



BETTER MINING IMPACT REPORT 2021

Better System. Better Approach. Better Lives.

1. FOREWORD	4
2. OUR IMPACT 2021 DASHBOARD	7
3. BETTER MINING	9
OUR SUPPORTERS	9
OUR FOOTPRINT	11
OUR SOLUTION	12
4. IMPACT CASE STUDIES: IMPROVING CONDITIONS AT ASM SITES	16
FIGHTING CHILD LABOUR	16
PROTECTING AND EXPANDING WOMEN'S RIGHTS	19
IMPROVING HUMAN RIGHTS CONDITIONS	21
5. IMPACT CASE STUDIES: ADVANCING INCLUSION AND TRANSPARENCY THROUGH DIGITALISATION	23
ASM INCLUSION THROUGH DIGITALISATION AND DEVELOPING A VERSION OF THE BATTERY PASSPORT	23
MATERIAL CONTROL THROUGH DIGITAL PRODUCT TRACEABILITY IMPLEMENTATION	25
TRANSFORMING COMPANIES' CONFLICT MINERALS REPORTING THROUGH BETTER MINING OECD 5 STEP REPORT	30
6. IMPACT CASE STUDIES: BUILDING LOCAL CAPACITY FOR BETTER PRACTICES	31
DRIVING RESPONSIBLE PRACTICES ADOPTION BY ASM MINING COOPERATIVES	31
BUILDING THE CAPACITY OF HOST GOVERNMENT AND STATE SERVICES	34
DEMOCRATIC REPUBLIC OF THE CONGO	34
RWANDA	37
7. OUR LIMITATIONS	40
8. FUTURE OUTLOOK	42

3T	Tin, Tantalum and Tungsten	INGO	International Non-Governmental Organization
3TG	Tin, Tantalum, Tungsten and Gold	ITOA	Initiative de la Traçabilité de l'Or Artisanal (in English: Gold Traceability Initiative for Artisanal Mines Exploitation)
3TGCC	Tin, Tantalum, Tungsten, Gold, Copper, and Cobalt	OECD	Organisation for Economic Co-operation and Development
ASM	Artisanal and Small-Scale Mining	PTF	Partenaires Techniques et Financiers (in English: Technical and Financial Partners)
BM	Better Mining	RBA	Responsible Business Alliance
CAP	Corrective Action Plans	RMAP	Responsible Minerals Assurance Process
CC	Copper/cobalt	RMI	Responsible Minerals Initiative
CEEC	Centre d'Expertise d'Evaluation et de Certification (in English: Certification, Expertise, and Evaluation Centre)	RMB	Rwanda Mines, Petroleum and Gas Board
CMRT	Conflict Minerals Reporting Template	SAEMAPE	Service d'Assistance et d'Encadrement de l'exploitation Minière Artisanale et à Petite Echelle (in English: Congolese Government Agency Responsible for ASM Regulation and Training)
CRT	Cobalt Reporting Template	SOR	Smelters or refiners
DRC	The Democratic Republic of Congo	UAM	Upstream Assurance Mechanism
EITI	Extractive Industries Transparency Initiative	WFCL	Worst Forms of Child Labour
ESG	Environmental, Social, and Governance		
EV	Electric Vehicle		
GBA	Global Battery Alliance		
ICT	Information and communications technology		



ASM miners at a pit with Better Mining agent

Photo credit: Better Mining

FOREWORD DIGITAL SOLUTIONS. REAL-WORLD DEVELOPMENT IMPACT

RCS Global Group started fifteen years ago when, on a research trip to the African Great Lakes Region, we witnessed first-hand the disconnect between the production of an increasingly valuable range of industrial minerals found in abundance in the region, and the booming ICT and the Auto sectors who were the ultimate users of these commodities. At one end of the supply chain – a highly regulated, highly organised manufacturing sector. At the other end – a complex and rudimentary artisanal mining industry stretching across a vast geography spanning Rwanda and The Democratic Republic of Congo (DRC).

From that day onwards, we resolved to make global supply chains more transparent and responsible, while generating sustainable positive outcomes for people and the planet. We have since built a globally renowned responsible sourcing audit program, technology platform, and consulting business. Better Mining is the final piece in the jigsaw, offering our partners a way to reach beyond due diligence and have direct engagement and a real impact in artisanal mining communities.

Better Mining enables us to connect artisanal mining to global supply chains while making it cleaner, safer, and more supportive for those that

work in or are impacted by it. We're proud of what we have achieved so far.

Through our on-site presence and the deployment of technology to all aspects of our work, we have helped to significantly expand and improve previously purely human-led processes that monitor Environmental, Social, and Governance (ESG) standards at artisanal and small-scale mining (ASM) sites.

We now work side-by-side with the world's largest Automotive and ICT brands to ensure they understand their exposure to ASM risks and to help them build programs that can engage and improve conditions across their entire sub-supplier ecosystem. In this regard, we are greatly encouraged by the increasing interest and support we have received from industry and the development sector to replicate and scale Better Mining, helping us to demonstrate the progress we achieve together.

There is still a long way to go for the ASM sector to become a picture of responsible practice. As recent, excellent investigative reporting by INGOs including Amnesty International and, most recently, Global Witness, has shown - artisanal mining is still fraught with risks and issues including human rights infringements and, sadly, child labour.

But there is reason for real hope in ASM. The claim made by bad actors in the sector that ASM is simply too remote, too chaotic, and too complex to monitor and improve is getting weaker by the day. We now have the systems, processes, and technology to shine a due diligence light across ASM – opening artisanal mining up to transparent, consistent, and reliable monitoring and engagement to progressively reduce the space for bad practice.

Better Mining is at the forefront of making this positive change a reality.

And our program is growing. With the incredible support of our partners and supporters and in close collaboration with stakeholders from Governments to local communities, 2021 was a year of great progress for the program. We have expanded to 5 additional mine sites, covering approximately 20% of the accessible ASM sites in the DRC cobalt sector, as well as reaching an industrially relevant portion of sites in the conflict minerals sector, while serving over 55,000 miners on the ground.

From April 1, 2021, to March 31, 2022, we identified 2048 incidents. At the end of the period, Better Mining had recommended over 1000 corrective actions issued since the beginning of the program. These actions, which are implemented by stakeholders, drive direct improvements. By March 31, 1098, corrective actions had been recommended, with 888 implemented or in progress. That's a very strong 81% implementation success rate.

Our mission is not to create 1 or 2 picture-perfect pilot ASM sites which are neither representative nor replicable. Instead, we are on a mission to create a scalable and sustainable solution which can be applied in any ASM condition with any mineral.

The Better Mining risk identification and management approach is consistent, systematic, and sustainable. It allows local stakeholders to drive improvements through our CAP guidance, and it allows them to do so within the available financial means of local stakeholders, while also leaving ample space for other organisations to partner with Better Mining to drive more capital-intensive improvements. By doing this, Better Mining builds and scales improvements site-by-site, delivering sector-wide improvements.

We are proud of the real change we are embedding across artisanal mining in the Great Lakes Region. And we're grateful for the support and acknowledgement we continue to receive from our partners. We would also like to thank our new partners who joined our growing program – in the last year, we were delighted to welcome 5 new supporting companies to our group of 19 corporate program partners. They are the world's largest battery maker in Contemporary Amperex Technology, Co Limited (CATL), Ford Motor Company, General Motors, Google, and LG Electronics.

Our supporting companies and partners enable our work. And while we have achieved significant impact already, we can only continue to scale our footprint and our impact with the support of more partners.

If you would like to learn how your company can support and collaborate with us, or if you would simply like to know more about Better Mining, please don't hesitate to contact us at any stage.

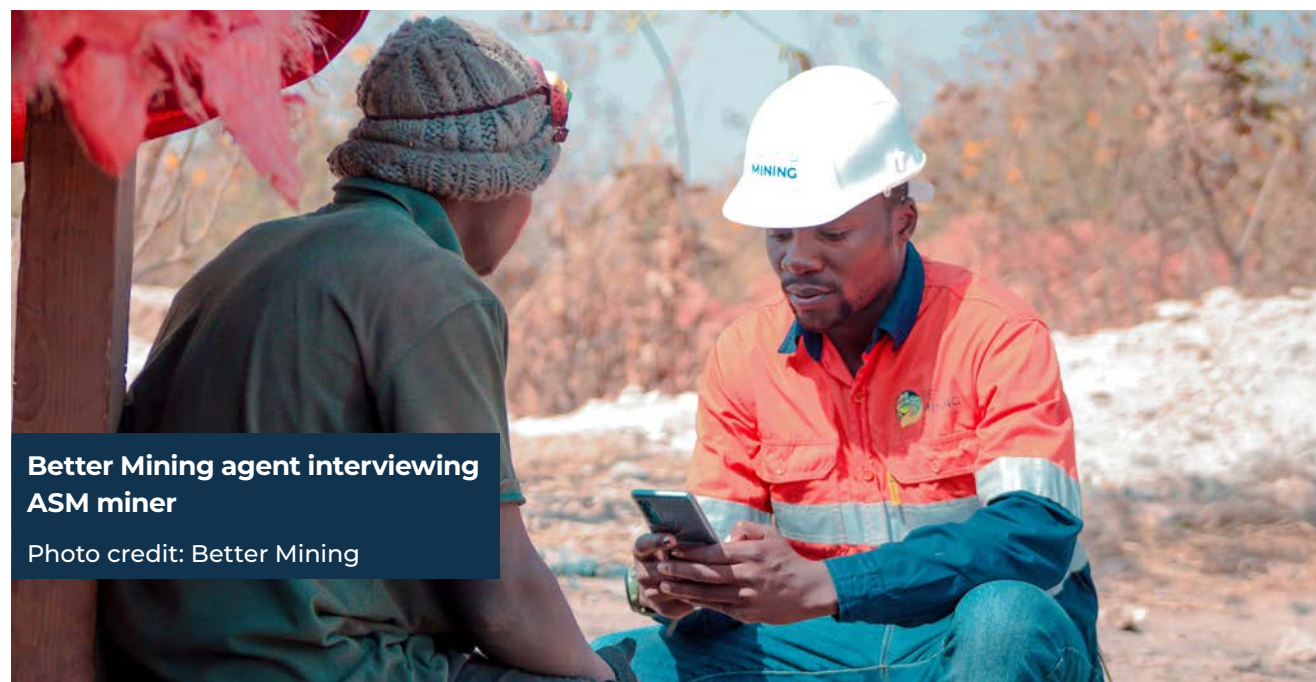
In the meantime, we hope you find the 2021 Better Mining Impact Report informative and insightful.



Dr. Nicholas Garrett
RCS Global Group
CEO



Harrison Mitchell
RCS Global Group
CSO



Better Mining agent interviewing ASM miner

Photo credit: Better Mining



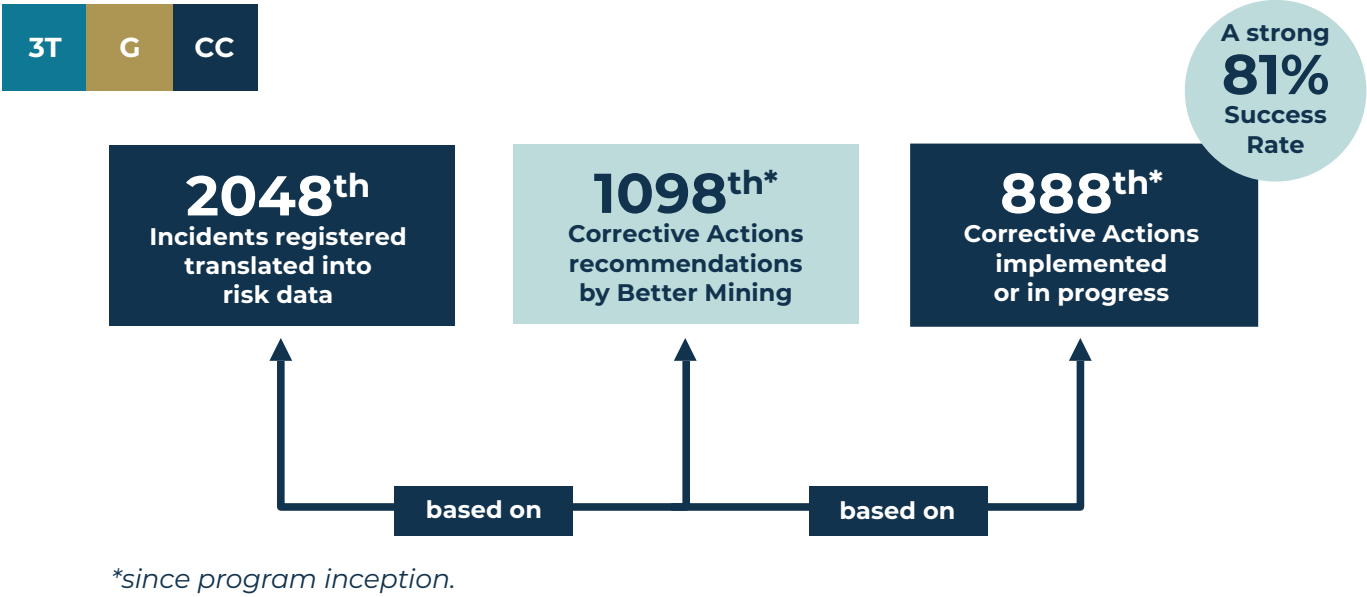
Clovis Kasonji, Better Mining agent of the Kolwezi office, at ASM site Lualaba, Southern DRC

Photo credit: Better Mining

The Better Mining Impact Report 2021 focuses on the program’s achievements from April 1, 2021, to March 31, 2022. It highlights the impact Better Mining has had and continues to have through our presence and activities in the ASM sector.

From human rights to child labour. From women’s rights to security. Better Mining is a unique catalyst for positive change in ASM.

Figure 1: Data from April 1, 2021, to March 31, 2022, across all active ASM sites in the program



This year, we focus on progress in the fight against Child Labour as well as the progress in advancing Women’s Rights and in improving Human Rights conditions through security risk management.

We also had successes in advancing greater supply chain transparency through key digitalisation innovations. In complementarity, our progress in scaling digital traceability implementation also strengthens the fundamentals for expanding market access to responsibly sourced ASM material. Market access is at the core of sustainable improvements of conditions at ASM sites. After all, continuous improvement of ASM must

be commercially viable for it to become entrenched.

Finally, we also offer evidence of how we are building local capacity, drawing on the example of cooperatives and State services, which drives local risk management ownership and sets the basis to sustain the implementation of better practices.

Overall, the report offers a powerful example of how a scaled, data-based model, such as Better Mining, can transform risk mitigation and be a win-win: improving due diligence and assurance processes, while improving conditions for those involved in and around ASM mines.

OUR DEVELOPMENT IMPACT

Reached 1000th ASM Corrective Action



Milestone moment reached of our **1000th** recommended ASM site-level corrective action across 3TG cobalt and copper, with approximately **900** corrective actions closed or in progress.

Completed 140th stakeholder improvement action workshop



Completed the **140th** site level workshop with stakeholders across 3TG and cobalt / copper to explain recommended corrective actions and track progress of improvement.

Recorded over 2000 incidents across 26 risk areas



Recorded **2048** incidents across **26** risk areas at Better Mining monitored mines.

Served 55,000 ASM Miners across 3TG cobalt/copper



Better Mining now serves over **55,000** miners, having expanded to include 5 additional active new ASM mine sites, bringing the total up to 48 ASM sites, **32** of which were active during the reporting period.

Expanded to 20% of DRC's accessible cobalt ASM sites



Better Mining now covers circa **20%** of accessible and active cobalt ASM sites in the DRC and has reached an industrially relevant portion of sites in the conflict minerals sector.

Completed or progressed 80% of improvement actions on child labour



Better Mining registered **240** incidents of child labour and WFCL on ASM Sites. **122** improvement actions were recommended with **97** in progress or implemented.

Improved Human Rights conditions



Successfully supported the removal of rogue military forces from two ASM mine sites, which improved the Human Rights realities for the ASM communities at the sites.

Advanced Women's Rights



Led engagement with local authorities in protecting women at risk of sexual violence and in increasing women's earnings in three mining communities.

Built local capacity to implement better practices



~400 ASM stakeholders participated in Better Mining's on the ground technical trainings and **50** capacity-building trainings recommended by Better Mining were delivered across DRC and Rwanda.

OUR SUPPORTERS

Better Mining is delivered and sustained in close collaboration with our partners and supporters, from industry and the development sector. Together, we are committed to driving positive impact on the ground and scaling quality due diligence and continuous improvement of ASM conditions across the sector. We thank you for your ongoing support and commitment.

"Better Mining is key because it gives us that direct visibility and the means to support positive change at the mine level. [...] Better Mining enables direct upstream supply chain engagement into critical minerals for downstream actors. The move to EVs is changing raw material needs for the entire industry, however, that has not changed our expectations for responsible supply chains. Working with Better Mining helps us achieve this objective within this all important sector in the global supply chain."

Brian Hudson of General Motors
Senior Compliance Analyst
 Better Mining Webinar November 2021

"Better Mining helps provide that 'boots on the ground' engagement and identify the gaps that need to be addressed and the opportunities for improvement and continued engagement with the mining communities. [...] It helps us understand how we can use our resources in a way that is sustainable and effective for the communities that mine the raw minerals we need for our products. [...] having these agnostic programmes and standards to address salient risks related to mining are crucial to our success in this area."

Erin Mitchell of Intel
Responsible Minerals Program Manager
 Better Mining Webinar October 2021

OUR PARTNERSHIPS

Launched UNICEF collaboration



Technical collaboration with UNICEF launched to deepen child labour risk remediation and offer guidance to businesses.

5 new major corporate supporters



Better Mining successfully integrated the value chain with participants and supporting corporations at all tiers of the value chain welcoming Contemporary Amperex Technology Co Limited (CATL), Ford Motor Company, General Motors, Google, and LG Electronics.

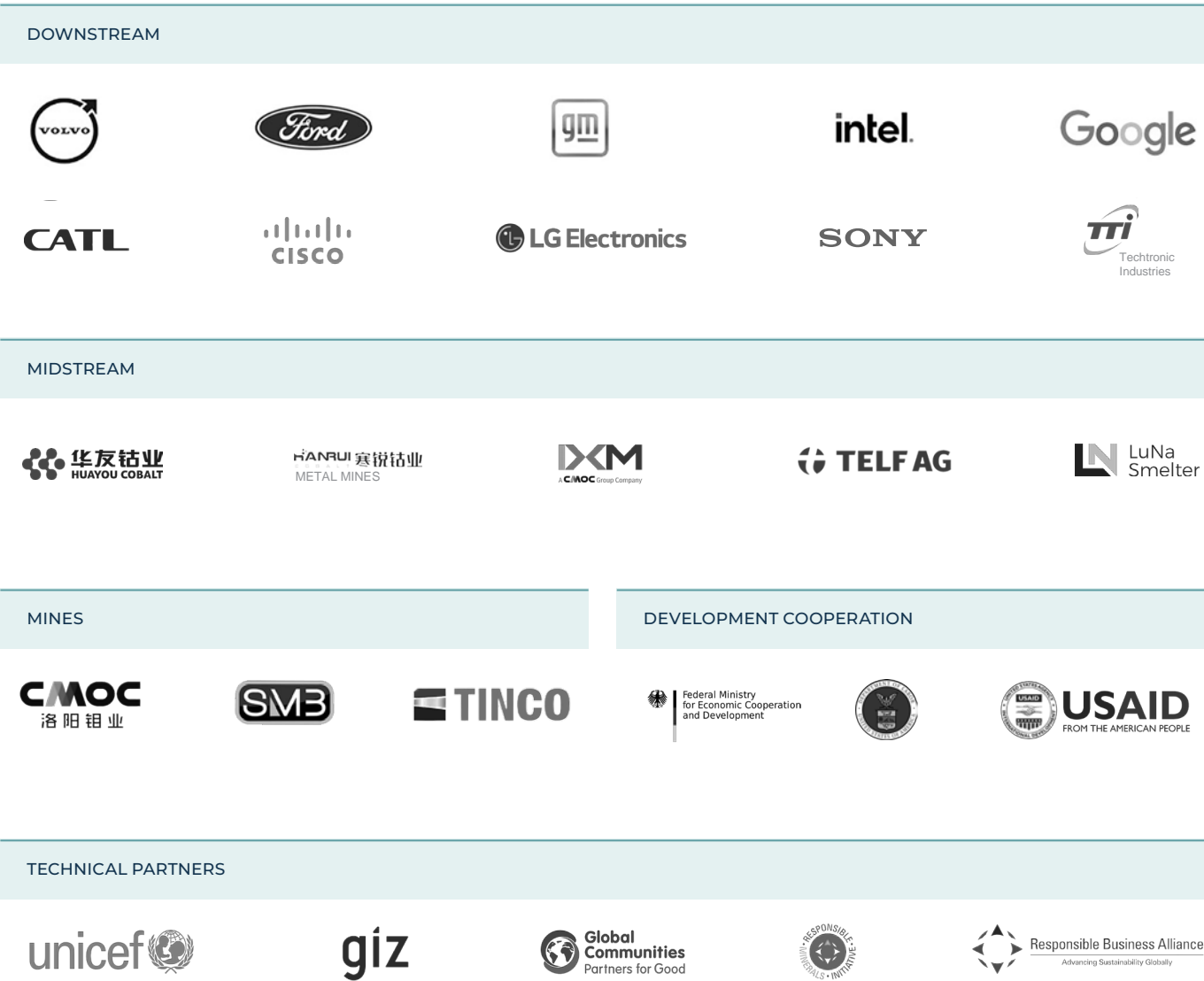
Increased development sector partnerships



Partnerships and collaborations with development sector actors, including UNICEF, GIZ and Global Communities, with support from US Department of Labor, USAID and the German Federal Ministry for Economic Cooperation and Development.



Figure 2: Some of Better Mining's supporters



JOIN US AND CONTRIBUTE TO THE POSITIVE CHANGE WE ARE DELIVERING

We invite companies from all tiers of the value chain to join Better Mining. The program is at a tipping point of widespread industry support at a time when there has never been a greater need for the solutions we are delivering.

Working together as a value chain including industry and development sectors helps democratise costs while scaling swiftly, innovating practically, and creating improvements daily.

And our program is gaining global attention. From reporting in key global media outlets, endorsements from major INGOs, to citations at leading multi-stakeholder forums – Better Mining is seen as an exciting, disruptive, and high-impact solution.

Together, we can move the ESG needle on the ground where it matters the most. Contact us to discuss how you can become a supporter or partner.

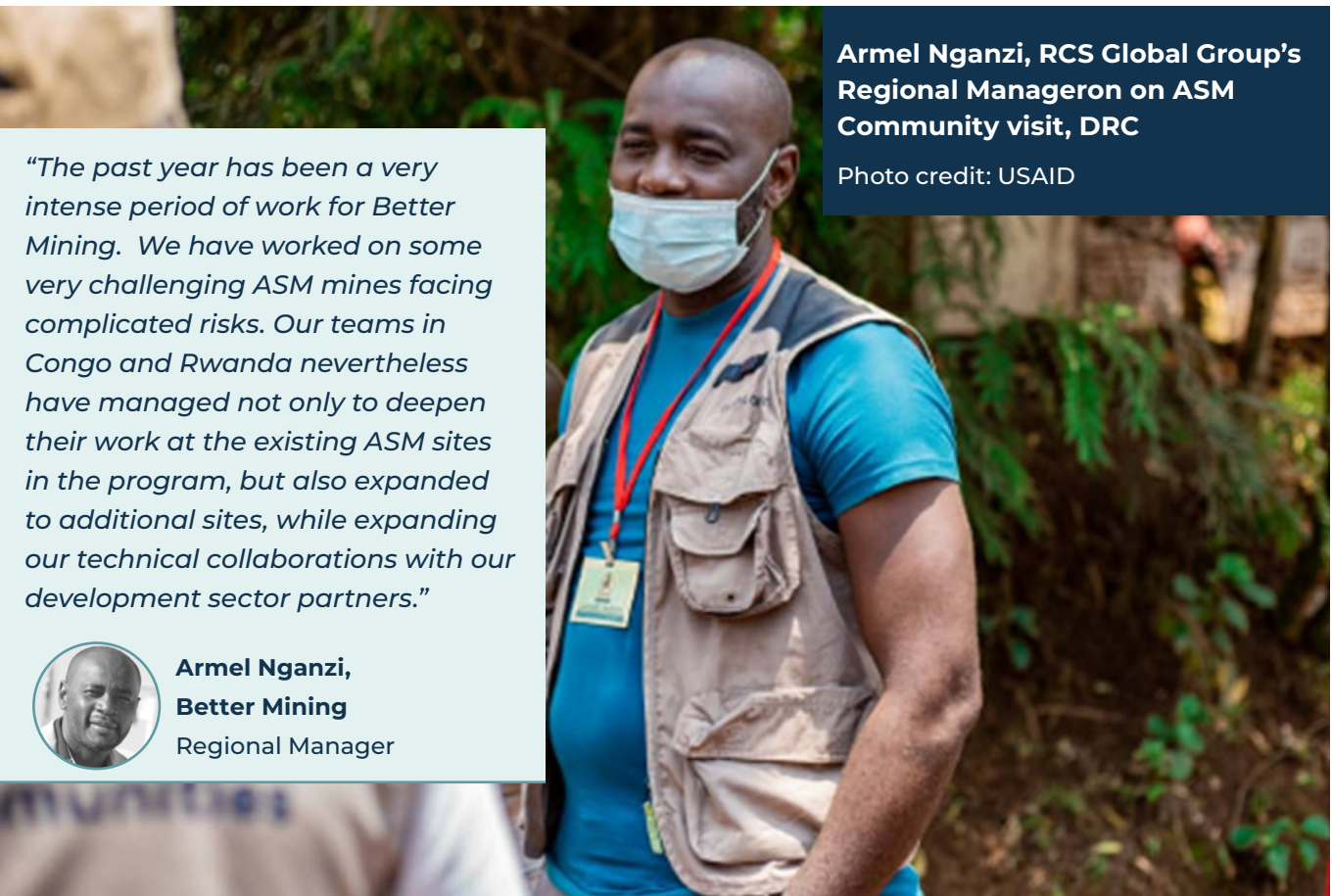
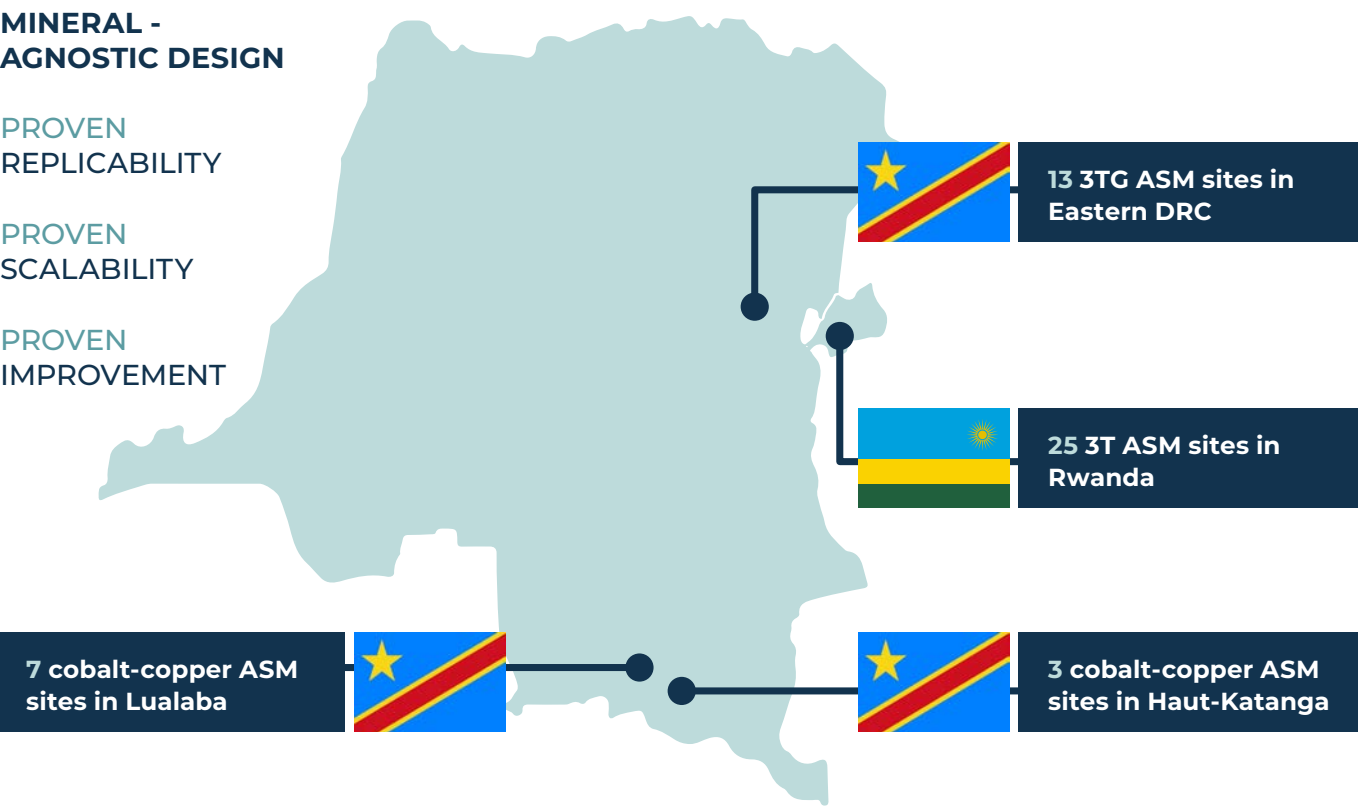
"It is inspiring to see the Better Mining team at work. The team is passionate about what they do and work to deliver every meeting, every report with meticulous detail. It's this type of dedication that really sets Better Mining's work apart and achieves the impact we are celebrating in this report."

Ana Sarmiento
Better Mining
Project Director

OUR FOOTPRINT

The past 12 months have seen great progress for Better Mining. Better Mining now serves over 55,000 miners across ASM in the African Great Lakes Region. It has expanded to include 5 additional active ASM mine sites, bringing the total up to 48 (32 of which were active). This includes approximately 20% of the active and accessible ASM sites in the DRC cobalt, copper sector, as well as an industrially relevant portion of sites in the conflict minerals sector.

Figure 3: Where we operate



OUR SOLUTION

As a recognised and RMI accreditation Level 1 Upstream Assurance Mechanism (UAM), Better Mining is implementing OECD - aligned due diligence through established procedures and a strong company management system.

A third-party OECD Alignment Assessment found Better Mining policies and implementation for 3Ts to be OECD Due Diligence Guidance aligned. Better Mining is in the process of completing the assessment for other minerals, including cobalt and copper in the current reporting period.

For Better Mining, due diligence is an ongoing, proactive, and reactive process that needs to be undertaken by all companies in a supply chain. Based on this principle, Better Mining expects companies participating in Better Mining supply chains to proactively carry out due diligence and to react to changes in circumstances and risks in the supply chain.

Better Mining implements an ongoing process of robust data collection and stakeholder engagement to encourage conformance with international, national, and regional due diligence standards. Better Mining's Risk Management Protocol (RMP) sets out a process for identification and management of reported risks in an OECD Due Diligence Guidance conformant, measurable, and accountable manner.

Deployed daily to the ASM sites in the program, locally recruited and trained Better Mining monitoring agents are equipped with a smartphone application to gather incident and risk data. This data is transmitted to Better Mining's database to be verified and analysed by RCS Global's international risks expert team.

Developed with support from the Responsible Minerals Initiative (RMI) and having undergone extensive consultation, Better Mining's RMP, translates single 'incidents' (events that have occurred and have caused a negative impact on the supply chain) into 'risks' (potentially adverse impacts). The RCS Global risk experts then assign unique corrective actions to local stakeholders for implementation on the ASM sites in the program.

As an assurance mechanism, Better Mining does not itself implement corrective actions. Instead, it assigns corrective actions to local stakeholders for implementation and monitors and reports on the progress local stakeholders are making with the implementation of corrective actions.

For a detailed understanding of the risk areas Better Mining currently covers, please refer to **Figure 4** overleaf.

Instead of only focusing on closing incidents, ASM sites monitored by Better Mining are expected and supported to implement risk-based due diligence commensurate to the severity and likelihood of identified risks. Risk management is the preferred approach to do so.

Risk management addresses deeper structural issues than a focus on incident closure would allow and is therefore a far more meaningful analytical lens and far more practically impactful approach than a focus on incident closure alone.

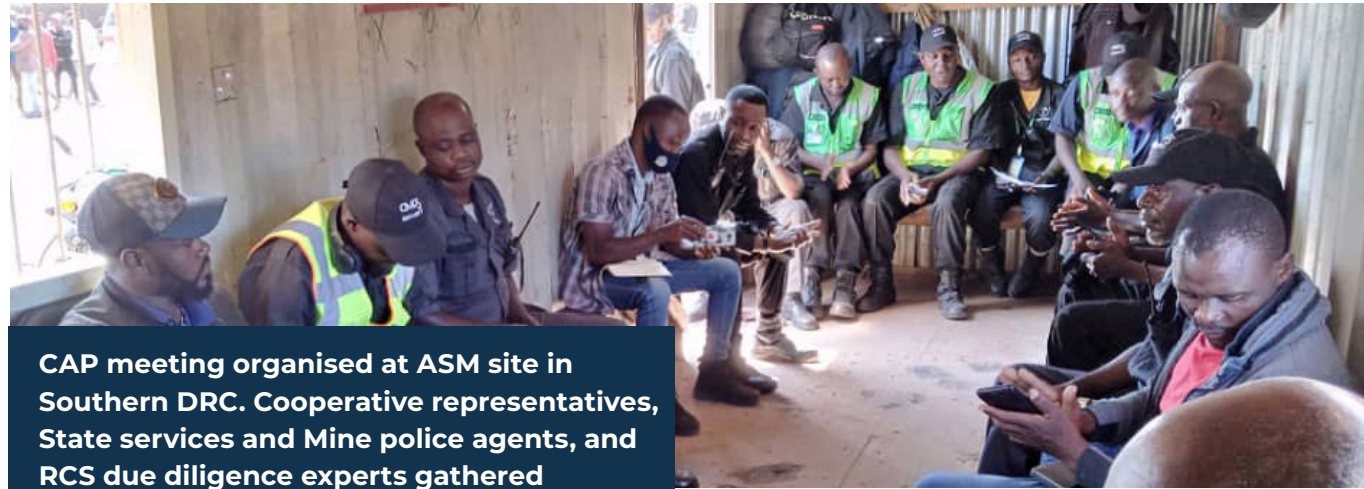


Figure 4: Better Mining risk areas



In close collaboration with local stakeholders, Better Mining's international and in-country field teams oversee the implementation of risk management and improvements advancement for the mines in scope, via the Better Mining Corrective Actions Plan (CAP) process.

Examples of stakeholders that can be engaged in the Better Mining CAP process include, but are not limited to: ASM miners, mining cooperatives, local community representatives or traditional authorities, upstream industry representatives, local technical NGOs, State services representatives, Government representatives, formal security sector representatives.



CAP meeting organised at ASM site in Southern DRC. Cooperative representatives, State services and Mine police agents, and RCS due diligence experts gathered to discuss risk mitigation on site

Photo credit: Better Mining

Better Mining's CAP process builds on the core principles of a multistakeholder approach to continuous improvement by driving the commitment and collaboration of multiple stakeholders. As part of this process, Better Mining engages the relevant local stakeholders in monthly meetings at each ASM site in the program to discuss risks and to workshop the monthly issued corrective actions assigned by Better Mining.

The implementation of the CAP, in turn, is on-site monitored and data tracked by Better Mining, with a view to map and report on the continuous improvement of conditions at each ASM site in the program.

Over the period in question a remarkable 81% success rate was achieved, while we also surpassed the milestone of assigning our 1000th corrective action.

For a full process overview, please refer to **Figure 5** below.

Figure 5: Better Mining in action



Better Mining's successful engagement with stakeholders at all tiers of the value chain allows us to effectively use our presence to drive measurable improvement on the ground, while sharing our unique knowledge across the supply chain.

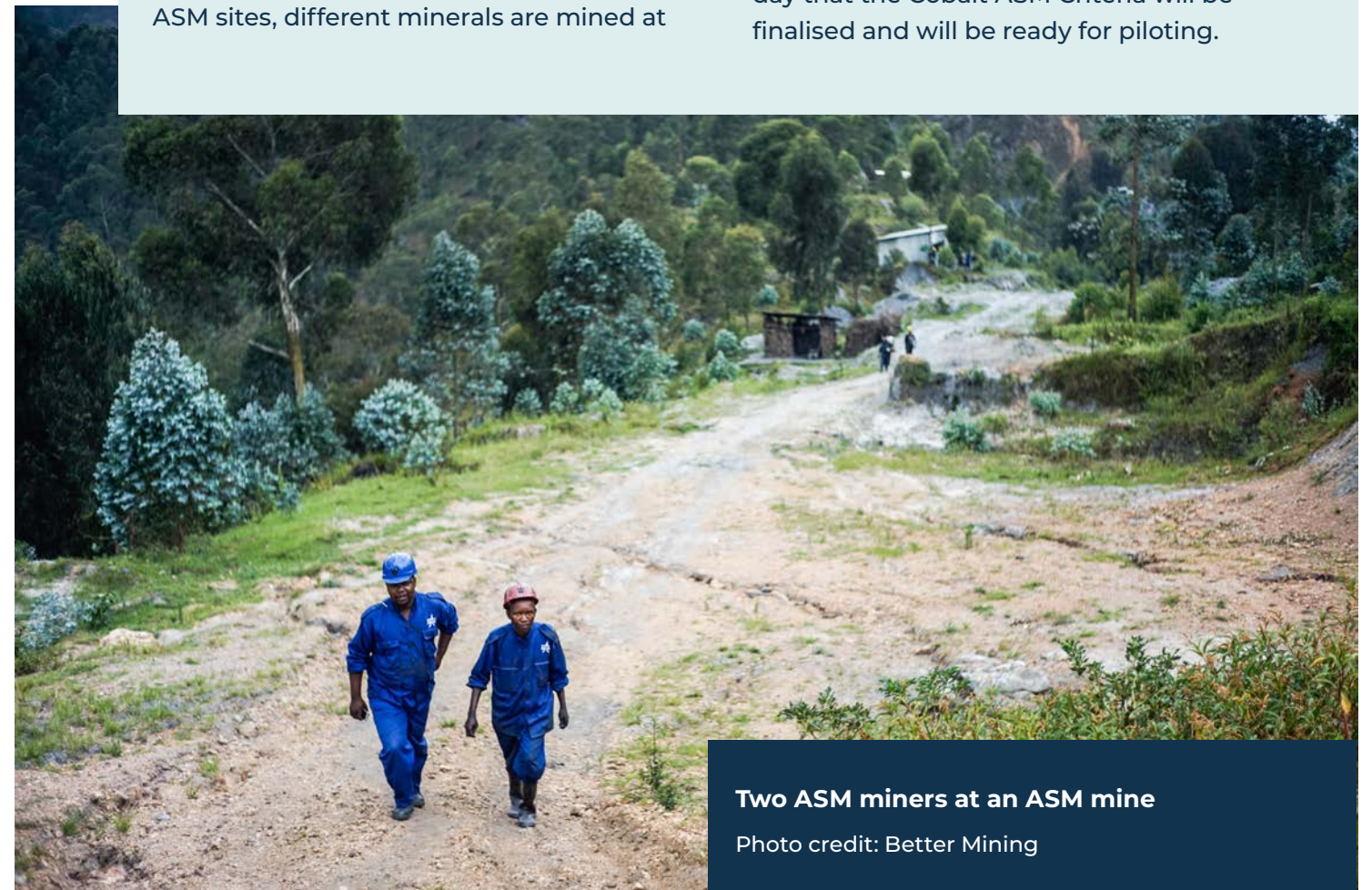
BOX 1: THE ASM COBALT CRITERIA

The RMI is now finalising the cobalt ASM Cobalt Criteria through a consultative process with stakeholders. The plan is to pilot the Cobalt ASM Criteria implementation in late 2022 eventually to then create a standard and assurance program around the criteria. Until such time, the to go to responsible sourcing criteria remain the mineral agnostic and multi-stakeholder endorsed OECD Due Diligence Guidance and the corresponding smelter and refiner audit standards.

As a mineral agnostic improvement program, Better Mining monitors ASM sites daily and the risk exposure of ASM sites in different minerals is remarkably similar, while on many ASM sites, different minerals are mined at

the same time, e.g., cobalt and copper occur very often in the same deposits. The utility of the development of a mineral- specific ASM Framework is therefore far more limited than a mineral agnostic one.

That said, Better Mining is optimally placed to pilot the Cobalt ASM Criteria given Better Mining's presence on a critical number of cobalt ASM sites, Better Mining's existing risk identification and management of a broad array of responsible mining risks already, and consequently, the relatively limited monitoring methodology adjustments needed. We, therefore, look forward to the day that the Cobalt ASM Criteria will be finalised and will be ready for piloting.



Two ASM miners at an ASM mine

Photo credit: Better Mining

IMPACT CASE STUDIES: IMPROVING CONDITIONS AT ASM SITES

FIGHTING CHILD LABOUR

Child labour remains a persistent issue across ASM. In cobalt alone, it is estimated that as many as 35,000 of the DRC's 255,000 artisanal cobalt miners are children¹. This happens even though children younger than 18 years old are not even legally allowed to enter mining areas in the DRC. Extreme poverty in mining communities remains the number one reason for children to engage in such dangerous activities. The Covid-19 pandemic has further exacerbated the child labour situation through school closures and additional economic hardship.

During the reporting period, Better Mining identified 240 cases, of which nearly 50% were classified as Worst Forms of Child Labour (WFCL) across all monitored ASM sites. This shows that Better Mining risk identification and assessment works. Our approach doesn't apply sticking plasters, we identify and track risks systematically to enable real solutions.



Child washing material on an ASM site
Photo credit: Better Mining



Child carrying goods and baby on back, photo taken on an ASM site
Photo credit: Better Mining

As an example from one site, in late 2021, we achieved a significant reduction in child labour across several of our mine sites but one of our cobalt sites stood out. From 33 incidents of children working on the site between July and September 2021, we were able to reduce this to 7 in the following quarter, achieving a 79% reduction rate within a 3-month timeframe.

At the beginning, our team had received repeated reports of children selling food and beverages to artisanal miners and working at restaurants on the site. More concerning, we also saw and reported incidents of children washing minerals and carrying bags of mineral ore. These activities deprive children of their childhood, their potential, and their dignity, and are harmful to their physical and mental development.

In this case and time, child labour was also likely exacerbated by other factors: worker numbers at the site had more than doubled in the three preceding months while the Covid-19

pandemic's effects were still tangible.

This, in turn, created a significant increase in demand for goods and services, without a commensurate increase in both cooperative staffing to ensure effective goods and services delivery and effective access controls to the ASM site. The limited number of security guards patrolling several entrances of the vast site made the task even more challenging. On top of that, an earlier change in offtakers and a new cooperative management team on site affected the overall engagement of the cooperative to address risks.

In response, we first reinforced our engagement with the cooperative's senior leadership considering the recent changes in management. Three complementary corrective action plans were then implemented across the mine site. A dedicated team within the cooperative was created to identify and monitor cases of child labour.

To ensure a continuous and rigorous follow-up of every child presence, the team was put in charge of maintaining a register of every child discovered on the ASM site. The team would

Awareness campaign on the risks of child labour delivered to workers on site by the representative of the artisanal miners on the ASM mine site, in October 2021 - after corrective action recommendation through Better Mining CAP process

Photo credit: Better Mining



later regularly visit related caregivers to remind them of the dangers children are exposed to when involved in ASM. Finally, training and awareness-raising sessions were provided to workers on the health impacts incurred by children on site, along with regular warnings on the prohibition of child labour.

Within a few weeks we witnessed positive changes. The new management team gained ownership of the risk and became increasingly more implicated while workers and caregivers were better informed on the risks associated with child labour. As a result, cases of child labour significantly dropped, though did not entirely vanish, which is extremely difficult to achieve on ASM sites where effective access control is yet to be fully established and taking into consideration the regional wide poverty.

This persistence served as a reminder that ending child labour in the battery supply chain is a multi-stakeholder and multi-sectoral long-term effort. After all, the well-being of DRC's children, today and in the future, will require the support and commitment from all stakeholders across the cobalt supply chain.

By continuing to engage with local stakeholders we were able to maintain a single-digit child labour incident rate the next quarter.

But the ongoing challenges involved in controlling child labour in ASM cobalt also drove us to ideate additional solutions, including but not limited to our technical collaboration with UNICEF, which is having a significant effect on Better Mining implementation.

¹ <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/congo-democratic-republic-drc>

UNICEF AND BETTER MINING TECHNICAL COLLABORATION TO FIGHT CHILD LABOUR

As part of UNICEF’s Mitigating Child Rights Deprivations in ASM Communities Project, financed by BMZ’s (the German Government) cooperation fund “We Stop Child Labor”, Better Mining and UNICEF advanced the co-development of a mineral agnostic toolkit allowing mine operators and supply chain stakeholders to better identify child rights violations and implement best practice social protection measures in the ASM context.

This easy-to-use toolkit will be embedded into existing due diligence frameworks, and offer help in harmonising and reinforcing interventions.. The purpose is to offer guidance on addressing child labour on ASM sites and reinforcing national strategies on child labour, while also offering actions for companies that go beyond disengagement.

In the first step of the toolkit development, Better Mining in collaboration with UNICEF, conducted participatory consultations with over 50 upstream stakeholders including miners, cooperatives, ASM community members, traders, local civil society organisations and government officials. The purpose of the interviews and focus groups was to collect information, best practices, and increase ownership of the project by local ASM stakeholders. Additional discussions were held

with downstream actors such as donor agencies, downstream brands, industry groups, and NGOs to collect best practices for child labour identification and remediation. Consultation outcomes were integrated into a draft toolkit and are being used to guide the development of corrective actions with UNICEF’s child protection experts.

Now in Phase 2, Better Mining will be implementing the toolkit on an ASM site in cobalt/copper and an ASM site in 3TG in Q3, 2022. The later roll out to all Better Mining monitored sites will be subject to available funding for Better Mining and UNICEF.

With the UNICEF technical collaboration fully implemented across the ASM sites in scope for Better Mining, the remediation of children’s rights infringements would progress to a much deeper and more sustained level, as UNICEF has the mandate and reach to work deep inside communities. This means UNICEF can extend Better Mining’s programmatic scope and geographical reach. This is partnership potential and impact in practice.

“Child rights infringements linked to artisanal mining are a persistent issue across a vast range of resources in geographies from cobalt to gold. We have been actively involved in working to address this challenge and this project with RCS Global technical expertise will allow us to systematize, harmonize the interventions on the ground, and scale a common and holistic approach through our entire network.”

Daniella Savic of UNICEF DRC
Mining Partnerships Coordinator



Daniella Savic of UNICEF visiting a cooperative office of the selected
Photo credit: USAID

PROTECTING AND EXPANDING WOMEN’S RIGHTS

Better Mining interventions in several DRC mine sites have been successful in addressing gender-based violence and gender discrimination faced by many women and girls.

Gender dynamics and social norms play a key role in how women and girls live in ASM communities. According to the World Bank², academics, and reporters³, these women, including underage women, are especially

vulnerable to human rights abuses, sexual and gender-based violence, discrimination, and health risks. In addition, social norms and cultural taboos often interfere with their ability to work by preventing them from entering ASM mine sites or from engaging even in safer ASM mining. This ultimately hinders their financial independence and their economic emancipation.

Women’s rights and empowerment are crucial aspects of Better Mining’s work to further improve the socio-economic conditions of



ASM site where women were at risk of gender-based violence
Photo credit: Better Mining

2 “Resources and Resourcefulness: Gender, Human Rights, and Resilience in Select Artisanal Mining Towns of Eastern Congo.” The World Bank, 2014: <https://internationalwim.org/wp-content/uploads/2020/10/Resources-and-Resourcefulness-Gender-Human-Rights-and-Resilience-in-Select-Artisanal-Mining-Towns-of-Eastern-Congo-3.pdf>

3 <https://www.aljazeera.com/features/2021/11/7/you-make-money-by-finding-men-congos-gold-rush-sex-trade>

mining communities. For this reason, our risk monitoring processes screen the risks of sexual exploitation and gender discrimination.

For example, in an Eastern DRC mining town, close to a mine site we had been monitoring since December 2020, many women were pregnant, some of whom were underage. In this context, our risk identification process identified cases of sexual exploitation of underage girls linked to two brothels, which triggered risk alerts for gender-based violence and sexual exploitation.

In Southern DRC, we identified a restriction of Women's Rights in that women were not allowed to fully participate in mining activities in two cobalt sites that had recently joined Better Mining. On one of these sites, they were not even allowed to enter the ASM mine. In both scenarios, we engaged stakeholders to support solutions that would have a long-term effect.

In the first case, Better Mining recommended and participated in strong engagement by the Government to reinforce law and order across the mining town, as well as achieving the closure of the identified brothels.

After several meetings at the provincial level, and following investigations from civil society, a multi-stakeholder team joined forces and closed both brothels in October 2021. Additionally, Better Mining recommended three awareness workshops to the resident cooperative on women's health, with a special focus on pregnant women in mining communities. These were jointly completed by the cooperative, State services and civil society. Additional engagement on the structural risk of poverty and economic marginalisation placing women at a higher risk of sexual exploitation is required through the development sector across all ASM communities.

In the second case regarding women's economic marginalisation through exclusion from mining activities, Better Mining was mindful of the need for community acceptance and designed two corrective actions to promote dialogue on women's rights, a first step towards women's empowerment.

First, we proposed the organisation of a meeting to ensure the cooperative's commitment to provide a non-discriminatory access to the ASM mine site and two areas were identified where women could participate in mining activities.

Second, we suggested setting up a workshop between the cooperative, workers' representatives, and community leaders to discuss women's participation in mining activities. At this meeting, participants rejected the possibility for women to work down in the pits, but they granted them access to the depots where they can buy and sell ore.

These activities proved successful in protecting women at risk of sexual violence and in increasing women's earnings, with the ultimate impact of shifting gender roles in three mining communities. Despite these successes, more remains to be done to change broader cultural norms to the benefit of women's empowerment.

"Behaviour change in women's rights and their access to work is a driving force for more equal and peaceful communities. Better Mining's actions to support this change process at ASM sites can have positive impacts for both women and the ASM communities at large."



Eugenie Valentin
Better Mining
Senior Project Manager



Female ASM miner
Photo credit: USAID

IMPROVING HUMAN RIGHTS CONDITIONS

Better Mining neither has the mandate nor the capacity to act directly in the security sector. Despite this obvious scope limitation, Better Mining is consistently improving Human Rights conditions in and around ASM sites, where security risks are a reality.

In this context, Better Mining's approach is to closely collaborate with legitimate actors who have a formal and defined mandate in the security sector. This enables credible reporting of risks, while protecting the personal safety of Better Mining staff.

Better Mining security incident reports are met with careful monitoring of the situation in consultation with local stakeholders. This type of early warning and ongoing monitoring allows

for flexible responses. The Government is the ultimate authority responsible for handling security sector-related risks, whereas the United Nations have a specific mandate to investigate security sector-related risks in the DRC.

"With our permanent on-site presence, Better Mining works quickly to identify on-site risks and security issues. With our critical CAPs, we can build trust and cooperation with stakeholders to restore security on site. Better Mining is proud to be able to provide a leading role on these activities needed to ensure security for the artisanal mining sector."



Rodrigue Kiluka Ngengele
Better Mining
Project Coordinator

ENDING MILITARY PRESENCE AND ABUSE OF FORCE

As part of Better Mining's replication of its approach in the gold sector, Better Mining implemented its program at the Luhihi gold ASM site in South Kivu with funding from the USAID-funded "Zahabu Safi" Project by Global Communities. Better Mining implementation was crucial to the identification and subsequent removal of unmandated military forces at the ASM site, whose illegal presence had had an

adverse effect on the Human Rights conditions at and around the ASM site.

In response to the identified risk, the Better Mining CAP process required the engagement and accountability of multiple stakeholders to ensure a collaborative risk mitigation strategy and implementation procedure. The result was an immediate temporary suspension of the



Provincial training of Mining Police on the Voluntary Principles of Human Rights
Photo credit: DCAF training consortium

IMPACT CASE STUDIES: ADVANCING INCLUSION AND TRANSPARENCY THROUGH DIGITALISATION

Advancing transparency is a key lever for Better Mining to support stakeholders, who benefit from our data generation and enhanced due diligence implementation. We have made significant progress in 2022, specifically in three key areas:

- enabling ASM actors' inclusion in global, responsibly sourced mineral value chains through digitalisation and advancing a version of the "Battery Passport";
- enabling SEC reporting and global "conflict minerals" affected corporations to leverage Better Mining's data for their regulatory filings. Better Mining is proud to have published its second OECD Step 5 report, which includes key risk data and insights;
- outlining how host Government sector formalisation efforts benefit from Better Mining implementation.

ASM INCLUSION THROUGH DIGITALISATION AND DEVELOPING A VERSION OF THE BATTERY PASSPORT

Better Mining has made significant steps to enable ASM producers to participate in the future of battery value chains leading to Europe. By preparing for the integration of these assured ASM supply chains into RCS Global's Vine platform, we are paving the way for such data to be integrated into a future "Battery Passport". Here is how we did it:

Data-led due diligence is increasingly required by a growing number of stakeholders and emerging legislation around the globe. Through our MAP audit program, which is the most widely used audit program in global battery raw materials supply chains, RCS Global Group works at the forefront of advancing transparency in global supply chains. Our work enables end to end supply chain transparency and, at the same time, highly effective risk identification, assessment, and management at all tiers of the value chain.

RCS Global Group is a member of the Global Battery Alliance (GBA) and is, via its Digital Solutions unit, collaborating with leading companies in the GBA's Track and Trace working group, to develop a version of the "Battery Passport". The Battery Passport is a compliance pathway to meet the requirements of the forthcoming EU Battery Directive.

In this context, Better Mining, has been considering how we can ensure that responsible ASM producers can participate in the broader market, and in particular in "Battery Passport" enabled supply chains, so as to ensure that they will not be excluded from the European market.

While some technology solutions provide data on select large-scale mined material, trustworthy, credible data capturing of responsible sourcing of ASM material is uniquely captured through Better Mining.

The integration of Better Mining data, in the form of ASM mine site specific score cards, into RCS Global Group's digital due diligence management platform, VINE, will mean that Better Mining data is available to global supply chain stakeholders. RCS Global's Vine platform is being developed to enable a version of the "Battery Passport". By integrating the Better Mining dataset and the responsible producers of ASM into this broader technological solution, they will have a better chance to participate in the future of responsible trade.

Vine has already seen increasing industry uptake, enabling users to map their supply chains based on audit validated data and also

mine and rapid intervention at South Kivu's provincial authorities with a series of corrective actions to address the specific security risks.

The Zahabu Safi consortium, civil society members and Governmental stakeholders worked alongside the Better Mining Corrective Action Plan for 60 days until the unmandated military forces were identified and removed, and the site was officially reopened by the Ministry of Mines.

This established a more secure environment for the gold mining community in eastern DRC and led to a decline in Human Rights incidents in the area.

Since May 2021, zero incidents relating to the presence of unauthorised security forces were recorded on site, showcasing how effectively Better Mining's risk mitigation led to improved security.

MANAGING RISK AND DELIVERING BUSINESS CONTINUITY

While Better Mining can actively support processes to remove unmandated military forces, Better Mining has also been successful in navigating very high risk and high insecurity contexts in other parts of the DRC.

For example, in close consultation with local and regional stakeholders, Better Mining successfully continued to deliver its permanent mine site monitoring, risk management and mineral tracing systems at a large ASM mine site in DRC, supporting the mining operator to better understand the risks and issues that were affecting the concession and develop an enhanced due diligence and risk management approach.

To further support due diligence and reassure the international purchasers of material, Better Mining implemented a calendar for weekly reporting on risks and risk management, as well as general security and traced production

volumes from the site. These were formal updates that were shared with the purchasers of material from the mine. The weekly reports were then supplemented with monthly calls between Better Mining and the purchaser.

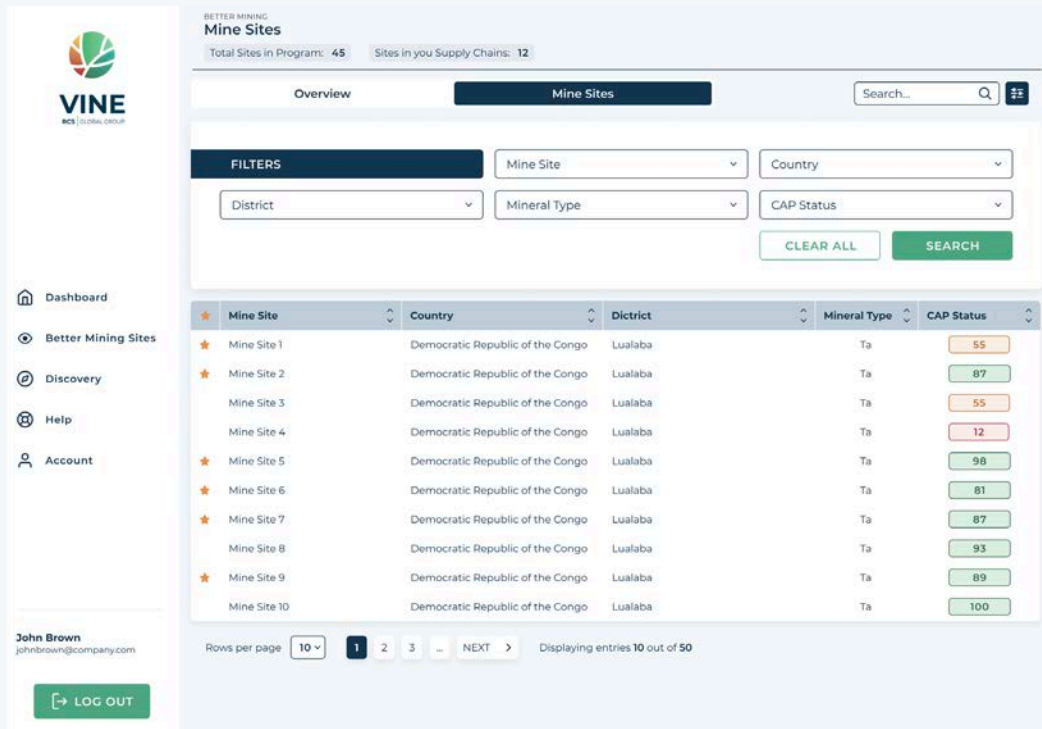
This approach resulted in the continuity of business and commercial relationships between a midstream purchaser and a mineral exporter. At the ASM level, this continuity of business directly translated into maintaining the livelihood opportunity of the community, while preventing the Human Rights conditions at the industrially significant mine from deteriorating in line with its wider context.

This work demonstrated that sourcing responsibly is possible, even when dealing with conflict-affected and high-risk areas near the Better Mining implemented ASM sites.

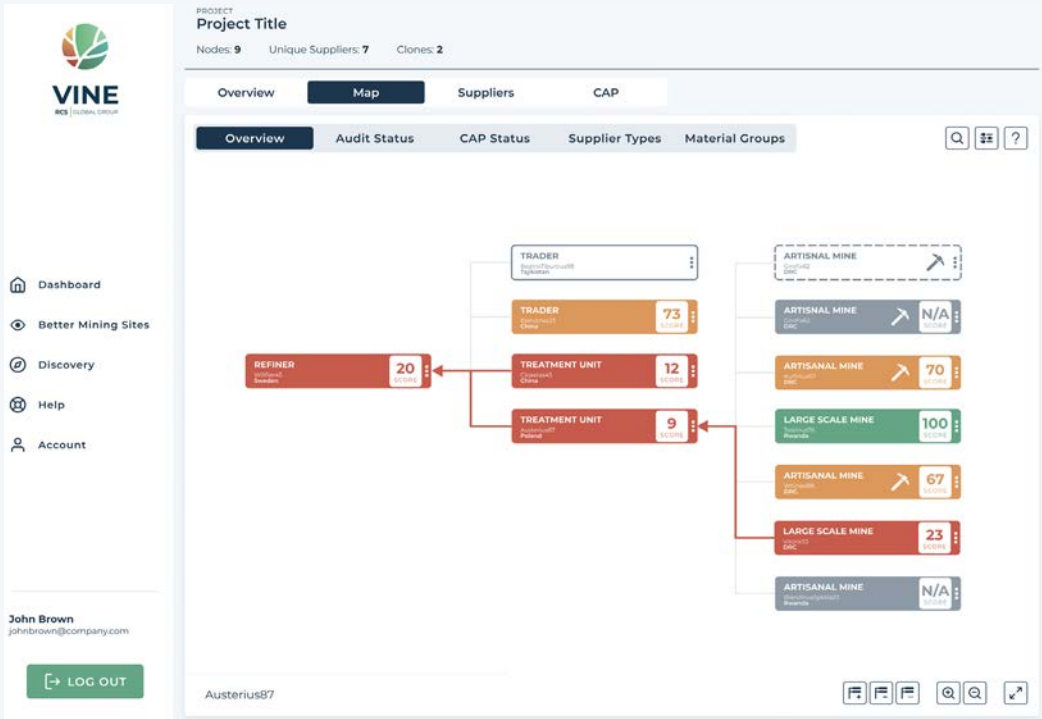
ASM site in DRC

Photo credit: Better Mining





Vine users will be able to pull up an overview of Better Mining artisanal mine sites, getting insights on the geographic location, minerals produced, and performance measured against the corrective action plan (CAP).



RCS Global's Vine platform, with its powerful supply chain mapping capability, is already valued and used by downstream companies. In the future midstream users, such as refiners and smelters, will be able to navigate supply chain maps showing their mapped supply chain back to the mine-site level.

Both screenshots depict dummy data

enables enhanced due diligence activities. In practice, smelters, and refiners, as well as their downstream customers, will be able to see which exact Better Mining ASM mine is confirmed or reported to be part of their supply chain. Based on Better Mining risk score cards, they will also see how well this ASM mine performs against responsible sourcing market expectations.

This, in turn, can then inform both risk management actions and inspire direct support of the ASM mines in question, for example to support them in implementing recommended

MATERIAL CONTROL THROUGH DIGITAL PRODUCT TRACEABILITY IMPLEMENTATION

As a poverty-driven activity, ASM is not going to disappear anytime soon. Access to a responsibly sourced raw materials market is therefore central to create the necessary market incentives for better practices to be sought and sustained by the upstream ASM value chain.

Better Mining's work as an **Upstream Assurance Mechanism (UAM)** is an essential part of Better Mining's relevance to the midstream sector. The midstream is typically where supply chain control points are located and are subject

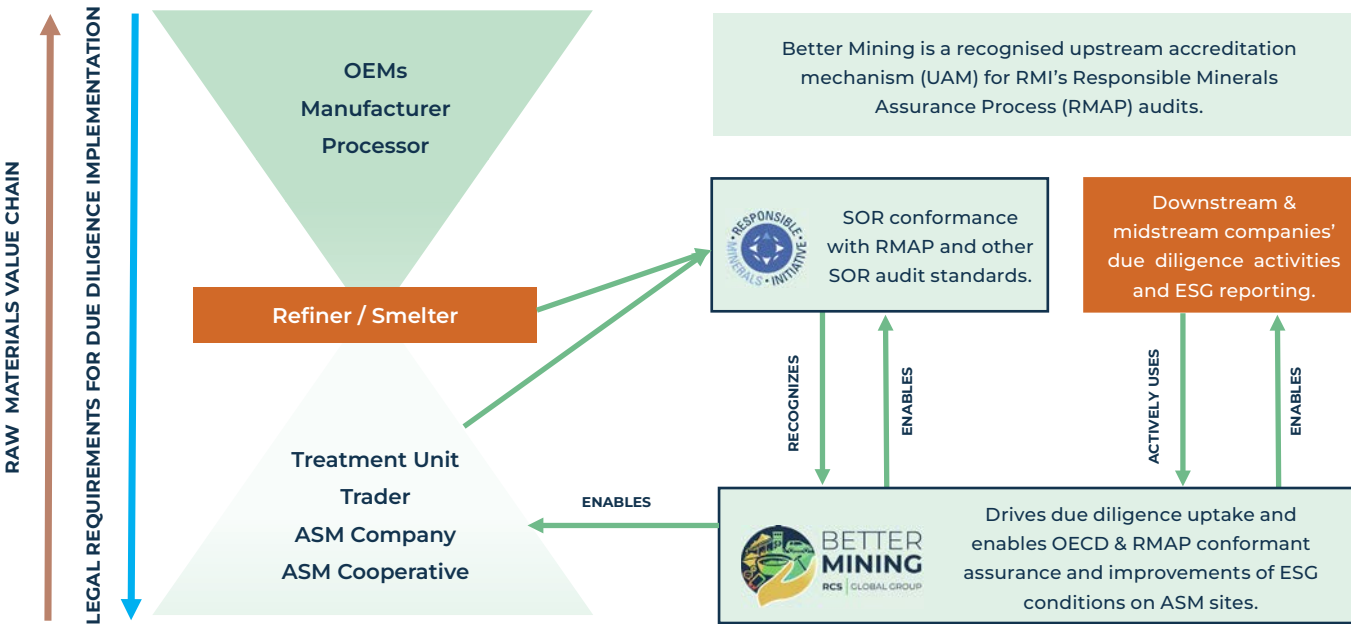
improvement actions on the ground that were identified as part of the Better Mining CAP process.

The addition of Better Mining further enriches the platform, which already contains over 800 validated corporations across tiers in raw materials supply chains. There is ongoing investment in further digitising our upstream incident and risk management, to ensure data quality and help scale the impact of Better Mining.

to audit requirements such as the RMI's Responsible Minerals Assurance Process (RMAP) and others.

For smelters or refiners in the midstream, who receive minerals from multiple suppliers, originating from several countries, developing, and implementing due diligence management systems is a complex task. UAMs can prove to be a useful and valuable tool to smelters or refiners by supporting their due diligence management systems.

Figure 6: Better Mining's role in the global assurance and ASM improvement architecture



Better Mining also helps mining operators and exporters to establish a system of controls and transparency over mineral supply chains including implementing RCS Trace, RCS Global's digital product traceability solution, which connects the physical to the digital and provides digitally recorded product traceability data from ASM mines (pit or tunnel) to the smelters and refiners (SORs). RCS Trace helps Better Mining offer a strong and demonstrable chain of custody implementation data trail.

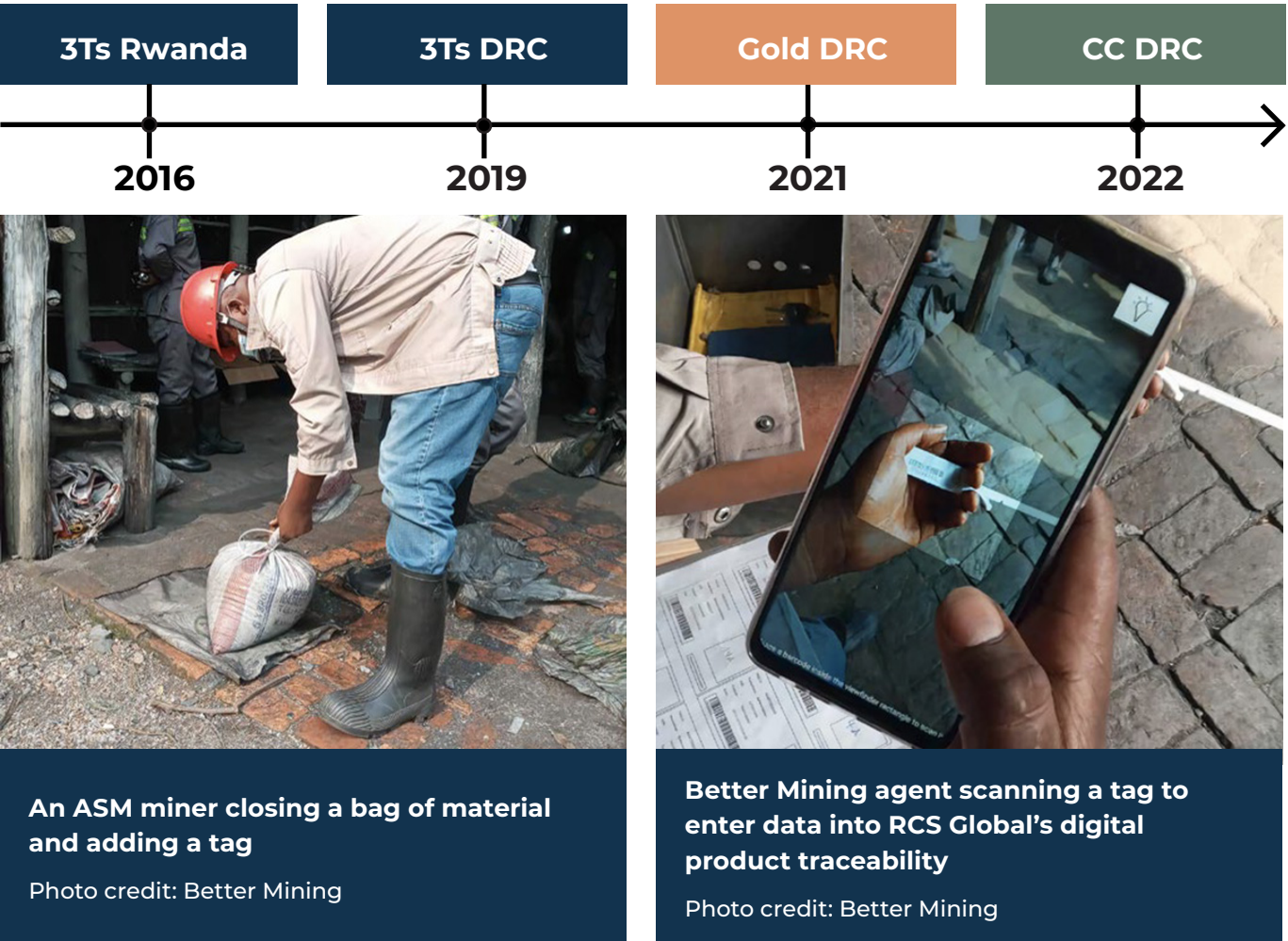
Five years ago, RCS Global traced the first 3T shipment from Rwanda, followed by the first shipment in DRC three years later. Since

then, 275 digitally traced and Better Mining-validated exports from Rwanda and DRC have successfully entered the international market. With their origins digitally tracked and proven by dedicated agents, Better Mining is a driving force of innovation in the responsible sourcing of minerals across the region.

We have since expanded digital traceability to gold and have begun to pilot RCS Trace on a Better Mining monitored cobalt-copper ASM site. As digital traceability is not implemented on any other ASM site in the DRC's cobalt sector, this is a significant and pioneering Better Mining achievement.



Figure 7: RCS Trace has proven replicable and expanded from covering the 3Ts in Rwanda in 2016 to planned expansion to copper and cobalt in the DRC in 2022



INCREASING MARKET ACCESS FOR TRACEABLE, RESPONSIBLY SOURCED COBALT/COPPER

During the past year, Better Mining has engaged with cooperatives, treatment units and key Government stakeholders on the ground in preparation to pilot TRACE on the first cobalt/copper ASM site. As part of our work, the participating cobalt/copper midstream and cooperatives were trained jointly on due diligence and traceability in Southern DRC, marking important progress in our work towards increased traceability in DRC's cobalt/copper sector.

"This training has been really useful and timely for our cooperation in that it has allowed us not only to master the 5 steps of due diligence in the OECD guidance, but above all it has increased our awareness to always be vigilant with regard to incidents which are risks that can be avoided and can block the proper functioning of our field activities as well as of our partners when they are not managed."

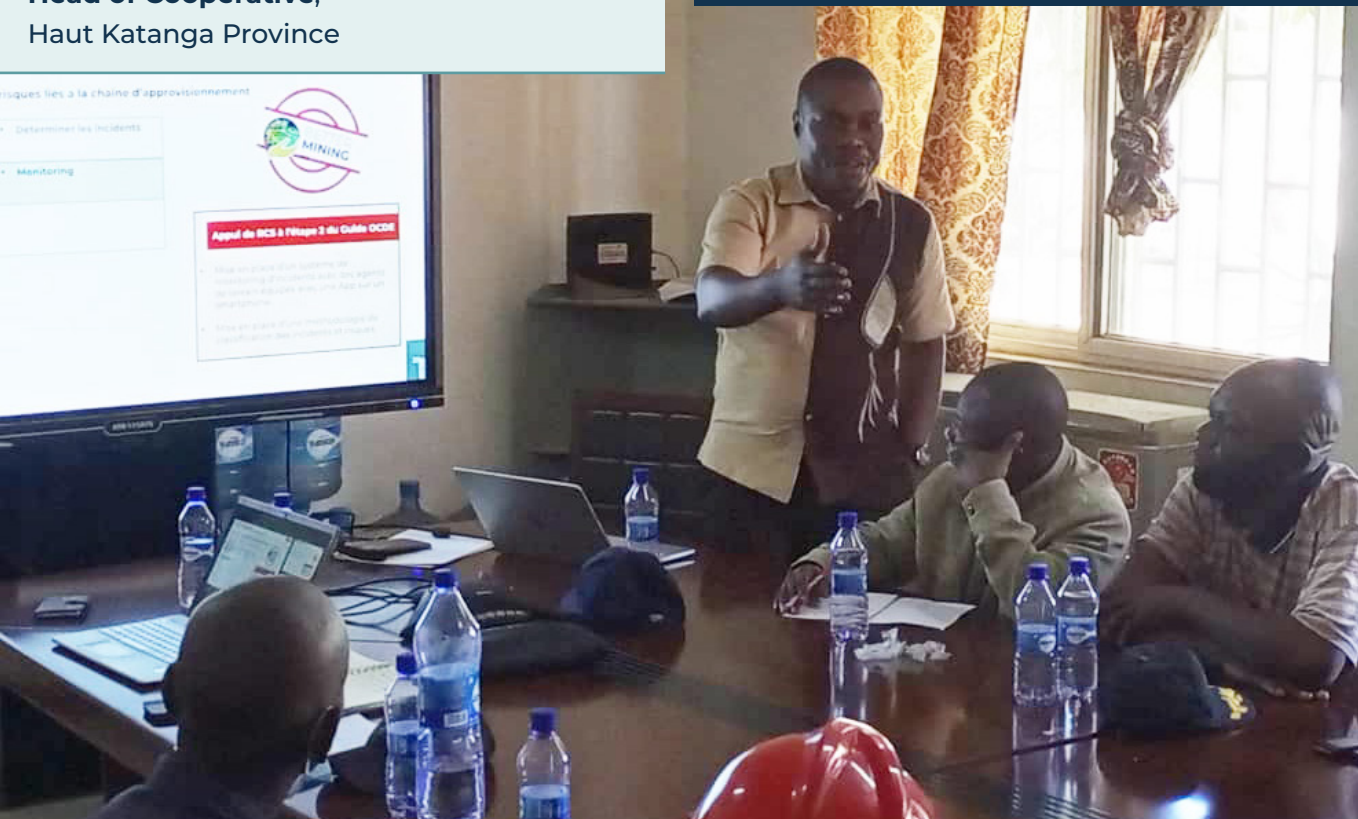
Head of Cooperative,
Haut Katanga Province

Another important achievement was technically adapting TRACE to collect cobalt traceability data in addition to 3TG from mine site to treatment unit. A truly mineral agnostic system, TRACE can be adjusted to new supply chains and minerals.

As part of the Global Trace Protocol Project, funded by the United States Department of Labor⁴, this is the first fully digital traceability initiative implemented in cobalt/copper. Supporting a wider industry need for a system that offers chain of custody from mine site to treatment unit to the downstream, Better Mining, subject to funding, is ready to scale digital traceability beyond the pilot site to all ASM sites within the Better Mining program in 2023.

Better Mining training Cooperative and Treatment Unit in traceability

Photo credit: Better Mining

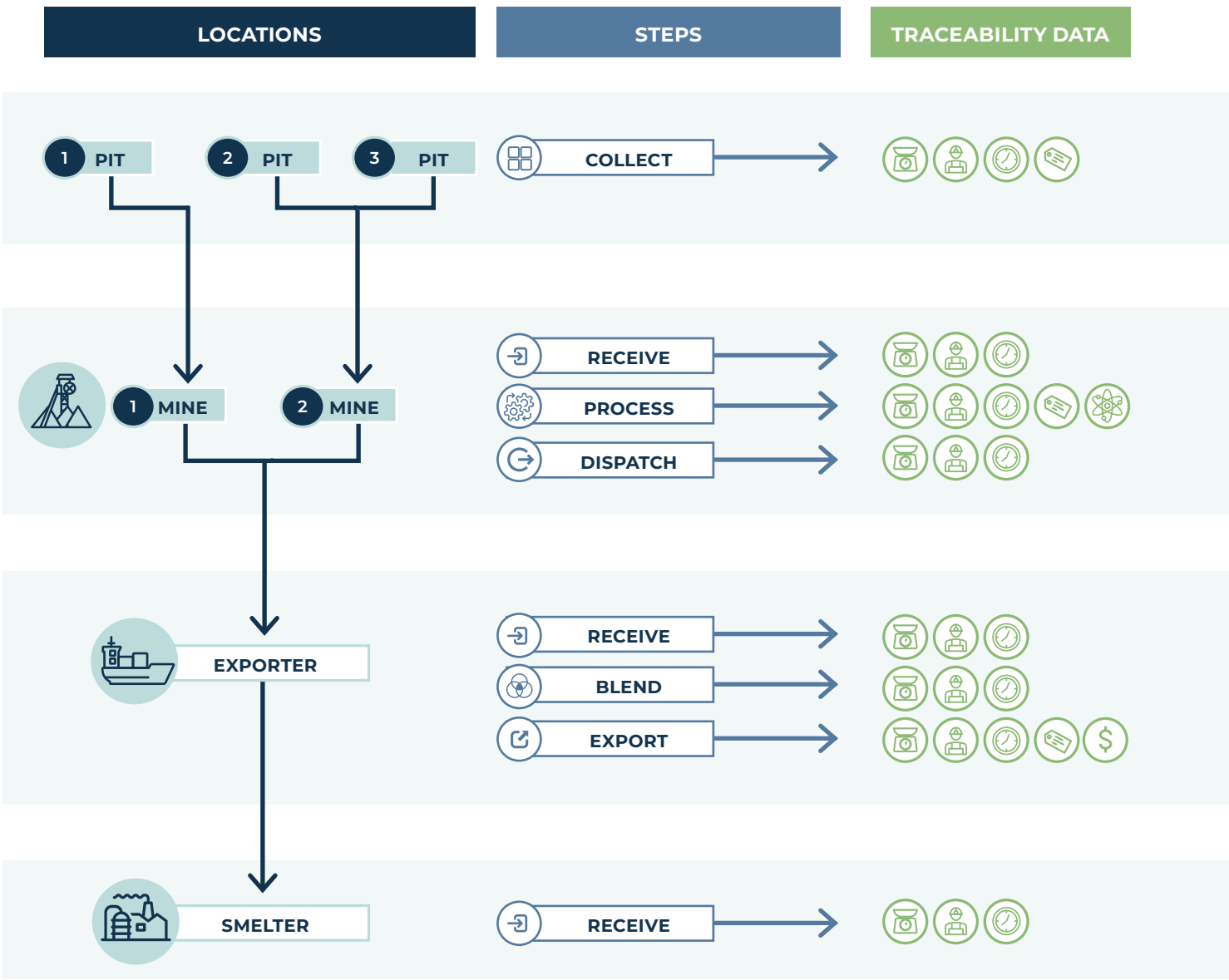


⁴ Implementation at the first Better Mining pilot site is provided by the United States Department of Labor under cooperative agreement number IL-35808-20-75-K. One hundred per cent of the total costs of a larger project or program is financed with USG federal funds, for a total of \$4 million dollars.

RCS Trace works by covering the high-risk upstream to midstream supply chain from pit level to smelter, collecting data at every business step along the way from first collection on site to processing, blending, and exportation. For each step, essential data is recorded including the location, type of mineral, purity, time, and who recorded the data point. This is accompanied by more specific data points such as the weight of individual bags and unique tag IDs. Tags can be preconfigured to each unique supply chain and distributed based on production volumes to prevent tampering.

The data is collected on site with a mobile application by designated mining operator staff or Better Mining monitors. Using the application, the tags are scanned at each step and a questionnaire is completed to capture the additional data points. Once the data is submitted and sent to Better Mining's database, it is validated by a pre-set algorithm as well as reviewed by the Better Mining Responsible Sourcing expert team. This process culminates in a detailed traceability report which is shared with the mining operators and receiving smelters.

Figure 8: Provides a visual map of the data collection process from pit to smelter, including location, steps, and traceability data (weight, staff present, time, purity, tag ID)



BOX 2: HOW DO I KNOW IF A BETTER MINING ASM SITE IS IN MY SUPPLY CHAIN?

Through the implementation of its digital traceability system, TRACE, which Better Mining implements in 3TG and is now piloting in cobalt, copper, a robust chain of custody dataset is established for ASM supply chains, supporting demonstrable material control claims.

Material control and risk management are critical value-adds that Better Mining offers smelters and refiners (SORs) that wish to demonstrate conformance with the requirements of various smelter audit programs, while also sourcing ASM material.

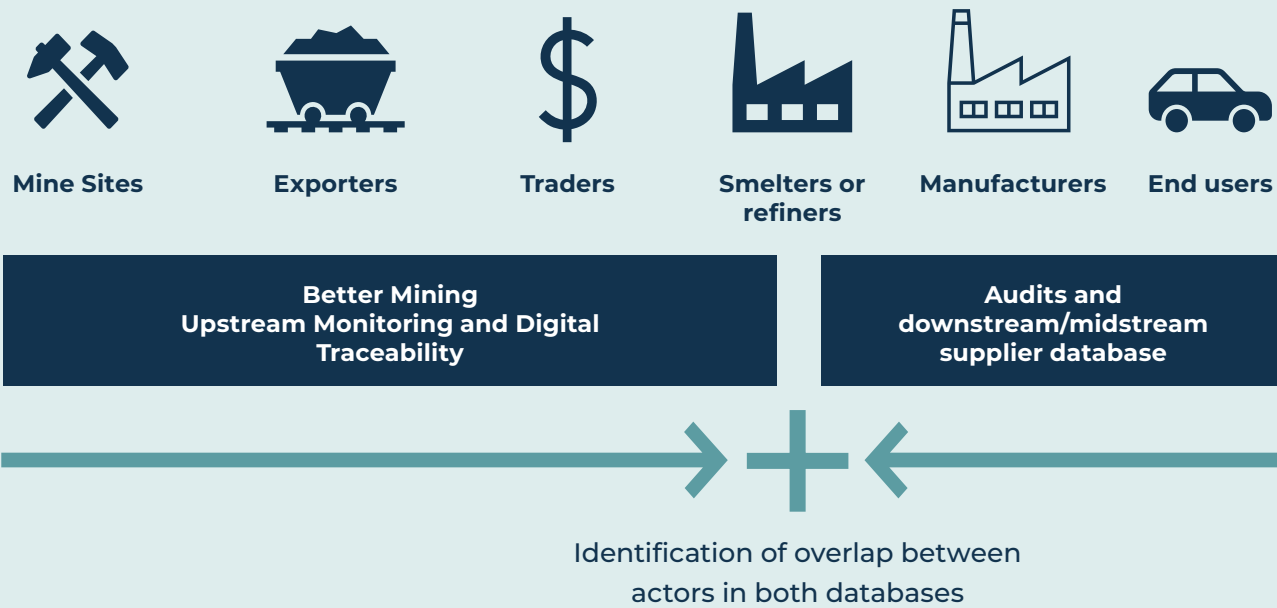
Enabling a digital data flow from ASM mine site to smelter or refiner, TRACE data also enables a connectivity analysis. Smelters and refiners that offtake Better Mining

ASM material can be linked to downstream industry sectors through the Responsible Minerals Initiative's CMRT and CRT processes, which are widely used self-reporting processes. This offers the downstream the chance to establish preferential supplier relationships with those smelters and refiners who perform well in the various responsible audit programs that exist in the industry and who are confirmed to be sourcing ASM production from Better Mining monitored ASM sites.

In an effort to progress improvement on the ground, it is thus possible for the downstream industry to direct and encourage SORs reported in their supply chain to source Better Mining validated material.

Figure 9: Downstream to ASM site connectivity analysis

Time Period: January – December 2021
Minerals: Cobalt, Copper, Tin, Tantalum, Tungsten, Gold



TRANSFORMING COMPANIES' CONFLICT MINERALS REPORTING. THE BETTER MINING OECD 5 STEP REPORT

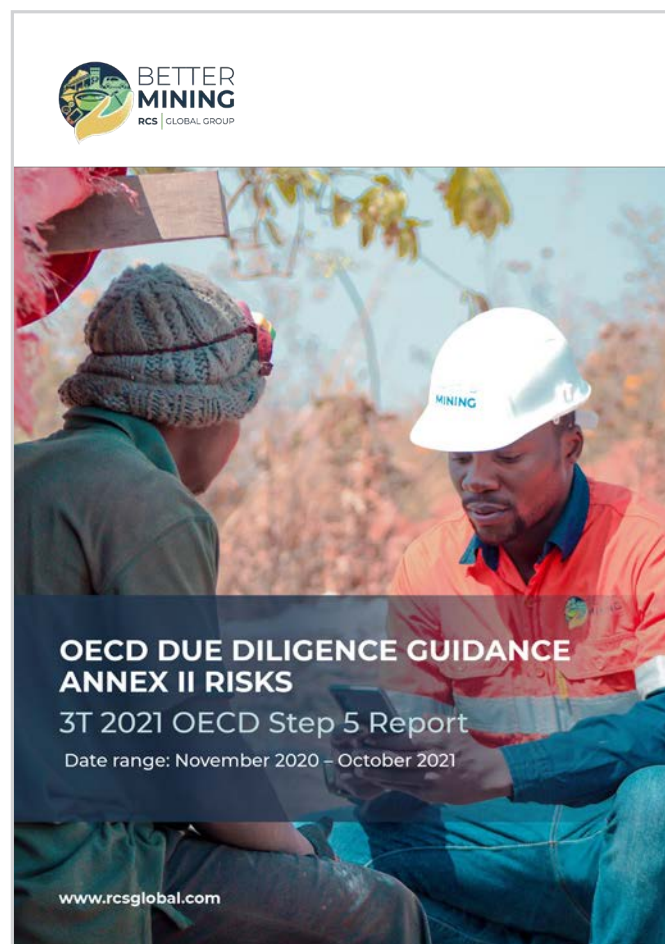
Better Mining's robust data supports corporations reporting under the various iterations of "conflict minerals" legislation, globally, including but not limited to Section 1502 of the Dodd-Frank Wall Street Reform & Consumer Protection Act in the United States of America (DF1502) and the European Union's Conflict Minerals Regulation (together "conflict minerals" legislation).

In order to facilitate access to relevant data for the midstream and downstream industry and as is required of Better Mining as an accredited Upstream Assurance Mechanism, Better Mining publishes an annual OECD Step 5 Due Diligence report to explain how Better Mining implements OECD Due Diligence Guidance-aligned practice and to report on the programme's annual performance. In 2022, Better Mining has published this report for 3T material, whereas it is envisioned that the report will be issued mineral-agnostically in 2023.

As is evident from this impact report, Better Mining's risk monitoring and reporting process extends to seven core risk areas. The OECD Step 5 report, on the other hand, is deliberately designed to focus only on the OECD Due Diligence Guidance's Annex 2 risks. Within this, the core of the report details the process Better Mining implements and the data Better Mining gathers in relation to step 2 (risk identification and assessment) and step 3 (risk management). This way it most directly aligns with the reporting requirements of corporations reporting under "conflict minerals" legislation.

The report also publishes high- risk incidents and improvement actions and is, therefore, an important information source for smelters, refiners, and downstream industries.

If you use tantalum, tin, or tungsten products and if you are affected by "conflict minerals" legislation, or if you want to learn more about how OECD- aligned upstream due diligence works, we encourage you to read the OECD Step 5 report, which you can access from the [RCS Global Group website](https://www.rcsglobal.com).



Download and review our newly published OECD Step 5 Report 2021 to understand how it adds value to your conflict minerals reporting.

IMPACT CASE STUDIES: BUILDING LOCAL CAPACITY FOR BETTER PRACTICES

6

DRIVING RESPONSIBLE PRACTICES ADOPTION BY ASM MINING COOPERATIVES

Mining communities are key stakeholders in the ASM sector and Better Mining now reaches over 55,000 ASM miners, most of whom are members of registered cooperatives, which is the legally recognised organisational form for ASM miners in the DRC Mining Code.

ASM cooperatives are a daily interaction partner for Better Mining across the ASM mines in the program. We are committed to enhance cooperatives' and other ASM actors' capacity to adopt more responsible practices for them to be able to participate in responsible value chains more meaningfully.

During the past 12 months, 50 capacity-building trainings recommended by Better Mining were delivered across DRC and Rwanda. Of these trainings, 20% were directly delivered or supported by Better Mining.

Better Mining and cooperative monitor conducting on-site training

Photo credit: Better Mining



Training and collaboration with local stakeholders via active risk management measures is Better Mining's preferred approach to build local capacity.

Better Mining delivers a wide array of training to cooperatives. These are designed to motivate uptake of more responsible practices in relation to those ESG risk areas covered by Better Mining and which are enshrined in applicable good practice frameworks.

"Prior to our collaboration with Better Mining, several aspects of our supply chain in copper and cobalt were left aside. But, thanks to Better Mining's support, we have upgraded our organisation, our vision and our processes, specifically on human rights, health and safety, legality, environment, and traceability aspects."

Joint statement, EMAK-C ASM Cooperative, SAEMAPE Mine Police and Provincial Mining Authority, Karajipopo mine site.

Better Mining also contributes to capacity building of cooperative members and State services through the organisation of training as part of the CAPs process, on topics such as child labour sensitisation, pit maintenance good practices or code of conduct on site.

From our experience, training delivery must not be one-directional, so as to increase the chance of sustained behaviour change.

As a result, Better Mining encourages a collaborative approach where local cooperatives receive technical training but where they can also apply their new-learned knowledge developing or co-developing with Better Mining risk management plans applicable to the realities on their mines.

“Better Mining aims to improve conditions on the ground. The goal of this transformation process is to create a safe, healthy, environmentally responsible and community-oriented ASM. Capacity building is a key focus of the programme, enabling each actor of the mining community to make informed decisions and ultimately comply with responsible sourcing requirements.”



Lisa Grasser
Better Mining
Project Manager

Examples of successful improvements Better Mining has achieved with training participating cooperatives include, but are not limited to, establishing grievance mechanisms, improving governance structures, and fundamentally building a better understanding of and application of due diligence good practice. As a result, Better Mining cooperatives have demonstrated an improved understanding of international expectations and began integrating recognised standards for responsible supply chains into their work processes, allowing them to engage in risk management more fully and more competently.

In the case of three cooperatives in the DRC cobalt sector, we partnered with the German Technical Cooperation (GIZ) in the ‘Enabling Self-Monitoring in the Artisanal Cobalt Sector’ project, as part of the GIZ ‘Sustainable economic development in the mining sector’ program, to build the capacity of cooperatives to even go so far as to integrate the use of technology into their identification and management of risks. Better Mining did so by training the cooperatives to conduct self-monitoring of risks and incidents using the Better Mining methodology and mobile application. In addition, Better Mining field agents accompanied the cooperative members on a weekly basis in the data collection.

By actively engaging the cooperatives on the importance of taking action, the cooperatives on the three specific ASM mine sites achieved a CAPs implementation rate above 90%. This was directly induced by a strong ownership of the risks and mitigation actions by the cooperatives, who were involved in the risk mitigation process from the data collection point and assisted by Better Mining experts throughout the project.

Cooperatives translated important learnings about key risks into concrete action through the corrective actions process. Improvements on site tended to correlate with areas where

cooperatives were also recording incidents, which highlights the positive immediate effect that sensitisation around certain issue areas has on cooperative investments in site improvement. Notable improvements were

seen in occupational health & safety, child labour reduction, as well as waste management. Over the course of 7 months, the cooperatives generated concrete data streams on risks with an average of 5 incidents per week.

BOX 3: THE IMPORTANCE OF BETTER MINING COMMUNICATION TO BEHAVIOUR CHANGE

Across Better Mining sites in the reporting period, 23 communication campaigns were organised with some of them being locally focused while others had the potential to reach several hundred thousand ASM community members, including miners. Campaigns were designed to address various risks such as worst forms of child labour, illegal mining, gender discrimination, occupational health and safety violations, and insecurity.

IN DRC

Better Mining’s wider communicated recommendations in DRC focussed on the community and leveraged communication tools, such as radio, which have a strong following and also institutions with social authority, such as the church, teachers, and traditional authorities. As such, 6 Better Mining recommended corrective actions that required partnering with local radio stations were implemented across the country during the reporting period. Radio campaigns can reach a potential audience in towns of up to 570,000 people (e.g.: Kolwezi) and its impact on behaviour change plays an important role.

Village chiefs and religious preachers are a core part of the social fabric in some ASM communities and can help to disseminate important information about the risks at ASM sites and the importance to prevent child labour. They provide a link between communities and mining operators. As such, 4 Better Mining recommended corrective actions that required engagement with religious leaders to raise awareness of child labour across the community were completed.

IN RWANDA

Better Mining identified 4 child labour incidents in Rwanda during the reporting period, 3 of which were WCFL. Mining operators affected by illegal ASM activities on their concession, which was the source of the child labour incidents, responded well to Better Mining’s issued corrective actions. One case stood out, due to its significant success.

Based on recommendations from Better Mining to implement communications campaigns, a mining operator in Rwanda organised a story writing competition with 27 local schools in the surrounding area and engaged a total of 20,160 students under the age of 18.

The competition was coupled with engagement in participating schools in collaboration with Mining Operator staff including Head of Security, Environmental Officer, Safety Officer, Mine supervisor, and HR Officer. Mining Operator staff emphasised the dangers and illegality of children mining on the concession and encouraged children to stop activities with illegal miners.

By the end of Q1 2022, all corrective actions related to WFCL and child labour in Rwanda were implemented. No new incidents of WFCL (linked to illegal mining activities) have been recorded since November 2021.

Mining Operator staff awarding the winners of the poetry writing competition with school supplies in Rwanda

Photo credit: Rutongo Mines Ltd.



BUILDING THE CAPACITY OF HOST GOVERNMENT AND STATE SERVICES TO IMPLEMENT BETTER PRACTICES

DEMOCRATIC REPUBLIC OF THE CONGO



Collaborative, consistent, and constructive engagement with Government at the local and national levels serves as a fundamental part of delivering continuous improvement in the ASM sector. This is because the Government acts as a rule setter, regulator, and through its state services, also as a technical actor in the ASM sector.

The better-informed national Government is about realities in the ASM sector, the more adept it can be at regulating it. The better Government services can technically assist the sector, the more conditions in the sector are likely to improve. And it is continuous improvement of the conditions in the ASM sectors that is our common objective with Governments.

Through the last year, the DRC Government has made progress in the efforts to improve its large ASM sector.

Government engagement has been an essential part of Better Mining from the start. Our regular engagement occurs at every level of Government. Whether high level ministerial engagement at capital and provincial levels or everyday collaboration with State technical services on the ASM sites in the program.

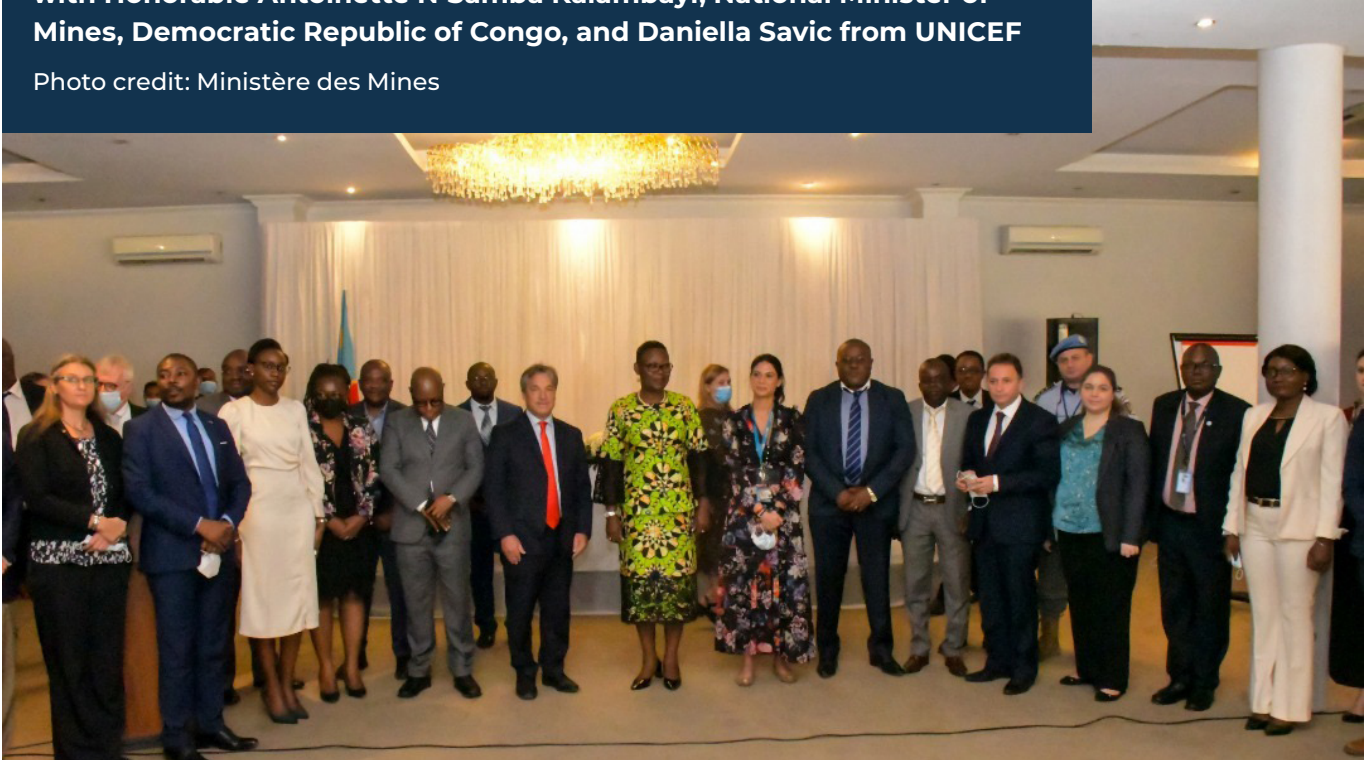
"The Congolese Government is committed to improving governance in the minerals sector. Our exchanges with the Ministry of Mines and with technical services are always fruitful and full of constructive discussions. Using our data to inform meetings and better portray the State of ASM is a powerful way to work hand in hand with our Government partners."



Robert Bitumba
Better Mining
Government Engagement Lead

Robert Bitumba, Better Mining's Government Engagement Lead meeting with Honorable Antoinette N'Samba Kalambayi, National Minister of Mines, Democratic Republic of Congo, and Daniella Savic from UNICEF

Photo credit: Ministère des Mines



Robert Bitumba, Better Mining's Government Engagement Lead meeting with Honorable Antoinette N'Samba Kalambayi, National Minister of Mines, Democratic Republic of Congo at the Democratic Republic of Congo's National Roundtable of Mining Governance in Kinshasa

Photo credit: Ministère des Mines

In this way, Better Mining is not only a key factor in technical capacity building and data provision-based sector governance improvement and formalisation support. It is also a technical co-implementer with State services in digital traceability and risk management.

With over 20 in-person meetings during the reporting period, Better Mining's relationship with the DRC Government has consolidated. Our direct engagement with all levels of Government includes, for example,

- National Minister of Mines
- Provincial Minister of Mines
- National Coordinator of CTCPM
- National Technical Director of SAEMAPE
- Technical Director and National Director of CEEC

This year we are proud to have worked closely with the Cellule Technique de Coordination et de Planification Minière (CTCPM) to inform ASM policy decision-making and to consolidate Better Mining's position as a key partner at the level of the national Ministry of Mines. The CTCPM works directly with the Minister of Mines and is a key focal point for organisations working in the DRC mining sector.

We meet regularly with CTCPM in Kinshasa where we share updates on our work across the country. A meeting series that is particularly appreciated are the quarterly Better Mining progress report presentations, where we can discuss the Better Mining data, its trends and how this information can be used in the Government's ASM formalisation plans.

We also maintain regular contact and share our quarterly reports with other technical services in Kinshasa, notably Centre d'Expertise d'Evaluation et de Certification (CEEC) and Service d'Assistance et d'Encadrement de l'exploitation Minière Artisanale et à Petite Echelle (SAEMAPE). Better Mining's direct meetings and workshops with the CEEC and other national Government stakeholders with an interest in traceability inform a Government road map development process.

Better Mining is also a regular participant in the Partenaires Techniques et Financiers (PTF) meetings and workshops to better coordinate stakeholder activities in the mining sector. For the past year, Better Mining has assisted PTF efforts to map all existing initiatives in DRC that seek to improve natural resources governance.

Finally, we are also very excited to have engaged with the Extractive Industries Transparency Initiative (EITI) DRC multi-stakeholder group, to support the preparation for the DRC's next annual EITI report.

While the ASM sector is still far from being a picture of good governance, the level of Government interest and the level of engagement by Better Mining underscores the importance of Better Mining's critical experience as an assurance data generator and driver of improvement activities on a systemically relevant number of ASM sites.

With our data and expertise at hand, Governments can now more effectively advance solutions to complex ASM sector policy and practice challenges, while they also improve their ability to govern the ASM sector.

TRAINING STATE SERVICES TO IMPLEMENT BETTER PRACTICES

Next to our policy level engagement with Government, Better Mining also recognises that an important part of continuous improvement and the push towards formalisation of the ASM sector is investing in building capacity of ASM sector relevant State services.

Using a system's strengthening approach, over the past 12 months, approximately 400 ASM stakeholders participated in Better Mining's on the ground technical training, of which about half were representatives of various Congolese State ASM technical services. As a result of our system's strengthening approach, after the completed trainings, coordination between ASM sector State services and other ASM stakeholders such as cooperatives, mining operators and ASM community representatives, markedly improved.

Our training equipped the State services employees with the technical knowledge needed to better fulfil their mandate. Topics covered included the OECD due diligence guidance, export standards and requirements, national and international legislation concerning ASM mining, and equipping participants with tools to help mitigate identified risks on ASM sites.

With CEEC, we have been working on developing a capacity building and due diligence training plan for CEEC agents, while CEEC is also a key partner in our mineral agnostic digital traceability implementation.

Trained State agents receiving their participation certificates as part of the BM-GIZ project 'Enabling Self-Monitoring in the Artisanal Cobalt Sector'

Photo credit: Better Mining



RWANDA



Better Mining has an established presence in Rwanda to implement its Upstream Assurance Mechanism on 25 ASM mine sites, 16 of which were active during the reporting period. In the Rwandan implementation context, Better Mining has maintained a good working relationship with the Government of Rwanda through the Rwanda Mining Board (RMB), both at capital level and in the Rwandan subregions where the ASM mines are located.

"Better Mining's capacity building of the Rwanda Mining Board (RMB) has been beneficial in different ways. RMB staff gained a better practical understanding of risk identification and risk management through corrective actions. This led them to appreciate the value add of Better Mining's work more, while mutual information sharing and collaboration around sector formalisation and practices improvement became much easier."



Herve Kayitare
Better Mining
Operations Manager, Rwanda

"Better Mining digital system allows us to have all production information along the supply chain from the pit and makes regulating the sites monitored by Better Mining easier for us. Additionally, we have heard operators using Better Mining are very happy with the digital traceability services."

Rwanda Mining Board Traceability Officer

Better Mining is contributing significantly to the Rwandan Government's efforts to improve ASM sector governance and to formalise the Rwanda ASM sector.

During the reporting period, Better Mining has validated 25 3T shipments digitally traced from Better Mining monitored ASM mines in Rwanda. An important aspect of this process is fulfilling Government requirements in regularly sharing with the Government of Rwanda traceability reports from Rwandese ASM mines, produced by TRACE, RCS Global's digital traceability system.

Instead of relying on paper logbooks, which can easily be lost or adjusted, Better Mining's digital system builds trust in the data and is readily available to be shared with supply chain participants and Government where regulation requires it.



ASM site
Photo credit: Better Mining

CAPACITY BUILDING FOR RWANDAN STATE SERVICES TO IMPLEMENT BETTER PRACTICES

During the reporting period, Better Mining also built the capacity of 42 RMB field agents in the implementation of due diligence and traceability. RMB agents left the training with an understanding of due diligence and its application on ASM sites. Once trained, field agents were deployed across ASM sites in Rwanda.

The training covered key risks highlighted in the OECD Due Diligence Guidance and in the Better Mining RMP. Through a participatory approach, field agents were engaged in discussions on

identifying risks and implementing corrective actions to support mining operators in driving continuous improvement. Topics also included national and international regulations, export processes, and inspecting site working conditions.

RMB requested Better Mining to organise the training as a component of onboarding for new field agents. Field agents play a critical role in inspecting working conditions and environmental risks on ASM mine sites.

Better Mining training RMB field agents on due diligence and traceability during onboarding

Photo credit: Better Mining



JOINT INSPECTION VISITS

During 2021 in Rwanda, Better Mining accompanied RMB on over 30 joint site visits across Better Mining monitored ASM sites. Better Mining supported RMB in inspecting working conditions and ensuring sites are meeting national health and safety regulations. Environmental policies and practices were also reviewed during the visits. With a daily presence on site, Better Mining field agents are well placed to provide important risk information to RMB inspectors including incident trends and corrective action progress. This valuable risk management information supports the Government in ensuring safe working conditions on ASM sites.

“As a field agent, Better Mining came as a solution to me. I enjoy working with Better Mining because whenever I go to mine sites where Better Mining is monitoring it is much easier for me to receive site- level data and details on the present conditions of the site. It is very valuable that Better Mining monitors are present daily and can provide a clear picture of what is happening on sites.”

Rwanda Mining Board Field agent

Better Mining and Rwanda Mining Board conducting a joint site visit to inspect working conditions

Photo credit: Better Mining



Since launch, Better Mining has made huge strides, yet there are limitations to our reach and impact. We are part of a range of solutions, which are all crucial to improving ASM. We are also limited by what we can control, which in the ASM context can vary substantially. Despite the following challenges we are motivated and committed to continuing to replicate, scale and demonstrate impact through Better Mining.

WEAK MARKET INCENTIVES FOR BETTER PRACTICES

Market incentives are critical for the adoption of better practices. In order for adoption to gain momentum, investment in better practices must not be seen as a cost, but as an investment and should be borne by the entire value chain. For various reasons the market incentives to adopt better practices in the ASM sector remain weak.

Legal frameworks like “conflict minerals” legislation have been undone by the market acceptance of weak, porous assurance and traceability in the upstream value chain in the 3Ts. In gold, the fungibility of the product means it remains widely smuggled. Gold taxation structures and intermediary product prices mean margins through which to implement systems to ensure better practices are slim. This is holding back meaningful progress in establishing exporting responsible gold ASM supply chains from the Great Lakes Region.

Copper has largely escaped attention and focus despite copper being mined on the exact same child-labour affected sites as cobalt. The argument that copper production is not as concentrated in the DRC in the same manner as cobalt, does not take away from the fact that significant quantities of child-mined copper are entering global supply chains.

On cobalt, despite the existence of the OECD Due Diligence Guidance and aligned smelter audit programs, progress in responsible sourcing of ASM cobalt production has suffered from the severe market confusion caused by several years of international stakeholder engagement around

the definition of a new ASM sourcing standard. While responsible global purchasers were scared of purchasing ASM cobalt for confusion around the standard to follow, unscrupulous actors bought up and brought to market any ASM cobalt material in the meantime. To mitigate this outcome, as an on-the-ground and implementing Upstream Assurance Mechanism, Better Mining welcomes the impending finalisation of the RMI’s work on the ASM Cobalt Criteria and will pilot the implementation of the framework as soon as it finally becomes available.

RISK AND INCIDENT REMEDIATION AND IMPROVEMENT

While our program is constantly delivering more and better data on risks and incidents on the ASM sites where we operate coupled with demonstrably progressing CAPs, we rely on the incentives, good will and capacity of other stakeholders to deliver remediation and improvements.

Even if our system is functioning well, it may be that local actors don’t have the capacity or financing to complete the CAP process we have recommended. Equally, development partners, while cognisant of the issues we have raised, may simply not have the resources to focus attention on the identified problem.

We will continue to work side-by-side with stakeholders – from cooperatives to local Government, to INGOs – to do what we can to be a catalyst for their interventions, as much as they are for ours.

KNOCK-ON EFFECTS

It is an unfortunate reality that solutions to ASM risks and incidents are often nuanced. Closing off a child’s ability to work at an ASM mine does not necessarily mean that the child will return to school. There may be no school to return to. Equally, triggering the suspension of a mine’s operations due to serious risks and incidents may make sense, but it will still mean several hundred, maybe several thousand miners and their dependents will immediately have their only income cut off.

There is no one right answer to this problem. Rather, Better Mining and other stakeholders must constantly collaborate to create holistic solutions. Our collaboration with UNICEF is a good example of how we are trying to address and deal with a systemic issue (child labour) rather than simply identifying child labour incidents and risks without exploring potential solutions.

EXTERNALITIES

Better Mining is proving that when ASM improvement programs are scaled they can be sustainable and resilient against changes in the local or regional context. But it remains the case that trends beyond our control will continue to impact our ability to operate. For example, migration patterns of miners ebb-and-flow and with these often-rapid increases in miners at any one site comes a destabilisation in order and security. This can’t always be pre-empted and remains a consistent challenge.

Equally, it is still the case that the Great Lakes region is geopolitically insecure. Regional insecurity will continue to affect Better Mining operations. However, as programs such as Better Mining scale, there is a growing opportunity to embed stability and transparency not only directly on ASM sites, but in the respective geographies as well. We believe ASM can be mutually reinforcing – delivering stronger, more stable mining communities, and stronger, more stable society and polity.

Cooperative leader training workers on safe mining practices at mine site - accompanied by Better Mining field agent

Photo credit: Better Mining



Improving conditions for ASM communities requires continuous commitment and effort.

During the reporting period, we have positively impacted approximately 55,000 miners across the Great Lakes Region. The opportunity to help twice, three times this number and more is within our reach. The last two years of our operations have proved definitively that our approach is scalable, sustainable, and transformational.

Indeed, the formalisation of entire ASM sectors is an achievable goal if multi-stakeholder collaboration can be brought to bear. What we

can commit to is ensuring that we will continue to play our role as a catalyst to enabling positive change across ASM, wherever and whenever we are supported to do so.

As we continue towards our core goal, we have three main strategic priority areas. These are outlined below and focus on improving our systems and driving efficiencies through digitalisation; maintaining our level of impact; and deepening our engagement with the ASM sector itself.



DIGITALISATION = IMPORTANT EFFICIENCIES

0101
0011

Drive **cost efficiencies** through digitalization to enable program scaling



Improve **data analytics** and reporting



Increase program data availability across the supply chain



Expand data collection at mine site and community level

COMMUNICATE IMPACT AND INDUSTRY RELEVANCE



Ongoing maintenance of recognition as an industry **Upstream Assurance Mechanism**



Extend **digital traceability** to cobalt



Maintain average **corrective actions** implementation rate above 80%



Support cooperatives and state actors with our data and **build local capacity**

DEEPEN ENGAGEMENT ON THE GROUND



Continue **global expansion** beyond 48 ASM 3TG, copper, cobalt sites and expand to mica



Partner with other existing initiatives and the Government



Expand **engagement** with LSMs and SORs



Increase **communication** around program success and impact

✓ **ACHIEVED** ▶ **ONGOING**

**We cannot succeed without the backing of our partners and supporters.
Join us now and be part of the change we are delivering.**

rcsglobal.com/bettermining



**Contact RCS Global Group
for more information:
contact@rcsglobal.com**

All written content, graphics and photography
in this document have been produced
and are owned by RCS Global Ltd 2022.
All rights reserved.

Updated: 15 August 2022