

## Disclosure Guidance Consultation Response

**Date:** Consultation closed 19 September 2025

**Respondent:** Anonymous

**Organisation's Role in Gold Supply Chain:** Refiner

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**Q1. What best describes your organisation's role in the gold supply chain?**

Refiner

**Q2. Are you responding on behalf of an organisation?**

No

**If yes, please specify:**

Anonymous

**Q3. How clear are the proposed amendments to the Disclosure Guidance (DG3), including the new public disclosure requirements?**

Somewhat unclear

**Q4. Is the distinction between public disclosures (DG3) and confidential reporting to LBMA (RGG9) clear?**

Yes

**Q5. What operational or commercial impact do you anticipate from publicly disclosing the following?**

- WGC mines and mining companies
- Countries of origin for mined gold
- Identity of the Refiner and local exporter in OECD red-flag locations

**Please explain any challenges:**

We consider the risks outlined below not only material but highly likely to occur if the proposed disclosure requirements are implemented as currently drafted. The cumulative impact across legal, commercial, security, and reputational dimensions is significant. They could fundamentally undermine supply chain integrity, contractual compliance, and competitive viability, concerns shared by other peer LBMA GDL producers. Impacts include:

1) Potential Loss of Suppliers:

- Public disclosure of commercially sensitive information is expected to lead to the withdrawal of suppliers concerned about confidentiality. See also question on “Legal Risks” for additional comments.
- For refiners producing gold as a by-product of base metals, disclosing gold origin and volume could enable

competitors to infer base metal sources and production levels, compromising strategic positioning.

- Security risks: Publishing supplier names and locations exposes them to potential criminal activity. Many suppliers—particularly in high-risk jurisdictions—intentionally limit publicly available information for safety

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reasons.

- Existing contracts often include non-disclosure clauses that would be violated by such transparency. Typically, contracts include confidentiality clauses that restrict the disclosure of commercially sensitive information. Public disclosure of details such as the names of mines, mining companies, or intermediaries would constitute a breach of these clauses. A case-by-case assessment will be necessary to determine whether disclosure obligations under the LBMA rules would conflict with existing contractual commitments and whether contract amendments will have to be negotiated.

#### 2) Increased Customer Pressure

- Public disclosure may prompt customers to exert pressure on suppliers to avoid sourcing from specific countries as part of broader de-risking strategies, potentially disrupting established supply chains.

#### 3) Loss of Competitive Advantage

- Sharing supplier and material data could inadvertently reveal proprietary processes.
- Disclosing feed composition or sourcing patterns may allow competitors to deduce inventory levels, production capacity, or commercial strategy—undermining the refinery's market position.
- See also comments on antitrust risks.

#### 4) Challenges in Managing Market Volatility

- Public access to supplier and feedstock information could make managing market volatility more difficult as producers, suppliers, or competitors could draw conclusions about the purchasing patterns of other producers—such as volumes, geographic allocations. NOTE: The importance of taking into account commercially sensitive information is highlighted in the IEA-OECD report “The Role of Traceability in Critical Mineral Supply Chains” <https://www.iea.org/reports/the-role-oftraceability-in-critical-mineral-supply-chains>. The report makes recommendations that policy makers can take to establish the essential conditions for traceability systems to support policy objectives, including the need for adequate protections for sharing commercially sensitive information.

### **Q6. Do you anticipate any legal, reputational, or security risks in publicly disclosing the identity of local exporters and refiners in red-flag locations (as defined by OECD FN59)?**

Yes

#### **If yes, please describe the nature of the risk:**

1. Timing and practicability: legal and practical

implications for existing contracts need to be considered, particularly if upstream suppliers are not currently configured to provide the detailed information required under the proposed rules. In addition, amendments to the contractual confidentiality provisions may be required, which may not be feasible or challenging to obtain.

2. Security Risks: Publicly disclosing supplier names and locations could expose our suppliers to increased risk of criminal activity, particularly in jurisdictions where such information is typically restricted for safety reasons.

3. Reputational Risks: Disclosure is expected to heighten exposure to scrutiny from non-governmental organizations (NGOs) and advocacy groups, potentially resulting in negative publicity or targeted campaigns.

4. Legal Risks: • Disclosure will violate confidentiality and non-disclosure clauses embedded in supplier contracts, potentially leading to legal disputes or contractual breaches. • Mandatory disclosure could conflict with statutory trade secret protections or contractual obligations. This is particularly relevant in those jurisdictions where trade secret or confidential commercial information is protected against unauthorized disclosure. • Antitrust risks: Detailed supply chain information including supplier identities, mine locations, and material volumes is commercially sensitive information. Competitors can use this information to monitor sourcing strategies, assess market shares, or anticipate supply constraints. Even if disclosure is not intended to influence competitors, it reduces competitive uncertainty, increasing the risk of coordination or collusion. Also more generally, competitors may interpret disclosed information as endorsements or exclusions, which could distort competition by favoring certain suppliers over others. • Liability risks: Errors or unintentional

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omissions (e.g. erroneously classifying a supplier as “high risk”) in public disclosures will expose companies to reputational risk, regulatory enforcement, or potential claims from affected suppliers. • Data privacy risks: Depending on the applicable law governing each contract, the disclosure of supplier, mine, and intermediary information could trigger data privacy issues if any of the disclosed information constitutes “personal data”. While most disclosed information will likely pertain to companies, there remain potential risks e.g. where individuals involved in small-scale mining operations could be identifiable. Applicable laws, including the GDPR or other local privacy regimes, may require a legal basis for such processing, consent, or implementation of contractual safeguards.

**Q7. Do you foresee any technical or practical challenges in applying the OECD FN59 definition and lists (e.g. EU CAHRA, Dodd-Frank, AML lists) to determine red-flag locations?**

Yes

**Please explain your answer:** The EU CAHRA list is updated on a quarterly basis, which can introduce inefficiencies and create confusion in the Supply Chain Due Diligence (SCDD) process

**Q8. Is the proposed implementation date of 1 January 2026 for DG3 feasible for your organisation? If no, what alternative timeline would you suggest?**

No

**Q9. What support would help you meet the DG3 disclosure requirements effectively?**

- Template for WGC mine disclosures
- Template for OECD FN59 disclosures
- Case studies or sample reports
- Clarification of definitions (e.g. ‘local exporter’, ‘recyclable gold’)
- Webinars or briefings

**Q10. Do you support LBMA’s objective of increasing transparency for red-flag and high-risk sourcing locations?**

Strongly oppose

**Please share any comments or concerns:** While we support increased transparency, it should be balanced and consider risks. We consider the risks of the proposed disclosure not only material but highly likely to occur if the proposed disclosure requirements are implemented as currently drafted. The cumulative impact across legal, commercial, security, and reputational dimensions is significant. They could fundamentally undermine supply chain integrity, contractual compliance, and competitive viability.

**Q11. Further comments or suggestions on the proposed disclosure amendments or their implementation:**

We consider the risks outlined not only material but highly likely to occur if the proposed disclosure requirements are implemented as currently drafted. We therefore urge LBMA to consider alternative options:

1. Install a mechanism to Protect Commercially Sensitive Information Implement safeguards—such as an institutionalized mechanism aligned with the OECD Due Diligence Guidance (DDG)—to protect commercially sensitive data. o Clarify the Scope of Disclosure Requirements Greater clarity is needed regarding the scope of disclosure, particularly in cases involving gold from mining by-product. For example, it should be specified whether the definition of origin aligns with the “point of separation” concept as outlined in RGG v9. o LBMA to work with CSOs to increase their understanding of the reality on the ground
2. Alternative option: Introduce Optionality in Public Disclosure: Refiners should have the option to opt out of public disclosure requirements. In such cases, external stakeholders seeking supplier information

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could be directed to contact the GDL refiner directly. The refiner could then evaluate the legitimacy of the request and, if deemed appropriate, share the requested data under the terms of a non-disclosure agreement.