

**United Nations Global Compact**  
Communication on Progress  
Transparency and Disclosure  
Team  
Two United Nations Plaza  
New York, NY 10017  
USA

Neuchâtel, February 16th, 2015

**Metalor's Annual Communication on Progress,**

Dear Stakeholders,

I am pleased to confirm that Metalor reaffirms its support on the Ten Principles of the United Nations Global Compact in the areas of labor and human rights, anti-corruption and environmental protection.

Ethical standards have been Metalor's key value since its creation in 1852, and Metalor has played a pioneering role in the development and implementation of strict control processes and effective tools, with aim of ensuring that commercial practices are always beyond reproach at every link of the supply chain.

I am pleased to share with you in this communication the significant and concrete measure that Metalor has successfully implemented in the past 12 months in order to continuously meet the world's strictest industry, legal and anti-corruption requirements and ensure irreproachable business practices as well and sustainable strong corporate ethic at all level of the Company:

1) The Responsible Jewellery Council (RJC)

The Responsible Jewellery Council is an international not-for-profit standards and certification organization. It has more than 500 Member companies that span the jewelry supply chain from mine to retail. RJC Members commit to and are independently audited against the RJC Code of Practices – an international standard on responsible business practices for diamonds, gold and platinum group metals. The Code of Practices addresses human rights, labor rights, environmental impact, mining practices, product disclosure and many more important topics in the jewelry

supply chain. RJC also works with multi-stakeholder initiatives on responsible sourcing and supply chain due diligence.

In that regards, Metalor successfully achieved in January 2014, the re-certification for its global Refining Group by meeting the highest ethical, social and environmental standards established by the RJC's code of Practice (COP) Certification System.

Furthermore, Metalor successfully achieved in August 2014, the certification audit for Chain-of-Custody (CoC) Certification adding mining material in the scope of the CoC certification.

## 2) Metalor is an active member of the London Bullion Market Association (LBMA)

Metalor has been a LBMA « Good Delivery Company » since 2003. Metalor is also one of the five worldwide referees for the LBMA and was promoted as Ordinary member in 2012, which represent the highest level of membership.

Metalor complies with the LBMA Responsible Gold Guidance consolidates and formalizes already existing high standards of refiners' due diligence. The Guidance is based on the OECD Due Diligence Guidance as well as Swiss and US KYC, Anti-Money Laundering and Combating Terrorist Financing regulations.

In 2014, Metalor actively supported the LBMA in creating the LBMA Due Diligence Best Practice Toolkit which is available in the internet (<http://www.lbma.org.uk/responsible-gold>).

The LBMA Best Practice Toolkit is an optional tool which refiners may choose to use in conducting due diligence. The forms are intended to support LBMA refiners implementation of the LBMA Responsible Gold Guidance and simplify the due diligence process. It is also intended to assist auditors in their interpretation of the LBMA Responsible Gold Guidance and ensure consistency.

Furthermore, the new Singapore refinery of Metalor, has been added to the LBMA's Good Delivery List for gold with effect from 17 July, 2014. It confirms that Metalor's business practices comply with the "LBMA Responsible Gold Guidance".

## 3) Fairmined

In May 2014, Metalor became the first and only LBMA approved precious metals refiner in the world to offer certified Fairmined Gold.

This achievement is another demonstration of Metalor's increasing commitment to ethical practices. This allows Metalor to offer refining services in Fairmined Gold upon request and to provide fully traceable Fairmined Gold, throughout the entire supply chain from the mines up to the retail jewelers, via the Fairmined Labeled



sourcing model. With this certification, Metalor continues to strengthen its actions in transforming mining into an active force for good.

#### 4) Labor

Thanks to the strong Health and Safety (H&S) culture that has been developed through targeted internal communication actions and tools and regular exercises designed to strengthen team spirit around H&S, the number of accident reduced by 20% in 2014 vs 2013 (and by 83% in the past 4 years) with a very significant reduction of severity (by 93% in the past 4 years). Zero accident remains a top priority objective for Metalor.

#### 5) Human Rights

Metalor is a highly active participant in the gold industry's development of responsible supply chains in the light of the provisions of Dodd Frank on conflict minerals.

Metalor does not knowingly source any gold from any conflict or higher risk area and has been fully supporting the development of multi stakeholders' standards from the responsible sourcing of minerals from conflict or higher risk areas.

Metalor Group ensures that gold is sourced from legitimate sources and remains committed to responsible and ethical sourcing.

We hope that these elements will meet your expectations.

We thank you for your cooperation and remind you that you may contact us at any time for any question or additional information.

Yours Sincerely

  
Philippe Royer  
CEO