

## INTRODUCTION

IBIS ESG Consulting Africa (Pty) Ltd (IBIS) has been engaged by the Directors of AECI Limited (AECI) to perform an independent assurance engagement in respect of selected sustainability indicator baselines used to set 2025 targets to be disclosed in its Sustainability Report (the report) for the year ended 31 December 2020 (1 January 2020 – 31 December 2020). This assurance report is produced in accordance with the terms of our engagement letter signed 2 July 2020.

IBIS is an independent provider of sustainability assurance services. This engagement was conducted by a multidisciplinary team of assurance specialists with extensive experience in sustainability reporting. The assurance team was led by Petrus Gildenhuys who has more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

## SCOPE AND SUBJECT MATTER

The scope of the subject matter for limited assurance in accordance with the ISAE3000 (Revised) assurance standard, as captured in the agreement with AECI, included:

- Scope 1 emissions (tons CO<sub>2</sub>e)
- Potable water consumption (m<sup>3</sup>)
- Effluent discharged to sea and sewer (m<sup>3</sup>)

IBIS' responsibilities do not extend to any other disclosures or assertions.

## RESPECTIVE RESPONSIBILITIES

### AECI

The Directors of AECI are responsible for the generation, collection and presentation of the selected sustainability information within the Sustainability Report. AECI is also responsible for maintaining adequate records and internal controls that support the reporting process during the reporting period.

### IBIS

IBIS' responsibilities were to conduct an assurance engagement and to report its conclusions to the Directors in accordance with the assurance procedures followed.

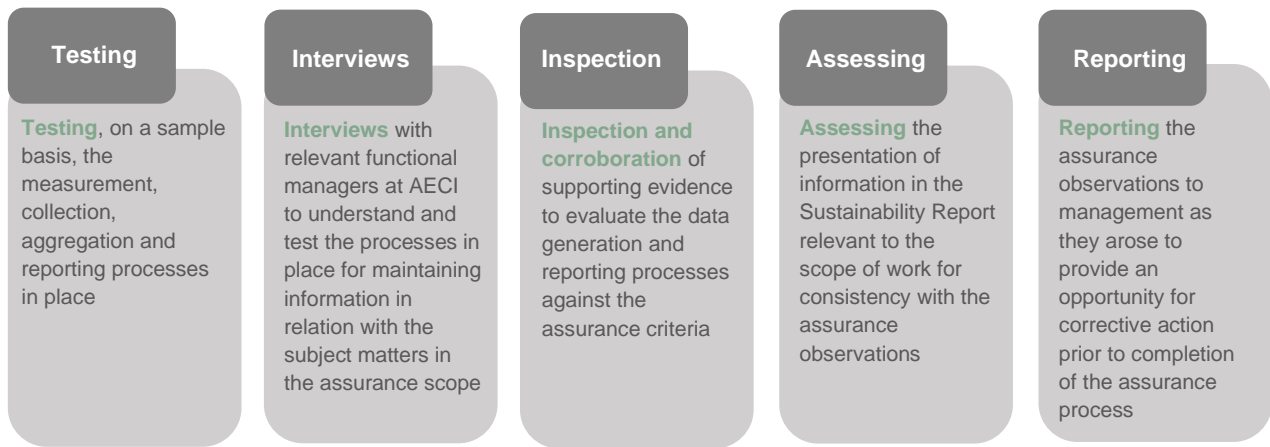
IBIS conducted the engagement in alignment with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information issued by the International Auditing and Assurance Standards Board, which Standard inter alia requires that the assurance practitioner follows due process and comply with ethical requirements.

## SUMMARY OF WORK PERFORMED

AECI provided IBIS with the relevant supporting information and documentation related to the selected sustainability indicator baselines reported.

IBIS applied the AECI corporate Data Reporting Standards, the Global Reporting Initiative (GRI) Standards, as well as the GHG Protocol: A Corporate and Accounting Standard – Revised Edition (WRI & WBCSD, 2004) ("GHG Protocol") as audit criteria in respect of the underlying data in the scope of the assurance engagement.

IBIS' limited assurance procedures, based on our professional judgement, consisted of:



## INHERENT LIMITATIONS

The evidence gathering procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Due to the global Covid-19 pandemic related travel restrictions all assurance work was desktop based. Evidence to support information reported was obtained electronically for review and assessment to base our conclusion. Readers of the Sustainability Report are cautioned to understand this inherent limitation.

## OTHER MATTERS

The maintenance and integrity of the AECI website is the responsibility of AECI' management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Sustainability Report or our independent assurance report that may have occurred since the initial date of presentation on the AECI website.

## RESTRICTION OF LIABILITY

Our work has been undertaken to enable us to express the opinion and conclusions on the selected sustainability indicator baselines to the Directors of AECI in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume responsibility to any third parties i.e. other than the Directors and the company, for our work or for this report to the fullest extent permitted by law, save where such third parties have obtained our prior written consent.

## ASSURANCE CONCLUSION

We believe that the information provided by AECI and the work performed by IBIS are sufficient and appropriate to form a basis for our limited assurance conclusion.

In our opinion, and based on our limited assurance procedures, nothing has come to our attention that causes us to believe that the selected sustainability indicator baselines set out in the assurance scope above and prepared for the year ended 30 June 2020, is not fairly represented in all material respects.

**Petrus Gildenhuys**

**Director, IBIS ESG Consulting Africa (Pty) Ltd**

Johannesburg

20 March 2021

