



LuNa  
Smelter

# 2022 Sustainability Report

Contributing to a more sustainable world  
through responsible mineral sourcing and processing



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## Message from the Managing Director of LuNa Smelter

*I am pleased to share with you LuNa Smelter second Sustainability Report and first written based on Global Reporting Initiative (GRI) standard. The company's mission being to act as an industry change agent and a diversity trend-setter through ESG-driven investments, we are committed to share with you our progress and activities done to achieve the above as we continue to strive for excellence in everything that we do.*

*Since the inception of our operations in 2018, the company has played a pivotal role to the development of a robust and responsible mining industry in Rwanda. What sets us apart is our continued effort to challenge the status quo, in a region that has been characterised as a Conflict Affected and High Risk Area (CAHRA), LuNa Smelter was certified by the Responsible Minerals Initiative as the only conformant tin smelter in Africa...*



Continued on next page ►

**Joseph Butera**

Managing Director

## ENHANCING OUR GOVERNANCE STRUCTURE

Governance is crucial to ensuring our company acts with the highest ethical standards and drive continuous improvement. In 2022, we conducted a gap assessment in our corporate policies as clear policies are the foundation on which we make right decisions. Through this assessment, we developed a number of new policies that enhance our approach to Diversity and Inclusion, Social Responsibility and Grievance mechanism. The company also amended its Human Rights Policy as well as the Supply Chain Management Policy. In 2022, the Management Board also appointed an Advisory Audit Committee, which will be composed of at least three independent non-executive directors. The audit committee's functions include reviewing

the company's accounting and financial practices, the integrity of its financial controls and financial statements, and compliance with legal requirements. Those functions also include recommending the appointment and compensation of the company's independent auditor, and presenting their findings to the Board.

## INTRODUCING ROBUST ESG DUE DILIGENCE

We recognize that mining and metallurgic activities can impact the environment and surrounding communities around the operations. One of the biggest ways to minimize risk is to make sure we are investing in the right assets and monitoring operation impact throughout the activities' lifespan. In late 2021, we started to work with S&P Global to assess our company's exposure to industry-

specific risks. A confidential report was handed over to LuNa Smelter in Q4 of 2022 and has enabled the company to understand and plan to adjust different aspect across the whole business from policies to procedures and general employees' behaviour on certain topics that are material to us.

## SCALING OUR BUSINESS THROUGH TOLLING SERVICES

LuNa Smelter's location gives an opportunity to scale its business into a tolling service provider for mines and traders in the African Great Lakes Region. Through this new initiative, we aim to create job opportunities for local communities while also reducing the carbon footprint of tin mined and produced in Africa. By bringing the smelting process closer to the source of the materials, we

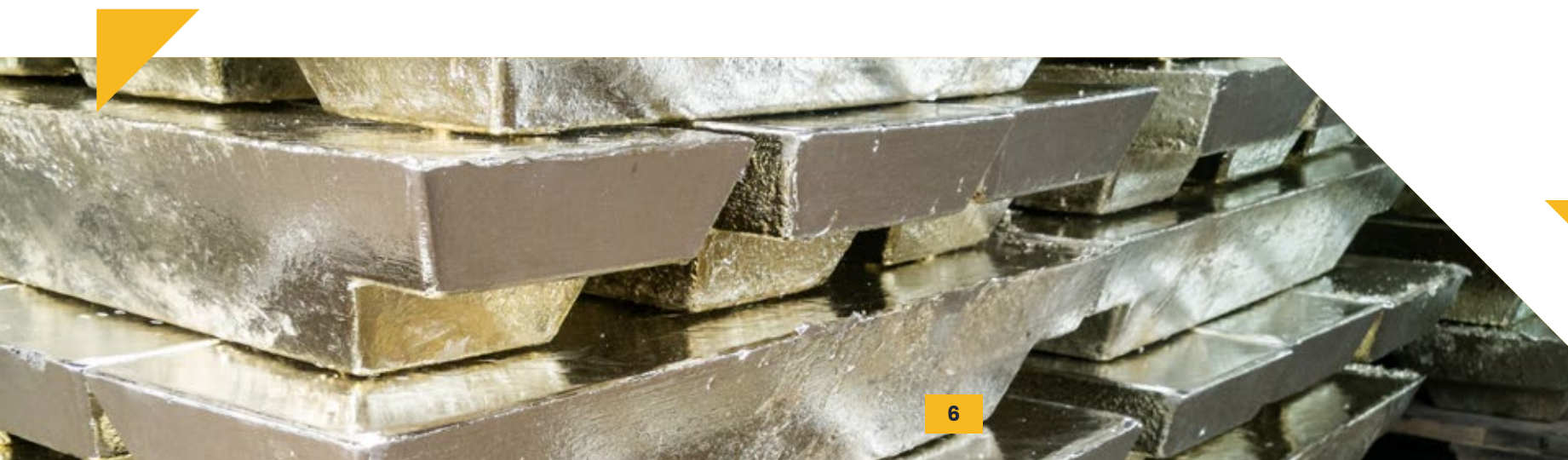
can significantly reduce the amount of cassiterite concentrate that is currently being shipped to Asia for smelting, thus reducing transportation emissions. We are excited about the potential impact that our tolling services will have on the development of the African region and look forward to working with our partners to achieve this goal.

## LOOKING FORWARD

As our business grows, we maintain our commitment to responsible mining and production through working with responsible suppliers and supporting our hosting communities. It is our goal to continue to be leaders in this space, and we thank you for showing interest in the work we do at LuNa Smelter and welcome any feedback and advice from stakeholders as to how we can continue to improve our sustainability approach.



**Joseph Butera**  
Managing Director



## About this report

LuNa Smelter second annual Sustainability Report aims to inform communities in which we operate, our employees, investors as well as our clients, our most significant impacts on the environment, the people, including impacts on their human rights and our Governance approach.



This Report has been prepared based on the Global Reporting Initiative (“GRI”) Standards core option.



Ngali Holdings Ltd  
Luma Holding Ltd  
Joint Venture

**GRI 2**

# General Disclosures





## Disclosure 2-1

# Organization details

LuNa Smelter is a responsible tin metal producer operating in Kigali, Rwanda

The company is a part of a wider group, Luma Holding Ltd. a private European Industrial Group focused on metallurgical, mining and automotive industry. The Rwandan partner and shareholder on the project is Ngali Holdings – a leading investment Group.

LuNa Smelter's mission is to act as an industry change agent and a diversity trend-setter through ESG-driven investments with a strong focus on traceability, gender equality and unserved communities' development.

Granted four large scale mining licences in Gatsibo and Kayonza Districts since December 2022, the company also operates a fully certified laboratory as well as a modern smelting facility in Kigali, making LuNa Smelter a vertically integrated concept.

The Company is the only tin smelter in Africa conformant with the Responsible Minerals Assurance Process (RMAP) under OECD Guidance and its activities have already boosted the entire metallurgical and mining sector of East Africa with particular focus on the development of the 3T mining projects.

From the beginning of its operation, the company was assessed and successfully awarded the following ISO certificates, ISO 14001:2015 and ISO 9001:2015, ISO 17025, confirming the company's environmental awareness and the emphasis on management quality.

**Further description of our business is available at:**

<https://lunasmelter.com/about/>

## ESG based investment

### A Responsible tin metal production

The only RMI certified tin smelter on the African continent with traceability based on the newest technologies implementation, including blockchain protocols for the mineral's origin.

### Strong environmental focus

Zero waste production based on 100% green energy sources with significant limitation of tin carbon dioxide footprint – metal production located in the heart of African cassiterite mineralization.

### Modern tin smelter production facility with own certified laboratory

Quality exceeding LME standard and proved capacity for 99,95 Sn production.

### Inclusion of the ASM community and small-scale miners

through fair partnership, educational packages, and real cooperation with strong impact on the ground.

## Disclosure 2-2

## Entities included in the organization's sustainability reporting

This report shall only cover LuNa smelter's activities and no other entity.

## Disclosure 2-3

## Reporting period, frequency and contact point

**REPORTING PERIOD**

January 2022 –  
December 2022

**DATE OF LAST REPORT**

January 2022

The sustainability report is released annually and is independent to the financial report.

**CONTACT POINT**

for questions about the report

**MacLean Raissa Tuyisenge**

*Board Member & ESG Manager – Luma Africa*

[maclean.raissa@lumafrica.com](mailto:maclean.raissa@lumafrica.com)



## Disclosure 2-4

## Restatement of Information

This is the first Sustainability report released based on GRI, the format from previous report has changed to follow GRI standard throughout the report.

## Disclosure 2-5

## External assurance

This report has been partially assured by external party. The following audits were completed at LuNa Smelter.

### External Audit by Bureau Veritas: Integrated management System

**ISO 9001: 2015 & ISO14001:2015**

**took place on 21st to 24th November 2022**

LuNa underwent an onsite audit with an external auditor for the recertification of ISO 9001:2015 and ISO 14001:2015, which were successfully granted.



### LuNa Laboratory underwent a renewal assessment for **ISO/IEC 17025:2017**

by an external assessor from A2LA,  
to which it passed and got reaccredited until  
November 2024.

### **Air Quality and Noise Monitoring**

was carried by an external consultant,  
namely: Estonteco Brila Ltd.

Since 2021, LuNa smelter has been able to showcase its adherence to the standards set by the **Responsible Minerals Initiative's** program (RMI), specifically the Responsible Minerals Assurance Process.

In 2022, the company underwent another evaluation, and at present, a re-assessment is currently underway.

For further reading on this topic, visit the following page:  
<https://www.responsiblemineralsinitiative.org/tin-smelters-list/conformant-tin-smelters/>



## Disclosure 2-6

# Activities, value chain and other business relationship



**CASSITERITE  
SMELTED**  
(T)

**992.37**



**TIN  
PRODUCED**  
(T)

**643.03**



**LAB ANALYSIS  
COMPLETED**  
(INTERNAL & EXTERNAL)

**1,824**

LuNa's product range is represented by tin ingots (LME grade, 3N, 4N, low-lead, and standard lead) and four types of by-products (tin dross, tin slag, hardhead, and tantalum-bearing alloy). All tin ingots produced by the plant are sold via European REACH-registered distributor Luma Trading, which constantly cooperates with LuNa Smelter in terms of the quality of materials and shipping terms.

Each planned shipment is verified according to the specifications required by the customer. LuNa Smelter can control the level of impurities during the smelting process on Tin to achieve the chemical composition desired by the client.

LuNa Smelter follows the approach of complete transparency to satisfy customers' needs, we allow third-party inspectors to be present during all processes of preparation of the lot in case customers would like to supervise it. The plant can also allow clients to be present during the inspection process if they express such intentions.

The company's strategy is to create a vertical integrated business responding to the needs across the whole Tin production supply chain. Prior to receiving its mining

licences, the company had been developing explorations in Rwanda's eastern Province for undiscovered parts of cassiterite deposits, but also works hand in hand with other concession owners within the country as well as across the region to supply to the smelter, which currently has the capacity to **smelt over 360T of cassiterite per month**.

**On the other hand, LuNa Lab performed internal and external analysis on the following materials:**

INTERNAL ANALYSIS		EXTERNAL SERVICES	
Slag (NGS/GS)	907	Cassiterite samples by ICP OES and WET chemistry	6
Cassiterite	757	Exploration samples local by XRF, other 4 samples by ICP OES	62
Quality Tin – Export	24	Exploration samples – Uganda by ICP OES	26
By-product export	9	Lithium ore samples by ICP OES	33





LuNa Smelter has acquired a license from Rwanda Mines, Petroleum and Gas Board to run a mineral traceability and due diligence system. This license allows LuNa to implement a blockchain-based Certificate of Conformity (CoC) system, providing enhanced security, transparency, efficiency, and cost savings.

LuNa is already the first conformant tin smelter located in Conflict Affected and High-Risk Area tracing minerals from the smelter to the end consumer on blockchain. This achievement was made possible through a two-year pilot project tracing minerals from the smelter to end-user on a blockchain system developed in partnership with **Minespider, Rwanda Mines, Petroleum and Gas Board**, and with the support of **Google**.

LuNa's goal is to enhance its mineral traceability and due diligence system to cover the entire supply chain from the mine to the end consumer. To achieve this goal, LuNa will implement a blockchain-based system that will trace minerals from the mine through the smelter to the end consumer.

The successful acquisition of the license from Rwanda Mines, Petroleum and Gas Board is a significant milestone towards LuNa's objective, and demonstrates its commitment to compliance, quality, and ethical sourcing of minerals.



## Disclosure 2-7

## Employees



A key element that has contributed to LuNa Smelter success is our team. LuNa Smelter aims at creating the best working environment where each employee feels valued.

The Company culture is based on mutual trust and true professionalism, respect and support within the team.

We aim to assist the country in generating employment opportunities for its people, and we are delighted to report that out of the **124 individuals employed** by our company, only one is of a foreign nationality while the rest are of Rwandan Nationality.





## Disclosure 2-8

## Workers who are not employees





All workers performing work for LuNa Smelter are employees of the company except for 10 security guards who are managed by ISCO, a security service provider.

### 1. Total number of employees and a breakdown of this total by gender and employment contract

	 Female	 Male	Summary
Permanent	6	17	23
Fixed	4	90	94
Probation	0	7	7
			<b>124</b>

\* All LuNa workers are based in Rwanda, and data provided below was collected by our Human Resources team.

### 2. Total number of employees and a breakdown of this total by gender and region of employment

	 Mines (Gatsibo)	 Smelter (Kigali)	Summary
Female	1	10	11
Male	55	58	113
			<b>124</b>

\* LuNa Smelter mining activities are expected to start in 2023, data of workers presented below captured few workers (mainly security guards) at our mining sites.

Disclosure 2-9

# Governance structure and composition



LuNa Smelter Ltd. is committed to strong governance by incorporating sustainability into how we do business and championing transparency, accountability and inclusiveness. In 2022, the company introduced three more policies, namely: **Whistle Blower Policy**, **Gender Equality Policy** and **the Social Responsibility Policy**.



### Supervisory Board (3 persons)



### External Non-Executive Advisor

Exercise supervision over all areas of the business

The special duties of the Supervisory Board includes:

- ▼ evaluating the Board of Directors reports on the operations of the Company and the financial report for the previous financial year, about their conformity with the books and documents, as well as with the actual state of affairs, and proposals of the Board of Directors concerning the division of profits or the financing of losses, as well as submitting to the General Meeting annual written reports on the results of such evaluation;
- ▼ expressing the consent to the Board of Directors to incur legal obligations including: i. giving consent for acquiring, disposing, or establishing an encumbrance on real property, an enterprise or an organized part of an enterprise or other assets of the Company, other property rights of the Company, or claims; ii. giving consent for a commitment to manage the right or the Company's asset, managing the right or the Company's asset, incurrence of financial liability of more than EUR 10,000 net (ten thousand) or it's equivalently expressed in another currency by way of a single transaction or several interrelated transactions during one financial year.

### Management Board (3 persons)



### Advisory Audit Committee (3 persons)



### Proxy (1 persons)

The Management Board is responsible for ensuring that there is a process in place to mitigate the risks that are identified by management and to provide effective oversight of material risks, including sustainability risks.

The audit committee's functions include reviewing the company's accounting and financial practices, the integrity of its financial controls and financial statements, and compliance with legal requirements.

### Managing Director

Oversee and supervise daily business operations, and reports to the Management Board

### Heads of Departments

Oversee daily activities at department level



## Disclosure 2-10

## Nomination and selection of the highest governance body

The Supervisory Board consists of 3 members including the President of the Supervisory Board, appointed individually and consecutively for a term of 5 years by General Meeting of shareholders as stipulated in the company's Articles of Association.



## Disclosure 2-11

## Chair of the highest governance body

The Chair of LuNa Smelter's supervisory board is also the Founder and CEO of the company's major shareholder.

The supervisory board is responsible for providing ongoing oversight of all aspects of the company's activities, while the Management Board is vested with full authority to manage and administer the company's assets and operations within the limits of its corporate charter. The company is represented either by two board members acting jointly or by any individual designated by the Management Board.

## Disclosure 2-12

## Role of the highest governance body in overseeing the management of impacts

Refer to „[Disclosure 2-9](#)“.



## Disclosure 2-13

## Delegation of responsibility for managing impacts

Critical concerns including concerns about the organization's potential and actual negative impacts on stakeholders are raised through established grievance mechanisms. To ensure that the highest governance body is aware of raised concerns, the Management Board delegates a grievance committee which is chaired by a member of the Supervisory Board.

## Disclosure 2-14

## Role of the highest governance body in sustainability reporting

The highest governance body actively reviews and approves the reported information, which includes our material topics. This ensures transparency and accountability throughout the reporting process.

Our dedicated sustainability team, comprising the CFO and ESG manager of the Africa group, the proxy of the company's Board, and the company quality and control manager, diligently prepares the report information.

The report undergoes a comprehensive review and approval process involving the President and Chair of the Board for the African group, the CEO and President of LuNa Smelter Board of Directors, and a member of its Supervisory Board. This collaborative approach ensures alignment with our sustainability goals and underscores the commitment of the highest governance body.

## Disclosure 2-15

## Conflicts of interest

As our Code of Business conduct stipulates, all business decisions are made exclusively in the best interests of the Company. All employees and partners of LuNa are expected to avoid conflicts of interest with personal matters or business and non-business activities including those of relatives or other related parties. Any employee is prohibited, directly or indirectly:

- ▼ To have any financial interests that could have a negative impact on the performance of duties fulfilment, or derive any financial benefit from any contract between LuNa and a Third Party where particular employee in a position to influence the decisions that are taken regarding that contract; or
- ▼ Attempt to influence any decision of LuNa concerning any matter with a view to deriving any direct or indirect personal benefit.

In procurement procedures LuNa Smelter has also implemented Limits of Authority depending the cost involved.

## Disclosure 2-16

## Communication of critical concerns

Refer to [Disclosure 2-13](#).



## Disclosure 2-17

# Collective knowledge of the highest governance body

## Supervisory Board Members

### Prof. Dr. Radoslaw Miskiewicz

*President of the Supervisory Board*



Prof. Dr. Miskiewicz is the President of the Board of Directors of Luma Holding and founder of the Luma Metallurgical Industry Fund. He has successfully implemented projects related to assets management, company financing, international transactions, mergers, and acquisitions. Prof. Miskiewicz is a strong advocate of unconventional solutions in management and sustainable use of natural resources. He has received numerous honors for his work, including the certificate of „Environmentally Friendly Company” granted in a competition under the patronage of the President of Poland.

### Mrs. Diane Mugisha

*Member of the Supervisory Board*



Mrs. Mugisha is the CEO of Ngali Holdings, responsible for developing and executing the company's business and investment strategies. Prior to her appointment as CEO, she spearheaded the establishment of all Ngali Holdings wholly owned subsidiaries, ensuring they are built on effective corporate governance principles.

### Mrs. Aleksandra Cholewa-Domanagic

*Member of the Supervisory Board*



Aleksandra has extensive professional experience in both the private and public sectors, combining knowledge of the metals and mining industry with foreign policy, international relations, and investigative journalism, as well as broadly understood analysis of geostrategic and social trends.

Aleksandra manages and coordinates Luma Holding Group's global projects in Central and South-Eastern Europe and East Africa. She is an advocate of responsible mineral production and as a member of the Governance Board, she is active in the European Partnership for Responsible Minerals. A graduate of the International Women in Mining mentoring program, she mentors and organizes scholarships for young women from East Africa. She divides her time between work, education (Ph.D. student at the University of Szczecin), and charity work (Member of the Board of the Afriquia Foundation). In 2022, she was placed on the Top Global 100 Women in Mining List – a global ranking published every 2 years in Great Britain by WIM UK.

## Board Members

### Lukasz Banasik

*Chairman and CEO*



Mr. Banasik is the Chief Technologist and Head of Metallurgical R&D Department at Luma Holding Group. He is a global expert in the metallurgy processes of ferroalloys and tin metal. Mr. Banasik has strong management skills,

and he has been supervising and implementing several global metallurgical projects in Europe and coordinating R&D projects in the metallurgical field.

### Marc Nanu

*Member of the Management Board*



Mr. Nanu has 18 years of experience in international and multicultural environments. His field of expertise covers the management of finance, legal, tax, HR, and IT teams. He holds an MBA and a Master's

Degree in Engineering. He has been working in Africa for more than 10 years, engaged with various companies in leading financial positions.

### Mrs. Aline Mukeshimana

*Management Board Member*



Mrs. Aline Mukeshimana is the Group Head of Corporate Services at Ngali Holdings Limited. She is responsible for delivering efficient and effective corporate services and setting the right strategies to support the execution of the corporate strategy.

### Ms. Katarzyna Janik

*Proxy of the Board*



Kate has extensive knowledge of metallurgy and materials science and has been involved for 5 years in the ferroalloys sector, and 4 years in the production and extraction of tin. Combining metallurgical knowledge, and multidisciplinary and

interpersonal skills, associated with Luna Smelter initially as a technology consultant, currently as a Proxy of the Board of Directors and an advisor on technology and development. Actively involved in Re Alloys project activities, and in creating new projects both in the field of ferroalloys and tin projects. Kate obtained her Bachelor of Science degree in the field of Construction Materials at the Faculty of Mechanical Engineering of the Cracow University of Technology in 2014, and her Master of Science in the field of materials science in 2015 at the Cracow University of Technology. She continued her scientific career by completing three years of doctoral studies at the Polish Academy of Sciences, Institute of Metallurgy, and Materials Science in Krakow, where she also worked as a laboratory assistant at the Accredited Calorimetry Laboratory.



## Other key important people

### Trevor Faber

*Luma Africa – CEO tin business line*



Trevor is an internationally experienced mining executive with more than 25 years of experience in open pit and underground mining operations, covering both precious and base metals mining. Through his skills and experience, Trevor enhances the technical

expertise, operational excellence, and strategic focus of Luma Holding Group. Trevor has an outstanding track record in the tin industry. He has developed the world's no 1 tin project the world – Bisie project, located in the Democratic Republic of Congo, currently operated by Alphamin. Trevor oversees strategic planning of the tin assets development of the Group both in Africa and Europe.

### Joseph Butera

*Managing Director of LuNa Smelter*



Joseph is experienced in working in the management of mineral resources, mineral supply chains, and due diligence. He is a business-oriented person and focuses on good and quick service delivery. Previously, Joseph spent over 6 years

working for a government agency responsible for mines as an economist and investment specialist. He holds an MBA in project management from the University of Kigali and certificate in mineral economics from the University of Johannesburg and a certificate in mineral resources management and regulation from the University of Sydney.

### Ian Hall Gordon

*LuNa Smelter – Key Metallurgical Consultant at Tin Business Unit*



Ian is a world-class expert on tin metallurgy, with many years of experience in the tin industry in Europe, the US, South America, and Africa. He started his professional career as a Plant Metallurgist at Nchanga Consolidated Copper Corporation in Zambia Africa. In the following years,

he expanded his knowledge and experience by working in tin mining companies in Brazil and Peru, where he held key positions such as Metallurgical Manager and Director.

## Mike Loch

*Key traceability advisor*



Mike is a President of Responsible Trade LLC. and is located in the Chicago – go area with over 30 years of industry experience. He is a founder of the Conflict-Free Sourcing Initiative (now the Responsible Minerals Initiative (RMI)).

His guidance has resulted

in one of the most successful efforts on the part of the private sector to reduce armed conflict and improve the lives of the population in high-risk area. Mike is an advisor of the International Conference on the Great Lakes Region, and serves as an expert on the question of conflict minerals at numerous US and EU institutions.

## Nathan Williams

*Key blockchain advisor*



Nathan is the Founder and CEO of MineSpider, a blockchain system for tracking responsibly sourced materials along the supply chain. Nathan is a blockchain expert who designed the MineSpider protocol and has facilitated

blockchain workshops as a visiting expert for the UNECE and the World Economic Forum. He has been featured in Bloomberg, Forbes, Huffington Post, and Wired Germany.



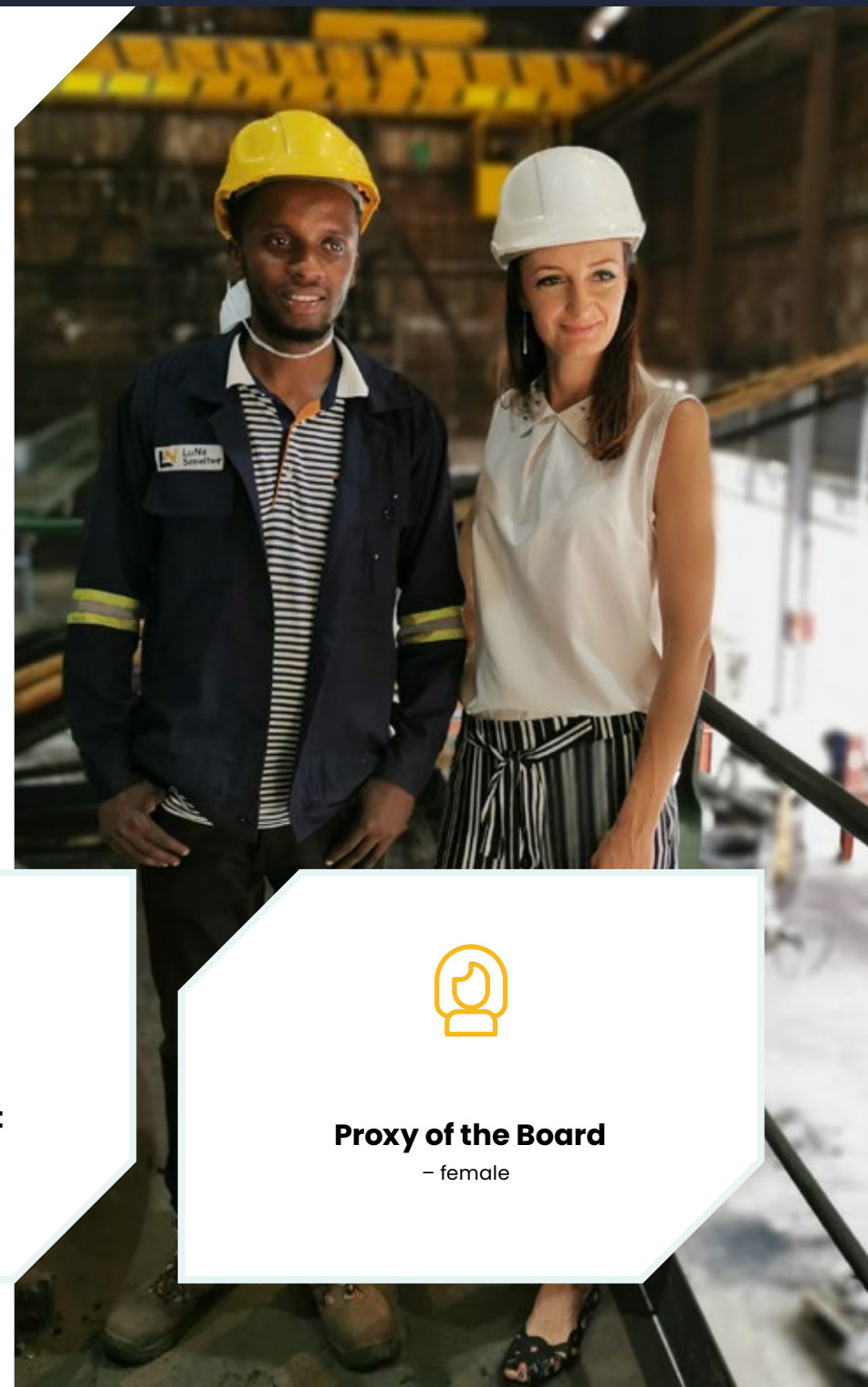
# Board diversity



The mining sector being usually a male dominated industry, female accounts to only for 15% of the total workforce and this percentage is significantly lower if the technical staff numbers are highlighted. The sector is also characterized by most managers having an average of 55 years.

At LuNa Smelter we believe companies should strive for gender diversity, and inclusion of young talents. We are proud to operate in Rwanda, the country that was ranked in the first ten most gender-equal countries in the world according to the global gender gap report published by the World Economic Forum and the median age of Rwandan being 19 years old.

LuNa Smelter Management priority is to integrate gender equality into natural resource management system, starting from the supervisory board level, through management board, senior managers, and through all the employment structure. Over 15% of LuNa's employees are women, they work at all the levels starting from mining operations to the management of the Company. The median age between senior management at LuNa Smelter being 35 years old.



**2/3 of the Supervisory Board member**

– female representative



**1/3 of the Management Board member**

– female representative



**Proxy of the Board**

– female



The Company is an active participant of the International Women in Mining initiatives and supports the organisation's global activities related to gender equality. LuNa sponsors participation of its female employees in the global mentoring programme run by the IWIM organisation.

LuNa's management effort on diversity and gender balance was also recognized by the Women in Mining organization, where Mrs. Aleksandra Cholewa – Member of the Supervisory Board received an award in London, based on her commitment to support and empower women through the Luma Holding activities in Africa.

Aleksandra Cholewa, was listed among the [100 most influential women in mining in the world for 2022](#).

*„The mentorship program was an excellent learning experience for me as an individual but also as a professional. Most importantly, as a female Leader, I learnt how to lead with confidence with full knowledge of the key attributes that distinguish outstanding and ideal leaders which I term as the chief components of emotional intelligence i.e self awareness, self regulation, motivation, empathy and social skill”.*



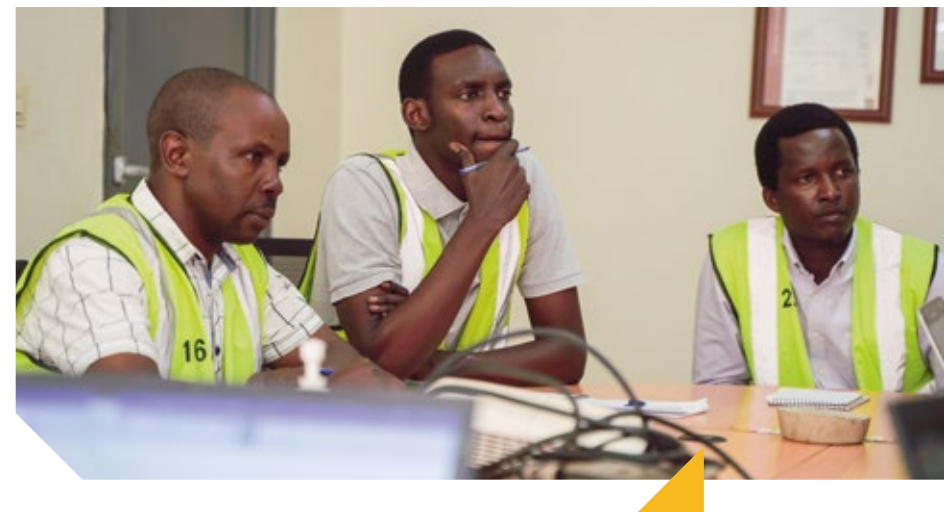
**Prisca Tayebwa**

HR Manager – LuNa Smelter



# Stakeholders engagement

LuNa Smelter executives regularly meet with stakeholders, including shareholders, clients and partners, employees, regulators, community member, non-governmental organizations (NGOs), associations and others, to engage in open dialogue and assimilate feedback into strategic planning, business decisions, and reporting frameworks. A key part of our Community relations' commitment is listening closely to each group, engage with and understand the issues that are important to them so that we can build the strongest relationships over the long term.



## Examples include



### Employees

Daily management meeting, communications through email, Luma Holding internal collaboration network and annual workers gathering



### Suppliers

Regular meetings and reviews, sharing best practices in responsible supply chain management



### Civil Society, and NGOs

Community engagement programs; pro-bono skills giving; diversity initiatives; and support programs



### Government and Other Industry – Related Bodies

Regular dialogue, face-to-face meetings, leadership groups, and roundtable discussions on issues of societal and environmental impact

## Some of the major stakeholder engagement activities carried in 2022



Prof. Radosław Miśkiewicz, Founder and CEO of Luma Holding participated in Rwandan National Day at the Dubai 2022 Expo, which was a unique opportunity to connect with partners and present LuNa activities and achievements.



Łukasz Banasik and Katarzyna Janik, Board Members of LuNa Smelter Ltd. represented LuNa at the Metal 2022 Conference in Brno, where they talked about the improvement of LuNa Smelter throughout the years and plans for development expansion.



LuNa's due diligence efforts were presented at the annual RMI conference in Santa Clara by Aleksandra Cholewa, where she was a key speaker.



From 5th to 8th December, 2022 Rwanda Mines, Petroleum and Gas Board in partnership with Rwanda Mining Association, and the University of Rwanda organized the 5th Edition of Rwanda Mining week, under the Theme: "Towards a Modern and Sustainable Mining Sector". The event drew



On December 5-6, Kigali hosted the Polish-Rwanda business forum aimed at tightening cooperation between Polish and Rwandan entrepreneurs from the public and private sectors and strengthening cooperation at the Universities level. The Polish delegation was led by Deputy Minister of Foreign Affairs Paweł Jabłoński, Deputy


Minister of Development and Technology Grzegorz Piechowiak, Deputy Minister of Finance Artur Soboń and His Excellency Polish Ambassador in Tanzania Krzysztof Buzalski, together with 20 business representatives interested in investing in Rwanda. Luma Holding was represented by Katarzyna Janik, proxy of LuNa Smelter. She presented the activities of the company and the African Group at the forum and participated in B2B talks.

together mining operators, Government institutions, academia and private sector and consisted of exhibition, panel discussions as well as trainings on legal compliance, safety and best mining practices. LuNa Smelter also participated in this eventful week and showcased LuNa's business and its responsible approach towards production and sourcing of minerals and also presented its laboratory services. Mr. Trevor Faber, CEO at Luma Africa, also participated in an insightful panel discussion under the Theme "From mines to Market" and highlighted the journey of LuNa Smelter with investments done since its inception. He discussed the company's vision of becoming the leading Tin producers in the world and demonstrated how with collaborative efforts from different stakeholders this vision can be achieved and benefit the country towards its mission of becoming a Mining Hub of the region.



**GRI 3**

# Material Topics

- 
1. =
  2. =
  3. =

Please **follow the link** to read more  
about management  
of LuNa Smelter material topics.

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<https://lunasmelter.com/wp-content/uploads/2023/05/2023-05-10-Materiality-Analysis-LuNa-Smelter.pdf>



**GRI 200**

# Economic Topics





# Direct economic value generated and distributed



LuNa Smelter is a key contributor to the Rwandan Mining Sector, demonstrating responsible fiscal practices and generating direct economic value. Since its establishment, the company has consistently paid taxes, making substantial contributions to the Rwandan economy.

In 2022, our contributions included over **RWF 968 million** in mineral tax payments. We also invested more than **RWF 814 million** in annual payroll and employee benefits, playing a significant role in fostering employment opportunities and maintaining economic stability. Furthermore, we fulfilled our regulatory obligations by paying approximately **RWF 386 million** in regulators fees. As part of our commitment to community development, we allocated a piece of land valued at around **RWF 43 million** to empower female entrepreneurs in the Jabana Sector. In addition, we donated **RWF 1 million** to the Kigali Genocide Memorial Centre and provided in-kind support, estimated at **RWF 1 million**, to the Afriquia foundation for their activities in Rwanda, through logistics and transport support.

With a strong focus on local sourcing, over 72% of our cassiterite was obtained from domestic mines, contributing to a sustainable supply chain and supporting local mining industry.

LuNa Smelter remains dedicated to driving the growth and development of the Rwandan Mining Sector through responsible practices and meaningful contributions to the local community.

Other details in [„GRI 203 Significant indirect economic impacts“](#)





## Disclosure 201-2

# Financial implications and other risks and opportunities due to climate change



LuNa Smelter analyses and manages risks associated with climate change in the same way we handle any other business risk: through our risk management procedure. The risk management activities facilitate the identification of risks, issues and opportunities throughout the business. We capture such risks, assess them against applicable criteria, escalate them as appropriate, and manage them in a way that enables coordinated action.

We prioritize risks and opportunities according to their probability of occurrence and potential impact. On the basis of this assessment, we have found no substantive risks associated with climate change, further details on our environmental performance shall be reported in the environmental topic section.



## Disclosure 201-3

## Defined benefit plan obligations and other retirement plans

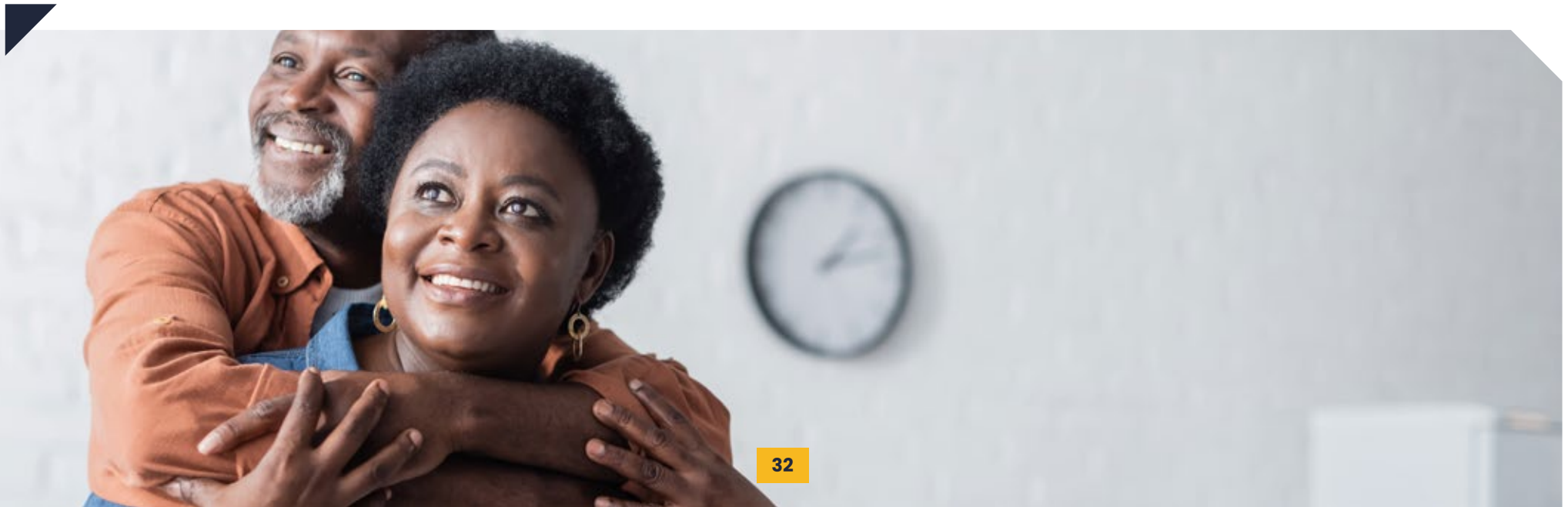
LuNa Smelter follows the Rwandan regulation on retirement of its employees as per art. 32 of the Labor law, like in most countries, Rwanda also has a governmental body in charge of social security service known as Rwanda Social Security Board (RSSB). Early retirement as determined by RSSB is at 60 years and late retirement at 65 years for salaried workers, including foreigners. Workers who have been contributing to RSSB pension are eligible to access their pension at 60 years. 30% of the insured's average monthly earnings in the last five years and an additional 2% of average monthly earning every 12 months of contributions exceeding 180 months is the benefit paid for Olds-age and Permanent Disability Pensions. Additionally, a 100% lump sum (for old-age settlement only) of the insured average monthly earnings in the last five years is multiplied by the number of years.

## Disclosure 201-4

## Financial assistance received from government

LuNa Smelter is a holder of a Quitus Fiscal certificate. This is a certificate given to taxpayers in Rwanda who have demonstrated a history of correct tax compliance. The benefit of Quitus Fiscal is that certified taxpayers are not required to pay withholding tax of 5% on imports and for withholding tax on public tenders of 3%, the first one being applicable in LuNa's case.

In 2022, LuNa Smelter also received an Investment Certificate and shall benefit on investment incentives as described by the Law on investment promotion and facilitation N° 006/2021 of 05/02/2021.





## Disclosure 202-1

## Ratios of standard entry level wage by gender compared to local minimum wage

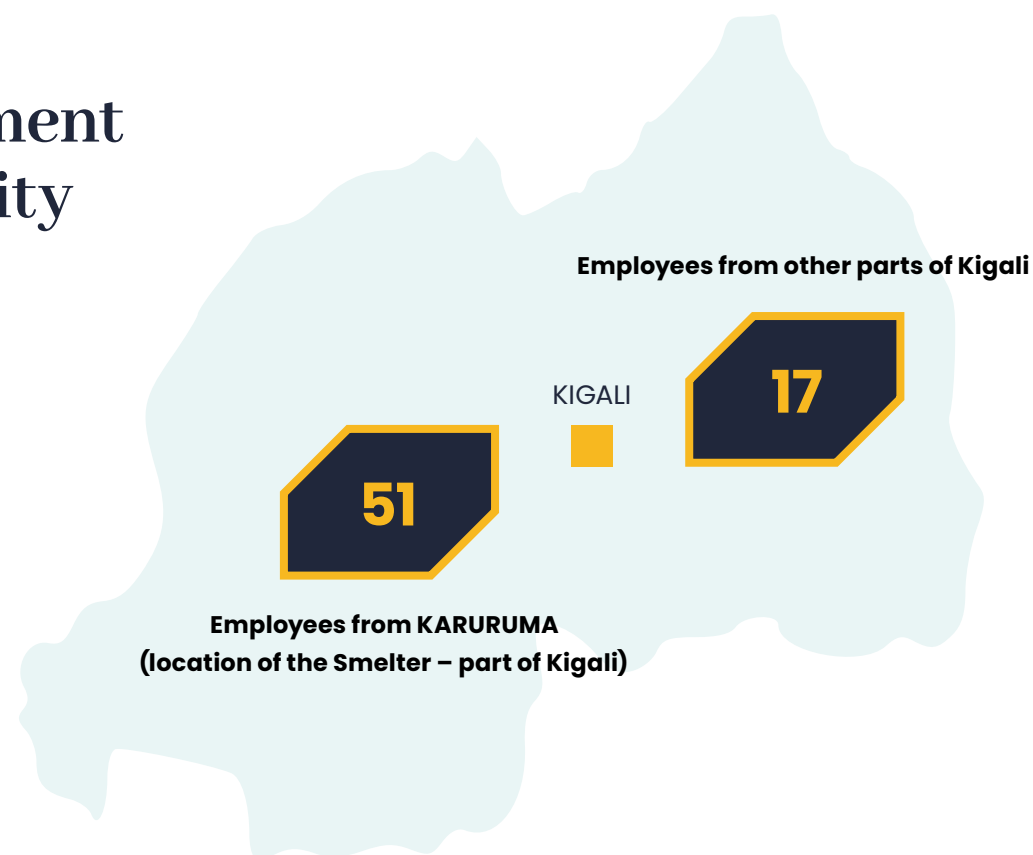


LuNa Smelter does not use a living wage methodology to assess the wage level of employees.

## Disclosure 202-2

## Proportion of senior management hired from the local community

All employees at LuNa Smelter are of Rwandan Nationality, **except one foreign national**. The company is also a key employer in the municipality cell where about 75% of all employees at the smelter from the cell where the company is located, namely: Karuruma.



## Partnership with the University of Rwanda

One of our human resources development strategies is to capture and transfer knowledge and skills with an effective approach to ensure succession management and operational excellence. In 2021, LuNa Smelter signed an MoU with the University of Rwanda to support academia bridging the skills gap between what is thought at university and the skills required in industries.

In 2022, LuNa Smelter welcomed two interns from the university and organized a study visit for 28 Geology and Mining class students.



## Construction of a modern market for local women in the Jabana Sector

The company has started a project of constructing a modern market for local women in the Jabana Sector, where the smelter is located. We have already committed to provide a land where the market will be built, which is valued at approximately **RWF 43 million**. The company also worked with an architectural house, namely: Urban Habitat from South Africa to design the market and has already completed this stage.

The company also worked with an architectural house, namely: **Urban Habitat from South Africa** to design the market has already completed this stage.

**RWF 43 million**

**Urban Habitat**



## Other annual subscription and membership contributions to community-related organizations includes

Rwanda Mining Association

**RWF 1,000,000**

European Partnership for Responsible Minerals

**RWF 500,000**

European Business Chamber of Rwanda

**RWF 500,000**

# Procurement Practices

LuNa Smelter is committed to responsible business practices and sustainable procurement. The company is aware of the potential risks associated with operating in the Conflict Affected High-Risk Areas (CAHRA) of the Great Lakes Region and takes steps to ensure that its suppliers meet strict standards. This includes complying with the Responsible Minerals Initiative (RMI) audit and the Responsible Minerals Assurance Process (RMAP) regulations, and collecting Know Your Counterparty (KYC) forms for all other suppliers, to ensure they share a commitment to sustainability in line with LuNa's supply chain policy. LuNa is the only conformant tin smelter in the region, as assessed by RMI audit, and the company is dedicated to building and sustaining supplier relationships that reflect its core values of inclusion and diversity, human rights, health and safety, and environmental sustainability.

In order to achieve these goals, LuNa has revised and integrated social and environmental criteria in its supplier inspection form. The company expects its suppliers to meet high standards when it comes to screening for abuses, including slavery and child labor, as well as complying with environmental regulations and industry best practices. LuNa's supply chain management system helps ensure that its suppliers contribute to the company's responsible business practices. By prioritizing sustainability and ethical sourcing, LuNa Smelter is setting an example for other businesses in the region and demonstrating its commitment to building a more responsible and sustainable supply chain.

## Disclosure 204-1

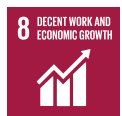
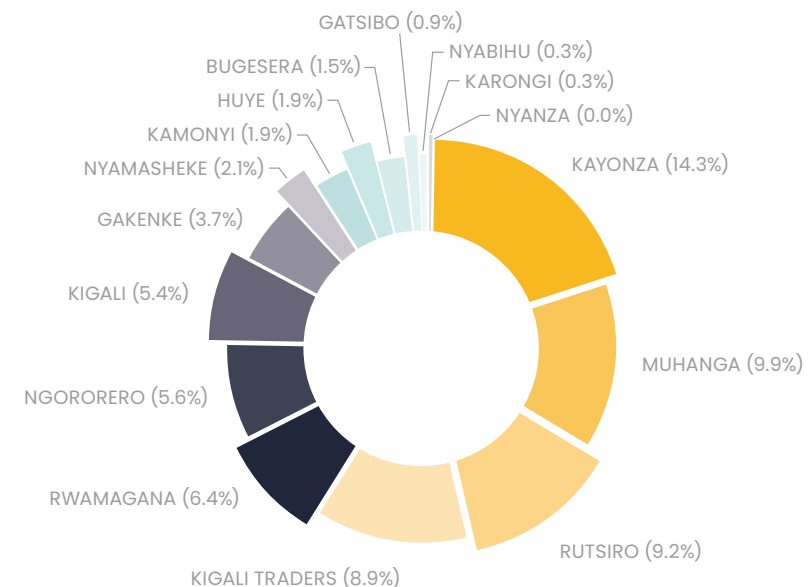
# Proportion of spending on local suppliers

Over 74% of the total suppliers at the smelter are businesses registered and operating in Rwanda.

In the period of January up to December 2022; LuNa received 992 tonnes of Cassiterite from 61 companies (including 2 from Tanzania and 1 from DRC);

- ▼ **737 tonnes of the volumes from Rwanda which represents (72.3%)**
- ▼ 220.7 Tonnes of the volumes from DRC which represents (24%)
- ▼ 33.7 tonnes from Tanzania which represents (3.7%)

## Source of Cassiterite in Rwanda



## Disclosure 205-1

## Operations assessed for risks related to corruption

LuNa Smelter Code of business conduct and our core values within the Luma Group requires LuNa Smelter Directors, senior management, employees to disclose all known, apparent or potential conflicts of interest to LuNa Smelter as they arise. The code of business conduct clearly stipulates that LuNa has zero tolerance on unfair business practices including bribery, kickback or insurance rebating.

All LuNa Smelter operations are assessed for risks, including risks related to corruption.



## Disclosure 205-2

## Communication and training about anti-corruption policies and procedures

The Code of Business Conduct Policy is available on LuNa Smelter website and whenever there's a change made, all employees are communicated about the changes via electronic mails.



## Disclosure 205-3

## Confirmed incidents of corruption and actions taken

In 2022, there was **zero case of corruption** at LuNa Smelter.





## Disclosure 206-1

# Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices



Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly

**ZERO**



Main outcomes of completed legal actions, including any decisions or judgments

**NONE**



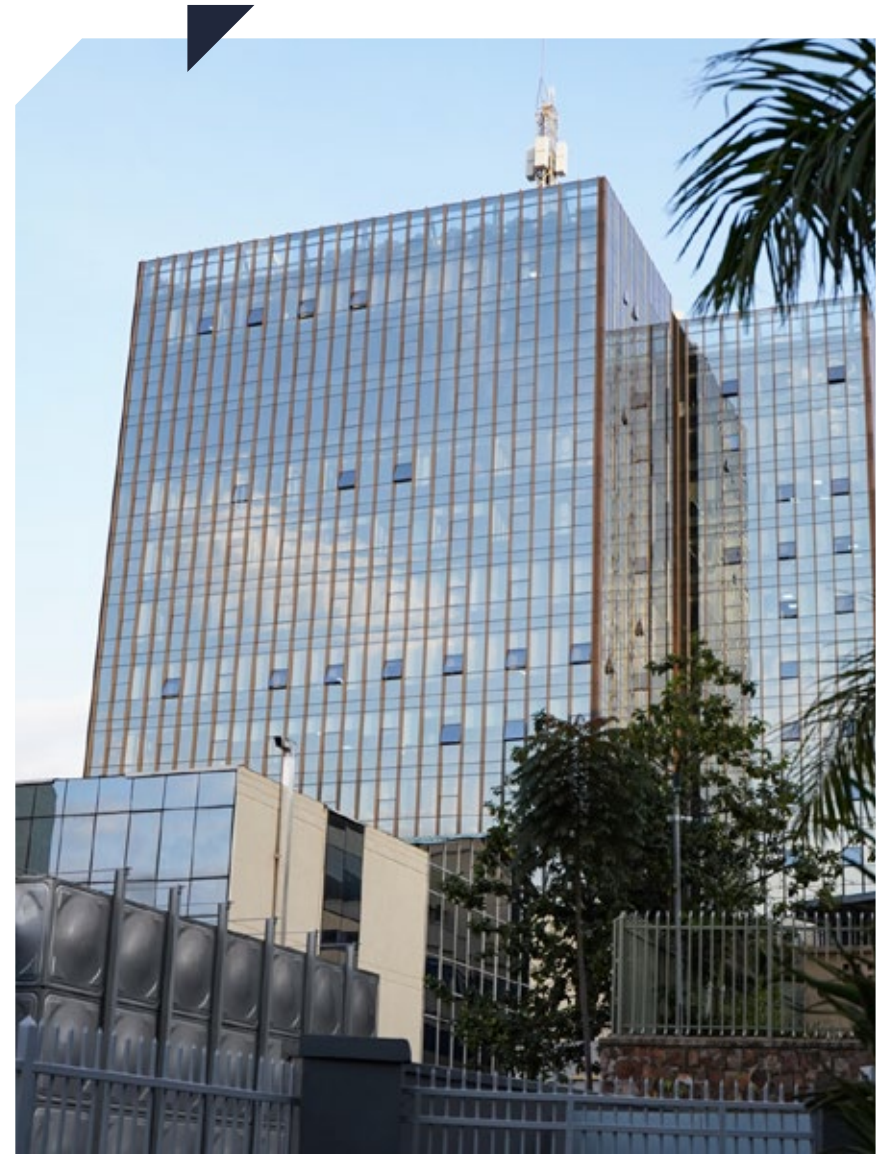
## Disclosure 207-1

# Management approach towards taxes

Our approach to tax seeks to balance the interests of all our stakeholders, including shareholders, government, Colleagues and Communities in which LuNa Smelter Ltd operates.

LuNa Smelter takes a principled and low – risk approach. We commit to paying our taxes in full and on time, in compliance with the tax law of Rwanda and to manage tax in a responsible manner to optimize returns for shareholders. Paying tax is an integral part of our commitment to the societies in which we operate. Taxes help governments provide vital services and infrastructure, which we in turn rely on to run our business successfully. A fair and effective tax system is in the interests of tax-payers and society at large. Our approach to managing our tax affairs is:

- ▼ To make transparent tax disclosures that meet all regulatory requirements and reflect best practice,
- ▼ To comply with and follow the spirit of the tax Law of Rwanda,
- ▼ To engage constructively and openly with local and national tax authorities,
- ▼ To pay our taxes in the jurisdictions where our revenue-generating activities take place and not to transfer profits,
- ▼ To use tax incentives and exemptions only where appropriate and to only engage in reasonable tax planning that is aligned with our commercial and economic activities.



Disclosure 207-2

# Tax Governance, Control and Risk management



**The Audit Committee:** LuNa Smelter's Audit Committee is responsible for the Tax Policy and ensuring our principles and approach are adhered to. The Tax Policy is approved by the Audit Committee annually.

**Tax Accountant:** The Tax Accountant manages the tax function. This team has close contact with finance and accounting department

The Tax policy is provided to all LuNa Smelter employees, and more detailed guidance given to those working in Finance roles that have a direct connection with tax matters.

Specific training is additionally provided to relevant employees in relation to tax law.

We take a low-risk approach to tax planning and adopt a consistent standardized approach to intercompany transactions using the arm's length principle in line with Rwanda revenue authority guidelines. This approach limits the likelihood of disputes with tax authorities and reduces the risk of unexpected tax liabilities.

Tax risks can also arise from ongoing business activity. We operate a regular risk review process to identify if our business activity is giving rise to tax risk and how it can be remedied.

When interpretation of law is uncertain, we seek to discuss the issue with Rwanda Revenue authority.

Disclosure 207-3

# Stakeholder engagement and management of concerns related to tax



## STAKEHOLDER ENGAGEMENT

We do Surveys and several meetings with our stakeholders which help to understand their needs and expectations and make easier our planning of implementation on various task to engage with them.

## MANAGEMENT OF CONCERNS RELATED TO TAX

The purpose of tax risk management as part of Luna Smelter's overall business strategy is to avoid unnecessary tax costs, whilst ensuring sound compliance with law and regulations.

Management of Luna smelter makes sure that any tax concern raised is analyzed and addressed properly and whenever necessary external tax advice is sought on matters of uncertainty when in-house resource is not sufficient. This can occur when we do not have relevant experience in the tax issues or in the jurisdiction involved.





**GRI 300**

# Environmental Topics



# Management approach disclosures for energy

LuNa Smelter recognizes the contribution energy consumption from non-renewable makes to climate change. We align our approach to ISO 50001 on energy management and have significantly made improvements over the past three years on the energy consumption.

The factory has two main electrical supplies; a Public Utility supply and Standby Generator supply.

The incoming feeder supplying the factory from the public utility company is 15 KV line; a step down transformer of 1250 KVA is used to convert this medium voltage into low voltage of 380V. The same 15 KV line is connected to the primary side of the 500 KVA furnace transformers.

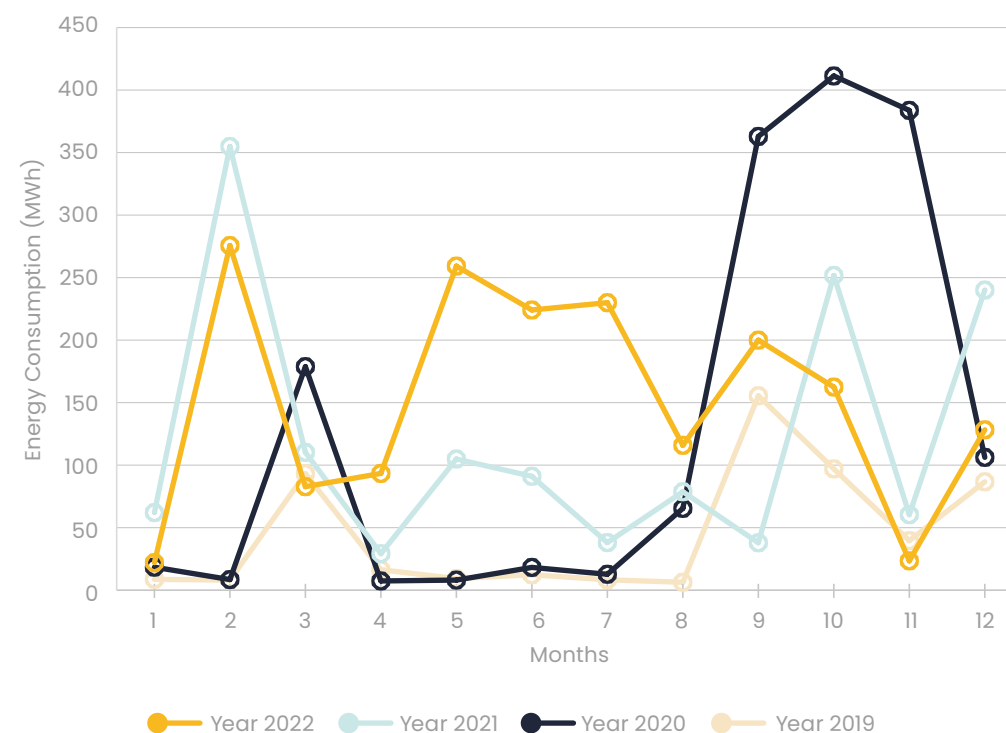
In order to overcome to the challenges of power interruption, the factory has two standby generators:

1. 40 KVA generator supplying the administration block, public light, production and warehouse light as well as other small load in the factory. This generator has an automatic transfer switch.
2. 1.1 MVA generator supplying the whole factory. This generator is manually connected to the system due to the design structure of the factory

In March 2019, as the first smelting period, LuNa Smelter energy consumption was high mainly due to lack of strategic plan on turning on or off different electrical equipment, the company was using old equipment and there was lack of automation systems mainly on electrical water pumps.

To date, the company has now created an automation system for water pumps and cooling tower, it also carries regular maintenance of electrical machines and replaced incandescence lamps to LED lamps as some of the solutions to reduce energy consumption.

## Four Years Energy Consumption



Disclosure 302-1

# Energy consumption within the organization



- a. Total FY22 fuel consumption within LuNa Smelter organization from non-renewable sources, in joules or multiples, and including fuel types used: natural gas, oil, LPG (averaged based on consumed )

**5,410 kWh generated from LPG**
- b. Total FY22 fuel consumption within LuNa Smelter organization from renewable sources, in joules or multiples, and including fuel types used:

**Not Applicable**
- c. In joules, watt/hr or multiples, the total:

  - Electricity consumption: **1,817,095 kWh**
  - Heating consumption: n/a
  - Cooling consumption: n/a
  - Steam consumption: n/a
- d. In joules, watt-hours or multiples, the total:

  - Electricity sold: n/a
  - Heating sold: n/a
  - Cooling sold: n/a
  - Steam sold: n/a
- e. Total energy consumption within the organization, in joules or multiples.

**1,822,505 kWh**
- f. Standards, methodologies, assumptions, and/or calculation tools used.
- g. Data presented is based on meter readings, actual bills and supply logs wherever possible. If these are not available, we use estimation based on the most recent actual figures.

Disclosure 302-2

# Energy consumption outside the organization

LuNa Smelter does not report its energy consumption outside of the organization.

## Disclosure 302-3

## Energy intensity



In year 2022, the annual energy consumption per one ton of tin produced, significantly reduced compared to the three previous years as shown in the table below. Proper maintenance of machines was established and breakdown time significantly reduced.

The production capacity significantly increased, from 2019 to 2022. As the production capacity increased, the energy also increased, however by considering tin produced it is clear that the energy consumed in year 2022 was less compared to energy to 2020.

### Energy vs production capacity

Year	Cassiterite Smelted (T)	Tin Produced (T)	Energy Consumed (kWh)	Annual Energy consumption per Ton of Tin Produced (kWh/T)
2019	216.25	91.99	541,316	5884.50
2020	943.55	546.52	1,581,551	2895.00
2021	542.84	394.921	1,459,140	3694.70
2022	992.75	643.028	1,817,095	2825.84

## Disclosure 302-5

## Reduction in energy requirements of products or services

Not applicable.

## Disclosure 302-4

## Reduction of energy consumption



Taking an approach to reduce the power consumption of industrial systems requires putting a strategy in place that extends equipment performance and maintenance. Studies estimate energy reduction is achieved by incorporating efficiency technologies and practices such as proper machine design, usage, and maintenance that decreases the cost of system ownership.

### Specific strategies used at LuNa Smelter are highlighted as follows:

- ▼ Use of proper machine design or electrical equipment (Modern equipment)
- ▼ Regular maintenance of electrical machines
- ▼ Turn off or disconnect unnecessary machine for a specific time during the day
- ▼ Install an automated system in different electrical system of the factory where necessary
- ▼ Set a daily plan on the use of different electrical machines installed in the factory in order to meet the maximum demand charge as specified in the Table 6. (Especially during the smelting period).



# Management approach disclosures for Water

LuNa Smelter utilizes underground water source to supply both the production and administration section. The company being based in Rwanda is located in a low water-stressed area as per [Water Risk Filter](#). Due to that, and the fact that LuNa Smelter water source is an underground source, the company is not exposed to water risk.

Water consumption across the production area has significantly been reduced due to the introduction of the closed circuit system, which requires the smelter to only change the water few times a year.

To monitor water usage in the smelter, water meters have been installed on main pipes that supply the production and administration zone.

N/S	Location	Water quantity (Meter cube)
1	Production zone	1864.7
2	Administration block	309.1

Disclosure 303-1

## Interactions with Water as a Shared Resource

The infrastructure set up to serve water from the source to the company does not only serve LuNa Smelter but also the community surrounding its operation where about 1000 people near our operations use the same water.



Disclosure 303-2

# Management of Water Discharge Related Impacts

Not applicable.

Disclosure 303-3

# Water Withdrawal



Total water withdrawal from all areas in megalitres, and a breakdown of this total by the following sources, if applicable:

- 1. Surface water: 0
- 2. Groundwater: 2,173 Cubic Meters
- 3. Seawater: 0
- 4. Produced water: 0
- 5. Third-party water: 0



Disclosure 303-4

# Water Discharge



Water discharged to sewerage network.

Total water discharge from all areas in megalitres, and a breakdown of this total by the following sources, if applicable:

- 1. Surface water: 0
- 2. Groundwater: 0
  - 2,172.8 Cubic Meters from production and administration zone discharged to sewerage network.
  - 0.2 Cubic Meters from the Lab discharged to third party. (200 l from the laboratory)
- 3. Seawater: 0
- 4. Produced water: 0
- 5. Third-party water: 0

Disclosure 303-5

# Water Consumption



- Total water consumption from all areas in megaliters: 2,173 Cubic Meters
- Total water consumption from all areas with water stress in megaliters: Not applicable
- Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact: Not applicable

## Disclosure 304-1

## Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

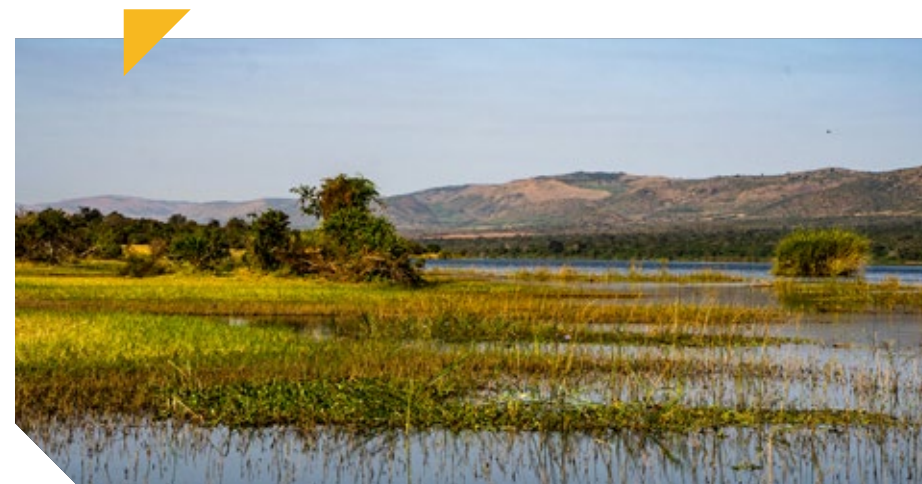
None

## Disclosure 304-2

## Impacts of activities, products and services on Biodiversity

LuNa Smelter production facility is set up on industrial land and its mining activities are set to start in 2023, therefore there is no species affected by our operations. Rwanda however has a strong focus on safeguarding biodiversity with a focus on discouraging illegal mining and improving the practices of legal mining operations through the National Biodiversity Strategy and Action Plan. As a modern and responsible company, our ambition is to continually follow and adhere to all

regulations related to biodiversity in all our business operations which are regulated by the REMA & RMB. Thus, LuNa Smelter evaluates suppliers' performance through their Environmental Impact Assessment (EIA) which is done by independent auditors and approved by Rwanda Development Board prior to receiving a license by RMB. As one of the targets for next year, the company will also start to evaluate suppliers' biodiversity impact through the mine site visit reports.





LuNa Smelter recognize that its activities can contribute to air pollution. Cognizant of this, the company keep monitoring emissions it discharges in the atmospheres.

In 2022, LuNa Smelter appointed Estonteco Brila Ltd. As a consultant to measure, quantify and verify the compliance of the measured air pollutant and noise pollution. The report used maximum recommended limits levels specified by RS EAS 751: 2010 standard for both ambient and point sources of air pollutants and RS236 2014 standard by Rwanda Standard Board for acoustic noise pollution level tolerance limits to assess the compliance of emissions from LuNa Smelter factory activities.

Disclosure 305-1

# Direct Scope 1



Direct GHG emissions in metrics tons: **CO<sub>2</sub> emissions – 853,53 t**

Standard, methodologies, assumptions and/or calculation tools used to measure the above. GHG calculation is based on carbon content entering the process of tin smelting in each main component of the process – including raw materials, fuels, and consumables (input) – and carbon content on the output in products/ by-products. The difference input-output is converted to the oxide form and considered as – GHG emission – this method is called Mass balance methodology or standard methodology used to determine GHG, and its consistent with Commission Implementing Regulation (EU) No 2018/2067 of 19 December 2018 on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council.

Disclosure 305-2

# Energy indirect (Scope 2) GHG emissions



Gross energy indirect (scope 2) GHG emissions in metrics tons of CO<sub>2</sub> (if available the gases included in the calculation) – **we only calculate CO<sub>2</sub>.**

Disclosure 305-3

# Scope 3

LuNa Smelter currently does not measure scope 3.

Disclosure 305-4

# GHG emission intensity



**0,926T CO<sub>2</sub>/t Cassiterite.**

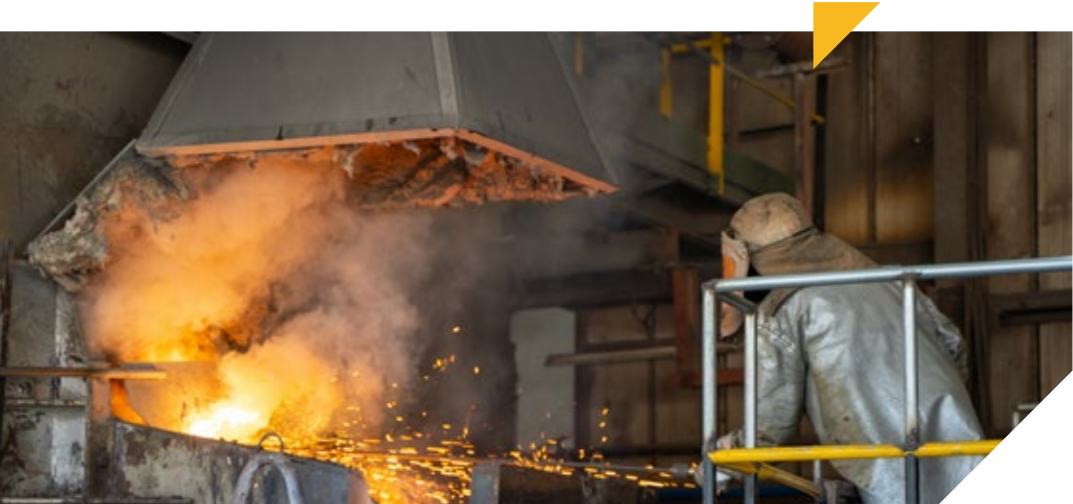


Disclosure 305-5

# Reduction of GHG emissions



- LuNa took seriously problem of GHG emission, and put effort to reduce it.
- ❖ In 2022 technology team worked on reducing energy consumption per mt of product, and it was successfully achieved by changing charge mix composition and stabilization of the process, which have both economical as well as environmental impact.
  - ❖ In 2022 tests on pelletizing of input material were performed. In 2023 R&D team will continue to established compositions of pellets, which will reduce generation of dusts during feeding of the furnace.
  - ❖ In 2022 furnace hood was repaired, which reduce dust loses during process and allows to collect more of the gases occurred during tapping.
  - ❖ Rechecking of the fume extraction system were performed (leak checking, turbo filters, pipes). No irregularities were found. Installation checks are performed annually as maintenance of the extraction system.
  - ❖ In 2023 during external environmental check-up, GHG emission will be measured.



Disclosure 305-6

# NOx, Sox and other air emission



Significant air emissions reported in kg or any other measurement selected.

<b>NOx</b> 30-35 ppb <i>(with accept limit 100 ppb)</i>	<b>Sox</b> 20-25 ppb <i>(with accept limit 125 ppb)</i>
<b>CO</b> 6 ppm <i>equivalent 7.23 mg/Nm³</i>	<b>POP</b> (persistent organic pollutants) n/a
<b>VOC</b> (volatile organic compounds) n/a	<b>HAP</b> (hazardous air pollutants ) n/a
<b>(PM) PM10</b> (particulate matter) approx. 60 µg/m³ <i>(with accept limit 100 µg/m³ / 24h)</i>	

# Management approach

LuNa Smelter Ltd has a duty of care to ensure that all of its waste is managed legally and that spills and other avoidable pollution are prevented. Pursuant to the Rwanda Law N°48/2018 of 13/08/2018 on environment. We have identified our waste including its sources and determined its storage and treatment.

There are three main waste destination, some of the waste are recycled/re-used others are taken by waste carrier to landfill collection for separation treatment and waste water from the lab is treated separately as the only hazardous waste produced by the company.

Waste segregation at the point of generation enables the safe management of wastes, we have established a management mechanism to ensure that our activities don't pose a risk to anyone else coming into contact with the waste containers.

We have designated specific waste bins that have labels of the kind of waste to be collected.



## These waste bins include the following:

Label on the waste contain	Type of waste to be collected in the bin
Baghouse dust	Baghouse dust that is to be recycled
Slag	Slag that is to be recycled
Plastics, polyethene, card boards, paper	Plastics, polyethene, card boards & paper generated from production and offices
Food waste	Food remains
Hazardous waste	Dangerous substances such as chemical, detergents, flammable items etc
E-Waste	Waste from electronics such as batteries, CD's, Flash discs, ink / toner cartridges, cables, bulbs etc



# Management of hazardous waste

Hazardous waste at LuNa refers to wastewater from the laboratory. It is generated from the sample preparation process before the analysis. The volume of water generated is around 2 L to 5 Liter per day, depending on the volume of samples analysed. Currently, the acid water is put in the designated container and collected regularly by the waste collector. LuNa contacted ALTRA ENVIROTECH Ltd, a professional company in wastewater management to propose us a way to neutralize our hazardous wastewater – an ongoing process.

**Waste water produced in 2022 was 200 L.**





# Environmental compliance

LuNa Smelter strives to comply with relevant environmental laws and regulations. In 2022, the company did not identify any non-compliance with environmental laws and/or regulations.





LuNa Smelter is aware of the business sector it operates in, the company has internal Procurement policy and due to RMAP regulations all suppliers of main raw material- cassiterite – has to be checked, especially that LuNa is located in CAHRA region (Conflict Affected High-Risk Areas). To date, LuNa is the only conformant tin smelter in Great Lakes Region, assessed by RMI audit. Additionally, LuNa now collects KYC “Know your Counterparty” form for all other suppliers, a process which is ongoing.

We seek to build and sustain supplier relationships that reflects our core values of inclusion and diversity, human rights, health and safety, and environmental sustainability. Our supply chain management helps ensure that our suppliers contribute to LuNa’s responsible business practices in areas such as screening for abuses including slavery and use of child labor, complying with environmental regulations, health and safety and industry best practices.

LuNa Smelter has revised and integrated social and environmental criteria in its suppliers inspection form and expects suppliers to share a commitment to sustainability in line with LuNa Smelter supply chain policy.

#### Disclosure 308-1

## New suppliers that were screened using environmental criteria

In 2022, the Due diligence team at LuNa Smelter amended the mine site inspection form to include the environmental and social criteria. All our suppliers of cassiterite will be screened and upon completion of the survey, we will identify any potential risks, based on our review of the suppliers’ responses.

#### Disclosure 308-2

## Negative environmental impacts in the supply chain

Detailed information is company confidential, we can confirm that as standard practice, supplier related environmental improvement actions are passed on the LuNa Smelter’s due diligence team to take forward as part of day-to-day working practice with suppliers. Issues are to be assessed by both parties and closed within an agreed timeline.



**GRI 400**

# Social Topics

# Management Approach disclosures



Attracting and retaining top talent is critical to our success in this rare space especially in the region we operate in. We have launched multiple initiatives to further improve our value proposition to our employees and closely work together with the parent company towards reskilling of our current workforce. In the same spirit we also work with different universities to train and prepare future talent to join the workforce.

## Disclosure 401-1



# New employee hires and employee turnover



- a.** Total number and rate of new employee hires during the reporting period, by age group, gender, and region:

2022 NEW EMPLOYEE HIRED		
	Female	1
	Male	33
Summary		34

- b.** Turnover during the reporting period, by age group, gender and region:

2022 TURN OVER		
	Average number of employees	122
	Total number of employees who left (all male)	46
Turnover rate		38%

For 2022, we took the average of the total number of employees at the start and end of the year to obtain the average of employees. A total of 46 employees had left the company by the time this data was provided.

In 2022, LuNa Smelter exploration activities had stopped as the company was waiting to receive its mining license. This impacted the annual turnover rate, since most of the security guards and workers' contracts could not be extended without having any operations going at the sites. The licenses were received in late December 2022 and the company is preparing to start mining operations.

## Disclosure 401-2

## Benefits provided to full-time employees not provided to temporary/part-time employees

LuNa Smelter has an equal opportunity approach when it comes to employment, all our full-time employees receive life insurance, they are entitled to parental leave and retirement provision.



## Disclosure 401-3

## Parental leave



In accordance with the provisions of Article I of the Ministerial Decree No. 12/19 of 14/03/2003 determining the events that entitle one to a leave of circumstance, a parent is entitled to 4 working days for the birth of child, while maternity leave grants to the female employee 12 consecutive weeks, of which at least two weeks can be taken before delivery. In case of complications due to delivery and which are ascertained by a recognized doctor, LuNa Smelter grants to the female employee a paid prolonged maternity leave up to a maximum of one month.

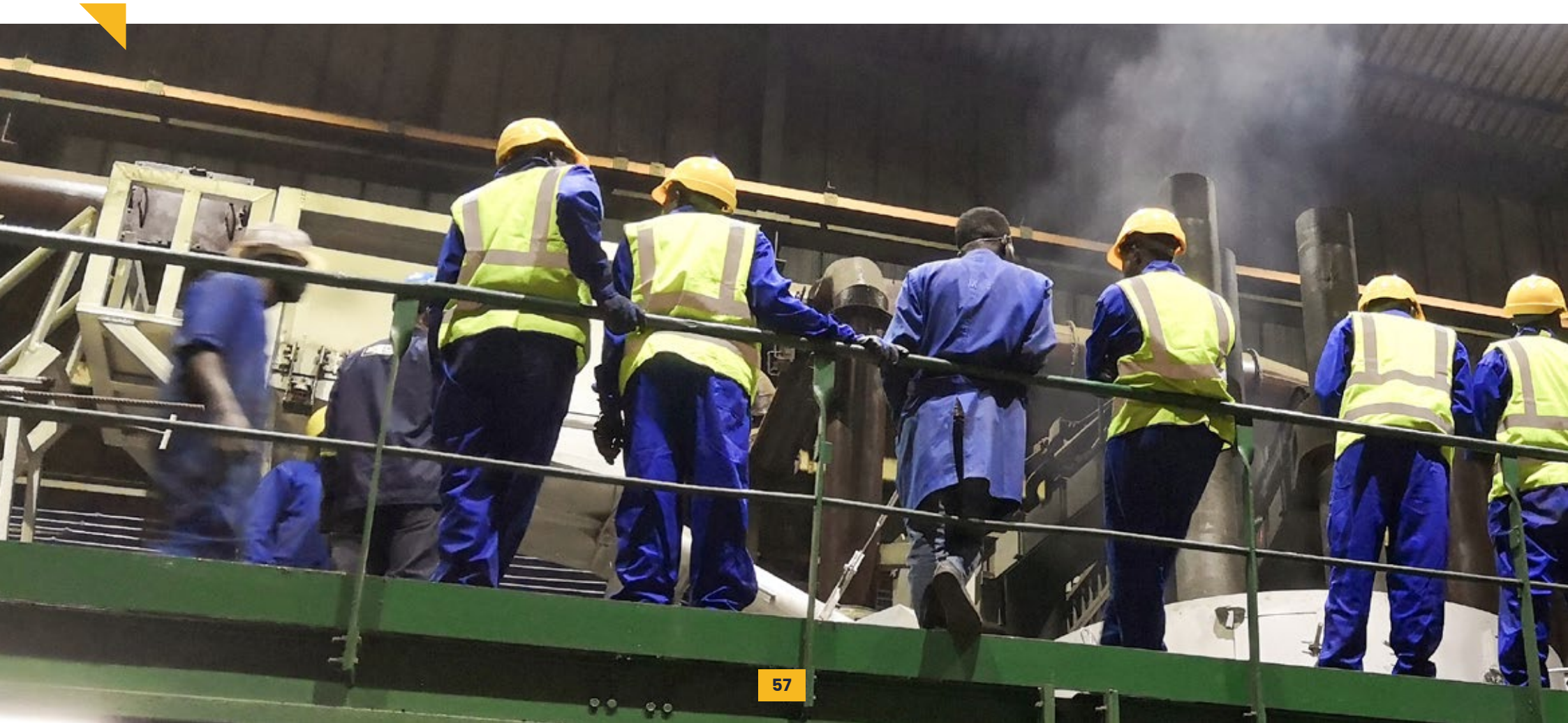
In 2022, 3 female employees were entitled to maternity leave which they all took and returned to work.



Disclosure 402-1

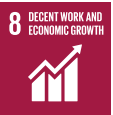
# Minimum notice periods regarding operational changes

Notice periods relating to significant operational changes are agreed on department level in agreement with HR who makes sure employees are trained were applicable and given ample time to adapt to the changes.



Disclosure 403-1

# Occupational health and safety management system



Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Additionally, it can also affect a company’s reputation, impact staff morale or increase operating costs through fines and other contingent liabilities. LuNa Smelter has developed an EHS policy and a plans every quarter training on safety for all employees.

LuNa Smelter take measures to protect employees from all kind of accidents. In support of this, LuNa Smelter has taken measures to prevent accidents including introduction of a health and safety committee appointed by the Board of Directors to educate employees through awareness and training activities that they are primarily responsible for the prevention of workplace accidents, enforce the utilization of the appropriate Personnel protective equipment (PPEs), existence of first aid kits in the work environment, and contract implementation with the healthy facilities to receive and handle emergency cases related to work accidents whenever they occur. The company’s goal is to implement the requirements of ISO 45001 an international standard for occupational safety management systems by 2024.

Disclosure 403-2

## Hazard identification, risk assessment and incident investigation



A risk and opportunities management procedure is in place and risks related to each process have been identified. Each department procedure has got a section about related / identified risks and Heads of department together with senior management on a regular basis meet with the IMS coordinator to review the risks and update respective actions to mitigate them.

Environmental aspects (ISO 140001) to dust and noise have been identified and suggested actions to mitigate these impacts are in place.



Disclosure 403-5

## Worker training on occupational health and safety



Refer to GRI 404.

### Work-related injuries and Fatalities

	 Gatsibo (Exploration)	 Kigali (Smelter)
General incidents	6	4
Fatalities	0	0

# Management Approach Disclosure

Our human resources development strategy is to capture and transfer knowledge and skills with an effective approach to ensure succession management, operational excellence, and to manage a successful Mining and Smelting company. We develop training plans annually by conducting training needs assessment and this allows us to prepare for the relevant trainings to enhance employee skills and growth.

The Human Resource procedure in place, knowledge transfer happens all the time from informal water cooler conversations to formal knowledge transfer programs such as:

- ▼ Mentoring, coaching skills, answering questions, giving advice etc.
- ▼ Temporary assignments
- ▼ Workshops, courses, manual, handout, policies, etc.
- ▼ Onboarding processes
- ▼ On job trainings

## Disclosure 404-1

# Average hours of training per year per employee

## Trainings conducted in 2022

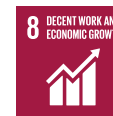
No.	Training name/Course	Number of employees	Hours of the training/employee
1	Laboratory audit to ISO/IEC 17025:2017	1	25
2	Laboratory Quality management Systems	9	50
3	Production Process Training	30	9
4	Health and safety training	32	15
5	First aid training	29	45
6	Power system protection and switchgear Training	9	15
7	Use of electrical energy & machine operation manual procedures Training	9	45
8	International Women in Resources Mentoring Programme (IWRMP) 2022	1	64
9	Spiral crystallizer operation Training	5	8
10	Smelting Process	5	8
11	Refining processes	5	8
12	Industrial Management Training	4	40





## Disclosure 404-2

## Programs for upgrading employee skills and transition assistance programs



At LuNa Smelter we are cognizant that upgrading employees' skills enhance the organization's human capital and contributes to employees satisfaction. In 2022, we organized different programs inline with employee's capacity development, varying from technical skills to leadership seminar. **LuNa Smelter hosted a delegation from the university of Szczecin, Poland** in order to explore opportunities for scientific cooperation with Rwandan stakeholders.

In July 2022, the company organized a study visit for the Managing Director and Heads of Department to one of its sister company in Poland, to learn about best practices in the Metallurgy industry.

In line with our value to support women inclusion, LuNa smelter also delegated one female manager in the organization to participate in the **International Women in Resources Mentoring Programme**. **This is a 2<sup>nd</sup> year that LuNa Smelter delegates one of its employees to participate in such a programme and is committed to continue for the next years, in the efforts to empower women and prepare them for leadership position but also inspire younger female generations through them.**

## Disclosure 404-3

## Percentage of employees receiving regular performance and career development reviews

**100%**





# Management Approach

LuNa implements equal approach to everybody regardless of their race, color, sex, sexual orientation, language, religion, political or another opinion, national or social origin, property, birth, disability or another social status. Under the Code of Business Conduct Policy, LuNa Smelter strictly prohibits discrimination, harassment, forced labour, child labour and violence in the workplace and employees are entitled to a workplace free from harassment.

In the Supply Chain Management Policy, the company also state its commitment to promote supplier diversity across the whole supply chain.

The company has well-established procedures, policies and programs aimed at attracting and retaining qualified and competent employees. An example is our medical check-up policy, OHS procedures, leave policy, training needs, and other benefits.

Below are examples of what is incorporated and implemented as part of our retention strategy.

## Internal promotion

This involves the company filling vacant positions through promotions of internal employees and the deployment of those acting in the same position.

## Remuneration and benefits

The company offers competitive packages to its employees to stimulate their performance and productivity. Salaries are consistently paid promptly and salary reviews and increments are implemented from time to time.

## Other benefits

- a. Medical insurance for employees and their dependents
- b. Accidents / workmen compensation
- c. Payment in the event of death of an employee
- d. Meals and transport
- e. Training and development programs
- f. Work-life balance: flexibility in working hours, request for leave, working remotely, etc.

## Disclosure 405-1

## Diversity of governance bodies and employees

Reported under general disclosure: Board Diversity.



## Disclosure 405-2

## Ratio of basic salary and remuneration of women to men

As part of our ongoing commitment to equity and inclusion, we conducted an analysis of the basic salary and remuneration of our white collar employees and found a 12% gender pay gap between men and women. While we recognize that this is an issue that needs to be addressed, we are excited about the opportunities it presents for us to improve our practices and promote greater fairness in the workplace. We are working diligently to understand the causes of this gap and develop strategies to address it. Our goal is to create a work environment where all employees are compensated fairly for their contributions to the company, regardless of gender.



## Management approach disclosures

Same as GRI 405

None

LuNa Smelter is committed to the protection and advancement of human rights and to ensuring that our operations function with integrity. In accordance with the OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk (CAHRA) area, LuNa does not tolerate Child labor neither forced or compulsory labor. While our mining activities have not yet started, we also track our suppliers to confirm that there's not any non-conformance with established policies.

Although the company is located in a CAHRA region, measures we undertook including putting in place a due diligence procedure and the supply chain management policy have allowed the company to monitor and exclude suppliers considered to have significant risk for incidents of child labor, this is also demonstrated by LuNa Smelter certificate being a conflict free smelter by the Responsible Minerals Assurance Process (RMAP).

**Disclosure 408-1**

## Operations and suppliers at significant risk for incidents of child labor

Detailed information is company confidential. We can confirm that all our suppliers are evaluated on an annual basis and whenever the due diligence team find a non-conformance, the supplier is given a certain period to remediate, failure to conform the company is taken out of our suppliers' list. In 2022, no supplier's contract was stopped due to failure of conformance.



## Disclosure 409-1

# Operations and suppliers at significant risk for incidents of forced or compulsory labor



Same as GRI 408

## Disclosure 410-1

# Security personnel trained in human rights policies or procedures

ISCO, a prominent security service provider that is contracted to oversee security officers, conducts all the training sessions for the 10 security officers at LuNa Smelter.





# Rights of Indigenous People



As part of the Rwandan government policy to promote reconciliation, unity and social cohesion, the 2012 population census did not take into account the indigenous composition of the population. We therefore do not report on this specific topic.

Disclosure 412-1

## Operation that have been subject to human rights reviews or impact assessments

Refer to [Disclosure 308-1](#).

## Management approach disclosures



We invest in our communities, working through our employees and local partners to create positive impact in the places we work, live and do business. We have CR teams who work:

- At the country level on programs that are particularly culturally meaningful or aligned to primary needs within their home communities.
- At the group level, through Luma Foundation, offering employees the ability to roll global programs in the local community.

Engaging both locally and on a global level drives meaningful change and connects our employees. Luma Foundation was registered in 2022 as a subsidiary of the parent company "Luma Holding" to provide structure to our philanthropic activities, ensuring that each activity is aligned to the mission and values of the company.

LuNa Smelter also provides opportunities for employees to organize workplace volunteer efforts for the good of the community.

## Philanthropic activities

**in 2022**

**Donation to  
Kigali Genocide  
Memorial**

**RWF 1,000,000**

**Support to  
Afriquia Foundation  
– close to**

**RWF 1,000,000**

LuNa Smelter supported the Afriquia Foundation in coordinating its activities in Rwanda, through its employees who continually provide in-kind support to the Foundation related to logistics, transport, and consultations.

## Partnership with the University of Rwanda

One of our human resources development strategies is to capture and transfer knowledge and skills with an effective approach to ensure succession management and operational excellence. In 2021, LuNa Smelter signed an MoU with the University of Rwanda to support academia bridging the skills gap between what is thought at university and the skills required in industries.

In 2022, LuNa Smelter welcomed two interns from the university and organized a study visit for 28 Geology and Mining class students.

# Management approach disclosures

We seek to build and sustain supplier relationships and a global supply chain that reflect the core values of inclusion and diversity, human rights, health and safety, and environmental sustainability that are critically important to us, our clients and partners. Our forward-thinking approach to supply chain management helps ensure that our suppliers contribute to DXC's responsible business practices in areas such as screening for abuses, including slavery and the use of child labour; complying with EHS regulations and industry best practices; and implementing rigorous programs to eliminate bribery and other illegal behaviour.

The company conducts mine site visits and assesses all OECD ANNEX 2 risks also while collecting KYC "Know Your Counterparty" form, we assess if within the supplier's management and shareholders they are not attached or connected to any kind of terrorism or Human rights abusers. OECD risks – commonly referred to as Annex II Risks, include risk of conflict, severe human rights abuses, money laundering and mineral fraud.

## Disclosure 414-1

### New suppliers that were screened using social criteria



All new suppliers are first requested to complete the KYC form that includes a governance body check, financial & taxes check, evidence of good legal standing for carried operations, responsible supply chain policy and practices in place.

## Disclosure 414-2

### Negative social impacts in the supply chain and actions taken



We identified no suppliers as high risk based on performance issues related to modern slavery and human trafficking.

## Disclosure 415-1

## Political contributions

No political contribution was made either directly or indirectly by the company.

## GRI 400 Social Topics

GRI 417 **Marketing and Labelling**

## Disclosure 417-1

## Requirements for product and service information and labelling

Not applicable

## Disclosure 417-2

## Incidents of non-compliance concerning product and service information and labelling

None

## GRI 400 Social Topics

GRI 418 **Customer Privacy**

## Disclosure 418-1

## Substantiated complaints concerning breaches of customer privacy and losses of customer data

The company did not record any customer complaint.



For more information about  
our business, please see:

**[lunasmelter.com](http://lunasmelter.com)**

or contact

**Joseph Butera**

*Managing Director*

**[joseph.butera@lunasmelter.com](mailto:joseph.butera@lunasmelter.com)**

#### **FOR SUSTAINABILITY INQUIRIES**

**Maclean Raissa Tuyisenge**  
*Board Member & ESG Manager – Luma Africa*  
**[maclean.raissa@lumafrica.com](mailto:maclean.raissa@lumafrica.com)**

#### **WHISTLE-BLOWER CONCERNS**

**Aleksandra Cholewa**  
*Member of the Supervisory Board*  
**[grievance@lunasmelter.com](mailto:grievance@lunasmelter.com)**

#### **LAB INQUIRIES**

**Henriette Niragire**  
*Quality Control Manager*  
**[henriette.niragire@lunasmelter.com](mailto:henriette.niragire@lunasmelter.com)**

#### **INVESTOR RELATIONS**

**Trevor Faber**  
*Luma Africa – CEO tin business line*  
**[trevor.faber@lumafrica.com](mailto:trevor.faber@lumafrica.com)**

#### **TECHNICAL INQUIRIES**

**Katarzyna Janik**  
*Board Proxy*  
**[katarzyna.janik@lunasmelter.com](mailto:katarzyna.janik@lunasmelter.com)**

#### **GENERAL INQUIRIES**

**[info@lunasmelter.com](mailto:info@lunasmelter.com)**