Directors of the Company
CARRILU	La Carrière Du Lualaba Société par Actions Simplifiée, a subsidiary of the Company
COMMUS	La Compagnie Minière de Musonoie Global Société par Actions Simplifiée, a subsidiary of the Company
Company, Zijin Mining, Zijin, we	Zijin Mining Group Co., Ltd.*
Continental Gold	Continental Gold Inc., a subsidiary of the Company
Director(s)	The director(s) of the Company
DR Congo	The Democratic Republic of the Congo
Group	The Company and its subsidiaries
Guizhou Zijin	Guizhou Zijin Mining Co., Ltd., a subsidiary of the Company
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hunchun Zijin	Hunchun Zijin Mining Co., Ltd., a wholly-owned subsidiary of the Company
Longnan Zijin	Longnan Zijin Mining Co., Ltd., a subsidiary of the Company
Longxing	Longxing Limited Liability Company, a subsidiary of the Company
Luoyang Kunyu	Luoyang Kunyu Mining Co., Ltd., a subsidiary of the Company
Malipo Tungsten Group	Wenshan Malipo Zijin Tungsten Group Co., Ltd., a subsidiary of the Company
Neimenggu Golden China	Neimenggu Golden China Minerals Inc., a wholly-owned subsidiary of the Company
Nkwe	Nkwe Platinum Limited, a wholly-owned subsidiary of the Company
Norton	Norton Gold Fields Pty Limited, a wholly-owned subsidiary of the Company
PRC, China	The People's Republic of China but for the purpose of this Report, excludes Hong Kong SAR, Macau SAR and Taiwan
RMB	Renminbi, the lawful currency of the PRC
Serbia Zijin Copper	Serbia Zijin Copper Doo Bor, a subsidiary of the Company
Serbia Zijin Mining	Serbia Zijin Mining Doo, a wholly-owned subsidiary of the Company
Shanxi Zijin	Shanxi Zijin Mining Co., Ltd., a wholly-owned subsidiary of the Company

Supervisor(s)	The supervisor(s) of the Company
Supervisory Committee	The supervisory committee of the Company
Urad Rear Banner Zijin	Urad Rear Banner Zijin Mining Co., Ltd., a subsidiary of the Company
USD	United States dollar, the lawful currency of the United States of America
West Copper	Qinghai West Copper Co., Ltd., a wholly-owned subsidiary of the Company
Wuping Zijin	Wuping Zijin Mining Co., Ltd., a subsidiary of the Company
Zeravshan	Joint Venture Zeravshan Limited Liability Company, a subsidiary of the Company
Zijin Copper	Zijin Copper Co., Ltd., a wholly-owned subsidiary of the Company
Zijin Gold Smelting	Zijin Mining Group Gold Smelting Co., Ltd., a wholly-owned subsidiary of the Company
Zijin New Energy	Fujian Zijin New Energy Co., Ltd., a subsidiary of the Company
Zijin Zinc	Xinjiang Zijin Zinc Co., Ltd., a wholly-owned subsidiary of the Company



# 2020

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT





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# Introduction

## About this Report

The Environmental, Social and Governance Report (the “Report” or “ESG Report”) of Zijin Mining Group Co., Ltd.\* describes the strategies, goals, management approach and performance followed by Zijin Mining to achieve sustainable development during the reporting period from 1 January 2020 to 31 December 2020. For more comprehensive information of the Company, please refer to the 2020 Annual Report of Zijin Mining Group Co., Ltd.\* and the 2020 Environmental Report of Zijin Mining Group Co., Ltd.\* published on the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

### Reporting entity

Zijin Mining Group Co., Ltd.\* (“Zijin Mining”, the “Group”, the “Company” or “we”). This Report mainly covers mines and refining projects in operation which are wholly-owned or controlled by the Company (“subsidiaries”). Porgera Joint Venture in Papua New Guinea is mainly operated by Barrick Gold Corporation and is not included in this Report. Unless otherwise stated, the monetary unit is Renminbi.

### Reporting cycle and reporting scope

This Report is an annual report and is published once every year. The scope of the contents and data disclosed in this Report is consistent with that of the Company’s annual report, and special remarks are provided for all the parts which are not included.

### Sources of data

The data contained in this Report are extracted from the Company’s internal statistical reports, internal documents, audited financial statements, etc. Financial data are extracted from the Company’s 2020 Annual Report and have been audited by Ernst & Young Hua Ming LLP.

### Basis for preparation

This Report is prepared in accordance with the Core option of the Global Reporting Initiative Sustainability Reporting Standards (2016 version), and is in line with the Notice on Strengthening Listed Companies’ Assumption of Social Responsibility and Issuance of “Guidelines on Listed Companies’ Environmental Information Disclosure of the Shanghai Stock Exchange”, Guidelines on Preparation of Report on Company’s Performance of Social Responsibilities and Appendix 27: Environmental, Social and Governance Reporting Guide of Main Board Listing Rules issued by the Hong Kong Stock Exchange.

## Chairman's statement



As an important player in the global mining market, Zijin Mining is committed to creating a “community of shared future” for the localities where its projects are based according to the Sustainable Development Goals of the United Nations, upholding its original aspiration and mission of “mining for a better society”, and adhering to the corporate values of “creating wealth in harmony, balancing development of the corporation, the employees and the society”. Zijin Mining is engaged in exploration and development of metallic mineral resources around the world, striving to provide quality mineral raw materials to contribute to global economic development.

In the face of the sudden and strong impact brought by COVID-19 pandemic in 2020, the new management team of the Company led the staff to earnestly implement the general guideline of work with a fighting spirit despite difficulties, namely “deepening reform, achieving leaping growth and sustainable development”. Fruitful results were achieved in the battle against the pandemic, ESG performance, production operations and project construction. The Company’s gold and copper resources reserve volumes, output and efficiency ranked top among listed companies in China. Its market capitalisation exceeded RMB224.9 billion as at 31 December 2020. The sustainability has been significantly enhanced, and the corporate value has been highly recognised.



In line with the international standards, we had become a member of the World Gold Council and followed the Responsible Gold Mining Principles, continued to build a globalised governance system and operation management system, and incorporated environmental, social and governance (ESG) into corporate strategic planning. We established a top-down ESG system led by the Board, set up the Strategic and Sustainable Development (ESG) Committee of the Board, and comprehensively deployed and continued to improve key indicators relating to corporate environmental and ecological protection, occupational health and safety, human rights protection, anti-corruption and supervision, responsible supply chain, community engagement and so on.

We actively responded to the relevant provisions of the Paris Agreement and explored more powerful carbon emission control measures. We firmly upheld the concept that “green mountains and clear water are as good as mountains of gold and silver”, adhered to the policy of “life comes first, give priority to environmental protection”, worked towards the goals of “zero work-related fatality, zero occupational disease and zero environmental incident”, and accelerated the certification of ISO 45001, ISO 14001 as well as other international standards. The situation in terms of safety, environmental protection and occupational health improved continuously, and carbon emission control, water use efficiency and wildlife protection were further enhanced. We have 13 national green mines and 4 national green plants, with the Company becoming well-known for its measures of safety, environmental protection and ecological development. We adhered to “promoting eco-development with technology”, organised the Summit for Technological Innovation and Sustainable Development in the China Mining Industry, promoted the application of the “integrating five ore treatment processes into one” mining engineering management model globally, and realised the eco-friendly and efficient development of a number of large-scale gold and copper mine projects around the world.

We actively discharged our corporate citizenship responsibilities and strove to allow more people to benefit from Zijin Mining. In 2020, we donated about RMB166 million externally, including about RMB30 million of pandemic-fighting donations, and donated for the construction of a “Fire Eye” laboratory in Serbia. Adhering to market principles and value creation, we respected equal employment and development rights of different cultures, ethnicities, genders and the disabled groups as well as other minority groups, established a team of talents befitting the development of the enterprise, provided competitive salaries and incentive policies, and increased the local employment ratio. We developed community development plans suitable for the project locations, and implemented diversified community assistance and poverty alleviation policies; we adhered to the principles of equality, mutual trust and win-win cooperation, and built a long-term “close and clean” and “friendly” responsible supply chain system to maintain the Company’s brand premium and long-term value. We have established a “five-in-one” supervision system with Zijin’s characteristics and have a “zero tolerance” attitude for corruption.

In 2021, global economy speeds up its recovery, loose monetary policy is applied among various countries and “decarbonisation” oriented new materials and new energy industries take off. With widespread vaccination of the population, the prospect of humanity defeating the pandemic is foreseeable. The Chinese government is now relentlessly pursuing a new development pattern of making the domestic circulation as the lead and promoting the complementing effect in the domestic and international dual circulations. The market is vast and resilient enough for further development. Hence, the gold and copper mineral resources that Zijin Mining is engaged in will continue to be an important material basis for socio-economic development, and related metal prices will recover and are expected to remain at high levels.

Zijin Mining has formulated the Outline of Five-Year (2+3) Plan and Development Goals for 2030, striving to achieve the overall strategic goal of becoming an “extra-large scale international mining group with high technology and efficiency” by 2030, pursuant to which the main economic indicators shall be close to or have basically reached the level of a leading first-class international mining company. We will converge with international norms, comprehensively build an environmental, social and governance (ESG) system, adhere to a high-quality, eco-friendly and sustainable development path, and accelerate the development of a globalised operation management system that is highly compatible with the Company’s development to ensure the industry-leading ESG performance of the Company.

2021 marks the first year of the “Fourteenth Five-Year Plan” period and is also a key year for the Company to promote a leaping growth. In accordance with the established five-year plan and ten-year goals and tasks, we will continue to implement the general work directive of “deepening reform, achieving leaping growth and sustainable development”, work on pandemic prevention and control, abide by basic international rules, discharge due social responsibilities and further promote the ESG system development to greatly improve the global core competitiveness and sustainability in terms of environment, society and governance. We will accelerate the transformation of resource advantages into social and economic benefits, ensure rapid growth of the Company’s operating results, and contribute to the socio-economic development of the world and the project locations. We will adhere to the concept of “common development”, build a good co-dependence, coexistence industrial ecosystem, and improve the social responsibility system covering the chain of interests of employees, collaborators, and communities. With firm belief and confidence, we will write an important new chapter for the realisation of the grand development goals of Zijin Mining!

Zijin Mining Group Co., Ltd.\*

Chairman



# Company profile



## Main business

The Company is committed to the global exploration and development of mineral resources such as gold, copper and zinc, and moderately extending the business to refining, processing and trading. It owns a relatively complete mining industry chain.

The Company is widely recognised as one of the leading enterprises in the gold and non-ferrous metals industry in China. It is one of the most profitable and most competitive large-scale mining companies with the most metallic mineral resources in the Chinese mining industry. Its comprehensive indicators such as metal resources volumes, output and efficiency of its main products rank the forefront of the global metal mining industry.

## Strategic goals

The Company released the Outline of Five-Year (2+3) Plan and Development Goals for 2030 on 29 January 2021, proposing to greatly enhance global core competitiveness and sustainability, and strive to become a leader in the global metal mining industry and achieve the overall strategic goal of becoming an “extra-large scale international mining group with high technology and efficiency” by 2030 to make greater contributions to the development of the Chinese and global mining industry.

## Sustainable development concepts

The Company adheres to the high-quality, green and sustainable development concepts, follows international standards and norms, and pays attention to and continues to improve key ESG performance indicators relating to environmental and ecological protection, occupational health and safety, business ethics, labour rights, human rights management, responsible supply chain, anti-corruption, community development, etc.



## 1. Industry positions



3

3rd in the gold industry in Forbes Global 2000 in 2020

7

7th in the metal mining industry in Forbes Global 2000 in 2020



1

1st in terms of profit indicators among non-ferrous metal mining enterprises in the Top 500 Enterprises of China



A member of the World Gold Council

# MSCI

One of the first batch of 234 large-cap A Share companies included in the MSCI index



Included in FTSE China A50 Index



## 2. External initiative

### (1) Supporting the Responsible Gold Mining Principles (“RGMPs”)

Responsible gold mining is conducted with respect for the environment and the human rights and wellbeing of our employees, contractors and members of the communities associated with our activities. When coupled with good governance, responsible gold mining delivers benefits for host countries and local communities. It contributes to socio-economic development through increasing prosperity, providing jobs and supply chain opportunities, and raising technical standards through innovation and building skills. Through partnerships with governments and other actors, it enables investment in infrastructure and improvements in public services.

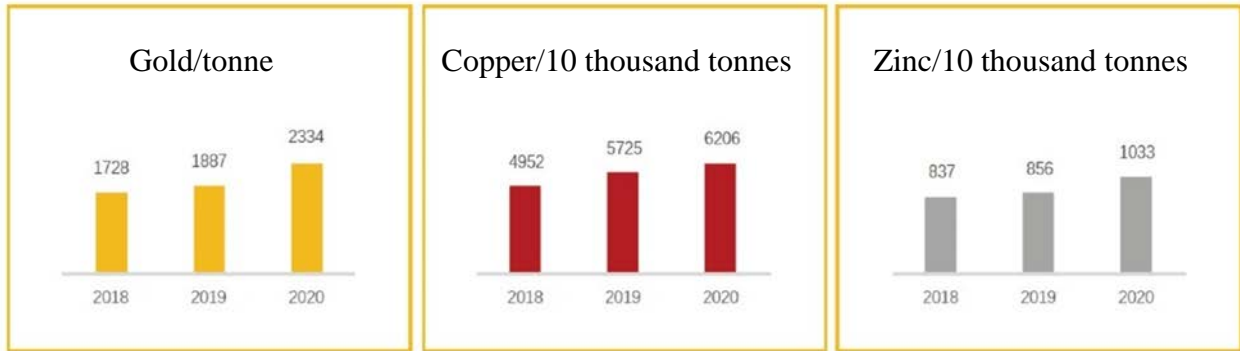
In 2020, we became a member of the World Gold Council and joined its Board of Directors and China Chapter. Our goal is consistent with the RGMPs. We will operate our business in a responsible manner to contribute to the achievement of “Sustainable Development Goals” formulated by the United Nations. We undertake to actively implement and comply with the RGMPs as soon as possible. We will regularly announce the progress of implementation and implement our “common development” belief so that the Company’s investors, employees, the society and other stakeholders can benefit from Zijin Mining’s existence.

### (2) Co-founding the China Corporate Social Responsibility Alliance in Africa

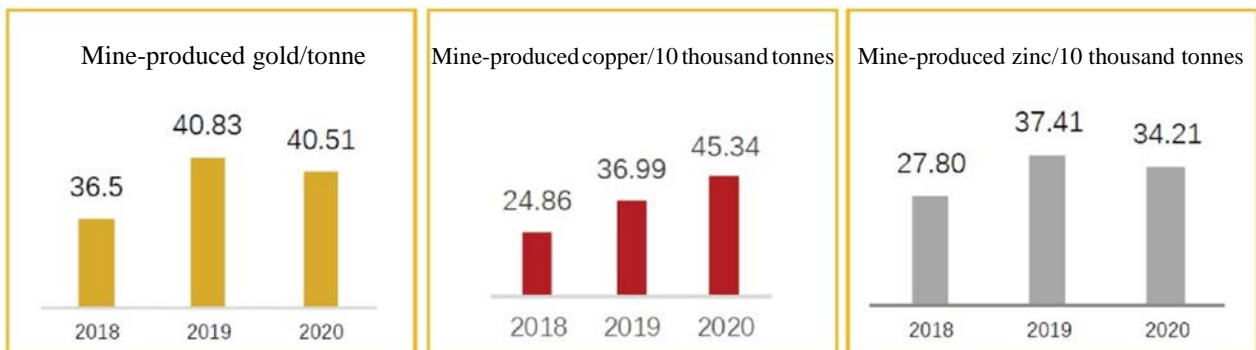
In addition, in 2020, we co-founded the China Corporate Social Responsibility Alliance in Africa with Chinese enterprises in Africa, which is a non-profit organisation mainly composed of Chinese enterprises in Africa, aiming to create a platform for communication, action promotion, capacity improvement and publicity for Chinese enterprises to fulfill their social responsibilities. It also aims to enhance the social responsibility awareness and the social responsibility governance, prevent social responsibility risks, develop good practice cases, strengthen publicity and information dissemination and establish good brand images for China-invested enterprises in Africa. It promotes a balanced development of economy, society and environment in Africa and the improvement of people’s livelihood.

### 3. The Company's operating results

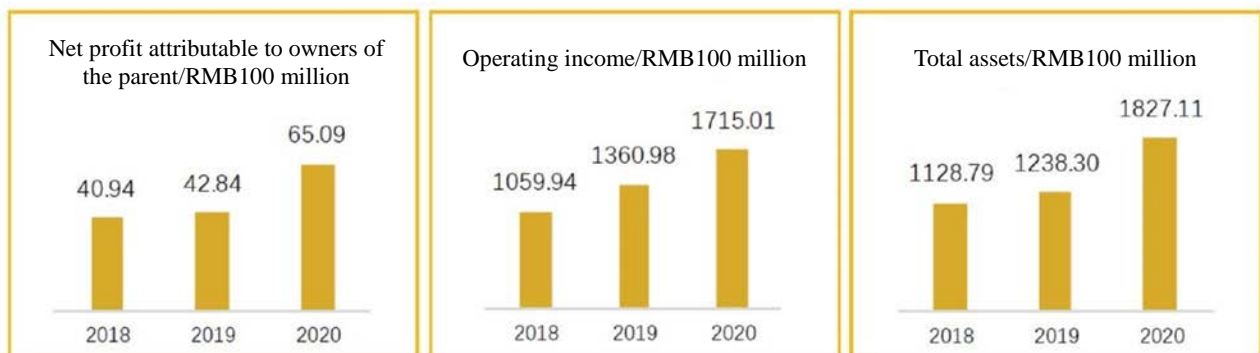
#### (1) Resources reserve volumes



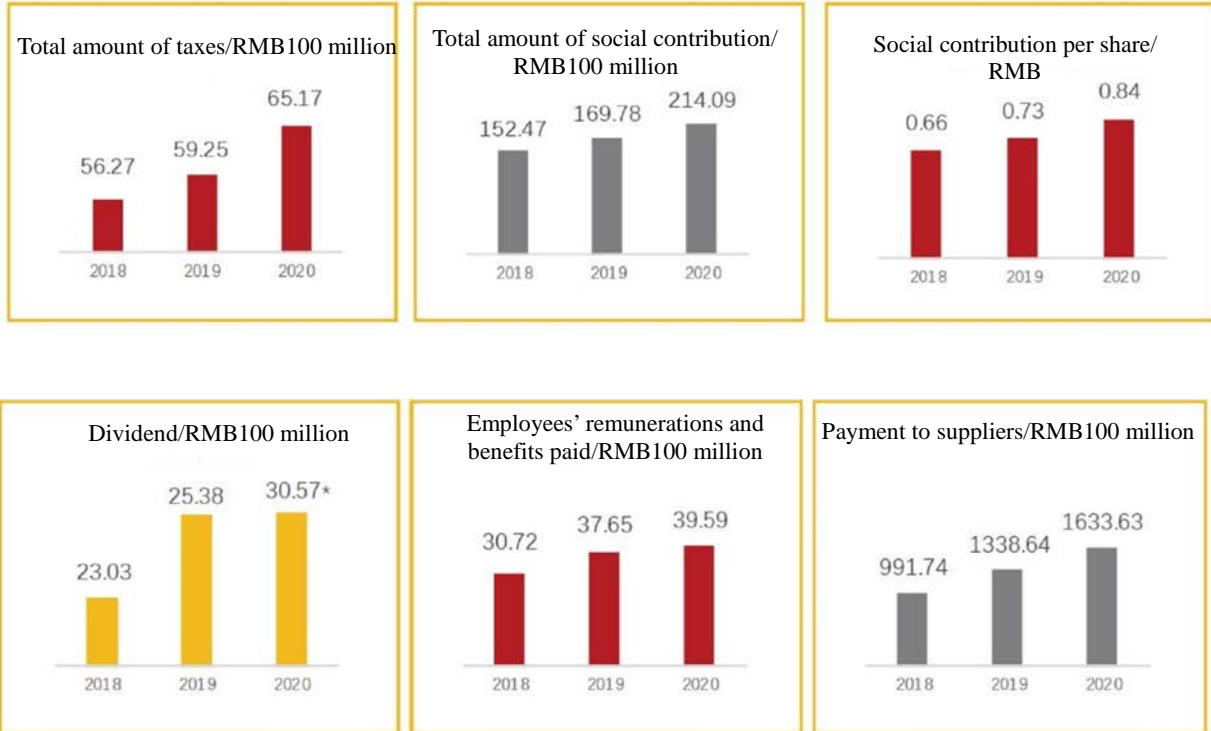
#### (2) Production volumes



#### (3) Social contribution indicators



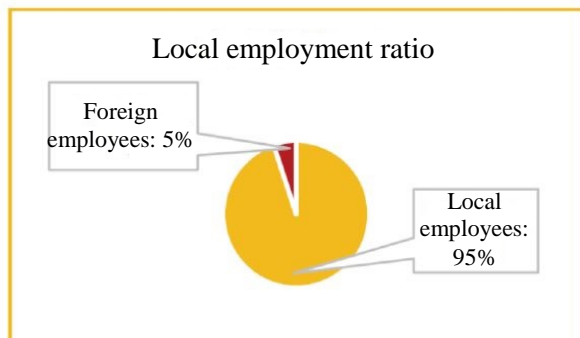
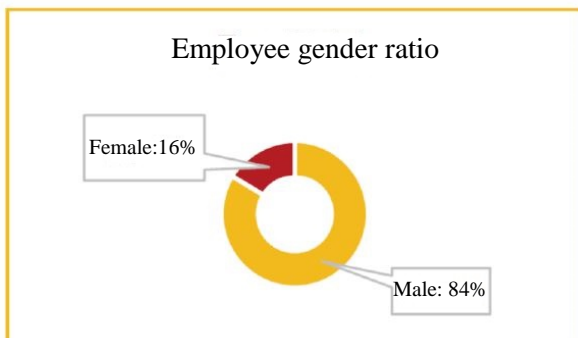




\*Note: The relevant profit distribution proposal is subject to the consideration at the 2020 annual general meeting. The actual amount of cash dividend to be distributed will be determined according to the number of shares on the record date.

## 4. Employees

Total number of employees: **36.8** thousand; employees of business partners: **16** thousand



## 5. Environment

13  
national  
green  
mines

4  
national  
green  
plants

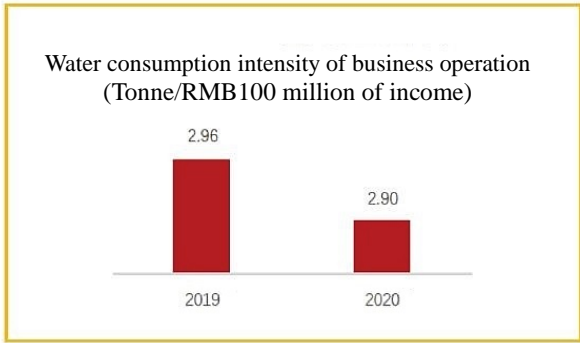
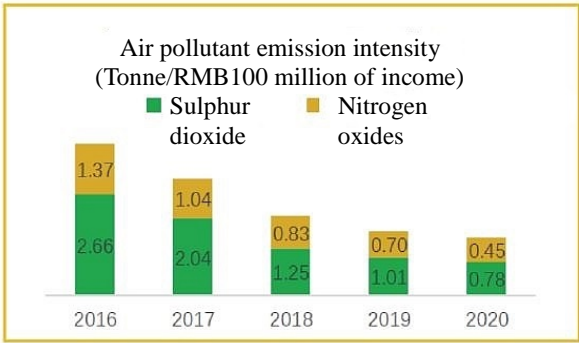
1  
national  
mining  
park

19  
enterprises obtained  
ISO 14001  
environmental  
management system  
certification

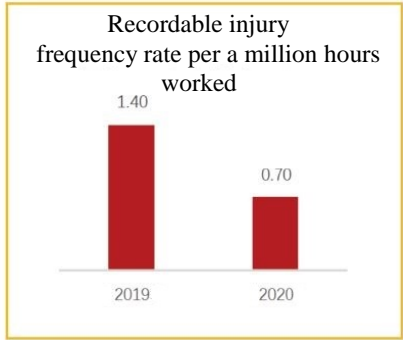
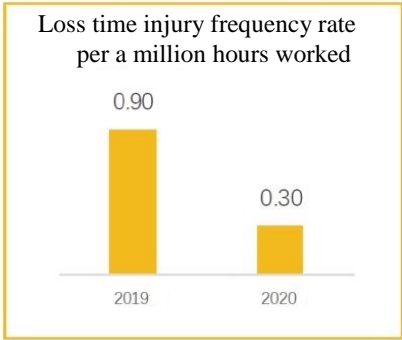


Zijin Mining's green mine pattern  
has basically taken shape





### 6. Safety



### 7. Ecosystem value chain

The mining engineering management model of “integrating five ore treatment processes into one” pioneered by the Company realises coordinated research on five procedures of geological prospecting, mining, processing, metallurgy and environmental protection as well as full process control, enabling maximisation of economic and social benefits.

The Company is committed to building a “global community with shared future” for the places where its projects are located, and attaches importance to shareholders, investors, employees, business partners and other stakeholders in the countries, regions and communities where its projects are located.





## 8. Global business



The Company owns important mining investment projects in 14 provinces (regions) in the PRC and 12 overseas countries. It owns a batch of key projects in the PRC including Shanxi Zijin, Longnan Zijin in Gansu, Guizhou Zijin, the Zijinshan Copper (Gold) Mine in Fujian, the Ashele Copper Mine in Xinjiang, the Duobaoshan Copper Mine in Heilongjiang, Julong Copper in Tibet, Zijin Zinc in Xinjiang and Urad Rear Banner Zijin in Inner Mongolia, etc., and owns interests in a batch of key overseas projects including the Kamoia Copper Mine in the DR Congo, the Čukaru Peki Copper and Gold Mine in Serbia, the Kolwezi Copper and Cobalt Mine in the DR Congo, the Bor Copper Mine in Serbia, the Buriticá Gold Mine in Colombia and the Aurora Gold Mine in Guyana, etc.

Overview of Zijin Mining's overseas projects					
Project status	Metal	Name of project	Country	Zijin's shareholding	Number of employees
In production	Gold	Norton	Australia	100%	371
		Porgera Gold Mine*	Papua New Guinea	47.5%	630
		Taldybulak Levoberezhny Gold Mine	Kyrgyzstan	70%	1,008
		Jilau/Taror Gold Mines	Tajikistan	60%	2,034
		Buriticá Gold Mine	Colombia	68.766%	1,188
		Aurora Gold Mine	Guyana	100%	501
	Copper	Bor Copper Mine	Serbia	63%	5,423
		Kolwezi Copper (Cobalt) Mine	DR Congo	72%	1,865
	Zinc	Tuva Zinc and Polymetallic Mine	Russia	70%	852
		Bisha Zinc and Polymetallic Mine	Eritrea	55%	1,653
Under construction	Copper	Čukaru Peki Copper (Gold) Mine	Serbia	100%	222
		Kamoa Copper Mine	DR Congo	49.5%	1,086
Under feasibility study	Copper	Rio Blanco Copper (Molybdenum) Mine	Peru	51%	55
	Platinum group	Garatau Platinum Group Metals Mine	South Africa	74%	19

\*Note: Production has been suspended since April 2020. At present, the two parties are carrying out negotiations over extension of the mining lease.

## 9. Major awards received during the reporting period

Company name	Country (region)	Awards received
Zijin Mining Group Co., Ltd.*	China	Continued to receive the award of “National Civilised Unit” in the sixth of the contest, “Best Listed Companies by New Fortune”, ranked 778th in Forbes Global 2000 and 77th in Fortune China
Zeravshan	Tajikistan	“Environmental Protection Excellence Award” and “Outstanding Socio-economic Contribution Award”
Altynken	Kyrgyzstan	Outstanding Enterprise in Work Safety and Environment in 2020 and Outstanding Enterprise of Kemin District in 2019
Longxing	Russia	Included in the list of 2019 Honour Book for All Russian Companies
Continental Gold	Colombia	Best Mining Practices and Sustainable Development Enterprises
Zijin Zinc	Xinjiang, China	National Advanced Group for Poverty Alleviation, Advanced Group for “National Unity and One Family”
Zijin Copper	Fujian Province, China	Annual Eco-development Leading Enterprise in China’s Non-ferrous Metals Industry
West Copper	Qinghai Province, China	Classic Model Enterprise of Eco-Development in 2020
Bayannur Zijin	Inner Mongolia, China	Awarded National Civilised Unit in the sixth of the contest



The Company received the award of “National Civilised Unit” in the sixth of the contest



Longxing was included in the list of Honour Book for All Russian Companies



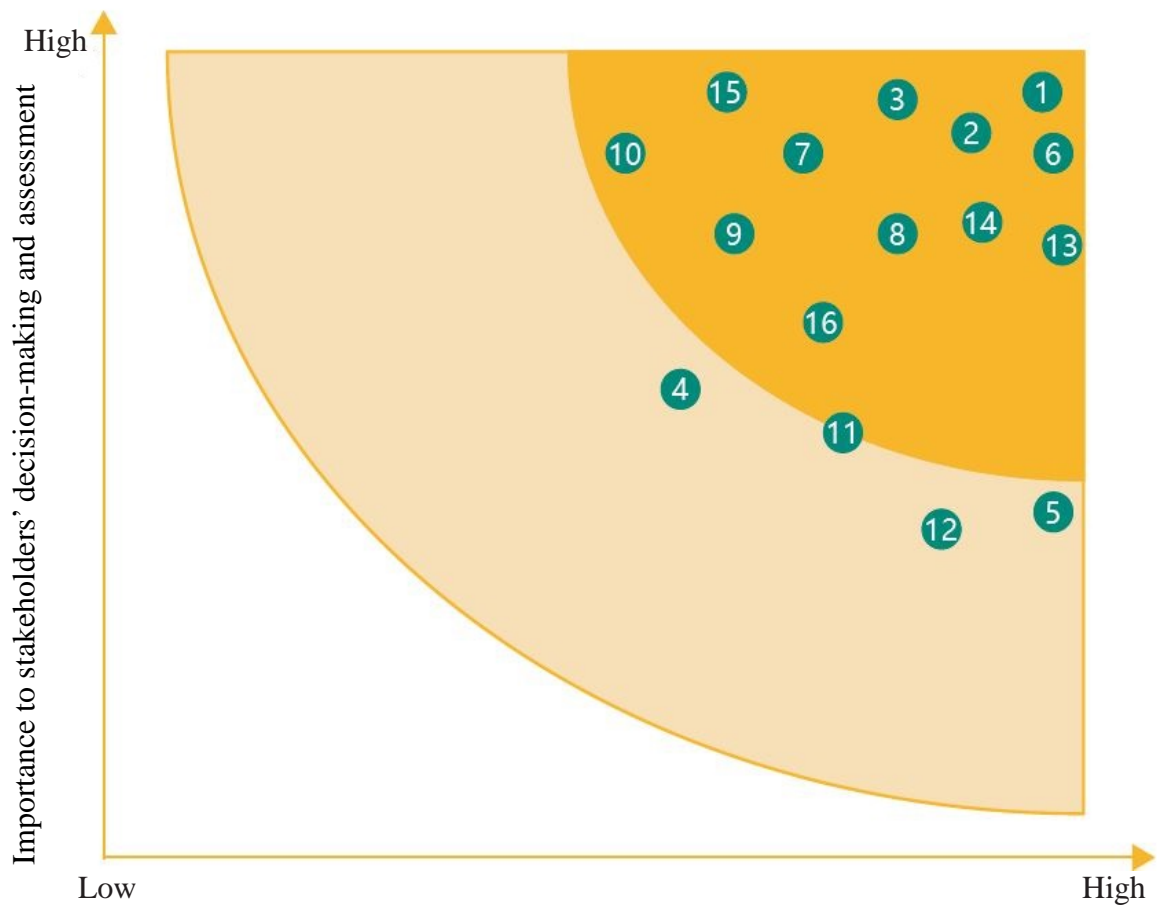
Zeravshan’s “Environmental Protection Excellence Award” and “Outstanding Socio-economic Contribution Award”



# Materiality and relevance assessment

From the two dimensions of “the extent of the Company’s impact on the economy, the environment and the society” and “importance to stakeholders’ decision-making and assessment”, we rank, identify and screen out vital and substantive issues that are of the common concerns of the Company and stakeholders by means of questionnaire surveys, stakeholder interviews, etc.

Governance	Environment	Society	Human rights
1. Corporate governance	6. Poisonous substances and waste discharge management	10. Community engagement	13. Labour management
2. Business ethics	7. Biodiversity and land use	11. Supply chain management	14. Occupational health and safety
3. Anti-corruption	8. Water stress	12. Product responsibility	15. Rights of indigenous peoples
4. Whistleblowing mechanism	9. Climate change		16. Security practices
5. Scientific and technological innovation			



The extent of the Company's impact on the economy, the environment and the society

# Governance

The Company is one of the first Chinese mining companies that underwent mixed-ownership reform and completed the most successful corporate governance system reform. The Company operates under a separation of ownership and management with high efficiency in decision-making and flexible operation mechanism. The Company's Board of Directors, Supervisory Committee and senior management are well-organised, with clear duties and responsibilities, integration and coordination. In accordance with the requirements of the relevant laws and regulations of the host countries, we strictly abide by internal management policies such as the Articles of Association and Rules Governing the Procedures of the Shareholders' General Meeting, effectively protect the rights and interests of shareholders, and continuously improve corporate governance structure. In order to align sustainable development strategy with the corporate business strategy, during the reporting period, the Strategic Committee of the Company's Board of Directors was renamed the Strategic and Sustainable Development (ESG) Committee, and the ESG management functions of the Board of Directors were greatly increased. The management has set up an ESG Management Committee to be responsible for the implementation of the ESG strategic plan formulated by the Strategic and Sustainable Development (ESG) Committee to ensure that comprehensive ESG management is implemented in all businesses of the Company.

## Corporate governance

The seventh term of the Board of Directors of the Company consists of 13 Directors, including 6 executive Directors (including 1 female Director) and 7 non-executive Directors. The number and composition of the personnel comply with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies of the People's Republic of China, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited and other domestic and foreign laws and regulations. The Board members have a reasonable professional structure with the required knowledge, skills and qualities to discharge their duties. The Directors are able to attend the shareholders' general meetings and the Board meetings on time, discharge their duties seriously, honestly and diligently, actively participate in business training, be familiar with relevant laws and regulations, and clearly understand the Directors' rights, obligations and responsibilities.

The Company's Board of Directors has four specialised committees, namely the Strategic and Sustainable Development (ESG) Committee, the Execution and Investment Committee, the Audit and Internal Control Committee and the Nomination and Remuneration Committee.

## **The Board comprehensively strengthened ESG management**

In 2020, the Company adjusted the original “Strategic Committee” to the “Strategic and Sustainable Development (ESG) Committee”, strengthened strategic and sustainable development management, and improved the Company’s environmental, social and governance performance. The Strategic and Sustainable Development (ESG) Committee is mainly responsible for formulating or regularly inspecting the Company’s development strategies and development plans, reviewing and regularly inspecting the Company’s sustainable development plans and putting forward opinions or suggestions for improvement according to the Company’s internal and external actual conditions, and assisting the Board of Directors in discharging its responsibilities regarding strategic and sustainable development management. The Strategic and Sustainable Development (ESG) Committee consists of 9 Directors, including 5 non-executive Directors, among whom 4 are independent Directors.



## **Responsibilities and authorities of the Strategic and Sustainable Development (ESG) Committee of the Board**

1. Study and make suggestions on the Company's mid- and long-term strategic development plans.
2. Conduct research and comparison on the Company's external public policies, laws and regulations of the project locations, industry strategic information, industry development status, etc., and put forward suggestions.
3. Formulate and study policies to protect the rights and interests of minority shareholders and stakeholders in accordance with laws and regulations when the Company implements external project mergers and acquisitions, and put forward suggestions.
4. Track and inspect the implementation of the strategic plans, make appropriate modifications and improvements to the strategic development plans, conduct research and evaluation on the major adjustments involved, put forward appropriate suggestions and submit to the Board of Directors for consideration and approval.
5. Study and make suggestions on the Company's sustainable development areas including but not limited to health and safety, community development, community relations, environment, human rights and anti-corruption policies to ensure that the Company's stance and performance on issues related to global sustainable development are consistent with the contemporary and international standards.
6. Make corresponding suggestions regarding the Company's concern and protection for female employees, ethnic minority employees and disabled employees, non-discrimination of employees with AIDS and LGBT employees (sexual minorities), and fair employment and development opportunities for employees of different groups in the project locations.
7. Carry out research, analysis and risk assessment on the Company's sustainable development, environmental, social and governance (ESG) and other related matters, and propose sustainable development policies, strategies and goals.
8. Organise or coordinate the supervision and inspection on the Company's sustainable development and ESG-related policies, management, performance and target progress, and make corresponding suggestions.
9. Review the Company's sustainable development and ESG-related reports, and report to the Board of Directors.
10. Review the progress of annual environmental and social responsibility and sustainable development performance targets and link them to management's performance remunerations.
11. Consider matters related to the Company's strategic or sustainable development.

## Adjustment to the members of the Audit and Internal Control Committee of the Board

In April 2021, the Implementation Policy for the Audit and Internal Control Committee of the Board of Directors of the Company was amended. Upon adjustment, the Audit and Internal Control Committee should consist of six Directors, among whom, five members should be independent Directors and one member should be non-executive Director. Executive Directors should no longer be members of the Audit and Internal Control Committee. This further enhances the independence of the committee.

## Linking ESG performance to remunerations

During the reporting period, the Nomination and Remuneration Committee of the Board of Directors revised the remuneration and assessment proposal of the Company's executive Directors and senior management and the specific operating methods twice, fully linking the remunerations of the abovementioned personnel to the Company's sustainable development and ESG performance during assessment, which include operating results indicators, safety, environment, occupational health, community development, etc., and established remuneration assessment clawback mechanism. The relevant principles are as follows:

1. Remunerations shall match the Company's position in the industry;
2. Remunerations shall align with the Company's operating results and returns to the shareholders;
3. Remunerations shall be commensurate with individual's duties, contributions and performance;
4. Remunerations shall be linked to the Company's market capitalisation and market performance; and
5. Remunerations shall be connected to the Company's sustainable development and ESG indicators.

## Establishing an ESG Management Committee at the management level

### (1) ESG Management Committee: composed of the Company's management

#### The main responsibilities include:

Organise, study and formulate the Company's environmental, social and governance visions, strategies, frameworks, principles and policies to ensure that they match the Company's development strategy, major decisions and external supervision;

Organise all departments and business units to realise environmental, social and governance visions and strategies in corporate decision-making, investment and operation, and evaluate environmental, social and governance performance and risks;

Review the main trends in the environment, society and governance as well as related risks and opportunities, and assess whether the Group's business model and structure model are adequate and effective in this regard; adopt and update the Group's environmental, social and governance policies when necessary and ensure that such policies are in compliance with applicable laws, regulations and regulatory requirements as well as international standards;

Review relevant reports and disclosure documents in relation to environmental, social and governance matters of the Company to ensure that the Company compiles and discloses the environmental, social and governance reports in accordance with the requirements of the listing rules;

Be responsible for assigning environmental, social and governance tasks to all departments and subsidiaries (directly-controlled units), and specifying the responsibilities and deadlines;

Be responsible for coordinating resources within the Group to solve difficulties and problems encountered in environmental, social and governance work; be responsible for convening at least one meeting a year to specifically study the Company's environmental, social and governance related work.

### (2) ESG guiding committee members

The Company has appointed ESG guiding committee members at the Supervisory Committee and the management level, who are the chairman of the Supervisory Committee and the independent Directors. They are responsible for the overall supervision and guidance of the Company's ESG work at the Board level, the management level and the execution level.

## Establishing an ESG Work Team at the operation execution level

**(1) ESG Work Team: It is an organisation under the ESG Management Committee, composed of a number of heads of functional departments related to corporate social responsibility who are jointly responsible for the implementation of relevant policies and objectives. It is a daily work and coordination organisation of the Company's ESG Management Committee.**

### Specific responsibilities include:

Be responsible for implementing the decisions of the Company's ESG Management Committee, organising and arranging related departments and subsidiaries to implement environmental, social and governance related work;

Be responsible for formulating related systems, plans and standards in the environmental, social and governance fields, and formulating phased work plans and implementation plans, including but not limited to compliant operation, environmental protection, health and safety, labour and human rights, product quality, technological innovation, climate change, energy management, community management, charity work, information disclosure, investor response, etc.;

Guide, supervise and inspect the environmental, social and governance work of various departments and subsidiaries, and address related problems and difficulties in a timely manner;

Coordinate inter-departmental resources, address cross-departmental collaboration and cooperation problems encountered in environmental, social and governance related work; collect and compile information on the social responsibility performance of the Company and subsidiaries, prepare environmental, social and governance reports and related documents and submit to the committee for consideration;

Give feedback on, report and summarise the problems and results of environmental, social and governance related work, report the progress to the ESG Management Committee, and put forward reasonable suggestions.

**(2) In response to the requirements of the Company, each of the Company's subsidiaries shall designate or set up the positions of full-time (part-time) dedicated ESG deputy general managers and ESG specialists to organise and conduct related work.**



## Sustainable development strategies

**Tenet** Mining for a better society.

**Mission** Promote China's and global economic growth with high-quality mineral raw materials and become one of the important forces in the international metal mining market.

**Goal** Become an extra-large scale international mining group with high technology and efficiency, continuously create value for the society and investors, and benefit the employees and stakeholders at the same time.

**Values** Create wealth in harmony, balance development of the corporation, the employees and the society.

### Key focus of sustainable development strategy

Zijin Mining's sustainable development shall be fully integrated into the Company's strategic development goals.

### Globalisation, project upsizing and asset securitisation

Globalisation is the Company's crucial development direction, coordinating the domestic and international markets, focusing on the coordinated development and layout of domestic and international resources and assets, and attaching importance to the development of the local economy of the project locations.

### Driven by innovation and led by science and technology

Adhere to technological innovation and management innovation as important strategic supports for the Company to gain competitive advantages and low-cost advantages, comprehensively build a technology-led and profitable global competitiveness, and promote the application of the "integrating five ore treatment processes into one" mining engineering management model; promote the deep integration of informatisation, digitalisation, intellectualisation and production and operation management.

**Reform deepening and advanced systems** Continue to deepen reforms, develop an advanced globalised operation management system characterised by "streamlining, compliance and efficiency"; comprehensively consolidate and improve the Company's modern corporate governance level and operation management capabilities, and form a corporate governance system with effective synergy and high adaptability.

**Market orientation and value creation** Focus on value creators, establish a human resources system that is compatible with globalised development. Energise organisations and talents, and allow the value creators to share the fruits of development with the Company.

**Production safety and ecological harmony** Improve environmental, social and governance level from a global perspective, comprehensively build intrinsic safety, uphold a high level of harmony and unity between mining and ecological environment, and build the Group's international brand of eco-friendliness, environmental protection and ecological development, demonstrate the obligations and responsibilities of an internationalised large-scale mining enterprise.

**Cultural integration and common development** Realise the cross-cultural organic integration of Zijin's culture, international advanced governance concepts and objective conditions of different localities, follow the concept of common development, and build a good industrial ecosystem of co-dependence, coexistence, sharing and co-development.

**Comply with laws and regulations and prevent risks** Respect the social conditions and customs of the countries and regions where the Company's operations are located, abide by international rules and the laws and regulations of the host countries and regions. Strengthen supervision and anti-corruption work, create a clean and honest environment, and focus on preventing and resolving major systemic risks and challenges.

## Sustainable development goals

In line with the Sustainable Development Goals of the United Nations

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# THE GLOBAL GOALS

## For Sustainable Development

Guided by the Sustainable Development Goals of the United Nations (“SDGs”) and the Paris Agreement, Zijin Mining is committed to building a “community with shared future” in the localities of its projects, giving high regards to the wellbeings, work and life of the host countries, regions and local communities where the Company’s projects are located, to allow more people to benefit from our presence.

**Sustainable Development Goals of the United Nations**

**SDGs description**

**Our approaches**



End poverty in all its forms everywhere.

1. The Company creates employment opportunities directly or indirectly, drives the socio-economic development of the project locations, and has accumulatively provided employment opportunities for over 100,000 people in the communities.
2. The Company has formulated community development plans and implemented diversified assistance policies covering medical care, education, agriculture, infrastructure and residents' resettlement.



End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Most of the Company's projects are located in remote mountainous areas, and the Company supports the agricultural development in these areas. In China, the Company has implemented agricultural assistance in Habahe County where the Xinjiang Ashele Copper Mine is located, Kiziloy Township where the Wulagen Lead and Zinc Mine is located and so on; in overseas countries, the Kamoia Copper Mine in the DR Congo jointly implements the orchard planting programme with the Company's joint venture partner, Ivanhoe, etc.





Ensure healthy lives and promote well-being for all at all ages.

1. The Company attaches great importance to the lives, occupational health and safety of employees, and provides necessary work safety guarantee measures and occupational safety guarantee plans.

2. The Company pays attention to the health development of the people in the localities of the projects, and makes donations for building hospitals in Tajikistan, the DR Congo and other regions.

3. Since the global outbreak of COVID-19 pandemic in 2020, the Company has actively participated in domestic and foreign anti-pandemic activities, including making donations to build a "Fire Eye" laboratory in Serbia; in 2021, the Company will continue to actively assist in the use of vaccines in the project locations.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

1. The Company pays close attention to the educational opportunities of the people in the project locations, and actively makes donations for building schools, providing scholarships and necessary books and facilities.

2. The Company and the Fuzhou University jointly established Zijin Mining Institute to cultivate global mining talents. The founding of the Zijin Secondary School solely funded by the Company at Shanghang headquarters improves the quality and level of local middle and high school education.

3. Zeravshan in Tajikistan has assisted the construction of a number of primary schools and kindergartens in the local area to solve the problem of schooling for the impoverished population.



Achieve gender equality and empower all women and girls.

1. The Company implements a diverse, localised and non-discriminatory employment policy, with female employees accounting for more than 16%.

2. The Company respects the career development of female employees, provides equal opportunities for promotion and development, and implements relevant welfare policies for women.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

1. The Company implements a localised employment policy, respects the labour rights of all employees, and their rights of obtaining training and career development.

2. The Company strives to provide competitive salaries and benefits, and a comfortable work environment if possible.



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

1. The Company takes innovation, especially technological innovation as its core competitiveness, and has extensive practical experience and industry-leading technological advantages in geological exploration, hydrometallurgy, comprehensive utilisation of low-grade refractory resources and large-scale engineering development. The Company pioneers the engineering management model of “integrating five ore treatment processes into one”.

2. The Company actively participates in the infrastructure construction of the localities of the projects, including highways, railways and water conservancy facilities besides developing its own projects.



Ensure sustainable consumption and production patterns.

1. The Company continues to improve the utilisation rate of mineral resources.

2. The Company adheres to the concept of “green mountains and clear water are as good as mountains of gold and silver”, strengthens the management of the “three wastes” of the whole industry chain, and comprehensively promotes the application of online monitoring systems in the downstream of domestic and overseas mine projects.

3. The Company insists on building a responsible supply chain and strengthens supplier control from the source.



Take urgent action to combat climate change and its impacts.

The Company complies with the Paris Agreement, responds to the Chinese government’s carbon emission peak target by 2030 and carbon neutrality target by 2060, and continues to control and reduce greenhouse gas emissions.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

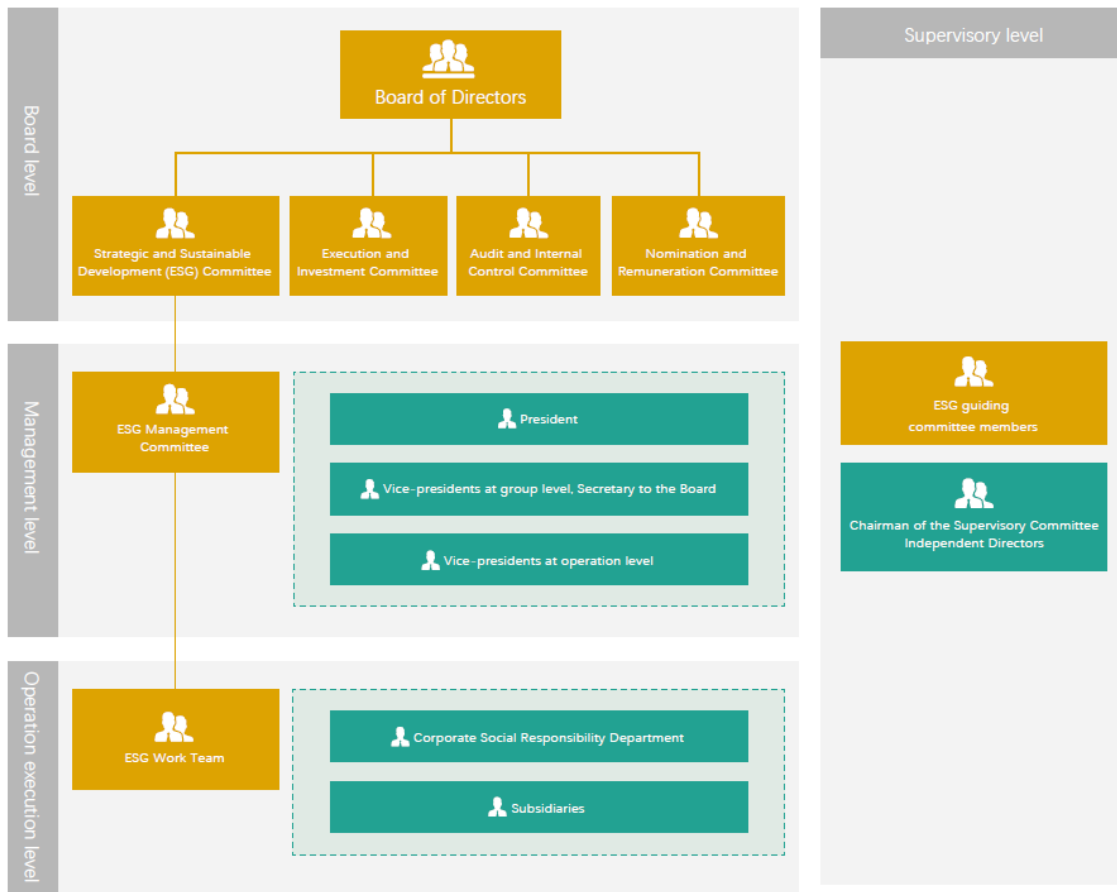
With development of “green mines” as its goal, the Company carries out ecological rebuilding from the beginning of the mine construction using the mining engineering management model of “integrating five ore treatment processes into one”, and implements ecological restoration, soil restoration, slope management, tree planting and afforestation, wildlife protection, biodiversity conservation and other measures, realising the harmony and unity of development and environment.



Strengthen the means of implementation and revitalise the global partnership for sustainable development.

Being a member of the World Gold Council, the Company abides by the RGMPs, and actively fulfills its responsible gold mining obligations to consumers, investors and the downstream gold industry supply chain. The Company has also joined the China Gold Association, the China Nonferrous Metals Association, the China Mining Federation, the China Occupational Health and Safety Association and other associations and organisations, and actively performs relevant sustainable development obligations.

## Management system for sustainable development



## Communication with stakeholders

The Company attaches great importance to the communication with stakeholders, including shareholders/investors, employees, cooperation partners and business partners, governments and regulatory authorities, communities, non-governmental organisations, the press, etc., and establishes a communication mechanism at all levels from the Group’s headquarters to the subsidiaries through on-site communication, phone call and telecommunication, roadshows or one-on-one investor meetings, etc., to achieve full exchange and communication.



Stakeholders	Key issues	Measures
Shareholders/investors	Operating performance ESG governance of the Board Human rights policy disclosure Anti-corruption	Shareholders' general meeting Results press conference Information disclosure Integrity campaign
Employees	Career development Remunerations and benefits Training and education Health and safety	Vocational training Occupational physical examination Safety and health Work environment
Cooperation partners and business partners	Customer services Product quality Supply chain management	Responsible supply chain management "Blacklist" and "whitelist" system Anti-corruption education
Government and regulatory authorities	Operation in compliance with laws and regulations Operating performance Safety and environmental protection Community assistance	Compliance with laws and regulations Regular communication and reporting Community projects
Community and environment	Community development Win-win society Environmental protection projects Vocational development	Community exchanges and assistance Holding Mine Open Days Environmental protection cooperation Localised employment policy
Non-governmental organisations and the press	Human rights protection Environmental protection ESG policy	Regular ESG report disclosure and ordinary information disclosure Corporate media and other official information channels Reception and communication from time to time

## Business ethics

We are committed to conducting business in accordance with all applicable laws, regulations and the highest ethical standards, with professionalism, honesty and integrity in all business transactions and relationships, and prohibit any activities that adversely affect the integrity and reputation of the Company. During the reporting period, we formulated and issued the Policy Statement on Business Ethics Management and required every project we operate, every director, every employee, every supplier and every contractor we cooperate with to comply with it. The content of the guidelines is as follows:

**1** Maintenance of the work environment. The Company fosters an inclusive and diverse work environment where every employee is treated with respect, and no harassment and bullying shall be tolerated. Personnel decisions, including but not limited to recruitment, hiring, training, promotion, remuneration and other benefits and welfares, shall mainly be made based on the qualifications, credentials, skills, performance and abilities of the employee or applicant.

**2** Anti-corruption. The Company promotes a culture of integrity and adheres to honest and law-abiding business practices. Employees must comply with the applicable laws, regulations and the Company's relevant policies. Any act of bribery and corruption is prohibited.

**3** Gifts and hospitality. Employees may accept or offer to others hospitality that is normal and consistent with business practices, such as meals, promotional items or souvenirs of minimal value. But such gifts or hospitality must have a legitimate purpose, be reasonable and proportionate, and not given during sensitive periods such as negotiation periods, be one-time rather than recurring, and be within the limits of the laws.

**4** Conflict of interest. Employees shall place the interests of the Company ahead of their personal interests. When they encounter any conflict of interest, they shall report to their superior management or relevant departments and take the initiative to apply for recusal. They shall strictly comply with the Company's rules relating to reporting of specific related persons and recusal.

**5** Anti-money laundering. The Company shall not engage in or assist any third party in money laundering, nor shall its employees engage in or assist any other person in money laundering activities.

**6** Prohibition of insider dealing. The Company's employees must comply with the requirements of the relevant laws and regulations. They must not disseminate any inside information and use inside information for illegal dealings.

**7** Maintenance of community relations. The Company actively cooperates with communities, supports their development, improves the quality of life of local residents, and contributes to the prosperity and development of local communities. The Company's employees shall respect and appreciate the culture, customs and traditions of the local communities, and promote the relationships with those communities.

**8** Political activities. The Company and its employees shall abide by the relevant laws and regulations of the countries (regions) in which the Company operates, and shall not jeopardise the Company's interests when participating in political activities.

9

Accounting and financial report. The financial information disclosed by the Company shall be authentic, accurate, complete, concise and easy to read and shall not contain any false records, misleading statements or material omissions. Violation of laws and regulations associated with financial information reporting will be subject to fines, penalties or criminal sanctions and will seriously affect the Company's reputation.

10

Confidential information and intellectual property. The Company's employees have the obligations and duties to protect the Company's confidential information and intellectual property, including but not limited to exploration plans, acquisition plans, working papers, internal information, tender and bidding documents, unpublished financial information, and unpublished ore processing and metallurgical techniques.

11

Promotion of fair competition. The Company shall strictly comply with the laws on maintaining competition in the market and promote fair competition.

12

External communications. The Company shall disclose information in a truthful, accurate, complete, timely and fair manner. Public disclosure of information shall only be made by authorised persons.

## Anti-corruption

Anti-corruption and anti-bribery have always been our stance. We are fully aware that corruption can lead to improper resource allocation, undermine the fairness of decision-making of governments and communities, and undermine equal opportunities and business environment. The Company insists on operating in good faith in accordance with the laws, resolutely opposes commercial bribery and other improper behaviours with external stakeholders, prohibits employees from directly or indirectly transferring benefits to stakeholders in any form, and strictly investigates and punishes corruption and fraud with a "zero tolerance" attitude. Employees who violate these regulations will be severely punished or even dismissed by the Company. The Company attaches great importance to and continues to strengthen integrity development and anti-corruption work. It is committed to making contributions to the battle against corruption, and strives to achieve this goal together with the business sector, governments and communities.

## Signing the Initiative for Integrity and Compliance of Enterprises Participating in the “Belt and Road”



The Company participating in the Third Seminar on Business Integrity and Compliance for the Belt and Road

In 2020, we participated in the Third Seminar on Business Integrity and Compliance for the Belt and Road, which was jointly hosted by the National Supervisory Committee of the People’s Republic of China, the United Nations Office on Drugs and Crime, the International Anti-Corruption Academy and the Asian Infrastructure Investment Bank. The representatives of Zijin Mining and the representatives of more than 60 Chinese enterprises participating in the seminar jointly issued the Initiative for Integrity and Compliance of Enterprises Participating in the “Belt and Road”, so as to convey our firm determination to be honest and self-disciplined to the world.

## Anti-corruption supervision mechanism

We guarantee the independence of the Supervisory Committee, establish a collaborative internal supervision system for supervision, audit, internal risk control, compliance and legal affairs, which is responsible for the Group’s disciplinary inspection, supervision, audit and internal control evaluation. The Company has set up the Supervision and Audit Office as a competent department in charge of internal supervision and the daily work organisation of the Company’s Supervisory Committee. Each subsidiary has established a supervision and audit department as an effective part of the Group’s supervision system.



## ■ **Anti-corruption management policy**

Guided by China's anti-corruption laws and regulations, the Bribery Act of the United Kingdom and the laws of the host countries, and with reference to the Articles of Agreement of the International Monetary Fund (IMF), the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the Organisation for Economic Co-operation and Development (OECD) and other standards, the Company formulated the Administrative Measures on Supervision, Measures on Administrative Penalties, Measures on Implementation of Inspection, Certain Provisions on Integrity Practices, Internal Audit Management Regulations, Administrative Measures on Petition Reporting System and other policies, to reduce the risk of internal fraud and commercial bribery. Our anti-corruption management policies are also applicable to our suppliers and contractors. The Company has included integrity clauses in all external contract templates, requiring our suppliers and contractors to abide by our anti-corruption policy, and encouraging suppliers and contractors to check on our employees. They have the right to report any behaviour of employees in violation of the anti-corruption policy through the reporting channels we have published, and are required to report their internal anti-corruption policies to the Company for the record.

## ■ **Anti-corruption risk assessment**

With reference to the Managing the Business Risk of Fraud: A Practical Guide of the Association of Certified Fraud Examiners (ACFE), we have established risk identification, assessment and response mechanisms, and continuously improve risk management, internal control and fraud risk prevention systems. The Audit and Internal Control Committee of the Board of the Company engages an external audit agency, Ernst & Young Hua Ming LLP (EY) every year to conduct independent audits of the Company's financial condition, operations and Board risks to effectively prevent frauds such as preparing fraudulent financial reports and concealing asset misappropriation.

The Company also regularly re-examines the anti-corruption compliance plan (once a year in the first two years of new construction projects, at least once a year for key projects, and at least once every two years for other projects) to meet prevailing and new regulatory requirements and make corresponding adjustments.

During the reporting period, we conducted comprehensive inspections on four subsidiaries, and carried out 46 internal control audits and inspections for key businesses and key sections such as construction project management, material procurement and sale, supply chain trade finance, overseas project compliance and risk control. 191 internal control inspections were conducted by the supervision departments of 41 subsidiaries. The projects participating in internal control testing covered all our global operation branches, including the Continental Gold project in Colombia and the Julong Copper Mine project in Tibet, China which were newly acquired in 2020. Therefore, the subsidiaries have generally established a mechanism for internal control testing and evaluation.

## Business ethics training

We are committed to anti-corruption training for all employees, suppliers and contractors. By means of centralised teaching, face-to-face integrity conversation, watching films relating to anti-corruption cases, attending court hearings of corruption cases, regularly sending cases of violation of the Policy Statement on Business Ethics Management inside and outside the Company to employees for learning, and signing Anti-Corruption Agreement and Anti-Corruption Declaration, etc., various forms of effective training are carried out for new employees, newly promoted management personnel, employees in key sensitive positions, management and part-time personnel, so as to ensure that all our employees, suppliers and contractors can receive anti-corruption training.

In September 2020, we immediately carried out comprehensive training on business ethics standards for suppliers after officially issuing the Policy Statement on Business Ethics Management. As at the end of December 2020, 37 subsidiaries had conducted trainings for 3,202 personnel from 517 key suppliers and contractors, and the Letter of Responsibility for Integrity and Letter of Commitment for Integrity were signed.



Performance of our business ethics in 2020 is as follows:

	Item	Data in 2020	Remarks
Training for employees	Time	266	Sum of trainings for senior executives, middle-level and entry-level employees
	Number of senior executives	24	The Company's senior executives
	Coverage of senior executives (%)	100%	Number of senior executives participating in the training / total number of senior executives
	Middle-level employees (time)	4,842	Sum of the number of middle-level employees participating in each training
	Coverage of middle-level employees (%)	88.44%	Number of middle-level employees participating in training / total number of middle-level employees
	Entry-level employees (time)	28,352	Sum of the number of entry-level employees participating in each training
	Coverage of entry-level employees (%)	63.96%	Number of entry-level employees participating in training / total number of entry-level employees
Training for suppliers and contractors	Time	503	Number of training for suppliers
	Number of personnel	3,202	Number of personnel of suppliers and contractors participating in the training
	Coverage (%)	61.55%	Number of suppliers and contractors participating in the training / total number of suppliers and contractors

Note: The above data is the sum or arithmetic mean of the statistical data of various operation branches. The scope of the statistics of suppliers and contractors covers the suppliers and contractors engaged by the Company.

## Whistleblowing mechanism and protection of whistleblowers

We hope and actively encourage all employees, suppliers and contractors to speak up on and report any potential incidents that are in violation of business ethics management principles and anti-corruption principles, including suspected bribery or corruption in any form. During the reporting period, we formulated and issued the Policy Statement on Whistleblowing Management and published various forms of reporting methods. Anyone, including all employees, suppliers, contractors and other stakeholders, can report all kinds of violations of laws and regulations or other improper behaviours through various lawful channels. In addition, we require all operation branches to set up their own reporting channels to provide unimpeded channels for the Company's employees, suppliers, contractors and other stakeholders to report and expose fraud cases. We have also formulated detailed Administrative Measures on Petition Reporting System to motivate and encourage our suppliers, contractors, third parties and employees to sign up as our "integrity supervisors" to report any violation of the Policy Statement on Business Ethics Management. We strictly keep confidential the reported information and protect the legitimate rights and interests of the whistleblowers in accordance with the laws.

## Insist on “zero tolerance” investigation and punishment

We adhere to the “zero tolerance” attitude and investigate and penalise any conduct which violates the Policy Statement on Business Ethics Management in a serious manner. The Company’s supervisory agency accepts and verifies the information reported by various parties in strict accordance with laws and regulations, reports the investigation results to the management, and handles the non-compliant behaviours through admonitory talks, disciplinary actions and even referral to judicial agencies upon approval of the corresponding administrative agencies. Through continuous tracking, monitoring, reporting and internal inspection, we take corresponding measures to improve our management.

We strictly manage the reported cases, and register, file and investigate them one by one. During the reporting period, we received 104 reports of various types in total. According to the investigation results of reports received and problems found in internal inspection, 79 employees who violated the rules were given admonitory talks, 222 employees were imposed disciplinary actions, and 12 of them were dismissed or resigned.

<b>The number of reports over various violations of Policy Statement on Business Ethics Management received in 2020</b>	
<b>Classification of whistleblowers</b>	<b>Number</b>
<b>Internal employees</b>	28
<b>Suppliers and contractors</b>	33
<b>Other stakeholders</b>	43
<b>Total</b>	104
<b>Including: report relating to declaration of conflict of interest</b>	2
<b>Including: complaint regarding retaliation against employees</b>	0

# Technological innovation

We adhere to technology- and innovation-driven development, and enhance the impetus for innovation. In 2020, we amended the Measures for Sharing Technological Service Achievements to encourage value creation through technological innovation and management innovation, and share innovation achievements with value creators.

## Science and technology policies

We have formulated scientific and technological innovation policies and systems, mainly including Management Policy of Science and Technology Work, Management Measures for Scientific Research Projects, Measures for Administration of Scientific Research Funds, Regulations on Administration of Intellectual Property Rights, Measures for Administration of Patent Work, Detailed Rules for Implementation of Science and Technology Incentives, Regulations on Management of Postdoctoral Research Workstation, Measures for Sharing Technological Service Achievements, and Outline of Medium and Long Term Scientific and Technological Development Plan of Zijin Mining Group Co., Ltd.\* (2018-2030), and organised the preparation of 2021-2025 Science and Technology Special Plan (Draft for Approval).

## Main achievements

**RMB582.5 million**

Expensed research and development expenditure

**RMB63 million**

Capitalised research and development expenditure

**45**

Science and technology projects established

**2**

Fujian Science and Technology Progress Awards won in 2020

**5**

Technological innovation achievements have been appraised (verified) as reaching the internationally leading or advanced level by the China Nonferrous Metals Industry Association

**2**

Technological innovation achievements were rated as reaching the domestically leading level

**1 for each**

Technological innovation achievements were appraised (verified) by the China Gold Association as reaching the internationally advanced level and domestically leading level respectively

**32**

Patents applied in the name of the Company (including 20 invention patents)

**26**

Patents authorised (including 6 invention patents)



In September 2020, we hosted the first Summit for Technological Innovation and Sustainable Development in the China Mining Industry, aiming to promote industrial exchanges, cooperation and cross-disciplinary integration, and promote scientific and technological innovation and sustainable development of the mining industry. A total of 16 academicians and relevant experts were invited to give speeches. Furthermore, we also held the Sixth Science and Technology Symposium themed “promoting the leaping development of the Company globally with scientific and technological innovation as the driving force”. At the symposium, 61 outstanding scientific and technological achievements, 2 scientific and technological heroes, 10 scientific and technological pacesetters, 34 outstanding scientific and technological workers and 4 outstanding scientific and technological collaborators were commended.



The Company hosted the first Summit for Technological Innovation and Sustainable Development in the China Mining Industry



The Company convened the Sixth Science and Technology Symposium

# Environment

Mining exploration and development activities are closely related to the ecological environment. Any form of mining activities will affect or even change the local ecological environment of the project locations to a certain extent. During project operation, we strictly abide by the laws, regulations and standards of the host countries on ecological environment protection, such as the Environmental Protection Law of the People's Republic of China, the Law on Environmental Protection and Law on Integrated Prevention and Control of Environmental Pollution of Serbia, Law on Environmental Protection of the Kyrgyz Republic (amended by Law No. 135 of 2016), the Mining Code of the DR Congo, as well as Guyana's Environmental Protection Act (1996/2005) and Environmental Protection Regulations (2000). In addition, we benchmark against the international best practices for environmental management to actively implement various environmental protection projects, improve the emergency risk management system, strengthen the management of water resources, wastewater, exhaust gas and slag (hereinafter referred to as the "three wastes"), biodiversity conservation, ecological restoration and pollutant emission reduction.

In order to minimise environmental impact, we rely on advanced processes and technologies to continuously improve the comprehensive utilisation efficiency and level of mineral resources, improve the recovery rate of target elements in ores, reduce and manage the generation and discharge of wastewater, exhaust gas and slag, and strive to conserve biodiversity and maintain ecosystem stability. With the establishment of Zijin Environmental Technology Co., Ltd. and Fujian Zijin New Energy Co., Ltd., we continuously promote the environmental protection and new energy power generation business as the key work in our day-to-day operation, and support eco-friendly and low-carbon development. The goals of zero environmental incident with severity of general and above and zero ecological damage incident for the year were achieved. The investments in environmental protection in the recent three years are shown in the table below:

Item/Year	2020	2019	2018
<b>Investment in environmental protection and ecological projects (RMB billion)</b>	1.092	0.725	0.663
<b>Including: Investment in vegetation restoration (RMB million)</b>	95.8260	94.8105	87.9726
<b>Area of vegetation restored (million m<sup>2</sup>)</b>	3.333	5.2848	3.9936
<b>Flowers and trees planted (million)</b>	0.409	1.3418	0.6023

## Management approach

During the reporting period, we formulated and issued the Policy Statement on Protection of the Ecological Environment and Policy Statement on Water Resources Management to declare our stance and work direction, and actively encouraged the relevant contractors, suppliers and their permanent and temporary employees who provide services for us to follow the statements together. The specific measures are as follows:

**1** Install online monitoring equipment, realise real-time monitoring of wastewater and exhaust gas to ensure the discharge of wastewater and exhaust gas is up to standard, disclose relevant data to the public, and actively accept public supervision.

**2** Establish an informatised platform integrating data analysis, intelligent alert and big data management, and implement environmental protection and ecological informatised management.

**3** Implement water saving and emission reduction, improve water recycling rate, and provide safe drinking water and sanitation facilities for employees and local communities.

**4** Promote energy conservation and consumption reduction, development of new energy, and continuous optimisation of energy consumption structure.

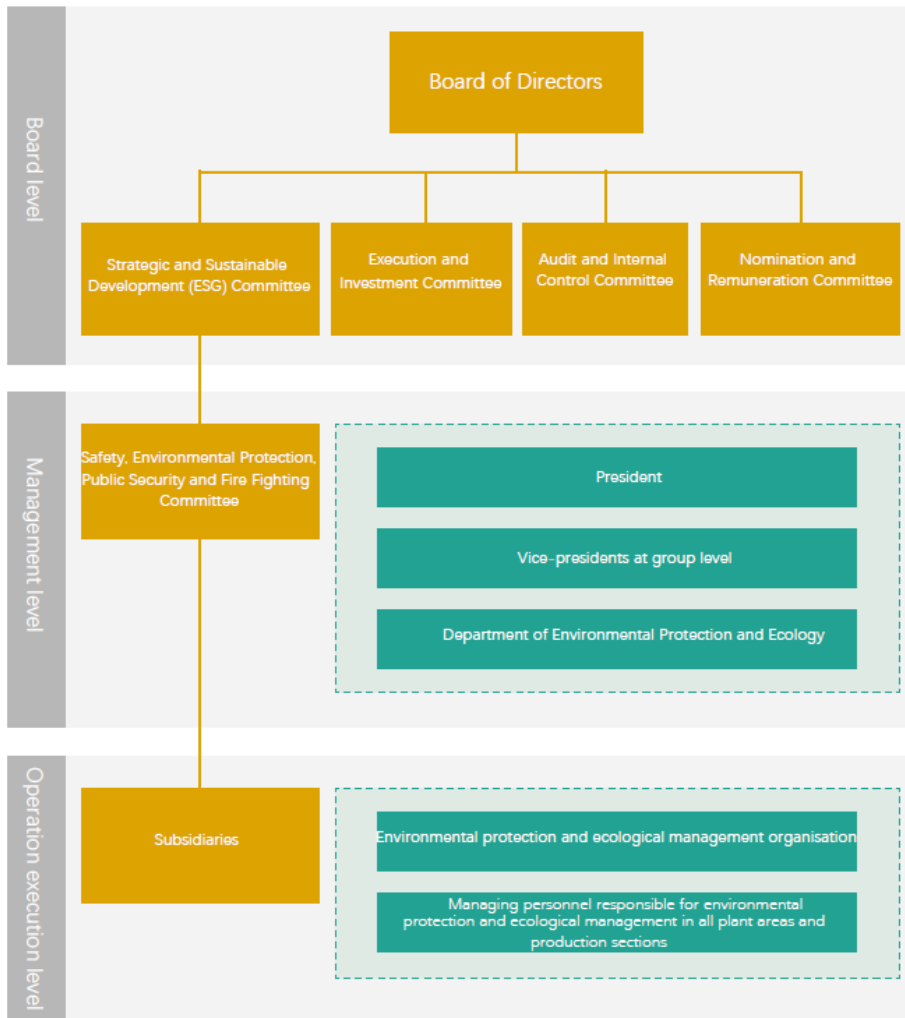
**5** Continue to promote ecological restoration and biodiversity conservation by promoting development of green mines and green plants as the key point.

**6** Strengthen the whole process supervision of hazardous waste and encourage the maximum recovery and utilisation of valuable metal elements.

## Environmental management system (EMS)

We always adhere to the ecological and environmental protection concept of “green mountains and clear water are as good as mountains of gold and silver” and the principles of attaching equal importance to the development of mineral resources and the protection of the ecological environment and “development and protection go together”, and are committed to properly carrying out environmental protection and ecological restoration in the whole life cycle of mine development, covering mine exploration, design, mining, processing and metallurgy and mine closure, to minimise the adverse impact of mineral resources development on the ecological environment, and try our best to achieve a high degree of harmony and unity of environmental, social and economic benefits. To this end, we have established an environmental management system under the leadership of the Strategic and Sustainable Development (ESG) Committee of the Board of Directors.





Zijin New Energy's first 3.4MW distributed photovoltaic power generation project has been put into use

## Environmental management policy

In terms of environmental protection management system, there are 6 major environmental management policies at the Group level, namely, Environmental Protection Accountability System, Administrative Regulations on Environmental Protection and Ecology Assessment, Administrative Regulations on Environmental Protection and Ecological Inspection, Emergency Plan for Environmental Incidents, Guidelines for Greening Work and Environmental Order Management Basic Regulations. On the basis of the Group's policies and in combination with their own conditions, all subsidiaries have established monitoring, inspection and assessment policies, such as Wastewater Management Policy, Exhaust Gas Management Policy, Non-hazardous Solid Waste Management Measures, Hazardous Waste Administrative Policy, Environmental Monitoring Management Policy, Administrative Regulations on Environmental Protection and Ecology Assessment and Administrative Regulations on Environmental Protection and Ecological Inspection, etc.

## Environmental impact assessment

Before construction projects commence, we prepare environmental impact assessment reports, reporting tables or registration forms in accordance with the laws and regulations, strictly implement the environmental impact assessment system, investigate, predict and evaluate the possible adverse effects of the construction projects on the surrounding environment after the site selection, design and project completion, put forward prevention and control measures, and submit for approval according to the statutory procedures. Upon approval, the construction will be carried out in accordance with the requirements of the prevention and control measures in the environmental impact assessment reports, and pollution prevention and control facilities and the main construction projects shall be designed, constructed and put into use at the same time.

## Environmental monitoring system

The subsidiaries engage qualified testing institutions to monitor the main pollutants and special pollutants on a regular basis according to the monitoring plan every year. At present, a total of 14 enterprises of the Group have installed online wastewater monitoring system (representing approximately 70% of the wastewater-discharging enterprises), and 7 refining enterprises have installed exhaust gas online monitoring system (representing approximately 87.5% of the refining enterprises). Effective monitoring and management of pollutants have been realised.

In addition, we have established an environmental protection and ecological information platform. The setting of the alarm limits allows for early warning on the total discharge volume and concentration of pollutants, and environmental protection and ecological big data can be collected through the digitalised information management platform to leverage on the technological advantages of big data statistical analysis to realise the application in early warning and prediction, analysis and decision-making, daily management, etc.





Wastewater outlet and online monitoring system of the Zijinshan Gold and Copper Mine



Online monitoring station and system of Altynken in Kyrgyzstan

## Environmental compliance audit

Through the formulation and implementation of policies such as the Administrative Regulations on Environmental Protection and Ecology Assessment, Administrative Regulations on Environmental Protection and Ecological Inspection and Environmental Order Management Basic Regulations, we conduct regular environmental audit on all the subsidiaries of the Company, and require the subsidiaries to carry out internal audit on their own, so as to ensure that the operating projects comply with the environmental laws and regulations of the host countries and the environmental management system requirements of Zijin Mining. The frequency of internal audit of mines and refining projects operating in China is once a month, and that of mines and refining projects operating abroad is at least once a quarter. Meanwhile, we also engage independent agencies to audit the mining and refining subsidiaries. As at the end of 2020, 92.1% of the Company's enterprises have conducted external audit at least once every three years, and 89.5% of the Company's enterprises have conducted external audit at least once a year.

## Environmental assessment system

Through the establishment of environmental protection accountability system, we clearly define the responsibilities for ecological and environmental protection of various departments and posts, draw the line of responsibility, arrange the staff of different levels to sign the letter of responsibility for ecological environment protection, and assess the implementation of ecological environment protection of the subsidiaries and departments. The scope of our assessment also covers the contractors' environmental protection practices. We hope to work with contractors to improve environmental performance.

## Environmental emergency management system

In order to prevent the occurrence of emergency environmental incidents and improve the ability to deal with sudden environmental pollution incidents involving public crisis, all enterprises in production carry out environmental risk assessment, analyse and predict the potential hazards and harmful factors existing in the projects, and determine the type, level of harm and affected areas of the incidents in accordance with the relevant laws and regulations of the countries where they are located, formulate the Emergency Plan for Environmental Incidents according to the actual situation, put forward risk prevention measures and establish emergency collaboration mechanism with local governments and communities. Under the condition that production process and technology, emergency organisations' command system or duties, surrounding environment or environmental sensitive points remain unchanged, we usually revise the plan every three years and organise emergency drills at least once a year to ensure the practicality of the plan.

Generally, we divide emergency environmental incidents into four levels according to their severity and emergency level, namely particularly significant (Level I), significant (Level II), major (Level III) and general (Level IV) environmental incidents. On this basis, the enterprises classify the possible emergency environmental incidents into different levels, starting from the highest level, according to the differences of the possible environmental events, the level of harm, the affected areas and the ability to control the situation, and kick off different levels of emergency response according to different events. During the reporting period, the Group organised 54 related emergency drills, including emergency drills for flood control at tailings storages, sodium cyanide leakage, hazardous waste leakage, sulphur dioxide leakage, etc.



Regular emergency drill



Professional environmental safety rescue team



## **Environmental management system certification**

We are committed to promoting ISO 14001 environmental management system certification in all mining, refining and processing enterprises in production. As at the end of the reporting period, 19 enterprises have passed ISO 14001 certification, representing an increase of 3 enterprises compared with the previous year. Our goal is that all the existing mining and refining enterprises in production (excluding newly merged and acquired enterprises) shall have passed ISO 14001 certification by 2023. In addition, the subsidiaries shall carry out internal audit on the environmental management system once annually. The respective main person-in-charge of the subsidiaries shall be responsible for the implementation and execution of the environmental management system.

## **Cleaner production management system**

In order to promote cleaner production, improve resource use efficiency, reduce and avoid pollutant generation, when conducting the environmental impact assessment of our new construction, reconstruction and expansion projects, we will analyse and justify the use of raw materials, resource consumption, comprehensive utilisation of resources and the generation and disposal of pollutants, and prioritise the use of cleaner production technologies, processes and equipment with high resource utilisation rate and generating less pollutants. In addition, during the technological transformation, we will adopt cleaner production measures, such as using non-toxic, harmless or low-toxic and low-harm raw materials, use processes and equipment with high resource utilisation rate and generating less pollutants, and carry out comprehensive utilisation or recycling of waste, wastewater and waste heat generated in the production process. In the design of products and packages, priority should be given to non-toxic, harmless, readily degradable or recyclable options. Reasonable packaging should be adopted to reduce packaging waste. Currently, 27 domestic subsidiaries (accounting for approximately 93.1% of the domestic subsidiaries in production) have engaged independent consulting agencies to carry out cleaner production audit evaluation and acceptance work. Cleaner production audit evaluation and acceptance refers to the objective and scientific evaluation by an independent consulting agency on the pollutant generation level, concentration and total volume of emission, energy and material consumption level, and the use and emission of toxic and harmful substances, putting forward plans of reducing energy consumption, material consumption and waste generation, as well as reducing the use and generation of toxic and harmful materials and utilisation of waste resources, and carrying out acceptance check on the emission reduction and optimisation effects of enterprises after the implementation of cleaner production plan.

# Poisonous substances and waste discharge management

## Water pollutant management



In terms of water pollutant management, the standards we apply mainly include the Water Pollution Prevention and Control Law of the People's Republic of China, the Action Plan for Prevention and Control of Water Pollution, and the International Finance Corporation (“IFC”)’s guidelines including the General Environmental, Health and Safety Guidelines (the “General EHS Guidelines”), the Environmental, Health and Safety Guidelines for Mining (the “EHS Guidelines for Mining”) and the Environmental, Health and Safety Guidelines for Base Metal Smelting and Refining (the “EHS Guidelines for Base Metal Smelting and Refining”), and the local laws and regulations of the places where the overseas subsidiaries are located. Generally, we build wastewater treatment facilities for production and domestic wastewater treatment facilities. The treated water is preferentially used for internal production, and the remaining is discharged on the basis of meeting the discharge standards of the host countries. At present, we have implemented the model of third-party operation and management of water pollution control facilities at the Zijinshan Gold and Copper Mine, Wuping Zijin, Urad Rear Banner Zijin, Bayannur Zijin and other enterprises. Through the introduction of open and transparent market competition, the goal of efficient, professional and low-cost operation for water pollution control can be achieved.

## Wastewater treatment facilities

Generally, we optimise the design of treatment process according to the nature of the wastewater. For example, we have built 10 sets of wastewater treatment facilities for the treatment of wastewater containing copper and cyanide for the Zijinshan Gold and Copper Mine, with a daily treatment capacity of 160 thousand m<sup>3</sup>. The main processes include lime neutralisation and sodium sulphide neutralisation, of which the sodium sulphide treatment technology is not only able to treat acidic wastewater containing copper, but can also effectively recover copper metal from wastewater. In 2020, a total of 12.8644 million m<sup>3</sup> of acidic water containing copper and 11,620.41t of copper metal were recovered at the Zijinshan Gold and Copper Mine. At present, the process has also been applied in Serbia Zijin Copper.

## Management performance of the discharge of key water pollutants

Pollution factors	2020		2019		2018	
	t	Emissions from 10 <sup>-8</sup> t/RMB10,000 of income	t	Emissions from 10 <sup>-8</sup> t/RMB10,000 of income	t	Emissions from 10 <sup>-8</sup> t/RMB10,000 of income
<b>COD</b>	299.82	1,748.21	346.33	2,544.7	206.85	1,952
<b>Ammonia nitrogen</b>	3.58	20.87	14.43	106.03	6.82	64.3
<b>Total copper</b>	0.73	4.26	0.60	4.41	0.11	1.04
<b>Total zinc</b>	0.46	2.68	0.40	2.94	0.81	7.64

Notes: 1. The total volume of pollutants is calculated by multiplying the online monitoring data or the monitoring data of the independent monitoring agencies by the volume of wastewater discharged from production. 2. The statistical data of 2020 covers 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year), that of 2019 covers 34 domestic and overseas subsidiaries in production, and that of 2018 covers 31 domestic and overseas subsidiaries in production. 3. The amount of total zinc and total copper in the table increased compared with last year as a result of inclusion of a new enterprise in production. However, the overall emission per unit decreased.

## Management of air pollutants



Dust control of mining enterprises is the focus of atmospheric pollution prevention and control, mainly covering fugitive emissions and organised emissions. We mainly comply with China's Integrated emission standard of air pollutants (GB16297-1996), the laws and regulations of the host countries of the overseas projects, and IFC's General EHS Guidelines and EHS Guidelines for Mining. Where there is no emission standard for the host countries of overseas projects, the IFC standards or China's Integrated emission standard of air pollutants (GB16297-1996) shall prevail. Organised emission of dust mainly refers to the dust treated by dust collectors, and its emission concentration meets the emission standards of the countries where the projects are located. The control of fugitive emissions is mainly realised by measures such as adding misting cannons, mist spraying equipment, water sprinkler trucks, windproof and dust resistant webs, enclosed storages and other measures.



The flue gas treatment of refining enterprises is a hurdle in atmospheric pollution control. We mainly comply with the Emission standard of pollutants for copper, nickel, cobalt industry (GB25467-2010), Emission standard of pollutants for lead and zinc industry (GB25466-2010), local laws and regulations of the places where the overseas subsidiaries are located, as well as IFC's General EHS Guidelines and EHS Guidelines for Base Metal Smelting and Refining. Where there is no applicable standard abroad, the IFC standards or China's relevant pollution discharge standards shall prevail. Generally, refining flue gas contains high concentration of sulphur dioxide and nitrogen oxides. We recover sulphur dioxide through the acid-making system to produce sulphuric acid products, and the concentration of pollutants after passing through the acid-making system is greatly reduced. After that, the flue gas is further purified by the desulphurisation and denitrification system. Therefore, the average concentration of our sulphur dioxide and nitrogen oxides emitted is far lower than the values stipulated in the national standards and IFC standards.

In 2020, through the implementation of boiler transformation and desulphurisation facilities transformation, the emissions of nitrogen oxides and sulphur dioxide per RMB10,000 of income were 0.45t/RMB100 million of income and 0.78t/RMB100 million of income respectively, which are about 36% and 23% lower than those in 2019.

## Management performance of air pollutant emission

Pollution factors	2020		2019		2018	
	t	10 <sup>-4</sup> t / RMB10,000 of income	t	10 <sup>-4</sup> t / RMB10,000 of income	t	10 <sup>-4</sup> t / RMB10,000 of income
<b>Nitrogen oxides</b>	768.81	0.45	957.17	0.70	875.81	0.83
<b>Sulphur dioxide</b>	1,344.86	0.78	1,380.71	1.01	1,328.49	1.25

Notes: 1. The total volume of pollutants is calculated by multiplying the online monitoring data or the monitoring data of the independent monitoring agencies by the total volume of air emissions. 2. The statistical data of 2020 covers 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year), that of 2019 covers 34 domestic and overseas subsidiaries in production, and that of 2018 covers 31 domestic and overseas subsidiaries in production.

### **Incident of excessive flue gas from Zijin's smelter in Serbia**

We have noted that the incident of excessive flue gas from Zijin's smelter in Serbia in September 2020 has attracted the attention of relevant parties. Although the flue gas emission problem of the smelter had existed for a long time in decades before we took over the smelter, we attached great importance to environmental protection and ecological development after the takeover. We have accumulatively invested USD77,679,800 in environmental treatment and ecological restoration. Through optimising operation, strengthening repair and maintenance, adding flue gas hood, applying weak alkali deacidification and other measures, the emission index of smelting copper per tonne decreased by about 40% compared with the two years before the takeover, and the ecological environment of the mining area has been significantly improved.

In order to completely tackle the problem of flue gas emission, we have started the environmental protection technological transformation project of the smelter, which is expected to be completed in 2021, in order to solve a long-term problem affecting the residents in the communities of Bor City where the project is located. We will also continue to maintain close communication and cooperation with the local government and communities to work together to improve the pleasant ecological environment of the project site.



Comparison of the slope of Zijin's tailings storage in Serbia before and after ecological restoration



## Management of solid waste

A large volume of waste, including tailings, waste rocks and hazardous waste, will be generated during the process of ore mining, selection, metallurgy and processing. In order to deal with the waste in a responsible manner, we reduce environmental impact, mitigate risks and fulfill our commitment to ecological environment protection through reasonable storage, disposal and recycling.

Tailings and waste rocks are the most common solid waste in the mining process. In order to reduce the storage volume of waste, we use the waste in underground filling and comprehensive utilisation first, and the rest are stored in the dumps or tailings storages meeting the local national standards. In addition, the anti-seepage of tailings storage is properly carried out in accordance with Standard for pollution control on the non-hazardous industrial solid waste storage and landfill (GB18599-2020) of China and the requirements of the local standards, so as to ensure the safety of underground water quality downstream of the tailings storages.

## Management performance of comprehensive utilisation and disposal of non-hazardous solid waste

Type of solid waste	Unit	2020			2019			2018		
		Production volume	Disposal volume	Comprehensive utilisation volume	Production volume	Disposal volume	Comprehensive utilisation volume	Production volume	Disposal volume	Comprehensive utilisation volume
Tailings	Million tonnes	98.6827	77.9514	20.7313	69.4199	56.1349	13.285	52.6252	51.5323	1.0929
	t/RMB10,000 of income	5.76	4.55	1.21	5.10	4.12	0.98	4.96	4.86	0.103
Waste rock	Million tonnes	438.8174	363.3920	75.4264	300.697	254.8106	45.8864	138.8531	116.745	22.1081
	t/RMB10,000 of income	25.59	21.19	4.40	22.07	18.7	3.37	13.10	11.01	2.09

Notes: 1. The production volume includes disposal volume and comprehensive utilisation volume, in which the disposal method mainly includes lawful storage and comprehensive utilisation including underground filling, uses in building materials, vegetation restoration, road paving and recovery of valuable components. 2. The statistical data of 2020 covers 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year), that of 2019 covers 34 domestic and overseas subsidiaries in production, and that of 2018 covers 31 domestic and overseas subsidiaries in production.



## Management of hazardous waste

Hazardous waste mainly includes waste engine oil, hazardous waste from copper and lead refining, etc. We identify and manage hazardous waste in strict accordance with the National Catalogue of Hazardous Waste (2020 Edition) and the definition of hazardous waste in the countries where the projects are located, and properly carry out the temporary storage, transfer and safe disposal of hazardous waste in strict accordance with the Standard for pollution control on hazardous waste storage (GB18597-2001), Multi-copy Receipt-based Administrative Policy on Hazardous Waste Transfer, the Notice in relation to Further Standardising Hazardous Waste Management of Zijin Mining Group Co., Ltd.\* (Zijin Ban [2016] No. 115), etc. All our operating projects are equipped with independent wind proof, rain proof and sun proof enclosed hazardous waste storage warehouses with warning signs, and the ground contains ditches for collecting leaking liquid and ground-flushing wastewater. In addition, in order to further control the volume of hazardous waste generated from refining business and reduce environmental risk, we carry out turning waste into resources and harmless treatment projects on the basis of increasing the comprehensive utilisation of waste.

## Management performance of comprehensive utilisation and disposal of refining hazardous waste

Type of hazardous waste	Unit	2020		2019		2018	
		Disposal volume	Comprehensive utilisation volume	Disposal volume	Comprehensive utilisation volume	Disposal volume	Comprehensive utilisation volume
Copper refining	Thousand tonnes	9.6	13.3	0.1	14	6.0	15.4
	10 <sup>-4</sup> t / RMB10,000 of income	5.60	7.76	0.10	10.29	5.66	14.50
Lead and zinc refining	Thousand tonnes	93.8	52.4	248.3	53.1	284.9	2.9
	10 <sup>-4</sup> t / RMB10,000 of income	54.69	30.55	182.44	39.02	268.79	2.73
Waste oil	Thousand tonnes	0.5	0.7	0.4	0.7	0.5	0.2
	10 <sup>-4</sup> t / RMB10,000 of income	0.29	0.41	0.30	0.49	0.43	0.15

Notes: 1. Hazardous waste from copper refining mainly includes lead filter cake, white smoke dust, arsenic filter cake and solidified slag. 2. Hazardous waste from zinc refining mainly includes lead-silver slag and iron jarosite slag. 3. Disposal mainly refers to outsourced disposal or landfilling, and comprehensive utilisation mainly refers to recycling, reuse, recovery of valuable components, etc. 4. The statistical data of 2020 covers 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year), that of 2019 covers 34 domestic and overseas subsidiaries in production, and that of 2018 covers 31 domestic and overseas subsidiaries in production.



## Noise management

The noise generated from the production process mainly comes from mine blasting, mechanical equipment, engines of motor vehicles, loading and unloading rocks to steel tippers, and other activities related to construction and mining. The subsidiaries strictly implement the Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution and relevant national laws and regulations of the host countries, and carry out noise environmental impact assessment of the area before project construction. In order to reduce the impact of noise on the external environment and human health, we try our best to adopt low-noise equipment, and regularly repair and maintain such equipment. In addition, enclosures, or appropriate sound barriers and/or noise containments are installed at or near the noise source equipment (such as crusher and ball mill), and noise reduction vegetation are planted around the site to reduce the noise level. Noise generated by transport vehicles on site are mainly controlled through speed control, restriction on honking and other measures. Through the above measures, we can control the noise within the requirements of China's Emission standard for industrial enterprises noise at boundary or IFC's General EHS Guidelines. We also provide necessary labour protection appliances such as ear plugs and ear protectors for on-site operators to protect their health.

## Biodiversity and land use

Biodiversity is closely related to humans' physical and mental health, air, drinking water, soil, climate and environment. It stabilises the whole ecosystem. In case of improper management, exploration, mining and refining activities may have adverse impacts on biodiversity and ecosystems, such as deterioration of air quality and water environment, serious soil erosion and damage to the self-healing ability of soil. We aim to play an active role in the management of biodiversity in the mine operation areas, and strictly abide by the Wildlife Protection Law of the People's Republic of China, Regulations of the People's Republic of China on Nature Reserves, Regulations of the People's Republic of China on Wild Plants Protection and the laws and regulations related to biodiversity of the host countries.



## Management approach

1. Avoid exploration, mining and any construction activities in sensitive areas such as natural reserves and ecological red lines.

2. Investigation and assessment on biodiversity conditions in the mining areas and the areas potentially affected by the mining activities shall be conducted before mining. As for the animals, plants or ecosystems protected by the countries or regions, in-situ or ex-situ conservative measures will be used to conserve the biodiversity of the mines.

3. During the whole life cycle of mines, land disturbance shall be minimised through the formulation of land rehabilitation or ecological rehabilitation programme, and the implementation of “control and treatment alongside development” model.

4. Upon stabilisation of the artificial ecological restoration, gradually transit to natural restoration, reduce human intervention, and gradually allow the ecosystem to achieve self-stability.

In terms of biodiversity management approach, we focus on pre-assessment, planning, restoration and rebuilding, and strive to minimise the disturbance to animals, plants and the land. We always prepare the environmental impact assessment reports before the kick-off of mining projects, assess the biodiversity in the affected areas, and put forward management measures. Proposal on Protection of Geological Environment of Mines and Land Rehabilitation should be formulated for all of our mining areas. In the early stage, we try our best to restore and rebuild by restoring the topsoil and planting locally endemic trees. In the later stage, we gradually increase the biodiversity and enhance the stability of the ecosystem through reasonable allocation of trees and shrubs.

As at the end of 2020, we had 11,491.26 hectares of disturbed land that had not yet been restored, including the dumping sites, mining sites, storage areas, landfill areas and other land areas in use and needed to be restored in the later stage. In 2020, through restoration and rehabilitation, greening and hardening were carried out at 401.25 hectares of land, among which greening was carried out at 333.3 hectares of land.

## Land use and restoration performance

2020	Hectares
Disturbed and unrestored land area as at the beginning of the reporting period	10,936.12
Newly disturbed land area during the reporting period	956.39
Newly restored land area during the reporting period	401.25
Disturbed and unrehabilitated or unrestored land area as at the end of the reporting period	11,491.26

Note: The above data is the sum of the statistical data of 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year).

## Continental Gold's biodiversity conservation cases

1. In order to properly carry out vegetation restoration in the mining area on a long-term basis and in a well-planned manner, Continental Gold has established a plant nursery base in the mining area, which is regularly maintained, fertilised and pruned.



2. The abundant wildlife resources around the mining area, in particular snakes and birds, are rescued and released.



3. As a founding member of the national animal protection organisation of Colombia, Continental Gold actively participates in the quarterly meetings of Animal Bank, a national animal protection organisation of Colombia, to study and discuss animal protection and biodiversity issues.

## Maintaining ecosystem diversity

In order to maintain the diversity of aquatic life in the rivers near the mining areas and improve the quality of regional water environment, we select local fish species and carry out proliferation and release activities in designated river locations every year under the guidance of local fishery departments and professionals, so as to achieve the goal of “fish farming with water and improving the water quality in return”. During the reporting period, Hunchun Zijin, the Zijinshan Gold and Copper Mine, Malipo Tungsten Group, Longxing in Russia and Zijin Copper organised the proliferation and release activities during the “Environmental Safety Month”, releasing more than 63,000 fish fries.



Proliferation and release activities carried out by subsidiaries

Besides, on the basis of ecological restoration, we carry out the “four seasons of flowering” project to enrich plant diversity and improve the quality and stability of the ecosystem. Taking the Zijinshan Gold and Copper Mine as an example, cherry blossom, crape myrtle, tea camellia, white magnolia, purple magnolia, azalea ball, hibiscus, bougainvillea, etc. are planted in the mining areas, improving the ability to deal with the risk of pests while beautifying the mining areas.



A corner of the garden-styled mining area of the Zijinshan Gold and Copper Mine



# Water stress

Access to safe and hygienic water resources is a basic human right, and water resources are also important resources for mining and processing. Our main goals of water resources management are improving water use efficiency and protecting the water quality and quantity of local communities and other users in the water basins. During the reporting period, we formulated and issued the Policy Statement on Water Resources Management to elaborate our responsible water use commitment and management approach.

## Water risk assessment

Our businesses span across five continents and many different climate zones, which means that different enterprises have to take different measures based on the local conditions to fulfill the above commitment. Our enterprises always conduct water use analysis and assessment before taking and using water. In particular, the enterprises that directly take water from rivers, lakes or underground have prepared the Water Resources Justification Report to analyse the current conditions of water resources development and utilisation, the rationality of water use, the impact of water resources development and utilisation on conditions of water resources and other water users, water resources protection measures as well as the rationality of such measures in the river basins or regions where the development projects are located.

## Management approach

In areas identified to be affected by or prone to water shortage, such as Xinjiang, Inner Mongolia and some other provinces in China, our water resources management plan pays special attention to solving the problem of reduction in freshwater supply to local communities and ecosystems. The wastewater generated from our production is recycled in entirety to minimise the use of new water. Greening irrigation system is also changed to drip irrigation and micro sprinkler systems, so as to improve the water use efficiency and reduce unreasonable waste.

In areas with heavy rainfall, there will be a larger amount of rainwater and surface runoff flowing into the plant. We set up clean water and wastewater separation systems to discharge the clean runoff with no contact with the polluted areas into the environment or into the municipal rainwater pipelines. The rainwater flowing through the production areas will be collected, treated by wastewater treatment facilities and reused for production or discharged after reaching the emission standards required by the project locations.

In order to ensure the safety of the river basins and groundwater of the places where the projects are located, we choose our project sites far from water sources, and monitor water quality at least once a quarter to ensure minimum impact of the projects on the rivers.

## Water consumption performance

In 2020, the total water consumption from our production was 693.5447 million tonnes, of which the new water consumption was 49.8149 million tonnes, accounting for 7.18% and mainly comprised of the water consumption in replenishment process and the water entrained by the products. The recycling and reuse ratio of water resources reached 92.82%.

## Water resources utilisation and recycling data

Indicators for 2020	2020
Total water consumption (million tonnes)	693.5447
New water consumption (million tonnes)	49.8149
Total water discharge (million tonnes)	41.9274
Water recycling and reuse ratio (%)	92.82
Water intensity (tonne/RMB10,000)	2.90

Note: The above data are the sum of the statistical data of 35 domestic and overseas subsidiaries in production (excluding enterprises under construction or in production for less than half a year), and recycling ratio = (total water consumption - new water consumption)/total water consumption.

## Environmental training

Environmental training is the main event of our annual “Environmental Safety Month”, which aims to provide opportunities for learning the latest environmental and ecological laws and regulations, operating skill training, key focuses of environmental and ecological management, etc. through a series of educational activities, so as to enhance employees’ business skills on environmental protection and ecological awareness. In order to further improve the effectiveness of training and implement the environmental laws and regulations in a timely and thorough manner, we plan to set up the training and learning module in Zijin Mining’s environmental and ecological information platform in 2021, and enable online distance learning by setting the training duration and contents.





Lecture on environmental knowledge of emergency drills for hazardous chemicals launched by Zijin Gold Smelting



Training on flood prevention knowledge provided by the Zijinshan Gold and Copper Mine

## Charitable publicity for environmental protection

In order to continuously enhance the ecological and environmental protection awareness of staff and strengthen environmental protection publicity, we have carried out the “Environmental Safety Month” event for ten consecutive years, which is held from 5 June to 3 July every year, in commemoration of the “7•3” environmental incident at the Zijinshan Gold and Copper Mine to learn from the past through the “6•5” World Environment Day activities.

We hope to enhance the ecological and environmental protection awareness of employees and permanent and temporary employees who provide services to us through various environmental protection publicity activities, and encourage our suppliers and contractors to practise eco-development production model together with us.



Employees of our subsidiaries spontaneously cleaned up the domestic garbage in and on both sides of the rivers near the mining areas



Rio Blanco Copper S.A. in Peru held a family environmental painting competition for employees



The management representative of Serbia Zijin Copper was interviewed by RTS (Radio Television of Serbia) on environmental protection publicity campaign

## Climate change

We fully understand the impact of mining activities on climate change, and energy is an important cost of our operation. Continuous improvement on operational efficiency, reduction of energy consumption and related costs, and reduction of greenhouse gas (GHG) emissions are the key driving factors for our sustainable development.

Based on the above factors, in order to reduce the impact of our production and operation activities on global climate change, we actively respond to the Paris Agreement and the National Strategy for Adaptation to Climate Change of the Chinese government, implement energy conservation and emission reduction through target management, and actively and continuously seek ways, methods and technologies for energy conservation and emission reduction in a progressive manner.

Our production activities mainly include mining and processing of non-ferrous metals, along with refining of non-ferrous metals. With the increase in the Company's operating projects and the expansion of production capacity, our total energy consumption volume is on the rise. Therefore, our goals of energy conservation and emission reduction will target at the reduction of energy consumption per unit of production capacity, and strive to comply with the TCFD framework.

During the reporting period, our total energy consumption increased by 88% compared with 2019, mainly due to the increase of 9 enterprises which were newly added and put into production. Meanwhile, the mine production capacity in China increased by 16%, while the total energy consumption increased by 12%.



## Management approach

1. Adopt low energy consumption production processes, intensive production process, etc. For example, efforts were made to promote processes that reduce the energy consumption in crushing and grinding in mining subsidiaries. Another example is that we have adopted processes such as biohydrometallurgy heap leaching for copper and hydrometallurgy heap leaching for gold at the Zijinshan Gold and Copper Mine and hydrometallurgy heap leaching for gold at Neimenggu Golden China.
2. Use energy-saving equipment and technology. For example, in our subsidiaries, we promote the use of energy-saving measures and technologies such as large-scale mining and selection equipment, LED light source for lighting in production and office areas, advanced high-efficiency energy-saving motors and more variable frequency equipment, and strengthen power factor management.
3. Improve energy structure management. Promote the use of clean energy and renewable energy which are conducive to emission reduction based on energy structure analysis and according to the characteristics of each production enterprise. For example, we established Zijin New Energy to promote photovoltaic power generation in subsidiaries with right conditions. By acquiring and operating hydropower stations to improve the energy structure, in 2020, we contributed 100 million kWh of clean electricity to the society by hydropower generation, and reduced the emission of CO<sub>2</sub>e by about 80,000 tonnes annually.
4. Absorption and emission reduction. Based on the principle of carbon dioxide absorption by green plants, the mining enterprises carry out restoration of abandoned mining sites and greening of production areas, and expand greening area to implement emission reduction plans. For example, the Zijinshan Gold and Copper Mine has carried out afforestation in industrial slag yard for many years, with an annual CO<sub>2</sub>e emission reduction of about 15,000 tonnes; Ashele Copper, Zijin Zinc in Xinjiang, Urad Rear Banner Zijin and other enterprises have carried out afforestation projects in the arid Gobi for many years, making contributions to large-scale greening from scratch.
5. Data management. We have set up an energy consumption data platform to monitor and manage the Group's energy use condition through the data platform on a day-to-day basis, and provide feedback on abnormal data for verification and rectification in a timely manner in order to reduce unusual energy losses. Through conducting data analysis twice a year, we have identified the ways to set energy-saving indicators, and implemented good energy-saving approaches. The consumption per unit of production capacity of the domestic mines decreased by 4% on a year-on-year basis.
6. On-site inspection and supervision and module management. Through on-site supervision and module management of energy conservation and emission reduction, we promote the initiative and standardisation of energy conservation and emission reduction in all subsidiaries, and provide advanced experience for exchange and sharing among subsidiaries.

## Management performance for greenhouse gas emission

Item	Unit	2020	2019	2018
<b>Greenhouse gas emission data</b>				
CO <sub>2</sub> emission from combustion of fossil fuels	Tonne	2,206,135	1,628,488	692,288
CO <sub>2</sub> emission from decomposition of carbonates	Tonne	189,880	53,765	43,590
CO <sub>2</sub> emission absorbed by carbonation technique	Tonne	/	/	/
CO <sub>2</sub> emission from consumption of net purchased electricity and heat by the enterprise	Tonne	3,002,277	2,401,669	1,725,253
<b>Total emission of greenhouse gases by the enterprise (electricity and heat included)</b>	Tonne	5,321,983	4,042,916	2,458,384
<b>Total emission of greenhouse gases by the enterprise (electricity and heat excluded)</b>	Tonne	2,274,956	1,805,635	716,101
<b>Total emission of greenhouse gases by the enterprise from the use of electricity generated from new energy outside electric grid</b>	Tonne	5.57	5.28	4.60
<b>Energy consumption data</b>				
Electricity purchased externally	Megawatt hour	4,469,389	5,346,431	2,520,479
Steam purchased externally	Tonne	-212,624	15,237	0
Electricity generated from new energy purchased externally outside electric grid (wind energy, solar energy, etc.)	Megawatt hour	5.80	5.50	4.80
Natural gas	Cubic metre	12,102,599	4,864,497	3,194,633
Diesel	Litre	230,451,406	234,421,765	83,686,048
Liquefied petroleum gas	Litre	0	1,355	1,405
Heavy oil	Litre	2,670	3,796	5,318
Kerosene	Tonne	0	58	87
Gasoline	Litre	2,740,132	1,277,756	873,733
Others (anthracite)	Tonne	576,687	/	/
Others (bituminous coal)	Tonne	239,140	98,221	40,746
<b>Equivalent total energy consumption</b>	Tonne of standard coal	1,544,608	819,187	601,961

Notes: 1. The above data is the sum of the statistical data of 41 domestic and overseas subsidiaries in production. 2. The number of subsidiaries included in the statistics for the years 2019 and 2018 is 31 and 24 respectively.



# Human rights

Respect for human rights is an important part of the Company's sustainable development strategy, for the purpose of avoiding human rights violations caused by the Company's businesses. During the reporting period, we incorporated respect for human rights into our Company's Policy Statement on Business Ethics Management, Policy Statement on Human Resources Management, Policy Statement on Security and Protection of Human Rights, Policy Statement on Management of Health and Safety and Policy Statement on Supplier Management in accordance with international conventions and guidelines such as the United Nations Guiding Principles on Business and Human Rights, Voluntary Principles on Security and Human Rights, OECD Guidelines for Multinational Enterprises, International Bill of Human Rights and International Labour Organisation (ILO) Core Conventions, and combining with international best practices, so as to expound our commitment to respecting human rights and our management approach.

## Management approach

1. Issue execution-related management policy statements, and ensure that relevant international standards and best practices are incorporated into all business management systems.
2. Ensure that the implementation of the human rights principles is communicated both internally and externally.
3. Hold training sessions with relevant staff and stakeholders to ensure that the relevant policies and procedures are fully understood and applied.
4. Regularly assess potential human rights incidents and report all human rights incidents with transparency.
5. Publicise our human rights commitments to local communities and other stakeholders, and consult with them on their expectations of human rights.
6. If necessary, ensure that memorandums of understanding (MOUs) with government are in place where public security forces are deployed in support of site security.
7. Ensure that the Company requires implementation of the Voluntary Principles on Security and Human Rights by private security providers and conducts regular monitor.



Relevant international human rights convention followed by the Company

# Labour management

As an important part of the Company's respect for human rights, employee value has been deeply embedded in the Company's objective management and daily operations. Human resources are the first resources, labour is the main body of the Company's value creation, and respect for talents and care for employees are essentially the respect for human nature and human rights. The Company's achievements depend on the continuous efforts of all employees and collaborators. Adhering to the principle of "balance development of the corporation, the employees and the society" and combining the dual principles of "material civilisation with spiritual civilisation", and guided by the basic principle of "respecting the basic rights of employees", the Company has established policies and management systems related to remuneration and dismissal, recruitment and promotion, working hours, leaves, equal opportunities, freedom of association, diversity and inclusiveness, anti-discrimination, prohibition of child labour and forced labour, support for women and other welfare and benefits, such as Basic System of Human Resources Management, Implementation Measures of Employee Recruitment, Job Management Measures, Managing Policy on Attendance and Leave and Remuneration System of Zijin Mining Group Co., Ltd.\*, so as to protect the basic rights and interests of employees and fully implement the "people-oriented" concept.

## 36,860

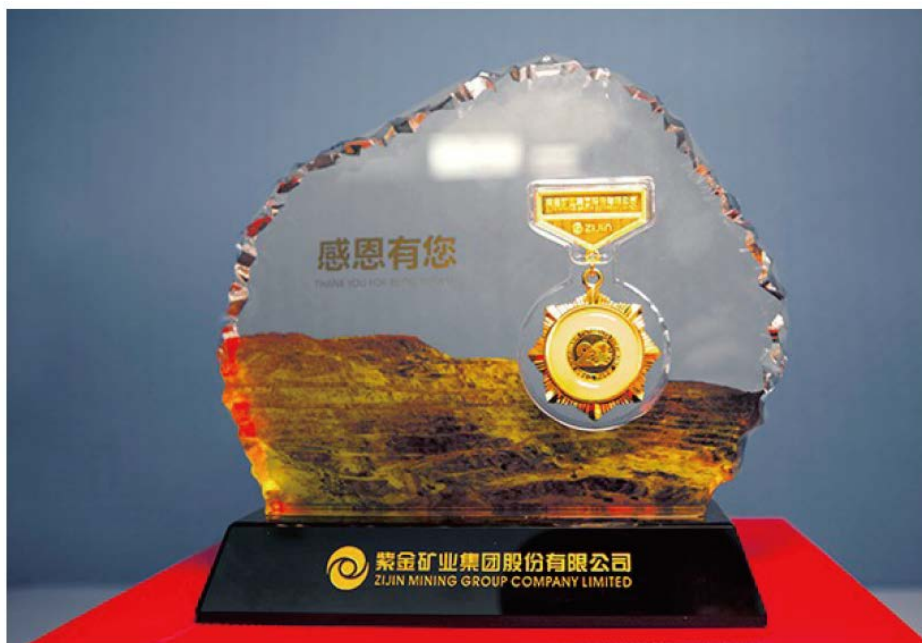
Average number of employees per month of the Company (including foreign employees of overseas enterprises)

## 100%

Labour contract signing rate and social insurance coverage rate of the Company's employees

## 16.14%

Proportion of female employees (excluding certain overseas enterprises that are not included in the statistics due to privacy reason)



In order to extend gratitude to the employees for their contributions to the Company's development, the Company distributed a commemorative medal for the 20th anniversary of the Company's share reform



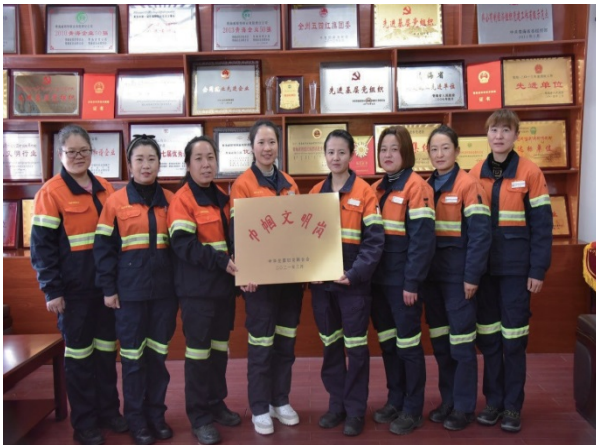


Zeravshan in Tajikistan held celebration activity for International Women's Day on 8 March



Longxing in Russia cares about the female employees' development

Every year on "8 March" International Women's Day, all subsidiaries of the Company carry out a variety of activities and extend holiday greetings and good wishes to show respect and care for women.



The laboratory of the Production Technology Division of the subsidiary, West Copper, won the honourable title of "National Women's Civilised Post", and Ma Guilian, from the grinding and floating selection workshop of processing plant, won the honourable titles of "March 8th Red Banner Pace-setter" of the country as well as Qinghai Province.

## Remunerations and benefits

We always adhere to the concept of "sharing the fruits of development with employees". The Company has established a remuneration structure conducive to the development of employees based on basic salaries and supplemented by performance bonuses, allowances and benefits, and formulated a point-based remuneration increment mechanism. Apart from ensuring that the remuneration standard of employees is higher than the minimum wage standard and statutory benefits in the host countries (such as the employees' security in pension, medical care and unemployment), the Company also implements a comprehensive remuneration plan covering employees at all levels, including "salary, welfare, career development and work-life balance", to reward employees not only with material resources (including monetised benefits such as salary and performance bonuses, as well as non-monetised benefits such as paid leaves and further education opportunities) but also with spiritual resources (growth, balance, care, etc.).

### Comprehensive remuneration plan mainly includes:

1. Employees receive the salary income matched with their positions and values created, and participate in the performance reward plan. For example, in 2020, the Company implemented a restricted A Share incentive scheme for key talents, establishing an effective incentive and talent retention mechanism for the long term.
2. Employees receive various trainings provided by the enterprise for continuously improving their employability both inside and outside the organisation. Suppliers and contractors are gradually incorporated into the unified training system.
3. Employees have rooms for career growth, a career platform and promotion opportunities offered by the enterprise. They are also provided with multiple parallel career advancement tracks in line with the characteristics of career development.
4. Employees receive all kinds of welfare conditions established by the enterprise using organisational resources, including but not limited to the implementation of the security plans for employees' pension, medical care and unemployment in the countries and regions where the businesses are located.
5. Employees gain rare exposures and experiences (internationalised and cross-cultural) provided by the enterprise. The Company has established internal mobility channels combining recruitment, competition for employment, referral, etc. to provide broad internal exchange opportunities for employees.
6. Employees are provided with paid leaves by the enterprise to meet their leisure needs.

Carry out enterprise annuity system and implement “remuneration multiplication” scheme:

**Over 20%**

Remuneration increase  
of non-managing  
personnel in 2020

**Over 12%**

Remuneration increase  
of managing personnel  
in 2020



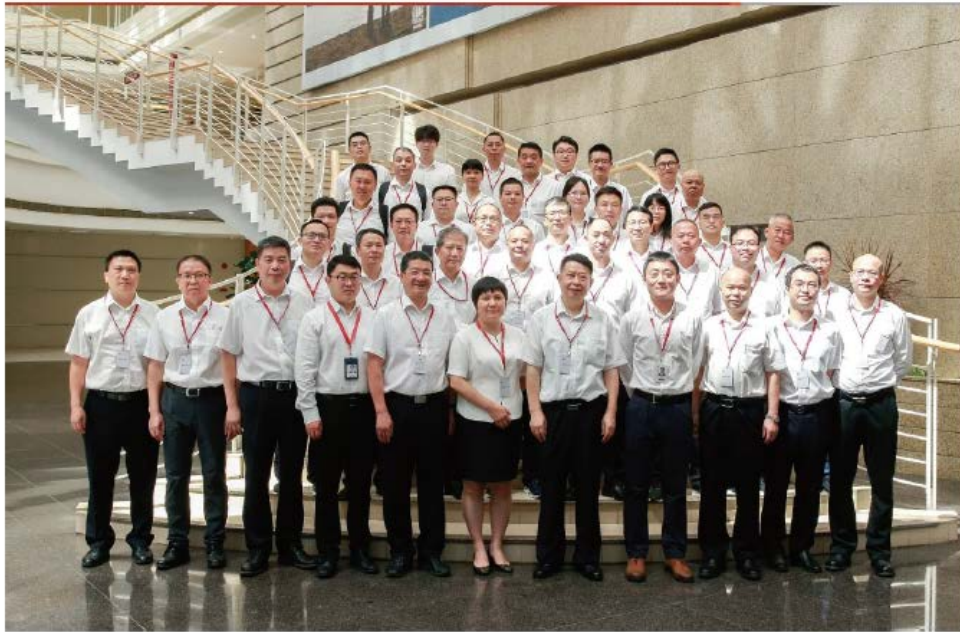
The Company held the “Best Ten” Zijin employees contest

## Training and education

The growth of employees is the cornerstone of the enterprise's success. Therefore, ensuring that our employees receive the right continuing education and skills training is paramount to the Company's sustainable development. The Company has developed an education and training system with well-established hierarchy and ranks of broad coverage guided by internationalisation, and actively conducts career planning for employees. In order to achieve this, we formulated the Training Management Policy and provide a series of development plans to establish and maintain a workforce with appropriate skills and high performance to realise our business strategy. The education and plan include:

1. On-the-job development, including skill tracking and technical training required for specific job functions. For example, we have formulated and issued the Guidelines for Construction Work for Industrial Workers and Administrative Measures for the Cultivation of Craftsmen, extending the evaluation and employment model of skilled workers (technicians) to all units of the Group; identified the positions holding key skill in the front line, further clarified the entry criteria for key positions, and took the initiative to offer necessary preferential treatment. We have made every effort to promote the evaluation and employment of craftsmen and the establishment of craftsman studios, and further drive for innovation, vitality and artisanship starting from the entry-level employees.
2. Formal training and development plan. We have established the training mechanisms for special talents such as "senior reserve talents", "outstanding youth talents", "outstanding craftsmen" and "outstanding graduates", which have been operated in a more institutionalised manner, and efforts have been intensified to train cadres through multi-disciplinary and multi-regional rotation.
3. Continuing education opportunities, providing continuing education opportunities through bursaries. For example, we provide bursaries for pursuing higher education and subsidies for qualification examinations to improve the quality of employees. If employees obtain any registration qualification certificates related to their posts, the tuition fees will be reimbursed in full, and they are entitled to extra points in remunerations.
4. Build career development channels for three types of talents: administration, business management and technical profession, allow employees to pursue their personal value to the full extent, and promote the common growth of employees and the Company. For example, the Company has set up training courses for mining technical workers, training courses for safety internal trainers, training camps for internationalised talents, training courses for senior management personnel and training courses for outstanding youth talents, so as to adapt to the enhancement of knowledge and management level of employees at all levels. During the reporting period, the Company basically achieved full coverage of training for all senior management personnel and entry-level technicians.





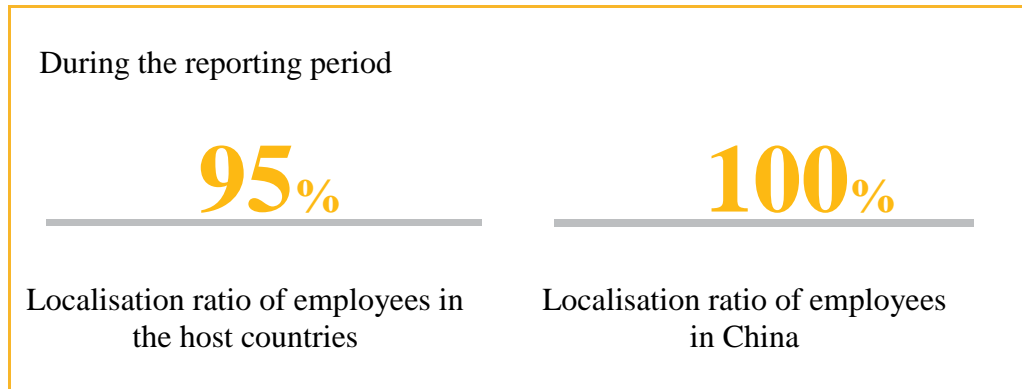
Senior management of the Group took part in collective training programme



Continental Gold, a subsidiary in Colombia, subsidised its employees and their children to pursue higher education

## Diversity and equal opportunities

We adhere to a localised and diverse policy, provide equal employment opportunities for people in the host countries, treat employees with different nationalities, ethnicities, genders, religious beliefs and cultural backgrounds fairly, actively address employment problems of the host countries of the projects, and train talents for the sustainable development of local economies.



## Collective bargaining

We emphasise the roles of democratic management, democratic participation and democratic supervision of employees. All of the Group's enterprises in China have established trade union organisations in accordance with laws and regulations, hold elections of employee representatives and convene employee congress regularly. The trade union is responsible for signing the Collective Agreement on Employee Salary and Collective Labour Contract with the Company on behalf of employees through collective bargaining. Outside China, we set up trade unions or other rights protection organisations in accordance with the relevant laws and regulations of the host countries to protect the legitimate interests of employees in employment, salaries and benefits, leave and vacation, labour safety and health, social insurance, etc.



The Company regularly holds elections of employee representatives

## Employee communication

We emphasise transparent two-way communication with employees. We collect and respond to employees' expectations and demands through various channels, such as employee congress and employee mailbox, so as to protect employees' rights to know, to participate, to manage, to vote and to supervise, and promote the healthy and harmonious development of the enterprise. At present, we are developing an online internal platform for conducting employee satisfaction survey as we endeavour to communicate with employees in an honest and constructive way.



COMMUS distributed holiday goodies to employees

## Annual employee turnover and employee training performance

Distribution and turnover rate of employees of the Company in the recent three years						
Item	Number of employees			Annual employee turnover (%)		
	2018	2019	2020	2018	2019	2020
By gender						
Male	23,196	28,923	26,625	7.28	5.33	4.46
Female	4,359	5,560	5,126	9.86	6.92	5.88
Total	27,555	34,483	31,751			
By employment type	2018	2019	2020			
Employed by the Company's headquarters	2,667	2,825	2,911			
Contract workers	159	126	113			
Employed by the subsidiaries	25,322	33,654	33,836			
By age group	2018	2019	2020	2018	2019	2020
< 30 years old	6,379	6,032	5,403	7.77	9.02	8.87
30≤Y<50 years old	17,634	21,777	20,251	6.57	4.95	4.25
≥50 years old	3,855	6,705	6,111	6.15	3.92	2.64
By geographical region	2018	2019	2020	2018	2019	2020
Chinese employees	19,209	20,018	20,302	9.23	8.88	7.79
Non-Chinese employees from other countries	8,970	16,587	16,558	/	/	/

Explanation: In 2020, the annual employee turnover is 4.69%, and the number of part time workers is 0.

Note: calculation method: the above is calculated by summing the statistical data of all of the Group's subsidiaries. Restricted by personal privacy, protection of laws and other reasons, data relating to age group and gender of certain employees are incomplete, therefore the sums of the numbers of employees by gender and age do not equal to the total number of employees, and the annual employee turnover of overseas employees cannot be calculated.

### Career development trainings for the Company's employees in 2020

By position/project	Number of persons received training	Proportion of persons received training	Average training hours	By gender	Average training hours
Senior management personnel	189	93.1%	25.4 hours	Male	25.1 hours
Middle management personnel	899	93.2%	27.1 hours	Female	34.5 hours
Ordinary employees	25,365	93%	27.7 hours		

Notes: 1. The above is calculated by summing the statistical data of all of the Group's subsidiaries. 2. The senior management personnel in the table refers to the respective persons-in-charge of the subsidiaries and the Group's headquarters but excludes the senior executives at the Group's headquarters. 3. The average training hours classified by gender in the table cover all employees.



# Occupational health and safety

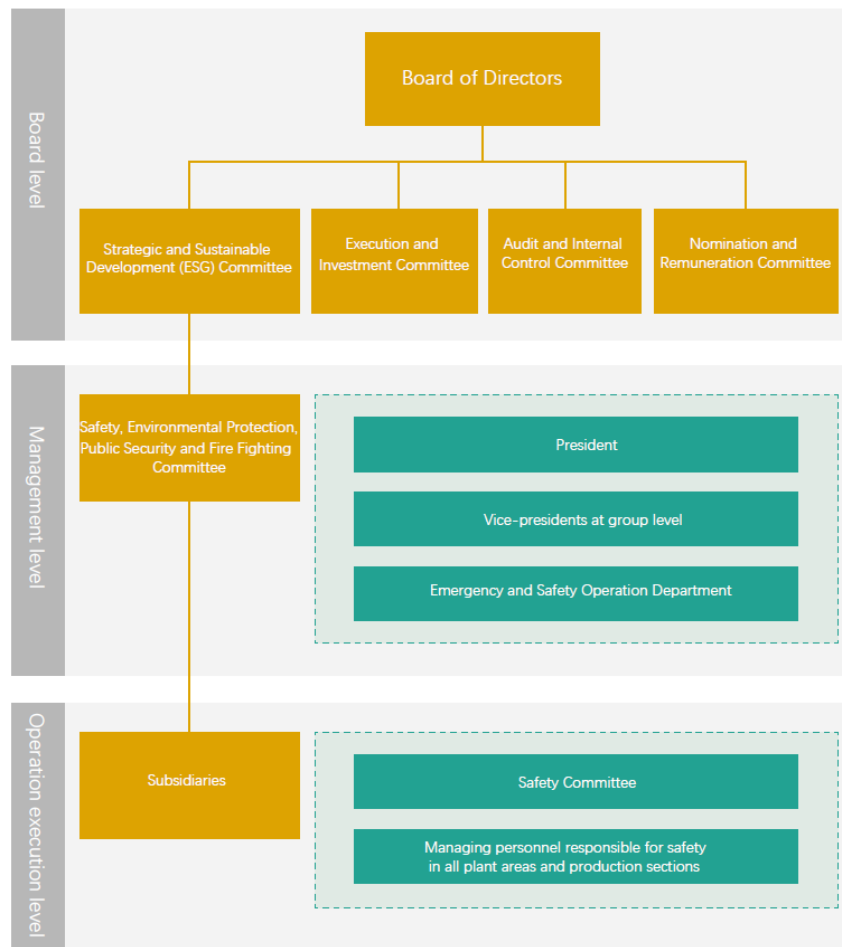
It is also an important part of our respect for human rights to protect the health and safety of employees, contractors, suppliers, communities and stakeholders, which is extremely vital to us. We regard occupational health and safety as the core value of the enterprise, fully implement the main responsibility of enterprise production safety, and firmly establish the safety concept of “life comes first”. Guided by the “Top Ten Safety Principles of Zijin Mining”, with the realisation of “zero work-related fatality, zero occupational disease” as the work objective, the construction of occupational health and safety system as the main line, the safety risk management as the work focus, and the implementation of production safety accountability system of all employees as the key, we continuously improve the safety capability guarantee and intrinsic safety level and build a long-term mechanism for production safety. During the reporting period, we formulated and issued the Policy Statement on Management of Health and Safety to expound our responsible commitment to and management approach on health and safety.

## Management approach

1. Comply with applicable regulatory requirements on occupational health and safety in the places where the Company operates, including relevant standards for industry management, and endeavour to adopt leading industry practices and standards to establish a leading system for occupational health and safety management.
2. Under the leadership of the Board of Directors, senior management (including the president) shall be accountable for the health and safety strategies and performance of Zijin Mining, with commitments to ensuring safe working conditions, serving as role models, and starting from themselves and in details to create and nurture a positive and healthy safety culture.
3. All employees and contractors shall be responsible for their own safety and the safety of those around them, and shall participate in activities that can reduce operational risks. They shall have the right to intervene whenever the work conditions are unsafe.
4. Minimise health and safety risks to which the employees, contractors and visitors are exposed to by identifying and assessing hazard factors, formulating and implementing the corresponding measures for engineering technologies, safety management, education and training, individual protection, emergency treatment, etc.
5. Set targets for health and safety performance at all levels and functions (including the senior management), and incorporate related performance into factors for evaluating remuneration. Periodically review the effectiveness and sustainability of the current health and safety management system and provide the leadership and resources as required to ensure continuous improvement in our operations.
6. Communicate with, in a transparent manner, and engage internal and external stakeholders in respect of the Company’s policies on health and safety management and its performance, and openly disclose the same to the public.



## Occupational health and safety management system



In order to make full use of the management system, we regularly review the effectiveness and sustainability of the current system of each enterprise, and realise the visualisation, transparency and platformisation of the operation of systems by means of informatisation. The evaluation results of the operation of systems are considered as an important basis for enterprise's safety performance evaluation. We have deepened the reform and development in production safety, benchmarked against the world's first-class companies, and continuously improved the safety management system with Zijin's characteristics. In November 2020, we started the development of safety management system with Zijin's characteristics at the Zijinshan Gold and Copper Mine as a pilot. After completion, a system with manuals and guidelines as the main contents and a safety risk prediction and early warning information system will be formed to achieve the goal of informatisation management and control of production safety risks. Through the implementation of this system, we plan to preliminarily set the safety benchmark within the industry in 2-3 years.



In November 2020, the project for developing safety management system with Zijin's characteristics was officially launched

For example, Ashele Copper has carried out occupational safety and health work by adhering to high standards and strict requirements for many years. It has explored an effective and unique occupational safety and health model, and achieved good occupational safety and health performance. In 2020, China Occupational Safety and Health Association summarised and upgraded the advanced management model of Ashele Copper and prepared the Research Report on Innovation and Development of Occupational Safety and Health Management Model of Ashele Copper Co., Ltd., which discussed in detail the key elements for establishing the occupational safety and health management model, created and promoted the occupational safety and health management system and model, and promoted the safety development of Zijin Mining's subsidiaries as well as the mining enterprises in China.



Ashele Copper's experience was introduced at the China Occupational Safety and Health Management On-site Conference

## **Inclusion of contractors into the occupational health and safety management system**

We include contractors in the occupational health and safety management system, implement a unified management of production safety according to the “Four Sames” management model, namely the same treatment, the same management methods, the same requirements and the same improvement, and strictly control contractors’ qualification, production safety performance, team quality, construction supervision and site management, so as to achieve unified system, unified standards and cultural integration.



Serbia Zijin Mining, a subsidiary, carried out safety training together with its collaborators

## **Certification of occupational health and safety management system**

We regard occupational health and safety as the core value of the enterprise, strictly abide by relevant international standards, laws and regulations of the host countries, including relevant industry management standards, and devote ourselves to establishing a leading occupational health and safety management system by using industry-leading practices and standards. We actively promote ISO 45001 and other safety management system certifications for production safety standardisation throughout the Company, continuously improve occupational health and work safety management level, and build a long-term mechanism for production safety.

During the reporting period, our mining and refining enterprises in China were basically covered by the Chinese occupational health and safety management system certification, with a 43.2% (19/44) coverage of ISO 45001 certification across our mining, refining and processing enterprises. As the Company steps up the pace of internationalisation, we will comprehensively promote the development of international occupational health and safety management system, and achieve full coverage of ISO 45001 certification across all our mining, refining and processing enterprises by 2022.

## Occupational health and safety management policy

We insist on following the laws and regulations, regularly identify relevant laws and regulations on production safety and occupational health of the host countries, compile and publish the *Compilation of Laws and Regulations on Work Safety*, and carry out policy interpretation and publicity. During the reporting period, based on the original occupational health and safety system, we organised the formulation and revision of 4 sets of work safety rules and regulations, including a series of systems such as the production safety assessment management system as well as the hidden danger of production safety accidents and accident reporting management standards, improved the reporting and grievance mechanism for employees (the access to which is also made available to collaborators), designated the reporting hotlines and reporting mailing addresses, and maintained unimpeded communication and complaint channels to ensure employees' health and safety.

## Investigation and prevention of the risks of occupational health and safety hazards

We comprehensively promote the three-year action of special rectification on production safety, improve weak links, fix loopholes, address vulnerabilities, and raise the standards to control risks, eliminate hidden dangers and prevent accidents by the system. The dual prevention mechanism of risk classification control and hidden danger investigation and management adopted by us in safety management has been recognised and promoted by the governmental emergency administrative departments. We focus on the weak links and key issues, implement “one theme for each quarter and one action for each month”, highlight the prevention and resolution of major safety risks, and achieve “monthly improvement and quarterly achievements”. We implement the risk management and control measures of “no operation is allowed before risk identification” and “one document, one certificate and two lists” at the base level, focus on change management, standardise the risk identification and control of unconventional operations such as hazardous, temporary and sporadic operations, and ensure that all operations are under control in the whole process.

We actively explore and innovate the supervision and examination mechanism of production safety. Based on the principle of “overall consideration, classification and stratification, highlighting key areas and efficiency improvement”, we carry out daily safety supervision, annual target accountability evaluation review and key period inspection, focus on the development, implementation and operation of safety management system and the control of key risk points of each business unit, and include business units with higher level of production safety risk or occupational disease hazard risk in the scope of key review. During the reporting period, the coverage of our on-site safety inspection on mining, refining and processing enterprises in China was 100%. We carried out concentrated risk investigation on 15 tailings storages of 8 enterprises, formulated the manual of the whole-cycle management process standard of Zijin Mining' tailings storages, required 49 tailings storages of 27 subsidiaries to conduct self-checking and make self-correction according to the manual, and implemented systematic and standardised whole-process management. In October 2020, we also started the project of real-time management and control system of risk prediction and early warning for Zijin Mining's tailings storages, in order to prevent risks through informatisation and intelligent monitoring.





Chen Jinghe, chairman of the Company, was guiding the safety work at Luoyang Kunyu



Zou Laichang, the president of the Company, was leading a team to conduct safety inspection at the production frontline of the Zijinshan Gold and Copper Mine before the Mid-Autumn Festival and National Day holidays



## Prevent and mitigate occupational health and safety impacts directly related to business relationships

About RMB**891** million

Total production safety expenses invested during the reporting period

We emphasise continuous improvement of safety capability guarantee and intrinsic safety level, promote the deep integration of information technology and production safety, establish a long-term, effective mechanism for production safety, prevent and mitigate possible occupational health and safety impacts in the workplace.

For example, in order to overcome the physical and psychological weaknesses of human beings, integrate the standardised safety management behaviours across all the key businesses, and further enhance intrinsic safety, we independently developed the “Safety Information Platform for All Employees of Zijin Mining” in order to realise early warning and forecast of production safety risks and the whole-process management and control of all posts. The system will be initially completed and applied in 2021.



Safety information platform for all employees of Zijin Mining

West Copper, a subsidiary, applies 5G technology to empower work safety. Excavators are remotely operated through 5G technology and electric unmanned haul trucks were used for transportation, making West Copper the first mining enterprise in Qinghai Province to apply 5G technology in mining production.



The excavator remotely controlled by the excavator driver through 5G technology is working on the slope of the mining area in an orderly manner



The excavator remotely controlled by the excavator driver through 5G technology is working on the slope of the mining area in an orderly manner



The Zijinshan Gold and Copper Mine has implemented the transformation of unmanned railway electric locomotive to shift the staff operation from underground to the ground surface, in order to reduce risks, improve the work environment and occupational health of the employees.

## Occupational health and safety training

On the basis of the summary of experience, pilot promotion and continuous improvement, we have formed the safety training model of “Five Firsts” (training, teaching materials, question bank, assessment and spot check), which are for the purposes of ensuring employees are qualified for their jobs and continuously improving their skills, carried out safety training examination for everyone, established a safety training and examination platform, consolidated the safety training model, and implemented the visualisation, standardisation and systematisation of safety training. During the reporting period, the Company conducted safety trainings for a total of 239,700 times, with each person receiving safety trainings for about 6.8 times in average, each manager receiving safety trainings for no less than 12 hours in average, and each operator receiving safety trainings for no less than 20 hours in average.

## Promoting workers’ health

Occupational health affects personal health and family happiness of employees. We are committed to continuously improving the work environment of employees, using wet drilling and spraying water to reduce dust right after blasting operation while improving ventilation. We have sealed and isolated noise sources, distributed anti-dust masks, earplugs and other labour protective equipment as required, and provided workers with break rooms and control rooms to reduce the operators’ duration of exposure to hazards.

We implement the “three simultaneities” strategy for our occupational disease prevention facilities, prevent and control occupational hazards from the source, and protect employees’ rights and interests to good health in accordance with laws. We have established a routine monitoring mechanism for occupational hazards, defined internal and external monitoring cycles, built ledgers for monitoring, organised regular occupational health examination for employees, established occupational health monitoring with “one file for each person”, implemented the mechanism of job rotation and job shift for personnel exposed to occupational hazards to reduce the risk of occupational hazards, actively promoted automation and remote control technology, and promoted online monitoring and early warning of occupational hazards such as dust, noise and harmful gases, to effectively secure the employees’ occupational health and safety.

During the reporting period, we also held trainings of registered occupational hygienists. 86 employees passed the examination and obtained hygienist certificates, further strengthening the professional team of health management.

## Occupational health services amid the COVID-19 pandemic

To fight against the COVID-19 pandemic, we have adopted special occupational health services. We organised body temperature monitoring of all employees by strictly controlling the access and blocking suspicious sources, focused on the screening and control of those with abnormal body temperature, continuously disinfected common areas and transportation vehicles, canceled internal gathering activities to fully secure the health of employees. We are not only concerned about the physical and mental health of employees, but also actively participate in improving the public health and medical service conditions in the project areas.



Zeravshan's fixed temperature measuring points cover the whole mining area



Temperature measuring point for the employees of COMMUS

## Safety performance

We measure our safety performance by tracking the combination of process indicators and result indicators, emphasising both the safety consequences and the process implementation efficiency of the safety management system. We are committed to achieving zero work-related fatality and zero new occupational disease, and have set the health and safety performance targets of reducing the lost time injury frequency rate per a million hours worked and the recordable injury frequency rate per a million hours worked by 10% every year from 2020 to 2022. We have not included non-occupational injuries and non-work related fatalities in the statistics of our safety performance indicators, but we are still committed to disclosing incidents related to production safety in our mining areas with transparency, paying attention to employee safety during non-working hours, and promoting the formation of good safety habits of employees through various measures to prevent non-occupational injuries and fatalities.

During the reporting period, there were no work-related fatalities among our subsidiaries' employees, and the lost time injury frequency rate per a million hours worked and the recordable injury frequency rate per a million hours worked also dropped significantly year on year. Unfortunately, two work-related fatality incidents occurred at the Timok Mine in Serbia on 24 April 2020 and 21 November 2020 respectively, resulting in the death of 2 employees of contractors. We fully acknowledge that the contractors' employees and our own employees are all members of the Zijin family and no work-related fatality incident is acceptable. We have carefully analysed the cause of the incidents and formulated corrective and precautionary measures to ensure no recurrence of similar incidents.



## Safety performance indicators of the Group in 2020

Safety indicators per a million hours worked	2019	2020	Year-on-year change
Lost time injury frequency rate per a million hours worked (LTIF)	0.9	0.3	-66.7%
Total recordable injury frequency rate per a million hours worked (TRIR)	1.4	0.7	-42.9%

Notes: 1. Method of calculation:  $TRIR = \text{number of persons involved in recordable incident} \div \text{total man-hours} \times 1,000,000$

$LTIF = \text{number of persons involved in lost time incident} \div \text{total man-hours} \times 1,000,000$

2. Scope of the statistics: 49 subsidiaries from mining, refining and processing, logistics, testing technology and property logistics segments.

## Rights of indigenous peoples

Respect for the rights of indigenous peoples is also an important part of our respect and protection of human rights. We respect the collective and customary rights, culture and connection to the land of indigenous peoples. We will work to obtain their free, prior and informed consent where significant adverse impacts may occur during exploration, project design, operation and closure, and provided assistance for sustainable development.



## Management approach

1. Abide by the host countries' policies and regulations on human rights/indigenous peoples, respect the collective and customary rights, culture and connection to the land of indigenous peoples.
2. Before commencing operation at a new site, collaborate and obtain input from indigenous peoples potentially or actually affected by the Company's operations; use such input to help develop appropriate policies and procedures for dealing with indigenous-related matters.
3. Ensure that during exploration, permitting and project development - and then on an ongoing basis - there is regular engagement and consultation with relevant indigenous groups.
4. Ensure that a culturally appropriate grievance/engagement mechanism is in place for indigenous groups whereby they can access the Company, and ensure that these communications are appropriately dealt with.
5. Ensure that training is available to all staff working in operations or exploration activities where indigenous cultures are present or with which they are associated.
6. When carrying out business activities, respect the rights, interests, aspirations, culture and natural resource-based livelihoods of indigenous peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts and deliver sustainable benefits for indigenous peoples.
7. Work to obtain the free, prior and informed consent of indigenous peoples where significant adverse impacts are likely to occur as a result of relocation, disturbance of land and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.
8. Ensure any agreements with relevant indigenous cultures are maintained with, where necessary, dedicated and specialised staff or advisers to manage these relationships.
9. Report externally (e.g., via the ESG reports) on Company efforts and activities related to the inclusion of and communication to indigenous peoples.

## **Community communication and grievance mechanism**

The Company's projects span across different countries. They are affected by different geological locations and cultures. Good community communication is an effective way to build community trust and achieve harmony and common prosperity between the enterprise and the communities. We set up community relations coordination departments based on the culture, customs and social conditions of the host countries with good faith, and formulated and implemented a communication and grievance mechanism in line with Zijin Mining's community management policy according to our own conditions. During the reporting period, we had been actively building a more systematic community communication and information statistics mechanism according to the suggestions made by stakeholders regarding disclosure of data relating to community communication and feedback. We will systematically disclose our community communication records at a later stage through the Company's official website or in the ESG report of the next year.

Community relations coordination departments of all subsidiaries must prepare and implement a communication work policy for the community.



Each community relations coordination department must review and amend the grievance mechanism annually to ensure its continuing effectiveness.



Community relations coordination departments must provide a communication report to the general manager and relevant departments regularly.



If community relations coordination departments discover any irregularities (e.g. violation of codes relating to human rights, security, environment or others), they shall immediately report to the Corporate Social Responsibility Department at the headquarters.



The Corporate Social Responsibility Department at the headquarters shall report the violations to the Company's Board and deal with the relevant issues according to the Board's opinion.

#### Community communication and feedback procedure



Listening to education practitioners' demand in the community



## Security practices

In China, the personnel and property of the Company shall be safeguarded by the Chinese government, with police or corporate security officers stationed by the government to maintain public order. Outside of China, we mainly rely on the government of the host countries/security companies and security forces hired by ourselves for operation and management, in order to manage the risk of human rights violations related to security. During the reporting period, we complied with the Voluntary Principles on Security and Human Rights (VPSHR), prepared and issued the Policy Statement on Security and Protection of Human Rights. All relevant management personnel have received training. The main contents are as follows:

### Management approach

1. The Company requires all private security agencies to follow the relevant laws, regulations, professional standards and codes of the countries (regions) in which they operate. It requires all private security agencies to act in compliance with laws in the course of providing professional services.
2. All private security agencies shall formulate relevant policies on appropriate conduct and local use of force, and shall be subject to the supervision of relevant governmental authorities or law enforcement agencies, as well as the review by the Company or a third party engaged by the Company to ensure that such private security agencies are operating in compliance with local laws and the requirements set out in this policy.
3. The Company requires all private security agencies to solely provide preventive and defensive security services within the areas which are lawfully operated by the Company, and not to engage in military or security activities outside such areas.
4. Private security agencies shall designate intrusive services, technologies and equipment with a defensive purpose to be for defensive use only, and shall provide necessary training to security officers to ensure that they maintain a high level of technical and professional competence.

## **Third-party supervision**

In terms of the law enforcement authority and human rights issues of security personnel, for example, the handling of public safety incidents directed against personnel's safety and production order occurring near to or inside the project areas, such should all be handled by public officials dispatched by the local governments or security agencies with law enforcement authority. Where disputes arise in the course of handling a security incident, the Company will cooperate with the governments of the host countries to deal with such matters through negotiation.

## **Accident of the CARRILU mining project in the DR Congo**

In August 2020, seven bandits broke into the Chinese camp area of the Company's CARRILU mining project in the DR Congo to rob and plunder. There were armed bandits and unfortunately, in the course of driving away the robbers, a Chinese employee was shot and died on duty despite rescue efforts. We are deeply sorry for the killed employee and his family, to whom we immediately offered condolences and compensation. Meanwhile, we requested the government to carry out an investigation. The Company has comprehensively reviewed the existing security measures, vigorously strengthened the security forces and equipment of the Group's overseas projects, and set up a security specialist in the Group's Overseas Operating Department to issue relevant policy guidelines.

# Society

## Community engagement

We believe that the development of enterprises is closely linked to the sustainable development of communities. We contribute to the socio-economic advancement of communities associated with our operations and treat them with dignity and respect. We ensure that we engage with communities, including traditional leaders, in a culturally appropriate manner. We are alert to the dangers of causing differentially negative impacts on women, children, indigenous peoples and other potentially vulnerable or marginalised groups, and strive to ensure that the voices of these groups are heard and that this knowledge is integrated into how we do business.

### Management approach

1. We will consult regularly and in good faith with the communities associated with our operations on matters of interest to them, and will take account of their perspectives and concerns.
2. We will ensure that we engage with communities, including traditional leaders, in a culturally appropriate manner. We will be alert to the dangers of causing differentially negative impacts on women, children, indigenous peoples and other potentially vulnerable or marginalised groups. We will strive to ensure that the voices of these groups are heard and that this knowledge is integrated into how we do business.
3. We will ensure that the communities associated with our operations are offered meaningful opportunities to benefit from our presence, including through access to jobs and training, and procurement opportunities for local businesses and social investment.
4. We will seek to obtain and sustain the broad-based support of communities affected by our activities.
5. We will work with local authorities and community leaders to control or manage the impact of migratory influxes of people attracted by mine development.



## Resettlement

We carry out the resettlement plan by following the principles of resettlement and economic displacement outlined in the IFC performance standards and in accordance with the relevant laws and regulations of the host countries. We will seek to avoid involuntary resettlement. Where this is unavoidable, we will proceed on the basis of meaningful consultation with affected communities, a publicly available planning framework, restoration of established livelihoods and the provision of fair and timely compensation. We will seek to minimise adverse impacts on displaced people.

## Management approach

1. According to the laws and regulations of the host countries, a detailed resettlement action plan should be formulated, which outlines the process for physical resettlement and/or economic displacement.
2. Consult international best practice frameworks for resettlement. Where involuntary resettlements occur, use publicly available planning frameworks and ensure that consultations with affected communities occur as outlined in such frameworks.
3. Ensure affected communities are compensated fairly and on time.
4. Where involuntary resettlements occur, we will use external consultants with international experience to advise on the process.
5. Monitor the status and wellbeing of resettled households to ensure livelihoods are better off than previously.
6. Establish a grievance mechanism for use by people affected by resettlement.

During the reporting period, we carried out the resettlement project in Jingmei Village, which is next to the Zijinshan Gold and Copper Mine in China. We successfully completed the land and economic compensation in connection with the resettlement project for about 2,400 local residents, helping them relocate from remote mountainous areas to new urban resettlement sites. In addition, we have provided them with lawful compensation, formulated follow-up support plans, and provided job skills training and job opportunities to improve and restore their living standards.





A view of the Jingmei Village resettlement project

## Local procurement

If it is advantageous to source a material locally, we prioritise procurement from local companies in our procurement process, consider community needs, cultivate and develop local enterprises through the supply chain, increase local governments' tax income and make contributions to the community economic development. For example, in 2020, our enterprises in the DR Congo cooperated with 24 local suppliers and the amount of material procurement reached USD85.85 million, contributing to the local economic development significantly. Gold Vale Trading and Logistics (Pty) Ltd. in South Africa has established relatively comprehensive catalogues of local material suppliers and transport fleet, warehouse management, customs clearance agents, African land transportation, sea transportation and integrated logistics service providers, in order to extensively develop local suppliers and logistics transportation business. For example, our enterprises in Kyrgyzstan provide training to local suppliers of materials used in mining and mineral processing to improve the productivity and manufacturing capacity of local enterprises. Details are as follows:

Type of supplier	Number of suppliers trained	Annual procurement amount created (Kyrgyzstani som)
Customised processing of anchor rods	Not less than 3	150 million
Customised processing of meshes	At least 6	51 million
Production of pyrotechnics products	2 explosive plants and 1 detonator plant	102 million
Production of steel balls and liners	Not less than 3	40 million
Supply of mineral processing chemicals	More than 20	60 million

## Localised employment

We create vast number of job opportunities for the communities in the host countries, attach importance to localised employment and prioritise recruitment from local or neighbouring communities. The localised employment scheme not only can improve the income of the local communities and lift them out of poverty, but also can further enhance the good relationship between the Company and the communities. For example, in the gold mine project of Alтынken in Kyrgyzstan, Central Asia, local employees account for 94% of the total number of employees. In 2020, we had 430 local employees in our newly acquired Guyanese gold mine project, accounting for 94.3% of the total number of employees.

## Community development

In order to ensure that communities in the host countries are offered meaningful opportunities to benefit from our presence, we have formulated the Social Responsibility Policy and the External Donation Policy. Based on the culture, politics and customs of the host countries, the Company takes full advantage of the geographical location in remote mountainous areas of its projects as well as their familiarity with the communities' situation, in order to penetrate the communities where the projects are located, and implement community development plans relating to poverty alleviation, educational, medical and industrial supports, infrastructure construction, disaster relief and traditional culture, etc. to assist the harmonious development of the local communities and become an excellent corporate citizen of the local communities.

During the reporting period, we donated about RMB166 million to the communities through cash or material donations. In the host countries of the projects, we carried out community development activities in line with the host countries' characteristics in accordance with the SDGs of no poverty, zero hunger, quality education, etc. In China, we have responded to the government's call to actively carry out targeted poverty alleviation and rural revitalisation, which are in line with the goals of no poverty, zero hunger and quality education of the SDGs of the United Nations.

## Community assistance cases (outside China)

In the DR Congo, under the joint witness of the Lualaba provincial government and the provincial mining department, COMMUS signed the Community Project Task Document 2021-2025 with eight communities in the vicinity of the mining area, planning to invest about USD4.4 million in five years to carry out more than 20 projects for the local communities, including building of training schools, medical and health stations, professional farms, farmers' markets, multi-functional stadiums and municipal water supply facilities, to facilitate the communities' development of economic infrastructure and improvement of the social service ability.



Signing of the Community Project Task Document 2021-2025 between COMMUS and the Lualaba provincial government



Continental Gold supports local coffee estates to participate in the China International Import Expo

In Colombia, Continental Gold, together with the National Federation of Coffee Growers of Colombia, Cooperative of Western Antioquia, Chamber of Commerce of Medellin and the local government, actively support the development of coffee estates in the region affected by the Buriticá project, provide training on operation and management knowledge for estate operators, guide them to develop their own business model, raise the profile of the coffee in the region, craft brands, and help Colombian products enter the China International Import Expo.



In South Africa, Nkwe's Garatau Platinum Group Metals Mine implements SLP (Social and Labour Plan) project in the communities adjacent to the project, mainly for the purposes of providing vocational training, business opportunities and infrastructure construction for the communities. At present, Nkwe has completed the first phase of SLP investment of about 15 million South African rand, and plans to invest 8.8 million South African rand in the second phase of SLP in the next five years.



Nkwe's Garatau Platinum Group Metals Mine repairs and builds roads for local communities



President Rahmon of Tajikistan cut the ribbon personally for the primary school project aided by Zeravshan

In Tajikistan, Zeravshan donated 11.479 million Kyrgyzstani som to build a primary school for Sarazm in the suburb of Penjikent City, which has been put into use. President Rahmon of Tajikistan cut the ribbon personally. The primary school can accommodate 640 students, substantially improving the local teaching conditions as well as contributing to the promotion of the education development of Penjikent City and the building of a harmonious cultural environment for the enterprise and communities.



## Community assistance cases (in China)

We implement the relief and poverty alleviation project for the elderly and orphans in Shanghang County. For ten consecutive years, we have paid a monthly old-age allowance of RMB100 per person to the impoverished rural elderly persons over 80 years old and monthly allowance of RMB200 per person to the orphans under 18 years old and attending schools in Shanghang County. The annual donation expenditure has reached RMB18 million, and the accumulated expenditure has exceeded RMB100 million. The project benefits more than 15,000 elderly persons over 80 years old and orphans in the county. The project has won the title of the most influential charity project of “China Charity Award”.



Volunteers visit the elderly persons over 80 years old to whom we offered assistance



Opening ceremony of Zijin Secondary School

**Establishing Zijin Secondary School to give back to the local community.** In September 2018, the Company invested RMB800 million to establish a non-profit secondary school, Zijin Secondary School, which can accommodate 3,600 students. The new campus will be completed in August 2021. The founding of the school will significantly improve the quality and level of local education.



Illustration of Zijin Secondary School's new campus



View of the actual construction site of Zijin Secondary School's new campus

**Implementing poverty alleviation projects for the disabled.** Through Zijin Mining Charity Foundation, Fujian Provincial Foundation for Disabled Persons, Fujian Disabled Persons Federation and other units, we support the families with disabled member in the extremely deprived areas in Shanghang County and Wuping County of Fujian Province to build new homes according to the standard of RMB30,000 per family. A total of 235 families with disabled member have been supported by the project to realise their dream of living in their own home, directly benefiting more than 1,500 people.



Disabled people assisted by the Company move into their new houses



Zijin Zinc in Xinjiang provides rice, wheat flour and other supplies to bring “warmth” to the poor villagers in winter

**Zijin Zinc was awarded the “National Advanced Group for Poverty Alleviation”.** Zijin Zinc has deeply rooted in Kizilsu Kyrgyz Autonomous Prefecture, Xinjiang. Adhering to Zijin Mining’s original aspiration and mission of “mining for a better society”, Zijin Zinc practises the value of “create wealth in harmony, balance development of the corporation, the employees and the society”, and actively helps the social-economic development of the locality. As at the end of 2020, the company has accumulatively paid over RMB1.645 billion of taxes to the locality, and its annual tax contribution accounts for more than 70% of the total tax revenue of Wuqia County, the community where the project is based, having made due contribution to the poverty alleviation of Wuqia County. The company was rated as the “National Advanced Group for Poverty Alleviation” in 2020.

**Disaster relief - helping communities fight against the COVID-19 pandemic.** In the face of the COVID-19 pandemic, we have taken a series of actions to support our communities to fight against the pandemic and protect their health and safety. We have donated to the governments, communities and pandemic prevention and control organisations of the host countries in the amount of RMB30 million in total, comprising about RMB22.539 million of monetary donations and about RMB6.4873 million worth of materials. In the Fujian headquarters, we offered anti-COVID-19 sponsorships to Fujian Province's medical team assisting Hubei Province and donated anti-pandemic materials to the various counties in Longyan City in an aggregate amount of approximately RMB10 million through the Zijin Mining Charity Foundation, contributing to the communities' battle against the COVID-19 pandemic proactively.



Donation of pandemic prevention and control materials





In Serbia, Serbia Zijin Copper and Serbia Zijin Mining adhere to the concept of “mining for a better society”, actively discharge their social responsibilities and donate testing equipment and pandemic prevention materials to the central government of Serbia, Vojvodina Province, Bor City, Majdanpek City and the neighbouring communities. Among which, the “Fire Eye” medical laboratory in Serbia jointly donated by the Group and other Chinese partners has improved the overall testing capacity of Serbia, which has been widely reported and commended by the Serbian media.

In the DR Congo, COMMUS donated USD200,000 to Lualaba Province specifically for pandemic prevention and control, which was used for procurement of pandemic prevention materials and equipment, medical personnel training and other related work. Muyej, the governor of Lualaba Province, expressed his sincere gratitude to the company for its generous donation. He said that at this difficult time of pandemic prevention and control, Zijin Mining actively responded to the provincial government’s call for donations and took the lead in making donations, fully demonstrating how a responsible international enterprise shoulders its responsibilities.



In Colombia, Continental Gold took the initiative to donate medical and protective equipment to a number of hospitals, including four carbon dioxide vital signs monitors for Hospital San Juan de Dios and COVID-19 blood testers

for hospitals in municipalities such as Buriticá, Giraldo and Cañasgordas. Meanwhile, the company also provided medical staff with sufficient protective clothing, N95 masks and other medical protective materials. The company has been widely praised by the local government and people.



In Kyrgyzstan, Alтынken Limited Liability Company has provided USD200,000 worth of pandemic prevention materials to the Ministry of Health of the Kyrgyz Republic, including surgical masks, medical gloves, protective clothing, goggles, forehead thermometers and thermal imaging thermometers. Ismailova, the deputy prime minister of Kyrgyzstan, expressed gratitude to Alтынken for providing a considerable amount of anti-pandemic materials to the Kyrgyz government and praised the donation as a “timely assistance”.



Providing pandemic prevention materials to assist the Ministry of Health of the Kyrgyz Republic

## Supply chain management

We require suppliers to conduct their business responsibly and abide by business ethics, which are the prerequisites for doing business with us. We require contractors and suppliers to conduct their business responsibly, in order to ensure that their ethics, safety, health and human rights norms and social and environmental performance are in line with ours as much as possible, and to conduct risk-based monitoring on compliance.

We have formulated supply chain management policies such as Administrative System of Procurement and Sales, Practical Rules of Material Procurement Work, Practical Rules of Refining Material Procurement and Products Sale and Guideline on Supplier Management of Zijin Mining Group (hereinafter referred to as “Guideline”), and advocate for the establishment of a long-term and stable partnership of good faith with suppliers, the establishment of a routine high-level communication mechanism with suppliers, and the raising of suppliers’ awareness of social responsibility, to promote the development of a responsible supply chain. The Guideline strictly regulates the evaluation and admission of suppliers, and requires the cooperating suppliers to have healthy financial condition; they need to have the requisite production and operation licences for quality, safety, environmental protection certification, etc., good business reputation, and no previous involvement in material law-breaking or contract-breaching behaviour in the operation activities. In addition, they are required to have a sound management system for safety, environment and health, and their safety and environmental protection practice should comply with laws and regulations. They must not have a record of taking part in unlawful activities, causing significant harm to the environment, inflicting serious harms to personal safety and health or causing major losses to property, etc.

We advocate that suppliers of new products, energy-saving and environmentally-friendly products and products with independent intellectual property rights approved by relevant authorities should be given priority for admission, in order to effectively urge suppliers to make their share of efforts for the environment, safety and social responsibility. Meanwhile, we carry out training on policy interpretation and integrity policy declaration for newly admitted suppliers. As for suppliers who provide quality products but have rooms for improvement in the technological aspect, we do not simply give up cooperation with them. Instead, they are invited to take part in on-site study and practice, through which they can cultivate and improve on their technological capacity and achieve progress and win-win together with the Company.

## **Due diligence procedures**

The Guideline stipulates that, before becoming our qualified suppliers (only a qualified supplier can cooperate with us), an applicant must undergo detailed due diligence procedures and provide the necessary qualification information for vetting following the application process on our electronic platform. The applicant will become a qualified supplier when it passes our review. The qualified suppliers, depending on the conditions of their business operation, supply, production and service, and based on site visits and central appraisal, may be admitted as our quality suppliers in our channel supplier catalogue (suppliers in the catalogue must be invited to participate in procurements).

We implement a transparent procurement policy and have issued the Policy Statement on Supplier Management as one of the basic criteria for selecting suppliers. The Company declares its integrity in procurement to the suppliers and requires the buyer to specifically declare that: in the whole process of negotiation, signing and execution of the contract, the buyer rejects all forms of behaviour that are contrary to national laws and regulations, the rules and policies of the buyer, the provisions of the contract, business ethics and professional ethics and so on. The buyer requests the seller's supervision and cooperation, and welcomes the seller to truthfully reflect the problems that may arise. (Telephone number for reporting and complaint: 0597-3833182, mailbox for reporting and complaint: jcsjs@zjky.cn). The Company requires the seller to especially declares that in the whole process of negotiation, signing and execution of the contract, the seller will not make any form of attempts that are contrary to national laws and regulations, the rules and policies of the buyer, the provisions of the contract, business ethics and professional ethics. In case of the above-mentioned actions, the seller confirms that it is willing to bear all the consequences of the remedies that the buyer may pursue such as rescission and termination of the contract, lawful recovery of economic losses, etc., and confirms that it is willing to compensate for the buyer's economic losses and cooperate with the buyer's measures and actions.

In order to avoid corruption at the source, we have established a strict avoidance system for specific related persons, and required our partners (including the cooperative merchants in procurement, sales, transportation and services), through documentation, to proactively declare that their employees who have a relationship with the Company's procurement personnel, sales personnel and personnel of other positions shall avoid in business cooperation. The Company stipulates penalties for corruption in the "Certain Provisions on Integrity Practices", "Measures on Administrative Disciplinary" and "Certain Guidelines on Strengthening Integrity and Self-disciplines of Management Cadres" and other policies, and invites suppliers to participate in the warning and educational training on integrity practices organised by us every year to warn and educate our partner suppliers on anti-corruption.

## Supply chain risk assessment and frequency

We organise review of the authenticity and legitimacy of suppliers' qualification and reputation regularly or from time to time. In principle, a centralised review is conducted on the channel suppliers once a quarter and a comprehensive evaluation is conducted annually. Daily management is conducted through non-regular inquiry on authoritative industrial and commercial information system of the state, collection of internal and external feedback, as well as the complaints and confidential reports received through the Company's compliance channels. Risks of the supply chain are assessed upon investigation and verification. If relatively high risk is identified, immediate steps will be taken to deal with it.

## Method of selecting qualified suppliers and proportion

Admission of qualified suppliers is mainly conducted through the Company's vetting of qualification, submission of information in the vetting process and review of various industrial and commercial registration information. The qualified suppliers are maintained through synchronous maintenance and day-to-day management. Based on market research, enterprise user feedback, industrial and commercial registration information (risk) inquiry, supplier falling below the required standards are screened out.

In order to be admitted as a channel supplier, the supplier applicant has to become a qualified supplier first. Historical data relating to its supply, production and service will be evaluated, and on-site investigation and central appraisal will be conducted. The channel suppliers are maintained through a combination of day-to-day management and on-site inspection for determining whether they should be maintained, upgraded, downgraded, removed or blacklisted.

A supplier associated with actual or potential environmental, safety and social responsibility risks or major breach of contract or law-breaking behaviour will be blacklisted for 1-3 years; a supplier associated with major quality issues or major potential safety and environmental protection hazards, bribery, or has been previously blacklisted by governments at any level for poor production, operation or safety records will be directly removed from our supplier catalogue and deemed unqualified for all future cooperation.



During the reporting period, we vetted the qualification of 1,384 new suppliers. After our careful vetting, 917 qualified suppliers were admitted, representing an admission rate of 66.26%. The channel supplier team carried out on-site inspection on 155 suppliers, focusing on the suppliers' on-site operation environment, production safety, environmental protection measures, employment and other aspects of social responsibility. Through on-site inspection, central review and day-to-day problem verification, 458 channel suppliers were maintained. Statistics of classification of the Company's suppliers in the recent three years are as follows:

Item	Unit	2020	2019	2018
Total number of suppliers	Number	4,669	4,923	4,513
Channel suppliers	Number	458	453	179
Chinese suppliers	Number	4,172	4,495	4,444
Suppliers from other countries	Number	497	428	69

## Product responsibility

We have formulated the Administrative Measures for Product Quality Incidents, Protocol for Conducting Customer Satisfaction Surveys and other customer service and quality assessment policies, collected customer information related to products and services through various channels, established customer demand database, delivered customer demand and suggestions in time to production units responsible for production, technology, work process, equipment, quality and more, and formulated product improvement plan in time, to continuously improve product quality and service.

For example, in gold refining industry - Zijin Gold Smelting establishes and operates ISO 9001 quality management system, and formulates quality control procedures for the whole process of raw material procurement, production and service, monitoring and measurement process; strict operation manual or operation instructions and other supporting documents are formulated for each steps of production and inspection, and the operation is carried out according to the document requirements, so as to ensure a 100% ex-factory pass rate of "Zijin" gold bullion.

Copper refining industry - Zijin Copper has formulated the Control Procedure for Unqualified Products and the Control, Correction and Prevention Procedures for Non-Conformity. In case of unqualified products, the manufacturer shall carry out rework treatment and make corresponding records. The reworked products shall be re-inspected by quality check. If the reworked products fail in the re-inspection, the quality control personnel shall make a decision, such as continue to rework or scrap, and send the records to the manufacturer for carrying out the corresponding handling, so as to ensure that the ex-factory products meet the quality requirements.



Overseas mining industry - COMMUS in the DR Congo has formulated the Product and Service Management Policy to ensure that product sales is in good order, product quality is maintained in the selling process, and it keeps up with high quality after-sale service to boost customer satisfaction.

Domestic mining industry - the Zijinshan Gold and Copper Mine has formulated the Operation Manual for Processing Plants, Monitoring and Measuring Control Procedures for Gold Products in the Zijinshan Gold and Copper Mine, Product Monitoring and Measurement Control Procedures of the Copper Hydrometallurgical Plant of the Zijinshan Gold and Copper Mine, Copper Flotation Processing Product Monitoring and Measurement Control Procedures of the Zijinshan Gold and Copper Mine, Administrative Measures for Gold-containing Materials of the Zijinshan Gold and Copper Mine and Administrative Measures for Copper-containing Materials of the Zijinshan Gold and Copper Mine to ensure product quality, in addition to the Administrative Measures for Sale of Concentrate of the Zijinshan Gold and Copper Mine, Administrative Measures for Sale of Copper Cathode of the Zijinshan Gold and Copper Mine and Administrative Measures for the Export of Neutralised Slag of the Zijinshan Gold and Copper Mine to standardise the internal management and external sales practices regarding various mineral products, and conduct customer satisfaction survey every year.



Gold bullion, the Company's product



**紫金矿业集团黄金冶炼有限公司**  
**客户满意问卷调查**

尊敬的客户：

衷心地感谢您一直以来对我司的支持和信任，我将一如既往地为广大客户的利益尽职尽责，争取客户最大的满意。为进一步提升我司的产品质量和服务水平，我们将展开客户满意度调查工作，您的任何有价值的意见和建议都是我司的宝贵财富，感谢您的配合。

紫金矿业集团黄金冶炼有限公司  
2019年6月25日

机构名称：**紫金铜业有限公司** 地址：福建省龙岩市上杭县蛟洋镇坪埔村  
联系人：**曾煜荣** 联系电话：0597-3626878

1、对我司接待人员的服务是否满意：  
满意  基本满意  不满意

2、对我司交易员接听电话服务（点价销售）是否满意：  
满意  基本满意  不满意

Certificate of quality management system and customer satisfaction questionnaire of subsidiaries

## Product quality inspection

The health and safety of our products comply with ISO 14001 Environmental Management System Certification and ISO 45001 Occupational Health Management System Certification. For example, Zijin Copper has introduced five management systems including ISO 9001, ISO 14001, ISO 45001, ISO 50001 and ISO 10012 to comprehensively and systematically manage its quality, environment, occupational health and safety, energy and measurement. For the incoming inspection relating to copper cathode, being the main product, the Procedures for Importing Copper Concentrate, Acceptance Procedures for Domestic Copper Concentrate, Acceptance Procedures for Domestic Crude Copper Upon Delivery, Acceptance Procedures for Incoming Auxiliary Materials, etc. have been formulated.

## Customer health and safety

During the reporting period, the Company strictly abided by the laws and regulations of the host countries and carried out compliance self-examination. No law-breaking events occurred. There was no consumer complaint regarding products or services for safety or health reasons. For example, COMMUS used a radioactive detector for testing. The products must meet the radioactive indicators of the exporting and importing countries, which were calculated according to the corresponding coefficients of different grades. Altynken engaged British ALS as the independent laboratory and used the laboratory test results to be its final basis for calculation.

## Product responsibility related management performance

Item	Unit	2020	2019	2018
<b>Products recalled for safety and health reasons</b>	Tonne	0	0	0
<b>Pass rate of mineral products</b>	%	99.8	99.9	99.9
<b>Complaints received for safety and health reasons</b>	Number	0	0	0
<b>Customer satisfaction</b>	%	99.29	99.28	99.17

Item	Unit	2020	2019	2018
<b>Wood materials used in product packaging</b>	Tonne	252.8	205.7	162.9
<b>Disposal of the wood materials used in product packaging</b>	Mostly reused by the customers			
<b>Wrappings of mineral concentrate products</b>	Tonne	2,370	2,725	2,168
<b>Disposal of the wrappings of mineral concentrate products</b>	Mostly reused by the customers and sold after cleaning and decomposing			

## Marketing and labeling

We are a general member of the Shanghai Gold Exchange and a member of the Shanghai Futures Exchange. Our gold bullion are produced and services are provided in accordance with the national gold bullion standard GB/T4134, Gold bullion standard of Shanghai Gold Exchange SGEB1 and LBMA standard of the London Gold and Silver Association, and the compliance of laws and regulations are evaluated every year; technical parameters measuring the quality of silver bullion, copper cathode and zinc bullion are all in line with and superior to the technical indicators specified in national standards GB/T4135-2016 (silver ingots), GB/T467-2010 (copper cathode) and GB/T470-2008 (zinc ingots).

The Company's products, namely "Zijin" gold bullion, "Zijin" silver bullion and "Zijin" copper cathode, have won the title of famous brand products in Fujian Province, and "Zijin" zinc bullion has won the title of famous brand products in Inner Mongolia. "Zijin" copper cathode products have been registered with the London Metal Exchange (LME) and the Shanghai Futures Exchange; "Zijin" gold bullion and "Zijin" silver bullion have been registered with and certified by the Shanghai Gold Exchange, Shanghai Futures Exchange and London Bullion Market Association (LBMA); and the quality of "Zijin" zinc bullion has received official international recognition, and it is a registered delivery brand of the London Metal Exchange (LME). Since 2019, Zijin gold bullion's QR code anti-counterfeiting system has been fully put into operation in all the enterprises producing "Zijin" gold bullion, further improving the traceability of quality and anti-counterfeiting performance of gold bullion products. This has been affirmed by the Shanghai Gold Exchange and recommended at the general meeting of the Shanghai Gold Exchange. The Shanghai Gold Exchange is the Company's main customer, and the Company is able to strictly implement the delivery rules of the Shanghai Gold Exchange; the good quality of "Zijin" products has earned commendations from a wide range of customers and the Shanghai Gold Exchange. During the reporting period, no negative feedback was received. Zijin Gold Smelting, a subsidiary, has been rated by the Shanghai Gold Exchange as an advanced corporate unit which provides standard gold bullion for 13 consecutive years.



Zijin Gold Smelting has been registered with and certified by London Bullion Market Association (LBMA)

## Customer privacy

We have established an ERP system to protect the private data of the suppliers and customers. According to the Guideline, suppliers' data are uniformly filed and managed, and legal persons or other confidential information in connection with the suppliers are not disclosed.

Protection for privacy shall be implemented in strict accordance with the confidentiality provisions of the contract. The Company enters into a customer information and business confidentiality agreement with each customer before signing a business contract with them to strictly protect the confidentiality of customer privacy and business information.



# Appendices

## Quantitative table of key performance indicators

Key performance indicator	Relevant content in this Report
Corporate governance - The Company's operating results	P.14
Corporate governance - Business ethics training	P.42
Corporate governance - Whistleblowing mechanism	P.43
Corporate governance - Achievements in technological innovation	P.44
Poisonous substances and waste discharge management - Management performance of the discharge of key water pollutants	P.54
Poisonous substances and waste discharge management - Management performance of comprehensive utilisation and disposal of non-hazardous solid waste	P.57
Poisonous substances and waste discharge management - Management performance of comprehensive utilisation and disposal of refining hazardous waste	P.58
Biodiversity and land use - Land use and restoration performance	P.60
Water stress - Water resources utilisation and recycling data	P.64
Climate change - Management performance for greenhouse gas emission	P.69
Labour management - Remuneration increase of employees	P.73
Labour management - Localisation ratio of employees	P.76
Labour management - Annual employee turnover and employee training performance	P.78
Expenses for preventing and mitigating occupational health and safety impacts directly related to business relationships	P.85
Occupational health and safety performance management indicators	P.89
Supply chain management - Statistics of classification of the suppliers	P.108
Product responsibility - Product responsibility related management performance	P.111

# Index of issues in the Environmental, Social and Governance (ESG) Reporting Guide

Subject areas, aspects, general disclosures and KPIs		
Index	Indicator	Relevant content in this Report
A. Environmental		
Aspect A1: Emissions	General Disclosure	Environment
	KPI A1.1	
	The types of emissions and respective emissions data.	
	KPI A1.2	Environment - Climate change
	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.3	Environment - Poisonous substances and waste discharge management
	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.4	
	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.5	
Description of emissions target(s) set and steps taken to achieve them.		
KPI A1.6	Environment - Water stress, Climate change	
Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.		
Aspect A2: Use of Resources	General Disclosure	Environment - Climate change
	KPI A2.1	
	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environment - Climate change
	KPI A2.2	
	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environment - Water stress
	KPI A2.3	
	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment - Climate change
	KPI A2.4	
Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environment - Water stress	
KPI A2.5		
Aspect A3: The Environment and Natural Resources	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Society - Product responsibility
	General Disclosure	Environment - Biodiversity and land use
	KPI A3.1	
	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

Aspect A4: Climate Change	General Disclosure	Environment - Climate change
	KPI A4.1	
	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
Aspect B1: Employment	General Disclosure	Human rights - Labour management
	KPI B1.1	
	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	
	KPI B1.2	
Aspect B2: Health and Safety	Employee turnover rate by gender, age group and geographical region.	Human rights - Occupational health and safety
	General Disclosure	
	KPI B2.1	
	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	
	KPI B2.2	
	Lost days due to work injury.	
Aspect B3: Development and Training	KPI B2.3	Human rights - Labour management
	General Disclosure	
	KPI B3.1	
	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	
Aspect B4: Labour Standards	KPI B3.2	Human rights - Labour management
	General Disclosure	
	The average training hours completed per employee by gender and employee category.	
	KPI B4.1	
Aspect B5: Supply Chain Management	Description of measures to review employment practices to avoid child and forced labour.	Society - Supply chain management
	General Disclosure	
	KPI B4.2	
	Description of steps taken to eliminate such practices when discovered.	
<b>Operating Practices</b>		
Aspect B5: Supply Chain Management	General Disclosure	Society - Supply chain management
	KPI B5.1	
	Number of suppliers by geographical region.	
	KPI B5.2	
	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	
	KPI B5.3	
	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
	KPI B5.4	
Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		

Aspect B6: Product Responsibility	General Disclosure	Society - Product responsibility
	KPI B6.1	
	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	
	KPI B6.2	
	Number of products and service related complaints received and how they are dealt with.	
	KPI B6.3	
	Description of practices relating to observing and protecting intellectual property rights.	
	KPI B6.4	
	Description of quality assurance process and recall procedures.	
	KPI B6.5	
Description of consumer data protection and privacy policies, and how they are implemented and monitored.		
Aspect B7: Anti- corruption	General Disclosure	Governance - Business ethics, Anti-corruption
	KPI B7.1	
	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	
	KPI B7.2	
	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	
KPI B7.3		
Description of anti-corruption training provided to directors and staff.		
Community		
Aspect B8: Community Investment	General Disclosure	Society - Community engagement
	KPI B8.1	
	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	
	KPI B8.2	
Resources contributed (e.g. money or time) to the focus area.		



## GRI content index

GRI standards	Disclosure	Relevant content in this Report
<b>General disclosures</b>		
Organizational profile	102-1 Name of the organization	Introduction - About this Report
	102-2 Activities, brands, products, and services	Introduction - Company profile
	102-3 Location of headquarters	Introduction - Company profile
	102-4 Location of operations	Introduction - Company profile
	102-5 Ownership and legal form	Introduction - Company profile
	102-6 Markets served	Introduction - Company profile
	102-7 Scale of the organization	Introduction - Company profile
	102-8 Information on employees and other workers	Introduction - Company profile
	102-9 Supply chain	Society - Supply chain management
	102-10 Significant changes to the organization and its supply chain	Society - Supply chain management
	102-11 Precautionary principle or approach	Governance - Corporate governance
	102-12 External initiatives	Introduction - Company profile
	102-13 Membership of associations	Introduction - Company profile
Strategy	102-14 Statement from senior decision-maker	Introduction - Chairman's statement
	102-15 Key impacts, risks, and opportunities	Introduction - Chairman's statement
Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	Governance - Business ethics, Anti-corruption
	102-17 Mechanisms for advice and concerns about ethics	Governance - Business ethics, Anti-corruption

Governance	102-18 Governance structure	Governance - Corporate governance
	102-19 Delegating authority	Governance - Corporate governance
	102-20 Executive-level responsibility for economic, environmental, and social topics	Governance - Corporate governance
	102-21 Consulting stakeholders on economic, environmental, and social topics	Governance - Corporate governance
	102-22 Composition of the highest governance body and its committees	Governance - Corporate governance
	102-23 Chair of the highest governance body	Governance - Corporate governance
	102-24 Nominating and selecting the highest governance body	Governance - Corporate governance
	102-25 Conflicts of interest	Governance - Corporate governance
	102-26 Role of highest governance body in setting purpose, values, and strategy	Governance - Corporate governance
	102-27 Collective knowledge of highest governance body	Governance - Corporate governance
	102-28 Evaluating the highest governance body's performance	Governance - Corporate governance
	102-29 Identifying and managing economic, environmental, and social impacts	Introduction - Materiality and relevance assessment
	102-30 Effectiveness of risk management processes	Governance - Corporate governance
	102-31 Review of economic, environmental, and social topics	Introduction - Materiality and relevance assessment
	102-32 Highest governance body's role in sustainability reporting	Governance - Corporate governance
	102-33 Communicating critical concerns	Governance - Corporate governance
	102-34 Nature and total number of critical concerns	Governance - Corporate governance
	102-35 Remuneration policies	Governance - Corporate governance
	102-36 Process for determining remuneration	Governance - Corporate governance
	102-37 Stakeholders' involvement in remuneration	Governance - Corporate governance
102-38 Annual total compensation ratio	Governance - Corporate governance	
102-39 Percentage increase in annual total compensation ratio	Governance - Corporate governance	

Stakeholder engagement	102-40 List of stakeholder groups	Governance - Corporate governance
	102-41 Collective bargaining agreements	Governance - Corporate governance
	102-42 Identifying and selecting stakeholders	Governance - Corporate governance
	102-43 Approach to stakeholder engagement	Governance - Corporate governance
	102-44 Key topics and concerns raised	Governance - Corporate governance
Reporting practice	102-45 Entities included in the consolidated financial statements	Introduction - About this Report
	102-46 Defining report content and topic boundaries	Introduction - Materiality and relevance assessment
	102-47 List of material topics	Introduction - Materiality and relevance assessment
	102-48 Restatements of information	Introduction - About this Report
	102-49 Changes in reporting	Introduction - About this Report
	102-50 Reporting period	Introduction - About this Report
	102-51 Date of most recent report	Introduction - About this Report
	102-52 Reporting cycle	Introduction - About this Report
	102-53 Contact point for questions regarding the report	Appendices - Opinion and feedback
	102-54 Claims of reporting in accordance with the GRI Standards	Introduction - About this Report
	102-55 GRI content index	Appendices - GRI content index
	102-56 External assurance	Appendices - Independent verification statement
Substantive topics		
Economic performance	103 Management approach disclosures	Not a material issue
	201-1 Direct economic value generated and distributed	Not a material issue
	201-2 Financial implications and other risks and opportunities due to climate change	Not a material issue
	201-3 Defined benefit plan obligations and other retirement plans	Human rights - Labour management
	201-4 Financial assistance received from government	Not a material issue
Market presence	103 Management approach disclosures	Human rights - Labour management
	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	Human rights - Labour management
	202-2 Proportion of senior management hired from the local community	Human rights - Labour management

Indirect economic impacts	103 Management approach disclosures	Society - Community engagement
	203-1 Infrastructure investments and services supported	Society - Community engagement
	203-2 Significant indirect economic impacts	Society - Community engagement
Procurement practices	103 Management approach disclosures	Society - Community engagement
	204-1 Proportion of spending on local suppliers	Society - Community engagement
Anti-corruption	103 Management approach disclosures	Governance - Anti-corruption
	205-1 Operations assessed for risks related to corruption	Governance - Anti-corruption
	205-2 Communication and training about anti-corruption policies and procedures	Governance - Anti-corruption
	205-3 Confirmed incidents of corruption and actions taken	Governance - Anti-corruption
Anti-competitive behavior	103 Management approach disclosures	Governance - Business ethics
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance - Business ethics
Materials	103 Management approach disclosures	Society - Product responsibility
	301-1 Materials used by weight or volume	Society - Product responsibility
	301-2 Recycled input materials used	Society - Product responsibility
	301-3 Reclaimed products and their packaging materials	Society - Product responsibility
Energy	103 Management approach disclosures	Environment - Climate change
	302-1 Energy consumption within the organization	Environment - Climate change
	302-2 Energy consumption outside of the organization	Environment - Climate change
	302-3 Energy intensity	Environment - Climate change
	302-4 Reduction of energy consumption	Environment - Climate change
	302-5 Reductions in energy requirements of products and services	Environment - Climate change
Water	103 Management approach disclosures	Environment - Water stress
	303-1 Water withdrawal by source	Environment - Water stress
	303-2 Water sources significantly affected by withdrawal of water	Environment - Water stress
	303-3 Water recycled and reused	Environment - Water stress



Biodiversity	103 Management approach disclosures	Environment - Biodiversity and land use
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment - Biodiversity and land use
	304-2 Significant impacts of activities, products, and services on biodiversity	Environment - Biodiversity and land use
	304-3 Habitats protected or restored	Environment - Biodiversity and land use
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment - Biodiversity and land use
Emissions	103 Management approach disclosures	Environment - Climate change
	305-1 Direct (Scope 1) GHG emissions	Environment - Climate change
	305-2 Energy indirect (Scope 2) GHG emissions	Environment - Climate change
	305-3 Other indirect (Scope 3) GHG emissions	Environment - Climate change
	305-4 GHG emissions intensity	Environment - Climate change
	305-5 Reduction of GHG emissions	Environment - Climate change
	305-6 Emissions of ozone-depleting substances (ODS)	Environment - Poisonous substances and waste discharge management
305-7 Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Environment - Poisonous substances and waste discharge management	
Effluents and waste	103 Management approach disclosures	Environment - Poisonous substances and waste discharge management
	306-1 Water discharge by quality and destination	Environment - Poisonous substances and waste discharge management
	306-2 Waste by type and disposal method	Environment - Poisonous substances and waste discharge management
	306-3 Significant spills	Environment - Poisonous substances and waste discharge management
	306-4 Transport of hazardous waste	Environment - Poisonous substances and waste discharge management
	306-5 Water bodies affected by water discharges and/or runoff	Environment - Poisonous substances and waste discharge management
Environmental compliance	103 Management approach disclosures	Environment - Environmental management system (EMS)
	307-1 Non-compliance with environmental laws and regulations	Environment - Environmental management system (EMS)

Supplier environmental assessment	103 Management approach disclosures	Society - Supply chain management
	308-1 New suppliers that were screened using environmental criteria	Society - Supply chain management
	308-2 Negative environmental impacts in the supply chain and actions taken	Society - Supply chain management
Employment	103 Management approach disclosures	Human rights - Labour management
	401-1 New employee hires and employee turnover	Human rights - Labour management
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human rights - Labour management
	401-3 Parental leave	Human rights - Labour management
Labor/Management relations	103 Management approach disclosures	Human rights - Labour management
	402-1 Minimum notice periods regarding operational changes	Human rights - Labour management
Occupational health and safety	103 Management approach disclosures	Human rights - Occupational health and safety
	403-1 Workers representation in formal joint management-worker health and safety committees	Human rights - Occupational health and safety
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Human rights - Occupational health and safety
	403-3 Workers with high incidence or high risk of diseases related to their occupation	Human rights - Occupational health and safety
	403-4 Health and safety topics covered in formal agreements with trade unions	Human rights - Occupational health and safety
Training and education	103 Management approach disclosures	Human rights - Labour management
	404-1 Average hours of training per year per employee	Human rights - Labour management
	404-2 Programs for upgrading employee skills and transition assistance programs	Human rights - Labour management
	404-3 Percentage of employees receiving regular performance and career development reviews	Human rights - Labour management
Diversity and equal opportunity	103 Management approach disclosures	Human rights - Labour management
	405-1 Diversity of governance bodies and employees	Human rights - Labour management
	405-2 Ratio of basic salary and remuneration of women to men	Human rights - Labour management
Non-discrimination	103 Management approach disclosures	Human rights - Labour management
	406-1 Incidents of discrimination and corrective actions taken	Human rights - Labour management
Freedom of association and collective bargaining	103 Management approach disclosures	Human rights - Labour management

Child labor	103 Management approach disclosures	Human rights - Labour management
	408-1 Operations and suppliers at significant risk for incidents of child labor	Human rights - Labour management
Forced or compulsory labor	103 Management approach disclosures	Human rights - Labour management
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human rights - Labour management
Security practices	103 Management approach disclosures	Human rights - Security practices
	410-1 Security personnel trained in human rights policies or procedures	Human rights - Security practices
Rights of indigenous peoples	103 Management approach disclosures	Human rights - Rights of indigenous peoples
	411-1 Incidents of violations involving rights of indigenous peoples	Human rights - Rights of indigenous peoples
Human rights assessment	103 Management approach disclosures	Governance - Business ethics
	412-1 Operations that have been subject to human rights reviews or impact assessments	Governance - Business ethics
	412-2 Employee training on human rights policies or procedures	Governance - Business ethics
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Governance - Business ethics
Local communities	103 Management approach disclosures	Society - Community engagement
	413-1 Operations with local community engagement, impact assessments, and development programs	Society - Community engagement
	413-2 Operations with significant actual and potential negative impacts on local communities	Society - Community engagement
Supplier social assessment	103 Management approach disclosures	Society - Supply chain management
	414-1 New suppliers that were screened using social criteria	Society - Supply chain management
	414-2 Negative social impacts in the supply chain and actions taken	Society - Supply chain management
Public policy	103 Management approach disclosures	Not applicable
	415-1 Political contributions	Not applicable
Customer health and safety	103 Management approach disclosures	Society - Product responsibility
	416-1 Assessment of the health and safety impacts of product and service categories	Society - Product responsibility
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Society - Product responsibility

Marketing and labeling	103 Management approach disclosures	Society - Product responsibility
	417-1 Requirements for product and service information and labeling	Society - Product responsibility
	417-2 Incidents of non-compliance concerning product and service information and labeling	Society - Product responsibility
	417-3 Incidents of non-compliance concerning marketing communications	Society - Product responsibility
Customer privacy	103 Management approach disclosures	Society - Product responsibility
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Society - Product responsibility
Socioeconomic compliance	103 Management approach disclosures	Governance - Corporate governance
	419-1 Non-compliance with laws and regulations in the social and economic area	Governance - Corporate governance



# Independent verification statement



## Independent Verification Statement

TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch (hereinafter referred to as "TÜV SÜD") has been engaged by Zijin Mining Group Co., Ltd. (hereinafter referred to as "Zijin" or "the Company") to perform an independent third-party verification on 2020 Environmental, Social and Governance Report of Zijin Mining Group Co., Ltd. (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with Zijin and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by Zijin and provided to TÜV SÜD. The scope of verification is limited to the said information. Zijin shall be held accountable for authenticity and completeness of the provided data and information.

### Scope of Verification

Time frame of this verification:

- The Report contains the data disclosed by Zijin during the reporting period from January 1<sup>st</sup>, 2020 to December 31<sup>st</sup>, 2020, including economic, environmental and social information and data, methods for management of substantial issues, actions/measures and the Company's sustainable development performance during the reporting period.

Physical boundary of this verification:

- The on-the-spot verification took place at below listed locations, respectively are,  
Headquarter of Zijin (Xiamen) address at Tower B, Zhonghang Zijin Square, No.1811, East Huandao Road, Siming District, Xiamen City, Fujian Province, the PRC.  
Headquarter of Zijin (Shanghang) address at 1 Zijin Road, Shanghang County, Fujian Province, the PRC.

The following information and data are beyond the scope of this verification:

- Any information and contents beyond the reporting period of this Report; and
- The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.

### Limitations

- This verification was performed at aforementioned sites, and no branch or subsidiary was visited during the aforesaid verification; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1<sup>st</sup>, 2020 are beyond the scope of this verification.

### Basis for the Verification



This verification process was conducted by TÜV SÜD's expert team who are highly experienced in the corporate social responsibility, economic, social, environmental and other relevant issues and this team drew the conclusions thereof. The verification referred to the following standards:

- The Stock Exchange of Hong Kong Limited: *the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Main Board Listing Rules*
- *TÜV SÜD Procedure of Verification on Sustainability Report*

In order to perform adequate verification in accordance with the contract and provide reasonable verification for the conclusions, the verification team conducted the following activities:

- Preliminary investigation of the relevant information before the verification;
- Confirmation of the presence of the highly substantial issues and performance in the Report;
- On-the-spot review of all supporting documents, data and other information provided by Zijin; tracing and verification of key performance information;
- Special interview with the representative of Zijin's board of directors; interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

### Verification Conclusions

According to the verification, we believe the Report prepared by Zijin is substantial; the disclosed information is more clear and accurate comparing with last year, and the data is authentic and traceable, no systematic or substantial problem has been detected; this Report can be used by the stakeholders of Zijin.

The verification team has drawn the following conclusions on this Report:

<b>Materiality</b>	Under the preparation of the Report, the two dimensions of "the importance of the company's impact on sustainable development" and "the importance of decision-making and evaluation of stakeholders" were comprehensively considered when determining the high substantive issues, and made an adequate description of management methods and management performance in the report.
<b>Quantitative</b>	Targets and KPIs of the substantial issues are measurable, such as safety management performance was measured by million working hour safety indicator.
<b>Balance</b>	In the process of preparing the Report, the balance of the Report was adequately considered, where both positive information and negative information are disclosed. For instance, the fatality incident of overseas contractor worker, and the following up actions taken against the incident has been unbiased reported.
<b>Consistency</b>	In terms of overall information disclosure, the Report has been greatly improved comparing with last year. The safety performance indicators were fully covered. With respect to isolated case, the statistical methods



and dimensions of GHG (Greenhouse Gas) emission data does not reflecting a meaningful comparison, there is space for improvement.

#### Recommendations on Continuous Improvement

- Comparing with last year, the Company has established sound governance structure, and responds to United Nations Sustainable Development Goals (UN SDGs 2030) with actual actions. The Company is recommended to set systematical sustainable target metric for tracing and evaluating the sustainable performance timely and effectively.
- Comparing with last year, the scope of report data disclosure is wider, which is reflected by safety performance data covers all the owned enterprises, and the GHG inventory covers 41 owned enterprises, with 9 more enterprises than last year. There is improvement space existing. The Company is recommended to improve step by step to achieve full coverage and ensure that the GHG emission data can be measured and compared.

#### Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specialises in testing, certification, auditing and advisory services. Since 1866, TÜV SÜD has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. TÜV SÜD has been committed to sustainable development and actively promotes environmental protection related projects. Over the years, TÜV SÜD has been actively expanding its performance in energy management, renewable resources, and electric automobiles, etc., helping its customers meet sustainable development needs.

TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and Zijin are two entities independent of each other and both TÜV SÜD and Zijin and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the company. The verification is completely neutral. All the data and information in the Report are provided by Zijin. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

#### Signature:

**On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch**

Zhu Wenjun  
TÜV SÜD Sustainability Product Manager

17-March, 2021

Note: In case of any inconsistency or discrepancy, the simplified Chinese version of this verification statement shall prevail, while the English translation and the traditional Chinese version are used for reference only.

# Rating report



中国企业社会责任报告  
评级专家委员会  
Chinese Expert Committee on CSR Report Rating

## Rating Report of “Environment, Social and Governance Report 2020 of Zijin Mining Group Co., Ltd.”

Upon the request of Zijin Mining Group Co., Ltd., the Chinese Expert Committee on CSR Report Rating invited experts to form a rating team to rate “Environment, Social and Governance Report 2020 of Zijin Mining Group Co., Ltd.” (hereinafter referred to as “the Report”).

### I. Rating Criteria

“Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises for General Mining Industry(CASS-CSR 4.0)” of the Chinese Academy of Social Sciences and China Corporate Social Responsibility Report Rating Standards (2020) of “Corporate Social Responsibility Report Rating Expert Committee of Chinese Enterprises”.

### II. Rating Process

1. The rating team reviews and confirms the “Process Data Confirmation of Corporate Social Responsibility Report” submitted by the “Report” writing group and relevant supporting materials;
2. The rating team conducts evaluation on the preparation process and content disclosed by the “Report” and then drafts the rating report;
3. The Vice Chairman of the Rating Expert Committee, the leader of the rating team and the experts of the rating team jointly sign the rating report.

### III. Rating Results

#### Process (★★★★☆)

The company has established a strategic and sustainable development administration committee to lead the overall direction, key issues of the Report and take charge of the final review of the Report. The social responsibility department leads the establishment of report writing group to coordinate and promote the preparation of the Report; the Report is taken as an important tool for compliance disclosure of information, enhancement of the communication with stakeholders, with clear positioning of functional value; the substantive issues such as international and domestic social responsibility standards, significant matters of the company, investigation of stakeholders are identified. The Report is planned to be published via official website and to be presented in electronic version and printed form, with leading performance in process.

#### Materiality (★★★★★)

The Report systematically discloses the key issues in general mining industry such as “Implementation of macro policies”, “Digital mine construction”, “Occupational health management”, “Safety production”, “Environmental management system”, “Environmental protection technology R&D”, “Resource reserves”, “Land resource saving”, “Reduction of ‘three wastes’ emission”, “Residual ore recovery and ecological protection of mining area”, with detailed and full description and super excellent performance in materiality.

#### Integrity (★★★★☆)

The main body of the Report systematically discloses 87.26% of the core indicators of the general mining industry from the perspectives of “Governance”, “Environment”, “Human right”





and “Society”, with leading performance in integrity.

#### Balance (★★★★★)

The Report reveals the negative data such as “staff turnover rate”, “number of complaints”, “number of persons subject to disciplinary actions”, “accident rate of millions of working hours” and “number of ecological damage incidents” and briefly describes the cause of “Fuel gas excessive emission accident of Zijin smelting plant in Serbia” and its countermeasures and disposal result, with super excellent performance in balance.

#### Comparability (★★★★★)

The Report discloses the comparative data of 99 key indicators of at least three consecutive years, such as “operating income”, “social contribution per share”, “sulfur dioxide emission density”, “tailings output”, “capital investment in environmental protection ecological projects” and “total number of suppliers”, and makes a horizontal comparison on “ranking in the third place among top 2000 enterprises in gold industry in Forbes List” and “profit index ranks the first place among top 500 non-ferrous metal mining enterprises in China”, with super excellent performance in comparability.

#### Readability (★★★★★)

Taking ESG as the core framework system, the Report presents the concepts, behaviors and achievement on duty performance of the enterprise from four aspects of “Governance, Environment, Human rights and Society”, with highlighted key issues and abundant contents; gives response to the expectation and concern of the stakeholders; the header is set with the eye-catching “introduction for sections”, enhancing the readability of the Report, with excellent performance in readability.

#### Innovation (★★★★★)

The Report actively responds to the Sustainable Development Goals (SDGs) of the United Nations and fully demonstrates the performance and achievements of the enterprise on 17 objectives, demonstrating the responsibility performance and value pursuit of the enterprise. ESG Committee, ESG management committee and ESG working group are respectively established at the three levels namely board of directors, operation and business implementation so as to promote the full integration of ESG work into enterprise operation management; systematically discloses the management methods for key issues to facilitate the readers to deeply understand and grasp the methods; invites a third-party organization to make independent verification on the Report, enhancing the reliability of the information disclosure of the Report, with super excellent performance in innovation.

#### Overall Rating (★★★★☆)

According to the rating team’s assessment, “Environment, Social and Governance Report 2020 of Zijin Mining Group Co., Ltd.” is of four and a half-star rating, and it is a leading corporate social responsibility (CSR) report.

#### IV. Improvement Suggestions

1. Enhance the disclosure of the core indicators of the industry and further improve the completeness of the Report.
2. Optimize the contents and overall layout design of the Report and improve the readability



of the Report.

Vice President of Chinese Expert Committee on CSR Report Rating



Leader of the Rating Team      Expert of the Rating Team

Issuance date: April 8, 2021

Scan QR Code to View Enterprise Rating Files



# Opinion and feedback

Dear readers,

Hello! Thank you for reading this Report. To improve the Company's social responsibility work, enhance our performance of social responsibilities and quality, we wish to hear your opinion and suggestions. Please spare some time to complete an evaluation of this Report to help us improve further. It would be appreciated if you could answer the questions in the list below and send your feedback to us:

1. What is your overall rating on this Report?
2. What is your opinion on the quality of information disclosed in this Report?
3. Which part(s) of this Report interest(s) you most?
4. What other information do you think should be included in this Report?
5. Do you have any suggestion regarding our social responsibility work and publication of social responsibility reports in the future?

Please feel free to leave us your contact details

Name/company name/industry:

Telephone number/email address:

Our contact:

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Access to this Report:

You can download the electronic version of this Report from the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the Company's website (<http://www.zjky.cn>).

Please visit our company website or follow our WeChat official account for more information of the Company.

The Company's website: <http://www.zjky.cn>

Note: To have a more detailed and complete understanding of our environmental protection performance and operating results, please refer to the 2020 Annual Report of Zijin Mining Group Co. Ltd.\* and 2020 Environmental Report of Zijin Mining Group Co. Ltd.\* published on the official websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company.



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