

Business & Human Rights Resource Center:

I hope this letter finds you well. We received your recent correspondence regarding land expropriation and environmental concerns regarding our two operations in Serbia (Serbia Zijin Mining and Serbia Zijin Copper). We appreciate your commitment to human rights and social concerns as well as your diligence in bringing these matters to our attention. You may find our response to the concerns as below:

(1) Concern: Serbia Zijin Mining (SZM) is alleged to have expropriated land without consent.

Zijin Mining recognizes the importance of ensuring transparency, fairness, and accountability in land acquisition and expropriation procedures. We require all subsidiaries to closely cooperate with underlying affected stakeholders, regulators, and impartial third-parties to develop and implement fair and compliant land acquisition and expropriation plans, thereby mitigating the adverse impacts on the communities.

Before engaging land owners, Serbia Zijin Mining formulates “Land Acquisition and Resettlement Frameworks (LARF)” by relevant performance standards of the International Finance Corporation (IFC), as well as “Human Rights Impact Assessment Reports” and “Stakeholder Engagement Plans (SEP)”. During the process of land acquisition and expropriation, Serbia Zijin Mining fully implements the “Stakeholder Engagement Plans (SEP)” to ensure that all acquisition and expropriation procedures strictly comply with relevant Serbian laws and international standards.

Serbia Zijin Mining ensures that all transactions involving land trading are voluntary, allowing landowners to make decisions without undue pressure. If the company could not manage to obtain the consent of the landowners, it always considers the possibility of adjusting the designed location of mining facilities first to avoid areas that the owners wish to retain, thus mitigating the impact of mining activities on landowners. In rare circumstances where it becomes necessary to proceed with expropriation as per Serbian law, the company strictly adheres to its legal obligations. The company maintains active communication with landowners, ensuring that they have access to all relevant information regarding land acquisition. Efforts are made to reach mutually agreeable solutions with landowners in place of the expropriation process.

In case of disputes arising during the land acquisition or expropriation process, we are committed to resolving disputes fairly and transparently, and have set up channels for appeals and remedies to ensure that the legitimate rights of the affected communities are respected and protected.

(2) Concern: It was alleged that air and water pollution have been increased due to the operations of SZC and SZM.

Zijin Mining Group and its subsidiaries deeply understand that mining activities may have an impact on the surrounding environment. That's why we are committed to responsible mining practices and responding to various social concerns in a transparent manner.

It is noteworthy that both Serbia Zijin Copper and Serbia Zijin Mining apply modern environmental-protection technologies and processes to construct and operate mines in full compliance with environmental standards stipulated by Serbian laws. As of the end of 2023, both companies have invested more than 300 million USD in environmental protection. As a result, Serbia Zijin Mining has built a park-like green mine and Serbia Zijin Copper has been transformed into a flagship mining company from one that has a century history with significant environmental challenges. As a matter of fact, to address these challenges, SZC has invested more than 220 million US dollars in environmental improvement. After a series of debottlenecking programs, SZC is now in full compliance with Serbian law in environmental protection metrics. The desulfurization system has rooted out the problem of exceeding sulfur dioxide in the city of Bor, and the industrial water used in the processing plants are fully recycled in the flowsheet. In addition, SZC proactively undertakes to address environmental legacy issues. By rounds of greening and reclamation, the old mine has been changed dramatically. The mine, once again, becomes a driving force for urban development.

In the future, SZC will continue to commission third parties to monitor air, soil, and water quality, and will persist in carrying out greening work within the mining area. You may find the following comparative images and linked articles for your reference.



Before



After



Before



After



Before



After



Before



After

Smelter of Serbia Zijin Copper before and after Zijin took over



Before



After

Tailings Storage Facility for the MS Mine



The NC Mine

August 27, 2023: What Do You Get When You Invest 500 Million USD?

[Link: <https://magazinbiznis.rs/zeleni-rudnik-cukaru-peki/>]

September 22, 2023: Serbian Zijin Copper Resolves Bor's Century-Long Air Pollution Problem

[Link: <https://energijabalkana.net/srbija-zijin-koper-resila-jednovjekovni-problem-zagadjenja-vazduha-u-boru/>]

May 31, 2022: 161 Million USD Invested in Environmental Protection, the Biggest Ecological Undertaking Is Yet to Come: "High Planina" and "Robule" Lake Will Soon Be Green

[Link: <https://www.glas-zajecara.com/u-zastitu-zivotne-sredine-investirano-161-milion-dolarana-najveci-ekoloski-poduhvat-tek-sledi-visoki-planiri-i-jezero-robule-uskoro-zeleni/>]

March 15, 2023: 2000 Saplings Planted in the Reforestation of the NC Mine

[Link: <https://www.tanjug.rs/srbija/drustvo/19374/u-akciji-posumljavanja-lokacije-rudnika-novocerovo-zasadeno-2000-sadnica/vest>]

May 29, 2021: A Flock of White Storks "Living" on Flotation Tailings

[Link: <https://www.bor030.net/jato-roda-na-flotacijskom-jalovistu-u-boru>]

June 7, 2022: About Nine Hectares of Flotation Tailings at the "Veliki Krivelj" Mine Reclaimed in Two Months

[Link: <https://www.ekapija.com/news/3725603/zijin-za-dva-meseca-rekultivisano-oko-devet-hektara-flotacijskog-jalovista-veliki-krivelj>]

Should you have any further questions, please feel free to contact us. Thank you once again you're

your commitment and diligence.

Best regards,

Zijin Mining Group Co., Ltd.