



**Corporate Social Responsibility Committee**  
**Annual Report**

**BAKU – 2022**

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## INTRODUCTION

“AzerGold” Closed Joint Stock Company was established in accordance with Decree no 1047 dated February 11 by the President of the Republic of Azerbaijan. The main objective of the Company is the study, research, exploration, management of ferrous and non-ferrous metal ore deposits, as well as extraction, processing and sale of this metals, implementation of new technologies in this field, modernization and efficient use of material and technical base, execution of other activities related to the development of this industry sector.

Efficient use of natural resources, application of sustainable development concept and social responsibility are the fundamental principles of AzerGold Closed Joint Stock Company. The Company is well-aware about possible impacts of the study, exploration, operation, and management activities on the environment, residents and communities living in production areas, as well as their rights. AzerGold is regulating such impacts within the framework of its Corporate Social Responsibility Policy.

Corporate Social Responsibility Policy of AzerGold CJSC is developed and regularly updated, taking into account the national legislation, best international practices in the field of mine engineering, “Equator Principles for determining, assessing and managing environmental and social risk in project finance”, and UN Guiding Principles on Business and Human Rights.

“Corporate Social Responsibility Policy” is developed and implemented by Corporate Social Responsibility Committee, which has been operating since October, 2017. The Committee is a collegial body and issues periodic reports about its activity. The Committee is the collegial body and issues periodic reports about its activities. Within the framework of Social Impacts and Responsibility Policy, the Committee implements long-term and short-term projects which requires a year or longer timeline or periodic implementation.

With the view to ensure the efficient implementation of the projects in 2022 under the above named policy, members of Corporate Social Responsibility Committee held meetings three times in Dashkasan, once in Goygol and Balakan. Thus, social needs of local residents from the named districts and adjacent villages and settlements were identified. Participants spoke about existing difficulties and problems and exchanged views on new initiatives. Upon such appeals, the tasks and recommendations were given related to further possible actions, investigation and solution of the issues raised by the citizens with applicable legislation.

## **SOCIAL PROJECTS**

### **Translation and publication of Canadian geologist Robert Stevens's book "Exploration of minerals and fundamentals of the mining industry"**

"Mineral Exploration and Mining Essentials" by Canadian well-known geologist Robert Stevens was translated into Azerbaijani and published with the support of AzerGold CJSC.

The presentation ceremony was held on 17.03.2022 and the publication was presented to universities, scientific libraries.

The main goal of the project is to contribute to the consistent activity of the state, scientific and educational institutions of Azerbaijan by fostering the awareness of young experts about the innovations in the world science in the field of studying, researching and efficient management of minerals in their mother tongue.

### **Support to the development of beekeeping in Dashkasan**

"Support to the Development of Beekeeping" project implemented in Dashkasan region with the support of the Small and Medium Business Development Agency (SMBDA) and the organization of "AzerGold" Closed Joint-Stock Company (CJSC) has been completed.

Speaking at the event, Deputy Chairman of the Board of AzerGold CJSC Ogtay Mammadov noted that the main mission of the project is to contribute to the development of small business ecosystems in the region, the promotion of beekeeping as an eco-entrepreneurship and increase natural honey production. He noted that such projects, which are regularly implemented by the Company, serve to support socio-economic state programs and to improve the welfare of the population. He stressed that relevant projects will be continued to promote small and medium businesses in the region.

The Company organized a meeting with beekeepers to identify opportunities for local communities to benefit from the project, find out difficulties faced by farm owners in beekeeping and ways to overcome them, as well as exchange views on initiatives.

On 13-15.04.2022 three-day theoretical trainings and workshops were conducted on spring care for bees, brooding and breeding of queen bees. Within the framework of the program, methodical instruction booklets were distributed in order to increase awareness on the treatment and prevention of parasitic diseases, the application of innovations in this field. Besides, the beneficiaries were enlightened about the organizational, legal and economic measures taken to develop entrepreneurship in the region, the favorable environment for business, support mechanisms provided to businesses, and the project's contributions. Farmers who took part in theoretical and practical trainings were awarded certificates, presented 120 bee families equipped with the necessary equipment and relevant medicines. As part of the event, nectar-producing acacia trees were planted in Dashkasan region.

### **Mobile medical examination in Dashkasan**

AzerGold Closed Joint Stock Company, Regional Development Public Union of Haydar Aliyev Foundation and Baku Health Center jointly launched a mobile medical examination action

in Dashkasan district. During the action held on the occasion of June 1 - World Children Day the residents from Gushchu, as well as Chovdar, Chaykand and Shadakh villages benefited from free medical examinations. The doctors specializing in surgery, pediatrics, therapy, endocrinology, hepatology, ENT, cardiology, urology, as well as oncology examined the children and involved them to outpatient treatment and preventive services. In addition to physical examinations, minors benefited from instrumental, as well as laboratory examinations, and were provided with appropriate medicines according to the diagnosis.

On the first day of the action, the family members of the martyrs from Dashkasan district were also involved in the examination process. Besides, games were organized by animators who played fairy tale heroes and cartoon characters, and children were presented various toys and school supplies. In the framework of the project, more than 600 residents took medical checkup.

### **Blood donation actions**

The Company organized blood donation action on 19.08.2022 with the view to support those suffering from thalassemia and hemophilia and increase the blood stock collected for them.

### **Construction of a new school building**

A new module type building of the school named after Salimkhan Isgenderov was constructed in Gushchu settlement of Dashkasan district, upon the initiative of the Heydar Aliyev Foundation and "AzerGold" Closed Joint Stock Company.

Thus, the school building with 10 classrooms, 1 teachers' room, and 1 library, located in settlement of Gushchu near "Chovdar" deposit at Dashkasan district and designed for 80 pupils was fully equipped and provided with necessary conditions.

The Project was aimed to support the educational improvement in Dashkasan.

### **Reconstruction of mini-football, universal volleyball-basketball courts**

AzerGold JSC's subsidiary company - "Dashkasan Iron Ore" LLC's mini-football, universal volleyball-basketball courts were reconstructed and handed over to the public use.

Project aims to develop sport in Dashkasan region, to increase the interest of children, teenagers and young people in sports, to enable them to spend their free time efficiently, and to support their upbringing in a healthy spirit.

### **Mini-football tournament among schoolchildren in Dashkasan**

Mini-football tournament was organized on the occasion of handover of mini-football, universal volleyball-basketball court upon its reconstruction.

The tournament held during 24-28.10.2022 among 6 school teams of Dashkasan region was dedicated to the memory of the Rauf Askerov, martyr of the Patriotic War.

The cups, medals, diplomas and souvenirs were presented to the winners of the tournament.

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upbringing in a healthy spirit.

### **Documentary made in the memory of Mukhtar Gasimli presented to the audience**

The documentary dedicated to Mukhtar Gasimli, the martyr of the Patriotic War, the champion of Azerbaijan in bodybuilding was made upon general sponsorship of “AzerGold” Closed Joint Stock Company.

In this sense, the documentary "Hero Mukhtar Gasimli" which was presented on 03.11.2022 in Nizami Movie Center and tells the story of Mukhtar's heroism, aims to introduce our martyr to the public, to contribute to the upbringing of the new generation in the spirit of bravery, courage and high patriotism.

### **Autism center established in Ganja**

With the joint support of AzerGold CJSC and the Heydar Aliyev Foundation, and the organization of the “Birge ve Saglam” (Together and Healthy) Public Union, a regional autism center has been established in Ganja to promote the individual development of people with autism spectrum disorder (ASD), their early diagnosis and intensive rehabilitation, and educational work.

### **Potable water supply of Yukhari Dashkasan**

Within the framework of the II phase of the Project on improvement of potable water supply of Madanchilar residential area and Yukhari Dashkasan settlement in Dashkasan implemented jointly with Azersu JSC, “AzerGold” CJSC concluded the contract with “Sutikinti” on 27.12.2022. In accordance with the contract, the potable water supply network of Yukhari Dashkasan settlement will be subject to complete reconstruction.

## **ECOLOGICAL PROJECTS**

Environmental impacts emerged during the exploration, extraction, and processing works are kept to the minimum. Pursuant to ecological policy observed by the Company. According to the requirements of monitoring program, dust measuring works are regularly carried out on the site and samples taken from the soil, water basins and water storage tank are analyzed. All kinds of wastes generated during production works are managed in the proper manner.

### **Community cleanup action in “Aghyokhush-1”**

Within the framework of recultivation works launched at Aghyokhush-1 gold mine in Goygol district, a community cleanup action was initiated.

Thus, AzerGold CJSC jointly with its contractors joined the event launched within the framework of Project implemented on the eve of June 5 - World Environment Day on 03.06.2022. 600 eldar pines, 200 kilograms of lucerne and 10 kilograms of walnut seeds were planted in the area where the fertile soil layer was restored, and agrotechnical care for tree and plant seeds was carried out.

## **Reintroduction of endangered plants in Dashkasan**

The ecological project, which was launched in 2021 by "AzerGold" CJSC, envisages the reintroduction of rare and endangered plant species that grow in the territory of Dashkasan region and are included in the "Red Book" and their reintroduction to the areas where they have historically grown, has been concluded. Endangered plants collected from the mountains around Chovdar mine of the Company - rose hip species such as "Rosa Zangezura", "Rosa Nisami", "Pulverulenta", as well as plant bushes specially grown from the seeds of "Frangula Grandiflora", a rare decorative and medicinal plant, were planted and reintroduced in the mountains around Chovdar mine.

## **CONTRIBUTION TO HISTORICAL AND CULTURAL HERITAGE**

### **Extensive research project of Chovdar Necropolis**

The Institute of Archeology and Ethnography of the National Academy of Sciences of Azerbaijan (ANAS) has launched the second phase of scientific research of finds in Chovdar necropolis with the support of Heydar Aliyev Foundation and AzerGold Closed Joint Stock Company. During 2022, DNA, radiocarbon, carbon and nitrogen isotope analyses, as well as spectral analyses of metal finds, were continued in reputable international laboratories upon joint cooperation of local and foreign experts with rich experience in the fields of archeology and anthropology.

DNA analyses were carried out at Hacettepe University in Turkey, while spectral analyses were performed at the National Research Council laboratory located in Pisa, Italy, and the results were submitted to the institute. The analyses of carbon and nitrogen isotopes are planned to be completed in 2023.

At the end of the project, a series of scientific articles will be developed and published in reputable international scientific publications. The scientific report will be prepared and introduced to the public.

### **Calendar catalogue dedicated to the historical and cultural monuments of Dashkasan**

On 20.12.2022, further to the projects implemented by "AzerGold" JSC towards protection of our historical and cultural heritage and with the view to contribute to the promotion of historical, cultural, and architectural monuments in Dashkasan region, a calendar-catalogue was prepared. The calendar-catalogue includes photos and information about historical, cultural and architectural monuments of national and local importance of the region.

## **DONATIONS**

The Company has donated 470,830.33 (four hundred seventy thousand eight hundred and thirty manats, thirty-three gapics) manats for the support of the families of the martyrs and wounded during the protection of the territorial integrity of the Republic of Azerbaijan ("YASHAT" Foundation).

Concurrently, 37,278.21 (thirty-seven thousand two hundred and seventy-eight manats, twenty-one gapics) manats were donated to Karabakh Revival Fund, which was established for the purpose of providing a modern and decent life for sustainable settlement in the liberated territories of the Republic of Azerbaijan, carrying out construction-restoration and landscaping works in all areas, as well as supporting safe living, efficient activity and continuous growth of well-being.

The traditional "Soyuq əllər, isti ürək" ("Cold hands, warm heart") fair organized by the "Nargis" foundation was donated AZN 30,000.00 (thirty thousand AZN) on 01.12.2022-15.01.2023 in Fountains Square. As a result, 7 children suffering from serious diseases and in need of treatment were supported for their operative treatment costs.

### **FINANCIAL AID**

During the current year, the committee received 135 requests for financial assistance from people belonging to various socially vulnerable groups. 16.7% of these requests were reviewed and selected as eligible for financial support. Thus, 47 people were given one-time financial assistance in the amount of 20,000.00 (twenty thousand) manats.

Upon the mobile medical examination campaign organized by Heydar Aliyev Foundation's "Regional Development" Public Union on 30.05-02.06.2022 with the support of Baku Health Center in Dashkasan district, resident of Gushchu village, Orujlu Hikmet, born in 2010, was diagnosed with "defects in the oval fossa" and "Sinus node dysfunction". The patient was in need of medical intervention. With the financial assistance (in the amount of 15,000.00 (fifteen thousand manats, zero gapics) manats) of the Company the hospital and special medical expenses for the patient's two operations were covered, Hikmet Orujlu recovered as a result of successful operations.

### **SOCIAL AID**

On the occasion of Ramadan holiday on 30.04-02.05.2022, food baskets with daily consumption of several food categories were distributed to over 250 low-income families living in the villages of Gushchu, Bayan villages and Shadakh residential area of Dashkasan district, in Tulallar of Goygol district.

On 27.09.2022, on the eve of the Memorial Day of our soldiers and officers who sacrificed their lives for the territorial integrity of our country in the Patriotic War, financial aid amounting to 300.00 (three hundred manats, zero gapics) and food baskets were presented to each of 34 families of martyrs living in Dashkasan district.