



Summary Assessment Report

**LBMA Responsible Gold Guidance -
Summary Assessment Report
based on ISO 19011:2011**

Heimerle + Meule GmbH
Pforzheim, Germany

Full Assessment

Report date: 25.03.2019

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Prepared for:

Heimerle + Meule GmbH, Pforzheim

London Bullion Market Association (LBMA)

Content

1.	Engagement description	3
2.	Preface	3
3.	Assessment information and scope	3
4.	Refiner information	4
5.	Audit team	4
6.	Limitations	4
7.	Assessment methodology	5
8.	Assessment criteria	5
9.	Assessment conclusion	6
10.	Follow up audit	7
11.	Final conclusion	7

1. Engagement description

The client, Heimerle + Meule GmbH, Pforzheim, Germany (hereinafter referred to as H + M) mandated KPMG Cert GmbH Umweltgutachterorganisation (hereinafter referred to as KPMG Cert) by written contract dated 04 October 2018 to conduct a third party audit of their Supply Chain Due Diligence according to the LBMA Responsible Gold Guidance and the ISO 19011 approach. Qualified auditors performed the audit of Supply Chain Due Diligence pursuant to the LBMA Responsible Gold Guidance (RGG v7), ISO 19011 and the Third Party Audit Guidance (v3).

In 2018, UL performed an RGG Full Assessment for reporting year 2017. In 2019, a Full Assessment was performed for reporting year 2018 due to a change in the audit team and audit firm. The Full Assessment on Gold was conducted in accordance with Step 4 of the LBMA Responsible Gold Guidance (v7) required to acquire LBMA Certification and listing as Good Delivery Refiner.

2. Preface

In particular, this report contains the information regarding the auditors, the assessment scope, methodology, criteria, audit details comments, findings, and the auditor's conclusions based on the Assessment.

To guarantee the transparency of the Summary Report, the format and entries are based on the Responsible Gold Guidance (v7) and the reporting template "Appendix 8 – ISO19011 Refiner Summary Report" published by the LBMA in the Third Party Audit Guidance (v3).

This Refiner Report is submitted (along with the Summary Report) to H + M and to the London Bullion Market Association (LBMA), in order for H + M to maintain LBMA Responsible Gold Certification and listing as Good Delivery Refiner. The information presented in this report has been reviewed approved by the member and its management. The report is not intended as a basis for third party (business) decisions. We accept no responsibility for third parties.

3. Assessment information and scope

Assessment information	
Refiner Name	Heimerle + Meule GmbH
Reference Standard LBMA RGG	ISO 19011:2011
Assessment Period	1 January 2018 – 31 December 2018
Refiner location(s) included in the assessment scope	Heimerle + Meule GmbH 3 locations in Pforzheim, 1 location in Vienna, Austria
Audit type:	LBMA RGG Full Assessment (v7)

4. Refiner information

Refiner information	
Refiner Location(s)	Locations in Pforzheim, Germany as follows: Headquarters: Heimerle + Meule GmbH Denningstraße 16, 75179 Pforzheim <hr/> Warehouse: Denningstraße 8, 75179 Pforzheim <hr/> Facility: Am Mühlkanal 3, 75172 Pforzheim <hr/> Location in Vienna, Austria Facility: Pelzgasse 18, 1150 Vienna, Austria <hr/>
Refiner Contact Person:	
Name	Dr. Andreas Pinter
Title:	Quality Management Representative
Email:	pinter@heimerle-meule.com
Phone:	+49 (0) 7231 940-2128
Certifications currently held:	LBMA RGG RJC COP ISO 9001 ISO 13485 EC Certificate 93/42/EEC Waste Management company
Refiner details:	Refiner for recycled gold and other precious metals

5. Audit team

Audit Team	
Auditor Independence / Independence of all team members (including trainees and Independent Quality Reviewer:	The auditors and the topic experts confirm that they are fully independent from the refiner audited and do not have any conflicts of interest that would prevent them from objectively assessing the performance of the client. KPMG Cert is an approved service provider (team auditors are LBMA approved). The auditors have completed required LBMA trainings. In addition, the KPMG Cert handbook defines independence requirements which are obligatory for all team members.

6. Limitations

There were no significant or inherent limitations or areas not covered that were within the assessment scope.

7. Assessment methodology

The assessment consisted of collecting and reviewing objective evidence including documentation, employee and top management interviews as well as observations demonstrating that H+M management system and supply chain due diligence (KYC and KYP) procedures comply with the LBMA RGG.

The following documents, policies, procedures, reports and screenshots were reviewed by the audit team during the audit period (desktop review, onsite audit and reporting) and serve evidence of compliance with the LBMA RGG standard:

- Policy regarding due diligence for supply chain of gold
- LBMA organization chart
- RGG- Handbuch (handbook) and supporting management system policies and procedures
- Money laundering list (escalated cases)
- Risk assessment documentation (procedure, including criteria and methodology, documents money laundering prevention processes) sources, green list (country), blacklist (counterparty).
- Gold counterparty due diligence procedures and corresponding documentation (KYC dossiers, sales and accounting process for vetting, approving and setting up new clients, client profile template, e.g. orbis documentation)
- Training documentation and participation lists for due diligence according to LBMA Responsible Gold Guidance, money-laundering
- Transaction documentation (digital and physical) : Delivery notes, date and weight of goods delivered (post and prior to refining), descriptions of goods delivered, lot I.D. number, laboratory assessments (gold content), origin of recycled gold (location of counterparty), internal smelting approval and material composition, ERP controls and traceability, customer invoice
- Line item summary of transactions (used for selecting transactions and KYC dossier samples t
- Management Review

The following departments were visited during the audit

- Precious Metals goods receipt (goods acceptance and controlling)
- Sales
- Vault and sampling station
- Branch office
- Electroplating Docimasy (Precious metals analysis / Laboratory and assaying)

The following management members attended the opening / closing meeting:

- Managing director
- CFO/ Senior Manager
- Quality Management Representative
- Responsible Gold Officer
- Compliance / AML Officer
- ASM Officer
- Head of Production
- Bookkeeping / Due Diligence

Interviews were held with the following employees:

- Quality Management Representative
- CFO
- Responsible Gold Officer
- Compliance / AML Officer
- Head of Production
- Due Diligence Officer
- Manager Docimasy
- Manager Gold Refining operations / Production Planning
- Employees Precious Metals good receipt
- Employees sampling station
- Employees sales

8. Assessment criteria

Detected actual or potential gaps in the management system that are relevant to the criteria and requirements established by the LBMA were assessed to determine compliance.

The KPMG Audit team considered and drew conclusions based on relevant evidence presented by the Refiner during the audit including observations, interviews, documents and records (on-site and remote).

Relevant evidence was pertinent, reliable, objective, quantitative and or qualitative. In addition, the KPMG Audit team consults publically available sources when appropriate

9. Assessment conclusion

Category	Subcategory	Compliant	Low	Non-compliance – risk level		
				Medium	High	Zero Tolerance
General information						
Step 1	1	✓				
	2	✓				
	3		✓			
	4	✓				
	5	✓				
Step 2	1	✓				
	2.1	✓				
	2.2	✓				
	2.3		✓			
	2.4	✓				
	3	✓				
Step 3	1	✓				
	2	✓				
	3	✓				
	4	✓				
Step 4	-	✓				
Step 5	-	✓				

Category	Subcategory	Compliant	Low	Non-compliance – risk level		
				Medium	High	Zero Tolerance
Based on the assessment conclusions, the overall rating of the Refiner's performance is determined to represent:			✓			

10. Follow up audit

A follow up audit is not required. In 2020, in accordance with the LBMA Responsible Gold Guidance (v8) and Third party audit guidance (v1) a Full Assessment is required.

11. Final conclusion

The Auditors confirm that:

- ✓ The information provided by the refiner is true and accurate to the best knowledge of the Auditor(s) preparing this report
- ✓ The findings are based on verified objective evidence relevant to the time period for the assessment, traceable and unambiguous
- ✓ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective
- ✓ The Auditor(s) are properly qualified to carry out the assessment at this refiner's facility.



Ashley Sebag

LBMA approved Lead Auditor

Cologne, 25 March 2019

KPMG Cert GmbH Umweltgutachterorganisation



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