

**Annual Performance
Report 2022
according to the RJC
COP rules**

JHL METALLURGICAL CO.,LTD

ANNUAL REPORT

YEAR 2023

COMPANY NAME: **JHL METALLURGICAL CO.,LTD**

DATE: **January 2023**

REPORTING PERIOD: **January – December 2022**

CONTACT: jhlmetallurgical@gmail.com

COP 1: LEGAL COMPLIANCE

JHL Metallurgical has established the Code of Practices according to document No. COP-P-1-01 (MR) Laws, Requirements and Compliance and has a legal register No. COP-FM-1-01 (MR) law and compliance registration, which have been updated to ensure that the legal provisions have been registered and summarize relevant main points, including monitoring to assess compliance. In the year 2022, JHL Metallurgical was able to conduct business in compliance with relevant legal requirements.

COP 2: POLICY AND IMPLEMENTATION

JHL Metallurgical Co., Ltd. is a company accredited by the RJC (Responsible Jewellery Council), therefore announced according to document COP-PLC-2-01 the operating policy in conformity with the RJC Code of Practices as follows.

JHL Metallurgical is a member of the Responsible Jewellery Council (RJC), an organization that has established and set standards for corporate responsibility towards integrity, human rights, society and environmental practices covering the supply chain of jewelry, including gold and silver.

As an accredited member of the RJC in accordance with the RJC Code of Practices, JHL Metallurgical has been committed to doing business in conformity with the RJC Code of Practices by integrating responsibility toward integrity, human rights, society and environmental practices in the processes of working, planning activities and making business decisions consistently.

Additionally, JHL Metallurgical has set the policy on quality, environment, occupational health and safety as well as the security policy and social responsibility policy in order to be implemented effectively always.

This policy applies to personnel working under the control of JHL Metallurgical as well as related stakeholders as necessary by communication and publication through appropriate channels.

JHL Metallurgical has established other relevant policies covering the RJC-COP and the RJC CoC, which have been communicated to employees throughout the organization and relevant external stakeholders as well as implemented in accordance with the aforementioned policies. In the past year 2022, JHL Metallurgical was able to implement the policies completely and reviewed so as to revise the policies to be in line with the current changing context.

COP 3: REPORTING

JHL Metallurgical prepared this report to report a summary of the operating results for the past year 2022 in order to confirm compliance with the RJC COP and RJC CoC requirements on respective topics.

COP 4: FINANCIAL ACCOUNTS

JHL Metallurgical has maintained the financial accounting system in accordance with accounting standards by acting transparently and arranging for an audit by independent external auditor. In the year 2022, JHL Metallurgical could pass the audit without any suggestions for improvement.

COP 5: BUSINESS PARTNERS

JHL Metallurgical has encouraged suppliers in the supply chain to comply with the policies, systems and operating procedures according to the RJC COP and RJC CoC requirements, including employees, visitors to practice in compliance with JHL Metallurgical's policies, systems and operating procedures always by establishing the Code of Practices No. COP-P-5-01(MR) on External Supplier Control and COP-P-5-02(MR) on Treatment of Business Partners. In the year 2022, all business partners of JHL Metallurgical were able to effectively comply with the RJC COP and RJC CoC requirements.

COP 6 : HUMAN RIGHTS DUE DILIGENCE

COP 7 : DUE DILIGENCE FOR RESPONSIBLE SOURCING FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS

JHL Metallurgical has arranged for human rights due diligence according to the Code of Practices COP6-RP-01 on Human Rights Due Diligence HRDD and due diligence record according to document COP-FM-6-01(MR) Human Rights Due Diligence_HRDD to comply with the COP-PLC-6-01(MR) Human Rights Policy. The duties and responsibilities are specified as follows.

The Human Resources Department supervises the human rights of employees.

The Purchasing Department liaises with external suppliers to ensure compliance with human rights requirements.

JHL Metallurgical has assigned MR to take action on human rights and supply chain due diligence as well as review human rights risk assessments, operations in response to the risks evaluated at a significant level, including monitoring and evaluating the performance. In the year 2022, no human rights issues were found.

JHL Metallurgical has established the document COP-P-7-01 Code of Practices on supply chain due diligence and document RJC-RM-01 Risk Management and document RJC-RM-02 Risk Management Manual. This covers supply chain due diligence process from Upstream, Midstream to Downstream in terms of commitment to reduce human rights impacts, assessment and treatment of suppliers in the supply chain, including risk identification, human rights risk assessment, formulation of strategies and action plan to respond to such risks as well as monitoring and evaluation of success as stated.

JHL Metallurgical has assigned MR to be responsible for supply chain due diligence.

JHL Metallurgical has established a system of control and transparency throughout the supply chain, which consists of the processes, identification of suppliers of gold and silver raw materials with procedures in place to strengthen the supply chain due diligence system as specified in the Code of Practices.

JHL Metallurgical has a process for communicating human rights expectations and supply chain due diligence by complying with the document IMS-P-7.4(MR) Internal and External Communications. JHL Metallurgical has strengthened long-term relationships with suppliers by developing operations that can monitor the supplier performance according to the supply chain. There have been visits, acceptance of fair price offers, fair pricing, building engagement through electronic media channels such as Line groups, emails, etc., communicating expectations towards human relations and supply chain as well as cooperating with suppliers to enhance the potential in such areas.

Grievance mechanism

JHL Metallurgical has established a process for receiving internal and external complaints according to document No. COP-FM-6-03 Letter of Appeal and grievance Suggestion from employee and interested party for improvement.

In 2022, no internal and external complaints were made about human rights and supply chain.

Risk identification and assessment

JHL Metallurgical has identified and assessed human rights risks for all suppliers according to the supply chain. No supplier was found to be at risk of violating human rights requirements according to document RJC-RM-01 Risk Management.

From the document RJC-RM-02 Risk Management Manual, control measures and action plan have been established in case of human rights risk detected.

However, from the risk assessment and monitoring in 2022, such risks had not been found yet. So, there have been no action plans yet.

The managing director has the highest authority to recognize the issues from risk assessment. However, in the year 2022, no risky issues were found from the assessment.

In case of risk issue found, the document RJC-RM-02 Risk Management Manual must be followed, which includes operational steps to deal with risks. The risk management plan consists of activities to be performed, objectives, operators, duration of implementation and evaluation.

The implementation of the risk management plan includes the steps to mitigate the effects of risks as specified in the Risk Management Manual by monitoring to confirm the effectiveness of such risk reduction measures, including assessing improvements related to such risks at least twice a year in June and December. In the year 2022, no action was required.

JHL Metallurgical arranged training on human rights and supply chain due diligence for employees according to the annual training plan 2022. Moreover, due to the outbreak of the COVID-19 virus, JHL Metallurgical has therefore used the methods of communicating to contractors, suppliers instead of training once a year for contractors or suppliers by recording training or communication completely.

JHL Metallurgical has communicated to employees by way of training employees related to human rights and supply chain due diligence by keeping such training record. For external stakeholders, JHL Metallurgical has delivered the human rights policy and supply chain due diligence policy, along with a summary of human rights guidelines to relevant external stakeholders so as to understand and be able to practice in compliance with human rights principles as well as approaches for responding to the risks found.

JHL Metallurgical has established a process for responding to complaints related to non-compliance with human rights principles as well as remedies for the impacts that occurred. In 2020 and 2021, no human rights complaints were found, hence no action required.

CARRY OUT A THIRD PARTY AUDIT (OPTIONAL INFORMATION)

From the audit results according to RJC COP by SGS Co., Ltd. in the month of 2022 RJC Member No. 0000 2124, JHL Metallurgical passed the audit without any issues for improvement.



BY THE AUTHORITY OF THE COUNCIL

**JHL METALLURGICAL
CO., LTD**

IS A CERTIFIED MEMBER OF
THE RESPONSIBLE JEWELLERY COUNCIL

NUMBER: 0000 2124
DURATION: 3 Year
PERIOD: 07 March 2021 - 07 March 2024
STANDARD: Code of Practices 2019

DAVID BOUFFARD
CHAIRMAN

IRIS VAN DER VEKEN
EXECUTIVE DIRECTOR



CP/0000-2124-001-03-19-2024-1-01-4

RJC – COP Member No. 0000 2124

COP 8: SOURCING DIRECTLY FROM ARTISANAL AND SMALL-SCALE MINING

JHL Metallurgical has had no business operations related to ASM mining.

COP 9: SOURCING POST-CONSUMER INDUSTRIAL PRECIOUS METALS DIRECTLY FROM INFORMAL RECYCLERS

JHL Metallurgical has had no related business operations according to COP 9.

COP 10: COMMUNITY DEVELOPMENT

JHL Metallurgical has acted as follows.

1. Establishing the Code of Practices on community and social development
2. Preparing the community and social development plan
3. Implementation of the plan

In 2022, the following actions were taken.

1. Arrangement of an area for people with disabilities to sell products
2. Donation of masks to Thip Mongkol 1



3. Donation of sports equipment to Khlong Bang Kaew School (Pirom Pracharat)



4. Joining Samut Prakan Province Industry Office in making merit on Lotus Throwing Festival



JHL Metallurgical has also organized such projects continuously every year.

COP 11: BRIBERY AND FACILITATION PAYMENTS

JHL Metallurgical has established the operating procedures according to document No. COP-P-11-01 Code of Practices on Anti-Bribery, Corruption and Facilitation Payments as well as channels for receiving complaints according to document No. COP-FM-11-01 Receiving Complaints about Bribery, Corruption, Facilitation Payments. In the year 2022, there were no such complaints.

COP 12: KNOW YOUR COUNTERPARTY: MONEY LAUNDERING AND FINANCE OF TERRORISM

JHL Metallurgical has established the Code of Practices on COP-P-12-01, Code of Practices on KYC_Know Your Counterparty and COP-P-12-02 Code of Practices on Prevention of Money Laundering and Terrorist Financing and record document COP-FM-12-01 Know Your Counterparty - Identification and Verification as well as document COP-FM-12-02 Significant Business Partners Register.

In 2022, no Counterparty had the issues of money laundering and terrorist financing.

COP 13: SECURITY

JHL Metallurgical has set up a security and safety protection system for operators, visitors, suppliers, contractors to be able to perform duties safely and take care of products during the process up to finished products to ensure that such products will be protected from theft, change of goods or raw materials by preparing the document:

COP-P-13-01 Code of Practices on Physical Access Control

At the same time, JHL Metallurgical must ensure that the delivered products are safe for users.

JHL Metallurgical has measures to prevent COVID-19 infectious disease by preparing the document WI-MR-01, Epidemic Prevention and Response Manual and measures to deal with the COVID-19 epidemic for visitors to inquire before coming into contact with JHL Metallurgical for the safety of employees and visitors.

COP 14: PROVENANCE CLAIMS

JHL Metallurgical has established the working procedures relating to product claims according to document No. COP-P-14-01 Code of Practices on Product Claim Statements. Such statements must be indicated on delivery document, e.g. Provenence Claims as specified by the customer or according to the facts of the product being claimed, for example, “All gold and silver used for production of the Collection products is 100% recycled gold and silver based on suppliers' written guarantees and transfer documents.”

At the same time, JHL Metallurgical has arranged the channels for complaints about product claims as per document No. COP-P-14-02 Code of Practices on Receiving Product Complaints according to the product claim complaint form COP-FM-14-01.

COP 15: GENERAL EMPLOYMENT TERM,
COP16: WORKING HOUR,
COP17: REMUNERATION,
COP18: HARASSMENT,
COP19: CHILD LABOR,
COP20: FORCED LABOR,
COP21: FREEDOM OF ASSOCIATION,
COP22: NON DISCRIMINATION

JHL Metallurgical has prepared the document COP-P-15,16,17,19,20,21,22-01 Code of Practices on Employment and Labor Management, which covers from COP15 – COP 22 except COP18.

JHL Metallurgical has established the document COP-P-18-01 Code of Practices on Sexual Harassment. In 2022, there were no labor issues according to COP15- COP22.

COP23: HEALTH & SAFETY

JHL Metallurgical was able to operate in compliance with Health & Safety Rules by being in the process of seeking ISO 45001 certification.

COP24: ENVIRONMENTAL

JHL Metallurgical was able to comply with environmental rules by receiving ISO 14001 certification and passing the audit with neither significant issues nor issues that cannot be resolved. It is also expected that the certificate will be obtained within January 2023.

COP25: HAZARDOUS SUBSTANCE

JHL Metallurgical has prepared the document EMS-P-8.1-04(SE) Chemical Hazard Control . JHL Metallurgical has also created a project to reduce the use of chemicals in the processes by replacing with more powerful chemicals, being able to use in reduced amounts.

JHL Metallurgical has created a chemical register with safety document of each chemical item as well as requested permission to import chemicals as required by law.

In 2022, there were no chemical incidents.

COP26: WASTE & EMISSION

JHL Metallurgical has prepared the document EMS-P-8.1-02(SE) Waste Management, which can effectively control waste generated by the processes. For hazardous waste and infectious waste, arrangements have been made for a licensed waste disposal company to dispose of.

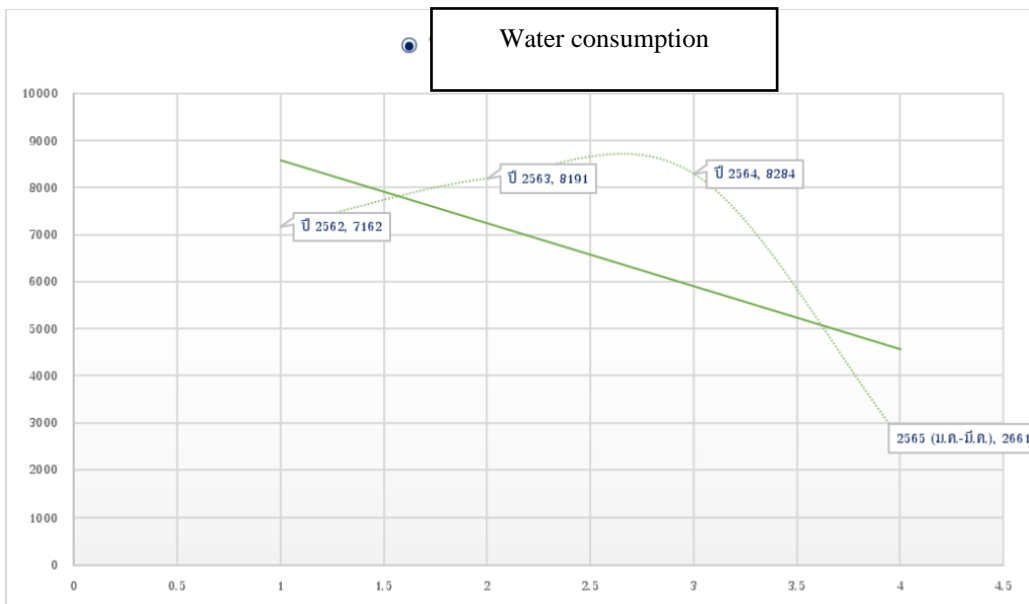
As for Emission, JHL Metallurgical has arranged inspection of the air emitted from the chimney according to specified standards. In 2022, there were no issues of waste management and emission of polluted air into the atmosphere.

COP 27: NATURAL RESOURCES

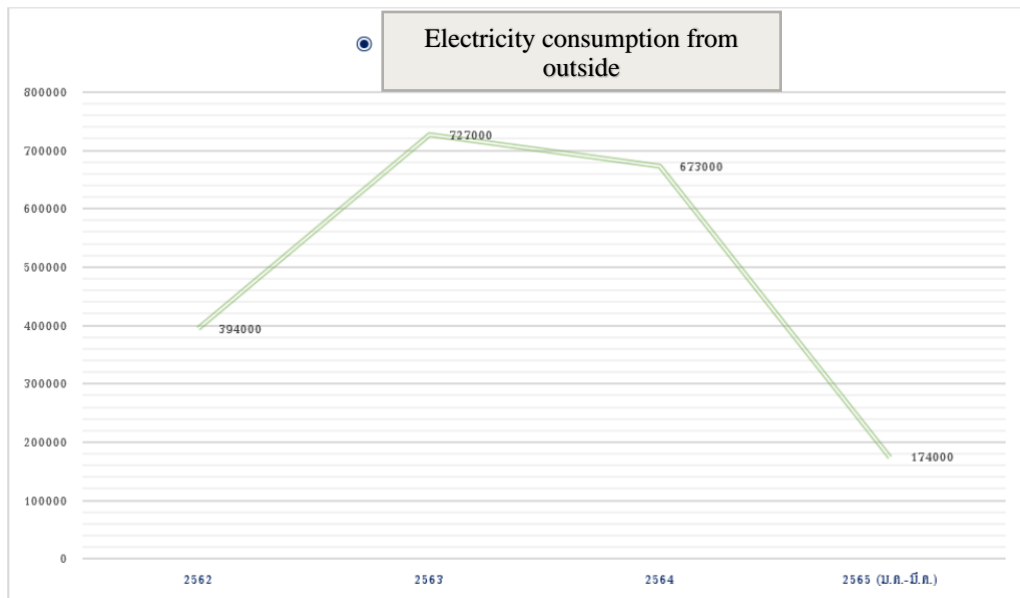
BUSINESS PRACTICES & MATERIAL ISSUES

JHL Metallurgical has operated its business by controlling the efficient use of natural resources and energy. Resources used include water, paper, minerals, oil, gas and electricity. JHL Metallurgical has established the indicators to control the use of such resources and energy. From monitoring the data in the year 2022, it was found that the operational results were as follows.

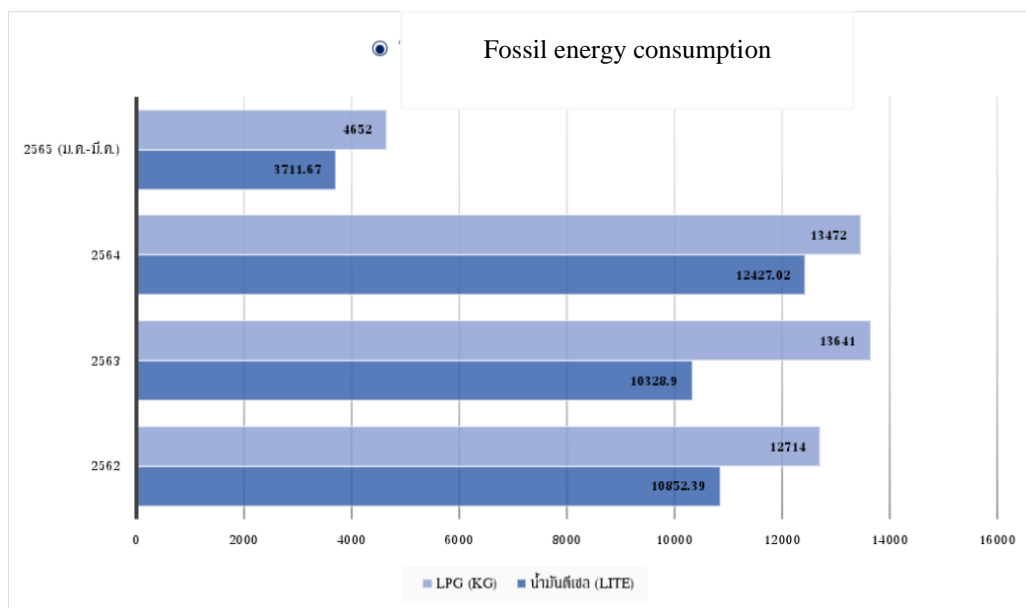
Water consumption



Electricity consumption



Gas consumption



Furthermore, JHL Metallurgical has communicated to suppliers in the supply chain for requesting cooperation in controlling the use of natural resources and energy, which has been well received.

ACTIONS & OUTCOMES

In case of detected abnormal use of resources and energy in certain periods, JHL Metallurgical has arranged for analysis of relevant data and situations to assess the trends and determine the methods for controlling the use of resources and energy to be more efficient by a cause and effect diagram technique based on 4M 1E for Root cause analysis by using the 5 WHY questions and establishing an action plan for effective correction and prevention.

JHL Metallurgical has repaired, maintained relevant equipment to control water leakage. As for employees, the air conditioning system and lighting system have been replaced by using energy-saving equipment instead of existing equipment with a long service life.

JHL Metallurgical has controlled the supply chain by selecting RJC CoC certified suppliers with controlled resource and energy consumption required by regulations.

According to resource and energy consumption rate data in 2022, it was found that the consumption of resources and energy has constantly decreased every year, which has met the set maximum goals. Besides, so as to achieve the increased effectiveness for control, JHL Metallurgical has therefore provided the Consumption base line by calculation from the average rate of resource and energy consumption for 5 consecutive years in order to set the goals for the following years.

COP 28: PRODUCT DISCLOSURE

JHL Metallurgical has established the document COP-P-28-01 Code of Practices on Product and Raw Material Disclosure to disclose product and raw material information in delivery document received from

suppliers in the supply chain and delivery document sent by JHL Metallurgical to customers by following the document CoC10-RP-01 Code of Practices on CoC Transfer Document, CoC10-FM-01 Material Transfer Document, CoC10-FM-02 Material Transfer Document In - out Log and CoC11- RP-01 Code of Practices, Claims, Products and Intellectual Property.

In 2022, JHL Metallurgical had no issues related to product disclosure.

COP 29: KIMBERLEY PROCESS CERTIFICATION SCHEME AND WORLD DIAMOND COUNCIL SYSTEM OF WARRANTIES (KPCS & SoW)

JHL Metallurgical has had no related activities according to COP 29.

For the summery overview in the year 2022, JHL Metallurgical was able to carry out business and activities as well as related processes in conformity with practice guidelines according to the RJC COP, RJC CoC requirements and other relevant legal provisions.

JHL Metallurgical has strived to improve and develop the system as well as promote good cooperation with suppliers in the supply chain to ensure the effectiveness of processes and product quality continuously.

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