

Slavery and Human Trafficking Statement of the World Gold Council for the financial year 2020

Modern slavery is a term used to encompass slavery, servitude, forced and compulsory labour and human trafficking. It includes both adults and children being forced to work against their free will. The Modern Slavery Act (“the Act”) is a significant step in confronting human trafficking and modern slavery, both in the UK and abroad.

The World Gold Council recognises that it has a responsibility to take a robust approach to modern slavery and human trafficking and the organisation is absolutely committed to preventing slavery and human trafficking in its operations and supply chains. This statement sets out the actions that we take to address the risk of slavery or human trafficking in our operations and supply chains.

The World Gold Council structure, membership and operations

Structure

The World Gold Council is the market development organisation for the gold industry. Our purpose is to stimulate and sustain demand for gold, provide industry leadership and be the global authority on the gold market. The World Gold Council is an association whose Members comprise the world’s leading gold mining and gold royalty companies; through its subsidiaries, it operates in the United Kingdom, India, the East Asia and the United States.

Membership

The World Gold Council’s Members are gold mining and gold royalty companies which have operations in over forty-five countries, including areas which may be associated with modern slavery and/or human trafficking. Our Members work to ensure gold mining is responsibly undertaken, with measurable economic benefit to the countries in which they operate, including via the World Gold Council’s Responsible Gold Mining Principles. The World Gold Council operates in an autonomous manner and does not have direct control or significant influence over Members’ operations.

Operations

As the primary focus of the organisation is stimulating demand for gold, the third-party suppliers we engage with are largely limited to internationally reputable professional services firms and consultants, whose activities are inherently low-risk with regards to the Act. However, we still recognise the importance of our controls against modern slavery in these relationships.

Steps we take to address Modern Slavery risks in our operations

Like many other organisations, we recognise that modern slavery can sometimes be difficult to identify in our supply chains. As such, we aim to provide our employees with the necessary support to enable them to consider modern slavery risks and other responsible sourcing considerations when determining suppliers.

All our people are required to abide by the World Gold Council’s Code of Conduct and Procurement policies. They must confirm that they have read and understood and will adhere to these policies when they join the organisation and annually thereafter. As well as providing guidance on the selection of suppliers, with appropriate due diligence, and the ongoing relationships with suppliers, the policies contain unequivocal statements around:

- maintaining responsible supply chains;
- not engaging suppliers who are known to compromise the health and safety of their employees, are involved in bribery or corruption, or are known to or suspected of being involved in modern slavery or human trafficking; and

- not condoning any illegal or unethical behaviour on the part of our suppliers, contractors or consultants.

We also actively encourage our employees to report any issues or concerns they may have, including any breaches in the Code of Conduct and Procurement policies. The approach to raising or reporting any such concerns or issues is documented in our Whistleblowing policy.

These policies are easily accessible to all employees and the General Counsel has assumed responsibility for compliance with the Act.

Due Diligence Processes as Sponsor for GLD and GLDM

In the United States, the World Gold Council, through US subsidiaries, acts as the sponsor of SPDR® Gold Shares (GLD) and SPDR® Gold MiniSharesSM (GLDM) with GLD being the largest physically backed gold exchange-traded fund (“ETF”) in the world. The nature of GLD and GLDM is such that they are required to hold physical quantities of gold, which are purchased or sold as part of each ETF’s trading. The sourcing of gold presents risk as it may originate from areas of the world which may be associated with modern slavery and/or human trafficking.

Due to the risk associated with the gold held by each ETF we continue to review and monitor our controls and processes in this area. Working with the custodians of the gold bullion, HSBC and ICBC Standard, steps are taken to ensure that all gold is sourced from refiners who are included on the LBMA Good Delivery List at the time that the gold was produced. We believe that this is an important control to tackling the risk of modern slavery.

In order to be included on the LBMA Good Delivery List, the refiner must follow the LBMA Responsible Gold Guidance (“the Guidance”), which is mandatory and subject to audit. The Guidance specifically states that refiners ‘collect and maintain documentation regarding the sources of Mined Gold, Recycled Gold, or any other feedstock, in order to ensure that they have not financed conflict, have not participated in abuse of human rights or money laundering, nor financed terrorism at any point in the supply chain’. The definition of abuse of human rights mirrors that of The International Bill of Human Rights, which includes slavery.

In addition to ensuring that all gold is sourced from refiners on the LBMA Good Delivery List at the time that the gold was produced, we have also performed a full review of the controls around the integrity of the gold held by GLD and GLDM during the year. As a result of these steps, we believe that the risk of modern slavery is sufficiently addressed.

Looking forward

In the financial year ended 31 December 2020, our approach to the prevention of modern slavery was to monitor and enhance our existing processes and policies, particularly in the areas of our operations which were most at risk.

In the coming year we will continue to monitor our standards and benchmark our approach against regulatory requirements and available guidance and also take steps to increase awareness throughout the organisation with dedicated training on the risks of modern slavery.

Approval

This statement has been published in accordance with Section 54 of the Modern Slavery Act 2015 and relates to the year ending 31 December 2020. It has been approved by the Board of Directors of the World Gold Council.