



## **INDEPENDENT REASONABLE ASSURANCE REPORT ON THE LPPM REFINER'S COMPLIANCE REPORT OF UMICORE PRECIOUS METAL REFINING HOBOKEN FOR THE YEAR ENDED 31 DECEMBER 2021 OF UMICORE NV**

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To the Board of Directors of Umicore NV.

This report has been prepared in accordance with the terms of our engagement contract dated 8 December 2021 (the "Agreement"), whereby we have been engaged to issue an independent reasonable assurance report in connection with the LPPM Refiner's Compliance Report for the year ended 31 December 2021 (the "Report" as enclosed in Appendix 1).

### **The Directors responsibility**

The Directors of Umicore NV (the "Company") are responsible for the preparation and presentation of the information and data in the Refiner's Compliance Report in respect of platinum and palladium (the "Subject Matter Information"), and the declaration that its reporting is in accordance with the requirements of the LPPM Responsible Guidance v2 of February 2020 for Platinum and Palladium (the "Criteria").

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Directors includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we have obtained.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain reasonable assurance as to whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Criteria.



The objective of a reasonable-assurance engagement is to perform the procedures we consider necessary to provide us with sufficient appropriate evidence to support the expression of an opinion in the positive form on Umicore's Refiner's Compliance Report. The selection of such procedures depends on our professional judgement, including the assessment of the risks of material misstatement of the Subject Matter Information in accordance with the Criteria. The scope of our work comprised amongst others the following procedures:

- Assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject Matter Information as of and for the year ended 31 December 2021 presented in the Report.
- Conducting interviews with responsible officers including a site visit.
- Reviewing relevant internal and external documentation.
- Performing an analytical review of the data and trends in the information submitted for consolidation.
- Considering the disclosure and presentation of the Subject Matter Information.

The scope of our work is limited to assurance over the Subject Matter Information. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Report.

### **Our independence and quality control**

Our engagement has been carried out in compliance with the legal requirements in respect of auditor independence, particularly in accordance with the rules set down in articles 12, 13, 14, 16, 20, 28 and 29 of the Belgian Act of 7 December 2016 organising the audit profession and its public oversight of registered auditors, and with other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), 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 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.

### **Our opinion**

In our opinion, the Subject Matter Information Report as of and for the year ended 31 December 2021 has been prepared, in all material respects, in accordance with the Criteria.



### **Other matter - restriction on use and distribution of our report**

Our report is intended solely for the use of the Company, to whom it is addressed, in connection with their Report as of and for the year ended 31 December 2021 and should not be used for any other purpose. We do not accept or assume and deny any liability or duty of care to any other party to whom this report may be shown or into whose hands it may come. In this respect, we consent to our report being shown to the LPPM, on the understanding that we accept no responsibility or liability for damages to the LPPM or to any other third party to whom our report may be provided or into whose hands it may come.

Diegem, 13 July 2022

PwC Bedrijfsrevisoren BV/Reviseurs d'Entreprises SRL  
Represented by

A handwritten signature in black ink, appearing to read 'M. Daelman', is written over a horizontal line.

Marc Daelman<sup>1</sup>  
Partner

Appendix 1 - Refiner's Compliance Report 2021

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<sup>1</sup> Marc Daelman BV, director, represented by its permanent representative Marc Daelman

## Annex – Refiner’s compliance report 2021

Table 1: Refiner’s details	
Refiner’s name	Umicore Precious Metals Refining (UPMR)
Location	Hoboken - Belgium
Reporting Year-end	2021
Date of Report	04/05/2022
Senior Management responsible for this Report	Management UPMR (Management Team level of Umicore Precious Metals Refining)

Table 2	Summary of activities undertaken to demonstrate compliance
<b>Step 1: Establish strong company management systems</b>	
<b>Compliance Statement with Requirement</b>	
UPMR has fully complied with step 1 “Establish strong management systems”. The management system and internal procedures are the same for platinum and palladium.	
<b>1. Has the Refiner adopted a company policy regarding due diligence for supply chains of palladium and platinum?</b>	
<b>Comments and Demonstration of Compliance</b>	
<p>A specific Group Policy “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas” is effective within the Umicore Group as from 4 February 2013 and is based on the currently existing OECD Guidelines on the matter:  <a href="https://www.umicore.com/en/newsroom/news/responsible-global-supply-chain-of-minerals-from-conflict-affected-and-high-risk-areas/">https://www.umicore.com/en/newsroom/news/responsible-global-supply-chain-of-minerals-from-conflict-affected-and-high-risk-areas/</a></p> <p>Based on the principles of this policy, at operational level UPMR adopts a more detailed supply chain due diligence guideline covering following topics:</p> <ul style="list-style-type: none"> <li>- Scope</li> <li>- Organization and responsibilities</li> <li>- Identification and assessment of risks, including all risks described in Annex II of the OECD Guidance.</li> <li>- Supply chain due diligence, including business partner screening, chain of custody documentation and material criteria for high-risk platinum and palladium supply chains</li> <li>- Monitoring of transactions</li> <li>- Maintaining records</li> <li>- Training</li> </ul> <p>Although UPMR doesn’t use all the templates of the toolkit, the internal procedures described in the internal supply chain due diligence guidance completely comply with the requirements of the LPPM Responsible Platinum/Palladium Guidance version 2.</p> <p>Only lots that completely arrived in 2021 are in scope of the 2021 audit. Uncomplete lots will part of the 2022 audit.</p>	

<b>2. Has the Refiner set up an internal management structure to support supply chain due diligence?</b>
<p><b>Comments and Demonstration of Compliance</b></p> <p>Within UPMR an internal management system has been set up. This system defines the governance, roles and responsibilities, internal compliance review, communication and the senior management involvement in order to ensure compliance and due diligence. The Conflict Minerals Manager - having an independent function within the Umicore Group but outside the Precious Metals Refining business unit - has been assigned to manage the complete process. The Conflict Minerals Manager has a direct line of reporting to the management of UPMR and he/she reviews together with the Corporate Security Officer the effectiveness and performance of the supply chain due diligence procedures.</p>
<b>3. Has the Refiner established a strong internal system of due diligence, controls and transparency over platinum and palladium supply chain, including traceability and identification of other supply chain actors?</b>
<p><b>Comments and Demonstration of Compliance</b></p> <p>The Umicore Group is strongly committed to promoting honest and ethical business conduct by all of its employees and sees this commitment as an essential asset that builds trust with company clients, business partners, shareholders and the communities in which they operate.</p> <p>UPMR has an onboarding Business Partner Screening procedure for new suppliers and a periodic Business Partner Screening for existing suppliers. The Business Partner Screening provides Umicore a level of assurance about the reliability of the supplier concerning responsible sourcing, including country of origin inquiry and Environmental, Social, and Governance (ESG) due diligence checks.</p> <p>UPMR developed an internal risk based approach ensuring supply chain traceability and maintaining of records for all incoming material. The information of this system includes type of material, weight and assay, reference to the supplier and the relevant Business Partner Screening and also date of arrival and finalization of the refining process. The Conflict Minerals Manager reviews together with the Corporate Security Officer the platinum and palladium supply chain due diligence and reports to the management of UPMR. The result of this internal compliance review is recorded.</p> <p>The Conflict Minerals Manager is responsible for training of employees involved in the platinum and palladium supply chain. Details of the trainings are recorded.</p> <p>Incoming and outgoing payments are always done via official banking channels.</p> <p>Upon request UPMR, and where applicable with other Umicore corporate services, will cooperate fully and transparently with government authorities and will provide full access to the records and information as appropriate.</p>
<b>4. Has the Refiner strengthened company engagement with platinum and palladium supplying counterparties, and where possible, assist platinum</b>

<b>and/or palladium supplying counterparties in building due diligence capabilities?</b>	
<b>Comments and Demonstration of Compliance</b>	
<p>As mentioned in the Sustainable Procurement Charter, the Umicore Group expects that suppliers comply with all applicable environmental laws and regulations in all territories where suppliers operate and that they possess all the necessary environmental permits and registrations.</p> <p>The Umicore Group expects that suppliers respect the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the international law in Human Rights. The Umicore Group expects that suppliers are not complicit in any way in Human Right abuses.</p> <p>UPMR concludes as much as possible long-term contracts with reliable suppliers. UPMR encourages its suppliers to responsible sourcing throughout the supply chain with focus on ESG responsibilities.</p>	
<b>5. Has the Refiner established a confidential grievance mechanism?</b>	
<b>Comments and Demonstration of Compliance</b>	
<p>All stakeholders (external and internal) are invited to report concerns or complaints, anonymously if desired, about Umicore’s business approach, or that of its suppliers, using the Grievance Contact Form. This grievance mechanism is part of Umicore’s Integrity Line (<a href="https://www.umicore.com/en/contact/integrity-line/">https://www.umicore.com/en/contact/integrity-line/</a>). All grievances are directed to Umicore’s Corporate Security department. They register and follow-up on the cases and treat them confidentially to ensure the protection of the reporting person. The subject of a grievance can refer to the platinum and palladium supply chain, possible irregularities in financial, ethical or behavioral matters, etc.</p>	
<b>Step 2: Identify and assess risks in the supply chain</b>	
<b>Compliance Statement with Requirement</b>	
<p>UPMR has fully complied with step 2 “Identify and assess risk in the supply chain”. The internal risk identification and assessment procedures are the same for platinum and palladium.</p>	
<b>1. Does the refiner have a process to identify risks in the supply chain?</b>	
<p>As mentioned in step 1.3, UPMR developed an internal risk based approach to detect systematically risks throughout the mined and recycled platinum and palladium supply chains.</p>	
<b>2. Does the refiner assess risks in light of the standards of their due diligence system?</b>	
<b>Comments and Demonstration of Compliance</b>	
<p>UPMR assesses risks in light of the standards of its due diligence system. Key documents are the internal supply chain due diligence guideline and the Group Policy “Responsible Global</p>	

<p>Supply Chain of Minerals from Conflict-Affected and High-Risk Areas”. These documents contain all measures required by the LPPM Responsible Platinum/Palladium Guidance version 2.</p> <p>UPMR performs enhanced due diligence for high-risk categories, as well for material screening as for business partner screening (BPS). Additionally UPMR conducts appropriate scrutiny and monitoring of individual transactions. Only for low risk material (such as e-scrap and spent catalyst) a business partner screening light is conducted.</p> <p>UPMR verifies that the supply chain documents are consistent with each other and with its knowledge of the supply chain.</p>		
<p><b>3. Does the refiner report risk assessment to the designated manager?</b></p>		
<p><b>Comments and Demonstration of Compliance</b></p> <p>Escalation procedures have been installed to involve the Conflict Minerals Manager and the Corporate Security Officer and in a number of cases the management of UPMR.</p> <p>The decision of the Conflict Minerals Manager and of the Corporate Security Officer and/or of the management of UPMR could lead to mitigation of the risk (in the highest risk category to an independent audit or a visit on site) or could lead to disengagement.</p> <p>As from 2013, the Conflict Minerals Manager organizes together with the Corporate Security Officer a yearly internal compliance review. Results of the compliance review are reported to the management of UPMR.</p>		
<p><b>Step 3: Design and implement a management system to respond to identified risks</b></p>		
<p><b>Compliance Statement with Requirement</b></p> <p>UPMR has fully complied with step 3 “Design and implement a management system to respond to identified risks”. The management system and internal procedures are the same for platinum and palladium.</p>		
<p><b>1. Are findings reported to the Senior Management</b></p>		
<p><b>Comments and Demonstration of Compliance</b></p> <p>Where appropriate, information and actual and potential risks identified in the supply chain risk assessment are reported to the Management of UPMR. The internal compliance review details follow-up actions for further improvement of the risk assessment and risk mitigation procedures.</p>		
<p><b>2. Has the refiner devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing trade; (ii) mitigation of the risk while suspending trade; (iii) disengagement of the risk?</b></p>		
<p><b>Comments and Demonstration of Compliance</b></p> <p>Escalation procedures have been installed to involve the Conflict Minerals Manager and the Corporate Security Officer and in a number of cases the management of UPMR.</p>		

<p>The advice of the Conflict Minerals Manager and of the Corporate Security Officer and the subsequent conferred decision of the management of UPMR could lead to mitigation of the risk (in the highest risk category to an independent audit or a visit on site) or could lead to disengagement.</p>
<p><b>3. Where a management strategy of risk mitigation is undertaken, it should include steps to be taken and achieved, monitoring or performance, periodic reassessment of risk and regular reporting to designated senior management.</b></p>
<p><b>Comments and Demonstration of Compliance</b></p> <p>A systematic monitoring of transactions is embedded in UPMR’s supply chain processes and practices. The Conflict Minerals Manager carries out independent checks. The Conflict Minerals Manager organizes together with the Corporate Security Officer a yearly internal compliance review. Internal compliance review and audit results are reported to the management of UPMR.</p>
<p><b>4. Undertake additional fact and risk assessments for risk requiring mitigation, or after a change of circumstances.</b></p>
<p><b>Comments and Demonstration of Compliance</b></p> <p>There is an ongoing risk monitoring of the supply chain within UPMR. It is a combination of an automated process, internal reviews and external audits and the recurrent analysis of Know Your Customer, Know Your Material and Know Your Transaction. This guarantees the high level of the due diligence process.</p>
<p><b>Step 4: Arrange for an independent third-party audit of supply chain due diligence</b></p>
<p><b>Compliance Statement with Requirement</b></p> <p>UPMR has fully complied with step 4 “Arrange for an independent third-party audit of supply chain due diligence”.</p>
<p><b>Comments and Demonstration of Compliance</b></p> <p>UPMR engaged the services of the assurance provider PwC. Their Independent Assurance Opinion for platinum and palladium is available on our company website.</p>

<p><b>Step 5: Report on supply chain due diligence</b></p>
<p><b>Compliance Statement with Requirement</b></p> <p>UPMR has fully complied with step 5 “Report on supply chain due diligence”</p>
<p><b>Comments</b></p>



Further information and specific details of how UPMR’s systems, procedures, processes and controls have been implemented to align to the LPPM Responsible Platinum/Palladium Guidance version 2 have been set out in our Refiner’s Compliance Report, which is available on our company website.	
<b>Table 3</b>	<b>Management conclusion</b>
<b>Is the refiner in compliance with the requirements of the LPPM Responsible Platinum/Palladium Guidance for the reporting period?</b>	
<b>Yes</b>	<p><b>Comments</b></p> <p>Umicore Precious Metals Refining (UPMR) implemented effective management systems, processes and practices to confirm to the requirements of the LPPM Responsible Platinum/Palladium Guidance version 2, as explained above in Table 2, for the reporting year ended 31 December 2021.</p> <p>Umicore Precious Metals Refining (UPMR) is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis. In case corrective actions plans would be necessary, these will be communicated to the LPPM Responsible Sourcing Review Committee, in its role as administrator of the LPPM Responsible Platinum/Palladium Guidance version 2.</p>

<b>Table 4</b>	<b>Other report comments</b>
<b>Comments</b>	UPMR has no further report comments