

ESG Position statements

Energy and decarbonisation

Our Vision statement

Superior value creation for all our stakeholders through the responsible mining of our mineral resources.

Our Environmental vision

Promoting natural resources and improving life - sustainable use of our natural resources through increased environmental consciousness and continual improvement, minimising environmental impacts and a measured transition to a low carbon future enabled by digital and adopting technologically innovative approaches.

Our climate change policy principle includes the following:

- Promote awareness and drive initiatives to combat the impact of global warming and climate change:
 - drive a climate resilient business – deploy strategic and operational interventions to ensure that climate-related risks are managed
 - target-setting – set emission reduction targets informed by the latest globally available scientific body of knowledge
 - energy mix – transition from a coal-dominated energy mix, and intensify the drive towards displacing coal-based energy with renewable energy
 - influence and advocate – influence energy and climate-related policy and decision-making through advocacy and participation in various forums and stakeholder platforms
 - supply chain – encourage our partners to adopt a climate-resilient risk management approach

Recognition statements

Sibanye-Stillwater's operations are energy-intensive and use both direct (coal, diesel, etc.) and indirect (electricity) energy sources to power equipment, infrastructure, and processes. Energy also forms a significant and growing component of our operating cost structures. It has consequently contributed to the premature closure of several operations whilst it continues to risk the sustainability of others. Sporadic power supply deficits in South Africa lead to load curtailment and production losses, compound this risk.

Our organisation is also operating in the midst of a global energy transition, the fourth industrial revolution, and the restructuring of the South African Electricity Supply Industry (ESI). With appropriate strategies, we can take advantage of emerging opportunities and mitigate risks associated with these changes. The energy transition will offer new technologies and financing models that will change the way we source energy. Digitalisation can improve energy and carbon management along our value chains. The restructuring of the South African ESI will also influence energy supply to our South African operations and thus will need to be positively influenced in support of the broader mining industry.



Our Scope 1 and 2 greenhouse gas (GHG)¹ emissions contribute 84% to our overall carbon footprint, with the vast majority of our emissions stemming from direct and indirect energy consumption. The balance of our Scope 3 emissions predominantly emanate from the downstream processing, smelting, and refining of our products and our investments into external mining and processing operations. Sibanye-Stillwater, as a member of the International Council on Mining and Metals (ICMM)² and the World Gold Council (WGC)³, recognises that climate change is a serious global challenge that requires an urgent global response across all areas of society and the economy, as elaborated further in our Climate change position statement.

It is therefore imperative we continue to manage energy as a strategic input into our businesses, both from sourcing and use perspectives. Effective energy management and decarbonisation can form a source of competitive advantage and enhance our ability to deliver on our strategic focus areas and our purpose. As a responsible operator, Sibanye-Stillwater will need to continue to meaningfully contribute to the mitigation of global warming and climate change through the decarbonisation of our value chains across all emissions categories.

Scope

This position statement covers all energy management and decarbonisation activities across all Sibanye-Stillwater value chains. It is applicable company-wide, across all business units and managed activities (including joint ventures and other partnerships).

Intent

The intent of this position statement is to define and describe Sibanye-Stillwater Group's position on energy and decarbonisation, inclusive of recognition statements, strategic objectives, supporting interventions and governance.

Our energy and decarbonisation strategy, and its implementation, need to achieve the following objectives:

1. ensure security of supply
2. reduce our absolute GHG emissions and overall GHG emissions intensity (in line with carbon neutral by 2040 goal)
3. decrease overall energy and carbon costs
4. diminish industry and country risk stemming from an overreliance on monopoly supply (SA operations specific),
5. leverage energy management and decarbonisation as a competitive advantage, and,
6. adequately position Sibanye-Stillwater in terms of the global energy transition, technology advancements, and the restructuring of the South African Electricity Supply Industry (ESI)

The position statement calls on the delivery of the following interventions in order to achieve these objectives.

Energy intelligence and active advocacy

1. Set Group energy policy, governance, strategy, objectives and targets.
2. Ensure the availability of information and necessary resources to achieve the energy objectives and targets.
3. Manage the strategic relationships with energy stakeholders through energy advocacy.
4. Monitor and promote the accelerated reform of the South African ESI.
5. Integrate energy and decarbonisation considerations and opportunities within operational decision-making.

¹ Any gaseous compound that is capable of absorbing infrared radiation thereby trapping and holding heat in the atmosphere.

² The International Council on Mining and Metals is an international organisation dedicated to a safe, fair and sustainable mining and metals industry through the strengthening of environmental and social performance, advocating for change, and enhancing mining's contribution to society.

³ The World Gold Council is the market development organisation for the gold industry whose purpose is to stimulate and sustain demand for gold, provide industry leadership, and be the global authority on the gold market.



6. Integrate energy and decarbonisation considerations and opportunities within our social investments.
7. Scan, pursue, and utilise supportive energy and decarbonisation technologies and innovations.
8. Incorporate real-time, predictive and prescriptive digital analytics, reporting and performance management.
9. Publicly disclose performance, material risks, opportunities and management response to energy challenges.
10. Assess corporate strategy opportunities relating to energy.
11. Drive continual improvement of energy performance and the energy management systems.

Demand side energy management

1. Improve energy productivity and efficiency along our value chains.
2. Ensure appropriate risk-based emergency response management in relation to potential load curtailment or grid failure.
3. Satisfy or exceed applicable legal requirements and other requirements related to demand side energy management.
4. Lead the procurement of energy efficient products and services that impact energy performance.
5. Consider energy performance improvement opportunities and operational control in the design of new, modified and renovated facilities, equipment, systems and energy-using processes.
6. Reduce energy costs and GHG emissions associated with the pumping of water through the re-watering of ceased operations.

Strategic energy sourcing

1. Forecast future energy demand and GHG emissions over the life of mines for the purposes of energy and decarbonisation planning and reporting.
2. Manage, negotiate and improve the terms of local energy and electricity supply (both private and governmental).
3. Assess, plan and source alternative energy supply in support of the energy and carbon objectives.
4. Plan for future energy trading scenarios.
5. Satisfy applicable legal requirements and other requirements related to the sourcing of energy.

Decarbonisation

1. Design and execute a decarbonisation programmes in support of the energy and decarbonisation objectives (inclusive of Scope 3 emissions).
2. Advocate for balanced carbon legislation in support of the organisation's strategic objectives.
3. Scan, prioritise and implement carbon abatement opportunities (including technological and offsets).
4. Plan for future carbon trading scenarios.

Governance

Energy and decarbonisation is a considered a crucial strategic issue and fall under the management of the Executive with oversight from the Board. The main role of the Sibanye-Stillwater Board is strategic planning and oversight. The Board is thus responsible ensuring the implementation of the energy and decarbonisation position statement and strategy across the business whilst ensuring its effectiveness.

The Social, Ethics and Sustainability Committee and the Risk Committee, both Board-level committees, are responsible for addressing climate-related issues, including climate change adaptation, risks and opportunities.



Furthermore, Sibanye-Stillwater formed an Environmental, Social and Governance (ESG) Committee in 2019, dedicated to reviewing sustainability issues. Decarbonisation related matter matters are reported into the ESG Committee.

Below Board-level, our Chief Executive Officer (CEO) carries the highest-level management position with responsibility for energy and decarbonisation issues for the Group.

The Executive Vice President (EVP): Group Technical Services supports the CEO in key decision-making by ensuring that strategic energy and decarbonisation objectives translate into operational targets.

A Strategic Energy Sourcing Executive Sub-committee has been established to provide guidance and take decisions relating to sourcing or development of material alternative energy sources.

Policy and other ESG references

- Sibanye-Stillwater Sustainability policy statement
- Sibanye-Stillwater Environmental management policy statement
- Sibanye-Stillwater Carbon management policy statement
- Sibanye-Stillwater Climate change position statement
- ICMM Principle 3, 4, 6, 7 and 10 with the supporting performance expectations
- Position statement on climate change from the ICMM
- ICMM's principles for climate change policy design
- World Gold Council Principle 10 (10.3 and 10.4)
- ISO 50001 Energy Management standard

/s/ Neal Froneman

Chief Executive Officer

Date: June 2021

