

Tailings Management Policy

Ambatovy is committed to managing its tailings management facility (“TMF”) in a manner that protects the health and safety of employees, community members, and protects the natural environment. Ambatovy is committed to standards of practice that meet and align with national and global good practices for health, safety, and the preservation of the environment during all phases of the TMF life cycle. The internal standards which we implement provide assurance that the following objectives are consistently met and exceeded.

- The levels of safety and environmental impact management of our TMF meets or exceeds national and internationally recognized thresholds at all times.
- Performance is continuously improved through the advancement and support of appropriate new technologies and management systems.
- The TMF is managed with due consideration of their impact on stakeholder perception of safety and on the physical, social and economic environment.
- The TMF is managed through the full life cycle that spans the conception, site characterization, design, construction, operation, decommissioning and closure phases, as well as continuity across the phase boundaries.
- Sound engineering practice is applied to all phases of the TMF life.
- Roles, responsibilities accountabilities and authorities are explicitly defined, and adequate resources are assigned at the operational and corporate levels.
- Risk management and assessment commensurate with the consequence of failure is carried out routinely. The results of which are reviewed and overseen by independent third-party experts.

Our management standard gives effect to the corporate objectives. It requires that governance takes place within a formal management system that provides assurance that the following will be, and has been, implemented within each of phase of the life cycle of the facility;

- An assurance program providing, among other things, for the frequency and scope of the various levels of inspections, audits and reviews as well as the specification for the competence requirements for those undertaking the work.
- Independent reviews and rigorous assurance programs that are not overly filtered by operational and functional layers within the organization.
- A formal adaptive management process for corrective action and changes incorporated into the requisite elements of the management system and life of facility plan.

The Shareholders and Executive Committee shall be regularly informed of the status of the TMF providing confirmation of the following;

- The TMF have been designed with a full understanding of the consequence of failure, of site conditions and reasonably-expected operating conditions;
- The TMF is, and will be, constructed and operated in accordance with defined thresholds and performance indicators with particular reference to containment integrity and overtopping;
- The TMF is, and will be, managed in accordance with the Ambatovy Management Standard;
- Construction, operation, maintenance and surveillance of the TMF is proceeding in conformance to design intent;
- Compliance and performance are verified as part of the Ambatovy assurance program, both internally and externally. Non-conformances that may increase risk to the point where the design intent may not be achieved, are identified, reported and addressed;
- An emergency response plan, based on a comprehensive understanding of the consequences of failure, has been developed, implemented, maintained and tested;
- A long-term reconstruction, restoration and recovery plan, in the event of a catastrophic TMF failure, has been developed in conjunction with public sector agencies and other stakeholders;
- In alignment with the requirements of the recently published Global Industry Standard on Tailings Management (“GISTM”), the above items are independently verified by suitably qualified professionals (an external reviewer/review board) at intervals dictated by the consequence classification of each facility.

Gustavo Gomes
President, Ambatovy

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