

	HINDUSTAN PLATINUM PVT LTD	SOP NO.	SCPO/001-2023
		EFFECTIVE DATE	24-07-2023
DOCUMENT	Supply Chain Policy		
DEPARTMENT	Compliance	NO OF PAGES	6
TITLE	Supply Chain Policy		

### Philosophy:

Hindustan Platinum Private Limited (HPPL – "the Company") is committed to upholding the utmost levels of business conduct and ethical practices by commercial standards, applicable laws, rules, and regulations. Furthermore, the Company strives to establish a monitoring mechanism to ensure the implementation of this policy, while also adhering to the applicable OECD, LBMA, and LPPM guidelines.

HPPL, being a London Good Delivery Refiner, upholds the highest standards of ethical, moral, and social responsibility in its business operations in consideration of the ESG factors. We maintain a strict requirement for all our employees to uphold integrity and honesty. Additionally, we diligently monitor our entire business cycle, from sourcing to the delivery of finished products, to identify and mitigate any associated risks. Any modifications or revisions to the policy require approval from the Board of Directors before becoming effective.

### Applicability and Scope:

The policy is applies to the refining of Silver, Platinum, and Palladium. This policy extends to all employees, suppliers, and customers of the company.

Furthermore, the policy applies to all subsidiaries and group entities of HPPL.

### The policy implemented by HPPL encompasses the following key parameters:

- Establishing robust company management systems.
- Identifying and assessing risks within the supply chain.
- Developing and implementing a management strategy to address identified risks.
- • Monitoring all transactions to ensure compliance with the policy and maintaining accurate records to demonstrate compliance.
- Conducting independent third-party audits of the supply chain due diligence, as mandated by LBMA/LPPM.
- Reporting on the outcomes of supply chain due diligence efforts.

At Hindustan Platinum Private Limited, we acknowledge the potential risks of adverse impacts related to the extraction, trading, handling, and export of minerals from conflict-affected and high-risk areas. Understanding our responsibility to respect human rights and refrain from contributing



to conflicts, we are committed to embracing, promoting, and integrating the following policy on responsible sourcing of minerals from such areas. This policy serves as a shared guideline for conflict-sensitive sourcing practices and fosters suppliers' awareness of associated risks, from the point of extraction until the end-user stage. We will actively disseminate and incorporate this policy in our contracts and agreements with suppliers.

We pledge to abstain from any activities that contribute to the financing of conflicts, and we undertake to adhere to the applicable United Nations sanctions resolutions or domestic laws that implement such resolutions.

**Serious abuses associated with the extraction, transport, or trade of minerals:**

1. While sourcing from, or operating in, conflict-affected and high-risk areas, we will neither tolerate nor by any means profit from, contribute to, assist with, or facilitate the commission by any party of:

- i. Any acts of torture, cruel, inhuman, or degrading treatment.
- ii. Any form of forced or compulsory labor, characterized by work or service extracted under threat of penalty and without voluntary consent.
- iii. The engagement of children in the worst forms of child labor.
- iv. Gross violations and abuses of human rights, including widespread sexual violence.
- v. War crimes, serious breaches of international humanitarian law, crimes against humanity, or acts of genocide.

**Risk management of serious abuses:** If we identify a reasonable risk of upstream suppliers sourcing from or being associated with any party involved in the commission of serious abuses as described in OECD Guidelines, we will promptly suspend or terminate our engagement with such suppliers.

**Direct or indirect support to non-state armed groups:** We will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling, or export of minerals. "Direct or indirect support" to non-state armed groups through the extraction, transport, trade, handling, or export of minerals includes, but is not limited to, procuring minerals from, making payments to, or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:

- i) illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and upstream actors in the supply chain; and/or
- ii) illegally tax or extort money or minerals at points of access to mine sites, along transportation routes, or at points where minerals are traded; and/or
- iii) illegally tax or extort intermediaries, export companies, or international traders.



**Risk management of direct or indirect support to non-state armed groups:** Upon identifying a reasonable risk that upstream suppliers are sourcing from or associated with any party that provides direct or indirect support to non-state armed groups as defined in the preceding paragraph, we will promptly suspend or cease our engagement with such suppliers.

**Regarding public or private security forces:** We agree to eliminate, direct or indirect support to public or private security forces who illegally control mine sites, transportation routes, and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.

We recognize that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment, and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.

In instances where we or any company within our supply chain engage public or private security forces, we pledge to ensure compliances as per OECD guidelines. Specifically, we will actively support or implement measures to adopt screening policies that prevent the hiring of individuals or units of security forces with a known record of gross human rights abuses.

We are committed to actively supporting initiatives or implementing measures to engage with central or local authorities, international organizations, and civil society organizations. Our aim is to collaborate on finding practical solutions to enhance transparency, proportionality, and accountability in payments made to public security forces for security provision.

We are dedicated to actively supporting initiatives or implementing measures to engage with local authorities, international organizations, and civil society organizations. Our objective is to prevent or reduce the exposure of vulnerable groups, particularly artisanal miners in cases where minerals in the supply chain are sourced from artisanal or small-scale mining to adverse impacts resulting from the presence of security forces, whether public or private, at mine sites.

**Risk management of public or private security forces:** Based on the unique position of our company in the supply chain, we will promptly develop, adopt, and execute a risk management plan in collaboration with upstream suppliers and other stakeholders. The objective is to prevent or alleviate the risk of providing direct or indirect support to public or private security forces, as specified in OECD guidelines whenever a reasonable risk is identified. If mitigation efforts are unsuccessful within a six-month period following the implementation of the risk management plan, we will suspend or terminate our engagement with upstream suppliers. Similarly, if we identify a





reasonable risk of activities conflicting with the principles outlined in OECD guidelines we will respond similarly.

**Bribery and fraudulent misrepresentation of the origin of minerals:** We strictly refrain from engaging in any form of bribery, including offering, promising, giving, or demanding bribes. Additionally, we actively resist any attempts to solicit bribes, particularly about concealing or disguising the origin of minerals and misrepresenting taxes, fees, and royalties paid to governments about mineral extraction, trade, handling, transport, and export activities.

**Anti-money laundering:** We are committed to supporting initiatives or implementing measures aimed at effectively combating money laundering. Whenever we identify a reasonable risk of money laundering associated with or linked to the extraction, trade, handling, transport, or export of minerals derived from illegal taxation or extortion of minerals at access points to mine sites, along transportation routes, or at trade points by upstream suppliers, we will take necessary actions to contribute to its elimination.

**Politically Exposed Persons (PEPs):** We will refrain from engaging or trading with PEPs. The term "PEPs" refers to individuals who currently hold or have previously held prominent positions within international organizations, such as directors, deputy directors, members of the board, or individuals in equivalent roles. It is important to note that this definition does not include individuals in middle-ranking or junior positions within the aforementioned categories.

**Terrorist financing:** We categorically renounce any involvement in terrorist financing activities, which encompass the provision of financial support for terrorist acts, terrorists, and terrorist organizations.

**Regarding the payment of taxes, fees, and royalties due to governments:** We will diligently ensure that all taxes, fees, and royalties associated with mineral extraction, trade, and export from conflict-affected and high-risk areas are duly remitted to the respective governments. Furthermore, in alignment with our position within the supply chain, we covenant to disclose such payments.

**Identification and assessment of risks, including all risks described in Annex II of the OECD Guidance and consideration of ESG factors.**

HPPL has implemented a formal process to identify, assess and evaluate risks of all factors as above and established a risk management plan to address the risks.

**Whistleblowing and grievance mechanism:** HPPL has implemented a structured investigation process to address inquiries concerning responsible sourcing. This formal system is well-documented and put into practice to ensure the efficient handling of inquiries and to provide tangible evidence of its implementation.

All employees shall be treated fairly, with dignity and respect. We shall not tolerate our counterparties with any forms of violations to human rights and laws.



HPPL will ensure a safe and healthy working environment, including physical and psychosocial health of our employees including outsider people engaged with us.

**Payments:** In accordance with legal obligations, we have established strict protocols to ensure that all transactions are conducted exclusively through official banking channels, with no cash transactions permitted.

**Sourcing controls:** As a fundamental policy, the Company strictly refrains from sourcing materials from High-Risk Areas or engaging in artisanal mining activities. However, if the Company enters into transactions with entities for the purchase of Dore materials, a comprehensive and enhanced due diligence process will be undertaken to ensure compliance with our stringent standards.

**Communicating the Policy:** We have established various channels for communicating the Supply Chain policy to the relevant stakeholders as below:

All the relevant employees	Email, posting in our Intranet and website.
All new employees	Part of the induction training and periodic refresher training to relevant employees
Suppliers, customers, and other counter parties	Email, terms of contract, Account opening process and website

**Application of policy:** We have implemented robust processes to ensure the consistent implementation of the due diligence and risk control requirements outlined in the policy. These processes encompass various measures, including but not limited to:

1. Scope, clear responsibilities, and escalation channels
2. Identification, assessment, and criteria for high-risk supply chain
3. Know-Your-Customer (KYC) process.
4. Monitoring and surveillance of transactions
5. Mandatory training for relevant staff who are exposed directly to the supply chain.

Furthermore, we insist that all suppliers, counterparties, and HPPL staff members involved in the supply chain strictly adhere to this policy and integrate it within their respective management systems.

We are committed to collaborating with suppliers, central or local government authorities, international organizations, civil society, and affected third parties to enhance performance and effectively address risks of adverse impacts. Our approach involves implementing measurable steps within reasonable timescales, where applicable, to prevent or mitigate such risks, while ensuring continuous improvement and monitoring.



**Monitoring:** HPPL maintains strict adherence to the policy among its employees, required to follow guidelines rigorously. In addition, regular reviews of dealings with all counterparties are conducted, considering the policy guidelines, and evaluating the associated risks of the transactions.

To report any instances of non-compliance with the policy should be reported by sending an email to [compliance@hp.co.in](mailto:compliance@hp.co.in). Employees are encouraged to raise concerns either with their reporting managers or the designated compliance officer. It is important to note that non-compliance with this Code may have adverse effects on the business relationship between HPPL and counterparties.

The Board of Directors will conduct a thorough review of any reported non-compliance and retains the authority to terminate contracts or business relationships accordingly.

**Acknowledgment:**

We would like to thank the OECD for the Annex II of the OECD Due Diligence

Guidance for Responsible Supply Chains of Minerals from Conflict - Affected and High-Risk & LBMA Silver /LPPM Platinum and Palladium guidance refereed and covered in this policy and adapted.

	PREPARED BY	REVIEWED BY	APPROVED BY
DESIGNATION	Compliance Officer	Supply Chain Head	Executive Director
SIGN			

