



Report of the Health, Safety and Environment (HSE) Committee



Members of the HSE Committee

Bernard Pryor (Chair), iNED

Varda Shine, iNED

Richard Duffy, CEO

Johannes Bhatt, NED



The health and safety of Petra's people remains our top priority, along with safeguarding our environment for future generations. The Company is taking measures to continuously improve our performance in this area, working towards our primary goal of zero harm.

Bernard Pryor
Chair of the HSE Committee



HSE Committee Terms of Reference
[petradiamonds.com/about-us/
corporate-governance/board-committees](https://petradiamonds.com/about-us/corporate-governance/board-committees)

I am pleased to present Petra's HSE report for FY 2022, which is my fourth as Chair of the Committee.

The purpose of the HSE Committee

The role and purpose of the HSE Committee is to assist the Board in discharging its oversight responsibilities relating to HSE matters. It achieves this by overseeing the Group's HSE systems and policies and evaluating how these translate into HSE performance, as well as by monitoring compliance with all applicable regulations.

Activity during the Year

In FY 2022, the HSE Committee continued to monitor all key HSE-related indicators.

As reported in FY 2021, an action plan was put in place to address a rise in LTIs and a deterioration in the Group's LTIFR, via the continued embedding and enforcement of the Group-wide Health and Safety pledge, further implementation of the Group's safety behaviour-based intervention campaign initiatives to mitigate accidents at each operation, and the continual review of safety practices and implementation of proactive interventions.

I am pleased to report that in FY 2022, the beneficial outcomes of these steps were reflected in Petra's safety performance, with a 40% improvement in LTIs to 15 and corresponding 50% improvement in the LTIFR for the Year. The only metric on which Petra's performance deteriorated was in respect of NLTIs, which saw an increase of 11%, but this was against the backdrop of an increased number of shifts, which meant Petra's NLTIFR decreased by 7%. The Cullinan Mine in particular, had an exceptional year, celebrating a LTI-free year on 25 April 2022.

Overall Petra improved on 83% of measured safety KPIs in FY 2022 (FY 2021: 73%). The Group reported 10.08 million fatality-free shifts, and a 19% decrease in Total Injuries recorded. There was a 17% decrease in days lost due to LTIs and a 30% decrease in the Group's Injury Severity Rate. This is a notable achievement given that the South African mining industry as a whole saw increases in fatalities and injuries across 2021 and 2022.

Our focus on the management of the COVID-19 pandemic continued in FY 2022. While the majority of those who do contract COVID-19 may only experience mild symptoms, very sadly, and as reported in our FY 2021 Annual Report, 14 employees have tragically lost their lives to COVID-19. Subsequent to these sad losses, Petra has not recorded any COVID-19 related deaths. I would like to reiterate the Board and Management's sincere condolences to the family and friends of the deceased.

The Committee maintained its oversight of the strict systems and mitigating measures we have put in place to protect all of our workers and contractors as well as the continued roll-out of the COVID-19 vaccination programme for employees, with 64% of Petra's South African workforce having received vaccinations and 16% of the Tanzanian workforce having received vaccinations. As with all safety matters, it is important to show leadership from the top, and Exco and Senior Managers therefore had the vaccine and publicly promoted this to our workforce to demonstrate its safety, bearing in mind a major hurdle to vaccination throughout South Africa is misinformation about the safety of COVID-19 vaccines.

Other key achievements include the retention of the ISO 14001:2015 and ISO 45001:2018 certifications at our South African operations, as well as improvements in workplace conditions, including dust and noise reduction at all operations.

Looking at Petra's environmental performance in FY 2022, we again reported no 'major' or 'high' environmental incidents within the Company for the 12th consecutive year and achieved a record year with no medium environmental incidences. The development of the Sustainability Framework with the inclusion of environmental specific focus areas was of key importance in FY 2022. The objectives set towards the reduction of climate change impact, Improved Water



Management, Contributions towards the Circular Economy and the Safeguarding of our Biodiversity will undoubtedly lead to further improvements to our already strong environmental performance. Petra's commitment to net zero carbon emissions by 2050 is supported by our electricity efficiency that improved by 19% in FY 2022, and our Carbon Footprint measured in tonne CO₂-e/tonne of ore processed, that improved from 0.050 tCO₂-e/t in FY 2021 to 0.043 tCO₂-e/t in FY 2022. The relaxation of COVID-19 restrictions and the Williamson Mine coming back on-line in FY 2022, led to an increase in total Greenhouse Gas production across all Scopes. The most noticeable of these was the increase in Scope 3 emissions due to an increase in business travel. Our strong performance in water management continued with our water recycling remaining at an average of 80%.

Petra continued to show high levels of performance in its environmental reporting in FY 2022, with its CDP score on climate change reporting of 'B' being higher than average for the Company's sector and region of reporting. In addition, Petra's CDP score in relation to Water Security improved from 'B-' to 'B'.

Further information on HSE matters can be found on pages 42 to 50 of the Sustainability Report.

HSE Committee role and activities

The principal functions of the Committee are listed below, along with the corresponding activity and performance in FY 2022.

ROLE	ACTIVITIES IN FY 2022	OUTCOMES
To evaluate the effectiveness of the Group's policies, standards and systems for identifying and managing health, safety and environmental risks within the Group's operations.	The Group's significant HSE hazards and associated risks were reviewed as part of a discovery process as per ISO 14001 and ISO 45001 standards requirements and implemented into the operations.	Material impacts on health, hygiene and safety related legislative requirements were integrated into existing policies. Various legislative updates during the COVID-19 pandemic resulted in updates to Company reviews on risk assessments and policies during the Year. Processes were reviewed during 2022 and are up to date compliant to international standards requirements and certified by BSI through third party audits.
To assess compliance obligations with applicable legal and regulatory requirements with respect to health, safety and environmental aspects.	Changes in legislation were evaluated for potential impact on HSE systems and policies.	No material changes in environmental legislation were identified that required systems or policies to be updated. Processes are up to date, compliant to international standard requirements and certified by BSI through third party audits.
To ensure, on behalf of the Board, that an internationally recognised Health and Safety Management System and an Environmental Management System are implemented and maintained.	Outcomes of external certification audits for ISO 45001:2018 and ISO 14001:2015 were evaluated.	All South African operations successfully retained ISO 14001:2015 and ISO 45001:2018 certification through BSI. The Williamson mine remains uncertified but conforms to industry-wide HSE management principles and Tanzanian legislation (the Occupational Safety and Health Act).
To assess the performance of the Group with regards to the impact of health, safety and environmental decisions and actions upon employees, communities and other stakeholders.	Monitoring of HSE performance throughout the Year and review of annual Group occupational HSE objectives and KPIs. COVID-19 brought significant challenges regarding return-to-work policies and processes. The implementation of these, as well as general performance against the processes, were monitored.	The achievement of HSE objectives was noted. The Group's performance was satisfactory. The decisions and actions leading from COVID-19 specific policies, codes of practice and procedures did not have a negative effect on any stakeholders including communities and employees.
To review management's investigation of any fatalities and/or serious HSE-related accidents or incidents within the Group and the efficacy of the resultant remedial actions implemented.	Health and safety incidents, investigation outcomes and detailed trending were reported to and reviewed by the Committee on a quarterly basis. Environmental incidents classified as 'significant' were discussed in detail.	Zero fatalities occurred in FY 2022. The 20% LTI reduction target was achieved and exceeded in FY2022, with a reduction in LTIs of 40% and an improvement in the LTIFR of 50%. No significant environmental incidents occurred during FY 2022. More details can be found in the Company's Sustainability Report.

Bernard Pryor
HSE Committee Chair
10 October 2022