

## **INDEPENDENT REASONABLE ASSURANCE REPORT TO THE MANAGEMENT OF CHIMET S.P.A. ON ITS 2019 REFINER'S COMPLIANCE REPORT FOR THE LONDON PLATINUM AND PALLADIUM MARKET'S RESPONSIBLE PLATINUM AND PALLADIUM GUIDANCE FOR THE YEAR ENDED 31 DECEMBER 2019**

### **To the Board of Directors of Chimet S.p.A.**

We were engaged by Chimet S.p.A. (hereinafter "Chimet" or the "Refiner") to perform a reasonable assurance engagement of the accompanying Refiner's Compliance Report (the "Refiner's Compliance Report") prepared based on the London Platinum and Palladium Market (LPPM) Responsible Platinum and Palladium Guidance for the year ended December 31, 2019.

### **Management's Responsibilities for the Refiner's Compliance Report**

The management of Chimet is responsible for the preparation and presentation of the Refiner's Compliance Report as of December 31, 2019 in accordance with the requirements of the LPPM Responsible Platinum and Palladium Guidance (the "Guidance") and for such internal control as management determines is necessary to enable the preparation of the Refiner's Compliance Report that is free from material misstatement, whether due to fraud or error.

The criteria identified by the management as relevant for demonstrating compliance with the Guidance are the activities described within the Refiner's Compliance Report.

### **Auditor's Independence and quality control**

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Control 1 ("ISQC Italia 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.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the LPPM Responsible sourcing Programme - Third Party Audit Guidance for ISAE 3000 Auditors (the "LPPM Audit Guidance") to carry out the assurance engagement.

**Auditor's responsibility**

Our responsibility is to express our opinion on the Refiner's Compliance Report based on the procedures performed. 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*" (hereinafter also "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* ("IAASB") for reasonable assurance engagements and the "LPPM Audit Guidance". This standard requires that we plan and perform procedures in order to obtain reasonable assurance as to whether the Refiner's Compliance Report is free from material misstatement.

Our engagement has involved performing procedures to obtain evidence about the information included in the Refiner's Compliance Report. The procedures performed depend on the auditor's judgment, including the assessment of the risks of material misstatement in the Refiner's Compliance Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the Refiner's Compliance Report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Chimet.

Specifically we carried out the following procedures:

- Inquiries with the management to gain an understanding of Chimet's processes and risk management protocols in place and of internal control over the preparation of the Refiner's Compliance Report relevant to the engagement;
- Inquiries with relevant staff responsible for the preparation of the Refiner's Compliance Report;
- Site visits to the Refiner's venue and operating sites for observing the production process and obtaining information on the process adopted by Chimet in order to comply with the requirements of the Guidance;
- Interviews and obtaining of supporting documentation in order to verify the consistency of the qualitative information included in the Refiner's Compliance Report with the available evidence;
- Review of a selection of the supporting documentation, including platinum and palladium supplier counterparty due diligence file and transaction's documentation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Inherent limitations**

Information 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 absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can impact comparability. The methods used by refiners to comply with the Guidance may differ. It is important to read the Chimet policy on responsibly-sourced metals available on Chimet's website [www.chimet.com](http://www.chimet.com).

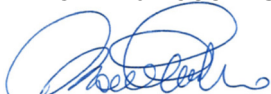
**Conclusion**

In our opinion, the Refiner's Compliance Report for the year ended December 31, 2019 is prepared, in all material respects, in accordance with the requirements of LPPM Responsible Platinum and Palladium Guidance (version 1).

## Limitation on Use

Our report is intended solely for the management of Chimet and should not be distributed to third parties, in whole or in part. Our opinion is not modified in respect of this matter

DELOITTE & TOUCHE S.p.A.



**Monica Palumbo**

Partner

Milan, Italy

May 29, 2020