

# LBMA RESPONSIBLE GOLD AND SILVER – RAND REFINERY’S 2024 COMPLIANCE REPORT

<b>TABLE 1: REFINER’S DETAILS</b>	
Refiner’s Name	Rand Refinery (Pty) Ltd
Location	Refinery Road, Industries West, Germiston, South Africa
Reporting year-end	31 August 2024
Date of Report	29 November 2024
Senior management responsible	T Nkosi, Compliance Officer – Responsible Gold and Silver
E-mail	<a href="mailto:terancen@gold.co.za">terancen@gold.co.za</a>
<b>RAND REFINERY’S EVALUATION</b>	
<p>The following table lists the requirements that have been satisfied by Rand Refinery in accordance with the London Bullion Market Association’s (LBMA) Responsible Gold Guidance (version 9, dated November 2021) and Responsible Silver Guidance (version 1, dated September 2017) to demonstrate compliance. Accordingly, Rand Refinery is compliant with Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas for the reporting year ended 31 August 2024.</p>	
<b>TABLE 2: SUMMARY OF ACTIVITIES UNDERTAKEN TO DEMONSTRATE COMPLIANCE</b>	
<b>Step 1 - Establish strong company management systems</b>	
<b>Compliance Statement with Requirement:</b>	
We have complied with Step 1: Establish strong management systems.	

<p><b>STEP1.1 - Rand Refinery has adopted a company policy regarding due diligence for supply chains of gold and silver.</b></p> <p><b>Comments and Demonstration of Compliance:</b></p> <p>Rand Refinery has formulated a Precious Metal Supply Chain Policy, which has been approved by its Social and Ethics Committee and distributed to internal and external stakeholders. This policy is reviewed annually (in this case 13 February 2024) and aligned with the latest regulatory and guidance changes. Previously the Social and Ethics Committee delegated the Customer, Risk, and Compliance Committee (CRCC) to be the Board-delegated Committee that oversees all Precious Metal Supply Chain Policy implementation. The Committee is chaired by the Chief Executive, and is composed of the entire Executive team and consists of Senior Managers from different disciplines who support the Responsible Sourcing Program. The approved policy can be found on our website.</p> <p>Rand Refinery has been a part of the LBMA Responsible sourcing program since its inception, in 2012 (Responsible Gold Guidance), and has undertaken continuous improvement in implementing the five-step framework outlined in the relevant LBMA Guidance(s).</p>
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Rand Refinery is committed to complying with its Policy and the latest revisions of the LBMA's Responsible Gold Guidance and Responsible Silver Guidance, which are aligned to Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This ensures that all forms of gold and silver are responsibly sourced - we are committed to not sourcing gold and/or silver that is associated with human rights violations, contributes to conflict, is linked to the worst forms of child labour, and/or is associated with money laundering or terrorist financing. The company is committed to disclosing any pertinent information in accordance with the LBMA Disclosure Guidance. Furthermore, Rand Refinery will where necessary disclose information to competent authorities in compliance with the relevant Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) legislation.

We are committed to suspending trade with parties that misrepresent the origin of the gold or silver and those who breach compliance of their host countries: taxes, fees and royalties related to the extraction, trade, exportation, protection of the environment and sustainable operations.

Rand Refinery is committed to not receiving material sourced from World Heritage Sites and/or Protected Areas. We promote adherence to Environmental, Social and Governance (ESG) requirements and assist in establishing processes to promote responsible mining and sourcing practices, including that of artisanal mining.

Given version 9 of the LBMA Responsible Gold Guidance - Rand Refinery has revised its Precious Metals Supply Chain Policy, Supply Chain Anti-Money Laundering and Know Your Customer Policy, Standard Operating Procedure for Supply Chain Anti Money Laundering and KYC Due Diligence.

These policies and procedures incorporate the risk assessment methodology which defines unacceptable, high, medium, and low risks. The risk definitions adhere to the criteria of the LBMA Responsible Gold and Silver Guidance(s). In applying this methodology and the risk definitions, medium and high-risk counterparts/areas are identified, and appropriate risk mitigation actions are designed to address the risks identified. This has been applied to new customers as part of Rand Refinery's on-boarding process as well as to our existing customer base. It is important to note that the risk assessment methodology considers multiple elements across the supply chain (e.g. ownership, directorship, company structure, ESG, extraction, trade, storage and transport) in determining an appropriate risk rating. Enhanced Due Diligence (EDD) processes are defined and triggered for customers operating in Conflict and High-Risk Areas (CAHRAs) and/or those defined as having high risks based on Rand Refinery's assessment criteria, or at the discretion of the CRCC.

The above policies specify Rand Refinery's commitment to frequent training of relevant employees and officers across its supply chain on the responsibilities and actions required from them in terms of the Responsible Sourcing Programme. Rand Refinery is committed to supporting disclosures around Responsible Sourcing, and has continued to subscribe to a whistle-blowing facility in addition to the standard available reporting lines and forums. The organisation, suppliers and engaging parties are made aware of this facility should they want to report issues. Records are retained in line with Rand Refinery's processes and relevant in-country privacy legislation.

Key individuals in the responsible metals supply chain have conducted internal and external training in fulfilling their duties. For the period under review this training includes:

- LBMA Responsible Sourcing course
- FICA / FATF aligned training
- Various LBMA webinars / virtual training
- LBMA ASM Task Force
- LBMA Sustainability & Responsible Sourcing Summit
- Various KYC and KYP tools and software packaged employed as part of our due diligence
- In-house training regarding Responsible Sourcing policies, procedures, and toolkit (site visit, on-boarding templates)

Summary of Responsible Sourcing Policies / SOP's / Governance Documents Updated in FY24

Policy Name	Relevance	Update in FY24
Terms of Reference for Customer Risk & Compliance Committee (CRCC)	Functioning, membership and governance of the CRCC	Minor update to the annual work plan of the committee,
Supply Chain Anti Money Laundering and Know Your Customer Policy	Our AML & KYC responsibilities under law and LBMA, principle and risk rating methodologies	Under South African FATF aligned law (Financial Intelligence Centre Act), Rand Refinery is an Accountable Institution, and has devised a Risk Management Compliance Program (RMCP) and reports to the FIC as required.
Precious Metals Supply Chain Policy – available on Website	Acknowledgements of responsibility, purpose statement, disclosure and awareness	Updated around RSGv2
Standard Operating Procedure – Supply Chain Anti Money Laundering and Know Your Customer	A procedure detailing how we onboard and monitor depositing clients	No updates required as aligned to RGGv9 in FY23.

**Step 1.2 - Rand Refinery has set up an internal management structure to support supply chain due diligence.**

**Comments and Demonstration of Compliance:**

The Rand Refinery Board has delegated authority and accountability for the implementation of the Responsible Gold and Silver Programme to Senior Management. Roles and responsibilities are defined in accordance with our Precious Metals Supply Chain Policy, Supply Chain Anti-Money laundering and Know Your Customer Policy. In these policies, the Customer Risk and Compliance Committee (CRCC), also known as "the Board Committee" is established and administered according to an established Terms of Reference ("ToR"). The CRCC is cross-functional and comprises Rand Refinery Executive members, operational senior management, and compliance officers. The CRCC is responsible for decisions regarding the onboarding of new depositors and for taking action based on continuous monitoring data and customer risk assessments.

The CRCC establishes the customer screening and monitoring requirements, KYC and AML policies and procedures, embargo practices, record keeping requirements and the reporting of incidents or transactions in accordance with the relevant laws.

The Responsible Gold and Silver Officer is a voting member of the CRCC and oversees Responsible Gold and Silver compliance matters at Rand Refinery. In addition, any potential conflicts of interest are reported to the Social and Ethics Committee, a Board Subcommittee. In this instance, the Responsible Gold and Silver Officer is a member of the Executive Committee, an invitee to Social and Ethics Committee, and a voting member of the Customer Risk and Compliance Committee. The Responsible Gold and Silver Officer is also responsible for providing feedback on the company's ESG objectives and other sustainability concerns. Quarterly updates are provided to the Board of Directors through the Social and Ethics Committee regarding responsible sourcing activities.

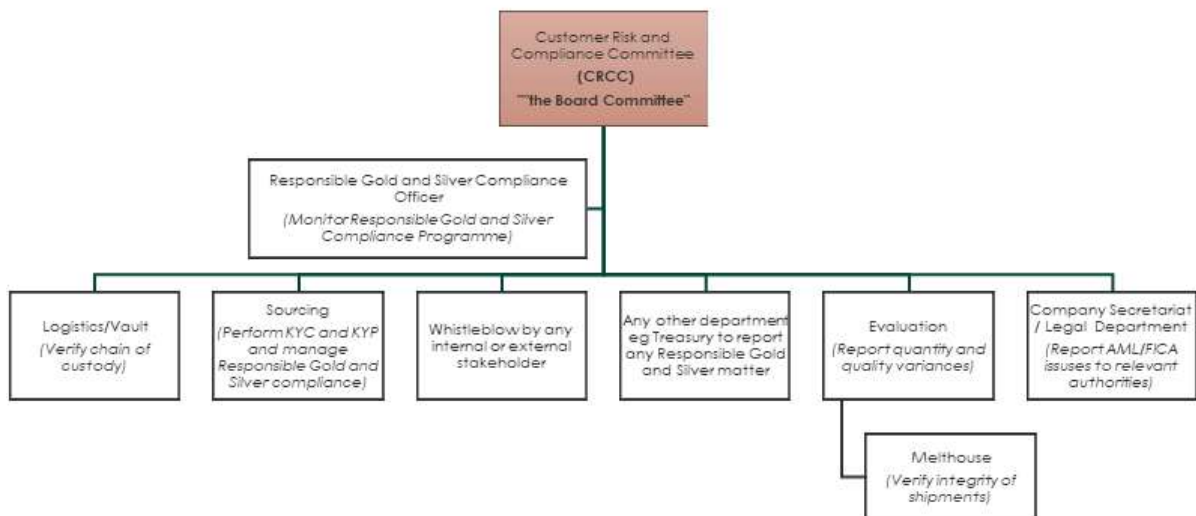
In addition to the Responsible Gold and Silver Officer, Rand Refinery (through the Chief Executive as Chairperson of the CRCC) has appointed key individuals throughout the supply chain to ensure that the programme is implemented appropriately and governance requirements are met. Particularly, the individuals and teams responsible for Know Your Customer (KYC) and Know Your Product (KYP) due diligence play a crucial role in ensuring compliance with the requirements. Here, sourcing personnel endeavour to collect, analyse, and corroborate sufficient information to enable the CRCC to make informed decisions. The team also conducts continuous monitoring and reports its findings to the CRCC. Site visits are conducted by resources that are both competent and independent. The minutes of the CRCC are published and made available to the Committee.

Rand Refinery has developed a communication or engagement organogram for responsible practices so that relevant officers and employees can comprehend their duties and responsibilities in the Responsible Sourcing programme. The Precious Metal Supply Chain policies and other relevant policies are disseminated internally and posted on the intranet and bulletin boards of Rand Refinery. In addition, the Responsible Gold and Silver Officer and Sourcing Managers organise and/or conduct awareness training for various departments. Training initiatives (e.g. webinars) are shared with and monitored by the team. Regarding external communication, Rand Refinery's Precious Metal Supply Chain Policy is accessible on the company's website. Also Rand Refinery informs potential depositors of the significance of Responsible Sourcing when they inquire about trading with the company, here the Enquiry to Trade form contains our terms and conditions of trade. Rand Refinery engages with depositors and customers to promote its Responsible Sourcing programme via presentations, the Integrated Report, stakeholder engagements, and other channels of communication. Rand Refinery has disseminated the information contained in the Responsible Gold Guidance and the Responsible Silver Guidance to a variety of parties in an effort to enhance provenance practices throughout the value chain.

In terms of remittance and payments, all are performed through official banking channels and no cash transactions are processed at Rand Refinery. The KYC process requires validation of banking details of each depositor

The CRCC receives reports and updates regarding the Responsible Sourcing programme regularly and the compliance team continues to enhance its processes and monitoring tools and software. Individuals are held to account by the CRCC, in conducting their responsible sourcing duties. Here the CRCC assigns responsibilities to those deemed suitable, and allocation and monitoring are made possible through the use of meeting minutes, task assignment, and report back's to the Committee.

High level schematic of the Responsible Sourcing Management Structure



**Step 1.3 - Rand Refinery has established a strong internal system of due diligence, controls and transparency over the gold and silver supply chain, including traceability and identification of other supply chain actors.**

**Comments and Demonstration of Compliance:**

The Enterprise Resource Planning (ERP) system at Rand Refinery allows for deposit traceability: In our ERP system a unique client account number is assigned to each depositor. Furthermore, the type of gold whether the gold is mined, secondary/recycled or artisanal is specified. Each deposit received by Rand Refinery is assigned a unique deposit number and is loaded against the relevant depositor account number. Each deposit and its associated waybill, provenance information, date of arrival, date of processing, weight, and assay information are available in our ERP system. All depositor client records are managed, stored, and backed up appropriately. For traceability and provenance purposes, Rand Refinery has systems and procedures in place to monitor the volume and chemical composition of each deposit (deposit fingerprinting/bullion variance). Any deviations in the materials (volume or chemical composition) that exceed certain thresholds from the normal specifications associated with the depositor are reported to the CRCC, and an experienced team conducts follow-ups to establish the reasons for such deviation. This information is regularly reviewed

and shared with plant personnel, who can pose queries to the relevant officer. On a quarterly basis, the CRCC is appraised on the bullion variance report (deposit fingerprinting).

In terms of transport of dore internationally a chain of custody is enabled by our use of pre-approved valuable cargo transporters (no hand carry). These valuable cargo transport companies are LBMA members and meet our stringent requirements as part of our Responsible Sourcing program. Here these transporters disclose their subcontractors and ensure that they meet the stringent ownership and security standards required.

The RandPure programme continues to be marketed and attracts customers - certificates are issued for each product containing specific provenance information (i.e. details of mine(s) the gold in the product is sourced from).

Rand Refinery provides support and collaborates with the relevant local authorities and law enforcement agencies as required. Rand Refinery is committed to complying with the laws of the country in which it operates (amongst others the Precious Metals Act, the Financial Intelligence Centre Act, the Prevention of Organised Crime Act). Here Rand Refinery is defined as an accountable institution and as such must monitor transactions and report to the Financial Intelligence Centre (FATF aligned) accordingly. In addition to being a signatory of the Global Precious Metals Code, Rand Refinery currently supports the LBMA Disclosure Guidance framework. ESG compliance is also an essential factor that Rand Refinery - we have made progress in adopting the 10 suitability principles outlined in the LBMA's Sustainability and Responsible Sourcing Strategy and utilised third party review to confirm our compliance to these principles.

**Step 1.4 - Rand Refinery has strengthened company engagement with gold and silver supplying counterparties, and where possible, assisted gold and silver supplying counterparties in building due diligence capabilities.**

**Comments and Demonstration of Compliance:**

Rand Refinery shares information with its depositing customers via site visits, participation in presentations, media releases, and informing the precious metals community of the advantages of adhering to responsible gold and silver sourcing practices. In addition, our site visits encompass our responsible gold and silver sourcing practises to ensure that the material has been sourced according to the LBMA's Responsible Sourcing Guidance.

During the year of interest:

- Policy & Contracts - changes in terms of requiring counterparties to commit to - either our Supply Chain Policy or their own which should be consistent with OECD Annex II – Rand Refinery engaged with the relevant counterparties around RGGv9 and obtained the necessary policy, contract changes and / or understanding. It is worth noting that for all our Depositing clients we have depositing contracts in place. At the time of writing only a small minority of these Depositing clients remain on the “old version” of our depositing contract. The “old version” of the contract references adherence to the OECD Annex II while the new contract is more explicit regarding RGGv9. There are valid reasons why these Depositing clients remain on the “old version”, our Risk Committee has examined the compensating controls in place and deemed it to be suitable. We continue to engage with this small minority of Depositors and expect to finalise this shortly.

- LBMA Sustainability & Responsible Sourcing Strategy – Rand Refinery was part of a group of LBMA Good Delivery refiners that assisted in formulating our trade associations strategy in this regard. A specific focus area amongst these three year priorities is responsible sourcing.
- LBMA ASM Task Force - Rand Refinery is a member of the LBMA ASM Task Force which aims to develop a framework or mechanism(s) to support commercially viable, conflict-free artisanal gold sourcing.
- African Government Interaction - Rand Refinery has had various interactions with West and East African government's as regards in-country refining, intermediate refining, responsible sourcing of commercial and artisanal gold.
- Non-Governmental Organisations (NGO) - The company interacted with NGOs throughout the year (e.g. at the OECD forum on responsible mineral supply chains and the LBMA Responsible Sourcing Summit).

**Step 1.5 - Rand Refinery has established a confidential grievance mechanism.**

**Comments and Demonstration of Compliance:**

Rand Refinery has a well-established independent "whistle-blowing" facility in place as per the Whistle Blowing Policy [https://www.randrefinery.com/wp-content/uploads/2021/09/Policy\\_Whistleblowing.pdf](https://www.randrefinery.com/wp-content/uploads/2021/09/Policy_Whistleblowing.pdf). The Whistle Blowing Policy is available on relevant noticeboards, our intranet and website and is highlighted in the footer of our outbound emails. The whistle blowing facility is independently operated by the AngloGold Ashanti Internal Audit team. Furthermore, Rand Refinery has a separate email address on Responsible Gold ([ResponsibleGold@gold.co.za](mailto:ResponsibleGold@gold.co.za)), highlighted in the footer of our outbound emails, that is directed to the Chief Financial Officer and the Responsible Gold and Silver Officer to address any matters or complaints raised. Relevant matters raised through these facilities are shared with the CRCC and the relevant EXCO members for further investigation. Investigations are reported to the Audit and Risk Committee for input and ratification. Material findings are forwarded to the Board of Directors for further deliberations.

The company has updated its intranet links to encourage comments about the responsible sourcing program, in which the comments would be screened via the communication manager.

During the reporting period, there were no responsible gold issues reported via our confidential grievance mechanisms.

**Step 2 - Identify and assess risks in the supply chain**

**Compliance Statement with Requirement:**

We have complied with Step 2: Identify and assess risks in the supply chain.

**Step 2.1 - Rand Refinery has a process to identify risks in the supply chain.**

Rand Refinery has a process to identify risks in the supply chain.

**Comments and Demonstration of Compliance:**

Rand Refinery sources gold and silver from various depositor types. For the reporting period of interest, approximately 99,6% (by weight) of the gold refined came from mined sources, 0,4% from recycled sources, and nothing was received from artisanal sources (ASM).

Based on the policies and processes described above (which define the risk-based methodology and risk levels), Rand Refinery implements a risk-based approach whereby inherent risks are identified based on operational practices and conditions and residual risks are based on the adequacy and effectiveness of controls employed to address inherent risks identified. This methodology was previously updated to consider additional ESG factors. Continuous monitoring including media monitoring, market intelligence, deposit fingerprinting, customer engagement and site visits , amongst others, are considered when conducting risk review. The risk register for each depositor is updated by the sourcing department and is reported quarterly to the CRCC who reviews mitigating factors for risks identified. Should the need arise (whereby an identified risk must be managed as per Step 3.1), formal risk mitigation plans may be recommended or endorsed by the CRCC, with monitoring and tracking being specified in the plan presented as a timeline with milestones.

Large Scale Mine Gold - Given that the majority of Rand Refinery's feedstock comes from single point source mines, most of which are owned by global gold mining companies listed on stock exchanges, few of our mine depositors are reported as medium or high risk, except those that have Politically Exposed Persons (PEPs), or the handful that operate in Conflict and High-Risk Areas (CAHRAs/Country Risk) or toll treat material. In addressing these risks:

- Directors & UBO's – PEPs are subject to enhanced due diligence and ongoing monitoring / screening – in this regard we can report that based on our due diligence the few PEPs present are not controversial and there is no information to suggest that they have abused their position or otherwise.
- Location Risks - CAHRAs are explored / defined and the full supply chain risk, including logistics, is explored and evaluated – we currently source from three mines located in African CAHRAs, our extended due diligence and multiple site visits indicate nothing untoward.
- Tolling - Mines that toll treat are requested to complete a toll treatment questionnaire and are subject to site visits to ensure that the depositor has established a suitable on-boarding process and conducts suitable due diligence on its tolling depositors. In select cases, for further assurance, we may request site visits to the primary supply site.

ASM - For the reporting period, Rand Refinery did not accept ASM material, however we remain committed to engaging with the relevant stakeholders in enabling sourcing of ASM material.

Recycled Gold – As stated by the LBMA in its 2023 Sustainability and Responsible Sourcing Report, “Illicitly mined and traded gold bypasses credible due diligence in trading hubs, where it can be mixed with other legitimate feedstock to obscure its true origin. In this way, the recycled sector can be exploited by criminal networks to launder their production into the global supply chain”. Recycled gold is therefore a risk and must be managed accordingly. Only 0,4% of Rand Refinery's gold input is recycled material. It must be noted virtually all of the recycled gold we receive comes directly as



Industrial By-product (e.g. refining sweeps) from reputable sources (e.g. other LBMA refiners). We also deal with various government mints that send reject product for refining, the origin of this unprocessed recyclable gold is known and responsible. In the year of interest no gold was sourced in the form of Melted Recyclable Gold. We continue to enforce the requirement for local recycled gold supplying counterparts to be registered with the Responsible Jewellery Council (RJC), and undergo an independent audit on their sourcing practices (RJC-Chain of Custody audit), and declare provenance (which includes providing pictures of the Unprocessed Recyclable Gold) and allow site visits to be conducted by Rand Refinery. Rand Refinery is committed to only sourcing recycled gold which meets our stringent due diligence requirements. This said, we continue to engage with the sector on the responsible sourcing actions and the requirements to deposit at Rand Refinery.

Rand Refinery conducted the necessary site visits during the reporting period. Rand Refinery leverages off the LBMA toolkit and supplements this as needed. The necessary site visits, information and verification was found to support the continuance of our business relationships with our established depositors.

**Step 2.2. - Rand Refinery does assess risks in light of the standards of their due diligence system.**

**Comments and Demonstration of Compliance:**

As described in the policies and procedures referred to above, Rand Refinery classifies a counterpart based on its inherent risk and, after considering risk mitigation, the residual risk for each depositor or prospective depositor. The risk rankings are defined as unacceptable, high, medium, and low based on information collected and analysed in accordance with our SOP for Supply Chain Anti Money Laundering and KYC Due Diligence and the KYC Due Diligence Policy. In our SOP, we have defined the primary (mined) and secondary (recycled) depositor information we deem pertinent when performing KYC and KYP verifications, assessing business and financial information, and analysing governance, health, and environmental risks. Rand Refinery verifies information using various sanctions surveillance, media monitoring, and market intelligence software/tools and applications that it subscribes to. The risk evaluation of depositors are revised as necessary (when new information becomes available) based on continuous monitoring. The CRCC is notified of risk rankings (risk registers) and risk modifications for input and approval.

Enhanced due diligence is performed for high-risk depositors, which typically include those that have PEPs, where gold and silver originates from or transits via CAHRAs, or where a depositor toll treats material on behalf of others. Regarding ESG (while) we assess ESG factors to ensure those that mined gold are not contributing to catastrophic harm or highly adverse outcomes (no depositors in the year of interest fell into this category). Besides continuous monitoring, high risk depositors are subject to more frequent reviews, site visits and specific information requests. Should it appear that risk mitigation efforts are not sufficient, Rand Refinery engages with the depositor, and an engagement improvement plan may be proposed to the CRCC for implementation.

**Step 2.3 - Rand Refinery reports risk assessments to the designated manager.**

**Comments and Demonstration of Compliance:**

The Risk and Compliance Officer conducts a risk assessment in accordance with SOP for Supply Chain Anti Money Laundering and KYC Due Diligence. The relevant Manager then verifies and approves the information. The result of the

risk assessment is then reported to the Responsible Gold and Silver Compliance Officer as well as the CRCC. The CRCC is therefore called on to vote regarding the onboarding of new depositors (initial risk assessment), or ratify any changes to an existing depositor (continuous monitoring risk assessment). The decisions taken by the CCRC are minuted and records are maintained. With round robin decisions (i.e. ad-hoc decisions by the CRCC between the quarterly formal meetings), the decisions are noted by the Risk and Compliance Officer and formally adopted at the next formal CRCC meeting. With reference to assessing the risk to financial information and status of a depositor, input is sought from the Finance Manager as needed. For the reporting period, all relevant depositors were found to have suitable AML policies and / or practices.

In assessing the risk associated with transport and logistics, the Valuable Cargo Transporters, the Head of Sourcing and Business Development, the Senior Manager of the Vault, and the Senior Manager of Security are consulted as necessary. The Operations Manager: Refinery and Senior Manager: Technical Assurance provide input for the appraisal of deposit integrity (waybill verification) and gold fingerprinting. The Senior Manager: Technical Assurance compiles the bullion variance report, which is submitted to the CRCC for review.

New Mines - during the period under review we onboarded and received deposits from 7 “new” African LSM mines. 2 of these mines are in CAHRA’s and as such extended due diligence and site visits were performed prior to any deposits being received. Indeed, every “new” African mine that we have onboarded, has had a site visit performed, and nothing untoward has been identified.

Site visits - during the 2024 reporting year, we recorded approximately 10 international and 5 local site visits (excludes visits to head offices, and other commercial visits). Of the 5 local site visits, 2 were to high risk customers, similarly of the 10 international site visits 5 were to high risk customers. In all cases site visits were conducted by Rand Refinery employees and / or Rand Refinery fixed term contractors who are competent and independent. In terms of frequency of site visits all high and medium risk customers newly on boarded are typical visited prior to the first transaction, in terms of on-going monitoring medium and high risk clients are visited every two years as per our policy, or as and when required by the CRCC (e.g. when there is an emerging risk is identified).

Traceability - during the period under review no deposits (amongst many thousand) were found to have material inconsistencies and hence segregation and storage pending further investigation was not necessary.

**Step 3 - Design and implement a management system to respond to identified risks**

**Compliance Statement with Requirement:**

We have complied with Step 3: Design and implement a management system to respond to identified risks.

**Step 3.1 - Rand Refinery has devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or iii) disengagement from the risk.**

**Comments and Demonstration of Compliance:**

Identified risks are managed by the CRCC on a continuous basis. Decisions to either:

- 1) suspend trade,
- 2) continue trade while monitoring the counterpart, or
- 3) disengage

are taken by the CRCC and minuted.

Risk Mitigation Strategies - For the reporting period, only a single depositor had its account closed. This entity, a medium risk LSM mine in a low risk African country, started its relationship with Rand Refinery as a listed company but due to a management buy-out became private. A drop off in deposits in August 2023 precipitated a meeting where it was discovered that the mine was refining its material at an intermediate refinery under the guise of "localisation". The mine was encouraged to deposit at Rand Refinery, sign a contract amendment containing RGGv9 clauses, provide its latest audited financial statement and tax certificate of good standing. Given the lack of response on these issues and the negative media detected questioning the mine's financial viability the CRCC agreed that the mine's account be closed. Account closure was affected in July 2024.

**Step 3.2 and 3.3 - A management strategy of risk mitigation was undertaken, and includes measurable steps that were taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.**

**Comments and Demonstration of Compliance:**

The Sourcing team develops and implements the strategy and corrective action plans, which are approved and monitored by the CRCC. The Responsible Gold and Silver Compliance Officer and EXCO play an active role in the formulation of the strategy and the execution of corrective action plans. When incidents of concern with gold and silver received are identified, counterparties are contacted and the incidents are reported, investigated, and resolved. All investigation results are reported back to the CRCC. When necessary, Rand Refinery will involve the appropriate law enforcement agencies and escalate the matter to the LBMA.

As noted above no management strategy of risk mitigation was required for any depositor in the period of review except for the standard media monitoring and site visits. This said the 2023 incident in which a single deposit was found to have material inconsistencies (bar swap prior to the material entering South Africa) (which was reported in the previous compliance report) was resolved in the period of interest with the independent investigation concluded.

**Step 3.4 - Rand Refinery undertook additional fact and risk assessment for risk requiring mitigation, or after a change of circumstance.**

**Comments and Demonstration of Compliance:**

Depositors' risk rankings are revisited annually, or as and when further information comes to light based on continuous monitoring. Risk rankings are reported to the CRCC for input and ratification. Risk changes are also highlighted to the CRCC. In the reporting period, there were no onboarded depositors that required close management. This said we did onboard two new mines in which we undertook site visits, and closely monitored any exposure to location risk.

#### **Step 4 - Obtain an independent third-party audit of the supply chain due diligence**

##### **Compliance Statement with Requirement:**

Rand Refinery has complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

##### **Comments and Demonstration of Compliance:**

Rand Refinery engaged the services of PwC, and its independent limited assurance report can be viewed on the Rand Refinery website, <https://www.randrefinery.com/products/#Responsible>

Independence & Competence: The assurance provider was selected based on their experience, and our CRCC is satisfied that they are independent and that there are no conflicts of interest (note: the engagement team also undergo security clearance and polygraphs in this regard).

Objectives: To assess the responsible sourcing activities undertaken by management to demonstrate compliance with the LBMA Responsible Gold Guidance V9 (November 2021) and the Responsible Silver Guidance V1 (September 2017), entailing:

- An assessment of management's description of activities in the Compliance Report to the evidence gathered;
- and assessing management's overall conclusion to compliance with the Responsible Gold Guidance and Responsible Silver Guidance

Scope: The assurance was performed to a limited assurance level; and covers the 12 month period from 1 September 2023 - 31 August 2024.

Assurance Standards Applied: The audit was performed in accordance with the LBMA Third Party Assurance Guidance of November 2022, together with the ISAE 3000 (Revised) assurance standard to enable them to provide a limited assurance conclusion.

Statistics: The audit was undertaken between 12 September 2024 – 10 November 2024 and involved a team of 6 including 2 partners. A total of 12 management interviews were held, 35 depositing transactions were tested for validity and accuracy, and comprehensive review of 24 out of the 94 counterparties was performed. Site visits were also conducted of the helipad, refinery and smelter complexes.

Findings: the key findings are summarised below, namely that there is 1 opportunity for improvement which is clerical or administrative in nature. Rand Refinery undertakes to implement this opportunity for improvement.

**Rand Refinery Annual Responsible Sourcing Audit Performance**

Year	FY24	FY23	FY22	FY21	FY20	FY19	FY18
<b>Type of Audit</b>	Limited	Reasonable	Limited	Limited	Reasonable	Reasonable	Limited
<b>LBMA Standard</b>	RGGv9, RSGv1	RGGv9, RSGv1	RGGv8, RSGv1	RGGv8, RSGv1	RGGv8, RSGv1	RGGv7, RSGv1	RGGv7
<b>Low Risk Non-Conformance</b>	0	3	0	1	2	2	0
<b>Opportunity for Improvement</b>	1	0	0	0	3	5	2

**Step 5 - Report annually on supply chain due diligence**

**Compliance Statement with Requirement:**

Rand Refinery has complied with Step 5: Report on supply chain due diligence.

**Comments and Demonstration of Compliance:**

This statement of management conformance, along with the independent limited assurance report compiled by PwC, was prepared in accordance with Step 5 of the LBMA Responsible Gold Guidance and Responsible Silver Guidance.

**TABLE 3 - OVERALL CONCLUSION**

**MANAGEMENT CONCLUSION**

**Rand Refinery has complied with the requirements of the LBMA Responsible Gold Guidance and Responsible Silver Guidance for the reporting period.**

Rand Refinery implemented management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Gold Guidance and Responsible Silver Guidance, as explained in Table 2 above, for the reporting year ended 31 August 2024.

Rand Refinery is committed to continuous improvement and the opportunity for improvement will be implemented.

To its knowledge, Rand Refinery has complied with the requirements of the LBMA Responsible Sourcing Program and that of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and has followed the process of ensuring that it sources gold and silver from approved clients / depositors.

Rand Refinery, to its knowledge, has not directly or indirectly participated in any human rights violations, contributed to conflict, or been involved in any money laundering. Although we have not sourced any artisanal material in the review period, Rand Refinery has taken part in initiatives in supporting the ASM sector.

Rand Refinery is a signatory to the Global Precious Metals Code, has implemented the Responsible Gold Guidance version 9 and Disclosure Guidance version 2 framework, and has participated in a number of LBMA initiatives (LBMA Sustainability and Responsible Sourcing Strategy, Responsible Silver Guidance v2, ASM Task Force, LBMA Sustainability and Responsible Sourcing Summit). Rand Refinery has not, to the best of its knowledge, engaged in any material sourcing practices that

compromise its reputation. Rand Refinery's values include the precision and accuracy of reflecting metal content and assuring good provenance. Rand Refinery will not compromise these values in pursuit of commercially viable business opportunities.

Rand Refinery has improved its Environmental, Social, and Governance (ESG) assessment and formulated its implementation targets (see Rand Refinery Sustainability Report). The company has established goals for reducing its carbon footprint and conserving water. In addition, it has prioritised Social ESG programmes in order to meet these goals. The governance framework has been bolstered by allocating more resources and empowering team members through various programmes to improve management. Rand Refinery requests and reviews the ESG policies and procedures of its depositors on a risk-based basis, and additional due diligence is conducted where deemed necessary in consultation with the CRCC.

Rand Refinery sources gold and silver from various depositor types - for the reporting period, approximately 99.6% (by weight) of the gold refined originated from mined sources, 0.4% from recycled sources, and nothing was received from artisanal sources (ASM). Given that the majority of Rand Refinery's feedstock comes from single point source mines, most of which are owned by global gold mining companies listed on stock exchanges, our depositor base is relatively "low risk". We wish to highlight that the vast majority of our recycled gold is in the form of industrial by product (e.g. refining sweeps) from reputable suppliers and reject product from respected government owned mints.

Continuous Improvement continues to be undertaken as regards to our responsible sourcing program, here we have trialled a compliance workflow and document management systems, as well as NGO linked ESG monitoring software, and automated risk logging tools.

**TABLE 4 - KEY STATISTICS & DISCLOSURES****Country of Origin Table (kilograms per year)**

Country	LSM Gold	Melted Recyclable Gold	Unprocessed Recyclable Gold	Industrial By-product Gold	Total Gold	LSM Silver	Melted Recyclable Silver	Unprocessed Recyclable Silver	Industrial By-product Silver	Total Silver
Australia				135	135				1,212	1,212
Burkina Faso	402				402	165				165
Canada	215				215	200				200
DRC	23,267				23,267	4,449				4,449
Eswatini	31				31	2				2
Ghana	25,455				25,455	1,969				1,969
Guinea	8,727				8,727	529				529
Ivory Coast	5,353				5,353	1,289				1,289
Kenya	299				299	49				49
Mali	41,352				41,352	1,623				1,623
Mozambique	137				137	29				29
Namibia	10,507				10,507	486				486
South Africa	90,043		282		90,325	9,942	33	377		10,352
Taiwan									559	559
Tanzania	25,740				25,740	5,526				5,526
USA	23			497	520	27			9,824	9,851
Zambia	1,059				1,059	30				30
<b>Grand Total</b>	<b>232,610</b>	<b>-</b>	<b>282</b>	<b>632</b>	<b>233,525</b>	<b>26,316</b>	<b>33</b>	<b>377</b>	<b>11,594</b>	<b>38,320</b>

Volumes: In FY24 sourced around 234 tons of gold and 38tons of silver into the refinery and smelter, in around 5000 deposits.

Countries sourced from: 17 countries (mainly Africa)

Number of Depositors: 39 international (mainly African LSM mines), 34 local (mainly South African LSM mines).

Type: Gold - Mined gold makes up 99.6% of all gold, with 0.4% being recycled – the majority of which is refining sweeps from other LBMA Good Delivery Refineries (defined as Recycled – Industrial By-product) and coin waste / rejects from the SA Mint (defined as Recycled – Unprocessed Recyclable Gold). It is worth noting we received no Melted Recyclable Gold in the year of interest and hence our risk of taking in illicit recycled gold is negligible.

Silver – Mined silver (typically in the gold dore) makes up 69% of all silver, with 31% being recycled. The majority of this silver is in the form of refining sweeps from LBMA Refineries (defined as Recycled – Industrial By-product) deposited into our smelter. Otherwise small amounts of coin waste / rejects from the SA Mint (defined as Recycled – Unprocessed Recyclable Silver) was received. We received a single deposit of Melted Recyclable Silver in the year of interest - from a small South African coastal refinery with RJC COC accreditation that services the local jewellery market and is the subject of site visits by Rand Refinery.

Industry Schemes: 63% of our gold is from World Gold Council (WGC) Mines that are audited on the WGC Responsible Gold Mining Principles, a further 2% of our gold is from LBMA or LPPM good delivery refiners.

Listed: 91% of our gold is from companies (mines) listed on prestigious stock exchanges.

Shareholders: 62% of our gold is from shareholder or shareholder co-owned mines.

Conclusion: the vast majority of our sourcing is from single point source mines listed on prestigious stock exchanges or members of stringent industry schemes or shareholders. As such our sourcing base is relatively low risk, compared to those that source recycled material.

### List of WGC Depositing Mines

As per the World Gold Council press release of 18 September 2023 – “All 33 World Gold Council members with operating mines, who collectively produce c.1,300tonnes of gold per annum, have committed to publishing the names and locations of their refining partners on at least an annual basis, to include all operations where the primary revenue comes from the production of gold.”

As per the LBMA letter of 16 April 2024 – “Following the decision last September by all 33 World Gold Council (WGC) members to publish the names and locations of their refining partners on at least an annual basis, GDL Refiners will now contractually be able to make reciprocal disclosures with their WGC mining partners in the future. We expect them to do so in the next round of audit disclosures.”

Given the above Rand Refinery approached its depositing mines and was given permission to disclose the following regarding the names and location for those that deposit into our refinery (i.e. “where the primary revenues comes from the production of gold”).

### World Gold Council Mines

Mining Group	Mine Name	Mine Location
Anglogold Ashanti	Geita	Tanzania
Anglogold Ashanti	Iduapriem	Ghana
Anglogold Ashanti	Obuasi	Ghana
Anglogold Ashanti	Siguri	Guinea
Anglogold Ashanti	Yatela	Mali
B2Gold Corp.	Fekola	Mali
B2Gold Corp.	Otjikoto	Namibia
Barrick Gold Corp.	Bulyanhulu	Tanzania
Barrick Gold Corp.	Kibali	DRC
Barrick Gold Corp.	Loulo	Mali
Barrick Gold Corp.	North Mara	Tanzania
Barrick Gold Corp.	Tongon	Ivory Coast
Goldfields Ltd.	South Deep	South Africa
Hummingbird Resources Plc.	Kouroussa	Guinea
Hummingbird Resources Plc.	Yanfolila	Mali
Sibanye Stillwater Ltd.	Beatrix	South Africa
Sibanye Stillwater Ltd.	Driefontein	South Africa
Sibanye Stillwater Ltd.	Ezulwini	South Africa
Sibanye Stillwater Ltd.	Kloof	South Africa
Sibanye Stillwater Ltd.	Rand Uranium	South Africa

Note: These are mines that deposited at Rand Refinery between September 2023 – August 2024. This list was compiled in September 2024, hence WGC membership status and Mining Group ownership is as at that date. It must be remembered that some mines may have multiple names, and that depending on how a mine(s) and its gold plant(s) are configured, and the name of the legal entity we contract with that different names / aggregation may occur. In a few cases where Rand Refinery contracts with a finance house which takes title of the dore and deposits such material under its own title, Rand Refinery looks through the finance house and also conducts checks on the mine, hence these WGC mines are listed in the table above, as opposed to the finance house (in other words the WGC mine origin is declared).





Terance Nkosi (Nov 29, 2024 11:59 GMT+2)

Terance Nkosi: **Responsible Gold and Silver  
Compliance Officer**



Praveen Bajjnath (Nov 29, 2024 11:47 GMT+2)

Praveen Bajjnath: **Chief Executive**