

Responsible Platinum/Palladium Compliance Report for 2019 for:

Rustenburg Platinum Mines Limited

Table 1: REFINER's DETAILS	
Refiner's name	Rustenburg Platinum Mines Pty Ltd (RPM) a wholly owned subsidiary of Anglo American Platinum Limited (Amplats)
Entities and locations	Please refer to addendum Table 5. RPM is creating this Compliance Report on behalf of its Process locations listed in this addendum
Reporting year-end	31 December 2019
Date of Report	31 March 2020
Senior Management at RPM responsible for this report:	Craig Miller, Chief Financial Officer craig.miller@angloamerican.com
<p>Anglo American Platinum (Amplats), through its wholly owned operational subsidiary, Rustenburg Platinum Mines Limited (registered in 1931), operates a Process Division which includes primary smelting and refining operations. The Process Division predominantly services Amplat's own precious metals mining operations in South Africa and Zimbabwe as well as other platinum primary miners within South Africa.</p> <p>Amplats is a JSE Listed company focusing on extracting value from all precious and base metals which are mined in a safe, smart and responsible way. As the JSE top performer in 2018, Amplats continues to focus on sustainability which was acknowledged internationally in 2019 by being named as the leading ESG performer by Sustainalytics out of 55 peers in the Precious Metals sector. In 2019 Amplats achieved a fatality free year at its managed operations and continued to improve on all environmental and social metrics. With 25.3 thousand employees, Amplats holds a leading position in its global markets.</p> <p>This Amplats Compliance Report covers the selected processing operations mentioned in addendum Table 5, that belong to the operating company Rustenburg Platinum Mines. It covers the precious metals (PGM) platinum, palladium, rhodium, iridium, ruthenium plus gold and the base metals (BM) nickel, copper and cobalt.</p>	

Amplats Compliance Assessment

Table 2: Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong company management systems
<p>Compliance statement: We have fully complied with Step 1: Establish strong management systems, as described below.</p>
<p>1. Has the refiner adopted a company policy regarding due diligence for supply chains of Platinum/Palladium?</p>
<p>Comments and demonstration of compliance: Our supply chain policies, summarized in our Metal Sourcing Policy, are based on our Values and Code of Conduct which includes our Business Integrity Policy and Authority Manual and is an integral part of our responsibility-conscious management structure.</p> <p>Amplats sources material from South Africa and its own operation in Zimbabwe which are both non conflict-affected or high-risk areas. Its policies however ensure that full screening of all material sources occurs and is continually monitored in accordance with the implemented governance structures.</p>

2. Has the refiner set up an internal management structure to support supply chain due diligence?

Comments and demonstration of compliance:

An internal management structure has been set up that defines governance, roles and responsibilities, internal audit, communication and senior management reviews. An assigned Metal Sourcing Compliance Officer, appointed during 2019, has a direct reporting line to the executive committee.

3. Has the refiner established a strong internal system of due diligence, controls and transparency over Platinum/Palladium supply chains, including traceability and identification of other supply chain actors?

Comments and demonstration of compliance:

Amplats has a sophisticated and robust integrated metal accounting system which track's inputs and outputs from each Process operation on a lot basis for all nine PGMs and BMs. Specific documentation is required with each receipt from authorized parties and the receipt must be entered into the metal accounting system prior to the material entering an operation. This allows us to ensure that all PGMs and BMs containing materials used for our products are quantified, conflict free and that we adhere to the requirements of the South African Precious Metals Act. Through training of our employees, we ensure that our guidelines are followed. Any form of non-compliance is reported to the Compliance Officer and senior management. Remedial actions are implemented to address any non-compliance issues. No such escalation was necessary during the reporting period.

4. Has the refiner strengthened engagement with Platinum/Palladium supplying counterparties and, where possible, assist Platinum/Palladium supplying counterparties in building due diligence capacities?

Comments and demonstration of compliance:

Amplats ensures that it has strong relationships with all its metal supplying counterparties. This is done through the various committees built into its supply contracts and continuous engagement with the suppliers. In addition, the source of the supply is defined within each contractual relationship and confirmed annually by each supplier. We further confirm their adherence to the South African Precious Metals Act and their adherence to international practices focusing on child labour, human rights and environmental issues.

All new suppliers go through a comprehensive vetting process to ensure that they meet Amplats' stringent requirements and that they are suppliers of good standing. No new suppliers were onboarded in 2019.

In the reporting year, we continued to be members of various business organizations like the IPA (International Platinum Association), EPMF (European Precious Metals Federation) and the NI (Nickel Institute).

5. Has the refiner established a company-wide communication mechanism to promote broad based employee participation and risk identification to management?

Comments and demonstration of compliance:

Amplats has implemented "YourVoice" throughout the company which is an anonymous service through which concerns about potentially unethical, unlawful or unsafe conduct and practices can be reported and investigated. It is independently managed on our behalf by an external service provider. As a means of reinforcing Amplats' values, "YourVoice" serves to build employee, customer, supplier and stakeholder trust through being an important means by which we can identify and eliminate unethical practices. "YourVoice" can be contacted by email or telephonically and contact information is widely publicized throughout our organization and is readily available on our portal.

No concerns were raised by any stakeholder during the reporting period with regards to PGM and BM bearing feed materials.

Step 2: Identify and assess risks in the supply chain**Compliance statement:**

We have fully complied with Step 2: Identify and assess risks in the supply chain, as described below:

1. Does the refiner have a process to identify risks in the supply chain?

Comments and demonstration of compliance:

Amplats identifies and assesses risks in the supply chain. Our vendor approval process is followed prior to entering in a formal relationship with any metal feed supplier and includes extensive checks to ensure that they are aligned with the Amplats stringent good supplier requirements. Routine checks are also undertaken periodically to ensure that current vendors risk profiles have not changed. As Amplats' business is that of primary smelting and refining, our supply agreements are usually established as long term supply agreements for primary metal sources. The approval requirements are however applied to all sources of metal feeds and independent of duration of supply.

2. Does the refiner assess risks in light of the standards of their due diligence system?

Comments and demonstration of compliance:

Amplats' supply chain due diligence comprises all measures required by the LPPM which are performed before entering into a business relationship with any PGM or BM supplying counterpart. All Amplats' current suppliers are situated in non-conflict or non-high-risk areas. We would perform enhanced due diligence for secondary sourced materials, where the metal potentially originates from or transits via conflict affected areas or areas with human rights abuse, child labour or other high-risk factors. In addition, we conduct appropriate monitoring of transactions undertaken through the course of the relationship. Amplats might suspend its business relationship with existing partners or refuse to open a relationship with new partners should the due diligence requirements not be met. There were no new relationships formed or current relationships suspended during the reporting period.

3. Does the refiner report risk assessments to the designated manager?

Comments and demonstration of compliance:

Amplats' supply chain due diligence needs to be completed prior to a relationship being entered into. Our Authority Policy Manual clearly defines the level of senior management required to authorize such a relationship and requires at least one Executive Head's approval. All our current counterparties have full Executive Committee and RPM Board approval. The Compliance Officer can raise any concern when reviewing business conducted with current suppliers to the Executive Committee and, if required, recommend that the relationship be suspended. No current relationships were suspended during the reporting period.

Step 3: Design and implement a management strategy to respond to identified risks**Compliance statement with requirement:**

We have fully complied with Step 3: Design and implement a management system to respond to identified risks, as described below:

1. Does the refiner report findings to designated Senior Management?

Comments and demonstration of compliance:

Amplats' supply chain due diligence needs to be completed prior to a relationship being entered into. Our Authority Policy Manual clearly defines the level of senior management required to authorize such a relationship and requires at least one Executive Head's approval. All our current counterparties were approved by the Executive Committee and the RPM Board. The Compliance Officer can raise any concern when reviewing current suppliers to the Executive Committee and, if required, recommend that the relationship be suspended. No concerns were raised during the reporting period.

2. Has the refiner devised a strategy for risk management of an identified risk be either (i) mitigation of the risk while continuing trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk?
<p>Comments and demonstration of compliance: Amplats' supply chain due diligence needs to be completed prior to a relationship being entered into. In addition, periodic review of current suppliers is undertaken. The compliance officer will review these together with any ad-hoc identified risks brought up by any stakeholder and decide on necessary action. If required, this action could include suspending or cancelling a relationship. No relationships were suspended or cancelled during the reporting period.</p>
3. Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.
<p>Comments and demonstration of compliance: Procedures are in place and are applied accordingly. Should a risk be identified, additional information will be requested for the Compliance Officer to decide on the appropriate action. If required, this action could include recommendation to suspend or cancel a relationship. No relationships were suspended or cancelled during the reporting period.</p>
Step 4: Arrange for an independent third-party audit of the supply chain due diligence
<p>Compliance statement with requirement: We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.</p>
<p>Comments and demonstration of compliance: Amplats received a clean audit report (reasonable assurance) without findings of non-compliance for the 2019 period, conducted by EY South Africa. The full audit report is available on request. Amplats is scheduled for a limited assurance audit in Q4 2020.</p>
Step 5: Report on supply chain due diligence
<p>Compliance statement: We have fully complied with Step 5: Report on supply chain due diligence as described below:</p>
<p>Comments and demonstration of compliance: Further information and details of how Amplats systems, procedures, processes and controls have been implemented to align to the specific requirements in the LPPM Responsible Platinum/Palladium Guidance has been set out in our metal supply chain policy which is available on our company portal link here.</p>

Amplats overall conclusion

Table 3: Management conclusion
Is the refiner in compliance with the requirements of the LPPM Responsible Platinum/Palladium Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas for the reporting period?
<p>Compliance Statement: Yes Amplats, including its operational subsidiary RPM, have implemented effective management systems, procedures, processes and practices to comply with the requirements of the LPPM Responsible Platinum/Palladium Guidance for the reporting period ending 31st December 2019. It is further concluded that the implementation is not only for platinum and palladium but also includes associated rhodium, iridium, ruthenium, gold, nickel, copper and cobalt.</p> <p>Amplats is committed to continuous improvement and this is monitored internally on a regular basis. Any corrective actions identified are implemented.</p>

Other details

Table 4: Other report comments

If readers of this report wish to provide any feedback to Amplats please contact the Compliance Officer at: Kamal Parbhoo kamal.parbhoo@angloamerican.com

Addendum

Table 5: Relevant for the audit are the following RPM operations

Operational Name	Processing Step	Location
Mortimer Smelter	Primary smelting	Swartklip, South Africa
Polokwane Smelter	Primary smelting	Polokwane, South Africa
Waterval Complex	Primary smelter and converting	Rustenburg, South Africa
Rustenburg Base Metals Refinery	PGM/BM separation and BM Refining (LME producer)	Rustenburg, South Africa
Precious Metals Refiner	PGM Refining (LPPM GD Status)	Rustenburg, South Africa

EY