

**REPORT**

# ICMI RE-CERTIFICATION ADDENDUM REPORT

*CyPlus, GmbH - Supply Chain No. 6, Finland*

Submitted to:

**International Cyanide Management Institute (ICMI)**

1400 I Street, NW - Suite 550  
Washington, DC 20005  
UNITED STATES OF AMERICA

CyPlus GmbH  
Deutsche-Telekom-Allee 9  
64295 Darmstadt  
GERMANY

Submitted by:

**Golder WSP**

Attenborough House Browns Lane Business Park Stanton-on-the-Wolds  
Nottingham NG12 5BL UK

+44 0 115 937 1111

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## 1.0 INTRODUCTION

### 1.1 International Cyanide Code

The “International Cyanide Management Code for The Manufacture, Transport, And Use of Cyanide In The Production of Gold” (the Code) was developed by a multi-stakeholder Steering Committee under the guidance of the United Nations Environmental Program (UNEP) and the then, International Council on Metals and the Environment.

The Code is a voluntary industry programme for gold and silver mining companies, and companies involved with the production and transport of cyanide to gold and silver mining companies; it focuses exclusively on the safe management of cyanide. Companies that adopt the Code must have their operations, which manufacture cyanide, transport cyanide or use cyanide to recover gold or silver, audited by an independent third party to determine the status of the Code’s implementation. Those operations that meet the Code’s requirements can be certified and are able to use a unique trademark symbol, which identifies the company as a certified operation. Audit results are made public to inform stakeholders of the status of cyanide management practices at the certified operation.

The objective of the Code is to improve the management of cyanide used in gold and silver mining and assist in the protection of human health and the reduction of environmental impacts (refer to [www.cyanidecode.org](http://www.cyanidecode.org)). The Code is managed by the International Cyanide Management Institute (ICMI).

### 1.2 Audit Terms of Reference

Golder Associates (UK) Ltd (Golder), part of the WSP Group, was retained by CyPlus to conduct a Certification Audit of its cyanide transportation activities for Supply Chain No. 6, Finland. This was certified by ICMI in April 2022. Recently, CyPlus has identified some changes to its supply chain due to logistics improvements.

This Addendum Report has been produced to account for these changes to the supply chain which include the following:

- 1) Hamburg, Eurogate (SC#01) and (Antwerp, MPET) (SC#05) – covered by existing ICMC certifications CyPlus SC#01 & SC#5.
- 2) Hapag Lloyd (X-Press Feeders) – Responsible for shipping and included in the Addendum Report below.
- 3) Oulu Port (Finland) – Oulu port will become the main port for this supply chain and is included in the Addendum Report below, but Kemi Port will continue to be used as an additional port.
- 4) Korsu Oy – covered by existing ICMC certification SC#06, originally certified in April 2022, with extension of the route considered in the Addendum Report below.

### 1.3 Audit Scope and Methodology

The scope of this audit applies to those entities engaged in the transport of cyanide from the CyPlus GmbH Production Site (Wesseling, Germany) to Agnico Eagle Mine Site (Kittilä, Finland) and is covered by the original ICMC Certification for Supply Chain No. 6 Finland (certified in April 2022) and this Addendum Report. In addition to the physical carriers of the cyanide, any subcontractors whose activities are addressed by the Verification Protocol, as well as the cyanide producer, consignor and/or the mine itself may be subject to the Verification Audit depending on how the arrangements for delivery are structured. Other entities, such as contract transport vehicle maintenance facilities, may also be subject to parts of the Protocol.

This Addendum Report involved due diligence work by CyPlus, development of due diligence reports and provision of additional supporting information. In development of this Addendum Report, Golder has reviewed the due diligence reports and supporting information and provided questions to CyPlus.

## 1.4 Structure of the Report

The Protocol, and audit findings against the Principles and Standards of Practice detailed within the Protocol, are presented in Sections 4 to 6 of this Addendum Report. The report structure follows the questions structure in the protocol for Cyanide Transport where relevant to these additional parties.

Observations that do not classify as audit findings but are noteworthy because they provide perspective on the status of cyanide management at the sites are also detailed within Sections 4 to 6 below.

## 1.5 Audit Schedule

The original Certification Audit was undertaken in August 2021 and certified in April 2022, with site visits and interviews with CyPlus and Korsu Oy and additional time before and after the site visit to review provided information and ask additional questions. Additional due diligence reports were provided by CyPlus for Kemi Shipping Oy and for Korsu Transport Oy.

The background for the Addendum Report was obtained during 2022 to date and due diligence reports were provided by CyPlus for X-Press Feeders and the Port of Oulu.

## 1.6 Audit Team

The audit team comprised Dale Haigh, Golder (Lead Auditor and Transportation Technical Specialist). Dale Haigh has been pre-certified by ICMI to act as Lead Auditor, Transportation and Production Technical Specialist. Dale also completed the original Supply Chain No. 6 certification which was certified in April 2022.

## 2.0 ADDENDUM AUDIT REPORT FOR CYANIDE TRANSPORTATION OPERATIONS

<b>Name of Cyanide Production Facility:</b>	CyPlus GmbH
<b>Name of Facility Owner:</b>	CyPlus GmbH
<b>Name of Facility Operator:</b>	CyPlus GmbH
<b>Name of Responsible Manager:</b>	Florian Steinmann
<b>Address:</b>	CyPlus GmbH Deutsche-Telekom-Allee 9 64295 Darmstadt
<b>State/Province:</b>	Hesse
<b>Country:</b>	Germany
<b>Telephone:</b>	+49 6151 863-7396
<b>E-Mail:</b>	<a href="mailto:florian.steinmann@cyplus.com">florian.steinmann@cyplus.com</a>

### 3.0 SUPPLY CHAIN OVERVIEW

CyPlus' production site in Wesseling, Germany has been ICMC-certified and registered since July 24, 2006, with no suspension since then. From the Wesseling site, the cyanide is shipped to gold mines all over the world. The CyPlus company acts also as a consignor for cyanide transportation. The scope of the CyPlus consignment is covered in different supply chains.

Supply Chain No. 1 covers the portion from the production site at Wesseling, across the German oversea ports (Hamburg and Bremerhaven) and Netherlands overseas port (Rotterdam) to the respective ports of entry.

Supply Chain No. 5 covers the Antwerp MSC PSA European Terminal (MPET) overseas port.

The original Supply Chain No. 6 report (certified in April 2022) included the following stages:

- Kemi Shipping Oy and Port of Kemi, Ajoksentie 708, FI-94900 Kemi, Finland
- Korsu Oy, Ollinkalliontie 10, FI-98100 Raahe, Finland

This Addendum Report covers the fact that Kemi Shipping has recently been replaced by X-Press Feeders for shipping and Oulu Port is an additional option to Kemi Port. Additionally, road transport to cover the leg between Oulu Port and the mine is included below as Oulu Port is slightly further south of the mine than Kemi Port.

### 3.1 Supply Chain Parties and Summary of Due Diligence Audits

The following parties are noted for Supply Chain No. 6:

- 1) CyPlus GmbH, Darmstadt, Germany

CyPlus GmbH is the signatory company which is in the role of the ICMI Code's Consignor. CyPlus GmbH is a subsidiary of the Röhm Holding GmbH and belongs to the Röhm Group since August 01, 2019. The organization is not active in transporting cyanide but is contracting the full transport service with the help of the internal procurement department logistics (Röhm Group) and Evonik Services GmbH. The procurement is purchasing transportation and logistic services from dedicated suppliers, and is following strictly defined processes to evaluate appropriate suppliers who are able to perform cyanide shipment under controlled conditions.

- 2) CyPlus GmbH, Wesseling, Germany

The CyPlus site at Wesseling is the production plant of sodium cyanide. CyPlus manufactures and packs the product into wooden IBCs, drums and SLS containers and prepares them for shipping. The organization is not active in transporting cyanide, but it is the starting point of Supply Chain No. 1.

- 3) Röhm GmbH, Wesseling, Germany

Röhm GmbH is a subsidiary of the Röhm Holding GmbH and has belonged to the Röhm Group since August 01, 2019. Röhm GmbH is a sister company of CyPlus GmbH performing various services for CyPlus. Röhm GmbH at the Wesseling site provides CyPlus with logistic and handling services such as loading and the control of trucks, preparing the transportation documents, loading or labelling of the containers.

- 4) X-Press Feeders

Founded in 1972, X-Press Feeders has since grown into the world's largest independent feeder carrier.

The mission is to be "The Global Common Carrier" of choice and provide the most reliable and cost-effective service solutions to support customers' feeding needs. X-Press Feeder has a staff headcount of over 300 dedicated workers across the globe, as well as a network of committed agents worldwide. They operate a fleet of more than 100 vessels. Ranging from nominal capacity of 500 TEUs to 7,000 TEUs, X-Press Feeders is able to run both shuttle services as well as longer relay services centred around main trans-shipment hubs, serving all types of cargo needs. One part of the company is called Eastaway and is responsible for the ships, their crew and maintenance. Within this report we will refer to the whole company as "X-Press Feeders".

5) Korsu Oy, Ollinkalliontie 10, FI-98100 Raahe, Finland

Transport company Korsu Oy operates the truck transport of cyanide containers between Port of Kemi and Agnico Eagle mine site in Kittilä. Korsu Oy is a family-owned business. They operate currently around 55 trucks and >60 trailers. Their focus business is tank transport services (powder and grain material, ADR transportations), container transport services (dry cargo, tank and bulk containers, sideloader, ADR transportations) and oversized load transport services. Korsu operates road haulage in the Scandinavian area (Finland, Sweden, Norway and Denmark). Korsu holds ISO 9001 and ISO 14001 BVQI certificates. A new dedicated health, safety, environmental and quality manager has been engaged. Regarding the ICMC code requirements the HSEQ Manager is supported by CyPlus and also by local Finnish Algol Chemical company (advice and training support).

6) Kemi Shipping Oy, Ajoksentie 708, FI-94900 Kemi, Finland

Kemi port was founded in 1894. The harbor comprises two new 178-metre quays with stern ports and Sto-Ro side berths. The maximum permissible loading draught is 10 meters. Kemi Shipping has an annual turnover of 15,4 M€ and handles about 1,3 M tons (approximately 440 vessel calls) with around two vessels handled per day. The operating company (Kemi Shipping Oy) is owned by the forest and paper industry. The main business area is stevedoring, forwarding, ship's agency operations (e.g. ship clearance) and operating a repair shop for heavy machinery (e.g. reach stackers, trucks). Handling of dangerous goods is not a core business; nonetheless a so-called IMO area is established (see scheme). Kemi Shipping is holding current certifications according to ISO 9001, ISO 14001, OHSAS 18001 and ISPS (International Ship and Port Facility Security Code). The IMO area is qualified to be used as an interim storage area for cyanide, but it is Kemi Shipping's policy to have no dangerous goods on site, instead the material should be directly transferred to customers with no stop at the port site.

7) Oulu Port

The port of Oulu, located in the periphery of Oulu and connected to Bothnian Bay, is located between Sweden and Finland. The port has been run by Herman Andersson Oy since 1902. It connects large parts of the Finnish mainland and is well suited for import and export of industrial goods of the region. The Port had traffic of approximately 1.5 million tons in 2020. Approximately 87 workers generate an average turnover of 12 million Euros. The berths and the yard behind are well equipped with modern handling facilities. A crane of 50 tons capacity and mobile crane with a capacity of 700 tons are available.

Representatives and managers of both companies (X-Press Feeders and Oulu Port) took part in the due diligence audits, completed by CyPlus. Korsu Oy also provided additional information for this Addendum Report.

The information provided was reviewed and responses provided in Sections 4 to 6, under each Transport Practice heading.

## 4.0 PRINCIPLE 1 – TRANSPORT

### Transport cyanide in a manner that minimizes the potential for accidents and releases.

**Transport Practice 1.1:** Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.1? Explain the basis for the finding.

in full compliance with

**The operation is**  in substantial compliance with **Transport Practice 1.1**

not in compliance with

#### Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Transport Practice 1.1; Select cyanide transport routes to minimize the potential for accidents and releases.

This requirement is not relevant to Oulu Port or to X-Press Feeders.

Transportation within Finland is performed by the truck transporter Korsu Oy and the previous report for Supply Chain No. 6 demonstrates that Korsu go through a route selection process. Korsu has updated their route risk assessments to include a route between Oulu Port and the mine site (Agnico Eagle Finland Oy). This has been reviewed and indicates that the transporter implements processes and procedures to select transport routes that minimize the potential and potential impacts of accidents and/or releases. The routes selected are the most direct routes with main roads in good condition.

Korsu has developed the procedure and produce the route risk assessments that are used as the basis for determining the route. Ongoing monitoring of the routes is performed every year by Korsu. Drivers are provided with training and briefed on a regular basis and warned of changes in route conditions. Korsu has developed detailed route instructions that apply to the entire route, and this describes the distances, speeds and hazards along the route.

Korsu report that there are no special safety or security concerns currently and do not usually use convoys. All transport is monitored by a satellite system.

In case of emergency the Fire Department of Lapland in Finland will manage all emergency measures.

#### **Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Route Risk Assessment between Oulu Port and the mine site (Agnico Eagle Finland Oy), Version 5 dated 26 April 2022.*



**Transport Practice 1.2: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.2? Explain the basis for the finding.**

in full compliance with

**The operation is**  in substantial compliance with **Transport Practice 1.2**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 1.2; Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

CyPlus subcontracts cyanide transport activities to others including Oulu Port, X-Press Feeders and Korsu (road transportation).

The due-diligence report provided by CyPlus confirms that for Oulu Port, all personnel involved with Container handling are trained. Crane, forklift and truck operators need a specific license. Every few years, Andersson Oy (Port Operator) checks that the licenses are valid and demand training where needed. The workers at the port do not open the container/cyanide boxes. In case of emergency, local fire fighters would be called.

The Port of Oulu also has a safety report approving the transport and temporary storage of bulk materials, issued by Traficom (Finnish Transport and Communications Company), and is valid from 18 January 2019 until 18 January 2024.

For X-Press Feeders, the due-diligence report provided by CyPlus confirms details of an interview with an ocean carrier representative. All employees are trained before initial start of work. A supporting document was reviewed: Safety, Environment & Security Orientation Training. During the initial training new workers get basic information regarding incident management like who to inform, how to secure themselves and what equipment to use.

Drills are included into ship's annual drill & training schedule. The ships used by X-Press Feeders perform training on a weekly, monthly and quarterly basis, depending on the topic of the training. Special training for chemical related incidents takes place every quarter. Documents indicating fire drills, pollution drills and security drills had occurred for example throughout 2021 and were observed in records provided.

As noted in the previous report for Supply Chain No. 6, (certified in April 2022), Korsu (road transport) only uses trained and competent operators to drive its vehicles. Training includes HGV Training, ADR training health and safety and cyanide specific training.

All cyanide handled and transported within this supply chain has already been originally packed, closed and sealed at the manufacturing site and is not opened until arriving at the mine site.

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Safety, Environment & Security Orientation Training, Eastaway, November 2020*

*X-Press Feeders Fire Drills, 2021*

*X-Press Feeders Security Drills, 2021*

*X-Press Feeders Pollution Drills, 2021*

*Port of Oulu, Approving the safety report related to the transport and temporary storage of bulk materials, Traficom (Finnish Transport and Communications Company), 18 January 2019 until 18 January 2024*

**Transport Practice 1.3: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.3? Explain the basis for the finding.**

**in full compliance with**

**The operation is**

in substantial compliance with

**Transport Practice 1.3**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 1.3; Ensure that transport equipment is suitable for the cyanide shipment.

The transport companies only use equipment designed and maintained to operate within the loads it will be handling. CyPlus do not transport loads directly on roads or sea but engage relevant sub-contractors (Korsu, Oulu Port and X-Press Feeders) to carry out this work effectively.

The due diligence report for Oulu Port confirmed that the port has a modern infrastructure and equipment. The equipment is designed according to international standards for ports which handle containers. A well-established maintenance system is implemented and equipment is controlled by in-house mechanics. Six workers take care of Andersons Equipment. The interval is determined by the hours of use. This is tracked by software and guarantees regular maintenance.

For X-Press Feeders, the due diligence report stated that vessels are maintained according to international regulations and defined schedules. CyPlus have also obtained an example certificate for the ship's Loading Instrument verifying its compliance. In addition, they have provided an example certificate showing compliance with regulation II2/19.4 of the International Convention for the Safety of Life at Sea, 1974, demonstrating that the construction and equipment of the above-mentioned ship have been found to comply with the regulatory requirements and is suitable to carry dangerous goods.

As noted in the previous report for Supply Chain No. 6, 2021, Korsu owns 55 trucks and a significant number of 40 foot trailers that are designed to accept the 21,300 kg load cyanide containers. The trucks and trailers are under a maintenance regime (supported by internal and external garages). In addition, annual inspections are completed by regulatory authorities for trucks and trailers. Prior to the start of each transportation vehicles and trailers (along with their loads) are checked to ensure they are safe to travel. This was confirmed during interview. Procedures are in place to verify the adequacy of the equipment for the loads they must bear. Korsu explained the approach adopted during interview. Procedures are reviewed every year.

There are procedures in place to prevent overloading of the transport vehicle being used for transporting the cyanide. CyPlus and its transporters have procedures to ensure that vehicles are checked prior to and during transportation of cyanide. In addition, the specification of vehicles is compatible with the loads they carry, and this was confirmed during the original review process.

The safety of loads each vehicle carries is verified at the start of transport by Korsu. Inspections are carried out during the transport process and examples were observed during the original audit.

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Certificate for X-Press Feeders indicating compliance with regulation II2/19.4 of the International Convention for the Safety of Life at Sea, 1974, Korean Register, 1 July 2022*

*Certificate for X-Press Feeders indicating compliance with the International Code for the Security of Ships and of Port Facilities (ISPS Code), Korean Register, 2 January 2022*

**Transport Practice 1.4: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.4? Explain the basis for the finding.**

in full compliance with

**The operation is**

in substantial compliance with

**Transport Practice 1.4**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 1.4; Develop and implement a safety program for transport of cyanide.

Cyanide is transported by road by Korsu. Boxes and containers are fitted with placards as attached by CyPlus, in accordance with the IMDG Code. These placards remain on the boxes and on all sides of the containers until the containers are unpacked at the mine sites. These provisions and the attachment of the IMO marine pollutant label ensure that all consignments comply with international standards.

The safety program implemented by the transporters includes the following: Vehicle inspections prior to departure/shipment; a preventative maintenance program; limitations on operator/driver hours; procedures to prevent loads from shifting; procedure to modify or suspend transportation if conditions require it; a drug abuse prevention program; and retention of records documenting that the above activities have been conducted.

For Oulu Port, the due diligence report completed by CyPlus confirmed that the Cyanide is transported inside standard sea containers. The port personnel will not open the containers. Port personnel require valid licenses to operate the equipment including cranes, forklifts and trucks. Andersson Oy invests in new equipment and keeps it up to date. The containers are equipped with warning signs according to international laws by CyPlus. Andersson Oy tracks dangerous goods within their IT logistic systems and can react in case of an emergency. MSDSs are also listed in this system. The equipment at the port undergoes regular inspection and a maintenance program is in place to ensure safe handling of containers. They have checklists which contain inspection procedures on an hourly usage basis. The cranes are operated by the owner of the port, the city of Oulu. Workers are trained according to Finnish law. Workers are also trained in cyanide awareness by CyPlus consultant Maaret Karlsson (last completed in February 2022).

For X-Press Feeders the due diligence report completed by CyPlus confirmed through interview of an ocean carrier representatives, and related evidence provided, that they maintain a Safety Management System included:

- ISM Code (International Safety Management by IMO (International Maritime Organization));
- Tools for continuous improvement. Ships perform reviews on a yearly basis or when a captain changes. The topics raised are collected and will be evaluated each September/October. Suggestions are taken into consideration by X-Press Feeders, and are implemented within the next year;
- X-Press Feeders is certified according to ISPS and IMDG;
- The ocean carrier has a zero alcohol/drugs policy. Every employee is informed accordingly prior to joining, passing through appropriate tests prior to and during contract on board. Every month at least a quarter of the workers undergo alcohol tests.

For stowage planning a specifically developed IT system is in place, which defines the exact stowing position of each single container in advance before lifting on board. Stowage requirements from customers will be respected if respectively documented. The automatic stowage planning is seen as a recommendation and is adapted by a planner manually.

These processes are controlled by the software CAPSTAN (Computer-Aided Planned Stowage and Networking System) being widely spread in the liner shipping industry. This tool has implemented the IMDG regulations and stores chemicals accordingly. The position on the boat is transferred to X-Press Feeders staff on land.

Incidents aboard are reported immediately within the ship and to the colleagues on land. They have to contact the owner/producer of the goods that are affected by any incident. For support on special problems, they contact specialists on land to get support e.g. treatment of special chemicals.

In addition, X-Press Feeders report incidents in the CINS (Cargo Incident Notification System). CINS permits analysis of operational information on all cargo and container incidents which lead to injury or loss of life, loss or serious damage of assets and environmental concerns. The aim of CINS is to collect information on operational cargo-related accidents and incidents from seaborne carriers. These data include information on: cargo type, nature, packaging, weight, load and discharge ports, type of incident and root cause. <https://www.cinsnet.com>.

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

**Transport Practice 1.5: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.5? Explain the basis for the finding.**

in full compliance with

**The operation is**

in substantial compliance with

**Transport Practice 1.5**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 1.5; Follow international standards for transportation of cyanide by sea.

Cy Plus have included X-Press Feeders into Supply Chain No. 6 for Finland. CyPlus have undertaken a due diligence exercise on X-Press Feeders that confirmed the following:

X-Press Feeders is compliant with IMDG (International Maritime Dangerous Goods Code) and ISPS (International Ship and Port Facility Security Code). According to the due diligence investigation the ocean carrier strictly follows the international standards for transportation of cyanide by sea.

X-Press Feeders also has a policy it follows when carrying IMDG cargoes which includes checks on manifests, use of placards indicating hazards, highlight of measures in case of incident, posting of stowage plans, and carrying of material safety data sheet (MSDS). It has additional spillage/release policies which are in line with the IMDG code and general EHS policies and maintains an emergency contact list.

For Oulu Port, the due diligence report completed by CyPlus confirmed that the port is certified according to IMDG. The cyanide is packaged by CyPlus according to international regulations. The port does not open the containers or handle the chemicals. The IMDG code was developed to protect workers from the dangers of chemicals transported by ship.

The Port is also compliant under the International Code for the Security of Ships and of Port Facilities (ISPS Code) and is valid until 9 November 2022.

The Port operator is also certified to ISO9001 (IQ Net, Registration No. FI 5686-06, valid until January 1, 2025), ISO14001 (IQ Net, Registration No. FI 5687-06, valid until January 1, 2025) and ISO45001 (IQ Net, Registration No. FI 5688-06, valid until January 1, 2025).

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*International Code for the Security of Ships and of Port Facilities (ISPS Code) and is valid until 9 November 2022*

*ISO9001 (IQ Net, Registration No. FI 5686-06, valid until January 1, 2025),*

*ISO14001 (IQ Net, Registration No. FI 5687-06, valid until January 1, 2025)*

*ISO45001 (IQ Net, Registration No. FI 5688-06, valid until January 1, 2025).*

**Transport Practice 1.6: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 1.6? Explain the basis for the finding.**

**in full compliance with**

**The operation is**  in substantial compliance with **Transport Practice 1.6**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 1.6; Track cyanide shipments to prevent losses during transport.

Transport vehicles have the means to communicate with the transport company, the mining operation, the cyanide producer/distributor and emergency responders.

Trucks have mobile phones with them, as defined in the driver's manual. The drivers are not allowed to use them whilst moving because of safety reasons but are able to use them when stopped and in case of emergency. The relevant phone is tested before each and every start of a cyanide tour. This is required in the in the driver's checklist. Additionally, a GPS based system (AC Panther) is installed, so that a truck's position can be monitored in real time. During interviews with drivers it was confirmed that communication is possible throughout the route. Korsu also maintain a mobile text-based system (Logo Apps) that allows drivers to confirm that a specific stage of activity has been completed and this can be observed by Korsu management.

In accordance with Korsu procedures and associated pre-transport checks, communication equipment is checked prior to the start of each trip. As part of the pre-start check all communication equipment is checked including mobile phones and the GPS system. All checks are documented as part of the prestart procedures.

Communication blackout areas along transport routes have been assessed (from road trips) and none have been identified in the routes that Korsu will use.

Korsu have developed procedures in agreement with CyPlus to track the progress of cyanide shipments.

Procedures include:

- Advance planning is completed for all shipments.
- Advising the mine when shipments leave the departure point and estimated time and date of arrival of the consignment.
- Logging of convoy movements using telephone calls and Logi Apps (described above).
- GPS (which is actively monitored) is also used to track progress along the routes.
- Mobile available in case of emergency.

The transporter uses inventory controls and chain of custody documentation to prevent the loss of cyanide during shipment.

Chain of custody (Delivery Notes) forms completed by the mine also confirm that the material has been received in an effective state. Examples were seen during the audit. Shipping records indicate the amount of cyanide in transit and Materials Safety Data Sheets are available during transport.

The due diligence report completed by CyPlus confirmed that the Oulu Port has a modern logistic system. It tracks every container and provides information about its load to the port. According to ISPS the ships must transmit the information regarding their load before they unload it to the port. The Goods Management System tracks the containers until exit from the port. Truck drivers have to register when entering the port and their license plate is connected to the containers which they have to pick up. Moreover, safety information (e.g. UN-Numbers and MSDSs) are available. This allows not only the tracking but also the storage in areas where no incompatible chemicals are stored. Due to the electronic tracking system the port has an overview of the inventory. They have a designated area for dangerous goods. Communication within the port is also always possible as workers are equipped with phones and computers.

For X-Press Feeders, the CyPlus due diligence report confirmed that the containers are tracked by a modern software (CAPSTAN) that includes the regulations of the IMDG. The workers aboard and on land keep track of the containers using this system. Containers shipped with the ocean carrier can be virtually tracked online by the shipper when entering the container B/L number or booking no.

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

## 5.0 PRINCIPLE 2 – INTERIM STORAGE

### Design, construct and operate cyanide trans-shipping depots and interim storage sites to prevent releases and exposures.

**Transport Practice 2.1:** Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 2.1? Explain the basis for the finding.

in full compliance with

**The operation is**

in substantial compliance with

**Transport Practice 2.1**

not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 2.1; Store cyanide in a manner that minimizes the potential for accidental releases.

No interim storage is involved in this supply chain for X-Press Feeders the sea carrier.

The due diligence report completed by CyPlus confirmed the following for Oulu Port:

The containers are stored short term in an open area. The containers have warning signs (as placed by CyPlus), but no further signs are installed at the port. The port has a designated storage area for dangerous goods. Workers know that containers with dangerous goods are handled in the port and are provided with specific training.

The port is certified under ISPS. One of the main pillars of ISPS is the control of access to the port area. The area is surrounded by fences. Workers and external parties have only limited access and have to register when entering the port site. Documents for trucks are checked during entrance and exit.



The port has a modern logistic system that allows for sorting containers in a manner such that dangerous goods can be separated. The system has a database that checks if dangerous goods should not be stored in proximity to each other and directs them in different sections of the dangerous goods storage area. The size of the storage area is big enough to guarantee adequate separation.

The cyanide is packaged by CyPlus. Every measure is taken to protect the cyanide inside waterproof bags and wooden boxes which are stored and fixed inside a standard sea container. No roof/closed room is needed for short term storage.

The containers are stored outside providing effective dilution. No ventilation is needed.

The port has large metal containment areas that can be used to hold a standard sea container, as per those used for cyanide transportation. They can be employed in the case leakage is detected.

**Evidence:**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

## 6.0 PRINCIPLE 3 – EMERGENCY RESPONSE

### Protect communities and the environment through the development of emergency response strategies and capabilities.

**Emergency Response Practice 3.1: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 3.1? Explain the basis for the finding.**

**The operation is**  **in full compliance with** **Transport Practice 3.1**  
 in substantial compliance with  
 not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 3.1; Prepare detailed emergency response plans for potential cyanide releases.

The responsibility for managing emergency situations in Finland legally rests with the national Fire and Rescue Service/Police and private services are not allowed to be involved. Parts of the emergency response requirement are therefore not applicable.

Responsibilities of the drivers in an emergency situation are detailed in the Emergency Plan included within the Drivers Manual. These responsibilities include direct communication with emergency services and Korsu management.

The due diligence report completed by CyPlus confirmed that Oulu Port has plans for emergency. In general, the personal is instructed to bring themselves out of the danger zone and call 112 (fire fighters). Any action will be led by the fire fighters. Workers are instructed to secure themselves and colleagues, if they don't risk their own health.



The due diligence report completed by CyPlus for X-Press Feeders confirmed that they have emergency procedures with response to any emergency situation on board an ocean vessel being dependent on the position of the ship: when berthing they are under the authorization of the respective port authorities, when afloat they are under the sovereignty of the captain of the vessel. Procedure 7A (Pollution – Spillage/Release), November 2020, Eastaway was provided for review.

Staff are regularly trained in emergency situations including environmental releases, fire drills and security drills and evidence was provided of this training occurring, with different modules being provided each month.

As the ocean carriers handle a very large and broad variety of dangerous goods, the plans do not expand on individual substances, such as sodium cyanide. Thus, the plan has no explanation of the characteristics of sodium cyanide, toxicity and antidotes. One of the first steps, in case of an incident, is to check what substances are involved. Further information on these is then collected through their internal systems and used to manage the situation. The global emergency response phone numbers for incidents at sea are retained.

All emergencies and incidents are reported to X-Press Feeders office in Hamburg. If in case of an emergency, safety data sheets or other substance-related safety information bulletins would be needed. They would be requested by the shipper according to the emergency response plan for spillages of harmful substances (7a. Pollution - Spillage of Harmful Substances). The ocean carrier has the necessary product HSE data and reference codes for the dangerous goods transported.

### **Evidence**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Procedure 7A (Pollution – Spillage/Release), Eastaway, November 2020*

**Emergency Response Practice 3.2: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 3.2? Explain the basis for the finding.**

**The operation is**  **in full compliance with** **Transport Practice 3.2**  
 in substantial compliance with  
 not in compliance with

### **Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 3.2; Designate appropriate response personnel and commit necessary resources for emergency response.

The responsibility for managing emergency situations in Finland legally rests with the national Fire and Rescue Service/Police and private services are not allowed to be involved. A number of requirements of the need to designate appropriate response personnel and commit necessary resources for emergency response are therefore not relevant.

Cyanide training is provided to Korsu staff by Algol Chemical Oy (on behalf of CyPlus). This training includes emergency response and the Drivers Manual.

As the responsibility for managing emergency situations in Finland legally rests with the national Fire and Rescue Service/Police the training provided does not include the handling of emergency situations and instead focuses on communication in the event of an emergency situation.

All training is planned using databases with due-date and follow-up functions. Transport operators receive initial and refresher training in emergency response procedures including implementation of the Cyanide Procedures.

The procedures for Korsu therefore focus on communication in the event of an emergency situation.

Korsu carry a small amount of emergency equipment and have a list that describes this which is checked prior to transport. The equipment includes high visibility jacket, protective glasses, respiratory cartridges with ABEK filter, protective gloves, eye wash, fire extinguisher, chocks, emergency triangle, torch and warning tape.

The due diligence report completed by CyPlus for Oulu Port demonstrated that CyPlus provided training on Emergency Response in connection to cyanide incidents. This was provided to the employees of Hermann Andersson Oy and the port operator, run by the city of Oulu. Mr. Teemu Pirila (ESHQ of Hermann Andersson) has experience with dangerous goods and was the lead. The training was performed by Maaret Karlsson.

The duties of the different parties are described in the Emergency Response Plan. Contact details are also stated in the plan. During the training (provided at least once each year) the communication and processes are established and improved.

Emergency Response Equipment is available within the port area, with local fire fighters have the responsibility to manage incidents in Finland and the hospitals of Oulu. Equipment is checked on a yearly basis. Old equipment will be replaced if needed following inspection. No subcontractors are used. External partners are fire fighters and hospitals.

The due diligence report completed by CyPlus for X-Press Feeders confirmed that they designate appropriate response personnel and commit necessary resources for emergency response both on ship and supporting from head office.

As noted above in the response to Question 3.1, if any emergency situation on board an ocean vessel comes up the response is dependent on the position of the ship: when berthing they are under the authorization of the respective port authorities, when afloat they are under the sovereignty of the captain of the vessel.

The reactions to incidents are intensively trained throughout the year, on a regular basis. Ship staff are trained in different areas (fire, environmental spillage, security) and are described in specific protocols (Example Document 7a, Pollution – Spillage of Harmful Substances). Manuals cover fire, explosion, dangerous goods spill, toxic vapours, fogs and gases, threats of terrorism, criminal and/or piracy.

All emergencies and incidents are reported to X-Press Feeders office in Hamburg who also provide backup. Safety data sheets (MSDSs) and other substance-related safety information bulletins can be provided from here when needed. The ocean carrier also has the necessary product HSE data (including MSDSs) and reference codes for the dangerous goods transported.

## Evidence

CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022

CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022

Procedure 7A (Pollution – Spillage/Release), Eastaway, November 2020

MSDS Sodium Cyanide

**Emergency Response Practice 3.3: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 3.3? Explain the basis for the finding.**

**The operation is**  **in full compliance with**  
 in substantial compliance with **Transport Practice 3.3**  
 not in compliance with

### Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Transport Practice 3.3; Develop procedures for internal and external emergency notification and reporting.

The responsibility for managing emergency situations in Finland legally rests with the national Fire and Rescue Service/Police and private services are not allowed to be involved.

Korsu emergency procedures require drivers to call the emergency services directly and also to call Korsu management who would then contact CyPlus.

National and Local Government responders (Police, Fire, Health Emergency, etc.) have one direct code (112). This number has remained the same over recent years. The contact numbers include CyPlus and it would be CyPlus who contact ICMI in the event of an incident in accordance with the CyPlus Emergency Plan.

The due diligence report completed by CyPlus for Oulu Port confirm that the relevant parties are known and relevant personal (ESHQ), operation managers are appointed. Personnel know how to handle incidents and who to inform. CyPlus supports the port in creating and maintaining the key documents, e.g. emergency contacts, including CyPlus and Agnico Eagle (Mine) contact details. CyPlus also provides advice on this topic.

The due diligence report completed by CyPlus for X-Press Feeders confirmed that they have procedures for internal and external emergency notification and reporting.

X-Press Feeders have an emergency contact list which is reviewed periodically.

The global valid emergency response phone numbers for incidents at sea is retained by the Ships.

All emergencies and incidents are also reported to X-Press Feeders office in Hamburg and from there other parties including CyPlus and International Cyanide Management Institute (ICMI) would be informed.

Training is provided and this re-enforces the communication requirements in the event of an emergency.

**Evidence**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Procedure 7A (Pollution – Spillage/Release), Eastaway, November 2020*

*Emergency Contact List, Eastaway, November 2020*

*Training Register example Screenshot for Fire, 2021, X-Press Feeders*

*Training Register example Screenshot for Environment, 2021, X-Press Feeders*

*Training Register example Screenshot for Security, 2021, X-Press Feeders*

**Emergency Response Practice 3.4: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 3.4? Explain the basis for the finding.**

**The operation is**  **in full compliance with**  
 in substantial compliance with **Transport Practice 3.4**  
 not in compliance with

**Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 3.4; Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

The responsibility for managing emergency situations in Finland legally rests with the national Fire and Rescue Service/Police and private services are not allowed to be involved. This question is not therefore fully applicable, but we have responded where relevant.

CyPlus ERP provides some general information on remediation requirements which can be provided if required, but due to liability reasons, does not give any detailed recommendations.

The due diligence report completed by CyPlus for Oulu Port confirmed that fire fighters will be informed immediately of any relevant incident and they will take over the situation once chemicals are released. Workers of the port have the communication devices to inform the responsible parties. The containers can be stored in a large metal containment area to prevent further spillage of cyanide if required. Any collected cyanide would be disposed of by specialized facilities for dangerous goods outside the port.

The due diligence report completed by CyPlus for X-Press Feeders confirmed that they develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

If any emergency situation on board an ocean vessels comes up the response is dependent on the position of the ship: when berthing they are under the authorization of the respective port authorities, when afloat they are under the sovereignty of the captain of the vessel. The reactions to incidents are intensively trained throughout the year, on a regular basis.

One of the first steps, in case of any incident, is to check what substances are involved. Further information on these is collected. The global valid emergency response phone numbers for incidents at sea are retained by X-Press Feeders. All emergencies and incidents are reported to the X-Press Feeders office in Hamburg and from there other parties including CyPlus, who can provide further remediation advise, would be informed. Safety data sheets and other substance-related safety information bulletins can also be provided from there.

### **Evidence**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Procedure 7A (Pollution – Spillage/Release), Eastaway, November 2020*

**Emergency Response Practice 3.5: Is the operation in full compliance, substantial compliance, or non-compliance with Transport Practice 3.5? Explain the basis for the finding.**

**The operation is**  **in full compliance with**  
 in substantial compliance with **Transport Practice 3.5**  
 not in compliance with

### **Summarise the basis for this Finding/Deficiencies Identified:**

The operation is in full compliance with Transport Practice 3.5; Periodically evaluate response procedures and capabilities and revise them as needed.

Korsu performed an emergency drill focusing on a communication exercise in 2021. They plan to get involved with emergency drills at the mine when this becomes possible after covid restrictions.

The CyPlus plan is reviewed on a three yearly basis.

The Korsu Emergency Plan is reviewed on an annual basis and records indicate this review has been completed.

The due diligence report completed by CyPlus for Oulu Port confirmed that during the yearly mock emergency drills the processes are under investigation and improvements are conducted and implemented. External certifications of the port like ISO 45001 (worker safety) also control on a regular basis that processes are tested, documented and continually improved (PDCA-Cycle). As noted above Oulu Port has ISO 9001, ISO14001 and ISO 45001 certification valid until 1 January 2025.

On a yearly basis mock emergency drills are performed with the help of the fire fighters, specialist for chemicals and internal partners. The procedure is evaluated based on the yearly mock emergency drills.

The due diligence report completed by CyPlus for X Press Feeders confirmed that reactions to incidents are intensively trained throughout the year, on a regular basis. The different areas (fire, spillage, security) are described within the respective protocols (7a, Pollution – Spillage of Harmful Substances). The manuals cover fire, explosion, dangerous goods spills, toxic vapours, fogs, and gases, threats of terrorism, criminal and/or piracy.

**Evidence**

*CyPlus GmbH, Internal Audit Report – X-Press Feeders (Shipping), February 2022*

*CyPlus GmbH, Internal Audit Report – Port Oulu, Herman Andersson Oy, February 2022*

*Procedure 7A (Pollution – Spillage/Release), Eastaway, November 2020*

## Signature Page

### Golder WSP



Dale Haigh  
*Lead Auditor*



Lisa Mitchell  
*Reviewer*

Date: 14 July 2022

DH/LM/ab

Company Registered in England No. 01383511  
At WSP House, 70 Chancery Lane, London, WC2A 1AF  
VAT No. 905054942



**[golder.com](http://golder.com)**