



Health & Safety, Environment and
Community Report
2019

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Front cover: SOREMI SA, a copper-lead-zinc project in the Republic of Congo.

About Gerald Group

Founded in 1962 in Stamford and headquartered in London, Gerald Group is the world's oldest and largest independent and employee-owned global metals trading house.

The Group is focused on the merchanting of non-ferrous, ferrous and precious metals, as well as related concentrates and raw materials to customers in over 40 countries. Operating from trading hubs in Shanghai, Stamford and Morges, and offices around the world, Gerald's international customer and supplier base benefits from a bespoke service model across the entire commodity value chain, including sourcing, marketing, logistics and storage, hedging and risk management, and structured finance solutions. We achieve this through our global footprint, conservative risk management culture, expert market intelligence, and deeply experienced and innovative trading desks.

Gerald's core merchanting business is complemented by our strength in building strategic relationships across the industry, allowing us to provide customers with access to a diverse and steady supply of resources. The Group aims to contribute to world trade and economic development in a sustainable and responsible manner and has a growing presence in Africa.

Gerald Group has approximately US\$10 billion in revenues, over US\$2.5 billion in total assets and in excess of US\$3 billion in global financing capacity. Owned by management who are committed to the long-term growth and development of the business, the Group takes pride in its strong relationships, and is a dedicated and trusted partner to top-tier miners and processors, industrial consumers, and leading financial institutions.

The Group has approximately 225 employees and we are proud of our industry leading example in gender balance across our workforce at all levels.

A leading global commodity company, Gerald Group trades beyond borders, bringing value to the flow of commodities at every stage.

Health & Safety, Environment and Community ('HSEC') Report 2019

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Approach to HSEC Reporting

The 2019 Health, Safety, Environment and Communities (HSEC) Report is Gerald Group's first publication of our internal HSEC Report. In 2019, the Board of Directors approved the updated Group HSEC Policy and a summary of this policy is available on our website (www.gerald.com).

This report covers Gerald Group's HSEC practices and performance for 2019. The report aims to provide relevant information to meet the needs of various stakeholder groups. The scope of the report principally addresses health & safety, environment and communities at projects and operations where Gerald Group has direct or joint management control. Where Gerald Group does not have management control, the Group will engage with the managing or operating partner to draw attention to the Group's HSEC policy and seek to achieve acceptance and implementation of appropriate standards by the managing or operating partner.

During 2019, the HSEC Committee met 9 times and has been active in monitoring and improving Health and Safety Reporting ([2019 Summary Table, Page 10](#)).

The Committee has also finalised and obtained approval for a more consistent HSEC Policy that underpins the Group's Health & Safety reporting requirements across the board, contributing to required compliance reporting ([Gerald Group Tin – ITSCI Report](#)) which is available on our website.

The HSEC Committee supports Gerald Group's technical team with a focus on HSEC related standards for due diligence work.

Should you have any questions or feedback, please e-mail: HSEC@gerald.com

Message from the Chairman & Chief Executive Officer



"Our priority is to maintain effective health and safety, human rights, environmental and community engagement practices in all areas of the Group and implement them with the utmost care and discipline.

We are committed to the well-being of our stakeholders and our environment wherever we operate: our employees, our customers and our host communities."

I am very pleased to present Gerald Group's 2019 Health & Safety, Environment and Community ("HSEC") Report. This is the Group's first published Report and supports Gerald's intent to continue to transparently engage with all our stakeholders, while meeting our aims of operating a responsible and sustainable global business.

The HSEC Committee first met in November 2018, and the priority was developing and agreeing a more consistent group wide HSEC Policy to underpin the Group's Health & Safety reporting requirements. This has supported the publication of the report with data presented on a common basis for our global operations.

Our Health & Safety commitment to responsible business practices and the relevant activities and performance for 2019 are set out in this report. While we are pleased to report that we have not had any work-related fatalities during the year, this does not lessen the Group's need to continue to prioritise and invest in our health and safety practices.

We have also engaged in community projects and developments that give back to our host communities and the environments where our Group has operations, particularly in Africa, where we have a number of strategic partnerships. Some of the community projects are set out in further detail in this report.

Gerald Group recognises the risks and significant adverse impacts associated with the extraction and trade of minerals, especially from conflict-affected and high-risk areas. We support sourcing practices that ensure we meet the requirements of responsible supply chains. Gerald's traders and executives have undertaken periodic due diligence visits to engage and support the mitigation and understanding of the provenance of the metals and minerals that we merchant and trade.

Finally, I would like to acknowledge the efforts of all of Gerald Group's staff and stakeholders, in enabling a collective focus in our journey towards driving a sustainable and integrated approach to HSEC wherever we operate.

A handwritten signature in black ink, appearing to read 'Craig Dean', with a stylized, cursive script.

Craig Dean
Chairman & Chief Executive Officer

HSEC Overview

A strong commitment to a sustainable and responsible business model

Gerald is committed to:

- Health & Safety of our people, host communities and civil society
- Protecting the environment
- Ethical and legally compliant conduct of business.

Gerald's sustainability efforts are led by the Board of Directors and the policies they implement.

The HSEC Committee is made up of all facets within Gerald's senior management and company officers including HR, legal, trading, operations, investments and technology departments.

Gerald has initiated regular H&S protocols and progress is reported directly to the Independent HSEC Committee.



GHG Emissions: Work to minimise greenhouse gas emissions at our operations



Water: Ensure clean water and sanitation on all projects through responsible wastewater recycling.



Land Use: Proper land usage management and remediation.



Human Rights and Labour Conditions: Ensure a diverse and inclusive workforce environment, as well as upholding the fundamental freedoms, rights and dignity of all our stakeholders.



Community: Enhance community relations and engagement through regular outreach and community programs. We are committed to local content in our operations.

Health & Safety and Environment

The health and safety of employees, contractors, suppliers and host communities is of the utmost importance to Gerald Group.

- Gerald Group implements and maintains the highest practicable standards of health & safety and environmental management at our sites.
- A culture of zero harm is targeted for health, safety and environment across Gerald Group.
- Gerald Group always complies with applicable laws and regulations wherever we are operating.
- Gerald Group maintains a strong compliance culture and conducts active training programmes to ensure awareness, and actively supports this position throughout the Group.

Health & Safety Summary Table for 2019

Subsidiary	Quarterly Reportable Events - by Location				Year
	Q1	Q2	Q3	Q4	2019
Gerald Group Main Offices: London Stamford Shanghai Morges	5	16	9	14	44
SL Mining Limited (100% subsidiary, Sierra Leone)	73	403	890	256	1,622
Société de Recherche et D'Exploitation Minière SA (SOREMI)	(i)	469	379	2,097 (ii)	2,945
Total	78	888	1,278	2,367	4,611

Reportable Event	Quarterly Performance				Year
	Q1	Q2	Q3	Q4	2019
Near-miss	27	61	104	6	198
Incident	31	20	13	8	72
First-aid case	1	0	5	6	12
Illness	16	275	625	1,678	2,594
Malaria*	0	526	529	667	1,722
Hospitalisation	0	2	0	1	2
Lost-time injury	3	2	1	0	6
Severe injury	0	0	1	0	1
Medical discharge	0	2	0	1	2
Fatality	0	0	0	0	0
Total	78	888	1,278	2,367	4,611

Gerald Group wishes to acknowledge the contributions of and pay tribute to two employees who lost their lives in the Republic of Congo and in Sierra Leone while not engaged in Gerald work or duty.

- (i) Soremi did not submit Q1 2019 data, H&S reporting being introduced in Q2 2019.
- (ii) Increased reporting for Soremi in Q4 reflects peak construction for phase 3.

* Malaria remains an on-going challenge and assisting communities with understanding and basic prevention measures is a longer-term process.

Communities

Selected Community Initiatives

SL Mining Limited, Sierra Leone (wholly-owned subsidiary)

Located in the Port Loko District, the northern province of Sierra Leone, SL Mining is engaged in the exploration, development and production of 'Marampa Blue', a high-grade iron ore concentrate with >65 percent Fe content. SL Mining was awarded a renewable Large-Scale Mining License granted under the Mines and Minerals Act, 2009 in March 2017 for a term of 25 years, emphasising the strong support for the project locally, and reflecting its significant importance to the national economy.

SL Mining has demonstrated that investment in the mine has led to significant job creation in Sierra Leone, as well as other direct and indirect socio-economic benefits to the Marampa mine's surrounding communities and the country. As production and employment at the mine grows, a key objective of SL Mining is the implementation of a world-class training program at the Marampa mine, with the goal to eventually have 95% local personnel and indigenes of Port Loko and Lunsar.

Community initiatives include:

- Provision of 14 potable water wells to make safe potable water available to communities around the mine site from a reliable source. All the local communities are trained in hand pump maintenance to reduce breakdowns and enable prompt repair.
- In January 2019, SL Mining distributed 100 tons of white rice from the Lunsar Community Centre to every registered household in Lunsar and the surrounding villages within the SL Mining concession.
- Actively supports tertiary skills and development within the community, including the empowerment of women in the community.
- Tree planting at Thofaym village to provide shade and serve as windbreakers for houses, and water management to protect agricultural areas near the mines.
- Active support of youth recreation by donating footballs and jerseys to Marampa Stars; support of the national monthly cleaning exercise: wheelbarrow, shovels and food for work; and the provision of 1,000 scholarships, including school fees, school bags, books and pencils to children in the Marampa and Maforki chiefdoms.
- Internship Training Program as part of SL Mining's core corporate social responsibilities, where graduates and current students must undergo 3 - 6 months training prior to completion of their courses and certifications, by arrangement with industrial enterprises. SL Mining believes the Internship Program is mutually beneficial and hence it would be prudent to continue such programs.
- Supports Ramadan Feast "Lailatul Qadr" and the Council of Churches in Lunsar during "Lenten" season.



Figures 1 and 2: Two of fourteen completed wells at Katick Village (top) and Kontha Lol Village (bottom).

In September 2019, SL Mining was forced to put the mine into Care and Maintenance due to the abrupt and unlawful restrictions on iron ore exports starting on 3 July 2019, and production at the Marampa mine ceased following other subsequent actions taken by the Government of Sierra Leone, culminating in the purported cancellation of SL Mining's mining license on 7 October 2019. This purported cancellation was unlawful and invalid and was contrary to the amended Order of the Emergency Arbitrator officiating in the ICC arbitration between SL Mining and the Government of Sierra Leone.

SOREMI SA, Republic of Congo (35% shareholding)

Gerald holds a minority investment in Société de Recherche et d'Exploitation Minière SA (SOREMI), the first and only copper cathode producer in the Boko Yanga metal corridor in the Republic of Congo.

- Undertaking investigation of new planting models with local agricultural societies to improve productivity and sustainability of crops
- Establishment of market farms which supply the communities and the mine's kitchens. A by-product is the prevention of local prices being inflated by the mine's demand.



Figure 3: Football with the local community at Mfouati.

Alphamin Bisie Mining SARL, Democratic Republic of the Congo (5.24% shareholding and sole offtaker of tin concentrate)

Alphamin is an emerging industrial tin concentrate producer, located in North Kivu in the Eastern Democratic Republic of Congo ("DRC").

- The Logu Fwamba Potable Water Supply Project supplies the community with readily available potable drinking water to support 500+ households. The Potable Water Supply Project and was funded by Gerald Group and designed by Alphamin Bisie Mining SA.
- During the year, Alphamin constructed and financed a new bridge at Waine-Rukula and made repairs to the N3 highway, 50km from Kisangani. The bridge and road works created local employment during construction and repair work and, ensured the river was passable during the wet season. The Lubeya Bridge was formally opened by His Excellency, the President of DRC on 24th April 2019.



Figures 4a and 4b: The completed Logu Fwamba Potable Water Project, Walikale District.



Figure 5: Lubaya Bridge 50km from Kisangani on N3 Highway, North Kivu, DRC.

Specific Monitoring and Review Visits to Conflict-Affected and High-Risk Areas during 2019

Gerald Group is conscious of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010, as well as the requirements of the Organisation for Economic Cooperation Development and the Responsible Minerals Initiative for responsible minerals sourcing from conflict-affected and high-risk areas. To ensure the provenance of the minerals we source from mines, we undertake periodic visits ensure our due diligence also satisfies our compliance requirements.

Tin

28 th January – 31 st January:	Democratic Republic of the Congo
11 th March – 13 th March:	Democratic Republic of the Congo
27 th August – 30 th August:	Democratic Republic of the Congo

Copper

9 th January – 18 th January:	Republic of Congo
8 th February – 15 th February	Zambia and Democratic Republic of the Congo
13 th June:	Democratic Republic of the Congo
15 th June:	Democratic Republic of the Congo
7 th August:	Democratic Republic of the Congo

Cobalt

13 th August:	Zambia
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Gerald Group also has various offices globally (including in the DRC) that contribute on a continuous basis to the Group's risk monitoring and provenance confirmation efforts.

Areas for Engagement in 2020

Gerald Group will specifically maintain engagement on the following areas during 2020:

- Health & Safety with specific focus on assets in developing countries. Results of monthly H&S reporting will be used to guide follow up.
- Environment with a continued focus on Tailings Storage Facility Audits and follow up actions at controlled and other assets.
- Communities – final completion of the Water Treatment and Delivery Project in Logu, North Kivu, DRC (Alphamin Bisie Mining SA). Evaluation of potential further projects to support the local communities around the Alphamin Bisie mine site.
- Working with suppliers to Gerald Group who are undertaking responsible supply chain / sourcing audits.
- Reviewing due diligence visits to Gerald Group assets and suppliers.

Appendix: Definitions of Reportable Events

Reportable Event	Definition
Near-miss	Cases where, had events been timed or placed slightly differently, an incident, lost-time injury, severe injury or fatality may have occurred.
Incident	Events which should not have happened but did not result in any injury, though damage to property may occur (e.g.: car accident with no injured persons, rockfall with no injuries, tripping in the office, chemical spills).
First-aid case	Low-level injuries such as minor cuts/grazes, where the person returns to work immediately following treatment.
Illness	Instances where a member of staff requires medical treatment for an illness (includes malaria which is separately reported and identified in the H&S Reporting tables in this report).
Hospitalisation	Instances where any member of staff requires treatment at hospital for any reason.
Lost-time injury	Any injury which requires a member of staff to change or miss their normal working hours.
Severe injury	Injuries where the risk of death or permanent harm is caused to a person; alternatively, any injury to a member of the public while on Gerald-related property or caused by Gerald-related activities.
Medical discharge	Instances where a member of staff has had their employment terminated due to illness or injury (NB: Personal details of such members of staff are not provided for reasons of confidentiality).
Fatality	Death of a Gerald or Gerald-related employee or member of the public on Gerald-related property and caused by Gerald work-related activities.

Thofeyim River Terminal, SL Mining Limited, Sierra Leone.



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