

Responsible Gold and Silver Supply Chain Due Diligence Management Policy of Henan Zhongyuan Gold Smelter LLC

General provisions

Article 1 In order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, and to comply with high standards of anti-money laundering and combating terrorist financing practice, as well as in accordance with <LBMA Responsible Gold Guidance>, <LBMA Responsible Silver Guidance>, and <Annex II of OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas>, the company formulated <Responsible Gold and Silver Supply Chain Due Diligence Management Policy of Henan Zhongyuan Gold Smelter LLC> (hereinafter referred to as "the Policy") based on the business context.

Article 2 The term supply chain of gold (silver) as mentioned in the Policy refers to the system of all the activities, organizations, actors, technology, information, resources and services involved in moving gold (silver) from the source to end consumers.

Article 3 The company undertakes due diligence on the gold (silver) supply chain, mainly following the principles below:

(1) The principle of comprehensiveness. Due diligence should cover comprehensive businesses processes and units related to the company's gold (silver) supply chain.

(2) The principle of importance. Based on the comprehensiveness, the company due diligence should focus on the conflict-affected areas.

(3) The principle of objectivity. The results of due diligence should accurately and truthfully reveal the risk of conflict gold (silver) in the supply chain.

Article 4 The Policy is applicable to the main responsible departments and coordination departments related to the due diligence management of the company's gold (silver) supply chain.

Chapter II Organization and responsibilities

Article 5 The Senior Management Committee, the governing body of due diligence management, is responsible for the effectiveness of the gold (silver) supply chain management. The main responsibilities are as follows:

- (1) To approve the <Responsible Gold and Silver Supply Chain Due Diligence Management Policy of Henan Zhongyuan Gold Smelter LLC>;
- (2) Appointing Compliance Officer to manage routine work of due diligence;
- (3) Authorizing the Deputy General Manager in charge of the Gold (Silver)-bearing Material Procurement Department to review the due diligence results and risk management strategy.

Article 6 The Gold (Silver) Supply Chain Compliance Management Office is set up in the Risk Control and Compliance Department, and its main responsibilities are as follows:

- (1) Compiling and updating <Responsible Gold and Silver Supply Chain Due Diligence Management Policy of Henan Zhongyuan Gold Smelter LLC>;
- (2) Reviewing the due diligence results submitted by gold (silver)-bearing Material Procurement Department;
- (3) Evaluating the effectiveness of risk management strategy;
- (4) Coordinating the gold (silver) supply chain training;
- (5) Reporting directly to Senior Management Committee when necessary.

Article 7 The Compliance Management Office regularly evaluates the applicability and implementation effectiveness of supply chain due diligence management policy and process, and

reports to the board to ensure the effectiveness of communication procedures and the adequacy of competence.

Article 8 Gold (silver)-bearing material procurement departments are responsible for the implementation of due diligence in the supply chain of gold (silver). Main responsibilities are as follows:

- (1) Supplier evaluation prior to contracting, monitoring of transactions with approved suppliers and annual evaluation process;
- (2) Reporting directly to Compliance Officer when necessary;
- (3) Communicate company's gold (silver) supply chain policy and requirements to gold (silver)-supplying counterparties.
- (4) Properly retain and file the information and documents obtained during the due diligence process. Except for some cases of purchasing gold (silver) from legitimate ASM, should not undertake any cash-based transactions. Exceptions should be supported by verifiable information and approved by the Compliance Office.

Article 9 Human Resource Department is responsible for cooperating with Compliance Officer to carry out the gold (silver) supply chain training.

Article 10 The Department of Health, Safety and Environmental protection shall cooperate with Compliance Officer and Procurement Department to carry out the environmental and sustainability work in the Gold (Silver) supply chain.

Article 11 Internal Audit Department and the Discipline Inspection Commission Office are responsible for independent monitoring and evaluation of the company's gold (silver) supply chain management.

Chapter III Prior Control

Article 12 Before signing the contracts with suppliers, Gold (silver)-bearing material procurement departments shall have the <LBMA Questionnaire – Mined Material> or <LBMA Questionnaire –

Recyclable Material> filled by suppliers according to the types of gold (silver) materials (mineral materials or recycled materials). Gold (silver)-bearing material procurement departments are responsible for conducting due diligence on suppliers and establishing a risk oriented supplier information collection mechanism taking factors of supplier's registration place, nature and business type of suppliers into account:

(1) Use reliable and independent source documents, data or information to verify the basic information of suppliers;

(2) Identify the ultimate owner of the supplier, obtain the supplier organization chart, registered legal person information, board of directors and shareholders information and the list of company executives (if available);

(3) Obtain commercial and financial information from suppliers and confirm the purpose and nature of the business partnership;

(4) Confirm that the supplier and its ultimate owner are not on the list of money laundering, fraud and terrorist organizations issued by any governments or authorities globally;

(5) For mined material suppliers, identify related country of origin, obtain mining license, import and export license (if applicable), mining capacity data, productivity data (if applicable), shipping route, collect and evaluate supplier policies and procedures;

(6) For ASM suppliers, their legitimacy should be evaluated;

(7) For recycled material suppliers, collect and evaluate the supplier's anti money laundering and anti-terrorist financing related information.

(8) Corporate environmental and social responsibility report: such as ESG (applicable to companies listed on the Hong Kong Stock Exchange and overseas listed companies), CSR (applicable to A-share listed companies) or Corporate Safety and Environmental Report (applicable to non-listed companies).

(9) Obtain the transportation method, transportation route and basic information of transportation intermediary of gold (silver).

Article 13 Gold (silver)-bearing material procurement departments shall carry out risk identification of gold (silver) supply chain according to the collected information, and shall focus on risks in the following areas:

(1) Serious human rights violations in the process of mining, transportation and trading of minerals;

(2) Direct or indirect financing of non-state armed groups or security forces;

(3) There are bribery and fraudulent misrepresentation when obtaining gold (silver);

(4) Money laundering and terrorist financing;

(5) Contribution to conflict;

(6) Environmental damage in the process of mining, transportation and trading.

Article 14 Gold (silver)-bearing material procurement departments shall be responsible for the risk assessment of suppliers from three aspects of country risk, company risk and product risk. When the following situations exist, a supplier should be identified as high-risk:

1. Country risk

(1) The mined gold (silver) or recycled gold (silver) originates from or has been transported through a Conflict-Affected and High-Risk Areas (CAHRAs) or known high-risk areas;

(2) The mined gold (silver) is claimed to originate from a country that has limited known reserves or stocks;

2. Company risk

(1) Supplier or its up-stream company is located in a high risk country that is related to money-laundering, criminal or corruption, mining or purchasing gold (silver) in conflict areas or high-risk areas (areas with known potential or high-risk);

(2) Supplier have sourced minded gold (silver) and recycled gold (silver) from a high-risk country in the last 12 months, or other anomalies found in the collected information prove that there may be minded gold (silver) or recycled gold (silver) supporting the conflict area;

(3) Supplier or its up-stream company or ultimate beneficial owners are politically exposed person or sects their leaders;

(4) Supplier or its up-stream company and their ultimate beneficial owners or important shareholders is active in a higher-risk business activity such as arms, gaming and casino industry, antiques and art, diamond merchants (there is money laundering risk);

(5) Supplier or its senior management has allegations of involvement in money laundering or other illegal and criminal acts (obtain information from the list of certified official institutions at home and abroad to identify relevant allegations)

(6) Supplier tries to cover up the real source of gold (silver) (there is a risk of corruption);

(7) Supplier does not disclose the details of relevant taxes paid to the government, or there is an unknown amount paid to the government (there is a risk of corruption);

(8) Supplier or its up-stream company or beneficial owners engage in environmental damaging mining activities, such as the use of cyanide and mercury.

3. Product risk

(1) Whether the export, transportation or trading routes of gold (silver) materials pass through global conflict areas or areas with high risk of human rights abuses, and whether the security logistics company directly or indirectly finances non-governmental armed groups and security forces, or is illegally extorted or levied taxes in the process of transportation and trading;

(2) The security and logistics processes of gold (silver) materials involve serious human rights abuse;

(3) If the supplier of mined gold (silver) and recycled gold (silver) has a third-party inventory management site, and the site is located in global conflict areas or high-risk areas of human rights abuses, or the inventory has the possibility of directly or indirectly financing non-governmental armed groups or security forces;

(4) Supplier's inventory management process involves serious human rights abuse;

(5) Suppliers engage in environmental damaging process of mining, transportation and transaction.

Article 15 Gold (silver)-bearing material procurement departments shall be responsible for the risk assessment of suppliers from three aspects of country risk and company risk. When the following situations exist, a supplier should be identified as Zero-tolerance:

1. Country risk

(1) The mined gold (silver) is known to originate from World Heritage Sites areas;

(2) The mined or recycled gold (silver) is known to be sourced in breach of international sanctions.

2. Company risk

(1) The mined or recycled gold (silver) supplying counterparty, other known upstream companies or their UBOs are known money launderers, fraudsters or terrorists, or have been implicit in serious human rights abuses, or in direct or indirect support to illegitimate non-state armed groups.

Article 16 For suppliers whose risk level is high, the procurement department of gold (silver) materials shall conduct additional enhanced due diligence procedures:

(1) On-site visit and investigation to further verify the due diligence information of gold (silver) supply chain, mainly including

identity and information verification with reliable and independent source documents, data or information; Identification of the ultimate owner; Government watch list information verification, etc.

(2) For mined gold (silver) materials, information verification should be carried out from the original mine site to the supplier company (including producer, intermediary, dealers, exporters and transporters); For recycled gold (silver) materials, information verification should be carried out from recycled gold suppliers to the supplier company (including transporters).

Article 17 Enhanced Due Diligence (EDD)

Supply chains classified as high risk will trigger Enhanced Due Diligence (EDD). Where EDD is triggered, Refiners must undertake an on-site investigation/visit at the location of the gold origin (i.e., mine sites for Mined Gold and the gold-supplying counterparty office for Recycled Gold). The on-site visit should occur or, at the least, within six months of the businesses relationship commencing. On-site visit on different sources of gold (silver) materials (including LSM, ASM, intermediate refiners, and other sources) should include, but are not limited to:

(1) On-site visit and investigation to further verify the due diligence information of gold (silver) supply chain, mainly including identity and information verification with reliable and independent source documents, data or information; Identification of the ultimate owner; Government watch list information verification, etc.

(2) For mined gold (silver) materials, information verification should be carried out from the original mine site to the supplier company (including producer, intermediary, dealers, exporters and transporters); For recycled gold (silver) materials, information verification should be carried out from recycled gold suppliers to the supplier company (including transporters).

(3) When conducting additional investigations, it can check whether there are phenomena such as contributing to conflict and

abusing human rights from the channels including Governments, International Organizations, Non-Governmental Organizations, media, maps, United Nations reports, United Nations Security Council, gold (silver) mining industry books, etc.

(4) Consult the local government, domestic security organizations, social networks and other suppliers for relevant information; Or require the supplier to provide relevant certificates, which shall be proved by the company or a third-party organization.

(5) Determine whether the supplier has a compliance plan and management system consistent with LBMA requirements, and the system is being effectively implemented, including information research; on-site visit; sampling inspection of sales records, etc.

(6) If the above investigation still cannot eliminate the risk, it can be considered to establish or hire an on-site visit team to conduct the investigation (if hired, the party to be hired shall have appropriate qualification and maintain independence), and the investigation team is responsible for on-site investigation and interview.

(7) Follow up according to the number and severity of problems identified and recorded in the improvement plan.

When performing enhanced due diligence on gold (silver) indirectly from intermediate refiners (such as purchasing through trading companies), the company shall make its best efforts to identify intermediate refiners and perform corresponding due diligence reviews to check whether there are or may be danger signals in the intermediate refiners' supply chain.

Article 18 According to the results of supplier due diligence, the company adopts differentiated risk management strategy:

(1) Continue relationship with improvement plan: Where the result of the Enhanced Due Diligence is not fully satisfactory or where it concludes that the counterparty is using reasonable and

good faith efforts despite instances of : bribery; non-fraudulent misrepresentation of the origin of minerals; non-compliance with taxes, fees and royalties due to government; material breaches of environmental, health, safety, labor and community-related local legislation, and/or ESG risks that have the high likelihood to result in highly adverse impacts. The company can continue to refine gold (silver) coming from this source provided that it adopts an improvement strategy, devised with input and engagement from the supplier with approved by the Compliance Officer and/or the Board Committee. The improvement plan should include performance objectives and quantitative and/or qualitative performance measurement indicators within a reasonable timeframe.

(2) Suspension of cooperation: If the result of the gold (silver) supply chain Enhanced Due Diligence concludes it is reasonable to doubt that suppliers participate in money laundering, terrorist financing, serious human rights abuse, direct or indirect support to illegitimate non-state armed group, fraudulent misrepresentation of the origin of minerals, catastrophic effects on ESG, the company should suspend refining gold (silver) from this provenance until it can obtain additional information/data confirming or refuting the preliminary assessment.

(3) Termination of cooperation: If the result of the gold (silver) supply chain Enhanced Due Diligence concludes that there is money laundering, terrorist financing, serious human rights abuse, direct or indirect support to illegitimate non-state armed group, or fraudulent misrepresentation of the origin of minerals, the company should immediately stop the cooperation with the suppliers and report the situation to the appropriate authorities and LBMA (if applicable).

Article 19 Gold (silver)-bearing Material Procurement Departments shall complete the due diligence procedures for new suppliers with <Due Diligence Checklist> and fill in the <LBMA

Supply Chain Assessment Form> to determine the proposed risk management strategy and submit to the Compliance Officer together with supporting materials. The Compliance Officer shall review the authenticity, rationality and completeness of the assessment results and report to the Deputy General Manager in charge of gold (silver) supply chain management. Deputy General Manager in charge of procurement of gold (silver) supply chain management approves LBMA supplier evaluation form. If a longterm procurement contract with the supplier for more than one year is to be signed, <LBMA Supply Chain Assessment Form> needs to be approved by the Senior Management Committee. Only suppliers with approved risk management strategy of "normal cooperation" can be sourced from.

Note: Based on the LBMA assurance audit principle, the company needs to conduct due diligence on all suppliers in the reasonable assurance year, and verify the information of all qualified suppliers before signing the contract in the following limited assurance, and conduct annual complementary assessment if there is no change (see Chapter 5: Article 22).

Article 20 If due to very special circumstances, it is not possible to obtain <LBMA Questionnaire – Mined Material> or <LBMA Questionnaire – Recyclable Material> filled by suppliers, the relevant procurement personnel from Procurement Departments shall explain in writing the reasons for the failure to obtain the due diligence documents and submit them to the department head for approval. At the same time, Obtain sufficient gold (silver) supply chain information from suppliers or public resources, conduct supplier risk assessment, and complete <LBMA Supply Chain Assessment Form>. The obtained gold (silver) supply chain information and materials should reasonably support the supplier assessment conclusion.

Article 21 Gold (silver)-bearing Material Procurement Departments are responsible for signing the <Supplier Responsible Gold (Silver) Commitment Letter> with the supplier when signing contract.

Article 22 The company includes gold (silver) supply chain policy or requirements in material purchase contracts or agreements.

Chapter IV Continuous Monitoring

Article 23 When conducting transactions with suppliers of gold (silver) materials, Gold (silver)-bearing Material Procurement Departments shall carry out continuous monitoring on the supply chain of gold (silver) and establish a risk-based transactional information collection mechanism according to the nature and area of the transaction:

(1) For mined gold (silver) materials, obtain the weight and grade records provided by the supplier; transportation documents, if applicable; documents for import and export from high risk areas, if applicable;

(2) For recycled gold (silver) materials, obtain the weight records provided by the supplier; transportation documents (if applicable); documents for import and export from high-risk areas (if applicable).

Article 24 Gold (silver)-bearing Material Procurement Departments are responsible for carrying out transaction risk assessment, and shall be identified as high-risk transaction in case of the following situations:

(1) Mined gold (silver) material or recycled gold (silver) material has been transported in conflict areas or high-risk areas of human rights violations;

(2) The supplier has mining practices that damage the environment or the World Heritage;

(3) The transaction information provided by suppliers is seriously inconsistent with the common knowledge of gold (silver) supply chain management.

Article 25 If Gold (Silver)-bearing Material Procurement Departments identify that the existing "normal cooperation" suppliers have or may have money laundering, terrorist financing, instigating conflicts, human rights violations, environmental damage or exploitation from historical sites, they shall immediately suspend the cooperation and report to the Compliance Officer and the managements. Investigation is to be conducted under the authorization of the managements. If there is conclusive evidence to prove that the supplier has money-laundering, terrorist financing, instigating conflict and human rights violations, the company will immediately stop purchasing and terminate the cooperation relationship.

Article 26 For "normal cooperation" suppliers who have developed risk mitigations in the prior control stage, Gold (Silver)-bearing Material Procurement Departments shall be responsible for supervising the implementation of improvement plans. The Compliance Officer regularly checks the implementation of improvement plans and evaluates the execution of improvement plans on the set completion date.

Chapter V Post Evaluation

Article 27 At the end of each year, the Gold (silver)-bearing Material Procurement Departments shall conduct the complementary assessment of the supplier's annual due diligence according to changes of the supplier's information and the monitoring of transactions; fill out the <Supplier Complementary Annual Evaluation Form>; and suggest whether the supplier's risk management strategy needs to be adjusted according to the evaluation results. The Compliance Officer shall review the

evaluation results and report to the Deputy General Manager in charge of the Gold(Silver)-bearing Material Procurement Department. The Deputy General Manager in charge of the Gold (Silver)-bearing Material Procurement Department and the Senior Management Committee shall approve the supplementary assessment results. Based on the approved risk management strategy, the Gold (Silver)-bearing Material Procurement Department updates the relation with the suppliers.

Chapter VI Information and Communication

Article 28 The company shall conduct internal training for relevant personnel participating in the gold (silver) supply chain to learn external regulatory requirements and internal policies and procedures of the company:

(1) Compliance officer is responsible for formulating the internal training plan for the gold (silver) supply chain compliance management;

(2) Human Resource Department is responsible for cooperating with Compliance Officer to carry out the gold (silver) supply chain training, and keep the training records, including training materials and training sign-in form.

Article 29 Gold (silver)-bearing Material Procurement Departments are responsible for publicizing the company's commitment to the supply chain policy and stance to the external parties (such as producers, intermediaries, dealers, exporters and transporters).

In view of the risks mentioned in Chapter III of the Policy, to launch training program for the external parties of the supply chain when necessary.

Article 30 The Department of Health, Safety and Environmental protection is responsible for assisting the Gold

(silver)-bearing Material Procurement Departments to publicize the principles of environmental protection and sustainable development of gold (silver) supply chain to the external parties (such as producers, intermediaries, dealers, exporters and transporters), and be responsible for the environmental protection and sustainable development of the company.

Article 31 The Company built a communication channel for compliance management of gold (silver) supply chain. The Risk Control and Compliance Department and the Internal Audit Department set up a platform for grievances, with published telephone numbers (0398-2756853) and emails(zyyjcjwbgs@163.com). Relevant departments accept grievances in accordance with their roles and responsibilities. Once the grievance is verified and investigated, compliance related departments will communicate with stakeholders about the results.

Article 32 Gold (silver)-bearing Material Procurement Departments are responsible for numbering and filing the documents of supply chain due diligence management , and the records shall be kept for at least 5 years.

Article 33 The Compliance Management Office shall deal with the reports about improper behaviors and other suggestions raised by employees, and submit the results to the Compliance Officer. The company encourages anonymous grievance that shall keep the identity of the informant and the reporting matters strictly confidential, and no one shall retaliate against the informant in any form.

Article 34 In accordance with the requirements of LBMA, the company regularly discloses the compliance management status of the gold (silver) supply chain and publishes the Refiner's Compliance Report on the official website.

Chapter VII Supplementary Provisions

Article 35 Interpretation of General Terms

Terrorist financing: Includes the financing of terrorist acts, of terrorists and of terrorist organisations.

Money laundering: Money laundering is the practice of disguising the origins of illegally obtained money. Ultimately, it is the process by which the proceeds of crime are made to appear legitimate. The money involved can be generated by any number of criminal acts, including drug dealing, corruption and other types of

fraud. The methods by which money may be laundered are varied and can range in sophistication from simple to complex.

Human rights: For the purpose of this Guidance, human rights are those defined in the International Bill of Human Rights. The Bill includes the Universal Declaration of Human Rights (1948), the International Covenant on Economic, Social and Cultural Rights (1966), the International Covenant on Civil and Political Rights (1966), as well as its two Optional Protocols (on the complaints procedure and on the death penalty). Refiners should also consider the United Nations Guiding Principles on Business and Human Rights. The United Nations has gradually expanded human rights law to encompass specific standards for women, children, persons with disabilities, minorities and other vulnerable groups, who now possess rights that protect them from discrimination that had long been common in many societies.

Conflict-Affected and High-Risk Areas (CAHRA): These areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often characterised by widespread human rights abuses and violations of national or international law.

Child labor: The employment of a child in a business or industry especially in violation of statutes prohibiting the employment of children under a specified age.

Bribery: Refers to the behavior of individuals who take advantage of their position to extort property or illegally accept

property from others, and return benefits which cannot be obtained from normal or legal means to the others.

Politically Exposed Persons (PEPs): Individuals and their family members and close associates (either foreign or domestically based) who are or have been entrusted with prominent public functions by a particular country. These individuals can include heads of state or government, senior politicians and government officials, senior executives of state-owned corporations and important political party officials. The definition of PEPs is not intended to cover middle-ranking or more junior individuals in the foregoing categories. Many PEPs hold positions that can be abused for the purpose of laundering illicit funds or other offences predicated on the abuse of power such as corruption or bribery. PEP status does not predict criminal behaviour, but the additional risk exposure it brings means that Refiners must apply additional AML/CFT measures when establishing a business relationship.

Gold (Silver) sources: For LBMA RGG, there are three possible sources of gold (silver) (including mined gold (silver) also referred to as primary gold (silver), owned mines, and recycled gold (silver)) and gold (silver)-bearing material for which different due diligence is recommended.

Environment, Social and Governance (ESG): Decision-making that considers the ESG factors, at least compliance with environmental, health, safety and labour regulation in country of operation and/or company policy.

International Cyanide Management Code: A voluntary initiative for the gold and silver mining industries, and the producers and transporters of the cyanide used in gold and silver mining. It is intended to complement an operation's existing regulatory requirements (www.cyanidecode.org).

Minamata Convention on Mercury: A global treaty to protect human health and the environment from the adverse effects of

mercury. The convention entered into force on 16 August 2017 and includes a ban on the use of mercury in new mines, the phasing-out of mercury use in existing ones, the phasing-out and phasing down of mercury use in a number of products and processes, control measures on mercury emissions to air and on releases to land and water, and the regulation of the informal sector of Artisanal and Small-Scale Mining of gold (silver) (www.mercuryconvention.org).

World Heritage Site: A landmark or area which is selected by the United Nations Educational, Scientific and Cultural Organization (UNESCO) as having a cultural, historical, scientific or other form of significance, and is legally protected by international treaties. The sites are judged important to the collective interests of humanity.

Artisanal and Small-scale Mining (ASM): Formal or informal mining operations with predominantly simplified forms of exploration, extraction, processing and transportation. ASM is normally not capital intensive and uses high labour-intensive technology. It can include men and women working on an individual basis as well as those working in family groups or as members of cooperatives or other types of legal associations and enterprises involving hundreds and even thousands of miners. Small, mechanised mines can be considered ASM.

Mined Gold (Silver) (also referred to as primary gold (silver)): Gold (silver) that originates from Large and/or Medium-Scale Mines (LSM) or Artisanal and Small-Scale Mines (ASM) and has never been previously refined. This term means any gold(silver) or gold(silver)-bearing material produced by or at a mine, in any form, shape and concentration, until it is fully refined (995 or greater), fabricated into a gold(silver) refinery product (e.g., bar or grain) and sold.

Recycled Gold (Silver): This term traditionally encompasses anything that is gold (silver)-bearing and has not come directly from a mine in its first gold (silver) life cycle. In practical terms, it

relates to gold (silver) sourced by an LBMA refiner, or downstream intermediate processor, including end-user, post-consumer products, scrap and waste metals, and materials arising during refining and product manufacturing, and investment gold (silver) and gold (silver)-bearing products which are returned to a Refiner to begin a new lifecycle. This category may also include fully refined gold (silver) that has been fabricated into grain, Good Delivery bars, medallions and coins that have previously been sold by a refinery to a manufacturer, bank or consumer market, and that may thereafter need to be returned to a refinery to reclaim their financial value or for transformation into other products (e.g., 1 kilo bars).

Owned mines: A group of mines owned and operated by the same corporate group.

Mining By-product: Gold (Silver) obtained from the mining of base metals, for example, from lead, zinc or copper ore, in which gold (silver) may be a trace constituent.

Origin of Mining By-product: This is an exception to the Origin of Mined Gold (Silver) definition above. It is the point at which trace gold (silver) is first separated from its parent mineral ore (for example, at the refinery). The Refiner's due diligence should ensure that false representations are not made to hide the origin of newly Mined Gold (Silver) through Mining By-products.

Intermediate Refiner: Non-GDL Refiner that has performed a refining process on material prior to delivery to the GDL Refiner. An Intermediate Refiner typically consolidates various streams such as jewellery scraps, electronic scrap and process recoveries into viable batches for refining. Melting-only operations are not considered Intermediate Refiners.

Protected Area: A Protected Area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and

cultural values. Protected Areas include national parks, wilderness areas, community conserved areas, nature reserves, etc.

Ultimate Beneficial Owner: Refers to the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement (defined as 10% or more ownership).

Grandfathered Stocks: Gold (silver) investment products (e.g., ingots, bars, coins and grain in sealed containers) held in bullion bank vaults, central bank vaults, exchanges and refineries, with a Verifiable Date prior to 1 January 2012, which will not require a determination of origin. This includes stocks held by a third party on behalf of the listed entities.

Chain of custody: A record of the sequence of entities which have custody of minerals as they move through a supply chain from origin of the material to end consumer.

Board Committee (or committee appointed by the Board): Any committee that has delegated powers and authority of the Board for responsible sourcing.

Verifiable Date: A date which can be verified through inspection of physical date stamps on products and/or inventory lists.

Article 36 The Risk Control and Compliance Management Office is responsible for interpreting the Policy.

Article 37 The Policy shall come into force as of the date of issuance.

For the gold (silver) supply chain responsible sourcing due diligence templates, please refer to LBMA official toolkit.