Independent Assurance Report

To the Management of Japan Mint

We were engaged by Japan Mint (the “Company”) to undertake a reasonable assurance engagement of its LBMA Compliance Report (the “Compliance Report”) for the year ended 31 March 2019. The assurance scope consists of the Company’s Compliance Report.

The Company’s responsibility
The management of the Company is responsible for the preparation and fair presentation of its Compliance Report in accordance with the requirements of the LBMA Responsible Gold Guidance and the LBMA Responsible Silver Guidance (the “Guidance”). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by the management as relevant for demonstrating compliance with the Guidance are the activities described within the Company’s Compliance Report.

Our responsibility
Our responsibility is to carry out a reasonable assurance engagement in order to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board and the guidance set out in the LBMA Responsible Gold Programme - Third Party Audit Guidance for ISAE 3000 Auditors and the LBMA Responsible Silver Programme - Third Party Audit Guidance for ISAE 3000 Auditors (the “Audit Guidance”).

This report has been prepared for the Company for the purpose of assisting the management in determining whether the Company has complied with the Guidance and for no other purpose. Our assurance report is made solely to the Company in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than the Company for our work, or for the conclusions we have reached in the assurance report.

Inherent limitations
Non-financial information, such as that included in the Company’s Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Guidance may differ. It is important to read the Company’s Conflict Free Mineral Management Policy available on the Company’s website [www.mint.go.jp/Wp_Vjp4V33Q/wp-content/uploads/2018/04/eng_conflict_free_gold_policy.pdf].

Conclusion
In our opinion, the Company’s Compliance Report for the year ended 31 March 2019, in all material respects, describes fairly the activities undertaken during the year to demonstrate compliance, and management’s overall conclusion contained therein is in accordance with the requirements of the Guidance.

Independence, quality control and competency statement
We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Audit Guidance to carry out the assurance engagement.

KPMG AZSA Sustainability Co., Ltd.
Osaka, Japan
24 June 2019
LBMA Responsible Gold and Silver Guidance Compliance Report

The LBMA Responsible Gold and Silver Guidance has been established for Good Delivery Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice.

This report summarizes how Japan Mint has complied with the requirements of the LBMA Responsible Gold and Silver Guidance.

Table 1: Refiner's details

<table>
<thead>
<tr>
<th>Refiner's name:</th>
<th>Japan Mint</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>1-79, Temma 1-chome, kita-ku, Osaka 530-0043, JAPAN</td>
</tr>
<tr>
<td>Reporting period:</td>
<td>from April 1, 2018 to March 31, 2019</td>
</tr>
<tr>
<td>Date of Report:</td>
<td>June 24, 2019</td>
</tr>
<tr>
<td>Senior management responsible for this report:</td>
<td>Seiji Furusawa, Executive Director</td>
</tr>
</tbody>
</table>

Japan Mint's evaluation

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Compliance Statement with Requirement:

We have fully complied with Step 1: Establish strong management systems.

We have adopted a policy regarding due diligence for supply chains of gold and silver.

Comments and Demonstration of Compliance:

During the reporting year, we have adopted our conflict free mineral management policy (hereinafter “our policy”) compliant with the requirements of the LBMA Responsible Gold Guidance (v7) and the LBMA Responsible Silver Guidance (v1). This sets out our responsibility to avoid contributing to conflict, terrorist financing, human rights abuses and money laundering in the acceptance of gold and gold bearing materials (hereinafter "gold") , and silver and silver bearing
We have set up an internal management structure to support supply chain due diligence.

**Comments and Demonstration of Compliance:**
We have set up an internal management system by administrative regulation including our policy (hereinafter "our system") to conform to the requirements of the LBMA Responsible Gold and Silver Guidance.
This is clearly defining roles and responsibilities, monitoring, communication and senior management review regarding gold and silver.

We have established a strong internal system of due diligence, controls and transparency over gold and silver supply chain, including traceability and identification of other supply chain actors.

**Comments and Demonstration of Compliance:**
Our system establishes rules for traceability of gold and silver, maintenance of records of risk assessment and training program for executive and employee.
We take steps to ensure that information for each traceability of each lot refined.
In addition, we have conducted a review of our internal system during the reporting year.

We have strengthened organization engagement with gold and silver supplying counterparties in building due diligence capabilities.

**Comments and Demonstration of Compliance:**
We explained our policy to our suppliers and received unanimous approval, during the reporting period.

We have established an organization-wide communication mechanism to promote broad-based employee participation and risk identification to management.

**Comments and Demonstration of Compliance:**
We have implemented the communication mechanism through which risk information in the supply chain found by any of our employees can be communicated to the compliance officer through the reports to their superiors.
Step 2: Identify and assess risks in the supply chain

Compliance Statement with Requirement:
We have fully complied with Step 2: Identify and assess risks in the supply chain.

We have a process to identify risks in the supply chain.

Comments and Demonstration of Compliance:
We have identified risk through risk assessment conducted in accordance with the LBMA Responsible Gold and Silver Guidance.

We assess risks in light of the standards of our due diligence system.

Comments and Demonstration of Compliance:
We have conducted risk assessment before entering into business relationship with any supplier.
We consider at high-risk that gold and silver origin is the Democratic Republic of Congo and its nine neighboring countries.
And then we have collected records of estimated weight and extra information and verified the documents and conducted appropriate scrutiny and monitoring of transactions for each lot received.

We report risk assessment to the designated manager.

Comments and Demonstration of Compliance:
The compliance officer reports to and clears with the senior management with respect to each the results of risk assessment.
The senior management reconduct each year risk assessment.

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

Compliance Statement with Requirement:
We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

We have devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk.

Comments and Demonstration of Compliance:
In case the results of risk assessment is high risk, we disengage from the risk.
Specifically, we don't accept the gold and silver of high risk.
If it is discovered that there is a possibility of gold and silver from high-risk area or suppliers, we will immediately stop the acceptance of gold and silver.

Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.

Comments and Demonstration of Compliance:
This section is not applicable because we don't make choice of risk mitigation.

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

Compliance Statement with Requirement:
We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Comments and Demonstration of Compliance:
We engaged the services of the assurance provider, KPMG AZSA Sustainability Co., Ltd., and their reasonable assurance report is attached hereto.

Step 5: Report on supply chain due diligence

Compliance Statement with Requirement:
We have fully complied with Step 5: Report on supply chain due diligence.

Comments:
Our Policy and LBMA Responsible Gold and Silver Guidance Compliance Report along with the Independent Assurance Report from KPMG AZSA Sustainability Co., Ltd. are available on our website.

Table 3: Management conclusion

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold
and Silver Guidance for the reporting period?

Yes.

**Comments:**

In conclusion, we implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Gold and Silver Guidance, as explained above in Table 2, for the reporting year ended 31 March 2019.

<table>
<thead>
<tr>
<th>Table 4: Other report comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Comments:</strong></td>
</tr>
<tr>
<td>If users of this report wish to provide any feedback to us with respect to this report, they can make inquiries using the contact form on our website.</td>
</tr>
<tr>
<td><a href="https://www.mint.go.jp/inquiry/eng-contact">https://www.mint.go.jp/inquiry/eng-contact</a></td>
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