

7AH 1951–2021

Precious To Us

Summary of 2021 Sustainability Report

The metals we process and the attention we give our stakeholders are precious. Our devotion to being a successful company, which allows us to assume long-term responsibilities, is precious. Above all, the environment and the social and economic context influenced by our actions are precious. Therefore, "Precious to us" expresses our approach to responsibility and sustainability, confirmed through five commitments.



1.

Involve our stakeholders

Relations with our stakeholders are an essential part of our operations. We share our approach and priorities and listen to their needs to promote a constructive dialogue.

2.

Work for a transparent and responsible chain

We are at the centre of the precious metals chain, and take this role very seriously. We do everything possible to ensure that our business partners act responsibly.

3.

Contribute to local development

As “Good Citizens”, we are committed to forming positive relations with the local community. We carefully assess the impact of our operations to ensure that the community benefits from our growth.

4.

Protect the environment

Constant attention, strict limits, and collaboration are the North Star of our commitment. Every year, we work to minimise our environmental footprint and urge our partners to do the same.

5.

Grow with our employees

The workplace plays a crucial role in our daily lives. It is therefore essential that everyone feels supported in their personal growth so that they may in turn contribute to the company's growth. We promote individual initiative and diversity, convinced that they are the key to success.

Argor-Heraeus

For over 70 years, we have been the reference point for the precious metals sector.

Metals processed

The metals we process – gold, silver, platinum, and palladium – are usually:

- Raw material from large and small mines
- Scrap
- Good Delivery material, already high quality

Clients

We work with clients in over 50 countries:

- Banks
- Mines
- Companies in the high-end watchmaking and jewellery industry

Annual production capacity

- Gold refining: 1,400 tonnes
- Silver refining 1,300 tonnes
- Cast bars: up to 6 million pieces
- Minted bars: up to 3 million pieces
- Semi-finished products: 120 tonnes of alloy

Heraeus Precious Metals

The Heraeus Group

Founded in 1851, Heraeus is a family-owned multinational portfolio company whose origins date back to a pharmacy that the family opened in 1660. Heraeus now operates in many sectors, including environment, energy, electronics, health, mobility, and industrial applications. In 2021, Heraeus generated revenues of 29.5 billion euros, with more than 16,000 employees (including temporary workers) in 40 countries.

Heraeus Precious Metals

Argor-Heraeus is part of the Heraeus Precious Metals (HPM) Global Business Unit of the Heraeus Group. HPM, whose operations are based on many years of experience on the entire value chain, is the world's leading provider of precious metals products and services.



2021 at a glance

Water consumption (m³)



Energy consumption (Gj)



CO₂ emissions, scope I (T)



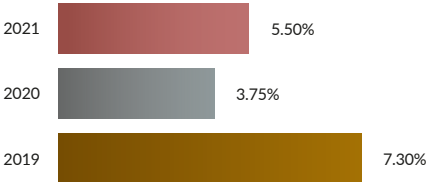
NO_x emissions (T)



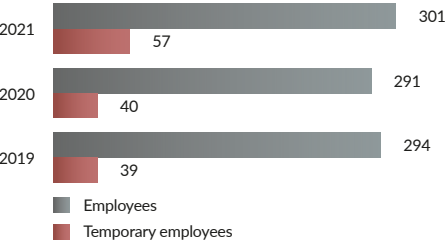
Chemical consumption (T)



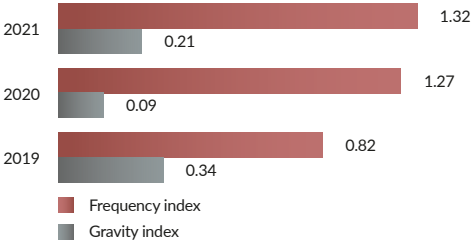
Turnover rate (%)



Employees



Index of Frequency and gravity

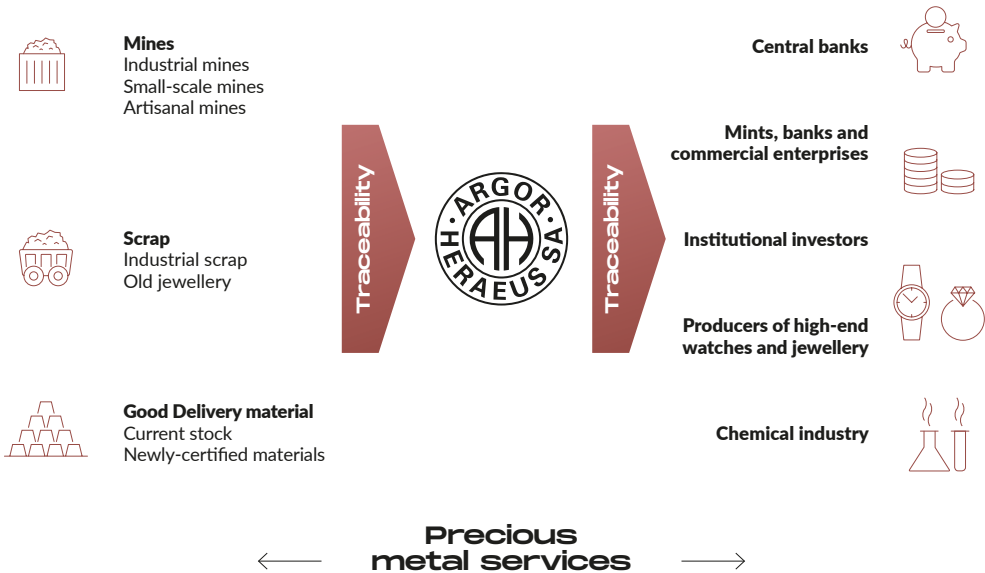


- **70 years with our stakeholders:** we celebrated our 70th year of operations in 2021. We are proud of who we are and of our role in the precious metals industry, but none of this would have been possible without the help of many people. There were many initiatives to share this important anniversary with our stakeholders.
- **A new website to tell who we are:** a website to present the precious metals chain from the mine to the finished product as well as to describe the work we do every day, performed with passion and attention to detail, in close collaboration with clients and other stakeholders.
- **Traceable production lines in partnership with clients:** there is a growing number of collaborations with banks and representatives of the high-end watch and jewellery industry for the production of traceable products based on client requirements. We can choose the origin of the precious metal and, together with clients, develop processes that guarantee its complete separation on production lines.
- **Award for best Master in engineering student:** we have been collaborating with SUPSI in various fields for more than 10 years. Specifically, every year we assign a CHF 3,000 award to the student presenting the best Master of Science in Engineering thesis.
- **Electricity from 100% renewable sources:** since 2021, our Mendrisio headquarters buys electricity – the main energy source (72%) – from completely renewable sources. This means that our CO₂ emissions deriving from electricity have been reduced to zero (scope 2). This is extremely important to us.
- **Optimisation of waste materials - a new chapter:** we have been working on a project to produce sodium nitrate from waste waters containing nitrates. The result is a product that we can sell on the market and that is useful for several industries. This project has achieved a 34% reduction in sodium nitrate emissions, and in 2021 began to turn a profit.
- **Reduction of nitric oxide emissions:** after a rise in 2020, we took steps, in collaboration with the authorities, to define a series of technical and organisational measures to reduce emissions. We are pleased with the results achieved, which quickly returned these emissions to 2019 levels.
- **Reduction of CO₂ emissions, concrete goals and projects:** the issue of CO₂ emissions is of vital importance to our industry. Not just direct and indirect emissions, but emissions from the entire chain, are now under scrutiny. This demands a meticulous analysis of sources of emission and an equally thorough commitment to involve stakeholders all along the chain in order to reduce them. We consider this medium/long-term project a priority.
- **Innovation, a process that involves all our employees:** an important aspect of innovation regards a company's ability to produce more sustainably. Therefore, we are launching an internal project to facilitate our employees' contribution to innovation.
- **Automating processes to promote work safety and quality:** we have completed a semi-automation project in an entire production department so that our employees can focus their efforts on other activities.

**And much more! Find out on
precoustous.com**

We are the Golden Link for our clients' precious metal

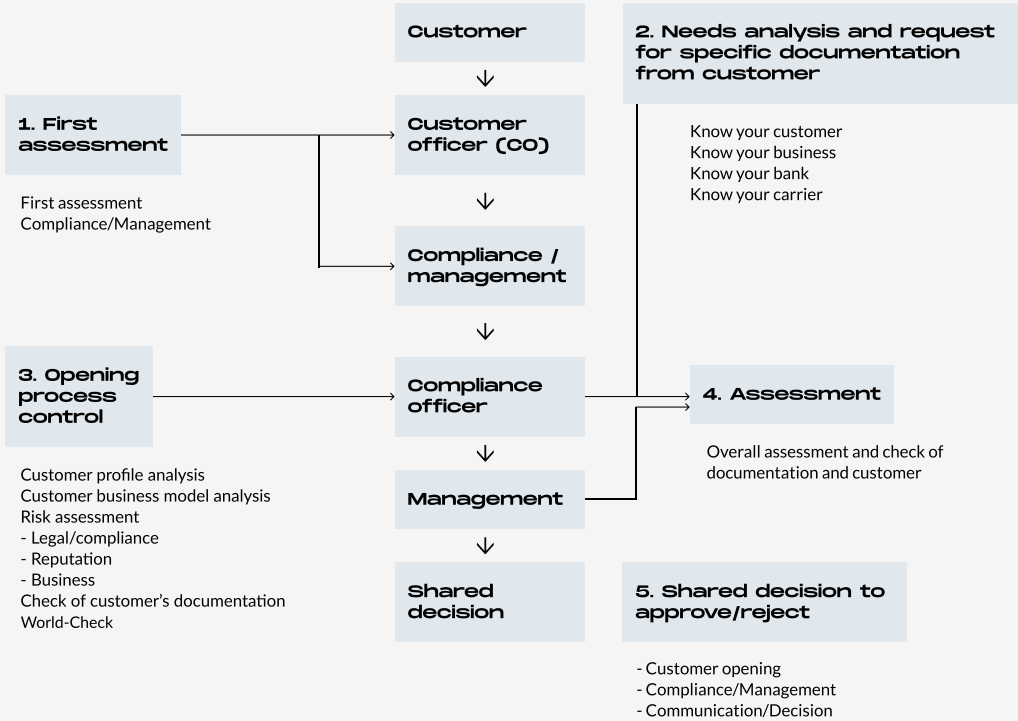
Refining Transformation



Our client assessment process

Assuring the traceability of the metal we process and the nature of our clients' operations is our industry's greatest challenge. Therefore, over time we have developed a complex series of checks for our selection of business partners.

We assess a wide range of aspects, including economic, environmental and social criteria such as the absence of cases of corruption, respect of human rights, absence of child labour and forced labour, respect of local communities, and social and environmental impact. All of our facilities and operations worldwide are subjected to equally strict checks. If we are dissatisfied with the results of the assessment, the business relation is not formed. In case of current partners, the relationship is interrupted if the issue cannot be resolved.





Visit **[precioustous.com](https://www.precioustous.com)** to learn more
about our commitment to being a
responsible company