

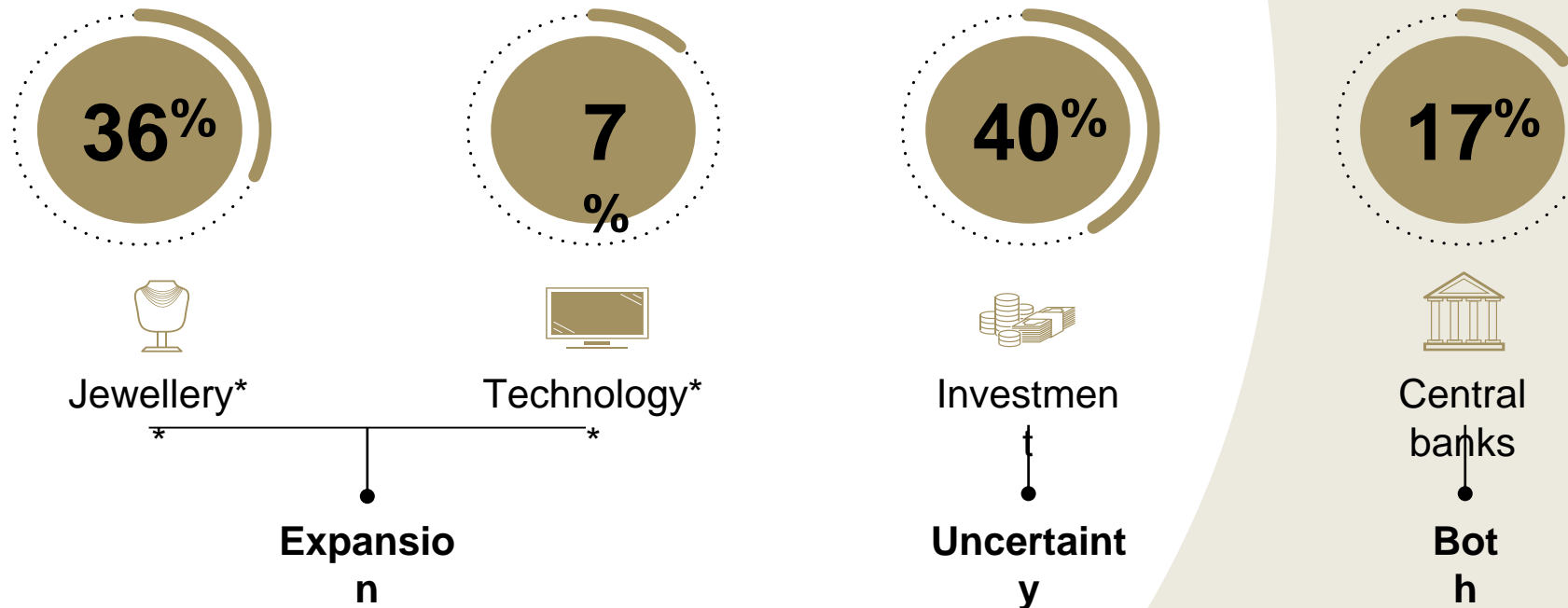
GOLD AS A TRUSTED AND SUSTAINABLE ASSET

Andrew Naylor
World Gold Council
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Sources of gold demand

Average annual net demand ≈ 3,100 tonnes* (approx. US\$177bn)



Source: Metals Focus, Refinitiv GFMS, World Gold Council

*Based on 10-year average annual net demand estimates ending in 2021. Includes: jewellery and technology net of recycling, in addition to bars & coins, ETFs and central bank demand which are historically reported on a net basis. It excludes over-the-counter demand. Figures may not add to 100% due to rounding. US dollar value computed using the 2021 annual average LBMA Gold Price PM USD.

** Net jewellery and technology demand computed assuming 90% of annual recycling comes from jewellery and 10% from technology. For more details, see: <https://www.gold.org/goldhub/research/market-primer/recycling>

Institutional investment – ensuring gold is a sustainable asset

Responsible Gold Mining Principles

An ESG framework which defines responsible gold mining.

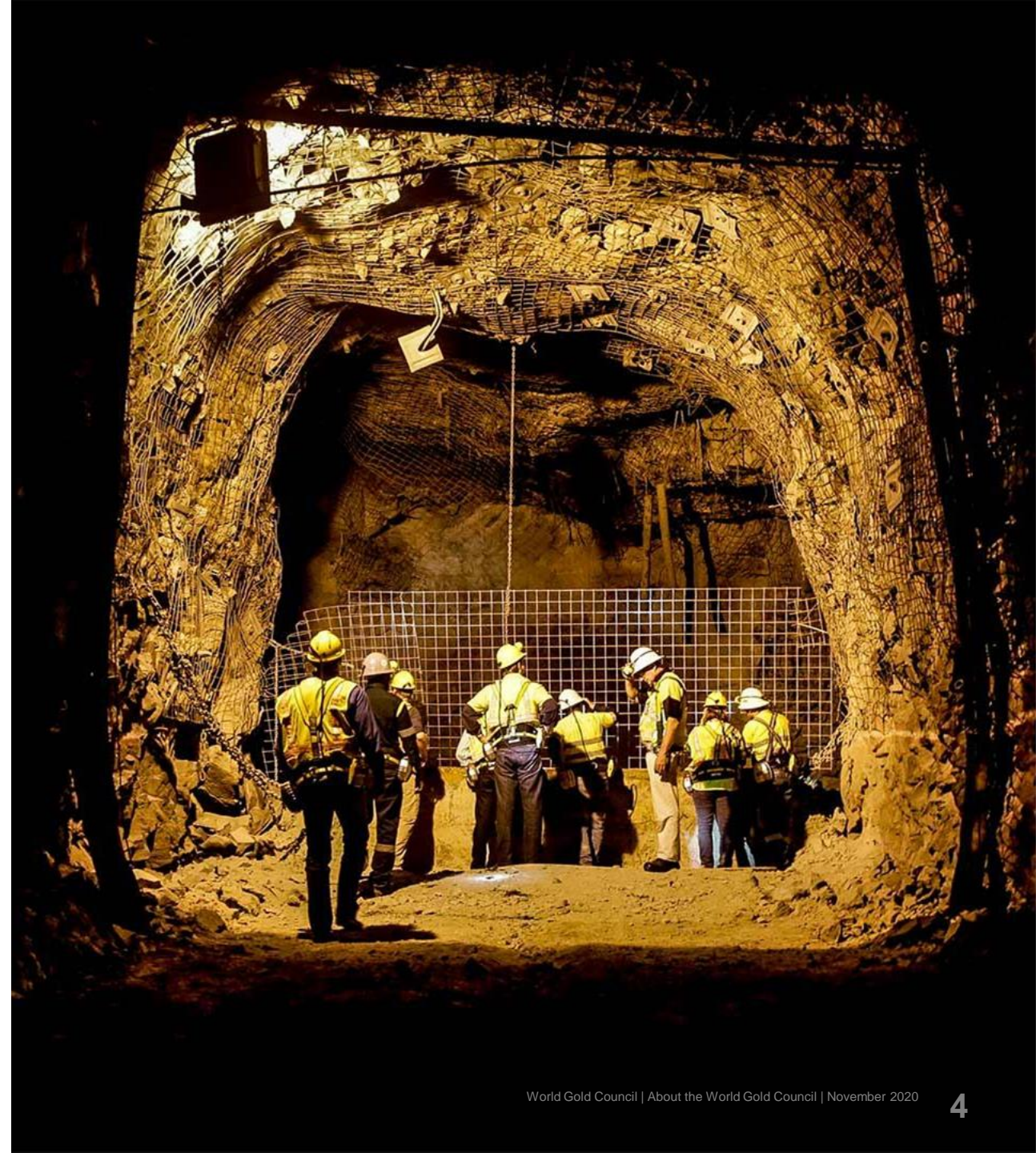
Provides investor and consumer confidence that the gold is ethically sourced.

Developed with strong input from civil society, governments and supply chain participants.

Conformance requires full public disclosure and independent assurance.

Reflects the commitment of the world's leading gold mining companies.

Image courtesy of Newcrest



Gold mining industry's contribution to the UN's Sustainable Development Goals

When undertaken responsibly...

The Responsible Gold Mining Principles provide an over-arching ESG framework which defines responsible gold mining.



...gold mining contributes significantly to **sustained social and economic development** including through employment, infrastructure, healthcare, education, environmental stewardship, and tax and royalty payments to government.





Retail investment – ensuring gold is a trusted asset

Significant untapped retail demand for gold



Considering investing in gold
■ Not considering investing in gold

Of 18,000 global consumers interviewed by the WGC in 2019,
83% are considering making a gold investment

And of those consumers considering a gold investment, close to
50% are new to gold

However, there are challenges to Retail Gold Investment that we must address

Retail investors

Potential buyers lack trust and awareness

48%

Cite trust as a barrier to buying gold¹

66%

Don't feel they know enough about gold¹

Product providers

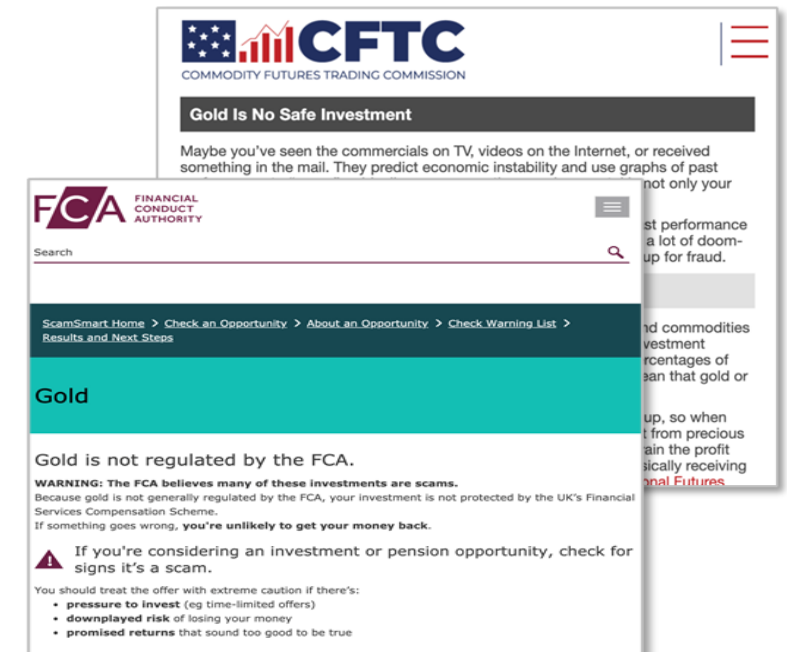
Missing best practices

- RGI products and providers are **typically unregulated** unlike registered funds and many alternative investments.
- The industry lacks a set of globally aligned or commonly recognized best practices.
- Level of industry collaboration is very low.

General public

Negative coverage

- Negative regulatory warnings



(1) Global gold considerers who have never bought and cited a lack of trust and awareness as a barrier to purchase; source: Retail gold insights 2019, World Gold Council.

Provider Principles: Publish RGIPs

Publication



The Principles

1. Fairness and Integrity

A provider must treat customers fairly and act with integrity, from information and service provision through to transaction completion.

2. Transparency

A provider must be transparent about prices and key terms and disclose other material information related to product features.

3. Protection of Client Assets

A provider must ensure adequate protection of customers' gold holdings and other assets, including cash held on behalf of customers.

4. Responsible Gold Sourcing

A provider must source gold of high integrity from trustworthy suppliers, whilst considering Environmental, Social and Governance (ESG) criteria.

5. Regulatory Compliance

A provider must adhere to all applicable regulations and local laws.

6. Commercial Prudence

A provider must not take excessive risks and should be prepared for various eventualities, including a company wind-down.

7. Operational Professionalism

A provider must conduct their business with due skill, care and diligence, and manage key risks.

Investor Journey: Publish RGI Investor Guidance

Publication



Investor Checklist

1. The Product You Buy

- Do you obtain outright ownership of physical gold?
- How do you store your gold safely?
- Does the product meet your specific needs?

2. The Company You Buy From

- Is the product provider trustworthy?
- Does the product provider adhere to any regulations or voluntary standards?

3. The Fees and Costs You Pay

- What are the costs for buying/selling the gold?
- Are there any other costs?

4. Marketing and Sales Efforts

- Are the potential returns and risks stated objectively?
- Are you able to make investment decisions without undue pressure?

5. The Operational Management of the Company

- How is the gold acquired?
- Are you appropriately protected?
- Is the provider using best practices in information technology?
- Are the company's gold sourcing and overall operations responsible?



Thank you

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