

UMICORE PRECIOUS METALS (THAILAND) LTD.
REFINER COMPLIANCE REPORT

1. REFINER'S DETAIL

Refiner's name	Umicore Precious Metals (Thailand) Ltd. (UPMT)
Location	Prawet District, Bangkok, Thailand
Reporting Year-end:	01/01/2023 – 31/12/2023
Date of Report:	03/05/2024

Umicore Precious Metals (Thailand) Ltd. (hereinafter referred to as UPMT) is a subsidiary of AGOSI AG based in Germany, which is a part of the international UMICORE group. UPMT was established in 1993 and was able to draw from AGOSI's over one hundred years of experience in the precious metal business. UPMT is focused on precious metal refining, production, and distribution of semi-finished products for the jewellery and electroplating industry.

(For further information on the Umicore Group and AGOSI, please visit www.umicore.com and <https://www.agosi.de> respectively)

UPMT is listed on the "Good Delivery List" for Silver by the LBMA. In addition, UPMT is a Code of Practices certified member of the Responsible Jewellery Council (RJC) under the member group AGOSI AG since December 2011. UPMT has been certified for RJC Chain-of-Custody standard since June 2013.

2. SUMMARY OF ACTIVITIES UNDERTAKEN TO DEMONSTRATE COMPLIANCE

STEP 1: ESTABLISH STRONG COMPANY MANAGEMENT SYSTEM

We have fully complied with Step 1: Establish strong management systems.

1.1 UPMT has a policy regarding due diligence for supply chains of silver and other precious metals (gold and PGM)

UPMT has implemented an Integrated Management System (IMS) that ensures quality, energy efficiency, environmental responsibility, health and safety, and supply chain security. This system aligns with UMICORE Group's strategy and standards, applicable legal requirements, and international standards as well as other relevant best practices.

A UMICORE Group Policy "Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas" has been in effect within the Umicore Group and UPMT since February 2013.

Based on the principles of the group policy, UPMT has developed the 'Umicore Precious Metals Thailand (UPMT) - Supply Chain Due Diligence Policy on Precious Metals', which is consistent with the Model Supply Chain Policy in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This Policy covers Silver, Gold and PGM, collectively referred to "precious metals" by UPMT. This policy details UPMT's responsibility and commitment to considering and preventing human rights violations and other risks in our supply chain that may be connected to the extraction, trading, handling and exporting of minerals from conflict-affected and high-risk areas.

1.2 UPMT has established an internal management structure to support supply chain due diligence

UPMT has developed the Supply Chain Security Guideline (hereinafter referred to as the UPMT Guideline) to manage the responsible sourcing of precious metals at UPMT. The UPMT Guideline is part of the UPMT IMS which has been developed to cover the requirements in ISO9001, ISO14001, LBMA Responsible Silver Guidance, RJC Code of Practice (COP) and RJC Chain-of-Custody (CoC). The UPMT Guideline defines measures and supporting processes to identify, assess and manage supply chain risks related to precious metals. The UPMT Guideline also defines roles and responsibilities, risk identification and KYC processes, training, records keeping and reporting lines. The local compliance officer, who having the necessary competence, knowledge, and experience of the supply chain due diligence framework and outcomes, supported as necessary by the Business Unit Anti-money Laundering Officer (at the AGOSI group level) has been appointed to implement and supervise Supply Chain Due Diligence at UPMT. The Local Compliance Officer is responsible for reviewing and updating the supply chain due diligence policy and procedure and reporting to Top Management. The existing Supply Chain management system and corresponding documentation has been developed to cover silver, gold and PGM to be complied with LBMA RSG, RJC Code of Practice (COP) and RJC Chain-of-Custody (CoC) standard and guidance.

The Integrated Management System (IMS) requires that an internal audit is performed annually to monitor the effectiveness of the IMS management system including supply chain due diligence. The results of internal audit are reported to Top Management, Department Managers and Supervisors.

Supply chain due diligence is addressed in both the regular monthly management meeting and the annual management review. This ensures its continued suitability, adequacy, effectiveness, identifies opportunities for improvement, and assesses the availability of resources necessary to support the processes and systems.

The UPMT Supply Chain Due Diligence Policy on Precious Metals, the UPMT Guideline and supporting processes including the requirements and relevance of the LBMA Responsible Silver Guidance, RJC Code of Practice standard and RJC Chain-of-Custody standard are included in the orientation training program given to new employees.

In order to enhance the understanding and communication effectively for Sales personnel to relevant counter parties in its supply chain, UPMT has developed its internal training program on due diligence guidance for responsible supply chain of minerals from conflict-affected and high risk areas according to the OECD guidance, RSG and relevant applicable standard. It is provided to related personnel throughout the organization.

Refresher trainings and individual trainings are offered on a needs basis or triggered by updates. The Local Compliance Officer supported by the HR department track and provide trainings.

UPMT cooperate fully and transparently with their relevant government authorities to ensure necessary record and information has been communicated according to the legal requirements.

1.3 UPMT has established a strong internal system of due diligence, controls and transparency over silver and other precious metals (gold and PGM) supply chain, including traceability and identification of other supply chain actors.

The UPMT Guideline establishes measures and controls to ensure supply chain traceability and requirements for maintaining records. Relevant records have been kept in digital form.

UPMT manages and tracks its material flows and internal processes in the UmicorePMT Database. The information for each lot of material that must be entered into the UmicorePMT database includes, but is not limited to, name and internal identification number of precious metal supplying counterparty, date of material received, unique lot number, type and details of material, weight, analysis result and status of refining process. The material is tracked internally along the production process.

As UPMT supply chain and material traceability system, the input materials in 2023 could be tracked and confirmed as eligible recycle materials originated from secondary pre and post-consumer. The confirmation letter has been provided as material declaration of its origination from customers.

In 2023, UPMT has implemented the SAP to manage and track its material flows and internal process. The SAP will replace the UmicorePMT Database by 3rd January 2024.

1.4 UPMT has strengthened company engagement with precious metals (Silver, Gold and PGM group) supplying counterparties, and where possible, assists precious metals (Silver, Gold and PGM group) supplying chain counterparties in building due diligence capabilities.

UPMT precious metal supplying counterparties including storage and transportation companies are subject to an on-site visit by the Sales Department. During the site visit the Sales Department is responsible for providing the counterparty with information related to UPMT's supply chain management including the UPMT Supply Chain Due Diligence Policy on Precious Metals. The Sales Department is also responsible for collecting written confirmation from the supplier that they have been informed of the UPMT policy.

The 'Letter according to CoC-LBMA-OECD Guidance_Acknowledgement' has been used to communicate and express UPMT's Supply Chain Due Diligence Policy and its principles aiming to enhance the engagement of its counterparty on due diligence.

1.5 UPMT has established a communication mechanism to promote internal and external parties participation on risk identification to management.

UPMT promotes employee awareness and encourages employees to voice concerns about any issues regarding traceability or identification. Internally a physical mailbox has been set up to allow employees to anonymously voice concerns. HR is responsible for forwarding the concerns to the relevant department.

UPMT promotes awareness among both employees and external stakeholders and encourages them to voice concerns about any issues regarding the precious metal supply chain or any identified risks.

Internally, a physical mailbox has been set up to allow employees to anonymously report concerns. Human Resources (HR) is responsible for forwarding these concerns to Top Management and the Local Compliance Officer.

External stakeholders, as well as internal employees, can voice concerns or any other issues related to UPMT's supply chain due diligence directly to the Business Unit Compliance Officer and/or Local Compliance Officer. Contact information, including names and email addresses, is provided in the UPMT Supply Chain Due Diligence Policy on the company website using the following link, <https://www.umicore.co.th/en/our-sites/precious-metals>. Additionally, anonymous reports can also be submitted through the Umicore Grievance Contact Form on the Umicore website using the following link <https://www.umicore.com/en/contact/integrity-line/>.

Any voice concern is recorded, reviewed and executed the necessary action by Compliance Officer and Top Management according to UPMT's complaints procedure.

STEP 2: IDENTIFY AND ASSESS RISK IN SUPPLY CHAIN

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

2.1 UPMT has a process to identify risks in the supply chain.

UPMT identifies and assesses risks in the precious metals supply chain. The UPMT Guideline requires risk identification and KYC documentation, as required by the LBMA Responsible Silver Guidance. KYC documentation is collected for precious metal supplying counterparties and other relevant parties in the supply chain (as determined by the Local Compliance Officer and Sales Team).

UPMT considers risk related to the country of origin and transit, supplier, material as well as transactional or supplier inconsistencies. The BU Anti-money Laundering Officer has developed and updated a country risk assessment to support the uniform identification of country risk across the business unit. Supplier risk identification, assessment and management is done through the collection of KYC documents and counterparty risk profile (Business Partner Screening, BPS Scoring).

To support the identification of supplier risk and to strengthen business relationships an on-site visits are performed, especially as part of required Enhanced Due Diligence (EDD), for precious metal supplying counterparties. The UPMT's Due Diligence Questionnaire is one of the key tools to identify and assess risks during on-site visits. The topics to verify in the questionnaire are, but not limited to, the location of the site same as shown in related document, kind of business with active production or activity, type of material, production capacity, reliable of business, conformance on environment, safety, human right standard, security, etc. In addition, the Local Compliance Officer, Sales Department, Incoming Goods Department and Production department monitor material and related inconsistencies as a part of daily business.

The Business Partner Screening (BPS-Scoring) has been applied according to BU JIM Supply Chain Security Guideline to identify and manage possible risks deriving from business partners. The risk profile takes into consideration on various Know Your Counterparty (KYC), Know Your Material (KYM) and Know Your Transaction (KYT) criteria and requirements. Due Diligence is performed as part of the BPS Scoring Process.

The risk evaluation is rating in BPS Scoring based upon the following criterias:

- (1) Country of residence / registration: adherence risk to law based on 'Rule of Law Index')
- (2) Field of business: Companies with trading or operating for material collecting business have a higher risk than companies with manufacturing activities. Mining has the highest risk.
- (3) Incorporation date: The recently incorporated companies have a higher risk profile than companies with a long business activity as they are due to lack of information less readable. The risk decreases over time; more than 3 years ago, less than 3 years ago and less than 1 year ago.
- (4) Change in names, addresses, management and/or operations: The recently incorporated companies have a higher risk profile than companies with a long business activity as they are due to lack of information less readable. The risk decreases over time; more than 3 years ago, less than 3 years ago and less than 1 year ago.
- (5) Number of employees: Sole traders have a higher risk profile companies with more employees.
- (6) Publicly available information (e.g., company website, news channels, Good Street View)
- (7) Verification of VAT number

- (8) Verification of sanctions lists (crime, terrorism, embargoes, PEP)
- (9) Does the supplier apply effective Business Partner Screening (BPS) controls in place?
- (10) Country of origin of input/output material: assessment of conflict risk based on 'Conflict Barometer' report
- (11) Country of origin of input/output material: assessment of environmental risk based on Environmental Performance Index, EPI
- (12) Shape of input material: Incoming material reflects a higher risk in respect of origin and is may be conflicted. It can have a different shape. Mining material is categorized in high risk. A molten shape with no marking has a high risk whereas grain (out of refining) and investment products have a medium risk. A possible trade without physical movement of material (by weight account transfer) is also considered for a medium risk. The live or original form of scrap with recognizable origin is categorized as low.
- (13) Shape of output material: Output material in form of semi-finished precious metal products and base metals bear a low risk. Investment / grain, only non-physical trading and mix of semifinished products and trading bears a medium risk.
- (14) Payment method; A cash payment represents a high risk whereas bank transfers (non-cash) have a low risk.
- (15) Own impression: To respect the list of red flags and warning sign on due diligence should be considered.

2.2 UPMT classifies supply chains based on risk profiles.

The UPMT's Supply Chain Due Diligence Process, UPMT Supply Chain Security Procedure has been implemented corresponding to BU JIM Supply Chain Security Guideline from AGOSI AG. Since 2021, in order to strengthening the due diligence process, the UPMT Supply Chain Security Procedure has been reviewed and updated corresponding to BU JIM Supply Chain Security Guideline by applying, but are not limited to,; the 'Rule of Law Index', 'Conflict Barometers' and 'Environmental Performance Index' as reference criteria for country risk assessment. The country risk lists were updated in 2023.

The Risk Profile from BPS Scoring are categorized to three risk level:

- Low Risk Profile means the business partners with a score below 15 points.
- Medium Risk Profile means the business partners with a score between 15 and below 20 points
- High Risk Profile means the business partners with a score of 20 points or more. However, the following minimum criteria, but not limited to, will be considered high-risk and trigger enhanced due diligence:
 - The Mined precious metals or Recycled precious metals originates from, has transited or has been transported via a conflict-affected or human rights abuse high-risk areas;
 - The Mined precious metals is claimed to be originated from a country that has limited known reserves, likely resources or expected production levels of precious metals;
 - The Recycled precious metals comes from a country where precious metals from conflict-affected and human rights abuse high-risk areas are known, or reasonably suspected, to transit;
 - Precious metals-supplying counterparty or other known upstream companies are located in a country representing high-risk for money laundering;
 - Precious metals-supply counterparty or other known upstream companies or their beneficial owners with significant influence over the precious metal-supplying counterparty are PEPs;
 - Precious-supplying counterparty or other known upstream companies are active in a higher-risk business activity such as arms, gaming and casino industry, antiques and art, sects and their leaders.

The following recommendations for action or categories result from the risk assessment:

1. Engagement (Business activity allowed) with approval by Top Management for Low Risk Profile
2. Not recommendation for Medium Risk and High Risk Profile, require the additional documents to clarify or risk mitigation plan for improvement. The documents should be submitted and reported to Top Management for approval. BU Anti-Money Laundering Officer and BU Compliance Officer will be informed.
3. Disengagement if the result from risk assessment involves or has possibility to involve with 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 or non-compliance of taxes fees and royalties due to government.
4. Business relationship prohibited ; See the list of prohibited countries in BPS – Scoring Template from BU JIM Supply Chain Security Guideline

The completion of the precious metal supplying counterparty acceptance process was a formal requirement before entering any business relationship.

2.3 UPMT undertakes Enhanced Due Diligence measures for high-risk supply chains.

The UPMT Guideline requires that KYC documents are collected and verified. If a supplier is categorised as High Risk or Medium Risk according to the LBMA RSG requirements or stricter internal requirements, enhanced due diligence is triggered and on-site investigation required. Depending on the risk level of the supplier or transaction, enhanced due diligence and additional KYC documentation will be required.

The exact measures to be taken are decided on a case by case basis by the Local Compliance Officer and as needed supported by the Business Unit Anti-money Laundering Officer. The Managing Director is informed of the measures taken as well as the results.

The Sales Department provides the risk identification and assessment reports with identified risk mitigation measures (if required) including the precious metal supplying counterparties KYC documents to Top Management and the Local Compliance Officer.

In case of medium risk, Top Management makes the decision to commence the business relationship, however the Local Compliance Officer maintains the right to veto. In case of high risk, it require further approval by AGOSI's CEO with one year validity.

Umicore companies are generally prohibited from doing business with certain countries. The Umicore's Corporate Security Officer announces these countries once a year.

As the list of active customers of UPMT in 2023, the 99 from 101 customers were categorized in low risk level.

Two (2) customers are in medium risk level according to their field of business and shape of input material, respectively.

Two (2) customers were considered as an intermediated refiners. Their risk profiles are medium and low, respectively. On-site investigation has been performed. No serious adverse findings were made. The confirmation letter has been provided as material declaration of its origination from both medium risk customers and intermediated refiners.

STEP 3: DESIGN AND IMPLEMENT A MANAGEMENT SYSTEM TO RESPOND TO IDENTIFIED RISKS

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

3.1 UPMT has devised a risk management strategy for identify risk

UPMT has devised a strategy for risk management of identified risks by either (i) mitigation of the risk while continuing trade, (II) mitigation of risk while suspending trade or (III) disengagement from the risk as specified by step 3 of the LBMA RSG.

The criteria for actions to respond with adverse impacts for serious abuses, direct or indirect support to non-state armed groups, direct or indirect support to public or private security forces, bribery and fraudulent misrepresentation of the origin of minerals have been identified in UPMT Supply Chain Security Procedure. The action to disengage, suspend or continue the relationship with approval is depended on the risk profile.

Where a potential or actual risk has been identified, Sales department and Compliance Officer determines on a case by case basis which risk management strategy will be employed. If the Compliance Officer with the approval of Top Management decides to mitigate risk, a strategy including necessary actions or measures will be developed and implemented.

3.2 Monitor the improvement Plan

Where necessary actions have been developed to mitigate potential or actual risk, the Sales Department is responsible for monitoring the actions and improvement as well as reporting to the Local Compliance Officer and Top Management.

If no such measurable improvement can be demonstrated within 6 month periods from the adoption of the risk management plan, to suspend the relationship until counterparty has responded to the improvement plan or to disengage.

3.3 Report finding to the Board Committee

The potential and actual risk identified with identified risk mitigation measures will be reported to Top Management. Depending on the identified risk, the BU Anti-money Laundering Officer will be informed. Relevant statistics on high risk supply chains will also be reported to the Board Committee.

In 2023, there was no case of high risk or suspicious activities identified from risk assessment.

3.4 Continuously monitor adequacy of risk management strategies.

UPMT conducts scrutiny and monitoring of transactions undertaken through the course of the relationship by monitor the transactions and review shipping and transportation documents. Particular attention is paid to complex and unusually large transactions, any unusual transaction patterns which have no apparent economic or visible lawful purpose and for important changes in portfolio.

The screening of existing business relationships is subject to a risk-based approach and carried out every 2 years for low and medium risk business partners and at minimum once per year for high risk and oversea business partners. A reassessment was carried out for existing suppliers in 2023.

STEP 4: ARRANGE FOR AN INDEPENDENT THIRD PARTY AUDIT OF THE SUPPLY CHAIN DUE DILIGENCE

UPMT has engaged KPMG Cert GmbH (listed in the LBMA's Approved service Provider List) to perform an integrated Reasonable Assurance against the LBMA Responsible Silver Guidance, for the period 1 January 2023 to 31 December 2023 and UPMT's supply chain due diligence management system according to RJC Code of Practice (COP) and RJC Chain-of-Custody (CoC). The precious metals covered in the audit for RJC COP and CoC was Gold, Silver and PGM.

The most recent Audit, in 2023, was conducted with no Medium and High Risks Non Compliances or Major Non Conformances.

STEP 5: REPORT ON SUPPLY CHAIN DUE DILIGENCE

Umicore Precious Metals (Thailand) Ltd. reports as defined in step 5 of the LBMA RSG on supply chain due diligence on an annual basis in this Refiner's Compliance Report. This Refiner's Compliance Report and the Umicore Precious Metals Thailand (UPMT) - Supply Chain Due Diligence Policy are available on our homepage:

<https://www.umicore.co.th/en/our-sites/precious-metals>

3. MANAGEMENT CONCLUSION

In conclusion, UPMT implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Silver Guidance, as explained above in section 2 of this report, for reporting year 2023. The audited period ended 31 December 2023.

Umicore Precious Metals (Thailand) Ltd. is committed to continual improvement, and any corrective action identified will be monitored internally on a regular basis.

4. OTHER REPORT COMMENTS

If users of this report wish to provide any feedback to UPMT with respect to this report, they can contact UPMT's Local Compliance Officer by sending an e-mail to philailuck.maimala@ap.umicore.com

Approval of the report by:



Mr. Panot Theppatra

Operations Manager



Independent Assurance Report (Reasonable Assurance Engagement) on the LBMA Refiner's Compliance Report of Umicore Precious Metals (Thailand) Ltd. for reporting year 2023

To the Management of Umicore Precious Metals (Thailand) Ltd.

KPMG Cert GmbH Umweltgutachterorganisation, Cologne, ("KPMG" or "we") has been engaged with letter dated 23 December 2022 to carry out a reasonable assurance engagement on the LBMA Refiner's Compliance Report of Umicore Precious Metals (Thailand) Ltd., Bangkok, (further "Company") for the year ended 31 December 2023. The Refiner's Compliance Report is based on the criteria described in the LBMA Responsible Silver Guidance, published by the London Bullion Market Association ("LBMA"), available at www.lbma.org.uk.

Umicore Precious Metals (Thailand) Ltd.'s Responsibilities

The legal representatives of the Company are responsible for the preparation and presentation of the Refiner's Compliance Report in accordance with the LBMA Responsible Silver Guidance (version 1). This responsibility includes establishing appropriate risk management procedures and internal controls relevant to the preparation of the Refiner's Compliance Report that is free from material misstatements, whether due to fraud or error. The criteria identified by the senior management as relevant for demonstrating compliance with the Guidance are the activities described within the Refiner's Compliance Report.

Our Responsibilities

It is our responsibility to express a conclusion on the Refiner's Compliance Report for the year ended 31 December 2023 based on our work performed within a reasonable assurance engagement.

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) – "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (IAASB) and the guidance set out in the LBMA Responsible Sourcing Programme – Third Party Audit Guidance for ISAE 3000 Auditors.

ISAE 3000 requires that we plan and perform the assurance engagement to obtain reasonable assurance about whether the Refiner's Compliance Report is free from material misstatement. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a reasonable assurance engagement are more comprehensive than in a limited assurance engagement, the level of assurance obtained is substantially higher. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures:

- Inquiries of management to gain an understanding of Umicore Precious Metals (Thailand) Ltd.'s policies and procedures for risk management;
- Interviews with senior management and relevant staff responsible for the preparation of the Refiner's Compliance Report;
- Interviews with relevant staff responsible for providing the information in the Refiner's Compliance Report;
- Visit to site operating in Bangkok (Thailand);
- Assessing the suitability of the reporting criteria including the appropriateness of relevant methods, policies, procedures, and internal controls that the refiner has in place with the LBMA Responsible Sourcing Guidance;
- Reviewing a selection of Silver supplying counterparty due diligence dossiers and transactions;
- Reviewing the overall presentation of the Refiner's Compliance Report to ensure consistency with our findings.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Ensuring the Independence and Quality of the Auditor

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Our Conclusion

Based on the procedures performed and the evidence obtained, in our opinion, the Refiner's Compliance Report of Umicore Precious Metals (Thailand) Ltd for the period from 1 January to 31 December 2023, in all material aspects, describes fairly the activities undertaken during the year to demonstrate compliance with the requirements of the LBMA Responsible Silver Guidance. This conclusion is to be read in the context of the remainder of this assurance report, in particular the inherent limitations explained above and this assurance report's intended use.

Restriction on Use/limited Liability

This assurance report is addressed solely to Umicore Precious Metals (Thailand) Ltd., in accordance with the terms of our engagement contract. Those terms permit disclosure to other parties, solely for the purpose of Umicore Precious Metals (Thailand) Ltd showing that it has obtained an independent assurance report in connection with Umicore Precious Metals (Thailand) Ltd.'s Refiner's Compliance Report. Accordingly, our report shall not be used by any other person or for any other purpose. We have provided the services described above on behalf of Umicore Precious Metals (Thailand) Ltd. We have carried out our engagement on the basis of the Engagement Terms included in our engagement letter dated 23 December 2022. By taking note of and using the information as contained in our assurance report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned Engagement Terms in the engagement agreement (including the limitation of our liability for negligence to EUR 1 million) and acknowledges their validity in relation to us.

Cologne, 27 March 2024

KPMG Cert GmbH
Umweltgutachterorganisation



Gerd Krause
27.03.2024

Krause
Managing Director



Martin Reith, Manager
27.03.2024

ppa. Reith
Manager

Appendix

Refiner's Compliance Report