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GROUP

TAILINGS MANAGEMENT

FACT SHEET 2020

Sibanye-Stillwater has embarked on a wide-ranging programme to align its management of tailings storage facilities with that of the newly launched Global Industry Standard on Tailings Management (GISTM).

Adopting the GISTM is a required commitment of all member companies of the International Council of Mining and Metals (ICMM).

Sibanye-Stillwater has 39 tailings storage facilities under current management as listed below – both in South Africa and the United States – most of which were inherited through recent acquisitions.

Having been built by various companies according to different specifications and in varying decades, there is limited uniformity in Sibanye-Stillwater's fleet of tailings storage facilities, particularly in their historic management and governance. Nor is there any consistency or alignment in the regulations that govern the two jurisdictions in which the tailings storage facilities are situated. For further details on our tailings storage facilities, see Waste management on our website: *https://www.sibanyestillwater.com/sustainability/environment/.*

"Sibanye-Stillwater has 39 tailings storage facilities currently under management – both in South Africa and the United States"

Operating segment	Active tailings storage facilities	Dormant tailings storage facilities
SA gold operations	6 (deposition) 1 (reclamation)	6
SA PGM operations	14 (deposition) 4 (reclamation)	5
US PGM operations	3 (deposition)	0

LEGISLATION

In South Africa, the principle management guidance document for tailings storage facilities is SANS 10286, the origin of which dates back to 1998. This standard contains fundamental objectives, the principles and minimum requirements for best practice, all aimed at ensuring that no unavoidable risks, problems and/or legacies are left to future generations. The standard does not, however, address the environmental issues or health and safety concerns of tailings storage, but places more focus on the need for management throughout the life cycle of a tailings storage facility. SANS 10286 in its current format falls short of the stringent requirements as contained in the new GISTM.

In the US state of Montana, new regulations (MCA 82-4-376) were promulgated in 2015 which are broadly reflective of international best practice in the management of tailings storage facilities. These regulations stipulate all storage facilities are to be designed using the most advanced practices and technologies available, requiring ample review and approval of design, operation, maintenance and closure by expert engineers ahead of construction.

"Sibanye-Stillwater is committed to the safe and environmentally responsible stewardship of our tailings storage facilities."

Sibanye-Stillwater is committed to the safe and environmentally responsible stewardship of our tailings storage facilities and is dedicated to ensuring that systems, standards and resources are in place to prevent catastrophic tailings facility failures. Sibanye-Stillwater, on its journey of continual improvement, fully supports and is committed to align all tailings facilities at our operations with the intent and requirements of the GISTM.

We further confirm our timeframe for conformance of our tailings storage facilities to the GISTM (as issued by the ICMM on 5 August 2020) is in accordance with our commitments as a member of the ICMM.

All our facilities in South Africa (SA) are built in an upstream direction. While building in the upstream direction has not been abandoned, certain specific countries have banned upstream construction – Chile due to earthquakes and Brazil due to high rainfall. Upstream facilities do pose a higher risk and hence require an increased level of management which has been practised for decades in SA.

The tailings storage facilities of the Group's SA and US PGM operations, which were designed and built more recently according to more stringent parameters, are aligned with international best practice on tailings management. However, much work needs to be done, particularly from a governance perspective, in order for all of the Group's tailings storage facilities to be fully compliant with the GISTM.

THE GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT (GISTM)

This standard, which was launched in August 2020 and is the first of its kind, was developed through collaboration between the United Nations Environment Programme (UNEP), Principles for Responsible Investment (PRI) and ICMM.

It covers the entire tailings storage facility lifecycle – from site selection, design and construction, through management and monitoring, to closure and post-closure – and seeks to strengthen current practices in the mining industry by integrating social, environmental, local economic and technical considerations. With an ambition of zero harm to people and the environment, the Standard significantly raises the bar for the industry to achieve strong social, environmental and technical outcomes. It elevates accountability to the highest organisational levels and adds new requirements for independent oversight. The GISTM also establishes clear expectations around global transparency and disclosure requirements, helping to improve understanding by interested stakeholders.

Comprising six topic areas, 15 principles and 77 auditable requirements, the GISTM will ultimately be supported by ICMM conformance protocols that will provide detailed guidance for certification, or assurance as applicable, and for equivalence with other standards.

This is in addition to the existing commitments under the ICMM Mining Principles and the ICMM tailings governance framework position statement. The purpose of the Tailings Governance Framework position statement is to enable enhanced focus on the following six key elements of management and governance necessary to prevent catastrophic failures of tailings storage facilities (TSFs).

Commitments under this ICMM position statement are set out under the following topics:

1. **Accountability, Responsibility and Competency**
2. **Planning and Resourcing**
3. **Risk Management**
4. **Change Management**
5. **Emergency Preparedness and Response**
6. **Review and Assurance**

For more information, refer to the ICMM website at *www.icmm.com*

JOURNEY TO COMPLIANCE

Given the extensive requirements contained in the the GISTM, all participating mining companies have been given a grace period of three years (for high and extreme facilities) or five years (for all other facilities) to make adjustments to their tailings storage facility policies and procedures and to improve or upgrade existing high-risk facilities.

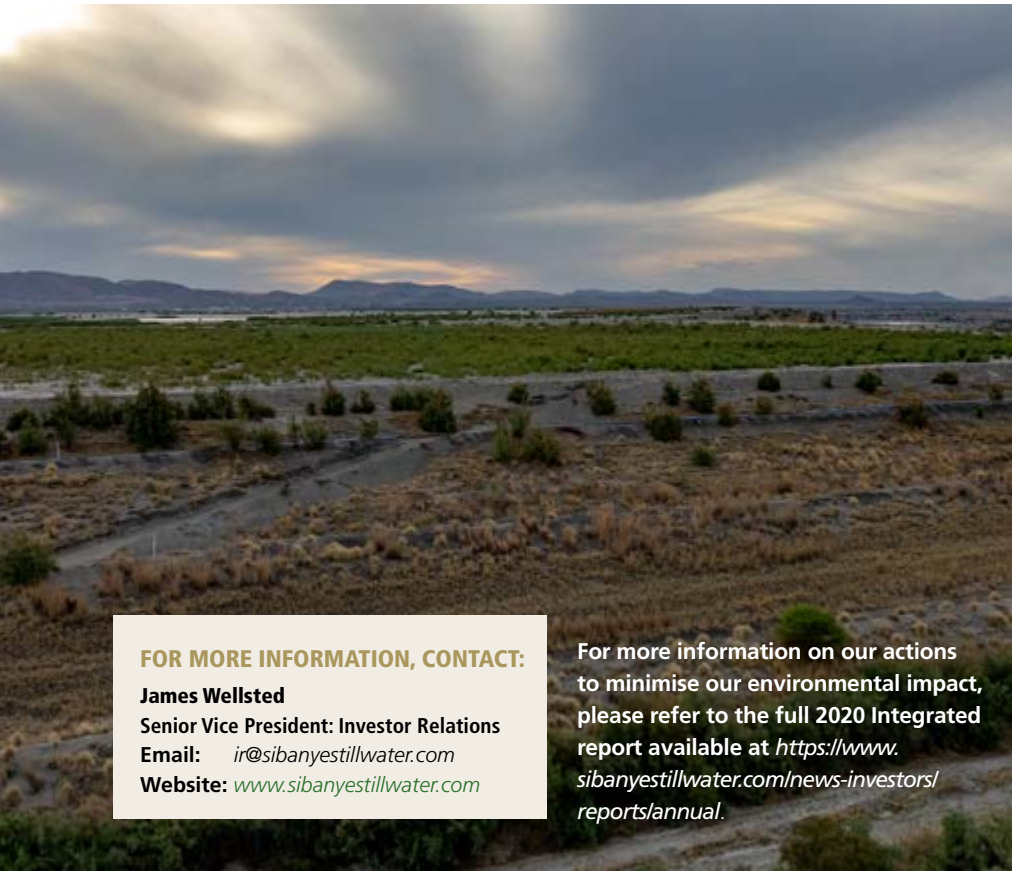
In the wake of the launch of the GISTM Sibanye-Stillwater has begun implementing a range of initiatives to improve and align its management of tailings storage facilities, a process which is expected to take between two to three years.

The first priority measure undertaken in 2020 was the appointment of an experienced tailings engineer, Mr Ross Cooper, as Vice President: Tailings Engineer, a new position created to oversee all aspects relating to tailings management. Linked to this appointment was a shift in reporting procedure so that all matters relating to tailings management are reported directly to the Executive Committee with the Chief Technical Officer, Mr Robert van Niekerk, appointed as the Accountable Executive for tailings management (A specific requirement of the GISTM).

With management and reporting structures finalised, the Group has turned its attention to the governance aspect of tailings management. There are a number of changes that need to be made to align to the strict governance requirements contained in the GISTM. This includes, but is not limited to, the development of a new tailings storage facility-focused governance framework, the overhaul of tailings storage facility-related policies into a single Board-approved policy and the improvement of operational documentation to assist in site-level validation and third-party assessments.

Simultaneously, Sibanye-Stillwater has embarked on a programme to evaluate the geotechnical status of all its SA and US tailings storage facilities. Of particular focus in these investigations will be the stability of each tailings storage facility. This aspect, as well as factors relating to safety, are more stringent according to international best practice than has been legislated and applied in South Africa, particularly historically and in relation to the gold mining sector.

A comprehensive gap analysis is also underway to determine the shortfalls against the GISTM. The new policy is aligned to the GISTM and includes measures to identify, report and mitigate risks.



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For more information on our actions to minimise our environmental impact, please refer to the full 2020 Integrated report available at *https://www.sibanyestillwater.com/news-investors/reports/annual*.

DRDGOLD ACQUISITION

In recent years, Sibanye-Stillwater has undertaken various initiatives to improve its rehabilitation capabilities, particularly as they relate to tailings storage facilities. The flagship initiative was the purchase of a 50.1% shareholding in DRDGOLD, a world leader in the retreatment of surface gold tailings. This partnership allows Sibanye-Stillwater to leverage off DRDGOLD's proven capabilities particularly in terms of:

- Reversing the environmental legacy of mining through the retreatment of tailings storage facilities
- Project managing the execution and implementation of surface processing infrastructure development
- Optimising innovative and technology-driven processing

Ultimately, the acquisition of DRDGOLD will help the Group to drastically reduce the number of legacy tailings storage facilities it has under its management.

OUR VISION: Superior value creation for all our stakeholders through the responsible mining of our mineral resources