

# SUSTAINABILITY REPORTING NAVIGATOR FY18

We have prepared our financial year 2018 sustainability reporting in accordance with the Global Reporting Initiative (GRI) Standards (Core) Sustainability Reporting Guidelines, including the Mining and Metals Sector Supplement.

This Navigator provides the specific locations, within the Annual Report or on our website, where we meet the various GRI requirements. This Index also identifies how we address the 10 principles of the International Council on Mining and Metals, as well as the United Nations' Sustainable Development Goals (SDGs).

KPMG has provided:

- Sustainability information within the annual reporting suite – limited assurance
- Greenhouse gas emissions – reasonable assurance
- Water – reasonable assurance

A copy of KPMG's independent assurance opinion is located on page 9 of this Navigator.

## International Council on Mining and Metals

- Principle 1** Implement and maintain ethical business practices and sound systems of corporate governance
- Principle 2** Integrate sustainable development considerations within the corporate decision-making process
- Principle 3** Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities
- Principle 4** Implement risk management strategies based on valid data and sound science
- Principle 5** Seek continual improvement in health and safety performance
- Principle 6** Seek continual improvement of our environmental performance
- Principle 7** Contribute to conservation of biodiversity and integrated approaches to land use planning
- Principle 8** Facilitate and encourage responsible product design, re-use, recycling and disposal of our products
- Principle 9** Contribute to the social, economic and institutional development of the communities in which we operate
- Principle 10** Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders



					
					
					

South32 supports the United Nations (UN) Sustainable Development Goals (SDGs). The United Nations 2030 Agenda for Sustainable Development defined 17 SDGs in September 2015 that seek to address the world's greatest challenges. The SDGs build on the work undertaken through the Millennium Development Goals but have a greater focus on the involvement of the private sector. South32 plans align with the SDGs. The key to a successful result is working with stakeholders to develop and implement actions that contribute to sustainable development.

GRI Standard Number	Disclosure	South32 Response	Location (AR: Annual Report W: Website)	ICMM Principles Reference
<b>GENERAL</b>				
<b>ORGANISATIONAL PROFILE</b>				
102-1	Name of the organisation	South32	AR: Front cover	
102-2	Activities, brands, products, and services	Who we are; Actively reshaping our portfolio (Commodities)	AR: Inside front cover; AR: p6-7	
102-3	Location of headquarters	Actively reshaping our portfolio (Commodities)	AR: p7	
102-4	Location of operations	Actively reshaping our portfolio (Commodities)	AR: p6-7	
102-5	Ownership and legal form	Who we are	AR: Inside front cover	
102-6	Markets served	Who we are; Actively reshaping our portfolio (Commodities); Operating and financial review	AR: Inside front cover; AR: p6-7; AR: p40-49	
102-7	Scale of the organisation	Performance summary FY18; Actively reshaping our portfolio (Commodities); Operating and Financial Review; Financial Report	AR: p8; AR: p6-7; AR: p27, p32, p40-49; AR: p100	
102-8	Information on employees and other workers	Sustainability Data Tables; Performance summary FY18	W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a> ; AR: p8	
102-9	Supply chain	Operating and Financial Review	AR: p40-49	
102-10	Significant changes to the organization and its supply chain	Directors' Report; Actively reshaping our portfolio; Financial Report	AR: p93; AR: p6; AR: p162, p133	
102-11	Precautionary principle or approach	Risk management	AR: p20	2, 4
102-12	External initiatives	ICMM Memberships and commitments; Our Approach to Climate Change	W: <a href="https://www.south32.net/sustainability/our-focus">https://www.south32.net/sustainability/our-focus</a> ; W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	10
102-13	Membership of associations	Memberships; Our Approach to Climate Change	W: <a href="https://www.south32.net/sustainability/our-focus">https://www.south32.net/sustainability/our-focus</a> ; W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	
<b>STRATEGY</b>				
102-14	Statement from senior decision-maker	Chairman's Message; CEO Message	AR: p4; AR: p5	2
102-15	Key impacts, risks, and opportunities	Risk management	AR: p20-23	4
<b>ETHICS AND INTEGRITY</b>				
102-16	Values, principles, standards, and norms of behaviour	Code of Conduct	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1, 2
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1, 2
<b>GOVERNANCE</b>				
102-18	Governance structure	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1, 2
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement, (excludes 102-22a-vi, vii); Our Company	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; AR: p13-15	
102-23	Chair of the highest governance body	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	

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102-24	Nominating and selecting the highest governance body	Corporate Governance Statement; Notice of meetings	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; W: <a href="https://www.south32.net/investors-media/annual-general-meetings">https://www.south32.net/investors-media/annual-general-meetings</a>	1, 2
102-25	Conflicts of interest	Corporate Governance Statement; Our Company	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; AR: p13-15	1, 2
102-29	Identifying and managing economic, environmental, and social impacts	Corporate Governance Statement; Materiality	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 2
102-30	Effectiveness of risk management processes	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1, 2, 4
102-31	Review of economic, environmental, and social topics	Director's Report	W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	1, 2
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	
102-33	Communicating critical concerns	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1, 2, 10
102-35	Remuneration policies	Remuneration Report	AR: p70-71, p73, p76, p82	1, 2, 5, 6
102-36	Process for determining remuneration	Remuneration Report	AR: p72-73	1, 2
<b>STAKEHOLDER ENGAGEMENT</b>				
102-40	List of stakeholder groups	Communities and Society: Stakeholder engagement tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10
102-41	Collective bargaining agreements	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3
102-42	Identifying and selecting stakeholders	Communities and Society: Stakeholder engagement tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10
102-43	Approach to stakeholder engagement	Communities and Society: Stakeholder engagement tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10
102-44	Key topics and concerns raised	Communities and Society; Materiality	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10
<b>REPORTING PRACTICE</b>				
102-45	Entities included in the consolidated financial statements	Operating and Financial Review	AR: p32	
102-46	Defining report content and topic Boundaries	Materiality	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	
102-47	List of material topics	GRI Navigator FY18	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	
102-48	Restatements of information	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	
102-49	Changes in reporting	No changes in Scope or Aspect Boundaries	GRI Navigator FY18	
102-50	Reporting period	FY18	GRI Navigator FY18	10
102-51	Date of most recent report	FY17	GRI Navigator FY18	10
102-52	Reporting cycle	Annual	GRI Navigator FY18	10
102-53	Contact point for questions regarding the report or its contents	Corporate Directory	AR: Inside back cover	10
102-54	Claims of reporting in accordance with the GRI Standards	This report is prepared in accordance with the GRI Standards: Core option	GRI Navigator FY18	10
102-55	GRI content index	GRI Navigator FY18	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10
102-56	External assurance	Director's Report; GRI Navigator FY18	AR: p95; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	10

GRI Standard Number	Disclosure	South32 Response	Location (AR: Annual Report W: Website)	ICMM Principles Reference	UN SDG	Impact Boundary <sup>(1)</sup>
<b>ECONOMIC</b>						
<b>ECONOMIC PERFORMANCE</b>					2, 7, 8, 9, 13	1, 2, 3, 5, 7, 8, 9, 10
103-1	Management Approach	Communities and Society	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	9		
201-1	Direct economic value generated and distributed	Financial Report; Operating and Financial Review; Communities and Society; Tax Transparency and Payments to Governments Report	AR: p98, 101, 111 AR: p30;  W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> ; <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	9		
201-2	Financial implications and other risks and opportunities due to climate change	Our Approach to Climate Change	W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	2, 6, 9		
<b>ANTI-CORRUPTION</b>					16	1, 2, 3, 6, 8, 9, 10
103-1	Management Approach	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1		
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; anti-corruption training is ongoing at time of publication and data will be reported in FY19	1		
<b>ANTI-COMPETITIVE BEHAVIOUR</b>					16	1, 2, 4, 6, 7, 8
103-1	Management Approach	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Corporate Governance Statement	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a>	1		

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<b>ENVIRONMENT</b>						
<b>ENERGY</b>					7, 8, 12, 13	2, 3, 8, 9, 10
103-1	Management Approach	Environment - Energy	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6		
302-1	Energy consumption within the organization	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> , with the exception of 302-1c-ii, iii, iv, 302-1d	6		
302-4	Reduction of energy consumption	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
<b>WATER</b>					6, 12	2, 3, 7, 8, 9, 10
103-1	Management Approach	Environment - Water	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6		
303-1	Water withdrawal by source	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
303-3	Water recycled and reused	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
<b>BIODIVERSITY</b>					6, 12, 13, 14, 15	2, 3, 7, 8, 10

GRI Standard Number	Disclosure	South32 Response	Location (AR: Annual Report W: Website)	ICMM Principles Reference	UN SDG	Impact Boundary <sup>(1)</sup>
103-1	Management Approach	Environment - Biodiversity	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6, 7		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6, 7		
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6, 7		
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6, 7		
<b>EMISSIONS</b>					3, 7, 12, 13	2, 3, 8, 9, 10
103-1	Management Approach	Environment - Emissions	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6		
305-1	Direct (Scope 1) GHG emissions	Sustainability Data Tables; Environment - Emissions	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
305-2	Energy indirect (Scope 2) GHG Emissions	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Data Tables; Scope 3 Methodology	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
305-5	Reduction of GHG emissions	Environment - Emissions	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> , with the exception of 305-7a iii-vii	6		
<b>EFFLUENTS AND WASTE</b>					3, 6, 12, 14, 15	2, 3, 7, 8, 10
103-1	Management Approach	Environment - Waste	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	2, 6		
306-1	Water discharge by quality and destination	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
306-3	Significant spills	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
MM3	Total amounts of overburden, rock, tailings and sludges and their associated risks	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> Note: We do not collect/report the amounts of overburden	6, 7		
<b>ENVIRONMENTAL COMPLIANCE</b>					16	2, 8
103-1	Management Approach	Director's report; Environment	AR: p96; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		
307-1	Non-compliance with environmental laws and regulations	Director's Report; Sustainability Data Tables	AR: p96; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	6		

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<b>SOCIAL</b>						
<b>EMPLOYMENT</b>					5, 8	1, 3, 5
103-1	Management Approach	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
401-1	New employee hires and employee turnover	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>LABOUR/MANAGEMENT RELATIONS</b>					8, 16	1, 3, 5, 7, 8
103-1	Management Approach	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
402-1	Minimum notice periods regarding operational changes	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
MM4	Number of strikes and lock-outs exceeding one week's duration, by country	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>OCCUPATIONAL HEALTH AND SAFETY</b>					3, 8	1, 2, 3, 7, 8, 9
103-1	Management Approach	Health	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	5		
103-1	Management Approach	Safety	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	5		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	5		
403-3	Workers with high incidence or high risk of diseases related to their occupation	Health	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	5		
<b>TRAINING AND EDUCATION</b>					4, 8	1, 3, 5
103-1	Management Approach	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3		
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3		
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>					5, 8	1, 3
103-1	Management Approach	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1		
405-1	Diversity of governance bodies and employees	Corporate Governance Statement; Sustainability Data Tables	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1		
405-2	Ratio of basic salary and remuneration of women to men	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1		
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>					8, 16	1, 2, 3, 5, 8
103-1	Management Approach	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1,3		

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407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	People	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>CHILD LABOR</b>					4, 8, 16	1, 2, 3, 9
103-1	Management Approach	Communities and Society - Human rights; Modern Slavery Act Statement	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
408-1	Operations and suppliers at significant risk for incidents of child labour	Communities and Society - Human rights; Modern Slavery Act Statement	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>SECURITY PRACTICES</b>					16	1, 2, 3, 9
103-1	Management Approach	Communities and Society	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 5		
410-1	Security personnel trained in human rights policies or procedures	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>RIGHTS OF INDIGENOUS PEOPLES</b>					1, 3, 15, 17	3, 8, 10
103-1	Management Approach	Community and Society - Indigenous Peoples	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 9		
411-1	Incidents of violations involving rights of indigenous peoples	Communities and Society	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3		
<b>HUMAN RIGHTS ASSESSMENT</b>					1, 3, 5, 10	1, 2, 3, 9
103-1	Management Approach	Communities and Society - Human rights	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 10		
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 10		
<b>LOCAL COMMUNITITES</b>					1, 3, 8, 11, 15	1, 2, 3, 6, 8, 10
103-1	Management Approach	Communities and Society	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3, 9, 10		
413-1	Operations with local community engagement, impact assessments, and development programs	Environment, Health; Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3, 9, 10		
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3, 9, 10		
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes	Sustainability Data Tables	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3, 9, 10		

GRI Standard Number	Disclosure	South32 Response	Location (AR: Annual Report W: Website)	ICMM Principles Reference	UN SDG	Impact Boundary <sup>(1)</sup>
<b>SUPPLIER SOCIAL ASSESMENT</b>					8, 10	1, 2, 3, 9
103-1	Management Approach	Communities and Society - Human rights; Modern Slavery Act Statement	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> ; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 9		
414-1	New suppliers that were screened using social criteria	Modern Slavery Act Statement	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 3, 9		
<b>PUBLIC POLICY</b>					16, 17	1, 2, 3, 4, 6, 8, 9, 10
103-1	Management Approach	Memberships; Our Approach to Climate Change	W: <a href="https://www.south32.net/sustainability/our-focus">https://www.south32.net/sustainability/our-focus</a> ; W: <a href="https://www.south32.net/investors-media/annual-report-suite">https://www.south32.net/investors-media/annual-report-suite</a>	1		
415-1	Political contributions	Director's Report	AR: p95	1		
<b>SOCIOECONOMIC COMPLIANCE</b>					16	1, 2, 3, 8
103-1	Management Approach	Corporate Governance Statement; Sustainability Policy; Communities and Society	W: <a href="https://www.south32.net/who-we-are/corporate-governance">https://www.south32.net/who-we-are/corporate-governance</a> ; W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	3, 4		
419-1	Non-compliance with laws and regulations in the social and economic area	Communities and Society	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	4		
<b>MATERIALS STEWARDSHIP</b>					8, 12, 14, 15	2, 4, 7, 8
103-1	Management Approach	Environment - Product stewardship	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	8		
<b>EMERGENCY PREPAREDNESS</b>					8	1, 2, 3
103-1	Management Approach	Safety	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	4, 5		
<b>CLOSURE PLANNING</b>					9, 12, 11	1, 2, 3, 6, 8, 9, 10
103-1	Management Approach	Environment - Closure; Financial Report	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a> ; AR: p123	1, 2, 6		
MM10	Number and percentage of operations with closure plans	Environment - Closure	W: <a href="https://www.south32.net/sustainability/sustainability-reports">https://www.south32.net/sustainability/sustainability-reports</a>	1, 2, 6		

(1) 1 Employees and contractors; 2 Business partners (JVs); 3 Local communities; 4 Customers; 5 Labour unions; 6 Shareholders and investor groups; 7 Industry peers and associations; 8 Government and regulators; 9 Suppliers; 10 Community organisations and NGOs.





## Independent Assurance Report to the Directors and Management of South32 Limited

### Our conclusions:

#### 1) Assured Sustainability Information – Limited assurance

Based on the procedures performed, and evidence obtained, we are not aware of any material misstatements in the Assured Sustainability Information, as described below, which is prepared in accordance with the GRI Standards, the ICMM Sustainable Development Framework and the basis of preparation as disclosed in the South32 Limited 2018 Annual Report for the year ended 30 June 2018 ('2018 Annual Report') and on South32 Limited's website.

#### 2) GHG Emissions – Reasonable assurance

In our opinion, in all material respects, South32 Limited's reported Greenhouse Gas (GHG) Emissions of 22.9 Mt CO<sub>2</sub>-e (Scope 1 and 2) for the year ended 30 June 2018 are prepared in accordance with the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) GHG Protocol (market-based method) and the basis of preparation as disclosed in the 2018 Annual Report and on South32 Limited's website.

#### 3) Water Inputs and Outputs – Reasonable assurance

In our opinion, in all material respects, South32 Limited's reported Water Inputs of 94,979 Megalitres and Outputs of 76,084 Megalitres are prepared in accordance with the Minerals Council of Australia's Water Accounting Framework and the basis of preparation as disclosed in the 2018 Annual Report and on South32 Limited's website.

## Assured Sustainability Information

The Assured Sustainability Information comprised the following data and statements:

- Performance Summary – FY18: Sustainability, Safety and Health, Environment and Society sections presented in the 2018 Annual Report (excluding Our People),
- Safety at South32, Health at South32, Environment at South32, Community at South32, Sustainability Data Tables (except for People) available on South32 Limited's (South32's) website at <https://www.south32.net/sustainability/sustainability-reports>, and
- Materiality available on South32's website at <https://www.south32.net/sustainability/sustainability-reports>.

## Criteria used as the basis of reporting

The criteria used as the basis of reporting includes the GRI Standards (Core level of disclosures) published by the Global Reporting Initiative (GRI), the ICMM Sustainable Development Framework published by

the International Council on Mining and Metals (ICMM), the GHG Protocol published by the WRI/WBCSD, and the basis of preparation disclosed in the 2018 Annual Report and on South32 Limited's website, prepared by the Directors and Management of South32.

## Basis of conclusions

We conducted our work in accordance with International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance on Greenhouse Gas Statements* (Standards). In gathering evidence for our conclusions, our assurance procedures comprised:

- interviews with senior management and relevant staff at corporate and 5 operating sites;
- assessment of the suitability and application of the criteria in respect of the Assured Sustainability Information, GHG Emissions and total Water Inputs and Outputs;
- evaluation of the design and implementation of the key systems, processes and controls for collecting, managing and reporting the Assured Sustainability Information, and testing of certain controls for collecting, managing and reporting the GHG Emissions and total Water Inputs and Outputs;

- risk analysis, including print and social media searches, to validate the completeness of South32's own materiality assessment and to determine the scope of assurance testing at corporate and operating sites;
- assessment of the reasonableness of the assumptions underlying the forward-looking statements set out in the Assured Sustainability Information;
- agreeing the Assured Sustainability Information to relevant underlying sources on a sample basis;
- agreeing the GHG Emissions and total Water Inputs and Outputs data to relevant underlying sources in accordance with the International Standard on Auditing ISA 530 *Audit Sampling and Other Means of Testing*;
- an assessment that the indicators reported were in accordance with the GRI Standards Core level of disclosures and Subject Matters 1 to 4 of the ICMM Sustainable Development Framework.

GHG Emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

In accordance with the Standards we have:

- used our professional judgement to plan and perform the engagement to obtain assurance that the Assured Sustainability Information, GHG Emissions and total Water Inputs and Outputs are free from material misstatement, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness;
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

## How we define limited and reasonable assurance

Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Reasonable assurance is a high level of assurance but, due to the use of sampling techniques, it is not a guarantee that it will always detect a material misstatement when it exists.

## Use of this Assurance Report

This report has been prepared for South32. We disclaim any assumption of responsibility for any reliance on this report, to any person other than South32, or for any other purpose than that for which it was prepared.

## South32's responsibility

South32 is responsible for:

- determining that the criteria is appropriate to meet its needs;
- preparing and presenting the Assured Sustainability Information, GHG Emissions and total Water Inputs and Outputs in accordance with the criteria;
- determination of South32's GRI Standards Core level of disclosures in accordance with the GRI guidelines;
- establishing internal controls that enable the preparation and presentation of the Assured Sustainability Information, GHG Emissions and total Water Inputs and Outputs that are free from material misstatement, whether due to fraud or error;
- maintaining integrity of the website.

## Our responsibility

Our responsibility is to perform limited assurance in respect of the Assured Sustainability Information, including Subject Matters 1 to 4 of the ICMM Sustainable Development Framework and reasonable assurance in respect of GHG Emissions and total Water Inputs and Outputs, and to issue an assurance report that includes our conclusions.

## Our independence and quality control

We have complied with the independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants, and the applicable requirements of the International Standard on Quality Control 1 to maintain a comprehensive system of quality control.



**KPMG**  
Perth  
6 September 2018