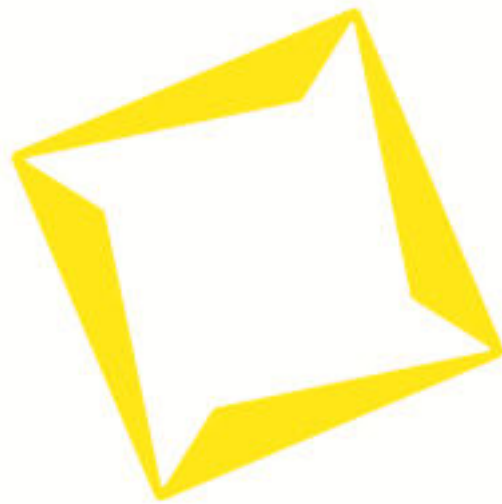


Sustainability Report 2013



valcambi
suisse



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A word from our CEO ^{G4-1}

We are prepared for the challenges!

To act in the long-term, best interest of our shareholders, our partners, our clients, the environment, society and all our stakeholders at large is the best approach to achieve long-term, sustainable success as a company. Valcambi wants to continue being recognized as a world class operator, a good employer and responsible corporate citizen.

The continuous efforts to strengthen our ability to collect, monitor, and manage key sustainability-related information is only possible with the trust of people inside and outside the company. The trust we have earned during the last 53 years by being always fair and responsible in everything we do. Well informed and focused discussions with all people involved, technical innovation and our ability to manage every challenge make us confident that we are able to report clearly on what we do and on the effects our actions will have.

We are working hard to become a simpler business, to find sustainable, innovative and market-driven solutions that will make live better, safer and healthier for us and people everywhere.

There is only one thing certain about the future "The Future will surprise us".

A handwritten signature in black ink, appearing to read "Mesaric", is positioned above the name. To the left of the signature, a long, thin, diagonal line extends from the bottom left towards the top right, ending near the start of the signature.

Michael Mesaric, CEO & Board Member

About our Reporting

This is Valcambi's first Sustainability Report. ^{G4-29} Its goal is to describe and quantify the significant economic, environmental and social impacts generated by Valcambi and to serve as a framework in order to measure and assess our progress with time.

We have chosen to publish the 2013 report ^{G4-28} according to the latest Guidelines issued by the Global Reporting Initiative (GRI) – G4. The report is "in Accordance" with GRI G4 at the "Core" option. ^{G4-32}

The next report will cover the 2014-2015 period and will be published in 2016. ^{G4-30}

GRI produces a comprehensive Sustainability Reporting Framework that is widely used by more and more organizations to enable greater transparency. It is universally recognized as the most comprehensive global standard for sustainability reporting and it has been chosen by most industry leaders. Every organization can use the Principles and Standard Disclosures set out by the GRI framework to report on their economic, environmental and social performances and impacts.

In line with GRI G4 requirements, we conducted a Materiality Assessment to identify and prioritize the issues most important to stakeholders – called the Material Issues. The Material Issues are the main aspects which influences the stakeholders when forming an opinion or making a decision about Valcambi.

The report was submitted to GRI for the '*Content Index Service*', which was successfully completed. This service is GRI's most comprehensive check for reports based on the G4 Sustainability Reporting Guidelines.

We decided not to have this report externally assured, since most of the facts & figures contained in this report are based upon information which has already been assured and comply with the most stringent standards. ^{G4-33} Valcambi commits to transparency, effective stakeholder engagement, and we objectively evaluate our progress in terms of our economic, environmental and social impact.

For more details on GRI and its activities please refer to GRI's website www.globalreporting.org.

The 2013 report is published under the supervision of the Chief Operating Officer Simone Knobloch (phone +41 91 695 53 11). ^{G4-31}

Valcambi at a glance

(December 31, 2013) ^{G4-3 G4-5 G4-6 G4-7}

Incorporated	1961
Legal form	Company Limited by Shares
Company Identification Number	CHE-102.067.731
Headquarters	Balerna, Ticino, Switzerland
Surface occupied	3.3 hectares
Number of employees	210 (see details - Our Team)
Shareholding structure	100% owned by European Gold Refineries Holding SA (60.6% Newmont Mineral Holdings, 39.4% private investors)
Share capital	CHF 12'000'000
Precious metals refined	Gold, Silver, Platinum, Palladium
Holdings ^{G4-17a}	65% ValcambiGold N.V.
Annual combined refining capacity	Approx. 2'000 tons of precious metals
Product throughput	Au 3.8 tons bars and coins per day Ag 1.8 tons bars and grain per day

In 2013 there were no significant changes regarding the organization's size, structure, ownership or its supply chain. ^{G4-13}

ValcambiGold N.V., an online retailer, is not covered by this report as it represents a very small part (less than 1%) of our turnover. ^{G4-17b}

Milestones

1961 - 1970	1961	Valori & Cambi established Receives "Patente di Fonditore"
	1962	First Refinery Building
	1967	Refinery completion 50 % of Valcambi is sold to Credit Suisse
	1968	LBMA Good Delivery for Gold & Silver Another 30% of Valcambi is sold to Credit Suisse
1971 - 1980	1974	COMEX, CME Group CS brand for gold
	1978	ASFCMP – Swiss Association of Manufacturers and Traders in Precious Metals
	1980	Remaining 20 % of Valcambi is sold to Credit Suisse
1981 - 1990	1982	TOCOM CS brand for Gold
1991 - 2000	1992	TOCOM Valcambi brand for Platinum & Palladium
	1995	ISO 17025 Laboratory Accreditation
	1996	ISO 9001 Company Certification
	1997	Valcambi becomes a subsidiary of Credit Suisse First Boston 100% LPPM Good Delivery for Platinum & Palladium NYMEX, CME Group brand for Platinum & Palladium
2001 - 2010	2003	100% owned by EGR European Gold Refineries Holding sa New Electrolytic Gold Refinery IGE Valcambi brand for Gold, Silver, Platinum & Palladium
	2004	TOCOM Brand for Gold MCS for Gold & Silver
	2005	DMCC Valcambi brand for Gold & Silver
	2006	Expansion of the Electrolytic Gold Refinery and doubling of the gold refining capacity Implementation of Miller Refining Process Capacity increases by 400%
	2008	TOCOM Valcambi brand for Platinum Registration and Production of Valcambi Green Gold
2011 - 2013	2010	ISO 14001 Company Certification
	2012	Introduction of CombiBar™
	2013	LBMA Responsible Gold Certificate

History



Originally established as Valori & Cambi SA in May 1961 by a group of 5 Swiss businessmen, the initial activity was the trade of precious metals. The customer base grew rapidly and the company decided to build a refinery to fulfil the growing demand for gold products and services. On completion, the refinery's strategic location attracted interest from the Swiss banking sector and Credit Suisse was one of the first regular clients. Demand for physical metal continued to grow strongly and the amount of metal being held at the refinery increased rapidly with Credit Suisse willingly financing the operation. Ultimately the strategic relationship between Valcambi and Credit Suisse grew to the extent that the bank expressed an interest in taking a direct participation in the company and in 1967 it purchased a 50% stake in the now-renamed Valcambi. A year and a half later Credit Suisse acquired an additional 30% of the capital and in 1980 Valcambi became a wholly owned subsidiary of the bank.

In the mid-90s the outstanding level of Valcambi's operations has been confirmed: in 1995 the laboratory obtained the ISO 17025 accreditation as the first Refinery in Switzerland and in 1996 the company attained the ISO 9001 certification.

In 2003 Valcambi's shareholding structure changed. Credit Suisse sold all its shares to European Gold Refineries Holding SA, a company owned 50% by Newmont Mineral Holdings and a number of Swiss investors. This acquisition enabled Valcambi to start a longterm important investment plan. One of the first, among others investments was the new gold electrolytic refinery, a world-class example of efficiency and state-of-the-art technology. In 2006 the above mentioned refinery expanded and doubled its capacity. In the same year a new area has been dedicated to the Miller refining process plant (a thermo-chemical refining process). This refining plant, unique in Switzerland, is fit with the most advanced equipment for process and safety control which results in an outstanding environmental performance and nowadays remains as a benchmark for the refining industry. The ongoing attempt for excellent ienvironmental protection performances were officially completed by obtaining the ISO 14001 certification in 2010. The expansion of the electrolytic process and the implementation of the Miller process increased Valcambis capacity by 400% and catapult the firm into a leading position worldwide.



How we operate

Our state of the art technology and quality control system build the basis for a strong Valcambi!



Valcambi has been a leading player in the precious metals refining industry for more than 50 years.

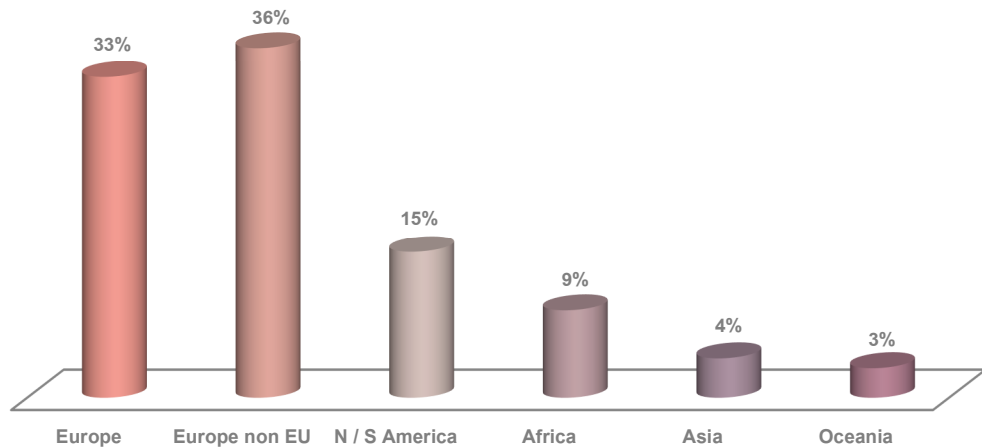
We are in a central position in the precious metal value chain. The processes carried out at our refinery are an essential part of the precious metals lifecycle, before the distribution into the investment or industrial markets.

The precious metals are refined with different techniques, according to the raw material specifications, up to the requested purities (maximum 999.99 % for Gold). The refined metals are either cast into investment products, minted into ingots, coins and medals or converted into alloys or semi-finished products for the watchmaking industry.

Our precious metals refinery, one of the largest dedicated facilities in the world, situated on a 3.3 hectare site is located in Balerna, in the southern part of Switzerland. Valcambi focuses strictly on its core business: precious metals refining, manufacturing of minted and cast precious metals products, and a range of related services.

Using state-of-the-art technology, the entire operation incorporates the most stringent security, monitoring and quality control systems. Our annual combined refining capacity of gold, silver and platinum group metal amounts to approximately 2'000 tons.

Valcambi's main objective is to deliver a complete range of services based on quality and excellence. Some of the largest mining companies in the world, premium luxury watch manufacturers, the largest international banks, governments, central banks and scrap dealers^{G4-8} are among our satisfied clients



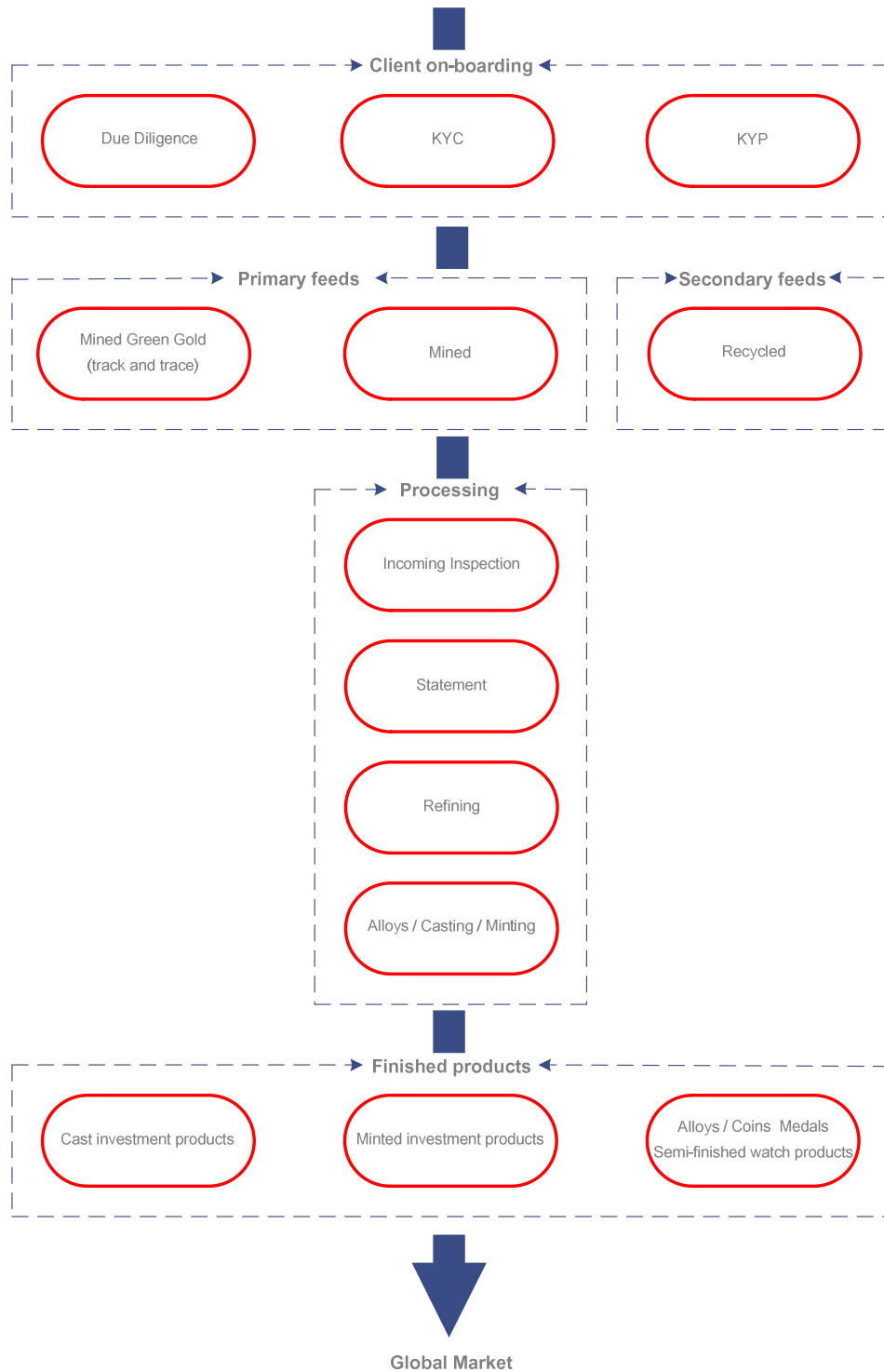
Business turnover per continent

Our clear targets are shared with all our employees in regards to quality, environmental and safety standards; we want to be leaders in our industry for:^{G4-14}

- The quality of our products and services
- Environmental protection
- Protecting the Health and Safety of our employees

We are proud of what we have achieved, yet we strive to improve our standing year after year.

Supply chain G4-12



Client On-boarding Procedure

The Due Diligence procedure involves two steps:

Step 1:

The potential client who desires to establish commercial relationships with Valcambi sends to our Legal & Compliance Department the Pre-Know Your Client (KYC) form which includes a self-declaration on their activities plus copies of the Company's Anti-Money-Laundering Policy, of the last two Audited Financial Reports and their Responsible Gold policy.

This information is carefully reviewed and a feedback is provided as quickly as possible.

Step 2:

If the pre-KYC information complies with Valcambi's internal policies and meets all legal requirements, Valcambi sends out a full final set of KYC documentation requesting more detailed information in order to complete the Client Identification Process and allow the opening of the account. Our clients are required to disclose in detail the origin of the precious metal that will be shipped to Valcambi (Know Your Product – KYP).

The full Due Diligence process takes between 5 and 10 business days and must be in full compliance with the Swiss Federal Laws and the Anti-Money Laundering policy, the LBMA rules, the Dodd-Frank Act section 1502 and the OECD guidelines.

All Client information and data are kept confidential and are protected under Swiss data protection laws.

Primary Feeds (mined metals)

Valcambi Green Gold™ (concerns gold only)

Valcambi Green Gold™ is our exclusive Trademark. It is sourced only from mines which meet the highest environmental, safety and human rights standards. The Valcambi Green Gold™ supply chain is monitored at all time; the gold is processed in dedicated crucibles, refining banks, and using dedicated tools. It is kept completely separated from other gold until it reaches the client. Currently all Valcambi Green Gold™ come from a certified mine located in Nevada, USA.

Mined (gold, silver, platinum, palladium)

Mined metals arrive from first-class suppliers, which are monitored and audited by independent entities and are compliant with the strictest regulations.

Secondary Feeds (recycled metals)

Metals coming from secondary feeds (recycled gold, silver, platinum and palladium) originate from sources which are monitored for their compliance in terms of origin.

Processing

Incoming inspection

The incoming materials and the accompanying documents are inspected to detect possible inconsistencies. The metal undergoes a first control to discover potential counterfeits and the presence of radioactive materials.

Statement

The metals are grouped in lots and melted. Our accredited laboratory analyses the fineness of each individual lot.

Refining

The metals are separated from deleterious elements and purified to the required fineness.

Alloying, casting & minting

The refined metal is cast (in grains or cast ingots), minted (bars, coins, medals, etc.) or transformed into an alloy according to the clients' specifications.

Finished Products

The finished products can be divided into 5 categories:

Cast investment products

Minted investment products

Alloys

Coins/Medals

Semi-finished products for the watch industry



Our Governance ^{G4-34}

Board of Directors	Valcambi's Board of Directors is responsible for setting and overseeing the strategy, organization and sustainability of the company. The Board comprises of six members, including Valcambi's CEO; it is chaired by Thomas Mahoney, Vice President & Treasurer, Newmont Mining Corp.
Management	The CEO and five senior executives are responsible for the execution of the strategy, including the design and implementation of Valcambi's sustainability strategy. ^{G4-36}
Audit, Risk and Credit Committee (ARC) ^{G4-46}	The ARC committee, currently composed of four members, reports directly to the Board. Its role is to supervise all activities related to auditing, risk and credit management.
Personnel Commission	The personnel commission consists of five elected staff members and they represent the interests of both unionized and non-unionized personnel. Periodical meetings are held with the CEO and a HR representative to discuss topics chosen by the commission members.
Code of Conduct ^{G4-56}	Our ethical values and professional standards are reflected in our <i>Code Of Conduct</i> . This is a document which is shared among all employees and is available for download from our website. The Code of Conduct lays out the general principles that our actions must adhere to in order to act responsibly in all aspects of our business dealings. All employees must understand and sign the <i>Code of Conduct</i> .

Our Ethical values

Everyone in Valcambi has the obligation to behave according to our values!

Integrity	Reputation for integrity and fairness is fundamental to our daily interactions and our long-term success
Responsibility	We take responsibility for our actions and honour our commitments to our employees and stakeholders
Confidentiality	We adhere to the highest standards of information security. We are committed to upholding client confidentiality and protecting client information unless otherwise required to do so by law
Compliance	Every effort is made to maintain an environment fully compliant with law and with clear control systems in place
Respect	We treat everyone with fairness and respect

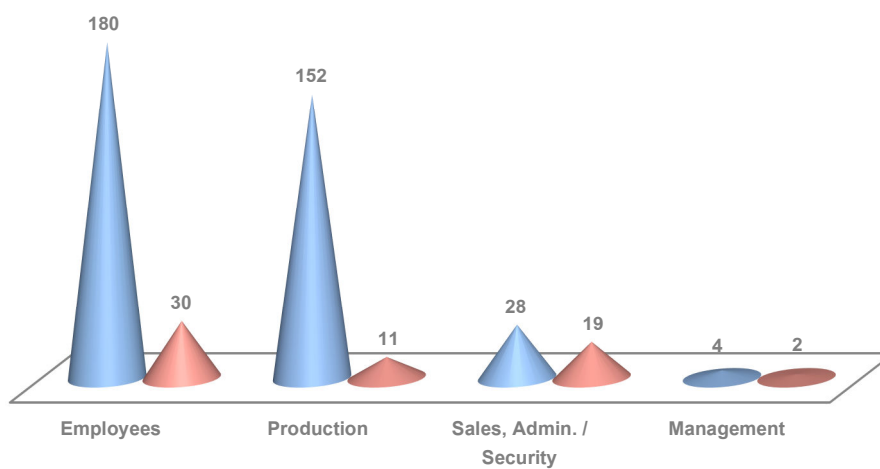
Our professional standards

Valcambi emphasizes a total transparency in all our relationships. As Refiner and business partner values like trustworthiness and fairness are the heart of all our activities!

Service and Excellence	We are focused on being a proactive business partner, treating our clients fair and with integrity
Sustainability	Valcambi in all its business dealings acts in a social and environmental responsible manner
Compliance with laws	All our employees must adhere to the best practices and industry standards, and to strictly follow the required rules, regulations and applicable laws
Risk Culture	Our business culture is based on discipline and risk mitigation or elimination
Transparency	We are committed to conducting all our communication in a constructive, transparent and co-operative manner

Our Team G4-9 G4-10

Valcambi's performance depends on a skilled, highly motivated and talented workforce!



Team by gender and departments

■ men ■ women

On Dec 31st 2013 Valcambi employed a total of 210 people (-6 vs. 2012), of which 175 were permanent employees (+3) and 35 temporary employees (-9). The dependence on the metal price volatility combined with irregular supply and demand scenarios for precious metals explains the relatively high number of temporary workers in our company. The number of women at Valcambi is rather small: 11 are employed in production and 19 in other departments; 33% of the 6 top managers are women.

All employment contracts are aligned with the Swissmem collective agreement (Swiss Mechanical and electrical engineering industry and associated technology-oriented sectors). ^{G4-11}

Memberships, Voluntary Commitments, and Certified Standards G4-15 G4-16

Participating in these organizations' committees and projects enables us to exchange knowledge and experience, and deepens our understanding of many of the challenges facing our industry as a whole!

All our commitments and accreditations are voluntary and derive from our culture of excellence. We focus to be the best in class in terms of quality of our products and our services. We constantly seek external validation through certifications and endorse such commitment to excellence by joining the most prestigious organizations in the industry, such as the London Bullion Market Association (LBMA, gold & silver) for the Good Delivery certification, and the London Platinum and Palladium Market (LPPM) for the Good Delivery status, where we also act as Referee.

Memberships

ACI Suisse	Association Cambiste Internationale Suisse
AITI	Associazione Industrie Ticinesi
ASFCMP	Association Suisse des Fabricants & Commerçants de Métaux Précieux
CME	Chicago Mercantile Exchange – Member
COMEX	Commodity Exchange – Accredited Refinery
DMCC	Dubai Multi Commodities Centre
IGE	Istanbul Gold Exchange – Accredited Refinery
ILAC/MRA	International Laboratory Accreditation Cooperation – Mutual Recognition Arrangement
IPMI	International Precious Metals Institute
LBMA	London Bullion Market Association – Member
LCTA	Lugano Commodity Trading Association
LPPM	London Platinum and Palladium Market – Referee and Member
MCX	Multicommodity Exchange of India – Accredited Refinery
NYMEX	New York Mercantile Exchange – Accredited Refinery
RJC	Responsible Jewellery Council
Silver Institute	Member
Swiss Testing	STS 114
TOCOM	Tokyo Commodities Exchange – Member

Voluntary Commitments

OECD	Adoption of guidelines 'Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas – Supplement on Gold'
Swissmem	Swiss mechanical and electrical engineering industry and associated technology-oriented sectors

Certified Standards

ISO 17025	General requirements for the competence of testing and calibration laboratories (first laboratory in a refinery accredited by the Swiss Federal Authorities)
ISO 9001	Quality management systems – requirements
ISO 14001	Environmental management systems – requirements with guidance for use



Our Products ^{G4-4}

Valcambi offers a distinctive wide range of top quality products in gold, silver, platinum and palladium.

Minted Bars (Au, Ag, Pt, Pd)

Cast Bars (Au, Ag, Pt, Pd)

CombiBar TM (Au, Ag, Pt, Pd)

Grain (Au, Ag)

Round Bars

Valcambi Green Gold TM

Coins & Medals

Semi-Finished Products



Our Services G4-4

Valcambi offers a highly professional and comprehensive range of first-class, customized services, tailored to the requirements of our business partners.

Transportation

Reception

Assaying

Refining

Manufacturing

Financing

Storage

Our Stakeholders ^{G4-24}

Our Stakeholders are individuals and organisations who interact with or may influence in some way Valcambi's activities!

We identified our major stakeholders and their specific areas of interest, ^{G4-25} mapped the main groups and identified the topics which influence their opinions and decisions. ^{G4-27} Subsequently we identified the methods through which we engage with them in the course of our activity. ^{G4-26}

While no specific engagement with external stakeholders was carried out for the purpose of this report, we did analyze in detail the approaches and procedures we use to interact and cooperate with them.



Shareholders	Periodical Reporting on Business Progress
Board	Board meetings with participation of CEO (CEO is Board Member) Monthly reporting on Business Progress Monthly conference call
Employees	Quarterly report /newsletter to all employees Important communications updated periodically on notice-boards Union Representatives (five elected members from and by the staff) meet with CEO and HR, and others on request Valcambi Code of Conduct communicated to all employees Coordination meetings Two Annual company events
Customers	Periodical Customer Satisfaction Surveys Ongoing communication Interactions through industry association (LBMA, LPPM, RJC, ASFCMP, etc.) Client onboarding process (Due Diligence) KYC (Know Your Client process) Web Site
Suppliers	Client onboarding process (Due Diligence) KYC (Know Your Client process) KYP (Know Your Product process) Suppliers' evaluation process Valcambi Code of Conduct
Competitors	Meetings organized by Industry associations Meeting with competitors
Institutions & Authorities	Monthly communication to Cantonal offices on environmental topics Information meetings
NGOs	Procedures in place to analyze and address the concerns raised Engaging with interested and interesting parties
Local Communities	Sponsoring activities for disabled and children
Trade & Industry Associations	Periodical meetings and exchange of information Collaboration in the development of industry standards Participation in exhibitions and events Engagements and participation in Proactive Monitoring Programs

Methods of Engagement with Stakeholders ^{G4-27}

Material Issues G4-18 G4-19 G4-20 G4-21

The evaluation of the materiality issues are summarized in the Materiality Assessment. Several of the aspects which have an impact on Valcambi's sustainability performance are outside of our boundaries, related to phases in the supply chain which are not under our direct control, such as mining activities or any additional processing our products could undergo once they leave our premises.

In regards to aspects related to activities upstream of Valcambi, we operate under the rule that only metal which can be traced as free of any liabilities in terms of illegal and/or unethical activities can be accepted. We will not accept metals which we are not able to identify according to the above criteria.

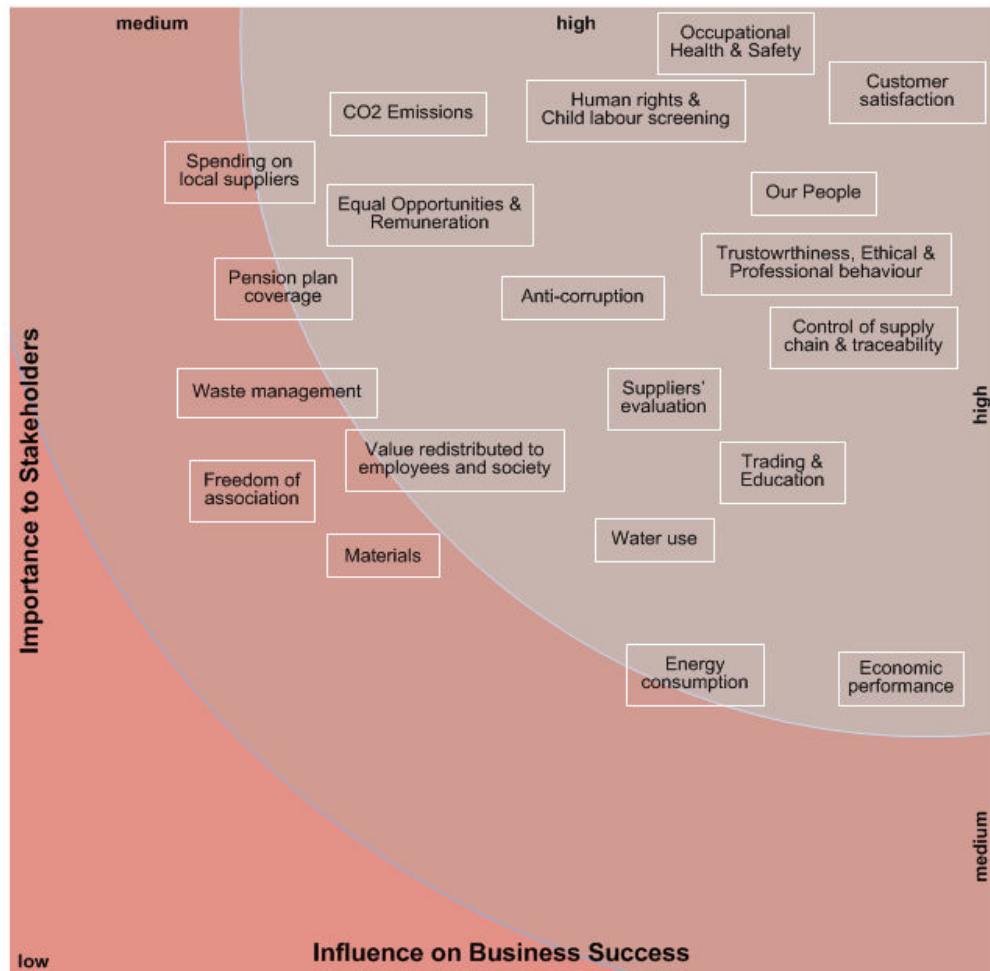
As this is Valcambi's first sustainability report G4-22 G4-23, we are aware that priorities can change over time. Our aim is to continue to fine tune this materiality process to best capture the evolving concerns of our stakeholders.

Materiality Assessment

Aspect	Relevance	Boundary of impacts		Materiality		
		Internal	External	Impact on Valcambi	Importance for stakeholder	Level of relevance
Economic performance						
Economic Value Generated and Distributed	yes	✓	✓	*	*	*
Salaries vs. regional average in comparable industries	yes	✓	✓	*	*	*
Spending on local Suppliers	yes	✓	✓	○	○	○
Environmental aspects						
Materials	yes	✓	✓	*	*	*
Energy	yes	✓		*	○	*
Water	yes	✓	✓	*	○	*
Biodiversity	yes		✓	○	○	○
Greenhouse gas emissions	yes		✓	*	*	*
Waste and discharges	yes		✓	○	○	○
Transport of products	yes		✓	○	○	○
Environmental expenses	yes	✓		*	*	*
Suppliers' evaluation	yes	✓	✓	*	*	*
Social aspects						
Labour practices and decent work						
Work conditions	yes	✓	✓	*	*	*
Health and safety	yes	✓	✓	*	*	*
Employees involvement	yes	✓	✓	○	○	○
Training and education	yes	✓	✓	*	○	○
Equal opportunities	yes	✓	✓	○	*	○
Equal remuneration	yes	✓	✓	○	*	○
Suppliers' evaluation	yes	✓	✓	*	○	○
Management of grievances	yes	✓	✓	*	*	*
Human rights						
Activities involving human right screening	yes		✓	*	*	*
Freedom of association	yes		✓	○	*	*
Child labour	yes		✓	*	*	*
Force labour	yes		✓	*	*	*
Rights of local population	yes		✓	*	*	*
Suppliers' evaluation	yes	✓	✓	*	*	*
Society						
Local communities	yes	✓	✓			
Corruption control	yes	✓	✓	*	○	*
Anti-competitive behaviour	yes	✓	✓	*	○	*
Non-compliance with local laws	yes	✓	✓	*	*	*
Suppliers' evaluation	yes	✓	✓	*	*	*
Product responsibility						
Safety of products	yes	✓	✓	○	○	○
Information and labelling	yes		✓	*	*	*
Customer surveys	yes	✓	✓	*	*	*
Sale of banned or disputed products	yes	✓	✓	*	*	*

* high ○ medium

Materiality Table



Based on the above assessment, we mapped our materiality aspects according to their importance to our stakeholders and to our business.

Our Priorities

The analysis of the Stakeholders' needs and the Materiality Assessment allowed us to identify the areas of greatest importance for Valcambi:

- Trustworthiness, Ethical and Professional behavior
- Our People
- Our Clients and their Satisfaction
- Economic Performance
- Energy, Water and CO₂ emissions

These areas are fundamental for our business and are addressed and accurately represented in this report, limited only by confidentiality reasons and the sensitive nature of some information.

How we perform

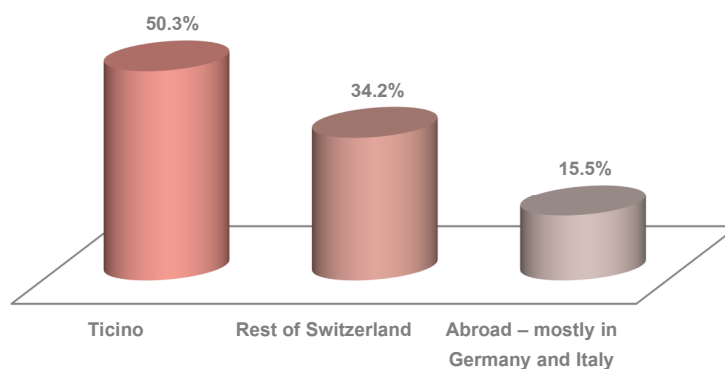
Our Economic Performance ^{G4-DMA G4-EC1}

Valcambi is a privately owned company and under Swiss Law not required to publish its financial figures. The management decided not to disclose Valcambi's annual results because this information is neither critical nor of any substantial significance for the overall quality of this report.

Our contribution to the economic progress of the region in which we operate is represented by the salaries and benefits paid, the direct and indirect taxes contributed and the purchase of goods & services.

Below are the most relevant economic indicators:

- The total direct taxes paid by Valcambi at the communal, cantonal and federal level in 2013 amounted to 26.8% of Net Profit.
- Total labour expenses amount to 26.2% of our total turnover, with an increase of 0.4% vs. 2012
- For the purchase of products and services, whenever possible Valcambi favors local suppliers. Suppliers outside of Switzerland are only chosen when a comparable product or service is not locally available. In 2013 more than half of our total purchases were commissioned to Ticino-based suppliers, and an additional 34.2% to Swiss companies. ^{G4-EC9}



Proportion of spending on local suppliers

- We have not received any financial assistance from the government in the last two years. ^{G4-EC4}
- The minimum salaries ^{G4-EC5} we have paid in 2013 are above the recommendations contained in the collective contract agreed by Swissmem (*Swiss association of mechanical and electrical engineering industry and related technology-oriented sectors*), which will become mandatory by 2018. These salaries are also superior to the local minimum wages
- There are no differences between the salaries of men and women with the same job and qualifications
- All six members of our top management are local residents. ^{G4-EC6}
- Our pension plan is managed by an external third party based on Valcambi's specifications in regards to investment strategy, asset classes and risk profile. The risk profile chosen is in line with our overall risk approach culture. Risk must be measurable and manageable: considering that these assets belong to our employees and have the purpose of guaranteeing financial

security during retirement, we have the obligation not to aim for the highest yield but to find a healthy mix between capital preservation and a return on assets. We achieved over the years a coverage ratio of approx. 130%. The benefits we offer are superior to those required by the Swiss Law on Occupational Pensions (2nd pillar), since a generous pension plan is part of our incentives to attract and retain qualified staff. ^{G4-EC3}

Our Environmental Performance ^{G4-DMA}

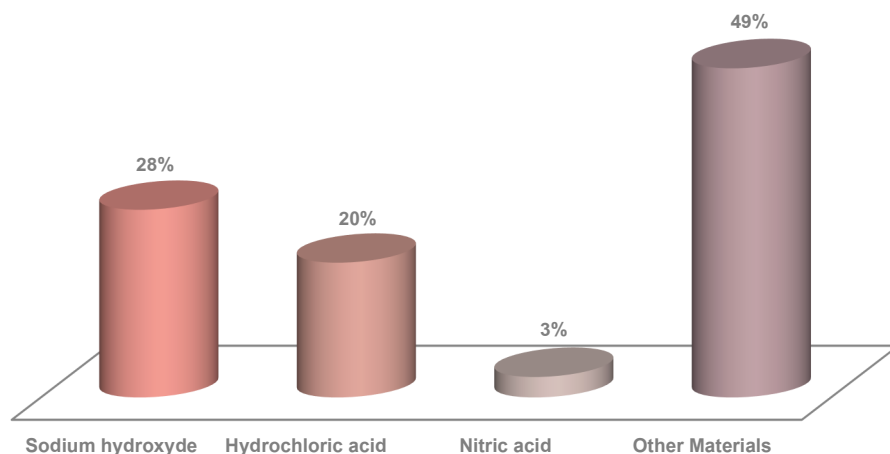
Switzerland has one of the world's most stringent regulations in terms of environmental protection. We are periodically monitored by the local authorities and on a regular basis we carry out internal controls. The results are regularly reported to the authorities.

Precious metals refining requires a significant amount of water and energy, and represents a moderate to low environmental risks. Our risk analysis, in close collaboration with the cantonal and communal authorities, enables us not only to closely monitor our processes, but also our efficiency in using materials and chemicals, controlling air emissions, water and energy consumption, water discharge and waste disposal. Apart from being fully compliant with all laws and regulations, we strive to constantly minimize our environmental footprint and monitor closely the new technical developments.

In 2013 we invested over 1 million Swiss Francs for environmental protection measures, mostly to minimize our emissions and for the wastewater treatment. ^{G4-EN31}

All new suppliers were screened in regards to environmental criteria's. ^{G4-EN32}

Materials ^{G4-DMA G4-EN1}



Material consumption in 2013

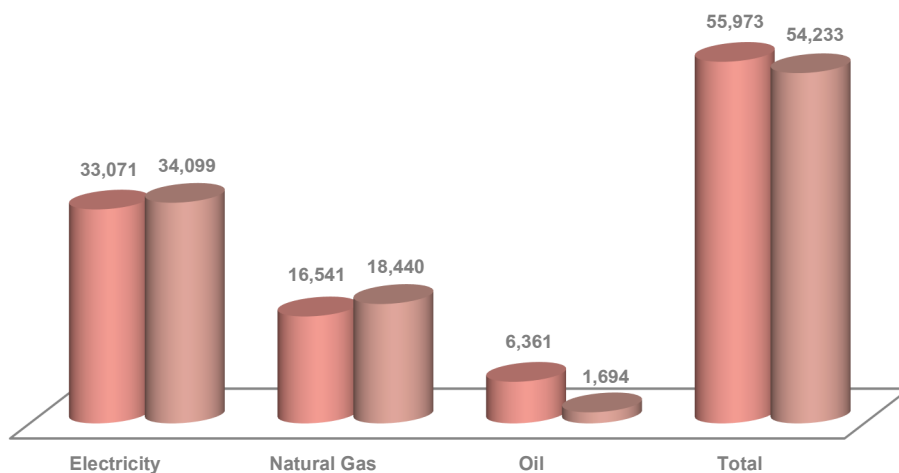
During 2013 we consumed approximately 3'625 tons of material for our production processes (excluding precious metals). The top three chemicals used in the refining processes, all acid and alkaline solutions, amount to ca. 51% of all materials utilized.

70% of the precious metals refined were sourced from secondary feeds and 30% from primary feeds. ^{G4-EN2}

Energy ^{G4-DMA}

2013 was a pivotal year for Valcambi. In November we reduced substantially our greenhouse gas emissions as we substituted heating oil in favor of natural gas and electricity, both energy sources with a considerably lower GHG footprint; our furnaces are now fully powered by electricity.

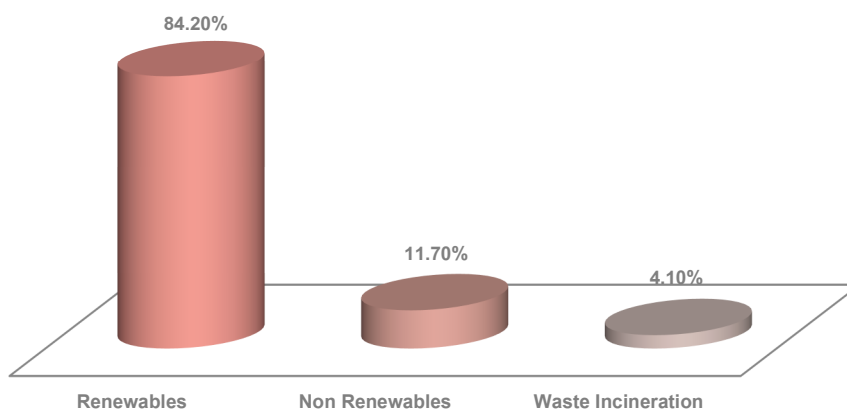
The total 2013 energy utilization amounted to 54'233.17 Gigajoules (GJ), with a reduction of 3% vs. 2012.
G4-EN3 G4-EN6



Energy consumption 2012-2013 (measurement in Gigajoules)

■ 2012 ■ 2013

The electricity consumed was provided by the local distributor, AGE SA and originated mainly from renewable sources:



Renewables: 83.20% Hydro, 0.77% Biomass, 0.15% Solar, 0.08% Eolic

Water ^{G4-DMA G4-EN8}

The water we use is sourced from the public water supply, managed by the Municipality of Balerna through its subsidiary Azienda Acqua Potabile. The totality comes from a groundwater source located in the immediate vicinity of our premises.

For production, cleaning, human consumption and hygienic purposes we purchased 305'396 m³ of water, which represents an increase of 2.3% vs. 2012. 290'000 m³ water was discharged (+2.4%). ^{G4-EN22} The difference between the input and the output refers mainly to the evaporation taking place during the production and cooling processes.

The water used for "non-contact" cooling purposes represent 80.4% of the total water discharge and, doesn't require pre-treatment. The water is directed into the nearby stream at a controlled temperature, guaranteeing that the difference of water temperature, measured upstream and downstream from the pipe where our water enters remains constantly below 3 C°.

The water used for production processes (contact water 19.6% of total), is purified in an internal wastewater treatment plant before being sent to the public treatment unit. This internal purification process allows us to release water into the public sewage system whose characteristics are well below the limits of the Federal and Cantonal Ordinance on the Protection of Water.

Waste ^{G4-DMA}

We generate three kinds of waste: ^{G4-EN23}

- Domestic waste food or non-recyclable waste coming mainly from the canteens and collected by the local garbage collection company (not tracked)
- Special waste potentially toxic waste coming from production processes and are collected by specialized, approved and legally authorized treatment companies for disposal and recycling, in 2013 4,7 Tons
- Recyclable waste 100% collected by specialized and legally authorized recycling companies in 2013 183 Tons

The recyclable waste collected in 2013 was divided as follows:

	2012	2013
Wood & Paper	569 kg	533 kg
Metals (Al, Cu, Ferrous)	202 kg	405 kg
Plastics	347 kg	233 kg
Other recycled materials	141'668 kg	134'547 kg

Greenhouse Gas (GHG) Emissions^{G4-DMA}

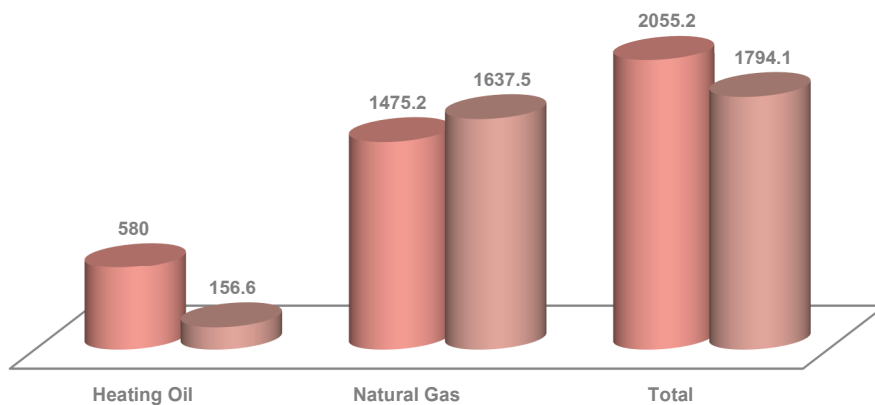
According to the Greenhouse Gas Protocol (GGP) the only significant source of Greenhouse Gas currently generated refers to the stationary combustion systems used to heat the premises and the furnaces.

Valcambi owns only two company cars, both rarely used. Our company does not lease other company cars nor rent any mobility services. The emissions related to the use of above mentioned vehicles are insignificant. Airplane business travel is another negligible source of GHG.

The above is defined by GGP as Scope 1 emissions, which come from sources that are owned or controlled by the organization, while Scope 2 are indirect emissions, which are in our case negligible.

Based on our data our GHG emissions for 2013 were the following:

(in CO₂-Equivalent, conversion based on www.myclimate.org)^{G4-EN15}



CO₂ equivalent emissions in tons

■ 2012 ■ 2013

Heating oil consumption has been steadily reduced during 2013 and stopped completely in November; this caused a 12.8% reduction in CO₂ emissions vs. 2012

Compared with 2012 we achieved a 3% reduction in energy consumption despite higher production volumes.^{G4-EN19}

We do not emit ozone-depleting substances like CFC, etc.^{G4-EN20}

Our Social Performance ^{G4-DMA}

The social dimension of sustainability concerns the impacts the organization has on the social systems within which it operates.

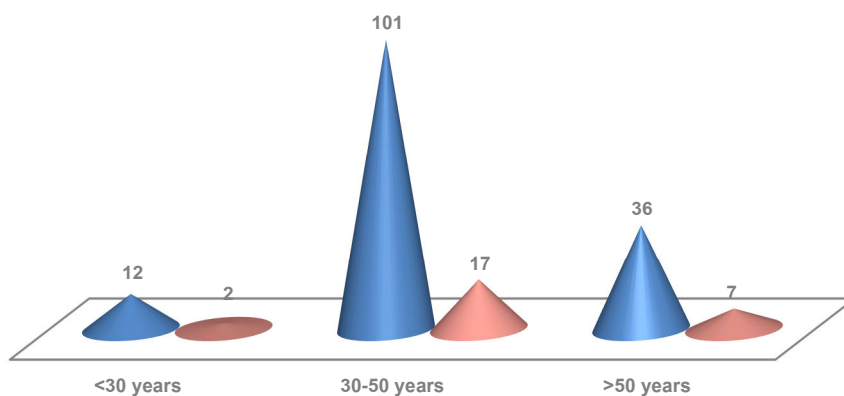
Valcambi's benchmark are the best practices in the Industry; we always do our best in order to provide:

- a healthy, safe and rewarding work environment with superior benefits for each of our employees
- the best services and products to our business partners, fully compliant with the highest industry standards and government regulations
- compliance with all legal and regulatory requirements regarding the origin of the precious metals
- adherence to Swiss Law and the most stringent international industry standards for our client onboarding process

We are well aware that in the precious metals sector there can be significant social issues, especially upstream of our value chain. At Valcambi we operate with a zero-tolerance policy: we will never enter into a business transaction where there is the slightest lack of transparency, or where a doubt may occur in regards to the origin of metals, or the compliance of the prospective client. Our Code of Conduct contains our guidelines in this area.

Labour Practices and Decent Work ^{G4-DMA}

During 2013 the number of employees remained stable: 175 permanent and 35 temporary employees, with a turnover of 6.9%, due to almost exclusively voluntary departures. ^{G4-LA1}



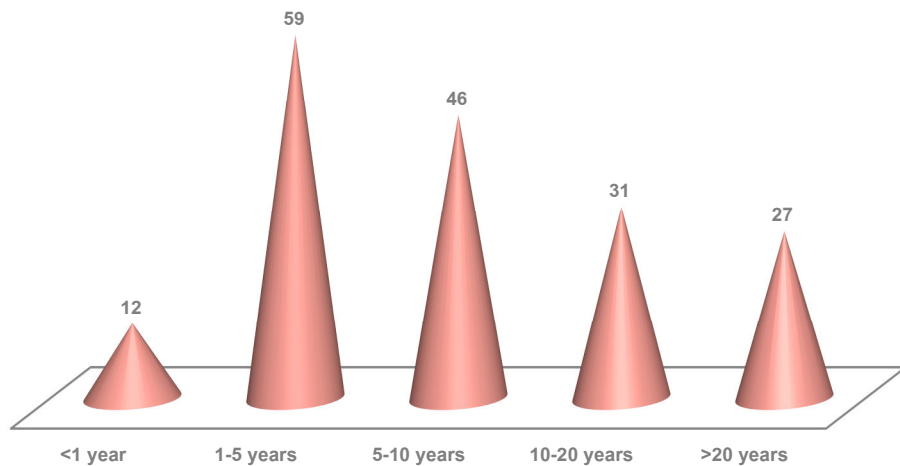
Age groups by gender, permant staff

■ Men ■ Women

Our employees are and have been always loyal to Valcambi and Valcambi will always be loyal to its employees.

15% of our workforce has been with us for more than 20 years, 33% for more than 10 years and 59% for more than 5 years. An extraordinary group of 7 employees have been with us for over 40 years!

Our People is our most precious resource and we are particularly proud of having been able to contribute to keep fluctuations extremely low. Valcambi aims and endeavors to become and remain a desirable place to work has been rewarded by the loyalty of our People.



Length of employment, permanent staff

■ 175 Employees

In 2013 our team leaders, 7% of the entire workforce, completed a performance review in order to evaluate any additional training they would need and plan their career development. ^{G4-LA11}

100% of our work force (excluding staff hired during 2013, but including temporary workers) received both a salary increase and a performance bonus. ^{G4-LA2}

For 2014 we have planned a working climate survey with all our employees and we will introduce a periodical monitoring of the workplace satisfaction.

In Valcambi we treat women and men equal: this is valid in every aspect, including the remuneration policy. We have no gender-related differences in compensation for our staff at all levels. The remuneration of men and women is based exclusively on their skills, experience qualification and performance. ^{G4-LA13}

During 2013 we substantially increased our training activities: the working hours dedicated to training amounted to 2'096 hrs (an average of 10 hrs per employee), with an increase of 378% vs. 2012. Some of the trainings offered were mandatory, while other were optional; the subjects touched multiple aspects: health & safety, IT, languages, lean manufacturing, fire service, quality management, compliance, sworn assayer, precision measuring instruments and taxation. ^{G4-LA9}

Health & Safety issues are supervised by our Health & Safety Manager, in collaboration with the HR department. Our objective is Zero Incidents. Every event which causes an accident or an anomaly is registered and corrective measures are taken in order to avoid any reoccurrences. Lost days are equivalent to scheduled working days and lost-day-count begins on the day after the accident occurs. In 53 years of history we never had any fatalities.

We registered 13 professional injuries for a total of 107 lost days in 2013, an average of 8.2 work-days loss per event. 7 injuries caused absences of more than 5 days but all 13 colleagues were able to resume their employment by 31.12 2013. There was no occurrence of occupational diseases. ^{G4-LA6}

IR (Injury Rate) 6.7, LDR (Lost Days Rate) 32, ODR (Occupational Disease Rate) 0, AR (Absentee Rate) 3.5%.

IR, LDR, ODR are factors determines by the International Labor Organization guidelines.

Our Product Responsibility^{G4-DMA}

All our products leave our factory with a clear labeling, either engraved or when this is not possible like in the case of gold and silver grain or certain semi-finished products, accompanied by a certificate. The labeling includes weight, metal description, fineness, assayer mark, and, where appropriate, a serial number.^{G4-PR3}



In 2013 we measured our customer satisfaction level through questionnaires sent to 99 clients, with a 66% return rate. All clients, except one, were fully satisfied by the products and services provided. We immediately contacted the dissatisfied client to better understand the reason behind the negative evaluation. Once we clarified the issues and concerns raised, the necessary corrective measures were implemented in order to restore his satisfaction and trust.^{G4-PR5}

Society^{G4-DMA}

Valcambi's ethical standards –as described in the Code of Conduct and in the Precious Metals Supply Chain Policy (see our website www.valcambi.com) promotes an approach to avoid any form of contribution, or support to, corruption or bribery. Strict policies, procedures and controls are applied both internally (employees and external contractors) and externally (in the precious metal supply chain).^{G4-SO3}

All Valcambi employees have to understand and sign our Code of Conduct, where it is stated that any form of corruption or bribery is not tolerated. Any information regarding such incidents as well as misconduct, dishonest or illegal activities occurring at Valcambi have to be reported.^{G4-SO4} Our employees can also submit their observation in form of an anonymous communication. Our whistleblowing procedure is known by all our employees, and trainings on these subjects are held periodically, especially for the departments where these violations could potentially arise.^{G4-SO10}

Bribery and corruptions are considered a potential high risk in the precious metal supply chain. Valcambi has implemented the Precious Metal Supply Chain Policy, whose application is audited on an annual basis by independent Auditors according to LBMA guidelines. The Policy as well as the Audit results are publicly available on our company's website.

Human Rights ^{G4-DMA}

We operate in accordance to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and ILO Labour Standards. ^{G4-HR5 G4-HR6}

Human rights violations are monitored, but they can still affect the precious metal supply chain. We are focused to keep our precious metal supply chain free of any human rights violations. All contracts and agreements signed by Valcambi with its clients contain clauses which explicitly forbid human rights violations and abusive child labour. All our potential business partners are requested to perform a Due Diligence process which includes, among other critical aspects, the strict control of human rights compliance. ^{G4-HR10 G4-HR11.}

All communications concerning potential human rights violations are carefully examined. In 2013 we investigated one case regarding a mining project in South America belonging to one of our clients. The client could acceptably prove that the allegations were unsubstantiated. ^{G4-27 G4-HR12}





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G4-8	12	-	Markets served
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