

JBR Recovery Ltd



The LBMA Responsible 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 to combat terrorist financing practice.

This report summarises how JBR Recovery Ltd (JBR) as a good delivery refiner has complied with the requirements of the LBMA Responsible Silver Guidance.

Refiners Details	
Refiners Name	JBR RECOVERY LTD
Location	Argentor House, Oldbury Lane, West Bromwich, B70 9BS, United Kingdom
Reporting Year-End	March 2020
Senior Management Responsible for this report	Simon Meddings — Managing Director simon.meddings@jbr.co.uk

Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Compliance Statement with Requirement:

JBR has fully complied with step1: Establish strong company management systems.

Has the refiner adopted a company policy regarding due diligence for supply chain of Silver?

JBR has adopted a strong policy regarding due diligence for supply chains of Silver, we apply Responsible Supply Chain Policy based upon our company policy of Compliance and Ethics. The supply chain policy has been formulised during the last

reporting year and is fully compliant with Annex II of the OECD Due Diligence for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

This policy sets out our full commitment to:

Fight human rights abuses associated with extraction, transportation and trade of precious metals;

To mitigate the risk of money laundering and responsibility to conduct systematic risk-based due diligence over our supply chains;

To screen and monitor the transactions and governance structures in place of our suppliers and to maintain adequate records of their due diligence documents and supply chain traceability;

To ensure on-going training of our staff involved in the supply chain.

Has the refiner set up an internal management structure to support supply chain due diligence?

JBR has set up an internal management structure to support supply chain due diligence.

We have efficient internal management system which main effort is to embed the supply chain due diligence into every structure and process to define the governance, roles, responsibilities, internal audit and communication. The managing of the due diligence process is clearly defined. The Compliance Officer is assigned with the right competence and knowledge to manage the entire process and report to senior management.

Has the refiner established a strong internal system of due diligence, controls and transparency over Silver supply chain, including traceability and identification of other supply chain actors?

JBR has established a strong internal system of due diligence, controls and transparency over Silver supply chain, including traceability and identification of other supply chain actors.

We have adopted a robust receipts process: specific documents must be received and transactional details entered before we process the Silver bearing material. Each lot is accurately registered in our transactional system. Specific controls are carried out before processing the material, JBR organises regular training for relevant persons involved in this process to make sure guidelines are followed and respected. Any form of non-conformity is unacceptable and must be reported to the Compliance Officer and Senior management.

Has the refiner strengthened company engagement with Silver supplying counterparties, and where possible, assisted Silver supplying counterparties in building due diligence capabilities?

JBR has strengthened company engagement with Silver supplying counterparties, and where possible, assisted Silver supplying counterparties in building due diligence capabilities.

We make our responsible supply chain policies and procedures available to our supply chain actors through email and availability on our website and allow these actors partners and suppliers access and use of these responsible sourcing policies and procedures.

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Has the refiner established a company-wide communication mechanism to promote broad-based employee participation and risk identification to management?

JBR has established a company-wide communication mechanism to promote broad-based employee participation and risk identification to management.

We have implemented whistleblowing and grievance policy which provides any interested party to voice concerns regarding the circumstances of Silver extraction, trade, handling and export in conflict-affected and high-risk areas and any other perceived risks to the supply chain. All reports can be made via differing methods, email, post or face to face.

Step 2: identify and assess risks in the supply chain

Compliance statement with requirement:

JBR has fully complied with step 2: identify and assess risk in the supply chain.

Does the refiner have a process to identify risks in the supply chain?

JBR has a process to identify risks in the supply chain.

We identify and assess risks for every supplier, we have established a client database and allocate a risk profile accordingly. the process is a formal requirement before entering any business relationship with a supplying counterparty. Our due diligence process is carried out on a risk-based approach.

We use modelling techniques to map our KYC process which are used as a reference to identify possible risks and to mitigate these risks to the supply chain.

Does the refiner assess risks in light of the standards of their due diligence system?

JBR assess risks in light of the standards of their due diligence system.

We perform our supply chain due diligence in line with all measures required by the LBMA and UK money laundering regulations and other global standards where applicable, before entering into a business relationship with any Supplier. We constantly monitor all transactions which take place through the course of the business relationship and we conduct appropriate scrutiny and monitoring of our risk-based approach.

Does the refiner report risk assessment to the designated manager? JBR

reports risk assessment to the designated manager-Managing Director.

The Compliance Officer verifies the potential risks in line with the internal codes of JBR as well as OECD guidelines, FATF recommendations and UK money

laundering regulations. All new high-risk suppliers must be approved by senior management, whilst those existing high-risk clients must be re-assessed annually.

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

Compliance Statement with Requirement:

JBR has fully complied with step 3: Design and implement systems to respond to identified risks.

Has the refiner 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?

JBR has adopted a screening process for all business partners to identify risks in the supply chain. The screening allows JBR to manage risk through a rigorous risk assessment of all business partners and transactions through a regular reassessment process. In addition, identified risks are brought up from compliance or business or any other stakeholder to senior management, which after careful analysis decide how to proceed and what kind of action-measures have to be taken.

The results of the risk management strategy adopted either of the following are undertaken (i) mitigation of the risk while continuing to trade (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk.

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.

Procedures are in place and applied accordingly. If a case of risk assessment identifies high risk criteria, we shall actively approach our supplier to receive further information. If it is deemed, we cannot mitigate the risk a decision to suspend or close the business relationship will be taken.

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

Compliance Statement with Requirement:

JBR have fully complied with step 4: Arrange for an independent third-party audit of our supply chain due diligence.

JBR have engaged the services of the assurance provider RCS Global as their independent reasonable assurance report can be viewed as soon as available on www.jbr.co.uk

Step 5: Report on Supply Chain due diligence

Compliance Statement with Requirement:

JBR have fully complied with step 5: Report on supply chain due diligence.

Further information and specific details of how JBR systems, procedures, processes and controls have been implemented to align to the specific requirements in the

LBMA Responsible Silver Guidance have been set out in our responsible supply chain policy available on www.jbr.co.uk/policies&procedures

Management Conclusion

Is the refiner in compliance with the requirements of the LBMA Responsible Silver Guidance for the reporting period?

JBR is in compliance with the requirements of the LBMA Responsible Silver Guidance for the reporting period April 2019-March 2020.

In conclusion, JBR implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Silver Guidance as explained in table 2 of the guidance, for the reporting year April 2019- March 2020.

JBR are committed to continuous improvement for all aspects of its supply chain and any corrective actions identified will be monitored internally on a regular basis and action taken when and where appropriate.

Other report comments

If users of this report wish to provide any feedback to JBR Recovery Ltd with respect to this report, they can contact via email simon.meddings@jbr.co.uk or compliance@jbr.co.uk

Signed: *Simon Meddings*

Simon Meddings - Managing Director

Date : April 2020



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