



AFRICAN MINERALS EXPLORATION & DEVELOPMENT FUND SICAR S.C.A

COMMUNICATION ON PROGRESS 2013

UN GLOBAL COMPACT

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This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

STATEMENT OF CONTINUED SUPPORT FROM CARLO BARAVALLE, FOUNDING PARTNER RESPONSIBLE FOR FINANCIAL AND INVESTOR RELATED MATTERS

I am proud to announce that 2013 marks the first anniversary of African Minerals Exploration & Development Fund SICAR S.C.A's status as signatory to the United Nations Global Compact. We are honoured to submit herewith our very first Communication on Progress Report ("COP").

We aim to conduct our business openly and with honesty and integrity, and strive to promote an organisational culture that endorse ethical conduct, conforms to best practices and treats all our employees, suppliers, service providers and the community with respect. We incorporate the Ten Principles of the United Nations Global Compact ("UNGC") covering human rights, labour rights, the environment and anti-corruption into our investment analysis and daily decision-making.

I am pleased to confirm that African Minerals Exploration & Development Fund SICAR S.C.A herewith also reaffirms its continued support of the UNGC and we renew our on-going commitment to the initiative and its principles.



Carlo Baravalle
Founding Partner
Financial and Investor Related Matters

ABOUT THIS COMMUNICATION ON PROGRESS REPORT

The UNGC is a United Nations-backed initiative and voluntary framework for businesses to bring their activities, operations and business strategies in line with the Ten Principles that uphold a set of core values covering human rights, labour rights, environmental and anti-corruption practices. As a signatory we are dedicated and undertake to submit this Communication on Progress Report ("the COP Report") to the UNGC annually.

Please note that for the purposes of the COP Report that "AMED" (and "we", "the Fund" and "us") shall mean African Minerals Exploration & Development Fund SICAR S.C.A, African Minerals Exploration & Development GP Sarl, and their related affiliates and its or their partners, members, directors, officers and employees, as the context requires.

AMED has been a signatory of the United Nations Global Compact since 7 June 2012. This COP Report highlights the activities of AMED in respect of the Ten Principles for the period from 8 June 2012 to 7 June 2013.

HUMAN RIGHTS

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE 2

Businesses should ensure that they are not complicit in human rights abuses.

Our Commitment or Policy

We have committed to support internationally proclaimed human rights as defined by the Universal Declarations of Human Rights and to ensure that we are not complicit in human rights abuses.

AMED ensures that all the investments over which it has control are made in an open, honest and ethical manner and that these investments and their operations are conducted in a manner that uphold, protect and support the interests and rights of all human beings.

We have conformed to best practices and treat all our employees, suppliers, service providers and the community with respect and take into consideration their interests when doing business.

A brief description of our systems

AMED introduced an internal [Environmental, Social and Governance Policy](#) (the "ESG Policy") on the 8th of April 2013 which confirms that we uphold Principles 1 and 2 of the UNGC. In accordance with this policy we appointed compliance officers to whom any violations of human rights can be reported. The policy stipulates the process that individuals should follow to raise any concerns. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors from time to time.

We reinforce the support and respect for the protection of internationally proclaimed human rights through leadership and peer example.

Human rights also form a key element of our due diligence where we are (rarely) involved in projects in countries where violation of human rights may be an issue.

Actions implemented in the last year / planned for next year

The [Environmental, Social and Governance Policy](#) adopted by the Fund this year ensure that Principles 1 and 2 of the UNGC are upheld. Human rights are also included in our due diligence protocols for possible investments. The ESG Policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

It is too early to identify any results as the Fund has only implemented its internal ESG Policy in April 2013, but there have been no reported breaches of any human rights in the organisation.

LABOUR

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Our Commitment or Policy

All employees are free to join any trade union and we ensure that we comply with all applicable legislation.

A brief description of our systems

AMED's [Environmental, Social and Governance Policy](#) confirm that we uphold Principle 3 of the UNGC. In accordance with this policy we appointed compliance officers to whom any violations of labour rights can be reported. The policy stipulates the process that individuals should follow to raise any concerns. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors.

Actions implemented in the last year / planned for next year

AMED implemented the [Environmental, Social and Governance Policy](#) on 8 April 2013 which confirms that we uphold Principle 3 of the UNGC. All employees have access to this ESG Policy which explains the relevant channels to deal with any violations of labour rights. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors. The ESG Policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

It is too early to identify any results as the Fund has only implemented its internal ESG Policy in April 2013, but there have been no reported breaches of any labour rights in the organisation.

PRINCIPLE 4

Businesses should support the elimination of all forms of forced and compulsory labour.

PRINCIPLE 5

Businesses should support the effective abolition of child labour.

Our Commitment or Policy

AMED supports the elimination of all forms of forced and compulsory labour. We prohibit the use of child labour in any form.

A brief description of our systems

We do not employ anyone below the mandatory schooling age and AMED conducts strict pre-employment screening.

Labour rights also form a key element of our due diligence where we are (rarely) involved in projects in countries where violation of labour rights may be an issue.

Actions implemented in the last year / planned for next year

AMED introduced an internal [Environmental, Social and Governance Policy](#) on the 8th of April 2013 which confirms that we uphold Principles 4 and 5 of the UNGC. In accordance with this policy we appointed compliance officers to whom any violations of labour rights can be reported. The policy stipulates the process that individuals should follow to raise any concerns. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors. The ESG Policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

There have been no reported breaches of any labour rights in the organisation.

PRINCIPLE 6

Businesses should support the elimination of discrimination in respect of employment and occupation.

Our Commitment or Policy

AMED employs individuals on the basis of job requirement and does not discriminate on grounds of ethnic or social origin, gender, age, sexual orientation, politics, religion or disability. We endorse workplace equality and stress the importance that our employees are properly trained and that they work in healthy and environmentally responsible ways.

We are of the opinion that diversity improves business results. We endeavour to create an inclusive culture in which difference is valued and acknowledged. By bringing together employees from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and viewpoints, we have great confidence that we are developing innovative thinking and solutions to challenges and deliver sustainable value for AMED and its stakeholders.

We aspire to ensure the provision of a working-environment that is conducive to motivating employees and encouraging a high level of individual performance, while continuing to maintain the fundamental elements of the organisation's culture, which include, but are not limited to, "team ethos" and pride in the Fund and its reputation.

A brief description of our systems

AMED conducts equitable processes for all recruitment, promotion and remuneration. We ensure that these processes uphold human rights, equal opportunity requirements and relevant employee protection legislation. These processes also support employment and promotion on the basis of job requirements and merit.

Some of the fundamental principles that underlie our workplace-environment are:

- Freedom of speech;
- Encouragement of a positive working environment, in which mutual respect, courteousness, trust and support are vital to relationships between management and employees;
- We are committed to effective internal communication and support two-way dialogue;
- Preserving a high level of motivation, satisfaction and retention of employees including through proper recognition by management of individual and team performance;
- Fair-mindedness in handling of employee grievances, dispute resolution and discipline;
- Encouragement of both the professional and the personal development of employees at all levels and in all areas through suitable career-planning; and
- Safeguarding the wellbeing of employees and realizing to the extent possible, a 'healthy' work/life balance for all employees.

Actions implemented in the last year / planned for next year

AMED introduced an internal [Environmental, Social and Governance Policy](#) on the 8th of April 2013 which confirms that we uphold Principle 6 of the UNGC. In accordance with this policy we appointed compliance officers to whom any violations of labour rights and any incidences of discrimination can be reported. The policy stipulates the process that individuals should follow to raise any concerns. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors. The policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

Although managers treat all issues and complaints with seriousness and professionalism, we are glad to report that there have been no incidences of discrimination in the organisation.

ENVIRONMENT

PRINCIPLE 7

Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE 8

Businesses should undertake initiatives to promote greater environmental responsibility.

PRINCIPLE 9

Businesses should encourage the development and diffusion of environmental friendly technologies.

Our Commitment or Policy

We agree that in the current climate, businesses should:

- support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmental friendly technologies.

AMED recognises that the projects which it invests in and their business operations could impact the environment both positively and unfavorably and therefore acknowledges the importance of our ongoing commitment to uphold Principles 7,8 and 9 of the UNGC.

A brief description of our systems

We conduct, as part of our due diligence process when we consider to invest in a project, an investigation whether the relevant environmental and social impact assessment reports as required by the applicable authorities were compiled and submitted. In our decision-making process, we consider whether the highest international environmental standards and whether considerable effort has gone into

studying the project's potential environmental impacts. AMED also considers if the assessment reports have been independently reviewed by qualified and knowledgeable third parties.

Each project's performance in relation to environmental matters is monitored by the senior management of the relevant project and through its board of directors. The board of directors then has to report these findings to the senior management of the Fund.

Actions implemented in the last year / planned for next year

AMED's [Environmental, Social and Governance Policy](#) confirm that we uphold Principle 7, 8 and 9 of the UNGC. The procedures and channels to report any violations of these environmental principles are clearly described in this policy. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors. The policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

None to report.

ANTI-CORRUPTION

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Our Commitment or Policy

We do not tolerate bribery or corruption in relation to our business, anywhere or in any form, and we comply with anti-bribery and anti-corruption laws in the countries in which we operate. As such, our ESG Policy is consistent with recent changes to legislation and, in particular, the UK Bribery Act.

AMED is committed to open communication and provides an avenue for employees to raise their concerns and we reassure them that they will be protected from reprisals or victimization for whistleblowing.

A brief description of our systems

Our internal [Environmental, Social and Governance Policy](#) confirm that we uphold Principle 10 of the UNGC. In accordance with this policy we appointed compliance officers to whom any acts of bribery, extortion or corruption can be reported. The policy stipulates the process that individuals should follow to raise any concerns. The board of AMED will ensure that the procedures and policies are monitored and reviewed independently and externally by auditors.

Actions implemented in the last year / planned for next year

AMED introduced an internal [Environmental, Social and Governance Policy](#) on the 8th of April 2013 which confirms that we uphold Principle 10 of the UNGC. The policy will be reviewed annually from the date of adoption.

Measurable results or outcomes

No obstacles have been experienced to date. The ESG Policy made all employees aware of the consequences related to corruption and bribery violations. Senior management also ensures that junior and mid-level employees are not put in situations where they can prove guilty or victim of such violations.

CONTACT US

Please inform us of your opinion.

If you have any comments, concerns or questions on the contents of this COP Report, you are welcome to contact one of our representatives listed below

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