
***Joint-Stock Company “Prioksky
plant of non-ferrous metals”***

Written information
to the management
based on the results of the
Reasonable Assurance Engagement for
2019





Written information based on the results of the reasonable assurance engagement for 2019

To the management of Joint-Stock Company “Prioksky plant of non-ferrous metals” (“the Company”, “PZCM”):

According to our agreement dated 23 January 2020 No. 11313/0120/EPB we have performed reasonable assurance engagement to express a conclusion on the following:

The Company’s compliance with the London Platinum and Palladium Market (“LPPM”) Responsible Platinum/Palladium Guidance (“LPPM Guidance” or “the Guidance”).

Client

Joint-Stock Company “Prioksky plant of non-ferrous metals”.

Location: Kasimov, Prioksky District, Ryazan region, 391303, Russia.

Head of the company: Sonkin V.S., Chief Executive Officer.

Auditor

AO PricewaterhouseCoopers Audit located at: 125047, Russian Federation, Moscow, Butyrsky Val, 10.

State registration certificate No. 008.890, issued by Moscow Registration Bureau on 28 February 1992.

Certificate of inclusion in the Unified State Register of Legal Entities regarding the legal entity registered before 1 July 2002 No. 1027700148431 issued by Interregional Inspectorate of the Russian Ministry of Taxes and Levies No. 39 for the Moscow City on 22 August 2002.

Member of non-profit partnership “Sodruzhestvo”.

Major registration record number (ORNZ) in the register of auditors and audit organisations – 12006020338.

Recommended service provider of LPPM as an independent third-party auditor.



Written information on the results of the reasonable assurance engagement for 2019 (Continued)

Only those facts that came to our attention in the course of our engagement are disclosed in this written information. The procedures performed in the course of our engagement should not be considered as full and integral consideration of the efficiency of internal control systems of the Company, which could be executed for management purposes with the purpose of all existing drawbacks identification.

The written information provided below contains description of identified issues noted when assessing the Company's compliance with the Guidance, possible risks and recommendations.



Alexei Fomin
Partner
AO PricewaterhouseCoopers Audit

17 March 2020

Independence and competency statement

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the LPPM Guidance to carry out the assurance engagement.

Assurance scope and level of assurance

The assurance scope consists of the Refiner’s Compliance Report.

Our responsibility is to carry out a reasonable assurance engagement in order to express an opinion as to whether the Refiner’s Compliance Report, in all material respects, describes fairly the activities undertaken during the year to demonstrate compliance, and that management’s overall conclusion contained therein is in accordance with the requirements of the Guidance. We conducted our engagement in accordance with the International Standard on Assurance Engagements (“ISAE”) 3000 (revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board and the guidance set out in the LPPM Responsible Platinum/Palladium Programme - Third Party Audit Guidance (“the Audit Guidance”).

We wish to commend management for its continuing efforts to improve the Company’s systems and controls. As the Company’s auditors for Responsible Supply Chain engagement, we will continue to do our best to complement your strengths and serve the Company in the best way possible.

This report is intended solely for the information of management, and should not be used for any other purpose.

We appreciate the assistance and courtesy extended to us by the Company’s officers and staff during our engagement.

Observations and recommendations

The inaccuracies identified in course of audit in the wording of the Building up and Managing Responsible Platinum and Palladium System guidance were promptly corrected by the Company within the timeframe of the audit by making additions to the current Building up and Managing Responsible Platinum and Palladium System guidance.

Final overall rating of level of compliance

Final overall rating of level of compliance is compliant with the requirements of the LPPM Guidance.

Assurance conclusion

In our opinion, the Refiner’s Compliance Report for the year ended 31 December 2019, in all material respects, 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 Guidance.