

# Our Policies

## Compliance & Ethics

It is the declared policy of TRAIID GmbH (hereinafter also referred to as “we”, “our”, “us”) to maintain in all its business relations and activities dealing in precious metals and minerals, in particular in the field of sourcing, high standards of ethical conduct as well as to comply with all applicable laws, to exercise full transparency of our transactions in cooperation with relevant governmental authorities and to engage only with parties who themselves abide by laws and ethical principles.

It is our firm and unchangeable policy to decline any business proposal which might be associated with any illegal or unethical activity.

We execute Our Policies by our commitment to perform our activities as follows:

- We always act with good intentions, transparently and fair-minded.
- We comply with high social, ethical and environmental standards.
- We do not facilitate corruption, deception or any other illegal practices.
- We maintain appropriate business relations with all providers and clients.
- We cultivate good and open relations with governmental and non-governmental (civil society) organizations.
- We have responsible relationships with employees and all other stakeholders.

TRAID GmbH achieved the *Fairtrade Permit to Trade* in 2015 and – after passing FLOCERT’s audit – full certification against the *Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining* as well as the *Fairtrade Trader Standard* in 2016. Furthermore, we became a *Fairmined Authorized Operator* in 2017.

Our Policies, as set forth in this document, are applicable to our entire organization, including representatives and other organizations over which we have control, throughout the world, wherever and whenever we operate and do business. We expect from all our employees, contractors, officers and directors to comply with these Policies.

We conduct regular trainings with relevant employees to ensure that they comply with Our Policies as well as laws applicable to their job responsibilities. We encourage them to report any suspicious relationship or transaction to our senior management or officers.

We deploy this Policy through a comprehensive management system based on local and international Know Your Customer due diligence procedures in order to appropriately identify our upstream and downstream partners (and if required our partners' partners).

## Supply Chain Policy

Recognizing that risks of significant adverse impacts may be associated with extracting, trading and handling precious metals and minerals and recognizing that TRAIID GmbH has the responsibility to respect human rights and protect the environment, we commit to adopt and widely disseminate the following Policy.

We actively promote and cooperate with global initiatives and groups to ensure that all precious metals and minerals we deal with come from legitimate, ethical sources, and that they have not been connected with misdeed, violation of human rights, or armed conflict.

Our supply chain due diligence policy and practices as well as our corresponding commitments are consistent with: the *Alliance for Responsible Mining's* highly respected *Fairmined Standard for Gold from Artisanal and Small-Scale Mining, Including Associated Precious Metals*; the *Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining*; the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals*; and the *LBMA Responsible Gold Guidance*.

In this context our commitments are as follows:

1 – We neither tolerate nor profit from, contribute to, assist with or facilitate the commission of: any forms of torture, cruel, inhumane and degrading treatment; forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily; the worst forms of child labor; other human rights violations and abuses; war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

2 – We do not engage with, and immediately suspend or discontinue engagement with suppliers or clients where we identify a reasonable risk that they are committing – or are sourcing from or are linked to any party committing – serious abuses as defined in paragraph 1 or any other illegal party.

3 – We do not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade or handling of precious metals and minerals. This includes procuring precious metals and minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who illegally:

- Control mine sites or otherwise control transportation routes, points where minerals are traded or any other factors in the supply chain; and/or
- Tax or extort money, precious metals or minerals at points of access to mine sites, along transportation routes or at points where precious metals or minerals are traded, or from intermediaries, export businesses or international traders.

4 – We do not engage with, and immediately discontinue engagement with any business partner where we identify a reasonable risk that they are sourcing from, or are linked to, any party providing direct or indirect support to non-state armed groups as defined in paragraph 3.

5 – We do not tolerate any direct or indirect support to public or private security forces who illegally:

- Control mine sites, transportation routes and upstream supply chain actors; and/or
- Tax or extort money, precious metals or minerals at points of access to mine sites, along transportation routes or at points where precious metals or minerals are traded, or from intermediaries, export businesses or international traders.

6 – We recognize that the role of public or private security forces at the mine sites, surrounding areas and along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.

7 – Where we or any company in our supply chain contract public or private security forces, we will require that such security forces will be engaged in accordance with the internationally respected Voluntary Principles on Security and Human Rights.

8 – We support efforts to engage with authorities or international or civil society organizations to contribute to solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.

9 – We support efforts, or take steps, to engage with authorities or international or civil society organizations to avoid the exposure of vulnerable groups, in particular artisanal miners (who extract precious metals or minerals through artisanal or small-scale mining techniques), to adverse impacts associated with the presence of public or private security forces at mine sites.

10 – We do not offer, promise, give or demand any bribes in any form to individuals (including government officials), suppliers, contractors, clients or any other organization.

11 – We do not to misrepresent taxes, fees and royalties paid to governments for the purposes extraction, trade, handling, transport and export of precious metals and minerals. Similarly, we do not disguise the origin of precious metals and minerals.

12 – We undertake substantial efforts to avoid to be exploited for money laundering, financing of terrorism, tax evasion, tax fraud or any other crime, where we identify a reasonable risk in that regard, related to our supply chain of precious metals and minerals.

We require our employees, contractors and business partners to comply with this Policy, and will – wherever possible – enforce it with adequate measures, enact a remediation plan where appropriate and follow through up to termination of employment or contracts.

# Human Rights Policy

## 1 – Our understanding

Human rights are rights universally recognized to which all human beings are entitled, irrespective of their nationality, place of residence, ethnic or national origins, gender, color, religion, language or any other status. All human rights are universal, inalienable, indivisible and interdependent.

Respect for human rights is one of the fundamental values of the corporate strategy of TRAIID GmbH, which dedicates particular attention to compliance with and implementation of the principles and obligations enshrined in binding and voluntary national and international laws and regulations governing this subject matter.

We guarantee respect for universally recognized human rights at all our operations and strive to make sure that all our commercial partners comply with, observe and adopt the values shared by us.

## 2 – Reference regulations

- United Nations: Universal Declaration of Human Rights – and further guidelines
- International Labour Organization (ILO): Declaration on Fundamental Principles and Rights at Work – and the main corresponding Conventions
- OECD: Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

## 3 – Our Principles

By this Policy, confirming our commitment to the promotion and protection of human rights, we declare as follows:

### 3.1 – Prohibition of child labor

Nobody may be hired if they are below the minimum age permitted by applicable laws. The minimum age of completion is deemed to be the age of compulsory schooling, which is 15 years, as set out in ILO Convention No. 138 or not less than 14 years in those countries in which this is permitted under local law.

We do not tolerate the employment of minors for hazardous work which, due to its nature or circumstances, could endanger the health or safety or the customs or lifestyle of minors below the age of 18 years.

In those cases contemplated under local laws, where a minimum age of 16 years is permitted, we will tolerate the employment of minors only if the health, safety, customs and lifestyles of minors involved are protected in every respect and the minors have received appropriate specific instructions or professional training in the field of activity.

We do not tolerate the worst forms of child labor, as defined by ILO Convention No. 182.

**3.2 – Prohibition of forced labor:** We do not tolerate and we condemn any form of forced labor as defined in ILO Convention No. 29, including slave labor, labor exacted under threat of penalty and involuntary labor.

**3.3 – Non-discrimination:** Every individual must be treated with respect and dignity. All employees shall enjoy equal opportunities without any discrimination based on factors unrelated to their capacity to carry out their work.

We do not tolerate and we condemn any form of discrimination, harassment and detrimental prejudice on grounds of race, ethnic origin, gender, religion or philosophic belief, handicap, age or sexual identity and any illegal form of threat or intimidation. We do not tolerate any form of discrimination in the workplace in relation to hiring, remuneration, overtime, training, promotion, end of employment relationship or retirement.

**3.4 – Freedom of association:** All our employees shall be free to decide on whether to set up or join trade unions or equivalent representative organizations and to exercise their right to collective bargaining, as stipulated by the applicable local laws.

**3.5 – Workplace safety:** Workplace safety is of fundamental importance to us. All collaborators, in particular managers, must comply with the mandatory rules and regulations on safety in the workplace and in employment so as to ensure overall safety in the workplace.

**3.6 – Supply chain:** We describe our principles in our Supply Chain Policy.

#### **4 – Due diligence**

Human rights due diligence is an integral part of our general due diligence process. Its objective is to identify and assess the risk of the violation of human rights as well as to prevent and mitigate the negative impact of the risks detected, if they are linked to our activities, either directly or indirectly.

In order to check whether human rights are being respected by our contractual partners, our relevant due diligence process includes a series of measures:

- Educating about and sharing of this Policy;
- Analysis of documents in order to check and confirm whether a counterparty is complying with local laws governing this subject matter;
- Site visits, including, if deemed necessary, guided interviews with workers to assess the situation and the workplace conditions;
- Clarifications in case of doubts or suspicions regarding the violation of human rights;
- Refusal to initiate or termination of the business relationship in the event that unacceptable violations are detected which are impossible to manage.

Human rights due diligence must take place before initiating a business relationship. The corresponding checks must be repeated during the relationship whenever this is deemed necessary or if changes regarding the risk of the violation of human rights become known.

## AML & CFT Policy

Money laundering is the act of concealing the transformation of profits from illegal activities or corruption into ostensibly "legitimate" assets.

This Policy summarizes TRAIID GmbH's efforts with regards to Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT).

We undertake substantial efforts to avoid to be exploited for money laundering or financing of terrorism, where we identify a reasonable risk in that regard, related to our upstream and downstream supply chain of precious metals and minerals.

At the same time, we place great importance on maintaining the privacy and confidentiality of our clients within the framework of applicable laws.

TRAIID GmbH is incorporated and has its legal and operational headquarters in Germany. As such, the company is subject to strict German and European laws and regulations, which have relevance to our business activities, including the following:

- Germany: Geldwäschegesetz (GwG) (money-laundering act)
- Germany: § 261 Strafgesetzbuch (StGB) (criminal code)
- European Union: Fourth Anti-Money Laundering Directive
- Germany: Bundesdatenschutzgesetz (BDSG) (federal data protection act)

We are required to obtain, verify and record specific personal information and/or business information including beneficial ownership about our clients prior to opening a business relationship and establishing an account, as regulated by German Law.

While performing our Know Your Customer (KYC) procedure we process the following information in order to adequately identify business clients:

- Company name and (if different) trading name
- Legal form or structure
- Address of registered or main office
- Names of legal representatives (up to natural persons)
- Commercial register number
- Commercial register excerpt or similar

If a client is acting on behalf of beneficial owners, the ultimate beneficial owners need to be identified. If we perceive an increased risk level, especially if the client is a politically exposed person (PEP) or if the proposed business relationship does not have an obvious economic purpose, we follow enhanced due diligence measures as required by German Law.

In case there remain any doubts or suspicions regarding the legitimacy of the potential client, we will not proceed with establishing a business relationship.

We do not act as a financial service provider, financial intermediary, financial advisor or fiduciary and we do not manage or hold monies on behalf of clients.

Our internal due diligence procedures are regularly updated to ensure compliance with changes in German and European laws and regulations.

## **Whistleblowing Policy**

A whistleblower is a person who exposes any kind of activity or information that she or he deems illegal or otherwise wrong within our organization or upstream supply chain.

### **Who may report?**

All our employees, contractors, officers and directors as well as all people employed or otherwise involved in our upstream supply chain, up to the origin of the precious metals and minerals we deal with, are encouraged to voice their concerns.

### **What may be reported?**

Any kind of activity, lack of activity or information deemed illegal, unethical, in violation of Our Policies or otherwise fundamentally wrong within our organization or upstream supply chain of precious metals and minerals may be reported.

### **How may be reported?**

Reports will be received and treated confidentially through the following channels:

1 – Email to our CEO:

\*ceo\*@traidgold\*.com\*

(remove the asterisks)

Subject: Whistleblowing

2 – Letter in sealed envelope to our CEO:

TRAID GmbH

Attn: CEO

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(add address of our head office)

If the reportable matter relates to our Chief Executive Officer (CEO), a written report enclosed in a sealed envelope may be delivered by mail to the attention of any other of our officers or directors, marked "PRIVATE & CONFIDENTIAL", at the same address.

### **How are whistleblowers protected?**

Our employees who report matters in good faith will be protected and must not lose their positions or suffer any form of harassment or occupational detriment as a direct consequence of the act of whistleblowing.

Rarely, a case might arise where the employee has participated in the activity causing concern. In such a case it is in the employee's interest to come into the open as soon as possible. We cannot promise not to act against such an employee, but the fact that they came forward first may be taken into account.

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