

Policy of Compliance and Ethics of Bauer-Walser AG

Starting with the company H.F.Bauer, a manufacturer of gold watch cases and watch bracelets, the Bauer-Walser AG has been established in the precious metal industry since 1924.

We are engaged in design, development and production of semi-finished precious metal products including reworking of materials with precious metal content and recovery of residues from the precious-metal-processing industry as well as precious metals trading.

It is the declared policy and practice of the Bauer-Walser AG to maintain high standards of ethical conduct, to comply with all applicable laws, to exercise full transparency of our transactions and engage only with persons and/or companies who themselves abide by laws and ethical principles.

Respect for the environment, the responsible use of natural resources and energy and respect for human rights are a matter of course for us.

This includes adhering to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

We supplement and administer this policy through more specific codes such as the FV EM "Code of Conduct" and RJC "Code Of Practices" (see below), our policy concerning conflict minerals (as defined in the Dodd-Frank-Act) and others, effective communication and training, regular monitoring and periodic review.

The Bauer-Walser AG is a member of the Fachvereinigung Edelmetalle (German Precious Metals Federation), an industry association representing the political interests of the producers and manufacturers of precious metals such as gold, silver, platinum, palladium and other platinum group metals.

The Fachvereinigung Edelmetalle and its member companies commit to their social, environmental and economical responsibility. Within the bounds of their business the members of Fachvereinigung Edelmetalle actively respect, support and encourage humanitarian working conditions, social progress, environmentally sound management of their production and their products, health care, transparency and open communication.

With the signing of the Code of Conduct the members of Fachvereinigung Edelmetalle commit to follow these values and principles in a sustained manner.

The Code of Conduct does justice to the outstanding role and to the special responsibility of the German producers and manufacturers of precious metals as valuable key-elements in a globalized world.

The Fachvereinigung Edelmetalle and its members support the United Nations (www.unglobalcompact.org) and the International Labour Organization (www.ilo.org) in the effort to create socially responsible management principles.

In 2016, Bauer-Walser AG also became a certified member of the Responsible Jewellery Council (RJC).

The RJC is a standards-setting organisation that has been established to advance responsible ethical, human rights, social and environmental practices throughout the diamond, gold and platinum group metals jewellery supply chain.

The RJC has developed a benchmark standard (COP = Code of Practices) for verifying responsible business practices as well as a Chain-of-Custody (CoC) standard for the transparency of the origin and safe sourcing of raw materials for the jewellery supply chain. The reviews of the responsible corporate practices required in the standards are carried out by third-party audits and certification.

As an RJC Member we commit to operating our business in accordance with the RJC Code of Practices as well as the RJC Chain-of-Custody standard. We commit to integrating the RJC principles for ethical, human rights, social and environmental considerations into our day-to-day operations, business planning activities and decision making processes.

A handwritten signature in black ink, appearing to read 'K. Karner', is positioned above the printed name and title.

Karlheinz Karner
CEO

Keltern, März 2019