



THE PERTH MINT
AUSTRALIA

125
EST. 1899

Responsible Sourcing (Precious Metals) Policy

Policy statement

The Gold Corporation (**Corporation**) is aware of the threat financing and Environment, Social, Governance (ESG) risks associated with extracting, trading, handling, exporting, and refining precious metals on a global scale. Consequently, the **Corporation** is committed to:

- Ensuring that the supply chains for precious metals are from legitimate sources that are conflict free and respect human rights in line with the (Organisation for Economic Co-operation and Development) OECD Annex II and the London Bullion Market Association (LBMA) standards.
- Promoting responsible sourcing through capacity building activities both internally and through the precious metal supply chain.
- Maintaining industry accreditations that evidence the **Corporation's** commitment to the responsible sourcing of precious metals (e.g. LBMA).

This Policy is supported by the Corporation's Responsible Sourcing of Metals Program (**RSM Program**).

Scope

While the Corporation may alter its appetite to source metal types and volumes for strategic or operational purposes, this Policy covers the following precious metals:

- Gold
- Silver
- Platinum
- Palladium

These metals may be sourced for refining or other production purposes, resale or as consumables for other internal purposes.

This policy applies to all business units that receive or source the above metals in addition to all suppliers of precious metals. This could be via the supplier's own policy or an agreement to adhere to this Policy.

Organisation and Responsibilities

Full details of the organisational and governance structures are detailed in the **RSM Program**, and align with the Corporation's three lines operating model whereby:

- First line (Refinery, Commercial Development, Customer Operations Team (COT), - Are responsible for:
 - o Ensuring that all suppliers are identified as per the **Corporation's** Anti-Money Laundering/Counter Terrorism Financing (AML/CTF) Program, and the additional requirements as set out by the LBMA for suppliers.
 - o Supply chain risks are identified and assessed as described in the **RSM Program**.
 - o Ongoing due diligence is performed on precious metal suppliers using a risk-based approach as determined by the AML/CTF and RSM Programs.
- Second line (Risk and Compliance Team together with other support areas) – are responsible for supporting the First Line and providing assurance that relevant obligations are being met, through direct assurance activity or other monitoring activity performed by other teams. (e.g. Commercial Team, Bullion Services).
- Third line (Internal Audit) – will annually audit the design and operating effectiveness of the Corporation's **RSM Program** against the obligations imposed by the LBMA to remain as a Good Delivery Refiner.

Identification and assessment of risk factors

The Corporation considers three broad categories of risks against threat financing and ESG factors:

1. Location – understanding the origin of the precious metal and the transportation route to the refinery.
2. Supplier – fully identifying the supplier and ultimate beneficial owners in line with the AML/CTF Program.
3. Material/ Mine – specific to various types of sourced material, the scale of sourcing operations and production methods.

Know Your Counterparty (KYC) and Supply Chain Due Diligence

The Corporation recognises that through its products and services, there is a risk of facilitating money laundering, terrorism financing, or predicate crimes. To minimise the risk of this occurring the Corporation has in place a joint AML/CTF Program which applies to all designated services provided by the Designated Business Group.

The AML/CTF Program provides the basis for the assessment and ongoing due diligence of supplier risks. Location and material/mine risks are captured using appropriate templates and refreshed as part of the ongoing due diligence program.

Transaction monitoring process

Supplier profiles are developed from the collection and assessment of due diligence information which are used to identify any unusual behaviour in transactions against those profiles. Monitoring is a risk-based activity that reviews:

- Volumes, metal types, assay results for consistency.
- Changes to transportation routes.
- Consistency between documentation provided and physical deliveries.

Monitoring will occur at the receipt stage of each delivery as well as monthly reviews of recent lodgement history.

High-risk supply chains

While risk ratings are based on the Corporation's risk appetite, the following factors will automatically designate a supplier as high risk:

- Precious metals that originate from:
 - Conflict-Affected and High-Risk Areas (CAHRA) – including being transported through these areas.
 - Countries with limited known reserves, likely resources or expected production levels.
- Suppliers that have:
 - Shareholders, UBO's or other precious metal interests in high-risk locations.
 - Activities in other high-risk industries such as arms, gaming, antiques/art.
 - Previously sourced precious metal from high-risk countries in the last 12 months.
 - Material discrepancies or inconsistencies in the documentation provided or have refused to provide requested documentation.
- Precious metals are:
 - Sourced from artisanal or small mining operations (excluding low risk jurisdictions) or through an intermediary refinery (excluding LBMA accredited Refineries) or trader with a high-risk supply chain.
 - Produced with the use of mercury or there are highly adverse ESG factors.

High risk supply chains will trigger enhanced due diligence practices which may require site inspections and audits against provided documentation or other identified issues.

The Corporation commits to addressing and managing any residual issues through engagement with the supplier. Where these issues cannot be resolved over a reasonable period, the Corporation may consider suspending or discontinuing relations with the supplier.

Record Maintenance

The Corporation's KYC and supplier due diligence records must be kept in accordance with The Corporation's Record Keeping Plan, as required under the State Records Act 2000.

Employee training program

Relevant Corporation employees are required to undertake training on the responsible sourcing of precious metals.

The training must provide an overview of the **RSM Program** and specific requirements for Business Units where required by their function.

Initial training must be undertaken within 1 month of the employee commencing at the Corporation and refresher training is then required every 12 months thereafter.