

Environmental Policy

Southern Palladium Limited
ACN 646 391 899
(Company)

1 Scope and Purpose of Policy

Company's Commitment

Southern Palladium strives to use resources sparingly as we are committed to responsible stewardship of natural resources and the environment for present and future generations. We aim to operate in an innovative manner that prevents, mitigates, and manages the effects our operations have on the environment and biodiversity, and the communities in which we operate.

At Southern Palladium we are committed to:

- Managing our operations in compliance with the applicable legal and regulatory requirements and other best practice requirements to which Southern Palladium has or will subscribe in terms of the environment;
- The sustainable use of resources whilst demonstrating responsible corporate citizenship, social responsibility, and sustainability;
- Establishing, implementing, maintaining, and continually assessing and improving an internationally recognised environmental management system in which we manage any significant environmental impacts, protect the environment, and prevent pollution and environmental degradation;
- The implementation of the mitigation hierarchy and integrated approaches to land management to ensure the protection and enhancement of the environment, biodiversity, and ecosystems;
- The application of the mitigation hierarchy and the responsible management of materials and waste streams, including hazardous waste;
- Establishing an appropriate level of awareness and training for our workforces related to their environmental responsibilities;
- Setting targets and objectives for environmental performance, monitoring, reporting, and public disclosure of our material environmental performance indicators;
- A target of minimised Level 0 to Level 2 Incidents and having no Level 3 to Level 5 environmental incidents*;
- Including progressive rehabilitation, social considerations, and liability optimisation as part of our integrated approach to mine closure planning;
- Requiring all our contractors to comply with applicable legal and regulatory requirements, as well as Southern Palladium's policies, standards, procedures, and rules in terms of the environment;
- Engaging and communicating with our stakeholders, including our host communities, in a proactive, open, transparent, and positive manner on environmental matters;
- Communicating this policy and making this policy available to all employees, contractors, and other stakeholders so that they are aware of their individual environmental obligations; and
- Reviewing this policy at appropriate intervals to remain current.

**Level 1 and 2 environmental incidents involve minor incidents or non-conformances, with negligible or short-term limited impact. A Level 3 incident results in limited non-conformance or non-compliance with ongoing but limited environmental impact. Level 4 and 5 incidents include major non-conformances or*

non-compliances, which could result in long-term environmental harm, with company or operation-threatening implications and potential damage to company reputation.

Everyone working at Southern Palladium's operations plays an active role in achieving these commitments by:

- Integrating environmental sustainability principles into the full mining lifecycle and our daily activities; and
- Complying with documented policies, standards, and procedures.

Adopted by the Board on 21 January 2022