



LBMA RGG and LBMA RSG
Independent Reasonable Assurance Report
For third-party audits based on ISAE 3000

Rev. 02
September
2020

Independent Reasonable Assurance Report to Shandong Gold Smelting Co., Ltd. on its Refiner's Compliance Report 2023 for the London Bullion Market Association's Responsible Gold Guidance and Responsible Silver Guidance

**To the Board of Directors of
Shandong Gold Smelting Co., Ltd.**

We were engaged by Shandong Gold Smelting Co., Ltd. to provide reasonable assurance on its Refiner's Compliance Report for the year ended 31 December 2023. The assurance scope consists of the Refiner's Compliance Report.

Management's Responsibilities

The management of Shandong Gold Smelting Co., Ltd. is responsible for the preparation and presentation of the Refiner's Compliance Report in accordance with the *LBMA Responsible Gold Guidance* (v.9) and the *LBMA Responsible Silver Guidance* (v.1) (the "*Guidance*"). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by management as relevant for demonstrating compliance with the *Guidance* are the activities described within the Refiner's Compliance Report.

Auditor's Responsibilities

Our responsibility is to carry out a reasonable assurance engagement to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with International Standard on Assurance Engagements *ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board and the guidance set out in the *LBMA Responsible Gold Programme - Third Party Audit Guidance* and the *LBMA Responsible Silver Programme - Third Party Audit Guidance for ISAE 3000 Auditors* (the "*Audit Guidance*").

This report has been prepared for Shandong Gold Smelting Co., Ltd. for the purpose of assisting management in determining whether Shandong Gold Smelting Co., Ltd. has complied with the *Guidance* and for no other purpose. Our assurance report is made solely to Shandong Gold Smelting Co., Ltd. in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Shandong Gold Smelting Co., Ltd. for our work, or for the conclusions we have reached in the assurance report.

Inherent limitations

Non-financial information, such as that included in the Refiner's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the *Guidance* may differ. It is important to read the Shandong Gold Smelting



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Co., Ltd.'s gold and silver supply chain policy available on Shandong Gold Smelting Co., Ltd.'s website <https://www.sd-gold.com/cmscontent/4015.html>.

Independence and competency statement

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We confirm that we satisfy the criteria for assurance providers as set out in out in the *Audit Guidance* to carry out the assurance engagement.

Conclusion

In our opinion, the Shandong Gold Smelting Co., Ltd.'s Compliance Report for the year ended 31 December 2023, in part material respects, is not in accordance with the requirements of the *LBMA Responsible Gold Guidance* (v.9) and the *LBMA Responsible Silver Guidance* (v.1).

There are 1 high risk non-compliance and 1 medium risk non-compliance raised during this assessment (refer to CAP), the final conclusion will be made based on the result of follow up assessment in 90 days.

Bureau Veritas
23 January 2024
Yantai, China