FY 2025-2026 Compliance Report
LBMA Responsible Gold and Silver Guidance

Foreword

Asahi Refining USA Inc. “ARU”, a wholly owned subsidiary of ARE Holdings Inc a company listed on The Tokyo Stock Exchange Prime Market. ARE Holdings maintains LBMA-certified London Good Delivery List refineries in Salt Lake City, Utah, USA and Brampton, Ontario, Canada. Additionally, Asahi Refining North America operates a trading team based in Toronto and a depository in New York State.

These businesses serve a global client base from the mining, recycling, banking and bullion trading industries.

As a leader in the precious metals industry, ARU recognizes the unique opportunity that it must play in the development, implementation and continuous improvement of systems designed to detect and prevent commercial activities that contribute to the financing of armed groups, human rights abuses, money laundering, terrorist financing, other illegal activities and increasingly address wider ESG risks. We published our first sustainability report in 2022 and annually since then. In May 2024 we published our first Modern Slavery Statement in response to The Canadian Government’s Act S-211 the “Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff” (Short title: Fighting Against Forced Labour and Child Labour in Supply Chains Act). Our second report was filed in May 2025. This statement can be found on the Government’s website and here on our own website.

Throughout 2025/26 ARU engaged and invested in projects designed to scope, analyze, and provide solutions for increased transparency and responsibility within the global gold and silver supply chain. We actively seek to increase the amount of ASM gold and silver in our supply chains and remain an active partner in LBMA’s ASM taskforce. A detailed case study of the benefits derived by getting ASM gold into the LBMA ecosystem can be found in our Fourth Annual Sustainability Report.

As an LBMA Good Delivery Refiner, ARU monitors the source of all precious metals accepted into our Brampton refinery to ensure that we comply with LBMA’s Responsible Gold Guidance (RGG) and Responsible Silver Guidance which are based on the OECD Due Diligence Guidance as well as other relevant legislation including, but not limited to, US KYC, Anti-Money Laundering and Combatting Terrorist Financing regulations, EU Conflict Minerals Legislation and particularly the rapidly evolving sanctions and tariff landscapes in the past 12 months.

The following compliance report illustrates ARU’s continuous improvement activities within the time period of April 1, 2025 to March 31, 2026.

Table 1: Refiner's details

Refiner:	Asahi Refining USA Inc.
Location:	Salt Lake City, Utah
Reporting Year-end:	31 March 2026
Date of Report:	4 June 2026
Audit Date	27 –28 May 2026
Senior Manager Responsible:	Tomonobu Furuta President Asahi Refining USA Inc.

Asahi Refining's Evaluation

The following tables highlights how Asahi Refining USA Inc has addressed the minimum requirements that must be satisfied by Refiners in accordance with the LBMA Responsible Gold and Silver Guidance to demonstrate compliance. Accordingly, Asahi Refining Canada Limited 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 March 2026.

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Company Management Systems

ARU has complied with Step 1.

Adopt and commit to a policy for gold (and silver) supply chain due diligence

The compliance programme in North America is consistent across all operations in both Asahi Refining USA Inc. and Asahi Refining Canada Limited. Although the programme is mature, we regularly review and where necessary update our Procurement Policies. The last significant change was implemented to reflect the new requirements of LBMA's Responsible Gold Guidance Version 9, but minor adjustments have been made since then. The Precious Metal Procurement Policy is endorsed by senior management and addresses all OECD Annex II risks. The policy was last amended in March 2026 and is available on the company website (www.asahirefining.com). The policy is formatted in three sections:

Scope

- The businesses the policy covers
- The aims and objectives of the policy
- A high-level description of the Asahi Refining's commitments
- A summary of the fundamentals of our management systems.

Commitments

- Regarding serious abuses associated with the extraction, transport or trade of minerals
- Regarding direct or indirect support to non-state armed groups
- Regarding public or private security forces

- Regarding bribery and fraudulent misrepresentation of the origin of minerals
- Regarding Money Laundering
- Regarding the payment of taxes, fees and royalties due to government
- Regarding ESG
- Risk Management
- Human Rights

Governance

- Confirmation that all Asahi Refining employees, contractors, suppliers and other third parties comply with this policy
- Where issues are detected will take appropriate measures to protect our integrity and reputation

Copies of this policy are included in our KYC pack, which organisations must sign to acknowledge their compliance with our requirements, unless they have policies in place that conform with our requirements (for example policies aligned with World Gold Council's Responsible Gold Mining Principles or as a minimum are consistent with the OECD Annex II) and are posted at key locations throughout the site so all employees and contractors have access to it.

Establish management structures to support supply chain due diligence

The Senior Manager Precious Metal Supply Chain Assurance has been designated as our Compliance Manager since May 2021 and is responsible for managing the Company's compliance program. Our Compliance Analyst relocated to Mexico in late 2021 and as a native Spanish speaker performs the majority of Asahi Refining's mine and secondary client site audits. The Compliance Manager continues to have a direct reporting line to the President, and decisions on supply chain and due diligence are discussed via quarterly Compliance Committee meetings as well as on an ad-hoc basis if issues arise. The Company held four compliance meetings (July, October 2025 and January and April 2026) covering activities in this latest audit period. The Compliance Committee has the necessary authority to make decisions and monitor risks in our supply chains. The committee comprises the following:

- Compliance Manager, North America
- President, North America (Executive, Board Member)
- President, Asahi Refining USA & Chief Operations Officer North America (Executive, Board Member)
- Global Head of Sales, North America (Executive Board Member)
- Chief Financial Officer, North America (Executive Board Member)
- Director of Operations, Salt Lake City
- Director of Operations, Brampton
- Environmental Health and Safety Manager, North America
- Security Manager, North America

For the meeting to be quorate a minimum of 4 people must attend either in person or virtually.
All the Compliance Committee and other board members based in North America receive annual responsible supply chain sourcing training. The committee will formally review and approve the Precious Metal Supply Chain Policy at least annually.

ASAHI REFINING

The Asahi Compliance Team has the necessary skills and resources to support and monitor the due diligence process. Oue Compliance Manager has over 15 years' experience including managing LBMA's responsible sourcing programme for two years and our Compliance Risk Analyst has worked for the company for over 10 years in several relevant areas and is an experienced auditor.

Over recent years, Asahi NA has made significant investments in a bespoke on-line due diligence system provided by EthiXbase (link). The system automatically checks detailed due diligence information on all our existing counterparties from over 11 million advanced risk records and 100,000+ sources daily covering:

- Politically Exposed Persons (PEPS)
- Sanctions, Watchlists & Enforcements
- Terrorism & Trafficking
- Conflict Minerals
- Environmental Crimes
- Human Rights
- And over 50 additional risk categories including – Business Crimes, Fraud, Gambling, Identity Theft, Organised Crime, Regulatory Action, Securities Violations and Tax Related Offences.

The coverage offered by EthiXbase is closely aligned with the expanded requirements of RGG V9, covering gaps in ESG that were present in our previous system. Additionally, the system has a "human element" that removes false positives prior to any reports being submitted to Asahi Refining. In this audit period we made a change to the alert process. Previously EthiXbase reviewed every alert before informing Asahi Refining, a process that could take a number of days. Therefore we have agreed with EthiXbase that if an alert is triggered on key risk categories (for example fraud, money laundering terrorism, human rights etc.) we will be notified immediately rather than waiting for confirmation that this isn't a false positive.

The EthiXbase system was implemented in a phased approach:

- Phase 1 went live in September 2022 and comprised the daily due diligence checks on existing clients.
- Phase 2 was the addition of the Know Your Customer (KYC) forms for upstream counterparties (mines and recyclers), downstream clients (Banks/traders etc.) and service providers, up to the initial "predictive risk rating" calculation by the system. This went live in February 2023.
- Phase 3 which automated triggering of KYC forms and the final risk calculation after mitigation and review by Asahi Refining's compliance team was concluded in July 2023.
- Phase 4 comprised adding the specific Modern Slavery Module to the routine due diligence system which was completed in January 2024. This addition allowed Asahi Refining to send modern slavery questionnaires (aligned to the requirements of Canada, The UK and Australia's Modern Slavery Acts) to all upstream and downstream supply chain partners.

In the last audit cycle we continued to develop our use of EthiXbase with the following projects being rolled out:

1. We agreed a system where the platform automatically triggers an email warning to the compliance team when a counterparty is located in a country that contains an EU CAHRA region or one scoring 4/5 on Heidelberg. Compliance then checks the exact location and transport routes to manually assigns the location risk rating.

2. We took the decision to store all personal data on a secure folder on our servers.
3. We started moving clients who had not transferred onto EthiXbase into the database even if their KYC update wasn't due. This is still on-going.
4. KYC forms for existing clients must be updated every three years or if there is a material change to the counterparty (change of ownership, relocation etc.). The system has been updated to automatically generate an email notification to the Compliance Team six months before the three-year period expires.

At the end of 2025 the Compliance Committee agreed that because of the US Administrations focus on South American Transnational Organisations we would remove the 10% ownership threshold for all privately owned counterparties and that a "mini-KYC" identifying all people (even dormant partners) with an interest in an organisation in our supply chain would have to be declared annually. This process will be completed by the end of the 2026-2027 audit cycle.

All relevant staff received refresher training of the requirements of our compliance programme, completion is monitored by the site's Master Control System. Those selected to receive training included:

- Board Members
- Management
- Any employee having a direct input to metal flowing through the business, for example:
    - Customer Services
    - Accounts
    - Metal Control
    - Security

Training included the following areas:

- Aims and Objectives of the Compliance Programme
- Industry Initiatives (LBMA, RJC, RBA, WGC & ICMM)
- Background to LBMA Responsible Sourcing Programme
- Location based risks
- Material risks
- Examples of zero and high-risk supply chains
- Customer on-boarding process
- Routine due diligence and transaction monitoring
- How to report a concern (employees and third parties)
- Sustainability and Human Rights including The Canadian Modern Slavery Act.
- General industry issues

After completing the training employees took a short test to demonstrate their understanding of the aims and objectives of the programme.

During the reporting period there were no material violations of our internal due diligence policies or procedures.

Asahi Refining is a "B2B" organisation and does not accept any cash payments (or crypto currency) from third parties purchasing our products. Similarly, we do not make any such payments when purchasing precious metal.

Establish a gold (and silver) traceability system.

The Senior Manager Precious Metal Supply Chain Assurance oversees the administration of Asahi Refining's responsible gold and silver programs. Asahi Refining has a strong, well-established material traceability system for each client and lot received. Our system can pull client lot details dating back to the inception of the system. Date received, size and type of lot, transportation routes and method, weights, assay results, settlement data and description of lot are all included and stored indefinitely on the system. Documentation is reviewed for each incoming lot to ensure compliance with both our internal handling procedures and our external supply chain procedures.

Asahi Refining maintains a detailed compliance file for each of its clients. These files contain the KYC documentation completed by the client, corporate documents, such articles or business licenses, permits or concessions, information regarding beneficial ownership and copy of ID's. Company policies, procedures, statements, financial records, media reports and a separate file dedicated to the due diligence information found during the on boarding process. In some case these files may also include media reports and copies of emails between Asahi Refining and the client.

Asahi Refining ensures traceability via the initial on-boarding process, during the relationship management between sales, compliance and client as well as the assay lot identification and tracking.

Prior to 2023, we used a manual system to on-board customers. We would send out PDF forms to be completed and returned however this resulted in many problems:

- Clients not completing every section
- Clients not attaching copies of relevant documentation (permits etc.)

In 2023 we switched to an on-line platform, and forms are now completed here. This means that prospective clients are unable to leave sections blank or proceed to the next section without uploading the required evidence.

This system is a bespoke compliance software package provided by "EthiXbase" and as well as replacing the manual KYC system, it also replaces the previous routine monitoring service:

- Receiving far fewer hits as false positives are removed before transmission to us
- Security provider KYC also going onto the platform.

All customers have been registered, completed KYC and assessed for initial risk (perceived risk); Phase III of implementation was completed in July 2023 which calculates the final risk of the counterparty.

When Asahi Refining on-boards a new client, the traceability of the material to the mine is determined, recorded and verified. The verification process may include general knowledge of a known historical mine or a site visit for a lessor known mine located in a high-risk location or CAHRA. The Asahi Refining traceability system maintains and analysis a wealth of detailed information from all historical shipments. This allows Asahi Refining to compare and review historical data to ensure it aligns with shipping volumes, assay results and allows for red flag identification should historical mine site data change.

Strengthen company engagement with Gold (and sliver) supplying counterparties

During the audit period Asahi Refining maintained its history of strong communication and relationship engagement with all its existing and prospective clients and the wider industry as a whole. Some examples are as follows:

- Since the introduction of RGG V9 we have amended the language in our contracts regarding disclosure of issues to LBMA and possible reasons we could disengage from third parties
- If we receive "credible market intelligence" on a counterparty, either from our own due diligence process, third parties or the counterparty themselves, we will conduct a thorough review of the facts.
- Our sales team hold regular business reviews with counterparties, and where relevant developments in responsible programmes are discussed.
- We participated in the LBMA's ASM taskforce
- We participated in The OECD's Responsible Minerals Forum in Paris
- We have representation on LBMA's Refiners, Financial and Regulatory Affairs Committees
- We do not buy mined gold from State Owned entities in EITI countries.

Establish a confidential grievance mechanism

Asahi Refining is committed to the highest possible standards of ethical, moral and legal business conduct. We maintain two separate grievance reporting tools, both of which are available to staff, with one being solely for external parties. Grievances can be raised by email, phone and our company website. Emails sent via the website reporting tool are directed to the Asahi Compliance Manager to investigate and respond.

The first grievance mechanism is provided via a third party and allows Asahi Refining employees to raise grievances or concerns directly to the third-party provider. They then report the grievance to executive level management to investigate. The employee can choose to remain anonymous if they desire. Posters are displayed across the Refinery and in common areas such as the canteen. The Precious Metals Supply Chain Inquiry page is accessible via the Asahi Refining website (https://www.asahirefining.com/corporate-responsibility/) and can be used as a communication vehicle for basic questions around policy or as a confidential tool for reporting issues. Clear instructions are provided to ensure those who wish to remain anonymous can do so.

The whistleblowing policy is intended to cover serious concerns such as:

Ethical Violations	Money Laundering
Human Rights Abuse	Unsafe Working Conditions
Sexual Harassment	Discrimination
Alcohol & Substance Abuse	Fraud
Theft & Embezzlement	Violation of the Law
Threats	Violation of Company Policy
Misuse of Company Property	Bribery & Corruption

The above list is not exhaustive; however, the policy is intended to cover issues involving unethical or illegal conduct or similar kinds of improper behavior within Asahi Refining and our precious metal supply chains. Regular business matters that do not require anonymity should be directed to the employee's supervisor and are not addressed by this policy.

Reporting using Hotline

A third-party service providing a confidential hotline is available for employees and external stakeholders to use if the whistleblower prefers to make the report anonymously. Information about the procedures for making a report using the hotline is posted around the facilities, additionally a form is available for employees and external stakeholders on the company website.

Timing

Employees who are aware of misconduct covered by this policy should make a report as soon as possible. The earlier a concern is expressed, the easier it is for the company to take action.

Evidence

Although an employee is not expected to prove the truth of an allegation, the employee submitting a report needs to demonstrate that there are sufficient grounds for concern.

Reports should be based on facts, and not speculation, and employees should include as much detailed information as possible to allow investigation of their concerns.

How The Report Will Be Handled:

All complaints will be treated seriously and with respect, and the action taken will depend on the nature of the concern. Reports may or may not be investigated at the sole discretion of the company. The relevant Asahi Refining Board of Directors receives a copy of each report and follow-up reports on actions taken by the company. These reports provide a source to identify lessons for improving both the whistleblowing mechanism and preventing future grievances and harm.

Initial Inquiries

Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved by 'agreed upon' actions without the need for an investigation.

Feedback to Reporter

Whether a report is made directly to Asahi Refining's personnel or through the hotline, the individual submitting a report will be given the opportunity to receive follow-up on their concern:

- Acknowledging that the concern was received;
- Indicating how the matter will be dealt with;
- Giving an estimate of the time that it will take for a final response;
- Advising whether initial inquiries have been made;
- Advising whether further investigations will follow, and if not, why not.

Further Information

The amount of contact between the individual submitting a report and those investigating the concern will depend on the nature of the issue, the clarity of information provided, and whether the reporter remains accessible for follow-up. Further information may be sought from the reporter.

Throughout the 2025/2026 audit period, we received over 30 general enquiries via our website reporting tool about supplying gold/silver to Asahi Refining.

We did not receive any new grievances through this system during the reporting period. However, after this report was drafted, we became aware of a press allegation in The New York Times concerning one specific Colombian ASM supply chain. As we are in the very early stages of the review, it is difficult to give definitive answers. However, Asahi takes all allegations very seriously; therefore, we have:

- Suspended this supply chain indefinitely
- Held an emergency compliance committee meeting and agreed on short, medium, and long-term actions
- We have spoken to the Colombian Ministry of Mines to get their views on the allegation and the extent of their interaction with the reporter who has made these allegations.
- Discussed the operation of the RUCOM (Sole Registry of Mineral Traders) system with the Colombian Ministry of Mines, including recent improvements they have made in the reporting mechanism.

Once this process is concluded, we will make an informed decision regarding this source of supply and will inform all parties involved and issue a statement on our website.

Record Retention

All records relating to our compliance programme are maintained electronically for at least 10 years.

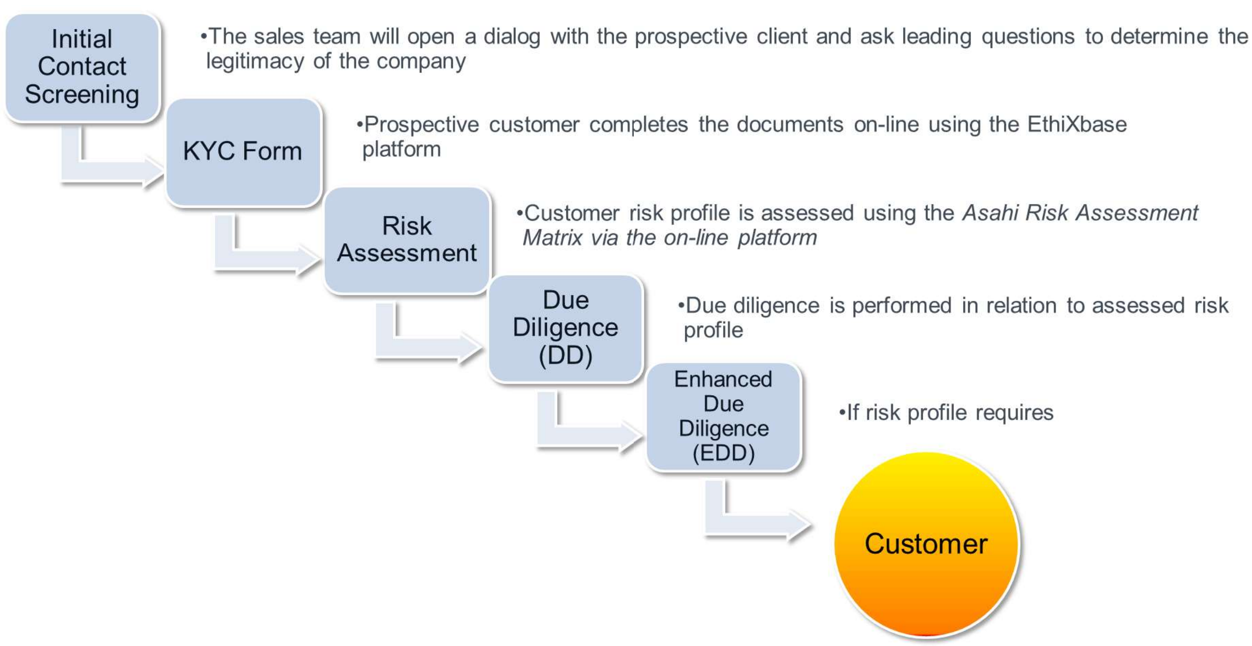
Step 2: Identify and assess risks in the supply chain

Asahi Refining has complied with Step 2.

Conduct supply chain due diligence to identify potential risks

As a leader in the precious metals industry, Asahi Refining recognizes the unique opportunity that we have to play in the development, implementation and continuous improvement of systems designed to detect and prevent commercial activities that contribute to the financing of armed groups, human rights abuses, money laundering, terrorist financing, illegal activities as well as wider ESG concerns. Asahi Refining works with our suppliers of precious metals to ensure they are aware of our Precious Metals Procurement Policy and that the materials they deliver to Asahi Refining do not contribute to such illegal activities.

Asahi Refining utilizes a rigorous process to on board clients, assess risk and continuous monitoring. Those steps are as follows:



An organisation will only be on-boarded after successfully completing the process.

<u>Initial contact screening</u> – in this step, the Sales Team will have open dialog with a prospective client, asking leading questions to determine the legitimacy of the business. During this step a client may be sent a Prospective Client Declaration (PCD) form to allow Asahi Refining to capture basic details about the company and the proposed business. The PCD is returned to the Sales Team who review the documentation and decide as to whether the business is a potential fit for Asahi Refining. If the business is deemed a possible fit for Asahi Refining, the Sales Team will pass the file to Compliance to proceed

further with the compliance process. During the audit period Asahi Refining Sales Team determined a number of prospective clients were not an acceptable fit and did not forward the clients on to compliance for step two.

Disclosure & KYC screening – In this second step, potential clients are asked to complete, sign and return the Asahi Refining 'Know Your Customer' (KYC) document. This document was updated at the start of 2022 to reflect the changes made in the transition to RGG V9 and is now completed via the EthiXbase system. Until the start of 2022 when RGG V9 came into force, Asahi Refining had stricter requirements around beneficial owners than required by LBMA as our threshold already stood at 10%. At this point potential clients are also asked to sign off the Asahi Refining Precious Metals Procurement Policy. Potential clients are asked to provide copies of IDs for beneficial owners identified on the KYC, as well as operational documents such as mining permits, articles of incorporation and concessions. Permits for other items such as sanitation and water use are also requested along with policies pertaining to environmental, human rights, health and safety as well as AML. This should not be considered a complete list and can vary based on type of business and location.

Due Diligence screening – The third step is largely a research step. Using the provided client information as a starting point, Asahi Refining will verify the information while continuing to gather more using the potential client's website and basic internet searches. Once the Compliance Team have gathered all the appropriate information and is satisfied with a good understanding of the potential business, a third-party screening software is then utilized. The annual subscription software provides Asahi Refining with a tool to screen beneficial owners and top management against hundreds of global watch lists. The software also allows Asahi Refining to gather basic information on the company that can also be used to verify the information provided by the client. Typically, the software returns detailed reports of the company's financials, officers and executives, ownership shares, company structure and affiliated companies as well as any adverse media regarding the company or individual that were searched.

Risk Assessment – Asahi Refining has developed a risk matrix by which all potential clients are scored. It contains 15 categories that are each scored from 0 to 4. Certain categories such as "country risk" carry a heavier weight on the scoring. Potential clients will receive a score, and based on the score they are deemed to be "LOW RISK" "MEDIUM RISK or "HIGH RISK". The EthiXbase system will automatically notify the Compliance Team if a third party is located in a country that contains a CAHRA so that we can manually assign the correct risk rating.

Enhanced Due Diligence – All potential clients who are deemed Medium or High risk at the completion of the Risk Assessment step will require enhanced due diligence. This could include a combination of desk-top audit or on-site audit. Typically, medium risk clients will have a desk-top rather than an on-site audit. Additionally, we can order several types of enhanced due diligence reports from EthiXbase for publicly listed companies.

Enhanced due diligence for high-risk primary clients will always include an on-site visit. These audits are very detailed and follow the relevant LBMA Toolkit documentation. The on-site audits will include a detailed site tour, a review of health and safety, a review of environmental impacts, interviews with management and front-line staff, review of permits, signage, security, workers' sleeping areas and where possible, Asahi Refining will try to engage with locals in the community to hear their feedback on the mining operation. The Compliance Manager can issue a derogation allowing supply to commence before a physical audit takes place. However, this is the exception rather than the rule.

For secondary supply chains, enhanced due diligence depends on the type of operation. Organisations in the jewellery sector site audits will include a thorough review of records and a review of their due diligence processes, particularly a review of how the prevent "Elephant Jewellery" entering the supply chain.

Asahi Refining requires "intermediate refiners" with high-risk supply chains to undergo an independent third-party audit in line with an OECD aligned scheme, for example RJC. Asahi Refining reviews the full audit reports including any non-conformances. Asahi Refining currently has two intermediate refiners that fall into this category. One that is fully certified and the second is in the process of scheduling an audit by an approved certification body.

Final Approval is again based on the risk assessment. Potential clients who are deemed low risk can be approved by the Compliance Team. Potential clients who are deemed high risk must be approved by the Compliance Team, the Sales Team and the President. This will include a detailed discussion of the potential client and any associated risks. If the Compliance Team and the President are not in complete agreement on the approval or denial, the file will be discussed with the Compliance Committee and if needed, a vote can occur. However, the President has the right to deny a potential client even if the Compliance Committee votes to add them as a client.

Ongoing Monitoring – Asahi Refining subscribes to a third party service provider to manage the daily monitoring of all Asahi Refining's clients. Every 24 hours the software will check company and beneficial owners' (set at 10%) against global watch lists, including sanctions, and databases. An email is sent to the Asahi Refining Compliance Team once the report is verified by the EthiXbase Support Team. These reports are reviewed and escalated if necessary.

On-boarding is not the end of our due diligence checks. Transaction monitoring occurs continuously as highlighted below:

- Checking volumes, types and concentrations of material for consistency with previous shipments
- Monitoring the actual transportation routing for each shipment
- Verifying physical shipment against shipping/transportation documents (assays, weights, serial numbers)
- Confirming that documents and materials are consistent with each other (purchase order, goods receipt, invoice) and with the KYC information (mine capacity, origin, sources)

Where material inconsistencies or suspicions are identified, the following actions are taken:

- The gold/silver should be physically segregated and secured until the inconsistencies are resolved
- A thorough review is undertaken and documented
- Findings are reported to the Compliance Officer, who informs the Board and appropriate authorities, as applicable

Classify supply chains based on risk profiles

Asahi Refining continues to assess risk on an ongoing basis via 24-hour monitoring of adverse media through EthiXbase, the confidential grievance tool, review of daily shipments received from clients that can be compared to historical data to compare key analytics and via more traditional methods, such as industry experts, client self-reporting and on-site visits by Asahi Refining personal.

Third parties in need of further review are checked against 11 million records and over 100,000 sources. Areas which are assessed include:

- Politically Exposed Persons
- Corruption
- Conflict Minerals
- Human Rights
- Sanctions Watch Lists and Enforcement
- Terrorism & Trafficking
- Environmental Issues
- Other (comprising over 50 additional categories) including:
    - Money Laundering
    - Tax Related Offences
    - Money Services Businesses
    - Business Crimes
    - Bribery & Corruption
    - Gambling
    - Organised Crime

Asahi Refining did not identify any zero tolerance supply chains or risks during the audit period. Examples of issues considered to be 'zero tolerance' are:

- The Mined Gold/Silver is known to originate from areas designated as World Heritage Sites, unless specifically allowed by LBMA's guidance
- The Mined or Recycled Gold/Silver is known to be sourced in breach of international sanctions, including but not limited to those of the UN, EU, UK and US
- The Mined or Recycled Gold/Silver supplying counterparty, other known upstream companies or

their UBOs are known money launderers, fraudsters or terrorists, or have been implicit in serious human rights abuses, or in direct or indirect support to illegitimate non-state armed groups.

Undertake enhanced due diligence measures for red flag (high-risk) supply chains

Asahi Refining uses two high level "buckets" to assess risk, Location & Material type. Asahi Refining`s internal procedures for undertaking compliance checks on clients varies based on the client risk rating and location. Asahi Refining improved the risk rating process in 2021 to reflect the EU's CAHRA regional approach, rather than assigning a blanket risk by country. This was repeated in 2022 to reflect the changes in RGG V9. This allowed us to target our site audit program and focus on counterparties who were correctly identified as being in a high-risk region or engaged in a high-risk activity (location risk and material risk).

Location Risk

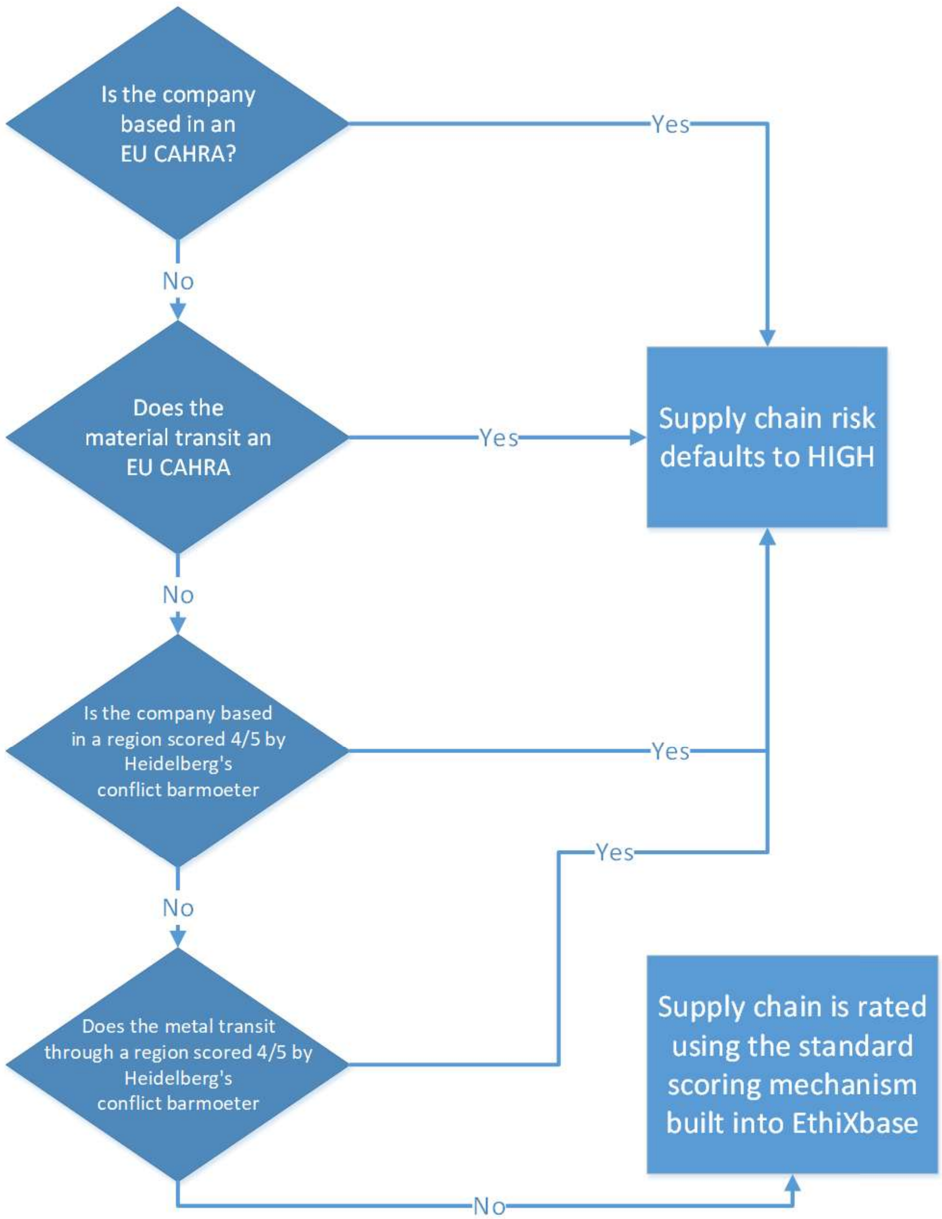
Asahi Refining uses a range of independent sources when assessing the risk of a country or region, these include, but are not limited to:

Objective Measures

Reference Document	CAHRA Threshold
Sanctions lists (US, UK, EU, UN, and relevant sanctions lists)	Comply with all relevant sanctions
Dodd Frank section 1502	DRC plus covered countries
EU CAHRA list	Regions listed on www.cahralist
Heidelberg Barometer	Area or region ranked as 4 or 5
Fragile States Index	Score > 90

A full-scale review of location risk scoring was completed in this audit period. The Heidelberg Conflict Barometer was used as the starting point. Countries whose highest score was 1 or 2 were deemed low risk. Those who's highest score was 3 were deemed medium risk and those with regions scoring 4 or 5 were assessed as high risk. Asahi Refining then factored in the EU CAHRA list, Dodd Frank covered countries and The Fragile States Index. As both the EU & Heidelberg lists go down to a regional level, Asahi Refining worked with EthiXbase to see if the system could automatically detect if an entity was in a CAHRA or Heidelberg 4 or 5 region. Unfortunately, this was not possible. Therefore, Asahi Refining have configured the system to send an automatic email to the Compliance Team if the entity is located in a country that either contains an EU CAHRA, or contains one or more regions scoring 4 or 5 on the Heidelberg Conflict Barometer stating: '*Please note that entity XXXXXXX is located in a country that contains CAHRAs so its location and transport routes need to be checked against the relevant lists.'*

If the entity is not located in a high-risk area and the transport routes do not cross one, Asahi Refining confirms the true risk should be assessed using the standard scoring protocol built into EthiXbase. However, if the entity is in a high-risk area or metal is transported through one, the risk defaults to high as per the flowchart below.



All the above are built into Asahi Refining's scoring scale:

Asahi Refining Risk Score	Risk Rating
1	Low
2	Medium
3	High
4	Extreme

Prior to this review, only Canada and the United States of America were rated as low risk, which clearly did not reflect the global nature of risk in our supply chains.

Material Type

The second high level "bucket" is the type of material supplied. For example, precious metal from a large-scale World Gold Council or Mining Association of Canada Member represents a lower risk than secondary material or ASM and is scored appropriately via risk matrix embedded in our EthiXbase system.

Subjective Measures

To add more context to the objective data provided by the sources listed above, and to generate a greater understanding of the risks associated with a country or region, Asahi Refining reviews the following sources:

- UN Human Rights Office of the High Commissioner
- Reports (including relevant country reports) by the Financial Action Task Force (FATF)
- Credible market intelligence

When assessing the material risk, Asahi Refining uses the relevant KYC Form from LBMA's Toolkit. As highlighted previously, these used to be sent out as PDF's but in 2022 we started migrating to EthiXbase and the system has been fully operational since July 2023. The system automatically reviews the responses against information provided by Asahi Refining and calculates a "Perceived Risk". See below for an illustrative example:

PRI Calc

Intake Form Fields	Country Risk (CAHRA)	Human Rights (Record)	Material Source	dentified High Risk Categor	Transport Risk (CAHRA)	Human Rights (Country)	Environmental record
Answers	Mexico	No indication of issues	Not Applicable	No	Mexico	Mexico	Indication of limited issues, typically involving protesters, accusations, correction notices
Preliminary Score	2	1	0	0	2	2	2

Intake Form Fields	Ownership Type	Corporate Structure	Asahi Relationship	Offshore Banking	Other	Digital Footprint	Age of Company	Metal Reserves
Answers	Private ownership with strong corporate structure, traded on minor exchange	Ltd	Known to Asahi via industry	None	No	Strong web presence, policies posted online, social	Less than 10, greater then 3	Originating from country with strong metal reserves
Preliminary Score	2	1	2	1	0	1	2	1

93

Part I	7.5
Part II	18
Part III	4

PRI	1.966666667
	LOW

This will determine the frequency of checks and the type of checks which could be completed via email, phone communications, desktop review or an in-person site visit.

Asahi Refining performs site audits to provide objective evidence that a counterparty's due diligence policies and procedures are being effectively implemented on a daily basis and remain fit for purpose. Where non-conformances are identified, Asahi Refining will work with the counterparty to implement corrective action plans aimed at continuous improvement. Audits will take place where the activity occurs. for example at a mine site, warehouse, or pawnshop and will be performed by trained personnel.

Asahi Refining's audit programme is an integral part of our due diligence system and verifies that our supply base is adhering to both industry standards set by the law and independent organisations, and our own company standards. Asahi Refining's programme is designed to prevent the following:

- Systematic or widespread human rights abuses associated with the extraction, transport, or trade of gold, including worst forms of child labour, any forms of torture, inhuman and degrading treatments, widespread sexual violence, or other gross human rights violation forced or compulsory labour, war crimes, crimes against humanity or genocide

- Direct or indirect support to illegitimate non-state armed groups, public or private security forces which illegally control mines sites, traders, other intermediaries, transport routes through the supply chains or illegally tax or extort money or minerals through the supply chains ("illegitimate non-state armed groups, public or private security forces")

- Bribery and fraudulent misrepresentation of the origin of gold

- Non-compliance with taxes, fees, and royalties due to Governments related to mineral extraction, trade and export from conflict affected and high-risk areas

- Money laundering or terrorism financing

In addition, Asahi Refining's programme has been expanded to assess the "ESG" performance of our primary supply base by reviewing

- Environmental policies and practices

- Health and safety policies and practices

- Labour policies and practices, if not already covered through other policies collected

- Community engagement programmes

- Ethics and business integrity policies and practices

• Determination of the general transportation routing of the gold source from origin to refinery.

• Verification that sourcing from the Country of Origin is not in breach of any international sanctions.

• Verification that the mine site is not located in a World Heritage Site (unless specifically Authourised as per RSG V2)

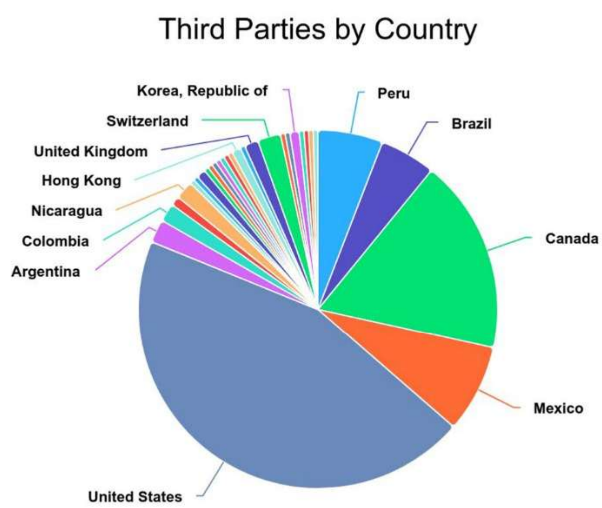
Asahi Refining NA has a total of 13 high risk supply chains, of which seven are located in CAHRAs. The other six were designated “high risk” because of the nature of the metal they supply, for example recycled, ASM etc. Asahi Refining have used flexibility to refine counterparties at either of the North American sites.

We do not don't source from a Refiner in a red flag location as per OECD FN59.

In the past audit period, Asahi Refining performed four on-site in person audits. Asahi Refining’s audit programme is risk based. The frequency of audit is determined by a counterparties profile and as a minimum, Asahi Refining will audit clients as follows:

Risk Rating	Type of Audit	Target
High Risk	Site audit	All high-risk sites audited once every three years either in person or virtually
Medium Risk	Site audit/Desktop review/Self-Assessment	Site audit/Desktop review/Self-Assessment completed every 3 years
Low Risk	Self-Assessment	Self-Assessment completed every 5 years

Audits were performed by competent personnel either from within Asahi Refining or specialist contractors who are free from any conflict of interest. Site audits took place where the activity occurred using the appropriate checklist and were conducted and reported in a professional, factual, accurate and objective manner. In case of travel restrictions or other logistical difficulties, audits can be performed “virtually”. If any non-conformances are identified during the audit, a corrective action plan should be agreed with the counterparty before the auditor leaves the site. The heat map and chart below illustrate the location of Asahi Refining NA’s counterparties:



- If a zero-tolerance non-conformance is witnessed by the auditor, they must stop the audit and report the issue to the Compliance Officer immediately.
- Audit reports must be made using the appropriate form however photographs and a narrative report can be appended at the auditor's discretion.
- World Gold Council, Mining Association of Canada, RJC & RMI audits are accepted as they are performed by specialist auditors to independent sets of principles, additionally RJC & RMI are aligned with OECD's guidelines.

Site audit reports are reviewed by the Compliance Manager and are stored on the EthiXbase system. A summary of any non-conformances raised are discussed at the next Compliance Committee meeting. In this audit period, Asahi Refining amended the site audit report template to include a space to comment on positives viewed during the audit.

In summary, the audits performed for this fiscal year were mostly on existing secondary clients and two new suppliers. The on-site audits performed did not raise any immediate actions or red flags. To the contrary, we recognise that these suppliers are evolving their compliance programs and aligning their standards with the OECD/LBMA requirements.

All have a good understanding of their supply chains and all transactions are transparent and recorded. The small number of cash transactions were all under the threshold dictated by law in the jurisdiction where they operate. All but one client are exclusively “B2B” operations. Asahi Refining robustly challenged their policies and procedures to mitigate supply chain issues during the audit and found their systems provided a transparent, detailed and documented record of every transaction.

Overall, these on-site audits confirmed that our supply chains are well informed with the business trends, markets, and risks associated with the precious metal business.

The scoring system update which was completed midyear has allowed Asahi Refining to target the appropriate high-risk entities where enhanced due diligence is needed to protect the integrity of Asahi Refining’s business.

Risk Rating Review

As a minimum, all counterparties risk ratings are reviewed at least every three years or if there is a material change to their operation, for example a change of ownership, type or volume of material received

ASAHI REFINING

Step 3: Design and implement a management system to respond to identified risks.

Asahi Refining has complied with Step 3.

Where appropriate, information gathered, and actual and potential risk identified in the supply chain risk assessment is communicated to Senior Management. While conversations with Senior Management around risk and risk mitigation are a common occurrence in the Asahi Refining operation, not all examples are documented. However, it should be noted that the Compliance Committee maintains four executive board level members. In addition to this, the President of Asahi Refining North America must approve all new accounts that are deemed high risk. During the audit period the Compliance Committee met four times.

Devise a risk management strategy for identified risk.

The Asahi Refining compliance policies and procedures outline the protocol where a risk is identified on a current client. The policy outlines a three-step process. Once risk is identified it is discussed with the Asahi Compliance Committee. The Committee will objectively listen to the known facts and determine whether Asahi Refining should:

1) Continue business while investigating claims
2) Suspend business and receive no further shipments while investigating claims
3) Disengage from the client

Asahi Refining has developed a specific risk mitigation procedure for its highest risk secondary material clients. Whilst the appropriate relationship manager visits each client on a regular basis to discuss responsible procurement practices and survey the client on any related business changes, independent audits are now performed by the Compliance Analyst so that there is no potential for internal Asahi Refining conflicts of interest.

Monitor the improvement plan

Asahi Refining's Senior Management regularly reviews actions and issues arising from our due diligence system for the gold and silver supply chains. As part of our continuous improvement plan, and as we have rolled out compliance with RGG V9, we will continue to strengthen the documentation process of how we have followed these procedures including communication with existing clients.

Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Asahi Refining has complied with Step 4.

Asahi Refining has engaged the services of SCS Global Services, an LBMA approved assurance provider, to provide a limited level of assurance over this report. To ensure there is no conflict of interest, ARU took a conscious decision not to engage SCS for any other services other than LBMA & RJC audits.SCS Global Services representatives arrived on site in Brampton Ontario, on 19 May to audit the refiner's activities and transactions that occurred between April 1st, 2025 and March 31st, 2026.

The assurance engagement identified two medium risk non-conformances:

Medium Risk:
The Refiner has identified supplier operations within a Protected Area through its KYC process; however, it has not demonstrated that it has assessed or documented ESG risks associated with this exposure, including how environmental management practices ensure protection of the Protected Area.

Corrective Action:
We have spoken to EthiXbase and they will update the system so that any counterparty that indicates that they either operate in a World Heritage Site or Protected Area will automatically default to high risk and the system will trigger an email stating "*the counterpart xxxx has checked the box indicating that they operate in either World Heritage Site or Protected Area and therefore requires enhanced due diligence".* Once the updates have been made EthiXbase will reboot the system and all existing counterparties will be re-scored.

Medium Risk:
The Refiner applies high-risk classification primarily based on selected location-related criteria (e.g., EU CAHRA and Heidelberg Barometer indicators), while other LBMA-defined location-, supplier-, and material-based high-risk indicators are assessed holistically but not treated as automatic high-risk classification triggers as per the minimum criteria outlined in the RGG/RSG. As a result, supply chains involving ASM sourcing, Intermediate Refiners with high-risk exposure, and LSM operations processing ASM material may be classified as low or moderate risk following the initial risk assessment, and therefore may not consistently be subject to Enhanced Due Diligence requirements.

Corrective Action:
We have spoken to the EthiXbase development team and they will reconfigure the "material type" so that it matches the "location "scoring in the risk assessment matrix built into the system. Therefore any new ASM supply chains, Intermediate Refiners with high-risk exposure, and LSM operations processing ASM material will automatically default to high-risk. The system will automatically generate an email for the Compliance Team advising them of this. All existing Intermediate Refiners with high-risk exposure, and LSM operations processing ASM material have undergone enhanced due diligence, and their risk rating is already recorded accurately in our programme.

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Step 5: Report on supply chain due diligence

Asahi Refining has complied with Step 5.

Asahi Refining has published its LBMA Responsible Gold and Silver Independent Assurance Reports along with its relevant policies in the 'About Us' section on its website www.asahirefining.com.

Management conclusion

ARU is in compliance with the requirements of the LBMA Responsible Gold Guidance and the LBMA Responsible Silver Guidance for the year April 1, 2025 to March 31, 2026

Asahi Refining remains committed to developing a continuous improvement model to refine management systems, policies and procedures throughout 2026 and beyond.

Tomonobu Furuta
Tomonobu Furuta (Jul 7, 2026 07:17:16 MDT)

Tomonobu Furuta
President Asahi Refining USA Inc.

ASAHI REFINING

Country of Origin of Mined Material (including WGC Members)

Argentina

Canada

Chile

Colombia

Ecuador

Guatemala

Honduras

Mexico

Nicaragua

United States of America

World Gold Council (WGC) miners and mines

Name of Mining Company	Name of Mining Group	Mine Location	Name of Mine
Wharf Resources (U.S.A), Inc	Coeur Mining	United States	Wharf
Agnico Eagle Mexico SA de	Agnico Eagle	Mexico	Pinos Altos
Minerales de Occidente, S.A. de C.V.	Aura Minerals	Honduras	Minosa
Castle Mountain Venture	Equinox Gold	United states	Castle Mountain
Western Mesquite Mines Inc	Equinox Gold	United States	Mesquite
GRP Pan, LLC	Minera Alamos	United States	Pan
Fairbanks Gold Mining Corp.	Kinross Gold	United States	Fort Knox
Round Mountain, USA	Kinross Gold	United States	Round Mountain
Nevada Gold Mines LLC	Barrick Gold & Newmont Mining	United States	Carlin, Cortez, Goldstrike, Phoenix, Twin Creeks
Oroplata S.A.	Newmont Mining	Argentina	Cerro Negro
Compania Minera Dolores S.A de C.V	Pan American Silver	Mexico	Dolores
Plata Panamericana, S.A de C.V.	Pan American Silver	Mexico	La Colorada
Minera Media Luna S.A de CV	Torex Gold Resources Inc	Mexico	Media Luna

ARU Compliance Report 2026 Final 7726

Final Audit Report 2026-07-07

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