



PGM INDUSTRY RESPONSIBLE MINING AUDIT STATUS

February 2023

Over the past five years, the Sustainability Committee of the IPA has discussed and evaluated different auditing and verification schemes in the context of responsible mining. Responsible mining is commonly defined as mining that involves and respects all stakeholders, minimizes, and takes account of its environmental impact, and prioritizes a fair division of economic and financial benefits.

The purpose of the industry approach is to:

- increase investor and other stakeholders' confidence in the PGM supply chain,
- demonstrate and assess continuous improvement of sustainability and business performance,
- establish and ensure an effective risk management,
- ensure regulatory compliance,
- share proof points and best practices on members' corporate responsibility actions.

Once a critical number of audits have been performed, the Sustainability Committee may explore synergies and collaboration regarding common challenges to enhance impact, efficiency, and business benefit around responsible mining and sustainability.

1. Anglo American Platinum

- **Overall target** – Anglo has committed to have all its own-managed mining operations subjected to an IRMA audit by 2025.
- **Unki mine status** - IRMA 75 declared in January 2021, surveillance audit completed in Q3 2022 and IRMA to release surveillance audit report before end H1 2023;
- **Amandelbult mine status** - IRMA has completed a stage 2 audit in 2022, corrective actions being addressed and IRMA audit report to be released in Q3 2023;
- **Mototolo mine status** - IRMA has completed a stage 2 audit in 2022, corrective actions being addressed and IRMA audit report to be released in Q3 2023; and
- **Mogalakwena mine status** - IRMA stage 2 audit scheduled for Q3 2023 with IRMA likely to release its audit report before end 2024.
- Anglo American is a founding signatory of the International Council on Mining and Metals (ICMM) and subsequently Anglo American Platinum has completed a self-assessment against the ICMM Performance Expectations, with the report due for release in March 2023.

2. Sibanye-Stillwater

- Sibanye-Stillwater's US and SA PGM operations commenced with IRMA self-assessments during 2022.
- During the year, self-assessments were completed at two sites (East Boulder in the US and Rustenburg in SA). Stage 1 audit is planned for 2023.
- The next site, Marikana operations, will commence with a self-assessment during 2023.
- In 2020, the Marikana operations in South Africa have undergone an eTfS assessment.
- Sibanye-Stillwater also subscribes to the United Nations Global Compact, World Gold Council and the ICMM.

3. Northam Platinum

Northam has committed to implementing an independent verifiable system for assuring the company's social and environmental management programmes. This will be aligned with the Initiative for Responsible Mining Assurance (IRMA) which specifies a set of objectives and leading performance criteria for environmentally and socially responsible mining practices.

The group is currently in the process of undertaking an IRMA self-assessment at each of its mining operations, to identify gaps and develop an action plan toward continual improvement. Beyond this, steps to IRMA certification include an independent audit and making public the audit results.

4. Impala Platinum

Implats has committed to implement IRMA audits at its mining operations in FY2025, with the first site audit to be completed before June 2025. The objective for 2023 and 2024 is to conduct the requisite self-assessments at managed operations and address any gaps identified. Implats has completed a high-level gap analysis against the ICMM mining principles and is engaging with the ICMM with a view of tabling a formal application for membership by December 2025.

5. Nornickel

- IRMA commits Nornickel to complete full audit of its mines, if and when IRMA will allow this (currently, certification for Russian companies is put on hold).
- **Overall information:** Formal audit certification has been suspended at IRMA's request due to geopolitical situation. Self-assessment of 8 operating mines, including 6 mines of Norilsk Division (including South Cluster project) and 2 mines of Kola



Division, has been completed. An independent review of the self-assessment as well as preparedness for audit for IRMA certification has been completed by ENSOR (ex-ERM Moscow team).

- **Audit status:** Audit is pending IRMA's permission. An independent review of self-assessment and compliance with IRMA Mining Standards for Norilsk and Kola Divisions (8 mines combined) was completed in 2022 (May-December 2022).
- **Report status:** Report on compliance with IRMA Mining Standard expected in Q1 2023
- **Short-term target:** To develop and put into implementation a road map to fully meet all IRMA critical requirements scheduled for 2023.
- In 2021, Nornickel completed an TfS audit of its Norilsk (Polar) Division and three independent PGM refineries, which process Nornickel feed.
- In 2021, the Company held consultations with ICMM Experts Panel. The application to ICMM has been suspended at ICMM's request. Nornickel confirms its ambition to apply to ICMM, once it will be permissioned. A roadmap, aiming to meet ICMM critical requirements, has been developed internally and is currently implemented.

6. Royal Bafokeng Platinum

Royal Bafokeng Platinum decided to go for eTfS, however, no auditors are currently available in South Africa and the final decision on the audit will also depend on the developments concerning a future merger of the company.