

Summary	
Refiner Name:	Asahi Refining USA Inc.
Refiner Location:	4601 2100 S, West Valley City, UT 84120
Assessment Type:	ISAE 3000 Reasonable Assurance Engagement
Material in Scope:	Gold, Silver
Assessed timeframe:	April 1, 2023 – March 31, 2024
Implementing Firm:	SCS Global Services 2000 Powell St. #600, Emeryville, CA 94608

### Independent Practitioner’s Assurance Report

To the Management of Asahi Refining USA Inc.

We have been engaged to perform a reasonable assurance engagement on the Refiner's Compliance Report prepared by Asahi Refining USA Inc., (the "Refiner") as defined in the Compliance Report for the period April 1, 2023 – March 31, 2024 (the "Refiner's Compliance Report").

### Management’s Responsibility for the Refiner’s Compliance Report

The management of the Refiner are responsible for the preparation and presentation of the Refiner’s Compliance Report in accordance with the London Bullion Market Association “LBMA” Responsible Gold Guidance (Version 9 – November 2021) and the LBMA Responsible Silver Guidance (Version 2 – November 2023) (the Guidance). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by the Refiner as relevant for demonstrating compliance with the Guidance are the activities described within the Refiner’s Compliance Report. The responsibility includes designing, implementing and maintaining systems and processes relevant to the proper preparation and presentation of the Refiner's Compliance Report, which is free of material misstatements.

### Assurance Firm’s Independence and Quality Control

SCS Global Services complies with independence, quality control, and competency requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. SCS Global Services maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, SCS Global Services confirms the company satisfies the criteria for assurance providers as set out in the Assurance Guidance to carry out the assurance engagement.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the Refiner's Compliance Report based on our work performed. Within the scope of our engagement, we did not perform an assessment on external sources of information or expert opinions, referred to in the Refiner's Compliance Report.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by IAASB and the supplementary guidance set out in the [LBMA Responsible Sourcing Programme – Third Party Assurance Guidance (version 2)].

This Assurance Guidance requires that we plan and perform the assurance engagement to obtain Reasonable assurance whether the Refiner's Compliance Report, prepared by the Refiner Asahi Refining USA Inc. for the period April 1, 2023 – March 31, 2024, in all material aspects, describes fairly the activities undertaken during the period April 1, 2023 – March 31, 2024 to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the requirements of the Guidance.

The procedures selected depend on the practitioner's judgement. This includes the assessment of the risks of material misstatements of the Refiner's Compliance Report with regard to the Guidance. Within the scope of our work we performed amongst others the following procedures:

- Interviews with management in charge of the preparation of the Refiner's Compliance Report;
- Interviews with management and employees of departments in charge of purchasing, supplier contracts, shipping/receiving, material management, and refinery operations;
- Review of material transaction Line-Item Summary (LIS) and document review;
- Review of relevant corporate procedures and documents describing the Refiner's management systems, due diligence and risk management approach towards a responsible supply chain;
- Onsite visit of the Refiner's location in West Valley City, Utah to review relevant systems, processes and controls, including a process walkthrough from supplier selection to materials receipt and lot processing;
- Evaluation of the consistency of the statements provided in the Refiner's Compliance Report with the findings obtained during the engagement.

### **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 the Refiner to comply with the Guidance may differ. It is important to read the Refiner's supply chain policy available on the Refiner's website: [website:](https://www.asahirefining.com/corporate-responsibility/)  
<https://www.asahirefining.com/corporate-responsibility/>

## **Conclusion**

In our opinion, the Refiner's Compliance Report, prepared by Asahi Refining USA Inc. for the period April 1, 2023 – March 31, 2024, in all material aspects, describes fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the Guidance.

## **Emphasis of Matter**

Without modifying our conclusion, we draw attention to the description within the company's Compliance Report: Step 2: Identify and Assess Risks in the Supply Chain which states that the Company will conduct supply chain due diligence to identify potential risks by classifying Conflict and High Risk Areas (CAHRAs) as well as identifying potential risks through disclosure and KYC screening.

With regards to identifying CAHRAs, the actual process includes subnational review as applicable. However, the subnational review is not in the refiner's written procedure. The lack of a formalized subnational review impacted one supplier's risk rating in the engagement review period.

With regards to disclosure and KYC screening, inconsistencies were identified in collected supplier documentation.

## **Restriction on Use and Distribution**

We issue this report on the basis of the engagement agreed with Asahi Refining USA Inc. The assessment has been performed for purposes of Asahi Refining USA Inc. and is solely intended to inform Asahi Refining USA Inc. about the results of the engagement. The report is not intended for any third parties to base any (financial) decision thereon. We do not assume any responsibility towards third parties.

We refer to the fact that the Refiner's Compliance Report subject to our assurance engagement comprises the Annex "List of countries of origin of gold/silver" and the treatment of the Refiner. According to the London Bullion Market Association "LBMA" Responsible Gold Guidance (Version 9 – November 2021), the LBMA Responsible Silver Guidance (Version 2 – November 2023) and the LBMA Responsible Sourcing Programme – Third Party Assurance Guidance (version 1) this

Annex detailing the countries of origin of gold and silver has to be submitted to the LBMA only and does not need to be disclosed publicly.

August 22, 2024  
SCS Global Services

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