
Independent Practitioner's Reasonable Assurance Report

Heraeus Deutschland GmbH & Co. KG
Hanau

Reasonable assurance engagement on the LPPM Refiner's
Compliance Report of Argor-Heraeus SA for the period 1 January to
31 December 2019

Auftrag: 0.0949811.001



Independent Practitioner's Reasonable Assurance Report

To Heraeus Deutschland GmbH & Co. KG

We have been engaged by Heraeus Deutschland GmbH & Co. KG, Hanau (Germany), ("Heraeus Deutschland") to perform a reasonable assurance engagement on the Refiner's Compliance Report, prepared by Argor-Heraeus SA, Mendrisio (Switzerland), (the "Refiner"), for the business group Argor-Heraeus SA, a subsidiary of Heraeus Beteiligungsverwaltungsgesellschaft mbH, Hanau (Germany), ("Heraeus") as defined in the Compliance Report for the period 1 January to 31 December 2019 (the "Refiner's Compliance Report").

Management's Responsibility

The Management of the Heraeus is responsible for the preparation and presentation of the Refiner's Compliance Report in accordance with the LPPM Responsible Platinum/Palladium Guidance (version 2) as of 20 February 2020 (the "Platinum/Palladium Guidance").

This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by management as relevant for demonstrating compliance with the Guidance are the activities described in the Refiner's Compliance Report. Furthermore, the responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Refiner's Compliance Report, which is free of material misstatements due to intentional or unintentional errors.

Audit Firm's Independence and Quality Control

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

Our responsibility is to express an opinion on the Refiner's Compliance Report based on our work performed. Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Refiner's Compliance Report.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by IAASB and the supplementary guidance set out in the LPPM Responsible Sourcing Programme – Third Party Audit Guidance (version 1) as of 15 October 2018 (the "Audit Guidance") . This Audit Guidance requires that we plan and perform the assurance engagement to obtain reasonable assurance that the Refiner's Compliance Report, prepared by the Refiner for the business group Argor-Heraeus SA for the period 1 January to 31 December 2019, in all material aspects, describes fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the requirements of the LPPM Responsible Platinum/Palladium Guidance (version 2) as of 20 February 2020.

The procedures selected depend on the practitioner's judgement. This includes the assessment of the risks of material misstatements of the Refiner's Compliance Report with regard to the Platinum/Palladium Guidance. Within the scope of our work we performed amongst others the following procedures:

- Interviews with the compliance officers in charge of the preparation of the Refiner's Compliance Report;
- Interviews with management and employees of departments in charge of recycling, purchasing, material management and trading;
- Inspection of relevant corporate guidelines and documents describing the management systems, due diligence and risk management approach towards a responsible supply chain;
- Review of documentation of requirements on the group-wide processes for collecting, analyzing and aggregating data on the supply chain of platinum and palladium;
- Performance of a site visit at the Refiner's location in Mendrisio (Switzerland) as part of the inspection of relevant systems, processes and controls; including process walkthroughs from supplier selection to materials receipt and lot processing;
- Evaluation of the consistency of the statements provided in the Refiner's Compliance Report with the findings obtained during our engagement.

Inherent limitations

Non-financial information, such as that included in the Refiner's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by the Refiner to comply with the Platinum/Palladium Guidance may differ. It is important to read the Refiner's conflict minerals supply chain policy available in the download section on Refiner's website:

https://www.argor.com/sites/default/files/download_file/PolicySupply%20chain%20due%20diligence%2001.01.17.pdf

Conclusion

In our opinion and based on our reasonable assurance procedures performed, as described above, the Refiner's Compliance Report, prepared by Argor-Heraeus SA, for the business group Argor-Heraeus SA, for the period 1 January to 31 December 2019, in all material aspects, describes fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the LPPM Responsible Platinum/Palladium Guidance (version 2) as of 20 February 2020.

Restriction on Use and Distribution

We issue this report on the basis of the engagement agreed with the Heraeus Deutschland. The audit has been performed for purposes of Heraeus Deutschland and is solely intended to inform the Heraeus Deutschland about the results of the audit. The report is not intended for any third parties to base any (financial) decision thereon. We do not assume any responsibility towards third parties.

We refer to the fact that the Refiner's Compliance Report subject to our assurance engagement comprises the Annex "List of countries of origin of mined platinum and palladium" and the treatment of the Refiner. According to the LPPM Responsible Platinum/Palladium Guidance (version 2) as of 20 February 2020, this Annex detailing the countries of origin of mined platinum and palladium has to be submitted to the LPPM Executive only and does not need to be disclosed publicly.

Munich, 30 July 2020

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft



Hendrik Fink
Wirtschaftsprüfer
(German Public Auditor)



ppa. Mirjam Kolmar