

## **Immediate media statement regarding KCM**

Vedanta Resources and Konkola Copper Mines (KCM) are aware of media reports that Zambian state owned company, ZCCM-IH, has obtained an ex-parte order against KCM. ZCCM-IH owns 20.6% of KCM and has its nominees on the company's board. Vedanta and KCM reiterate their request for an immediate and urgent meeting with his Excellency, Edgar Lungu, President of the Republic of Zambia, to discuss the matter.

Vedanta is a long-standing, loyal investor in KCM and in Zambia having invested over US\$3 billion since the acquisition of the asset in 2004. The company employs nearly 13,000 people at its sites and operates clinics, hospitals and schools through its corporate social responsibility programme that amounts to over US\$210 million since the acquisition. KCM has contributed c.US\$1.3 billion to the Zambian Exchequer in that period and continues to be the leading Pay As You Earn contributor in the country. For the year ended 31 March 2019, Vedanta provided KCM with financial support (including funding of loan repayments) of US\$419 million.

These significant financial and social investments combined with exponential rises in taxes, duties, fuel and power costs have placed an enormous and unaffordable burden on the company. The most recent restrictions and duty on concentrates have negatively impacted the running of the smelter and the much-needed acid to run its operations. In addition, the Zambian government owes the company more than US\$180 million in VAT refunds which has made the situation even more challenging.

KCM is seeking to meet with the Government as a matter of urgency to discuss the future of KCM and the impact that the current onerous situation is having on the company, the people of the Copperbelt and the Zambian people as a whole.

### **About KCM**

Konkola Copper Mines (KCM) is one of Zambia's largest copper producers, with operations in Chingola, Chililabombwe, Kitwe and Nampundwe. KCM is a subsidiary of Vedanta Resources Limited ("Vedanta"). The Zambian state-owned ZCCM-IH holds a significant shareholding (20.6%) in KCM also. Since 2004, KCM has invested more than \$3 billion to upgrade and expand company assets. Today it is of the largest private sector employers in the country and maintains one of the most comprehensive corporate social investment programmes.

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