



The Directors of
Umicore Brasil Ltda in Guarulhos
Rua Barão do Rio Branco, 368
07042- 010 – Guarulhos - SP
Brasil

INDEPENDENT LIMITED ASSURANCE REPORT TO UMICORE BRASIL LTDA

Independent Limited Assurance Report

This report has been prepared in accordance with the terms of our engagement contract dated 20 December 2016 (the “Contract”), whereby we have been engaged by Umicore Brasil Ltda in Guarulhos (hereafter “Umicore Brasil”) to express limited assurance on their LBMA Refiner’s Compliance Report (hereafter “Compliance Report”) for the year ended 31 December 2016 in accordance with version 6 (dated 14/08/2015) of the LBMA Responsible Gold Guidance (hereafter the “Criteria”).

The Directors’ responsibility

The Directors of Umicore Brasil are responsible for the preparation and presentation of the Compliance Report in accordance with the Criteria. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The activities identified by the management as relevant for demonstrating compliance with the Criteria are the due diligence procedures described within the Compliance Report.

Auditor’s Responsibility

Our responsibility is to carry out a limited assurance engagement and 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 Criteria.

The extent of evidence-gathering procedures performed in a limited assurance engagement is less than for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

Limited assurance procedures performed

We planned and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. These procedures included:

*PwC Bedrijfsrevisoren cvba, burgerlijke vennootschap met handelsvorm - PwC Reviseurs d’Entreprises scrl, société civile à forme commerciale - Risk Assurance Services
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- Enquiries of management to gain an understanding of Umicore Brasil's processes and risk management protocols in place;
- Enquiries of relevant staff responsible for the preparation of the Compliance Report;
- Site visit to the Refiner;
- Assessing the suitability of the policies, procedures and internal controls that Umicore Brasil has in place to conform to the Criteria;
- Review of a selection of the supporting documentation, including gold supplier counterparty due diligence file and transaction's documentation;
- Test a selection of the underlying processes and controls that support the information in the Compliance Report; and
- Review of the presentation of the Compliance Report to ensure consistency with our findings.

Inherent limitations

Non-financial information, such as that included in the 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 Criteria may differ.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our audit firm applies International Standard on Quality Control (ISQC) n° 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the limited assurance procedures performed, as described above, nothing has come to our attention that causes us to believe that Umicore Brasil's Refiner's Compliance Report for the year ended 31 December 2016, does not describes fairly, in all material respects, the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein, is not in accordance with the Criteria.



Restriction on Use and Distribution of our Report

Our assurance report has been made in accordance with the terms of our engagement contract. Our report is intended solely for the use of Umicore Brasil, in connection with the purpose set out in the Contract for the year ended 31 December 2016 and should not be used for any other purpose. We do not accept, or assume responsibility to anyone else, except to Umicore Brasil for our work, for this report, or for the conclusions that we have reached.

Sint-Stevens-Woluwe, 24 March 2017

PwC Bedrijfsrevisoren bcvba
Represented by

A handwritten signature in blue ink, consisting of a large, sweeping oval shape with a vertical line through it and a small loop at the bottom right, positioned above the printed name and title.

Marc Daelman*
Partner

*Marc Daelman BVBA
Board Member, represented by its fixed representative,
Marc Daelman

Table 1: Refiner's details	
Refiner's name	Umicore Brasil Ltda. – Business unit Precious Metals Refining (hereinafter UPMR Brazil)
Location	Guarulhos, Brazil
Reporting Year-end	2016
Date of Report	27/01/2017
Senior Management responsible for this Report	General Manager UPMR Brazil

Table 2	Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong company management systems	
Compliance Statement with Requirement UPMR Brazil has fully complied with step 1 “Establish strong management systems”.	
1. Has the Refiner adopted a company policy regarding due diligence for supply chains of gold?	
<p>Comments and Demonstration of Compliance</p> <p>A specific Group Policy “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas” has been effective within the Umicore Group as from 4 February 2013 and it is available on Umicore Brasil website: http://www.umicore.com.br/nossosnegocios/recycling/pmr/</p> <p>Based on the principals of this policy, UPMR Brazil adopts on an operational level a more detailed due diligence guideline covering following topics:</p> <ul style="list-style-type: none"> - Scope - Organization and responsibilities - Criteria for high-risk gold supply chain - Supply chain due diligence, inclusive of the business partner screening process - Monitoring of transactions - Maintaining records - Training <p>Other related documents are:</p> <ul style="list-style-type: none"> - Umicore Way - Code of Conduct 	
2. Has the Refiner set up an internal management structure to support supply chain due diligence?	
<p>Comments and Demonstration of Compliance</p> <p>Within UPMR Brazil an internal management system has been set up. This system defines the governance, roles and responsibilities, internal compliance reviews, communication and the senior management involvement in order to ensure compliance and due diligence. The compliance officer, having an independent function within the Umicore Brasil but outside the Precious Metals Refining business unit, has been assigned to manage the complete process. She is in a line of reporting to the senior management within the Umicore Brasil.</p>	

3. Has the Refiner established a strong internal system of due diligence, controls and transparency over gold supply chain, including traceability and identification of other supply chain actors?
<p>Comments and Demonstration of Compliance</p> <p>The Umicore Group and UPMR Brazil are committed to promoting honest and ethical business conduct by all of its employees, directors, officers and agents and compliance with the laws that govern the conduct of business worldwide. The Umicore Group and UPMR Brazil believe that a commitment to honesty, ethical conduct and integrity is an essential asset that builds trust with company clients, business partners, shareholders and the communities in which they operate.</p> <p>UPMR developed an internal risk based approach ensuring supply chain traceability and maintaining of records.</p> <p>The compliance officer reviews the gold supply chain due diligence and reports to the Administrative Director of Umicore Brasil.</p>
4. Has the Refiner strengthened company engagement with gold supplying counterparties, and where possible, assist gold supplying counterparties in building due diligence capabilities?
<p>Comments and Demonstration of Compliance</p> <p>As mentioned in the Sustainable Procurement Charter the Umicore Group expects that suppliers comply with all applicable environmental laws and regulations in all territories where suppliers operate and that they possess all the necessary environmental permits and registrations.</p> <p>The Umicore Group expects that suppliers respect the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the international law in Human Rights. The Umicore Group expects that suppliers are not complicit in any way in Human Right abuses.</p> <p>The UPMR Brazil requires that all Gold Supply Chain counterparties commit themselves formally by signing a letter in compliance with LBMA Gold Guidance.</p> <p>Furthermore, when applicable, a site visit may be performed in respect of compliance with LBMA Responsible Gold Guidance.</p> <p>UPMR Brazil concludes as much as possible long term contracts with reliable suppliers.</p>
5. Has the Refiner established a company-wide communication mechanism to promote broad based employee participation and risk identification to management?
<p>Comments and Demonstration of Compliance</p> <p>Training is very important for UPMR Brazil and a training program on LBMA Gold Guidance and on Internal Procedures has been installed for all employees concerned. Policies and procedures were communicated from Umicore Group and from UPMR Brussels via intranet. Continuous training and development on the one hand and brief, clear in precise communication on the other hand, promote employee participation.</p> <p>The Corporate Security Officer is conducting as from 2013, regular internal compliance reviews with respect to the application of the internal procedures. Results are communicated to the senior</p>

<p>manager of PMR, compliance officer, supervisor of quality, EHS & commercial projects and other managers of UPMR Brazil.</p> <p>Within UPMR Brazil an escalation procedure has been installed. Exceeding certain risk levels with respect to business partner screening and/or material screening, implies the intervention of the compliance officer and senior manager and the communication to the Chief Security Officer, in Brussels.</p>
<p>Step 2: Identify and assess risks in the supply chain</p>
<p>Compliance Statement with Requirement UPMR Brazil has fully complied with step 2 “Identify and assess risk in the supply chain”.</p>
<p>1. Does the refiner have a process to identify risks in the supply chain?</p>
<p>Comments and Demonstration of Compliance As mentioned in step 1.3, UPMR Brazil developed an internal risk based approach to detect systematically risks throughout the gold supply chain, as well for mined gold as for recycled gold.</p>
<p>2. Does the refiner assess risks in light of the standards of their due diligence system?</p>
<p>Comments and Demonstration of Compliance UPMR Brazil assesses risks in light of the standards of its due diligence system. Key documents are the internal due diligence guideline and the Group Policy “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas”. These documents contain all measures required by the LBMA Responsible Gold Guidance.</p> <p>UPMR Brazil performs enhanced due diligence for high risk categories, as well for business partner screening as for material screening. In addition, UPMR Brazil conducts appropriate scrutiny and monitoring of individual transactions.</p> <p>UPMR Brazil verifies that the supply chain documents are consistent with each other and with its knowledge of the supply chain.</p>
<p>3. Does the refiner report risk assessment to the designated manager</p>
<p>Comments and Demonstration of Compliance As explained in step 1.5., escalation procedure has been installed within UPMR Brazil, whereby the compliance officer and senior manager must be involved when certain risk levels are exceeded.</p> <p>As from 2013, regular internal compliance reviews are being conducted by the Corporate Security Officer. Audit results are reported to the senior manager of PMR and compliance officer.</p>
<p>Step 3: Design and implement a management system to respond to identified risks</p>
<p>Compliance Statement with Requirement UPMR Brazil has fully complied with step 3 “Design and implement a management system to respond to identified risks”.</p>

<p>1. Has the refiner devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing trade; (ii) mitigation of the risk while suspending trade; (iii) disengagement of the risk?</p>
<p>Comments and Demonstration of Compliance As explained in step 1.5., escalation procedure have been installed within UPMR Brazil which involves the compliance officer and senior manager in case of higher risk. Transactions will be put on hold. The decision of the compliance officer and senior manager could lead to mitigation of the risk or could lead to disengagement.</p>
<p>2. Where a management strategy of risk mitigation is undertaken, it should include steps to be taken and achieved, monitoring or performance, periodic reassessment of risk and regular reporting to designated senior management.</p>
<p>Comments and Demonstration of Compliance A systematic monitoring of transactions is embedded in UPMR Brazil’s supply chain processes and practices. As from 2013, regular internal compliance reviews are being conducted by the Corporate Security Officer. Audit results are reported to the senior manager of PMR and compliance officer.</p>
<p>Step 4: Arrange for an independent third-party audit of supply chain due diligence</p>
<p>Compliance Statement with Requirement UPMR Brazil has fully complied with step 4 “Arrange for an independent third-party audit of supply chain due diligence”.</p>
<p>Comments and Demonstration of Compliance UPMR Brazil engaged the services of the assurance provider PwC and their Independent Limited Assurance Report is available on Umicore Brasil website: http://www.umicore.com.br/nossosnegocios/recycling/pmr/</p>
<p>Step 5: Report on supply chain due diligence</p>
<p>Compliance Statement with Requirement UPMR Brazil has fully complied with step 5 “Report on supply chain due diligence”</p>
<p>Comments Further information and specific details of how UPMR Brazil’s systems, procedures, processes and controls have been implemented to align to the specific requirements in the <i>LBMA Responsible Gold Guidance</i> have been set out in Refiner’s Compliance Report, which is public available on Umicore Brasil website: http://www.umicore.com.br/nossosnegocios/recycling/pmr/</p>

Table 3	Management conclusion
Is the refiner in compliance with the requirements of the LBMA Responsible Gold Guidance for the reporting period	
Yes	<p data-bbox="451 331 591 361">Comments</p> <p data-bbox="451 365 1373 499">Umicore Precious Metals Refining Brazil (UPMR Brazil) implemented effective management systems, processes and practices to confirm to the requirements of the LBMA Responsible Gold Guidance, as explained above in Table 2, for the reporting year ended 31 December 2016.</p> <p data-bbox="451 533 1373 701">Regarding management systems, processes and practices in the domain of “Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas”, Umicore Precious Metals Refining Brazil (UPMR Brazil) received feedback after the independent audit, conducted by PricewaterhouseCoopers on January 2017.</p> <p data-bbox="451 735 1373 926">Umicore Precious Metals Refining Brazil (UPMR Brazil) is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis. In case corrective actions plans would be necessary, these will be communicated separately to the LBMA Physical Committee, in its role as administrator of the LBMA Responsible Gold Guidance.</p>

Table 4	Other report comments
<p data-bbox="250 1008 389 1037">Comments</p> <p data-bbox="250 1041 795 1071">UPMR Brazil has no further report comments.</p>	