

Good morning and thanks to both the SBMA and the APPMC for inviting me to speak today.

To me, Singapore epitomises the best of the global gold market.

Not only a gold market hub, in one of the most dynamic regions of the world, Singapore is also both a facilitator of gold trade across Southeast Asia and a major refining centre.

It's a stable, well-regulated, financial centre and is increasingly respected internationally as a vaulting location.

Singapore is also at the forefront of the digital revolution that has the potential to transform our industry, and it's that same digital technology, that makes it a very exciting time for the gold industry.

On average, over \$150bn is traded every single day making gold more liquid than US T-bills whilst at the same time, being a physical asset with no credit risk, it is considered by most as a safe haven.

In many ways it performs differently from other asset classes, making it an effective portfolio diversifier and risk mitigator.

However, many institutional and retail investors shy away from the asset class owing to the many associated trust issues, provenance concerns, barriers to market participation, capital costs and settlement risks.

I have first-hand experience of this as I was the person who shut down the Global Commodity Trading operation, including Gold, at Credit Suisse.

Why? Because it was simply too difficult, risky and expensive to be involved with.

So it's clear that in order to broaden gold market participation this trust deficit needs to be addressed.

In this context, our job at the World Gold Council is not just about making the case for gold to investors, although that is an important part of what we do.

We also work to ensure gold remains relevant, trusted and attractive to both current and potential investors by promoting market innovation and development to expand access to gold and ensure our market, across the entire value chain, operates at the highest level of integrity.

For example, we are working to ensure gold is responsibly produced and importantly, recognised as such.

Environment, social and governance concerns are now at the forefront of the global investor and policymaker agenda, and we are often at the centre of those discussions.

Fortunately, the gold industry has a very positive, but often overlooked story to tell in this regard, as a huge amount of work has gone into ensuring gold is produced responsibly.

As an organisation, we are leading the ESG agenda for gold and gold mining, from developing the Responsible Gold Mining Principles to our comprehensive, annual research into the impact of climate change.

The Responsible Gold Mining Principles (RGMPs) which we launched in late 2019, provide an over-arching framework that sets out clear expectations for consumers, investors, and the downstream gold supply chain, as to what constitutes responsible gold mining.

The principles draw on the wide number of global instruments and codes that have been created over the last twenty years, by such bodies as the UN, OECD, and multi-lateral banks.

These codes have been hugely important in setting out expectations pertaining to responsible gold mining, and they continue to drive ongoing improvement.

Building on this work, together with the LBMA, we convened key actors in the global gold industry to develop an industry declaration of responsibility and sustainability principles.

The principles, announced last October, are acting as a catalyst for further change, and I'm looking forward to further developments when the Signatories Group – kindly chaired by Albert Cheng - meets this August in India.

Our commitments in this area extend beyond the mine gates and into gold's wider ecosystem.

The WGC and LBMA have also partnered to develop and implement an international system of gold bar integrity.

Using the latest digital technologies to create an exhaustive, immutable database for all gold, the aim is to expand the trusted, closed-loop ecosystem which currently exists for the 400oz gold bar, to incorporate smaller bars including kilo-bars.

This will help consumers, investors and all market participants trust that their gold is authentic and responsibly sourced.

In this context, the WGC has invested in Axedras, a Swiss company whom we firmly believe can provide the necessary robust technology our industry needs.

Global adoption of the bullion integrity database is also the critical foundation for a more accessible and fungible market that will unlock greater demand.

My thanks to the SBMA for their commitment to this database programme.

In addition, I am currently working with my Board, all 33 large scale mining CEO's, towards adoption and leverage of this platform to bring greater transparency to gold dore flows from mine to refiner, and you will hear more on this over the coming months.

Furthermore, we've extended this global integrity initiative to retailing, having learnt through our consumer research, that lack of trust is often a barrier to new investment in gold.

As this is particularly the case in the retail sector, we've taken the lead in developing the Retail Gold Investment Principles, which give gold product providers a detailed and comprehensive set of best practices, and an implementation road map to guide them.

Alongside the principles we have issued the Responsible Gold Investor Guidance, to help inform consumers what to expect from their retailers and so further improve standards.

It is our hope, that the RGIPs and the investor guidance will increase trust in the sector and unlock new demand for gold.

Since the global Principles were launched, we have been working on their implementation at a national level in key markets including India, China, Germany, the US, Canada, UK and here in Singapore.

I'm pleased to see that the SBMA has created a retail markets committee, that is specifically looking at a local code of conduct.

This Singapore Code of Conduct will be launched this year, which we are hopeful will form the basis for adoption throughout the major gold markets of South East Asia.

Underpinning all this work is digitalisation.

The digital revolution is upending the entire financial services sector, and the gold industry is not immune.

We must take advantage of the latest digital technologies, to transform how we interact with consumers and investors, how we trade gold, and how we ensure that gold has been responsibly sourced, produced and traded.

Key to unlocking this, is the use of distributed ledger technology, to create universally accepted “digital twins” of every unit of physical gold.

This forms the basis of the global gold integrity database I previously mentioned making gold traceable and trusted.

Making gold both fungible, and accessible is the next step in the digitalisation process.

Standardising gold into a fully gold backed digital format, that removes risk, lowers barriers to entry, improves participation and lowers the capital cost for institutional investors, must be our goal.

We are, in essence, working to remove the very reasons I was forced to close the Credit Suisse operation.

These digital efficiencies, will lead to greater demand, for gold from both the asset manager and retail sector, and quite obviously, will be of benefit to us all.

So, we have before us a great opportunity.

Technology has finally given us the chance to place gold, alongside all other mainstream financial assets, and remove the barriers that have held it back for so long.

But, no one stakeholder can do this on their own.

Only with the entire industry, working together as one, under one banner, can we make this happen and industry engagement and collaboration is at the heart of what the WGC does.

A recent example of how powerful collaboration can be, is at the Financial Markets Standards Board, or FMSB, and the multi-stakeholder working group convened to identify necessary enhancements, to the OTC gold market.

Over the past 3 years, the Precious Metals Working Group, made up of the world's leading banks, financial associations, the LBMA and World Gold Council, has undertaken an extensive review of this market and published a number of observations as to how fairness, effectiveness and transparency can all be enhanced.

Of the many observations identified by the working group, the fact that gold is not recognised as a High-Quality Liquid Asset, requires collective industry action and we will be working alongside the LBMA, and key industry stakeholders, to address both this hugely important issue, and a number of other significant market developments.

In conclusion, digitalisation will transform our market, but there is no point digitalising an asset that isn't completely trusted.

We must work together, as an industry, to develop universally accepted solutions that ensure our market operates at the highest levels of integrity.

We have an opportunity to make gold accessible to all.

Thank you very much, and I look forward to the discussions over the next couple of days.