



الشركة الوطنية للصناعة و المناجم
SOCIETE NATIONALE INDUSTRIELLE ET MINIERE

Corporate Social Responsibility Report 2023



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Société au capital de 18 270 000 000 d'ougyias

شركة برأس مال يبلغ 18 270 000 000 أوقية

Entreprise certifiée ISO 9001 & ISO 14001



About this report

Over the years, SNIM has systematically strengthened its approach by adopting international standards of quality and accountability. In 2005, obtaining the ISO 9001 certificate marked the beginning of its commitment to operational excellence. In 2011, SNIM's environmental management system was ISO 14001 certified, demonstrating its dedication to environmental protection.

In 2014, SNIM took an important step ahead by publishing its first CSR report within its commitment for transparency towards stakeholders.

SNIM is now committed to a global corporate social responsibility (CSR) approach, in accordance with the ISO 26000 standard, especially with its confirmed CSR label (delivered by AFNOR). This label attests to the maturity of its sustainable practices.

The 2023 CSR Report adheres to the GRI standards (Global Reporting Initiative), furthering SNIM's accountability and transparency approach.

Indeed, the GRI framework offers a holistic vision of the company's social, environmental and economic challenges, meeting international for responsible reporting.



Mohamed Vall MOHAMED TELMIDY

SNIM Chief Executive Officer

SNIM remains one of the essential drivers of the Mauritanian economy. It continues to be a major and reliable employer, with 6,466 employees as of December 31, 2023, from various social backgrounds across the country.

SNIM's economic role was evident in 2023 through its significant contribution to the state's budgetary revenue (14%), GDP (9%), and the country's exports (37%).

The ties between SNIM and local stakeholders, developed over the past six decades, are continuously strengthening. Stakeholder expectations are increasingly integrated into the company's projects, with SNIM mandating its Foundation to address the concerns of all local communities, particularly those living in the Nouadhibou/Zouerate corridor.

SNIM's territorial anchoring is demonstrated through the implementation of various projects designed by and for the communities.

A strong local anchoring

In Zouerate, where stakeholders hold high expectations of SNIM regarding basic social services such as water, electricity, education, and health, our territorial presence was further solidified in 2023 through the launch of impactful projects. These initiatives aim to advance SNIM's development while enhancing the city's socio-economic infrastructure.

The F'derick mine development project, designed to produce 2 million tons of iron ore annually, will create new employment opportunities and enhance local communities' access to essential services. Additionally, the construction of a 30 MW thermal power plant and a 12 MW solar photovoltaic power plant will significantly boost energy production capacity and supply in Zouerate, where the population continues to grow. The solar power plant, in particular, will increase the share of renewable energy in SNIM's energy mix, reinforcing the company's commitment to reducing its carbon footprint as a key priority for the future.

The project to expand the brackish water desalination plant at the «Ouad El Gah» site, near Zouerate, will enhance drinking water production by adding 1,000 m³ per day while strengthening water storage and supply capacity. This expansion is particularly critical as increased artisanal gold mining in the area has driven up demand for both water and energy.

In addition to addressing water and electricity needs, Zouerate's road network has been strengthened and modernized through funding from the SNIM Foundation. With a total investment of 124,359,348 MRU, the project to extend and rehabilitate the city's road network has resulted in the construction of 10 kilometers of paved roads and the rehabilitation of an additional 6 kilometers of urban roads.



Ismail EL HACEN

Director of Environment and Safety (DES)

Dear readers,

It is with great pleasure that I present our Corporate Social Responsibility (CSR) report for 2023. This document embodies our unwavering commitment to sustainable development, environmental stewardship, and improving the social and economic conditions of our communities.

The year 2023 was marked by significant advancements in the environmental, social, and economic domains, highlighting our determination to embed sustainability principles into all aspects of our operations.

On the environmental front, we intensified efforts to minimize our ecological footprint. Priority was given to initiatives aimed at reducing greenhouse gas emissions, particularly by increasing the share of renewable energy in our energy mix. The commencement of construction on a new 12 MW solar photovoltaic power plant in Zouerate is a tangible demonstration of this commitment. Additionally, we invested \$4 million to enhance the dust removal program at the magnetic separation workshops in the Guelbs plants. We are pleased to report a continued reduction in our specific carbon footprint (ton CO₂/ton sold) since 2020. Water

resource management also remained a key focus, with the expansion of the Ouad El Gah desalination plant providing an additional one million m³/year of water supply.

On the social front, the well-being of our employees and local communities is central to our strategy. Initiatives in occupational health and safety have significantly reduced workplace accidents and improved working conditions, positioning us for ISO 45001 certification next year. In 2023, we invested in educational and training programs to enhance employee skills and foster professional growth. For the first time, we introduced tutoring classes for employees' children and organized overseas summer camps for high-achieving students. Furthermore, we sponsored the pilgrimage to Mecca for dozens of employees and representatives from local communities, demonstrating our dedication to their personal and spiritual well-being.

Economically, our contributions to the national economy remain substantial. In 2023, SNIM generated significant direct economic value, constituting a considerable share of Mauritania's GDP and national exports. Our strategic investments have not only bolstered

production capacities but also reinforced our commitment to transitioning toward a decarbonized economy in line with sustainable development goals.

These accomplishments would not have been possible without the dedication and support of our stakeholders. We will continue to collaborate closely with them to meet their expectations and advance our mission of sustainable development. SNIM is resolute in its efforts to maintain and enhance responsible practices, proactively addressing environmental, social, and economic challenges in its operations.

I extend my heartfelt gratitude to our employees, partners, and stakeholders for their invaluable contributions to our success. Together, we will continue to work towards a sustainable and prosperous future for all.

I. SNIM Overview

GRI Standards

GRI 2 General disclosure:

- Company Overview
- Sites
- The products
- Customers
- Governance

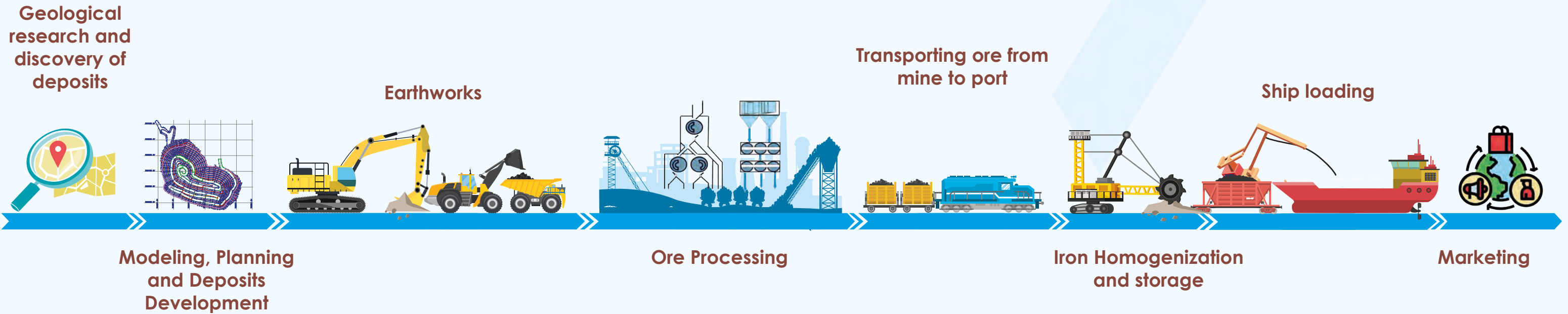
I. SNIM OVERVIEW

1. Who are we ?

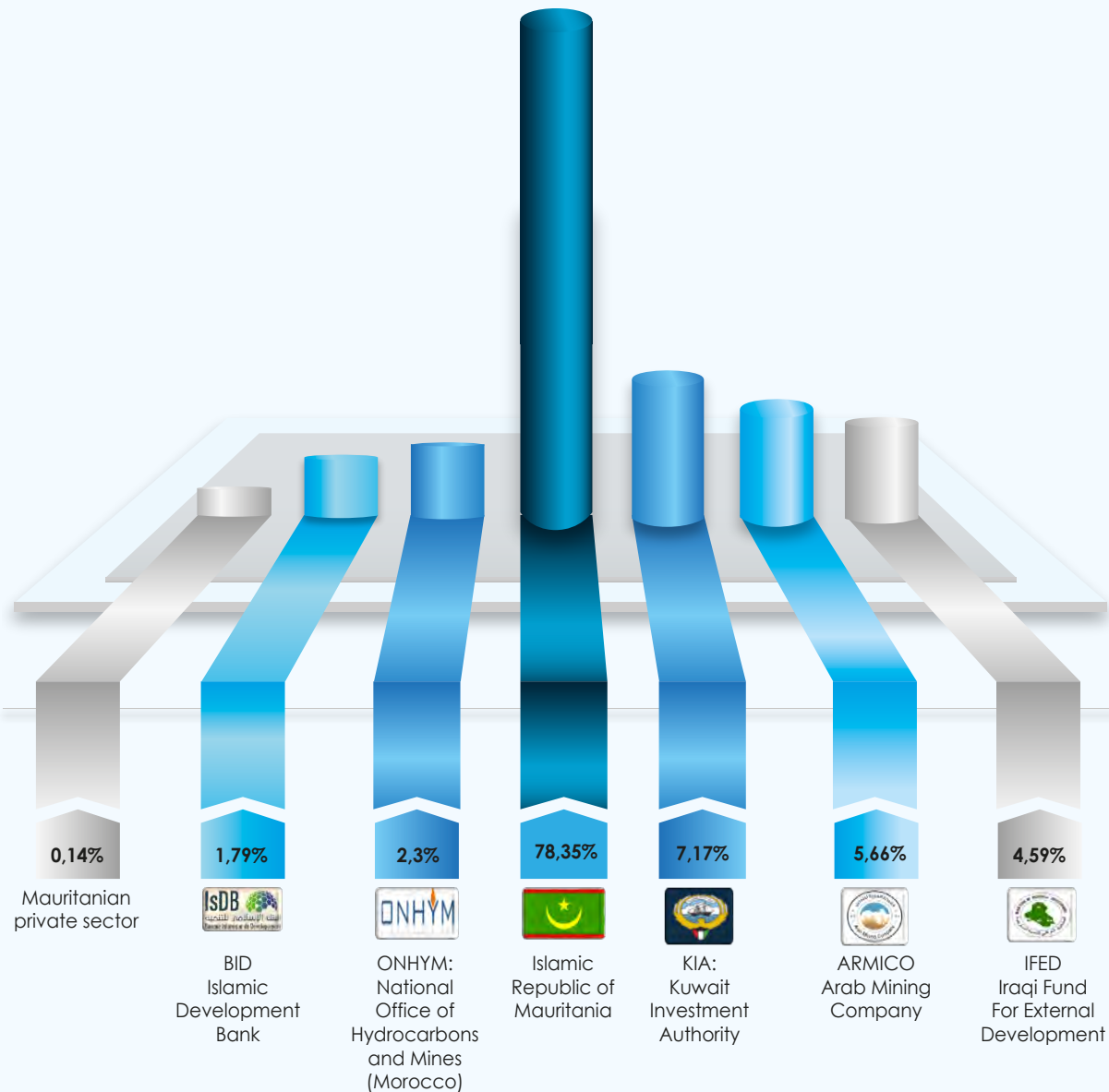
SNIM, the Société Nationale Industrielle et Minière, is a Mauritanian mining company that operates in the exploration, exploitation, processing, and commercialization of iron ore. It fully manages the entire chain of its operations: from geological research to commercialization, including exploitation, water and electricity production, maintenance, and the transportation of iron ore from the deposits in Zouerate to the loading port in Nouadhibou.

The SNIM Value Chain

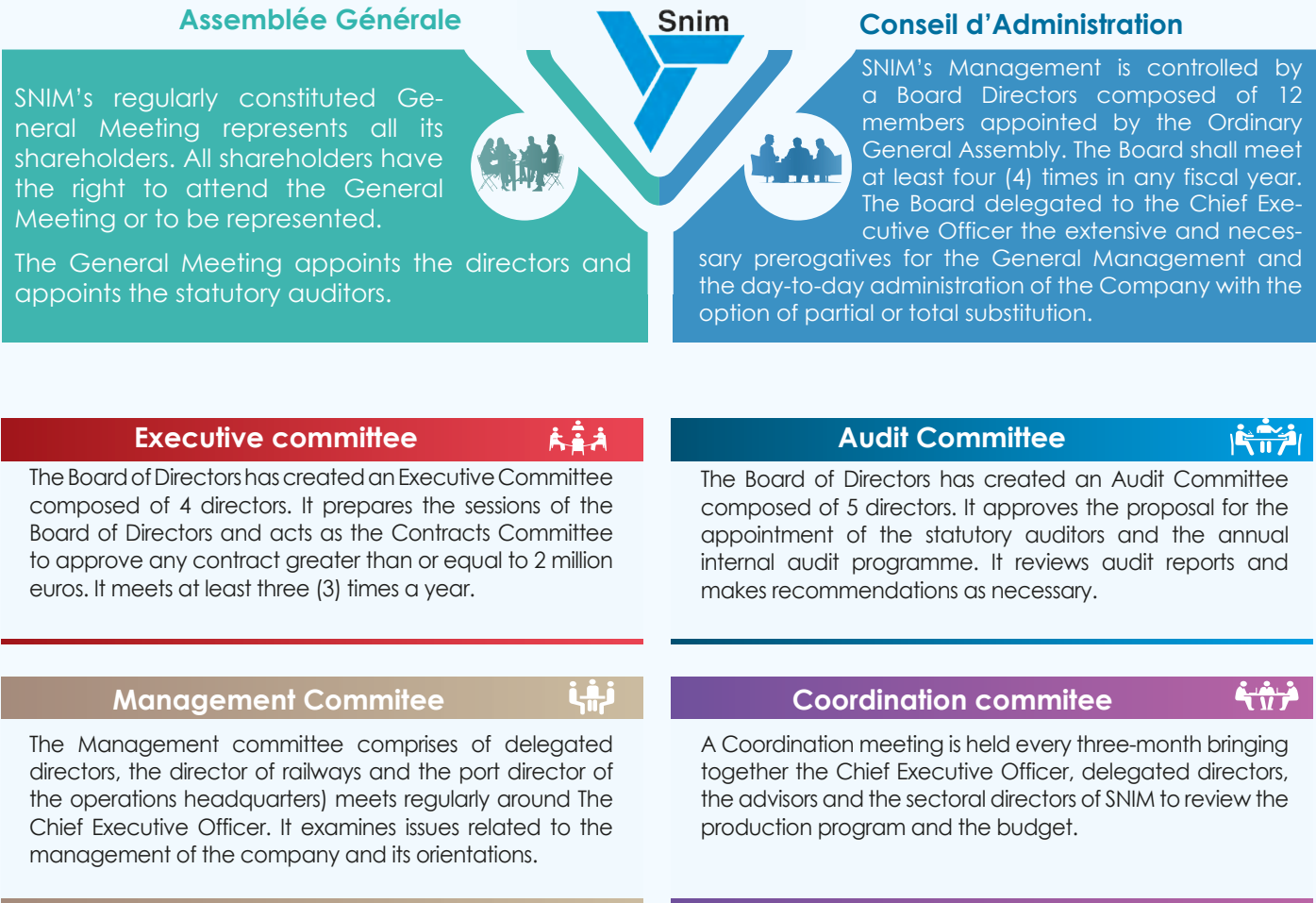
As a traditional supplier and respected player in the sector, SNIM values integrity and quality in all its business relationships. Aware of its responsibility towards future generations, it is firmly committed to promoting environmental sustainability. Furthermore, the human element is at the center of the company's strategy. It thus makes the promotion of human resources and respect for the rights of its employees a central lever of its development, aiming to create a positive and lasting impact throughout the chain of its activities.



SNIM's Shareholders



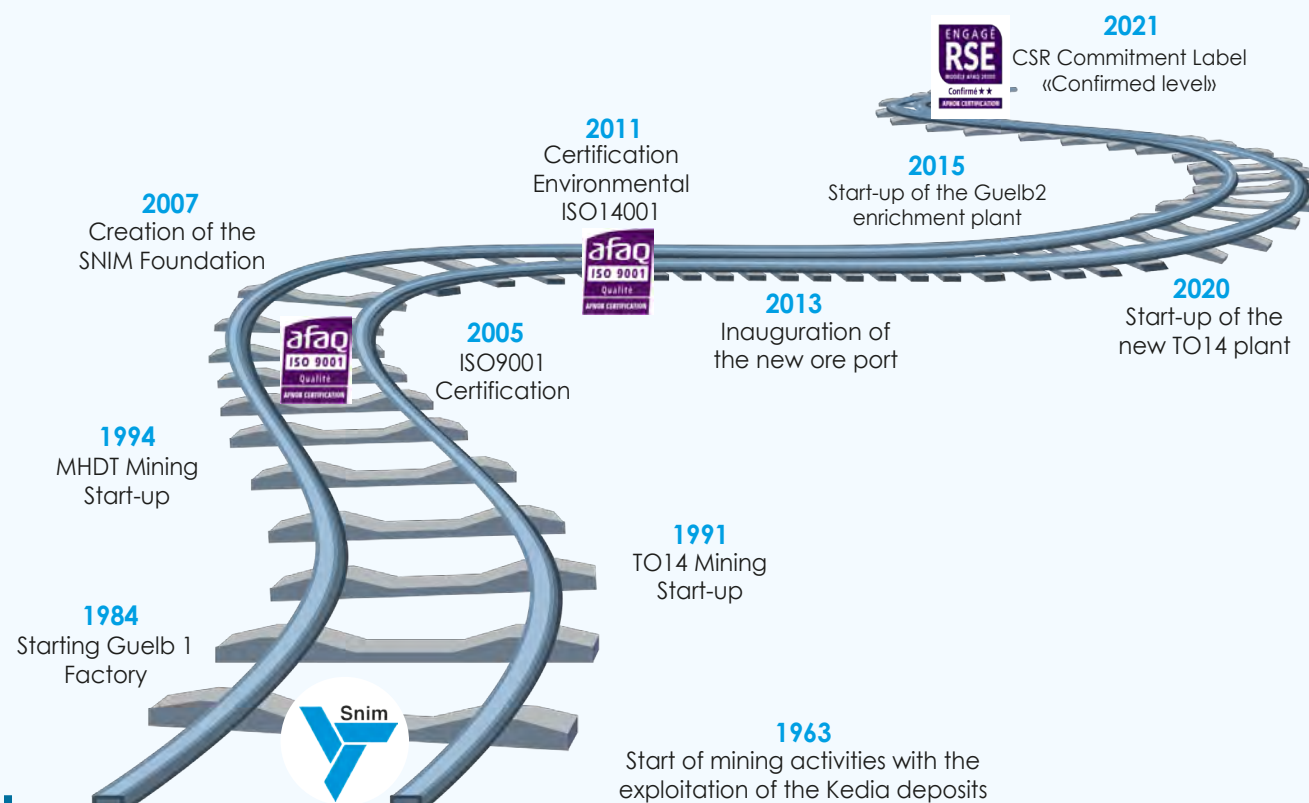
Corporate Governance



2. Our history

Born from the nationalization of the Mines de Fer de la Mauritanie (MIFERMA, established in 1952), SNIM is by far the most dynamic company in Mauritania. As the driving force of the national economy, it pulls in the wake the other industrial players in the country, for whom it constitutes a solid example of success.

SNIM is a rare success story in Africa. It has established itself and remains a major mining operator on the continent. Its financial and operational performance, as well as its community outreach, make it a national source of pride. It strives every day to bring the best to its teams, its territory, and its environment within the framework of responsible and sustainable development.



SNIM has been committed for several years to sustainable development, and has strived to develop and strengthen its support for local development for the benefit of the populations along the Nouadhibou-Zouerate corridor. It intervenes more broadly across the entire Mauritanian territory.

In 2021, SNIM reaffirmed its full awareness of the status of a responsible and civic-minded company by adopting a Corporate Social Responsibility strategy, with a focus on actions in service of its employees, communities, and the environment. This strategy is structured around five main areas :



3. Our values and vision



Our vision :

SNIM is dedicated to maximizing the value of its mineral resources and the quality of its product offerings in order to become a significant player in the mining industry. Committed to environmental protection and its workforce, the company continuously strengthens its role as a responsible employer focused on the wellbeing of its employees, while actively contributing to the country's economic development.



4. Our Locations & Products



More than sixty years of history

Located near the Guelb El Rhein mine are the Guelb 1 and Guelb 2 plants, designed for the beneficiation of ore extracted from the mine. The proximity of these two facilities enables efficient sharing of resources and operations, streamlining production at the Guelb El Rhein site.

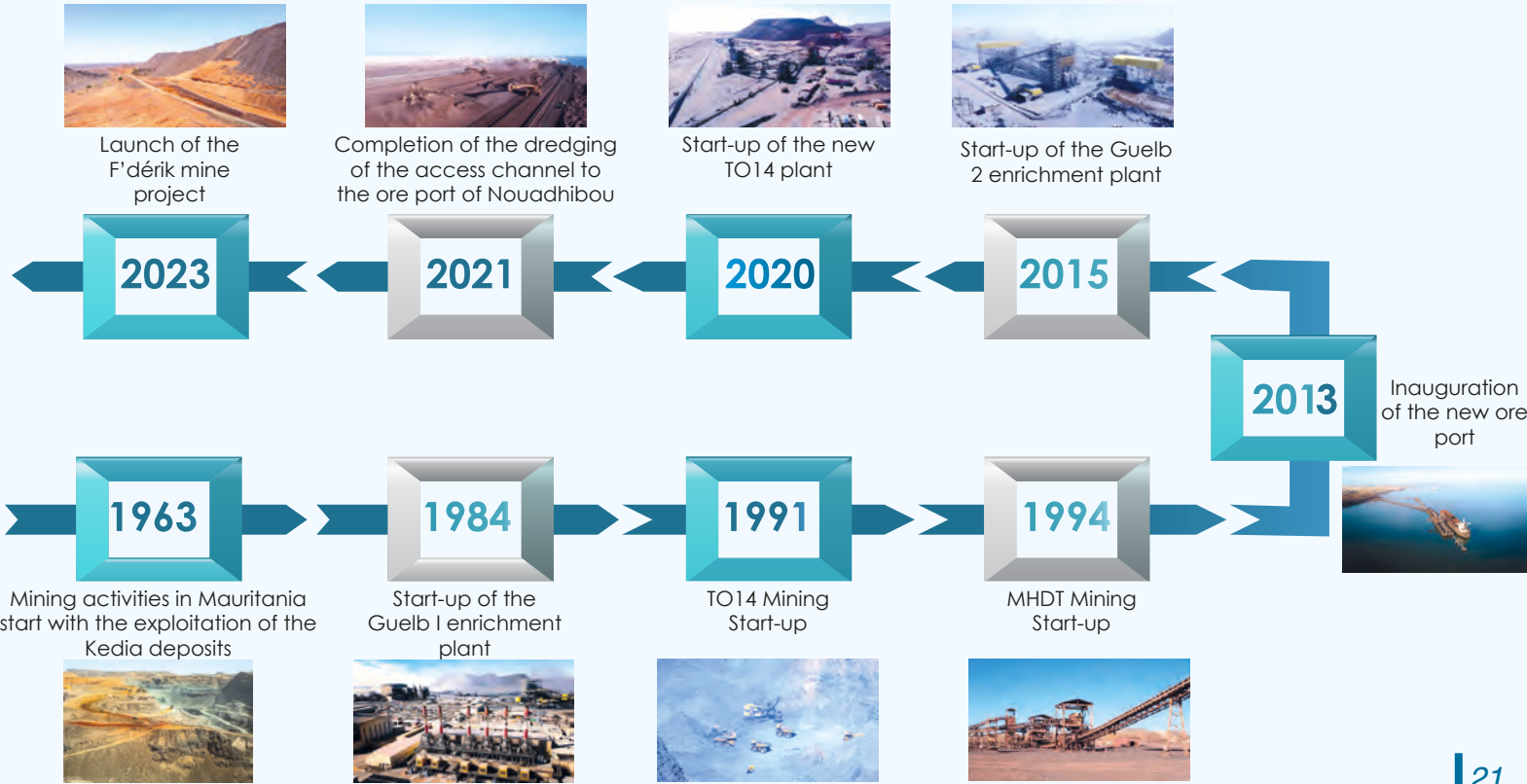
The distance between Guelb El Rhein and M'haoudatt is approximately 30 km, while Zouerate is 60 km from M'haoudatt, making it the

most distant site. Near Zouerate lies the Kedia d'Idjil site, where SNIM operates the TO14 and Rouessa mines along with their associated processing facilities.

SNIM's iron ore is transported from the mining sites to the port of Nouadhibou via train. The railway infrastructure is designed to be scalable to support increased production from future projects, including Fdérík, Tizerghaf, El Aouj, and Ato-mai. Currently, SNIM's rail network

connects all production sites—Zouerate, M'haoudatt, Guelb El Rhein, TO14, Rouessa, and F'derick—to the port of Nouadhibou.

While Zouerate serves as the heart of SNIM's operations and the railway forms its backbone, Nouadhibou can be considered the lungs of its activities, housing the port where iron ore is loaded onto ships for export.



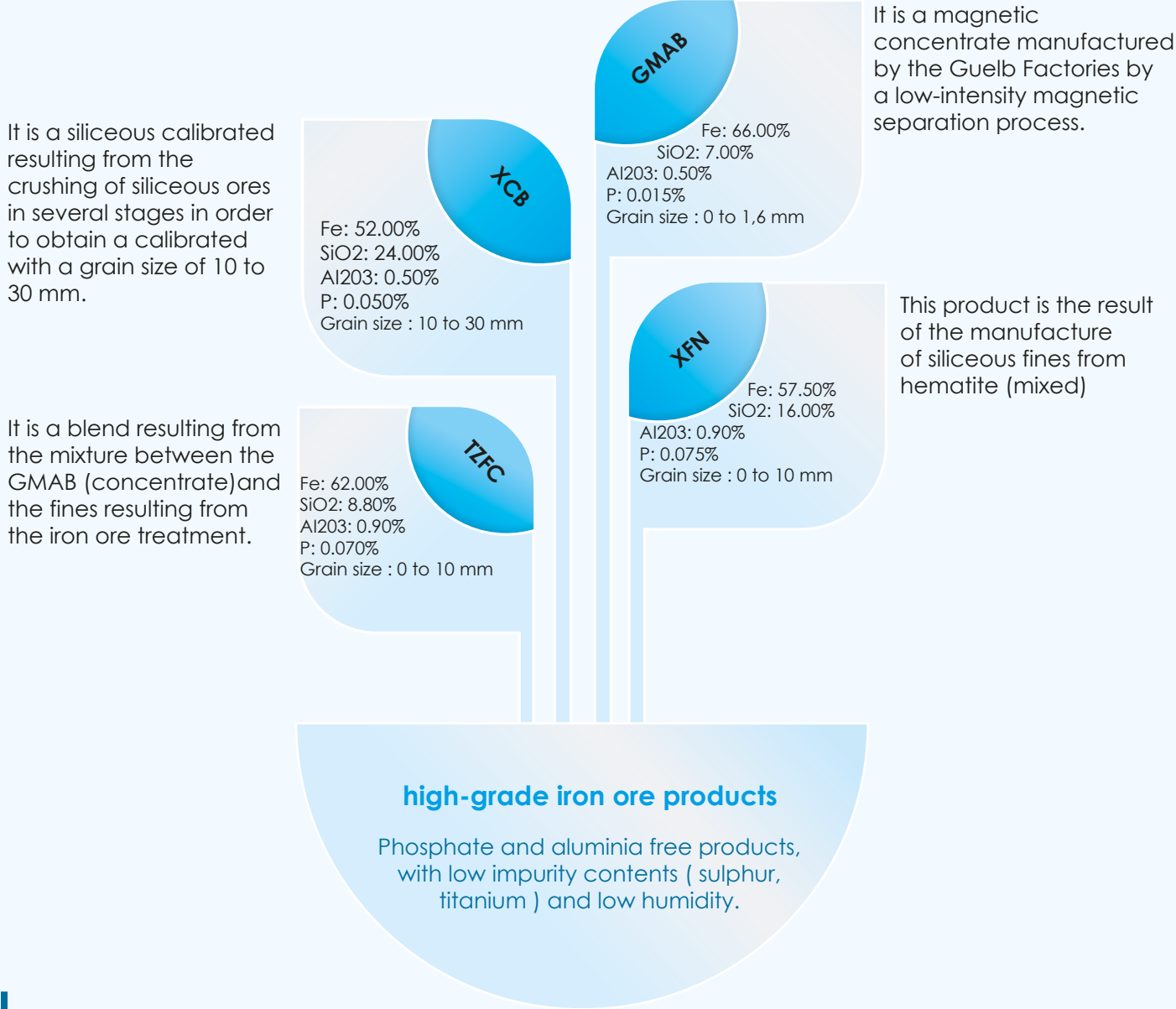
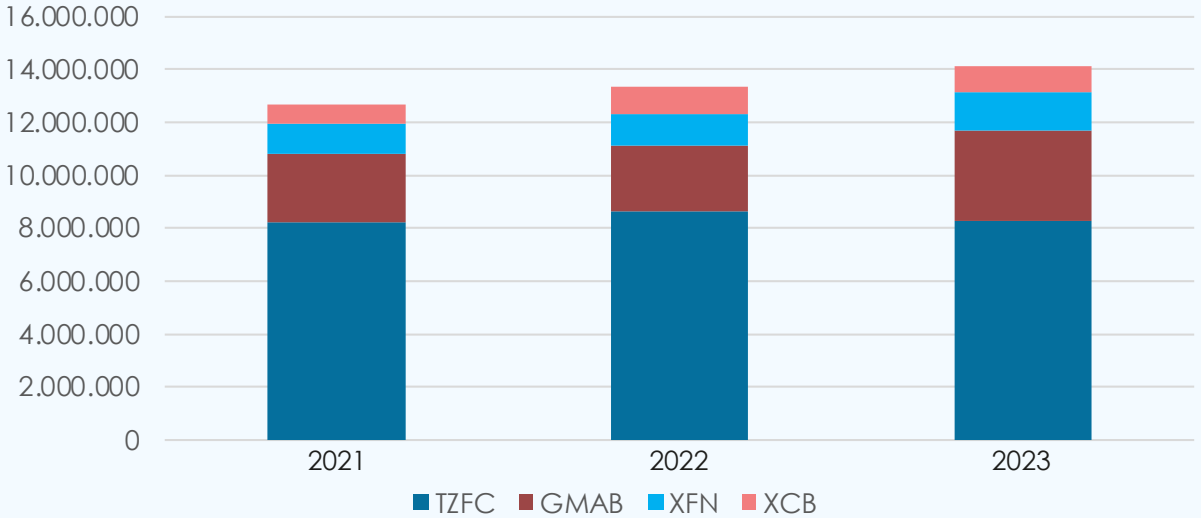


Table 1: Chemical composition of SNIM products

Product type	Composition				
	%Fe	%SiO2	%Al2O3	%P	Grain size
GMAB	66	7	0,35	0,015	0 to 1,6 mm
TZFC	62	8,8	0,9	0,07	0 to 10 mm
XFN	57,5	16	0,9	0,075	0 to 10 mm
XCB	52	24	0,5	0,05	10 to 30 mm

Graph 1: SNIM Sales 2021-2023 by Product (in T)



5. Our customers

SNIM is present in several markets including Europe, China, Australia, Japan and North Africa.



Corporate Strategic Plan: an ambition for a change of scale

SNIM's Corporate Strategic Plan (CSP) aims to position the company as a «regional mining hub» over the next twenty years.

To achieve this goal, SNIM plans to increase its iron ore production capacity, increase the added value of its products and diversify them. It aims to double its iron ore production by 2031. At the same time, it plans to gradually set up local manufacturing industries, making it possible to process 31% of the ore produced by 2031, with a target of 40% by 2038 and 45% by 2045.

This approach also encompasses the strategic objective of integration into the steelmaking value chain, through the production of pellets, DRI (direct reduced iron) and HBI (hot-briquetted iron). This integration could accelerate with the availability of cheap energy (natural gas and green hydrogen).

In addition, the CSP plans to introduce mining diversification into SNIM's business portfolio, with the possibility of producing other metals.

By 2031, SNIM intends to increase its annual production by 10 MT internally. This additional production will

come, in large part, from the projects of F'derick and Tizerghaf.

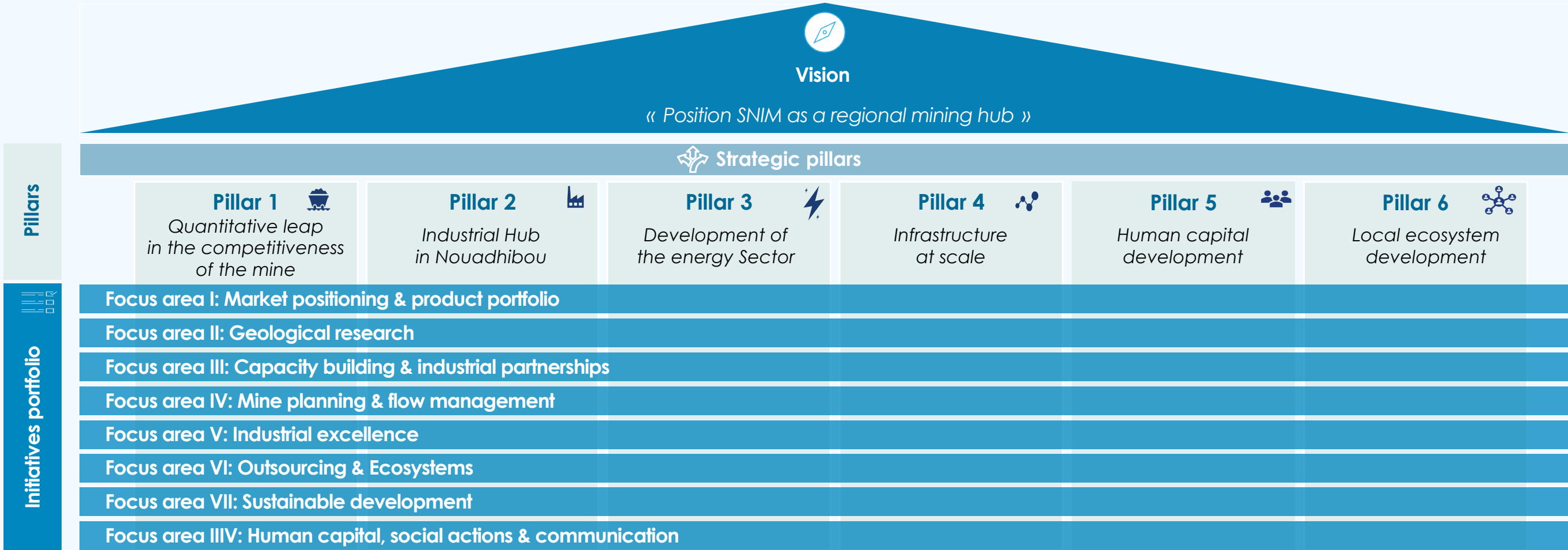
Partnership projects will contribute an additional 21.3 MT. These are the El Aouj projects, which will produce 11.3 MT, and the Atomai project, which will supply 10 MT.

The ambition to make SNIM a regional mining hub stems from the desire to make the company a reference center for mining activity in the sub-region.

In this context, it will be a question of working to provide SNIM with a mining technical platform and related services, in order to better develop local potential and position itself as a central operator in the development of mining resources in Africa.

A pioneer in social responsibility and the development of renewable energies, SNIM is also working to be part of the forefront of companies developing sustainable and carbon-free activities

.



Strategic pillars

Mine Competitiveness: SNIM is aiming to achieve a quantitative leap in the competitiveness of its mines. This includes operational excellence, the scaling up of new projects, and the application of optimal extraction and processing techniques. Extensive electrification based on renewable energy is also a key aspect of reducing energy costs and improving the sustainability of mining operations.

Nouadhibou as an Industrial Hub: Nouadhibou is intended to become a major industrial hub for the processing of high-grade ore. This project includes the reliable supply of necessary utilities, access to regional and global logistics, as well as integrated services such as human resources initiatives. The aim is to create a complete industrial environment that supports local ore processing.



Infrastructure at Scale: Improving infrastructure is essential to support production growth. The Nouadhibou Mineral Port Access Channel Dredging Project aims to increase the port's capacity to accommodate ships of up to 230,000 tons. The port's draft has been increased to 18.3 m, and the length of the channel to 25 kilometers.

Strengthening Human Capital: SNIM places particular emphasis on the development of human capital. Ongoing training programs, initiatives to improve working conditions, and social and health reforms are in place to support employees, with the aim of strengthening skills and ensuring a safe and healthy working environment.

Development of the Energy Sector: The development of the energy sector has been identified as a key factor in competitiveness and decarbonization. SNIM plans to use competitive renewable electricity and develop an interconnected grid. Natural gas will be used as a fuel, with future exploration of green hydrogen for downstream operations. These initiatives will help to stabilize the national electricity system and reduce carbon emissions.

Development of the Local Ecosystem: Local ecosystem development is a priority for SNIM. This includes social and environmental responsibility projects aimed at improving the living conditions of local communities. The company is committed to working closely with local stakeholders to develop sustainable initiatives that benefit both the company and the communities.

Strategic axes

Key Initiatives Market Positioning & Product Portfolio: It is built around a sales strategy and a value-in-use model that maximizes value for customers. This is supported by a commercial excellence program, which seeks to optimize performance and operational efficiency to increase competitiveness.

Mine Planning and Flow Management: planning and flow management are crucial to maximizing production and minimizing costs. SNIM develops sophisticated planning tools to improve the coordination of mining activities and ensure efficient resource management.

Outsourcing and Ecosystems: The outsourcing strategy aims to strengthen partnerships with suppliers and service providers. This allows SNIM to focus on its core competencies while benefiting from external expertise for non-core operations. The development of ecosystems around mining activities also promotes sustainable local economic growth.

Geological Research: SNIM invests in geological research to identify new mineral resources. This program aims to increase ore reserves and diversify sources of raw materials to ensure continuous and reliable production.



Sustainable Development: SNIM is committed to integrating sustainable development practices into all its operations. This includes the responsible management of natural resources, the reduction of carbon footprint, and the implementation of ecological projects to protect the environment.

Partnerships Program: The development of industrial partnerships is essential for SNIM. These partnerships aim to integrate new technologies, access new markets, and develop higher value-added products. Collaboration with local and international companies strengthens SNIM's competitiveness.

Industrial Excellence: Industrial excellence programs are implemented to optimize production processes. This includes applying best practices, modernizing equipment, and implementing advanced technologies to improve operational efficiency.

Human Capital, Social Actions & Communication: CSP cannot succeed without human capital. SNIM adopts a robust HR strategy and an ambitious training plan to develop the skills of its employees. At the same time, an effective communication strategy will be put in place to ensure internal cohesion and promote social actions, thus strengthening its commitment to its employees and its community.



II.

Sustainability as a guide to our development

GRI Standards

GRI 3 Material topics:

- Materiality Matrix
- Identification of material subjects
- Stakeholders

II. SUSTAINABILITY AS A GUIDE TO OUR DEVELOPMENT

At SNIM, our commitment to sustainability is at the core of what we do. We are dedicated to environmental preservation and meeting the expectations of our stakeholders. This approach is based on deep analysis of the economic, social and environmental impacts of our operations.

We have identified the material topics that influence our ability to achieve our goals. Through a rigorous process that incorporates the perspectives of our stakeholders and experts, we prioritize these topics to guide our strategic actions.



Finally, we align our efforts with the Sustainable Development Goals (SDGs) to contribute positively to economic and social development in Mauritania.

1. Our stakeholders at the core of our operations

Delivering on our commitments to stakeholders is a key pillar of our approach. At SNIM, the exploitation of iron ore goes beyond the simple fact of export; rather, it is a deep commitment to environmental preservation and meeting the diverse expectations of our stakeholders.

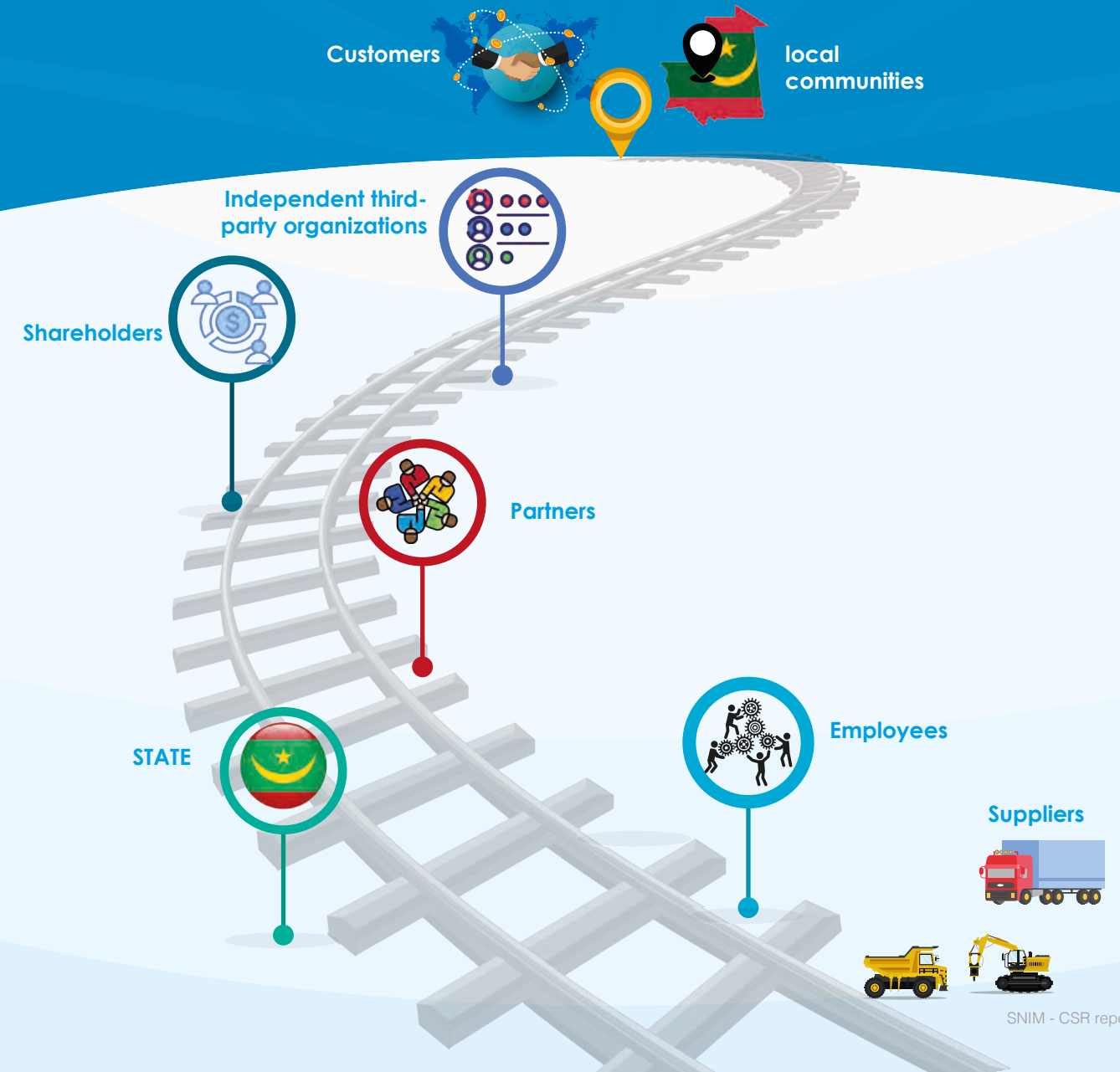
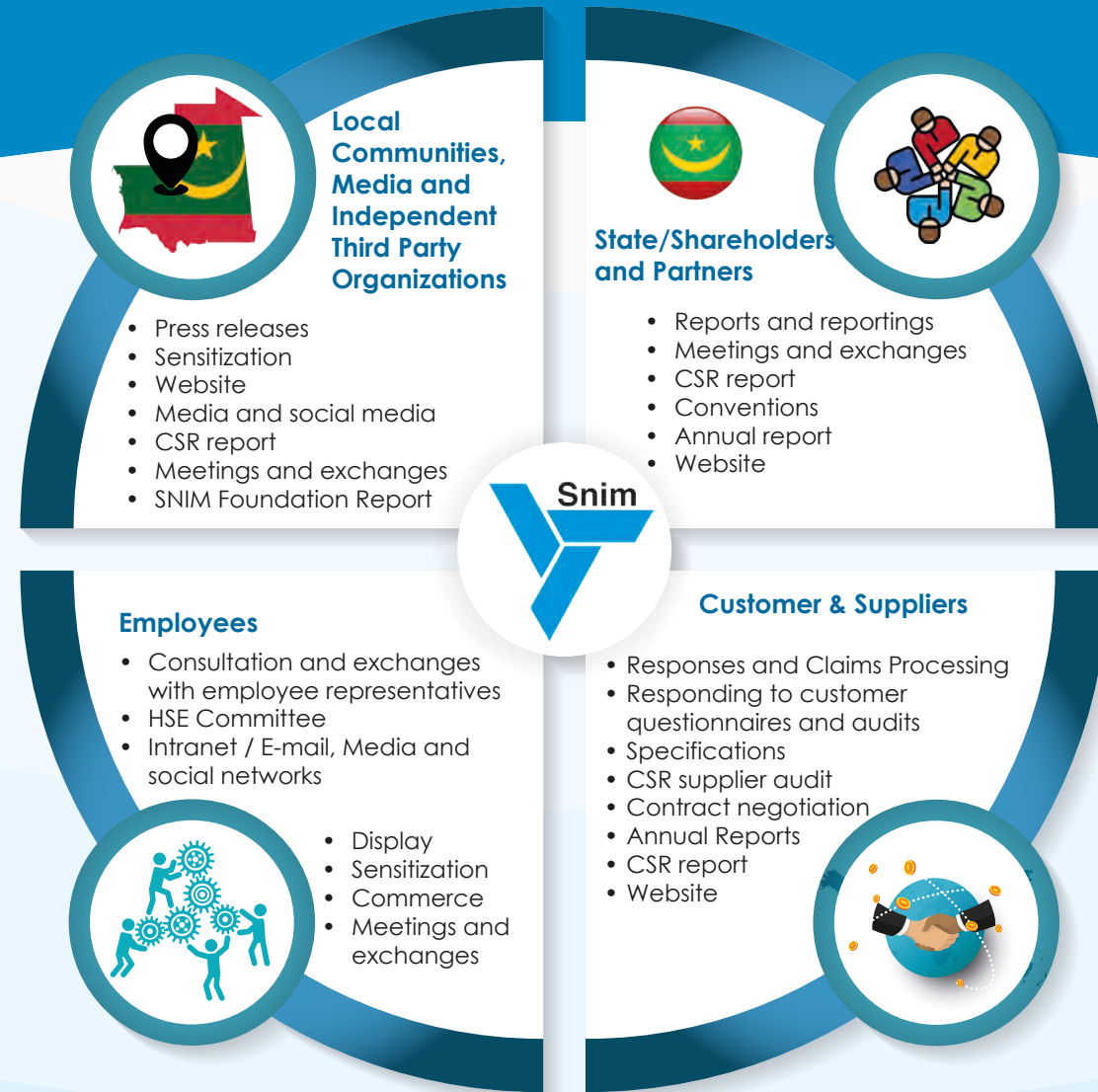


We strongly believe in creating a sustainable future building on transparency and mutual cooperation.

Through a rigorous strategy, aligned with the SDG, the foundation developed indicators, following the guidelines of the ISO 26000 standard.

Our goal is clear: to proactively identify and respond to the needs of our stakeholders while elevating our commitment to international standards of excellence. The identification of stakeholders began with a mapping that includes internal (employees, management, shareholders) and external actors (customers, suppliers, communities, NGOs, the State and other investors). Various communication tools such as participatory meetings, letters, re-

ports, questionnaires and workshops have been used to strengthen stakeholder engagement, foster the creation of shared value, and contribute to the sustainability of development initiatives.



2. Materiality evaluation

SNIM gives great importance to the in-depth analysis of the economic, social and environmental impacts of its operations. This approach includes an assessment of internal and external perspectives, as well as consultations with its stakeholders.

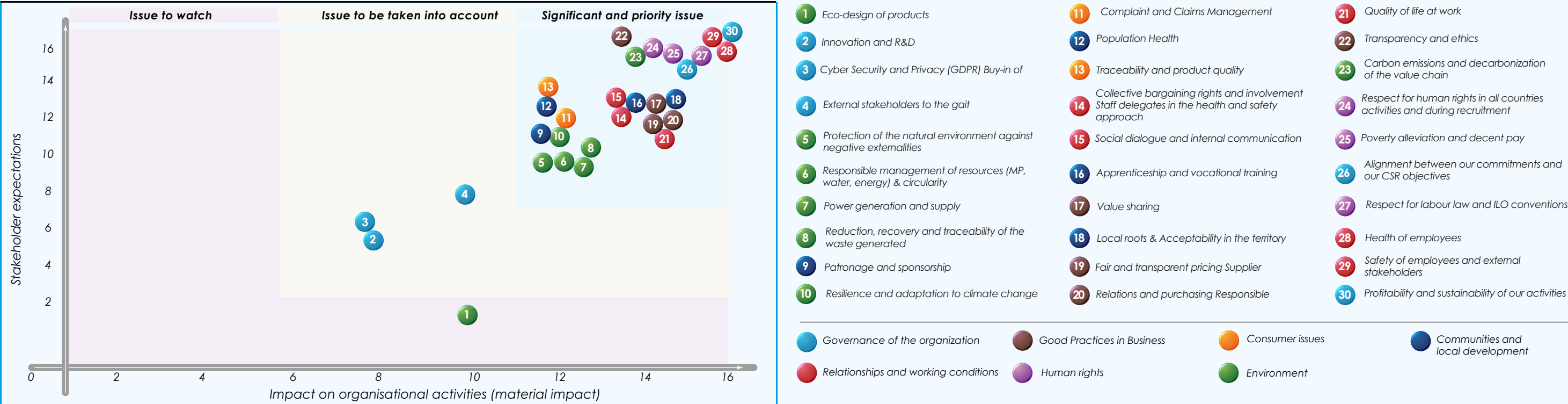
These efforts have enabled the company to set high materiality thresholds for priority topics, forming the basis of its approach to CSR.

In addition, it has developed a materiality matrix that takes into account the specific expectations of its stakeholders as well as the potential impact on its organizational activities. This matrix guides its strategic decisions and operational actions, ensuring that its commitments to sustainability and responsibility are aligned with the needs and concerns of the various stakeholders involved in its ecosystem.

Material issues can have a significant impact on the company's ability to achieve its commitments and objectives. Each of these topics is identified through an assessment process that incorporates risks and opportunities, the views of external stakeholders, internal expertise and third-party due diligence. This evaluation process includes a cycle of research, identification, prioritization, validation, and ongoing review.

On this solid basis, we have identified the material topics that are most significant to our company and our stakeholders by aligning them in the form of seven commitments. These topics, which we will detail in our report, reflect our commitment to proactively and sustainably address the challenges and opportunities that have the greatest impact on our business and our environment.

DOUBLE MATERIALITY ANALYSIS OF IMPACTS WITH REGARD TO SUSTAINABILITY ISSUES



Analysis carried out according to the EFRAG ESRS 2 standard and according to the methodology of the NF-EN 30-029 standard (for the identification and listening process of internal and external stakeholders)

SNIM's CSR commitments and material issues :

Commitment 1: Identify and respond to stakeholder needs and expectations

- Value sharing
- Fair and transparent pricing
- Transparency and ethics
- Profitability and sustainability of our activities

Commitment 2: Promote CSR within the company

Alignment between our CSR commitments and objectives

Commitment 3: Ensure the traceability of our raw materials throughout our production chain

- Complaint and Claims Management
- Traceability and product quality
- Supplier Relations and Responsible Purchasing

Commitment 4: Ensuring the health, safety and fulfilment of our employees and their families

- Work/life balance
- Employee health
- Safety of employees and external stakeholders
- Apprenticeship and vocational training

Commitment 5: Contribute to Mauritania's economic and social development

- Patronage and sponsorship
- Population Health
- Local roots & Acceptability in the territory

Commitment 6: Acting in favour of the environment, ensuring the preservation of biodiversity and promoting the circular economy

- Protection of the natural environment against negative externalities
- Responsible management of resources (MP, water, energy) & circularity
- Power generation and supply
- Reduction, recovery and traceability of the waste generated
- Resilience and adaptation to climate change
- Carbon emissions and decarbonization of the value chain

Commitment 7: Respect commitments in terms of ethics and fair practice

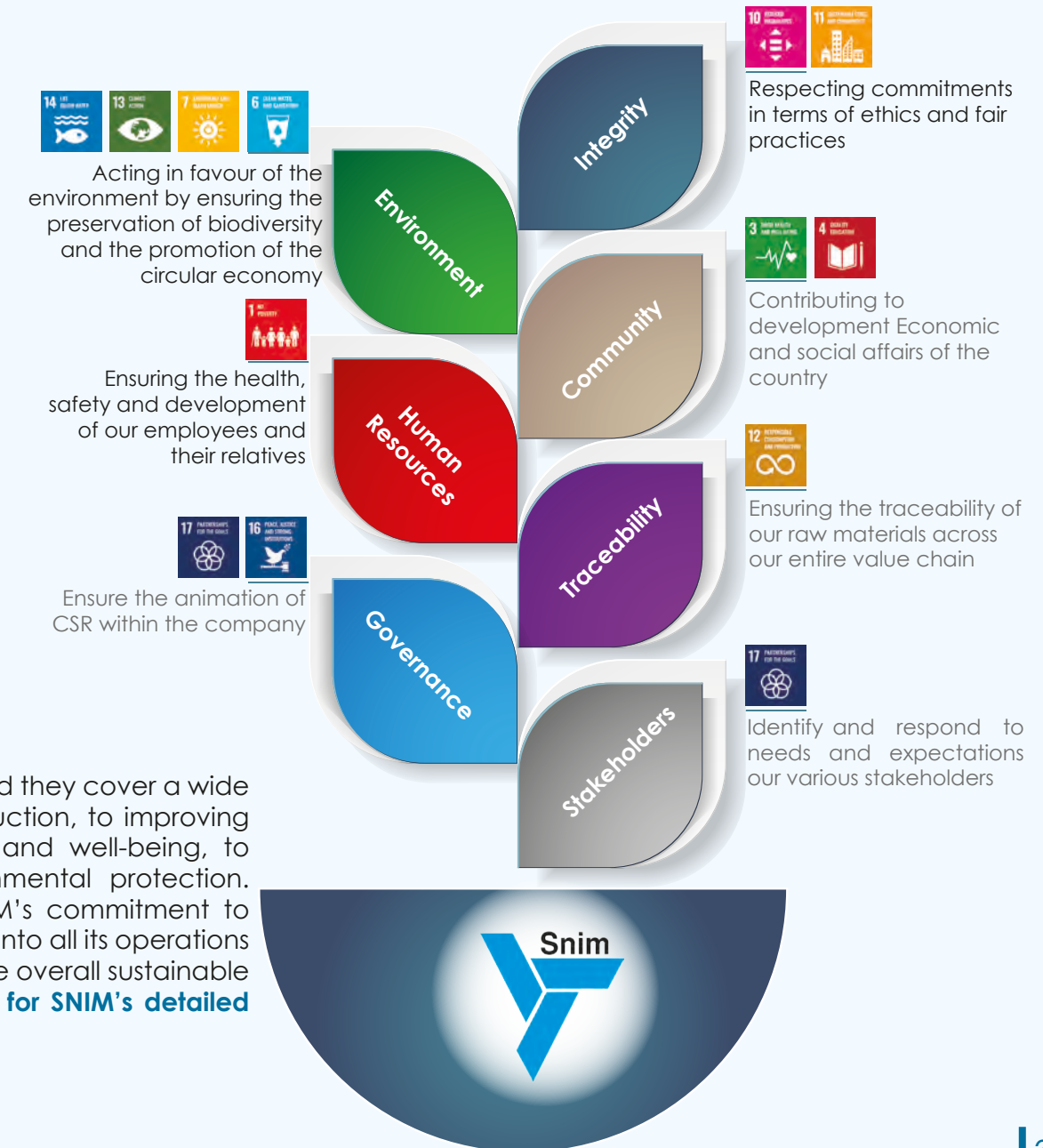
- collective bargaining right and involvement of staff delegates in the health and safety approach
- Social dialogue and internal communication
- Respect for labour law and ILO conventions
- Respect for human rights in all activities and in recruitment
- Poverty alleviation and decent pay

3. Our Sustainability Commitments

Through its proven commitments covering the environment, social and governance, SNIM undeniably contributes to the Sustainable Development Goals (SDGs) in Mauritania.

SNIM has made significant efforts over the past two decades to address the economic and social development needs in the Nouadhibou- Zouerate corridor area, in particular, and at the national level in general; and this is well before the publication of the United Nations document in 2015, containing the 17 Sustainable Development Goals to be achieved by 2030.

SNIM's interventions are diverse and they cover a wide range of areas, from poverty reduction, to improving education, to promoting health and well-being, to tackling inequalities and environmental protection. These initiatives demonstrate SNIM's commitment to integrating sustainability principles into all its operations and to contributing positively to the overall sustainable development goals. **See Annex 2 for SNIM's detailed contribution to each SDG.**



GRI Standards

GRI 201 : Economic Impacts

GRI 205 : Anti-corruption

GRI 303 :Water and effluents

GRI 304 : Biodiversity

GRI 305 : GHG Emissions & Air Emissions

GRI 306 : Waste

GRI 401 : Employment Practices

GRI 403 : Occupational Health and Safety

GRI 405 : Diversity and Equal Opportunities

GRI 406 : Non-Discrimination

GRI 407 : Freedom of Association and Collective Bargaining

GRI 410 : Security Practices

III.

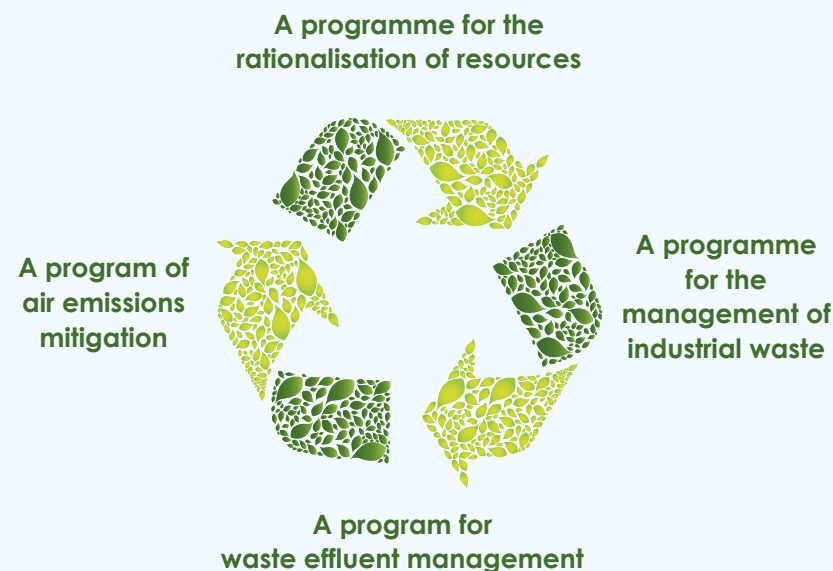
Our footprint, a testament to our commitment to sustainability



III. OUR FOOTPRINT, A TESTAMENT TO OUR COMMITMENT TO SUSTAINABILITY

1. Protecting our environment

SNIM recognizes the crucial importance of managing its Significant Environmental Aspects (ESAs) responsibly to contribute to sustainable development. To this end, it is committed to reducing air emissions, including those of dust and gases from stacks and exhaust gases. Likewise, the company aims to optimize waste management by efficiently dealing with soiled, mundane and specific waste, including hazardous medical waste. It is also working to rationalize its consumption of resources such as fuels and water, while minimizing liquid discharges, such as waste oil and process water. At the same time, SNIM is committed to preventing leaks and spills, particularly in storage and maintenance areas.



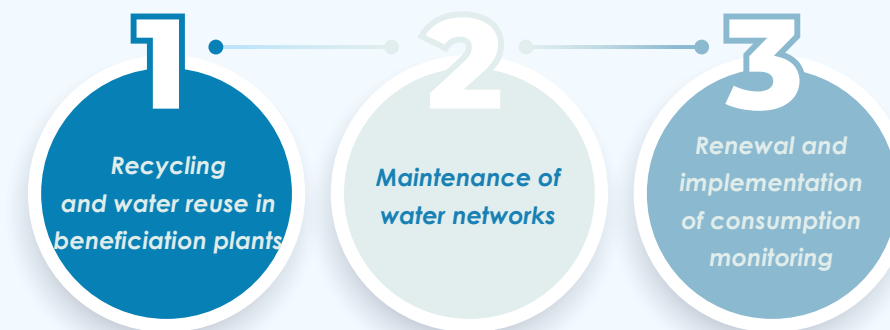
In doing so, SNIM demonstrates its ongoing commitment to respectful practices environment, in alignment with the principles of sustainable development and HSE (health, safety, environment) management.

Water and effluent



SNIM is aware of the crucial importance of water in its operations and for local communities. To streamline the use of this precious resource and improve

its efficiency, the company has implemented an action plan structured around three strategic axes :



This plan also includes monitoring water supplies and continuously searching for new water sources. The geographical location, as well as the geological and climatic conditions of Zouerate, make water a particularly valuable resource.

In addition to supplying water to the populations of Zouerate and F'derrick, SNIM supplies market gardeners and livestock farmers along the Zouerate-Nouadhibou railway corridor production groundwater. comes from fossil.

In 2023, 42% of the total water production was allocated to meet social needs.

Biodiversity

SNIM, which has been ISO14001 certified since 2011, demonstrates a continuous commitment to improving its environmental performance, with a particular focus on preserving biodiversity and promoting the circular economy in the Tiris Zemmour region.

The biodiversity of the Tiris Zemmour area



Fauna and flora in the Tiris Zemmour region: The Zouerate area is largely dominated by domestic animals, mainly camels and goats. There are also sheep, donkeys, small mammals and reptiles, such as the fennec, the golden jackal (*Canis aureus*), scorpions, the horned viper (*Cerastes cerastes*), the hare (*Lepus*

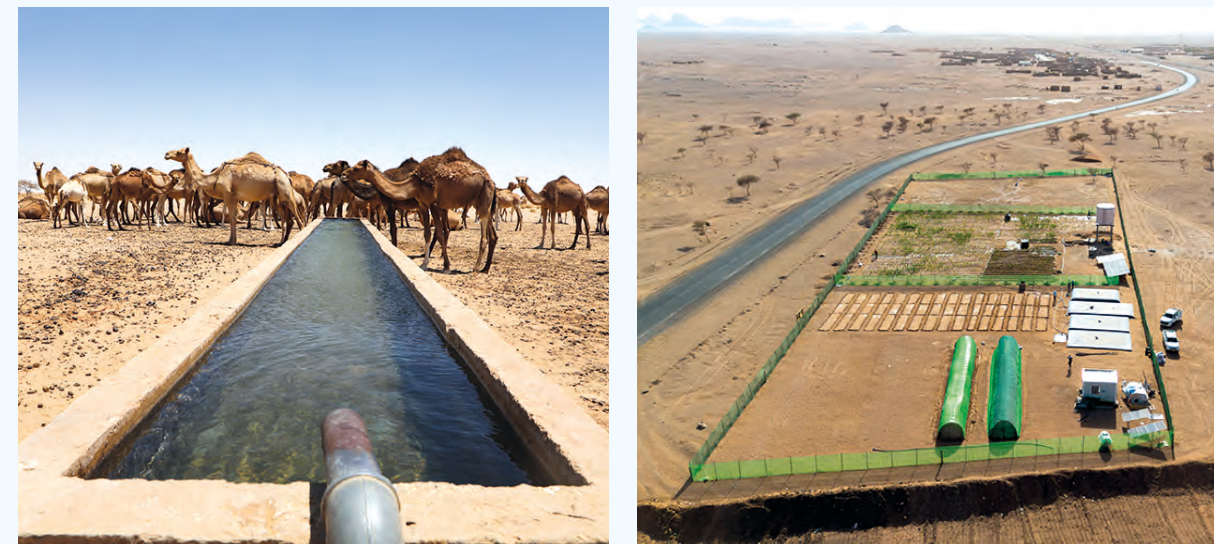
capensis) and the desert monitor lizard (*Varanus griseus*), commonly known as «Dabb Tiris».

For flora, the area is occupied by three main physiognomic types: *Maerua crassifolia*, *Acacia radiana* and *Aristida pungens*.



305,514 m³

This is the amount of water distributed to market gardeners and watering troughs in 2023 in the Tiris Zemmour region with **21** boreholes in service for livestock needs, along the Zouerate-Nouadhibou corridor



AT THE SERVICE OF BIODIVERSITY

Livestock transport

Waterers for livestock

Support for the development of market gardening perimeters

Monitoring and evaluation of the neutrality of the impacts

The biodiversity of the SNIM port area :

Every three years, SNIM carries out an assessment of the evolution of the aquatic ecosystems adjacent to the mineral port of Nouadhibou. For this task, it mandates the Mauritanian Institute of Oceanographic Research and Fisheries (IMROP) as well as the National Office for the Sanitary Inspection of Fishery and Aquaculture Products (ONISPA) to carry out scientific monitoring of the marine environment.

The 2023 report provided a comprehensive assessment of the environmental state at the Nouadhibou ore port. Overall, it found that no significant ecological disturbance was observed.

Regarding benthic macrofauna, the report indicates a notable diversity with a number of species varying between 7 and 87 taxa. The structure of these assemblages is dominated by polychaete annelids, bivalve molluscs and arthropods, which testifies to an ecological environment that is still in good condition. This finding is further supported in the disposal area, where the highest densities and biomasses were recorded.

« None of the species observed or likely to be found in the area of activity is classified as rare or threatened according to the IUCN Red List »



Assessment of the environmental status of the ore port of Nouadhibou 2010-2023

Matrix	Settings	Years	
		2010	2023
Water	pH	7,94 to 8,08	7,87 to 8,61
	Turbidity (NTU)	2,7 to 5,34	2 to 39
	HAP	undetected	undetected
	Petroleum hydrocarbon (C10-C50)	100 to 220 µg/L	0.1 to 2.6 µg/L
Macrofauna benthic	Taxon	11 to 30	7 to 70
	Density nb/m²	453 to 5347	56 to 5888
	Diversity	2.04 to 3.87	1.59 to 4.89
	Regularity	0.42 to 0.82	0.41 to 1

GHG emissions



Aware of the effects of climate change, we are convinced that the development of SNIM requires the initiation of an energy transition. In line with the national objective of reducing by 11% by 2030, we are therefore determined to seize this opportunity to reduce our greenhouse gas emissions, by reassessing our GHG reduction targets for SCOPE1 and SCOPE2 according to SNIM's energy savings source and the strengthening of the energy mix.

In 2022, emissions reached 532,748 TCO2eq/year, up 10.6% from the base year, and in 2023, they increased by 15% to 555,928 TCO2eq/year. Energy production, mining machinery and railways are responsible for 92% of our greenhouse gas emissions. **That said, the evolution of GHG specifics (KgCO2eq/T ore) shows a downward trend over the last 3 years.**

The evolution of emissions from power plants, mining machinery and locomotives in relation to SNIM's sales (in KgCO2 emitted / T ore sold).

KgCO2 / T minerali	2021	2022	2023
Power Plants	20,4	19,0	18,5
Locomotives	6,5	6,4	6,0
Mining machinery	10,6	11,4	11,7

Initiatives put in place to reduce SNIM's environmental footprint:

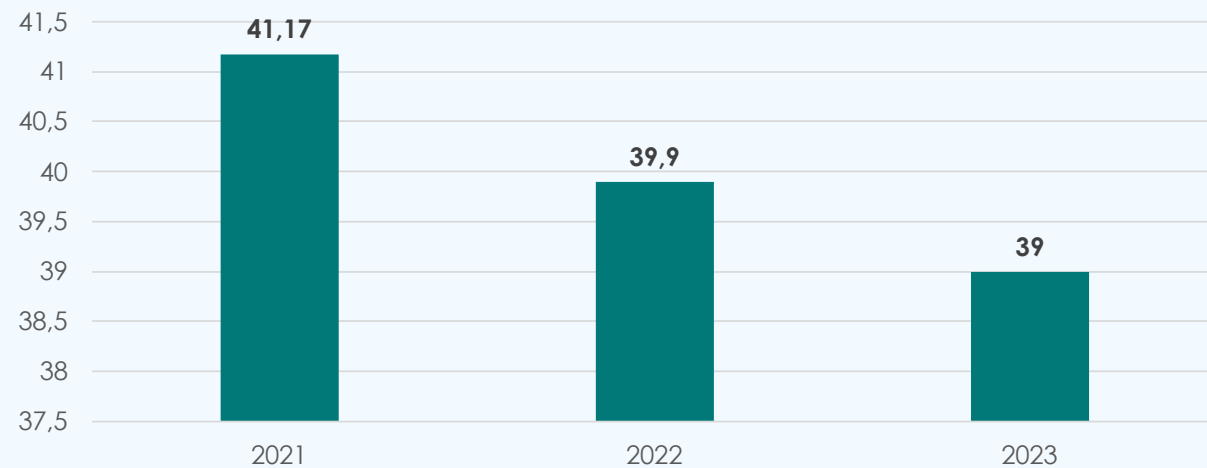
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The signing of a memorandum of understanding with Arcelor Mittal to assess the feasibility of developing renewable energy plants;

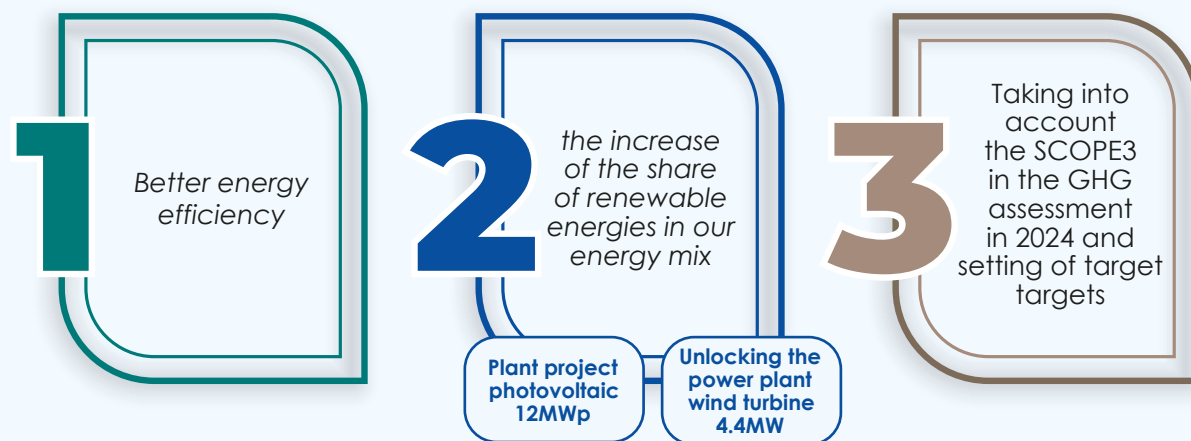
2

The signing of a memorandum of understanding with Chariot and Total Eren to study the power supply of its trains in clean energy.

Breakdown of greenhouse gas emissions 2023		
Breakdown by activity	global GHG emissions (TCO2eq)	555 928
	Emissions from industrial activities (TCO2eq)	514 006
	Emissions from social events (TCO2eq)	41 922
Breakdown by SCOPE	Scope 1 (TCO2eq)	548 273
	Scope 2 (TCO2eq)	7 655
	Scope 3 (TCO2eq)	—

Graph 2: Evolution of specific GHG (KgCO₂eq/T ore)

The strategy to reduce our carbon footprint is based on three levers:



Atmospheric emissions

The environmental analysis of SNIM's activities ranks dust emissions in Nouadhibou and Zouerate as the most significant environmental aspect. The environmental program 01 has been set up to mitigate dust emissions.

The objective is to achieve, by 2028, a dust concentration at the property limits of the site, less than 70 µg/m³ (2nd intermediate target of the SFI standards).



The components of the Environmental Program 01 :

- Installation of a watering system in the port of Nouadhibou.
- Installation of bag dust collectors at the rocker arm and loading boats in Nouadhibou.
- Installation of electric and bag filter dust collectors and a sprinkler system for the two Guelbs plants.

Average dust concentration to the property lines of facilities in the Guelbs is 123µg/m³ when it is 80µg/m³ in the natural environment.

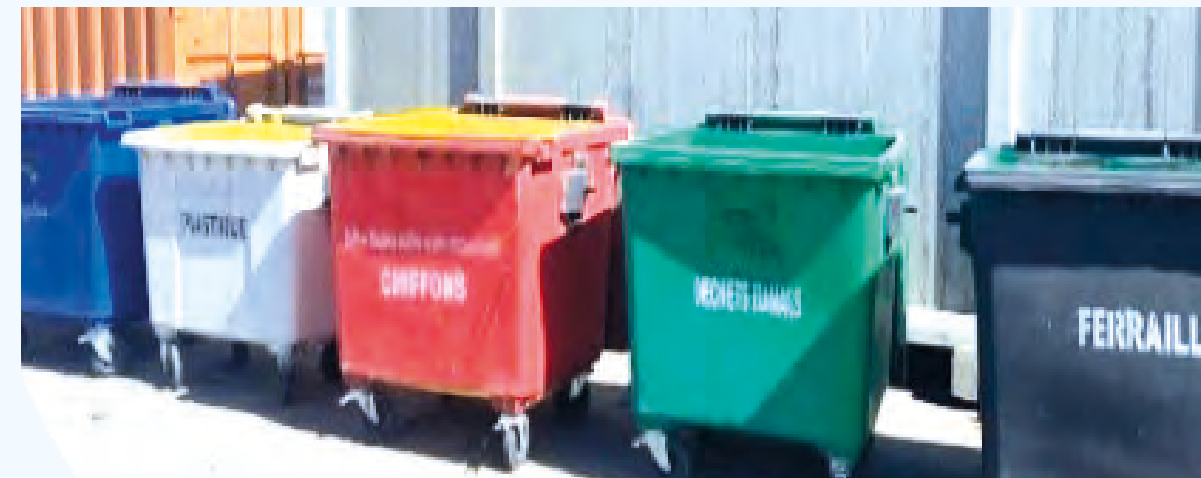
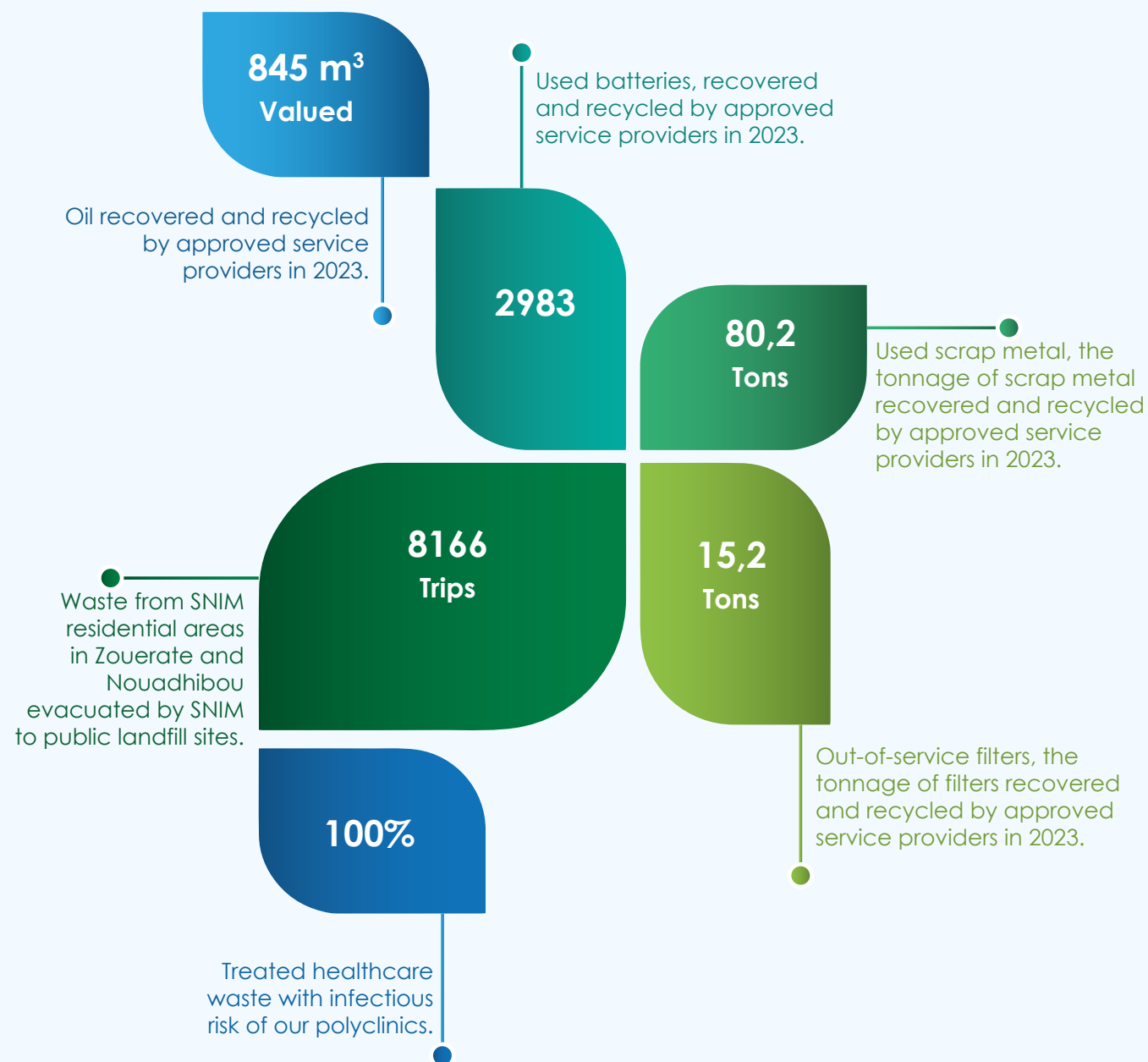
At the property limit of the facilities in Nouadhibou, it was 74µg/m³ compared to 37µg/m³ in the natural environment.

Several milestones were achieved in 2023, namely:

- The completion of the waterproofing action plans for the two plants to the tune of 71%;
- The commissioning of SMAB dust collection at plant I;
- The commissioning of the dust collection of the screening workshops of plant I;
- The commissioning of 37/45 dust collectors in service at Plant II, compared to 36 in 2022;
- The contractualization of calls for tenders for irrigation systems at plant 2;
- Launch of orders for the acquisition of new dust measuring devices.



Waste



Responsible waste management is a crucial issue for companies, not only in terms of regulatory compliance but also from an environmental sustainability perspective. Indeed, the efficient treatment of different types of waste produced by an organization not only reduces the ecological footprint, but also promotes a circular economy.

SNIM generates various types of waste, including oily effluents, dirty filters, used batteries, mining tyres, conveyor belts, radioactive sources and medical waste.

The management of this waste is based on sorting at source, treatment through recovery and recycling, as well as the disposal of the remaining waste in accordance with the standards in force.

In 2023, SNIM recovered and recycled 845 m³ of oils and 15.2 tonnes of soiled filters. The spent scrap totalling 80.2 tons, as well as 2983 spent batteries were recycled by approved service providers.

With regard to hazardous medical waste generated by the activities of the polyclinics, it is currently being managed comprehensively within the two healthcare facilities.

SNIM has also put in place environmental programs to mitigate air emissions, manage waste effluent and industrial waste, and rationalize water and energy resources. In 2023, 8166 trips were made to evacuate waste from SNIM housing estates to public landfills.



The residues

SNIM's commitment to responsible management of mining residues from its operations is firm and constant.

To date, SNIM has not recorded any risks related to its mining residues storage facilities; thus ensuring the safety of workers, local communities, the environment and infrastructure.



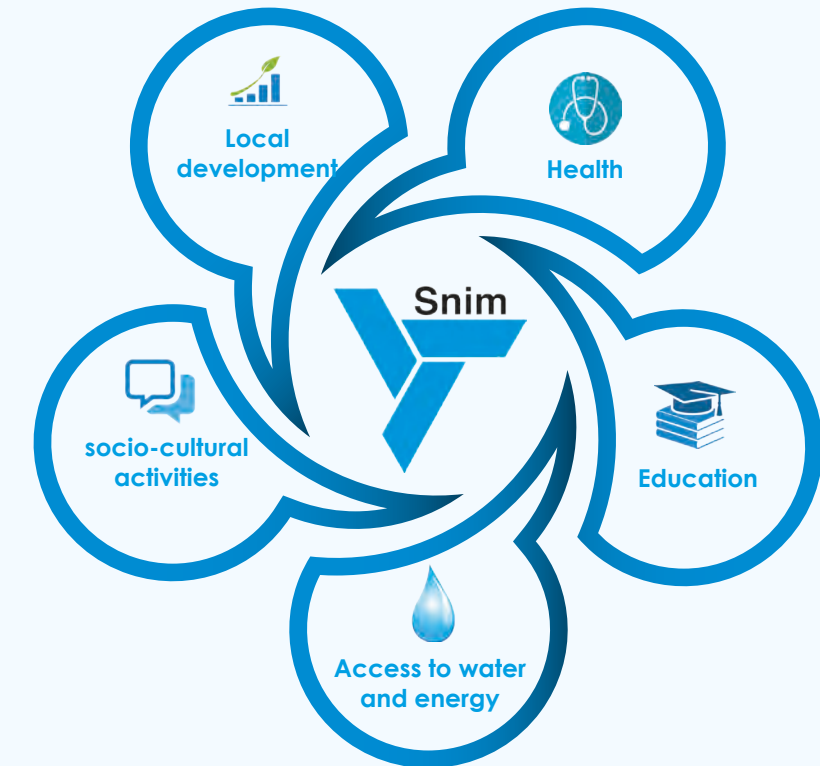
Our mining residues are inert waste, resulting from the ore treatment process which is purely mechanical, without the use of chemical additives or production of leachates.



2. Social development at the core of our inclusive and sustainable development approach



Social development lies at the heart of our mission and commitment to social and environmental responsibility. It is a crucial process that deepens our understanding of stakeholders' needs and aspirations while fostering stronger connections within our community..



Through our CSR initiatives, we aim to promote inclusive interactions, foster diversity and support the personal development of each individual. In doing so, we cultivate a corporate culture that values not only individual success, but also collective contribution to community well-being.

Employment Training

The employment practices at SNIM illustrate a deep commitment to the professional and personal development of its employees. Through a robust training policy and continuous investment in the

Skills development, the company, strives to ensure an environment where every employee excels in their current role and prepares for future challenges.

Staff statistics and well-being

Human resources development is an essential pillar of our company's development strategy. For many years, SNIM has demonstrated its commitment to

its employees through five key objectives that stimulate everyone's commitment to sustainable performance.

The key objectives of SNIM's commitment to sustainable performance



The overall workforce of SNIM has experienced an increase from **6170** employees in 2021 to **6465** in 2023.

As of December 31, 2023, our workforce had 450 executives, 3487 supervisors and 2528 workers.

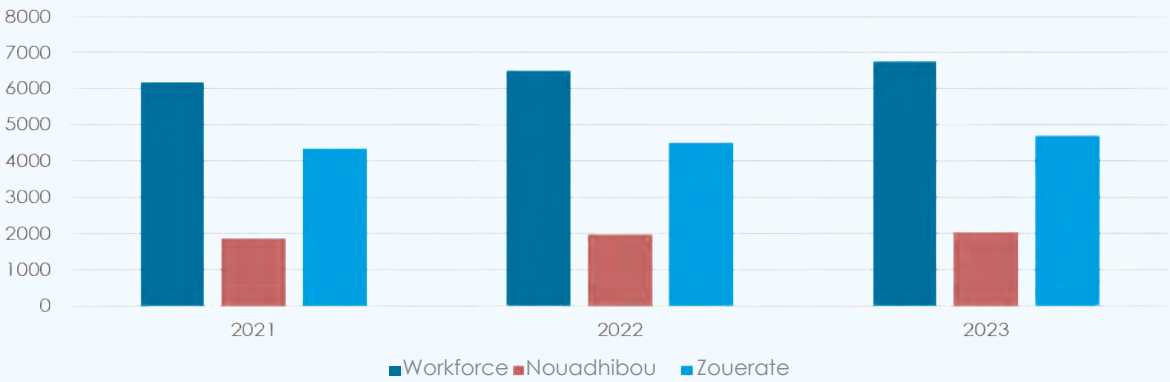
It should be noted that 70% of our employees are at our Zouerate site.



Evolution by site

	Distribution of SNIM staff by site		
	Zouerate	Nouadhibou	Total
Workforce	4 496	1 969	6 465

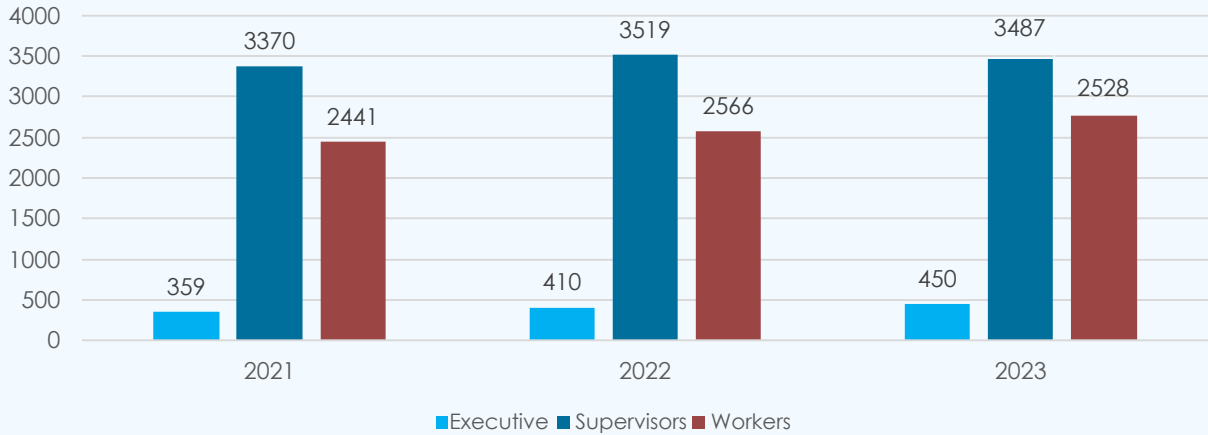
Graph 3: Distribution of SNIM staff by site



Evolution by category

	2021	2022	2023
Executive	359	410	450
Supervisors	3 370	3 519	3 487
Workers	2 441	2 566	2 528
Total	6 170	6 495	6 465

Graph 4: Evolution of the SNIM workforce by category



Training and skills development



The company's training system covers both continuing vocational training and initial training. The aim of the new vocational training policy is to guarantee SNIM employees a base of key skills necessary to carry out their operational mission, while guaranteeing them a good level of employability. In concrete terms, its implementation results in:

- Better trained recruits in the initial cycle
- Retraining or upskilling of employees in office
- The development of new partnerships in the field of vocational training.

To do this, two dedicated centers have been opened in Zouerate and Nouadhibou.

The preparation of the next generation at SNIM is carried out through initial training programs at the CAP and BTS levels. SNIM also funds scholarships for select baccalaureate holders who, upon completing their studies, may be recruited by the company in accordance with its recruitment procedures.

Assessment of the 2023 training plan

2 275

employees benefited from 14,817 hours of training.

676

learners have evolved within the Zouerate Vocational Training Center.

	2021	2022	2023
number of agents trained (with duplicates)	3 328	2 395	2 275
rate of trained staff (without duplicates) (%)	23	37	28
Number of training hours offered (broadcast hours)	19 390	14 775	14 817
Average number of training hours per employee per year	3,14	6	8,8

Salary policy and promotions

In 2023, SNIM strengthened its salary policy, marking a year of important adjustments and recognition for its employees.

This year saw a significant improvement in staff compensation: a general salary increase, individual merit increases and exceptional bonuses.

In total, 24.4% of employees benefited from a readjustment and/or promotion in 2023.

Over the past three years, cumulative salary increases have surpassed 30% of the base salary. This decision reflects SNIM's recognition of the exceptional efforts made by all its staff. Additionally, some bonuses have been increased by 50% to 100%, and new bonuses have been introduced to further enhance workers' purchasing power.

The cumulative increases over 3 years have exceeded the value of 30% of the base salary

Box 1: Tutoring for the children of SNIM employees

In 2023, SNIM launched a tutoring program for the children of its employees, candidates for national exams. More than 60 teachers and primary school teachers have been mobilized thanks to the support of the Department of Communication and Social Action, in collaboration with the ASC Kedia in Zouerate and the ASC SNIM in Nouadhibou.

Between April and June 2023, the tutoring courses covered all core subjects. This program benefited 919 students, including 575 in Zouerate and 344 in Nouadhibou, for the preparation of the Baccalaureate, the Brevet and the secondary school entry exam.



Box 2: A holiday camp for the children of SNIM employees



As part of its initiatives to support the development of its employees and their families, SNIM organized a holiday camp for 40 students from the families of SNIM employees and the railway corridor. The camp was held in Agadir, Morocco, from August 19 to September 2, 2023.

The organization of this second edition reflects SNIM's commitment to fostering a culture of excellence in education.

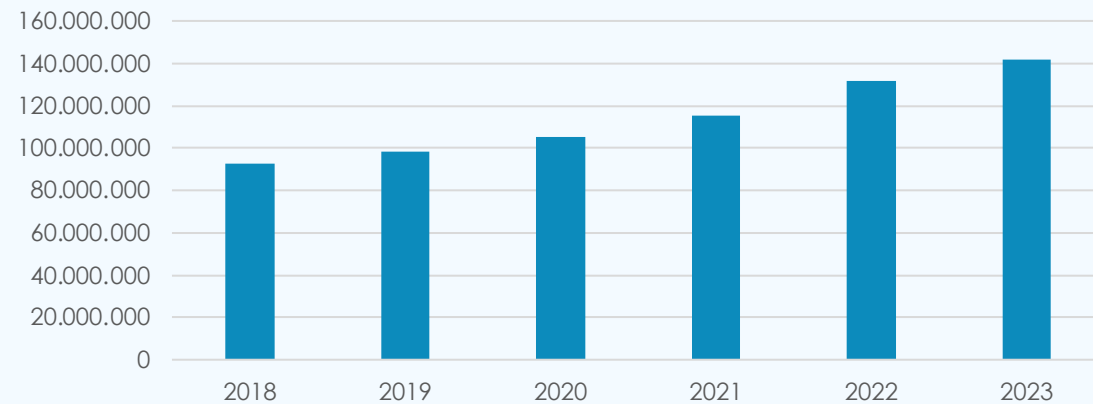


Box 3 : Supplementary pension scheme

SNIM continues to implement its social modernization plan, aimed at enhancing its capacity to address the significant social needs of its workforce. A key milestone in this effort is the supplementary pension system, which has been in place since January 1, 2011.

This scheme allocates 17% of each employee's salary for pension savings, with 10% contributed by the company. In 2023, SNIM demonstrated exceptional support for its employees' purchasing power by covering 50% of their contributions to the supplementary pension scheme from May to December.

Graph 5: Evolution of the contribution of Snim to the supplementary pension scheme (SRM)



Employee satisfaction assessment

Employee satisfaction and engagement are proactively assessed at SNIM through a staff satisfaction survey, strategically integrated into the human resources development project. This approach

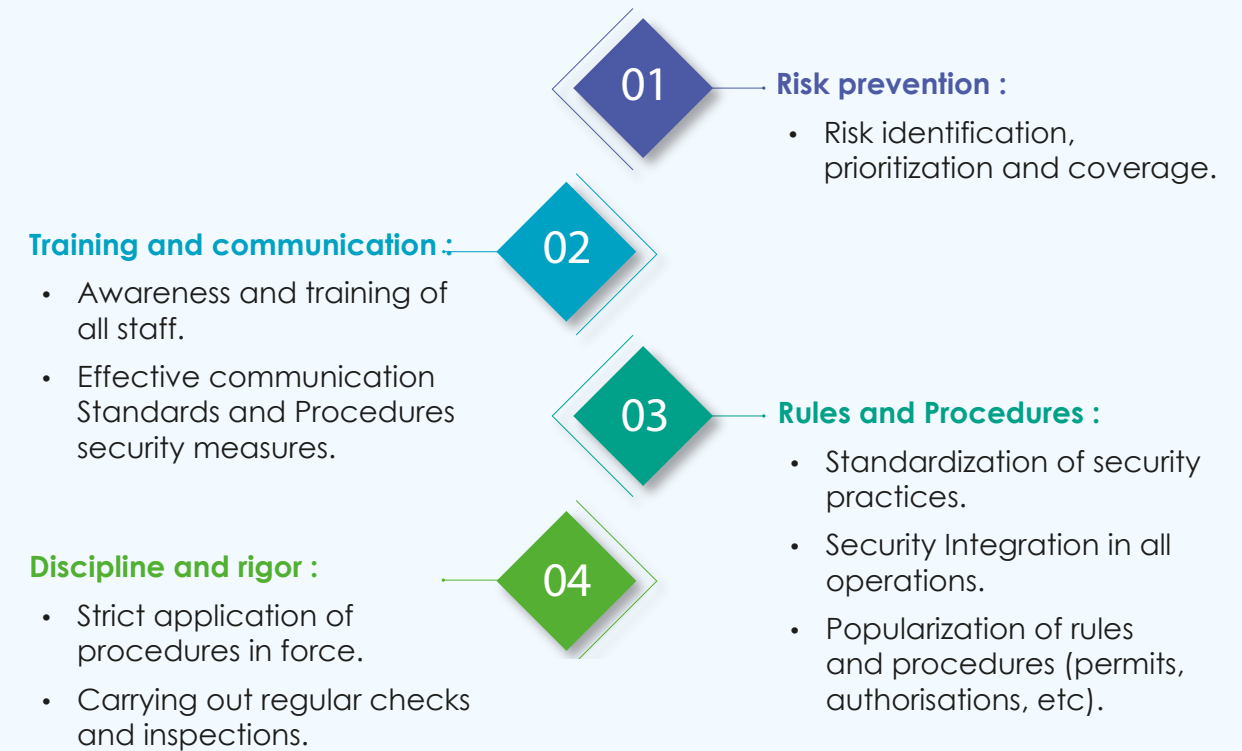
not only collects employees' opinions and perceptions about their work environment, but also highlights key areas for continuous improvement.



Occupational safety and health



SNIM values its human capital by putting the health and safety of its employees at the heart of its priorities through the Safety Action Plan. Launched in 2017, this plan aims to prevent occupational risks through a global approach organized around the following axes :



This safety policy demonstrates SNIM's commitment to ensuring a safe working environment and promoting the well-being of its employees through concrete and structured actions.

ISO45001 certification

SNIM is currently working on the implementation of the ISO 45001 certification process. This certification represents a crucial milestone in its ongoing commitment to providing a safe and healthy work environment for all its employees. The main objectives of this certification include :

- The development and implementation of an occupational health and safety management policy.
- Establishment of objectives taking into account legal requirements and information on risks related to Safety and Health at Work.

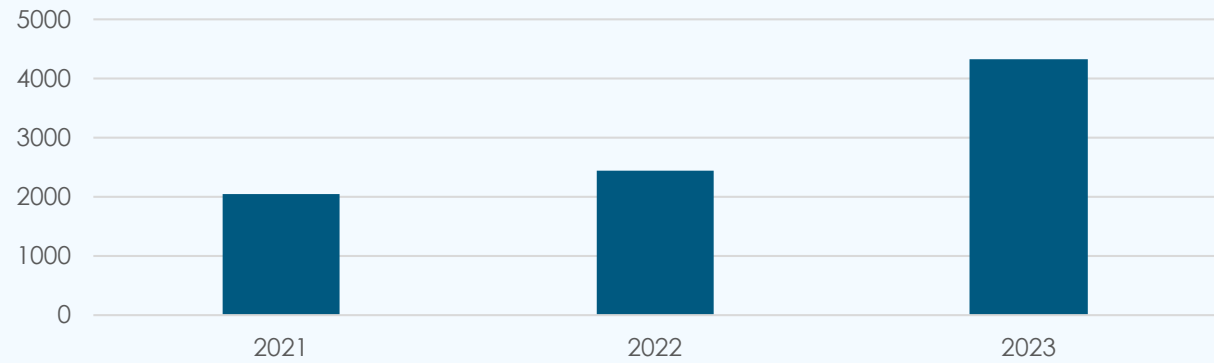
continuous safety improvement

In a constant effort to improve safety within the company, SNIM has placed the training and continuous development of its employees at the heart of its priorities. In 2023, this commitment was concretized by the training of 4320 employees

As part of our preparation for ISO 45001 certification, it should be noted that all workers in our company already have the coverage of the occupational health and safety management system. This means that every member of our team is supported by robust policies and procedures designed to ensure their safety and well-being while on the job.

on security risks. This Proactive approach includes specific programs by profession as well as systematic training, following incident analysis, demonstrating our strong commitment to the continuous improvement of our security practices.

Graph 6: Number of persons who have undergone safety training



SNIM's safety initiatives have yielded significant results, with a remarkable 75% reduction in the accident frequency rate and a 67% decrease in the severity rate compared to 2017. In addition, no deaths were recorded in 2023, demonstrating the effectiveness of the preventive measures put in place.

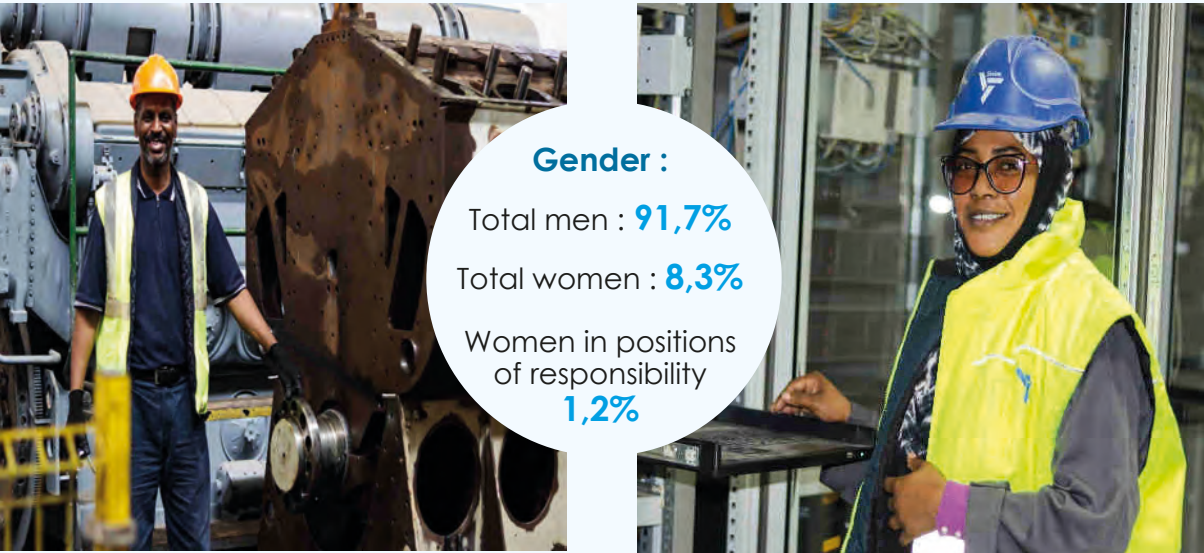
	2021	2022	2023
Number of people who have received safety training	2 040	2 447	4 320
Registrable occupational accident rate (%)	100%	100%	100%
Lost-time accidents at work	98	98	106
Days off	2 772	2 949	3 045
Fatal accidents	0	0	0
Fatal accidents	0	1	0
Fatality rate following a work accident	0,00%	0,00%	0,00%
Frequency rate	6,54	6,47	6,42
Severity rate	0,19	0,19	0,18
Rate of handling hazardous occurrences (%)	90%	92%	96%

Causes of workplace accidents			
	2021	2022	2023
Wrong maneuver	28%	33%	37%
Lack of procedure	26%	17%	19%
Failure to follow procedures	14%	10%	13%

Non-discrimination and equal opportunities

Non-discrimination and equal opportunities are central to SNIM's core values and governance practices. SNIM strives to ensure a fair and inclusive work environment, where every individual has the opportunity to contribute fully to the development of the company, regardless of gender, ethnicity, religion, or any other personal characteristic. The company is committed to promoting diversity, as evidenced by its gender balance distribution and its efforts to increase the representation of women in its workforce, particularly in positions of responsibility.

Gender distribution in SNIM's governance bodies :



To increase the number of women recruited each year, SNIM has made significant efforts and observed encouraging trends :

In 2023, SNIM recruited 373 employees, 73% of whom were women. A record-breaking year in SNIM's history.



	2021	2022	2023
Rate of women at SNIM (%)	7,44%	7,50%	8,3%
% of women in positions of responsibility	1%	1,17%	1,2%
Name of recrues	226	389	373
Rate of persons with disabilities under contract (%)	0,36%	0,40%	0,48%
Share of women in recruits (%)	5%	32%	73%

The integration of vulnerable groups and people with disabilities is an integral part of our human resources policy. 0.48% of our staff is disabled.

We continue to keep all our employees affected by life or work accidents under contract and provide them with support.

32

Employees under contract, retained in employment following a Life or work accident

Freedom of Association and Collective Bargaining

SNIM recognizes the crucial importance of freedom of association and collective bargaining in promoting a fair and equitable work environment. Within the company, the presence of trade unions plays a key role in facilitating transparent and constructive communication between management and employees. This not only ensures that interests are adequately represented of employees,

but also to promote harmonious and dialogue-based working relationships. SNIM actively encourages workers' participation in decision-making processes and is committed to fully respecting employees' right to freedom of association, in accordance with international standards and local laws.

Child labour

SNIM affirms its commitment to the respect of workers' rights and the protection of minors in all its operations, in accordance with Mauritanian laws and international standards.

SNIM ensures that no minors are employed in its operations by recruiting only individuals aged 18 or older. To guarantee compliance with labor laws, the Mauritanian Convention, and ILO conventions on child labor, SNIM adheres

to articles 246, 247, 395, and 153 of the Labor Code.

In addition, SNIM fully abides by its Charter of Ethics and rigorously enforces the conditions outlined in employment contracts. It also ensures that its subcontractors and suppliers adhere to these same standards, as stipulated in its Supplier Code of Ethics and Code of Conduct.

Forced labour and modern slavery

SNIM takes a firm stance against forced labor and modern slavery, reaffirming its commitment to ethical practices and respect for human rights across all its activities. Through rigorous policies and concrete measures, the company actively works to eliminate all forms of forced labor within its operations and supply chain.

This approach not only ensures compliance with legal standards and international conventions but also demonstrates SNIM's dedication to fostering dignified and fair working conditions for its employees and those of its business partners.

To prevent forced labor and slavery within its operations and supply chain, SNIM is implementing the following measures :

Prohibition of forced labor : SNIM strictly prohibits all forms of forced labor, including :

- Preventing employees from leaving the company.
- Using punitive methods.
- Withholding employee wages.

These measures aim to foster a work environment aligned with SNIM's core values, eliminating all forms of forced labor and ensuring full compliance with Mauritanian labor rights and ILO conventions.

Additionally, SNIM actively monitors its subcontractors and suppliers to ensure they uphold the values outlined in the Ethics Charter and the Supplier Code of Conduct.



Security practices

Site Security: Protecting Our People and Assets

SNIM has put in place rigorous security measures to ensure the protection of its personnel and facilities. Regular training and awareness campaigns promote a culture of safety, while the use of personal protective equipment is made mandatory. Strict procedures and regular inspections ensure the smooth running of our operations, with clear signage and specific layouts to reduce risks.



Security Staff: Ensure monitoring and enforcement of protocols

SNIM has a total of 96 employees dedicated to security. Their essential role is to monitor, enforce security protocols and ensure protection of its employees

and facilities. Their daily commitment helps to maintain a safe and secure work environment.

Results of the safety training plan: maintenance of a low number of accidents

The safety training plan has effectively contributed to maintaining a low number of lost-time work accidents, which totaled 106 in 2023. The primary causes

identified were false maneuvers (37%), non-compliance with procedures (19%), and insufficient handling of dangerous situations (13%).



Inclusive and inclusive economic development of local communities



SNIM places great importance on the well-being of local communities surrounding its areas of operation. Beyond its efforts to optimize water usage and improve efficiency, the company is deeply committed to supporting the social development of the populations in Zouerate, F'derick, and the market gardeners and breeders along the railway corridor between Nouadhibou and Zouerate.

SNIM's expenditures highlight this commitment, with MRU 37 million allocated to health, MRU 78 million to education, MRU 153 million to access to water and energy, and MRU 161 million to local development. These investments underscore the company's dedication to improving living conditions in local communities.

«These investments focus on critical areas such as health, education, and access to essential services, reflecting the company's priorities for community well-being».

Encadré 4 : La fondation SNIM



The SNIM Foundation is a non-political, nontrade union, non-profit association established in 2007 and recognized to be of a public utility in 2012. As the social arm of SNIM, it aims to act as a catalyst for social and economic progress, drive positive change and model a holistic approach to development. The foundation strives to create strong

partnerships, implement innovative programs and act as a catalyst for inclusive growth, while being guided by the principles of accountability and transparency.

By structuring its programs around five key commitments, the Foundation is actively contributing to the achievement of the Sustainable Development Goals (SDGs), supporting national and international targets in this field.

Promote the targeted populations' access to basic social services (water, electricity, health, education, etc.) by giving priority to the use of renewable energies and processes that respect the preservation of the environment.



Access to water



Access to water has always been a major challenge that SNIM faces in its desire to meet the expectations of the populations of the railway corridor, who need it to settle in their localities.

In this context, the drilling points search program, initiated in 2022, has made it possible to carry out 34 operable boreholes by the end of 2023. Equipped with solar panels and secured, these boreholes have a high throughput and storage capacity to better meet the needs of local populations, especially during heat waves. This also makes it possible to provide camels and small ruminants in these areas with healthy watering points, with better control of transhumance flows in complete safety, far from the railway line.

It should be noted that 34.04 MMRU were devoted to the construction of new boreholes and 11 MMRU were spent to extend the capacity of the brackish water treatment plant installed in Zouerate. 9 million MMRU have been allocated to the search for new drilling points for future exploitation.



In 2023, SNIM produced a total of 4,315,298 m³ of water, of which 46% was consumed for industrial needs and about 42% covered social needs. In comparison, in 2022, total water production was slightly lower, reaching 4,313,630 m³.



Industrial consumption increased by 3% compared to 2022, to 1,993,879 m³, in connection with the intensification of its industrial activities. Similarly, social consumption increased slightly by 1%, reaching 1,822,857 m³, thus supporting population growth and improved access to drinking water.



A direct outcome of this extensive water pumping program was the introduction of intensive agriculture to benefit the populations of these arid regions.

This initiative marked a small yet significant «green revolution,» made possible for the first time by the availability of water, which enabled the cultivation of certain vegetable crops in the area.



Energy access

SNIM fully produces the energy production required for its facilities. It also supplies the necessary electricity to the towns of Zouerate and F'derick.

To date, this energy production comes mainly from three thermal power stations with a total capacity of 100 megawatts.

At the same time, SNIM is gradually increasing its capacity in clean energy.

“

Out of a total production of 393,073 MWH in 2023, 75% was used for industrial purposes, while 15% met civilian needs.

”

with a solar power plant in Zouerate, and a wind turbine in Nouadhibou, totalling 7.4 MW. In Zouerate, a new 12 MW solar power plant is being set up to strengthen the energy mix.



“

As part of its solidarity efforts, SNIM provides isolated households with solar lighting kits, enabling them to have nighttime lighting as well as the ability to operate a television and charge mobile phones.

■

Thus, in 2023, a budget of 728,000 MRU was allocated to this action which benefited the localities of Ben Amara, Choum, Touajil and Birmoghrein.

”

Education

Support for the education sector constitutes a significant portion of SNIM Foundation's expenditures. In 2023, the Foundation allocated 52.3 MMRU for the extension and repair of several schools and preschools, representing 57% of the total spending dedicated to this sector.

The introduction of scholarships for the training and professional integration of employees' children, along with the organization of preparatory courses for national examinations, were two notable initiatives. Together, these programs

mobilized 27 MMRU, accounting for 29.43% of the education sector's allocated budget.

Other key education initiatives in 2023 included :

- Financial aid provided to 243 students pursuing higher education.
- Distribution of 20,000 school uniforms to students in schools across the wilayas of Tiris Zemmour, Dakhlet Nouadhibou, and Choum (Adrar).



Health



SNIM operates its own healthcare facilities, including two polyclinics dedicated to providing medical care for all employees and their families. These polyclinics offer a full range of medical services, from consultations to surgeries.

Each polyclinic has a hospital capacity of 100 beds, for a total of 200 beds, and is equipped with modern medical equipment.

In the workplace, an Occupational Health Unit delivers routine medical services and first aid in case of accidents. Additionally, eleven occupational health units are established across various sites and base camps along the railway to help prevent occupational diseases and ensure medical services are readily accessible to workers..

	2018	2019	2020	2021	2022	2023
Consultations	154 716	137 800	132 361	128 108	149 384	163 311
Days of hospitalization	11 069	9 962	9 776	11 482	15 419	19 326
Surgical procedures	1 071	1 051	876	865	787	716
Laboratory tests	46 196	39 668	40 433	43 657	46 465	64 160
X-ray examinations	3 020	5 547	5 306	4 636	6 029	7 946
Dental procedures	6 269	6 489	4 811	5 492	7 925	7 040
Deliveries	603	611	659	631	538	770

In 2023, the health sector, which ranks as the highest spending category, achieved significant progress. Beyond traditional renovation and rehabilitation projects, a new approach to healthcare delivery was adopted, particularly for the railway corridor.

This strategy introduced the organization of medical caravans in partnership with specialized NGOs, ensuring continuous follow-up care for patients with chronic illnesses. This shift aims to move away from the simple distribution of medicines in health centers. A total of 21 specialized medical sessions were held in Nouadhibou and Zouerate, strengthening access to healthcare in these regions.



In addition, SNIM expanded medical coverage for its retirees. By the end of 2023, contributions for 1,914 pensioners were covered by SNIM, with 138 retirees newly integrated into the national health insurance fund for the first time.

To further improve employee medical coverage, SNIM signed a partnership agreement in 2023 with the Sheikh Khalifa Bin Zayed Foundation in Morocco (FCKM). This collaboration is expected to contribute significantly to the upgrading of SNIM's healthcare system.

Subsidies to religious State and cultural institutions

Various actions were carried out in favor of religious, State and cultural institutions which received a total funding of 73.4 MMRU.



- Operating subsidy for the benefit of several municipalities: Boulenouar, Tmeimichate, Choum, Fderick, Zouerate And Nouadhibou.
- Rehabilitation of an administrative building in TMEIMICHATE.

Distribution of Iftar meals all along the railway corridor during the holy month of Ramadan.



Financial support for the pilgrimage benefiting 36 employees, in addition to local imams.

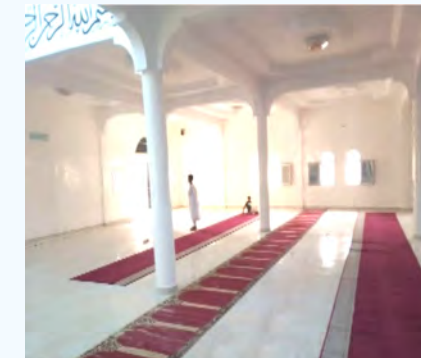
Renovation of two mini sports fields in Zouerate.



Construction of a police station in the 600 housing district in Zouerate.



Equipment of the football field of the city of Cansado in Nouadhibou.



Construction, renovation and equipment of mosques and other religious infrastructure.

3. Governance and Economic Development

For more than a decade, SNIM has been committed to promoting exemplary governance of sustainable development and it mobilizes organizational and financial resources to maintain and improve its achievements in this field.

Its rigorous organization and transparent governance ensure that its actions are better aligned with its values and the expectations of its stakeholders, which has enabled the company to achieve significant economic benefits.

SNIM's commitment to a sustained approach dates back more than a decade. In 2005, it obtained its first ISO 9001 certification, marking the beginning of its commitment to the integration of recognized quality standards into its governance. This certification has been regularly renewed in 2008, 2011, 2014, 2017 and 2021, thanks to the rigor in the application of the requirements of this standard.

In 2010, SNIM voluntarily joined the Extractive Industries Transparency Initiative (EITI), marking its first steps towards corporate social responsibility.

In 2011, its environmental management system was certified ISO 14001, elevating its commitment to the environment and sustainable development to a new level. This certification was renewed in 2014, 2017 and 2021, thanks to the consistency of its commitment and the relevance of its initiatives in favor of the preservation of the environment and the reduction of its footprint.

In 2021, SNIM obtained the **confirmed CSR commitment label**, AFAQ 26,000 model, at the **confirmed level**. This label evaluates 55 sub-criteria covering strategic and managerial practices, as well as economic, social and environmental aspects.

These acknowledgments constitute a capital of trust that consolidates SNIM's reputation and credibility with its stakeholders. They also demonstrate the sincerity of its long-term commitment to quality, environmental management and corporate social responsibility.

This holistic approach is supported by a rigorous organization, including a CSR Steering Committee, the Environment and Safety Department, a network of CSR correspondents, as well as the Operational Departments and Support Services, for a harmonious and agile monitoring of the company's CSR initiatives.



Focus on the governance of our sustainable development approach



Economic impacts

Direct economic value generated :

In 2023, SNIM generated an impressive direct economic value of MRU 50.053 billion (USD 1.367 billion), testifying to its significant role in the national economy. SNIM contributes 9% to Mauritania's GDP.

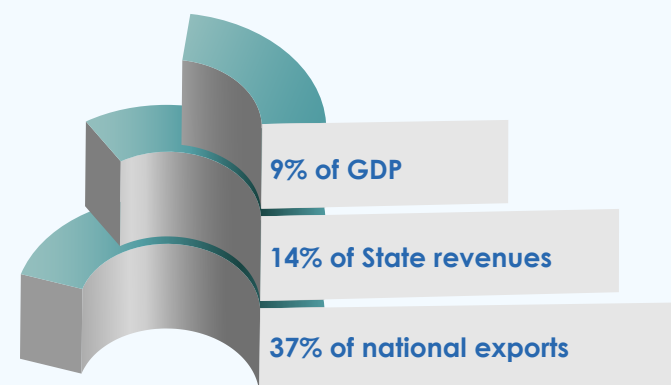
Initiatives to maximize economic outcomes :

To maximize positive economic results, SNIM has launched several strategic initiatives. These include increasing its production capacity, reducing its carbon footprint, developing technology and developing new technologies. Iron ore production, as well as seeking partnerships aligned with customer demand trends in the context of the transition to a decarbonized economy.

National contribution and local investments (GRI 207) :

SNIM plays a leading role in the national economy, with 37% of national exports and 14% of State revenues in 2023. In addition, its impact on the gross domestic product (GDP) of the country remained stable at 9% . At the same time, SNIM has invested 8,300,000 MRU to support the local economy and promote job creation.

SNIM's national contribution



4121
underground
workers

Our suppliers in 2023

1001
Total suppliers.
421
Local suppliers.
49
Subcontractors.
4 554 Millions MRU
orders placed locally.

Anti-Corruption

For SNIM, fighting against corruption is of paramount importance. Through rigorous measures and constant vigilance, the company strives to maintain high standards of transparency and integrity. This reflects a deep commitment to responsible and ethical corporate governance, which is essential to ensure stakeholder trust and respect.

In 2023, SNIM made notable progress in managing corruption risks, with 25% of its processes assessed for corruption risks, marking a significant improvement compared to previous years when no process had been assessed. This proactive initiative identified five significant risks related to corruption, highlighting the effectiveness and rigour of the new internal control measures put in place. Despite these identified risks, there have been no proven cases of corruption, confirming the absence of active corruption within the organization and attesting to the effectiveness of prevention policies.

Evolution of audits carried out 2021-2023

	2021	2022	2023
Percentage of audits for the program per year (%)	13%	73%	90%
% of directions that were audited	5%	40%	53%
discrepancies handled within 12 months	-	24%	25%

Responsible purchasing

As part of the structuring of its CSR approach, in accordance with ISO 26000, SNIM has committed to ensuring the management and reduction of environmental, economic and societal risks related to its supply chain, via a responsible purchasing program. This commitment is now materialized by the adoption of a responsible purchasing policy, a supplier code of conduct and an extra-financial monitoring procedure for our strategic suppliers.



In June 2022, SNIM began the evaluation of its strategic suppliers so that its partners participate and follow a set of rules and

principles on the environment, ethics and social responsibility.

“ In 2023, all SNIM strategic suppliers signed the Supplier Code of Conduct with contracts containing clauses on environmental, labour and human rights requirements. ”

“ All of SNIM's strategic suppliers and subcontractors were evaluated on their CSR performance. ”

This evaluation covered the following topics :

- Respect for health and hygiene and safety;
- Prevention of corruption;
- Respect for human and labour rights;
- Environmental protection.

We are committed to :




- Establish a programme for steering and continuous improvement of performance in terms of responsible purchasing, taking into account the challenges we face;
- Establish partnerships with responsible suppliers;
- Promote social responsibility in the choice and relationships with our suppliers ;
- Ensure extra-financial vigilance throughout the company's value chain ;
- Integrate environmental and social issues into the procurement process ;
- Favour, under the same conditions, the choice of local suppliers.

Result	Number	Percentage
GOOD	50	46%
ACCEPTABLE	44	41%
To be monitored	14	13%
TOTAL	108	100%



Annexes

Annex 1 : SNIM's contribution to the Sustainable Development Goals

SDG	SNIM Contribution
 <p>No poverty</p>	<p>Salary Increase: In 2023, a 10% increase in the base salary was granted to 10% of the workforce, in addition to the 10% general salary increase achieved in 2022. The bonuses are 7 basic salaries, plus 100,000 MRU for manual workers, 6 basic salaries for supervisors, and 5 basic salaries for managers.</p> <p>Social support: A social budget of MRU 1 billion was granted in 2023 to consolidate social projects in the areas of health, living environment, schooling, as well as sports and socio- educational activities.</p> <p>Access to Housing: In 2023, SNIM strengthened its housing policy by distributing 600 plots of land to employees in Nouadhibou, in partnership with the Nouadhibou Free Zone, thus completing the distribution of 600 housing units carried out in Zouerate the previous year, with 30% financing by SNIM and a monthly deduction of the non-housing allowance over 10 to 15 years, without affecting the salary.</p> <p>Local Development: SNIM allocated MRU 161 million MRU for local development in 2023.</p>
 <p>Zero Hunger</p>	<p>National contribution: In 2023, SNIM contributed 9% of national GDP, 37% of national exports and 14% of State revenues.</p> <p>Local investment: In 2023, SNIM invested 8.3 MMRU to support the local economy. The SNIM Foundation has also invested 8.5 MMRU to initiate agricultural projects in Choum, Fderick and the T014 mining site, using greenhouse cultivation and drip irrigation techniques to contribute to strengthening food security and promoting socio-economic development in the country's arid regions.</p>
 <p>Good Health and Well-Being</p>	<p>Medical Coverage: Comprehensive medical care for all employees and their families, i.e. more than 31000 people.</p> <p>Investment in Health: SNIM's expenditure, including MRU 37 million for health in 2023, shows a continued commitment in this crucial area.</p> <p>Signature of a partnership with the Sheikh Khalifa Ben Zayed Foundation in Morocco for the upgrading of health structures systems and services.</p> <p>Health infrastructure: Two polyclinics and eleven occupational health units for employees and their families.</p> <p>Health Support: In 2023, SNIM intensified its initiatives in the health sector, including the realization of 21 specialized medical sessions in Nouadhibou and Zouerate Subsidy for health awareness days in the rail corridor and in the cities of Zouerate and Birmoghrein, in partnership with NGOs, the rehabilitation of the Boulanoir health centre, the provision of specialised consultations by neurosurgeons and the management of the contributions of 1,914 retirees affiliated to the national health insurance fund (CNAM).</p>



Quality Education

Educational Support: the extension and rehabilitation of several schools and preschools with an amount of 52.3MMRU, or 57% of the spending allocated to this sector.

The allocation of financial aid to 243 students in higher education.

The distribution of 20,000 school uniforms to schools in the railway corridor.

Tutoring for the children of SNIM employees, candidates for national exams. More than 60 teachers and primary school teachers were mobilized. The tutoring courses covered all core subjects, between April and June 2023. 919 students, including 575 in Zouerate and 344 in Nouadhibou, benefited from it for the preparation of the Baccalaureate, the Brevet and the entrance exam for the first year of secondary school.

Employee Training: In 2023, 2,275 employees benefited from 14,817 hours of training.

Initial Training: 676 learners have evolved since 2012 in the Zouerate Vocational Training Centre.



Gender Equality

Record recruitment, women represent 73% of the 373 new recruits at SNIM, At the end of 2023, women represent 8.3% of SNIM's staff.



Drinking water and sanitation

In 2023, SNIM produced a total of 4,315,298 m³ of water, of which 46% was consumed for industrial needs and about 42% covered social needs. In comparison, in 2022, total water production was slightly lower, reaching 4,313,630 m³. Industrial consumption increased by 3% compared to 2022, to 1,993,879 m³, in connection with the intensification of its industrial activities. Similarly, social consumption increased slightly by 1%, reaching 1,822,857 m³, thus supporting population growth and improved access to drinking water.

Hydraulic Projects: In 2023, SNIM completed the construction of 34 boreholes equipped with solar panels in the railway corridor.



Affordable and Clean Energy

Renewable Energy: In addition to the integration of renewable energy sources, with a 4.4 MW wind farm in Nouadhibou and a 3 MW solar station in Zouerate, SNIM has integrated renewable energy sources in 2023, with solar lighting kits distributed to isolated households.

in the railway corridor, allowing night lighting, the operation of televisions and the charging of mobile phones.

In Zouerate, a new 12MW solar power plant was being built to strengthen SNIM's energy mix.



Decent Work and Economic Growth

Labor rights : Strict respect for labor rights, ban on the employment of minors and fight against forced labour, in accordance with international standards and local laws. SNIM also recognizes the crucial importance of freedom of association and collective bargaining in creating a fair and equitable work environment.

Certification : Preparation of ISO 45001 certification as a crucial milestone in the company's commitment to a safe and healthy working environment.

Employment of Persons with Disabilities : In 2023, 0.48% of staff are disabled, and SNIM continues to maintain and support all its employees who are victims of work accidents.

Security training : Training of 4.320 agents in 2023. SNIM's safety efforts have borne fruit, with a remarkable 75% drop in the accident frequency rate and a 67% drop in the severity rate compared to 2017. In addition, no deaths were recorded in 2023, demonstrating the effectiveness of the preventive measures put in place.

Investments that strengthen SNIM's economic development have been put in place in 2023 :

- The new loading excavator wheel and its recovery line, which is scheduled to be commissioned in 2024, will strengthen the port's loading capacity with 6000 tons per hour.
- The F'derick project to produce 2 million tonnes per year of iron ore.
- The construction of a 30 MW thermal power station in Zouerate, to increase electricity production with delivery scheduled for 2024.

SNIM has also put in place a Strategic Business Plan to guide its development and strengthen its position in the mining sector.



Industry, Innovation and Infrastructure

Strategic Partnership Projects :

- Completion of the El Aouj project aimed at the production of 11.3 million tonnes of iron ore.
- Completion of the Takamul project to produce 10 million tonnes of iron ore.

National Industrial Development: Eleven subsidiaries operating in various sectors such as construction, tourism, management of oil installations, exploitation of ornamental stones, water and electricity networks, manufacture of industrial complexes, management and real estate development... These subsidiaries contribute to national industrial development and create more than 2000 direct and indirect jobs.

Dust Emission Control: Implementation of dust control plans through the installation of dust collectors in critical areas.



Reduced inequalities

SNIM has established governance and procedures to ensure equal opportunities and reduce inequalities, including by adopting non-discriminatory policies and practices and promoting appropriate governance in this regard.



Sustainable Cities and Communities

Water consumption: In 2023, 1.8 million m³ of water produced were allocated to the needs of the population.

Support for Local Institutions: The SNIM Foundation has allocated an amount of 9,766,426 MRU in 2023 to strengthen good local governance, modernize administrative infrastructure, support the functioning of municipalities and improve public security in Zouerate.

Support for religious institutions: SNIM has allocated a budget of 43,660,800 MRU in 2023 to rebuild and rehabilitate mosques, support the pilgrimage to Mecca, organize collective iftars, etc.

Support for cultural and sports activities: The SNIM Foundation invested nearly 20,120,000 MRU in 2023 for the construction, renovation and equipment of sports infrastructure in Nouadhibou and Zouerate, thus promoting the development of the youth of the mining cities through cultural and sports activities.

The main goals and targets of SDG 12 are covered by all actions under the environmental, social and economic clusters of CSR. In particular, we note :

- Sustainable consumption and production patterns.
- Environmentally friendly chemicals and waste management
- Sustainable management of natural resources.
- Adoption and promotion of sustainable practices.

Code of Conduct: Adoption of a code of conduct for partners, emphasizing environmental, ethical and social responsibility.

Since 2022, SNIM has begun the evaluation of its strategic suppliers in order to make them responsible for their compliance with the principles of the environment, ethics and social responsibility. At the end of 2023, 108 suppliers had been audited.

Local purchases: 115.25 MMRU spent on local purchases in 2023.

Subcontracting: More than one billion MRUs were allocated for subcontracting in 2023, involving a total of 49 subcontractors.



Climate Action

Environmental Management: Continuous improvement of the Environmental Management System, including successful audits and training of employees on environmental aspects.

The SNIM also has a resource rationalization system, a program for the management of industrial waste, a program for the management of waste effluents and an environmental program for the mitigation of atmospheric emissions.

SNIM aims to reduce its greenhouse gas emissions, in particular by increasing the share of renewable energy and improving the energy efficiency of its operations.

It is committed to reducing dust and gas emissions from stacks and exhaust gases. It implements dust collection and watering systems to control these emissions.



Life Below Water

Ongoing monitoring and monitoring: Maintain regular assessments every three years to track changes in aquatic ecosystems near the mining port of Nouadhibou, ensuring that monitoring methods are robust and well-documented.

The 2023 report provided a comprehensive assessment of the environmental state at the Nouadhibou ore port, showing overall that no significant ecological disturbance was observed.



Life on Land

SNIM, which has been ISO14001 certified since 2011, demonstrates a continuous commitment to improving its environmental performance, with a particular focus on preserving biodiversity and promoting the circular economy in the Tiris Zemmour region.

Waste Management: Recycling of batteries, filters, scrap metal and used oil, with contracts for the treatment and disposal of waste, including the integral management of high-risk medical waste within the polyclinics.

By the end of 2023, 34 secure solar boreholes will be completed, equipped with large storage capacities to meet needs efficiently, especially during periods of high heat.

The initiative also provides essential watering points for camels and small ruminants, while improving the management of transhumance movements and reducing the risk of rail accidents.



Peace, Justice and Strong Institutions

Internal Audit: Strengthening of internal audit and inspection structures, with 90% of the audits carried out of the annual program in 2023 to improve operational quality.

Anti-corruption: Assessment of 25% of processes in 2023 to detect risks, identifying five significant risks with no proven cases of corruption, demonstrating the effectiveness of preventive policies.

Forced labour: The SNIM bans the use of forced labour in all its forms, including :

- Prevent the employee from leaving the company.
- Use punitive methods.
- Not paying employees.



Partnerships for the Goals

Achieving the Sustainable Development Goals requires global collaboration. International cooperation, technology support, fair trade and capacity-building are crucial for developing countries to make progress towards sustainable development.

In 2023, and as part of strategic partnerships for sustainable development and technology transfer, SNIM signed a memorandum of understanding at COP 28 for the development of a green hydrogen pilot project for the transport of iron ore. This memorandum is the corollary of a roadmap developed by the Ministry of Petroleum, Mines and Energy for the low-carbon hydrogen industry in Mauritania.

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