

Company Name:	Hindustan Platinum Private Limited
Location:	India
Reporting year-end:	Year ended March 2025
Date of Report	16 th May 25
Senior management responsible for this report	Mr. Gautam Choksi – Executive Director

Audit Team	
Team Leader:	Team Member:
Arifzal Adrianto	

Table 2:**Summary of activities undertaken to demonstrate compliance.****Step 1: Establish strong company management systems****Compliance Statement with Requirement:**

HPPL is fully compliant with Step 1 through the implementation of several key measures that reflect our commitment to responsible business practices and robust management systems. These include:

Supply Chain Policy: Our supply chain policy aligns with the Annex II of the OECD Due Diligence Guidance, affirming our responsibility to establish and maintain a strong company management system. This policy is approved by the HPPL Board of Directors, reviewed periodically, and was last updated in February 2025.

Risk Management in Precious Metal Operations: We have established effective processes for the handling and management of our precious metal refining and manufacturing operations, with a focus on identifying and mitigating risks of serious abuses.

Zero Tolerance for Armed Group Support: We ensure that no direct or indirect support is provided to non-state armed groups under any circumstances.

Human Rights and Child Labor: HPPL maintains a strict zero-tolerance policy toward human rights violations and child labour across all operations within the group.

Sanctions Compliance: We strictly adhere to all applicable local and international sanctions regulations.

ESG Integration: Environmental, Social, and Governance (ESG) principles are integrated into our operations and decision-making processes.

By implementing the above measures, HPPL has demonstrated full compliance with Step 1, incorporating internationally recognized best practices to establish and maintain a strong and responsible management system.



Has the Refiner adopted a company policy regarding due diligence for supply chains of Platinum and Palladium?

HPPL's Platinum and Palladium Supply Chain Policy is publicly available on the company's official website <https://www.hp.co.in/about-us/responsible-sourcing.php>

This policy is fully aligned with Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains. It also reflects HPPL Group's commitment to responsible business practices, as outlined in our ESG Policy, Code of Conduct, and Anti-Bribery and Anti-Corruption Policy.

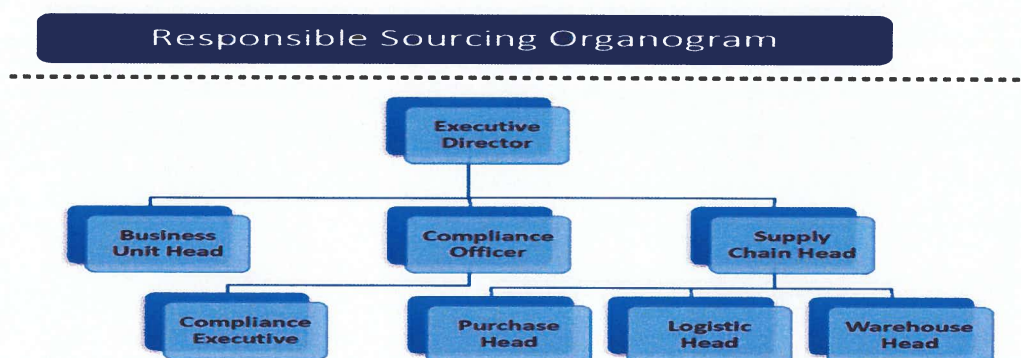
Has the Refiner set up an internal management structure to support the supply chain due diligence?

HPPL has established an internal compliance management system to support due diligence across its Platinum and Palladium supply chain. A full-time Compliance Officer is appointed and equipped with the necessary resources, including dedicated systems and a qualified team—responsible for managing the end-to-end due diligence process. This encompasses supplier onboarding, KYC verification, risk-based due diligence, internal capacity building, and supplier training as needed.

The Compliance Officer collaborates closely with the Head of Supply Chain, Compliance Directors, Legal, and ESG departments to ensure adherence to responsible sourcing standards and applicable regulations.

In line with company policy, all relevant and responsible officers regularly review and discuss the status of their sourcing-related duties to ensure accountability and continuous improvement in responsible sourcing practices.

Compliance Organizational Chart



Detailed roles and responsibilities of all the above concerns are prescribed in companies supply chain procedure manual.

Has Refiner established a strong internal system of due diligence, controls and transparency over the Platinum and Palladium supply chain, including traceability and identification of other supply chain actors?

HPPL has implemented internal ERP system to manage and monitor due diligence across its supply chain. This system integrates structured toolkits and checklists, including those recommended by the LPPM, to support a compliant and standardized approach.

The process is in place to streamline all steps of the supplier onboarding and approval process. In January 2025, HPPL launched an internal digital KYC software solution that enables real-time verification using publicly available data. This tool ensures a digital, error-free, and secure format for managing supplier information, while safeguarding sensitive data.

Additionally, a Counterparty Screening Tool is used to vet all counterparties, authorized signatories, and ultimate beneficial owners against global databases such as World-Check, both at onboarding and at regular intervals.

For domestic suppliers undergoing enhanced due diligence, HPPL partners with IDFY—a third-party KYC screening agency—to ensure thorough compliance.

Our ERP system also ensures complete traceability of each Platinum and Palladium-bearing lot, tracking inputs and outputs at every stage of the process. Specific documentation and transactional data must be entered into the system before any material is processed, reinforcing accountability and auditability.

HPPL maintains comprehensive records for every shipment received at its refinery, regardless of the material form. This ensures full traceability from receipt through the refining process to finished goods production. The records maintained for each shipment include:

- Purchase Order issued by HPPL
- Date of arrival at the refinery and date of completion of refining
- Type of Platinum and Palladium-bearing material received
- Invoice, Packing List, Certificate of Analysis (COA), Assay Report, Air Waybill (AWB), Bill of Entry (BOE), and Goods Receipt Note (GRN)
- Supplier's Country of Origin and related logistics movements
- Purity and weight of the material
- Declared and processed weight
- Declared and processed assay results from certified analytical laboratories.

To ensure accuracy, HPPL uses fully automated and integrated weighing scale systems. The warehouse team records actual received weight and compares it against the shipment documents. Any discrepancies are immediately flagged and reported to the relevant departments for a resolution.

All payments are processed exclusively through authorized banking channels, following proper internal approvals and oversight by the HPPL Board of Directors, ensuring transparency and compliance at every stage.

At HPPL, we actively promote a grievance reporting mechanism that empowers employees and stakeholders to speak up about any suspicious, unethical, or uncertain activities—particularly those related to our supply chain. Concerns can be raised confidentially by emailing compliance@hp.co.in or submitting a report via the HPPL website, without fear of retaliation. This reporting channel is also referenced in our supply chain Policy.

All grievances, including those submitted anonymously, are taken seriously. The Compliance Officer is responsible for reviewing, addressing, and resolving all concerns raised through these official channels.

As part of our broader commitment to responsible sourcing, HPPL is dedicated to ensuring that all precious metals are sourced in a secure, transparent, and traceable manner guided by ethical, socially responsible, and environmentally sustainable practices. We strictly reject any materials linked to conflict, human rights abuses, child or forced labour, or any form of exploitative or irresponsible conduct.

This policy reflects HPPL's proactive approach to upholding and advancing global responsible sourcing standards. It also serves as a guiding framework for our suppliers, customers, and partners, reinforcing our belief that collaboration across the value chain is essential to building a fairer, more sustainable global supply network.

HPPL is firmly committed to managing its activities to protect the environment and safeguard its customers, suppliers, employees and other stakeholders this is reflected through our policies published on our website. <https://www.hp.co.in/about-us/sustainability.php>

Has Refiner strengthened company engagement with Platinum and Palladium supplying counterparties, and where possible, assisted Platinum and Palladium supplying counterparties in building due diligence capabilities?

We place strong emphasis on building long-term partnerships with our suppliers based on mutual trust, transparency, and accountability. The management actively encourages suppliers to cooperate and share all necessary information to support our supply chain due diligence efforts.

HPPL's Policy Statement on Responsible Sourcing has been formally communicated to all counterparties supplying Platinum and Palladium. Suppliers are required to review, acknowledge, and confirm their commitment—either to HPPL's Policy Statement or to an equivalent policy—through written acceptance.

Our Relationship and Sales Managers maintain continuous communication with counterparties to ensure that supplier records remain up to date. All contractual agreements require suppliers to confirm that the Platinum and Palladium provided complies with the provisions of Annex II of the OECD Due Diligence Guidance. Members from the Supply Chain, Business, and Compliance teams regularly engage with suppliers to reinforce the importance of adhering to HPPL's Supply Chain Policy and the OECD guidelines.

As part of the supplier onboarding process, HPPL provides a clear and informative presentation that outlines the significance of responsible sourcing in line with OECD Annex II. This self-explanatory PPT is made available to suppliers and can also be accessed via our official website: www.hp.co.in/about-us/responsible-sourcing.php.

Has Refiner established a company-wide communication mechanism to promote broad-based employee participation and risk identification to management?

HPPL has established a clearly defined Roles and Responsibilities Matrix for handling precious metal transactions, supported by comprehensive internal policies. All employees are made aware of these policies and are expected to comply with them as part of their professional responsibilities.

To foster a culture of transparency and accountability, employees are encouraged to report any concerns or irregularities through a dedicated company email ID or via a web link available on the official HPPL website. All reported concerns are promptly reviewed and addressed by the Compliance Officer or the Executive Director.

Regular coordination between relevant executives, functional heads, and the compliance team ensures that all due diligence policies are adhered to before engaging with any supplier. To reinforce understanding and execution of responsible sourcing practices, the Compliance Department conducts periodic training sessions for all relevant personnel.

HPPL also emphasizes continuous learning and internal knowledge sharing to strengthen its overall compliance framework. As part of the onboarding process, all new employees receive training on responsible sourcing procedures through induction programs conducted on an almost monthly basis. These sessions provide a thorough understanding of HPPL's Responsible Sourcing Policy (RSP) and associated processes.

In addition, specialized ESG training programs are organized to equip employees with the knowledge and skills necessary to understand and implement principles of environmental sustainability, social responsibility, and ethical governance. These trainings aim to embed ESG values into the company culture, promote engagement and accountability, and raise overall awareness of HPPL's commitment to responsible business practices.

Step 2: Identify and assess risks in the supply chain

Compliance Statement with Requirement:

HPPL Fully complied with Step 2:

HPPL conducts a risk assessment of all suppliers at the onboarding stage through a robust KYC process. As part of this process, detailed information is collected on the supplier and the materials being sourced, including documentation related to human rights practices, potential involvement in illicit or illegal activities, financial compliance, CSR adherence, AML compliance, and UBO.

To further strengthen our risk assessment framework, HPPL performs ongoing verification of suppliers and UBOs through reliable public sources such as stock exchange websites, the Ministry of Corporate Affairs portal, World-Check databases, and additional internet-based research. These measures help ensure that we engage only with suppliers who are not involved in illegal, criminal, or sanctioned activities.

As a secondary refiner, HPPL primarily sources spent catalysts from industrial sectors and does not engage directly with mined materials. This strategic sourcing approach helps insulate HPPL from risks associated with high-risk mining operations and conflict-affected areas.

HPPL's supplier base is well-established and relatively limited, consisting mainly of LPPM-accredited entities and PSUs from India and select international markets. This limited and reputable supplier pool significantly reduces our exposure to high-risk supply chain activities.

Our expert logistics team plays a critical role in risk mitigation. The majority of our domestic and international procurements are carried out on an EX-Works basis, allowing HPPL to manage transportation directly from the supplier's plant or vault. We partner with secure logistics providers such as Brinks and Sequel, ensuring that materials are safely transported and never pass through sanctioned countries.

Through the adoption of these comprehensive measures, HPPL is fully compliant with Step 2 of the OECD Due Diligence Guidance, demonstrating our commitment to responsible and risk-aware sourcing practices.

Does Refiner have a process to identify risks in the supply chain?

HPPL conducts comprehensive due diligence prior to entering into any business relationship with new customers or suppliers. This process is also applied to all existing customers and suppliers within the relevant review period, in accordance with the company's internal due diligence standards.

To support this, HPPL has implemented a robust internal compliance framework supported by well-defined systems and processes. The following step-by-step due diligence procedure is followed:

KYC Documentation – A detailed KYC process is completed, covering compliance records, financial health, corporate social responsibility practices, and market intelligence.

AML-CFT Compliance Check – Verification of the supplier's financial standing and adherence to Anti-Money Laundering and Counter-Financing of Terrorism (AML-CFT) regulations.

Contractual Documentation – All transactions are formalized through a PO or contract, approved by authorized signatories. Full traceability is maintained in the company's ERP system and WMS.

Material Acknowledgement – Upon receipt, materials are logged and acknowledged through a formal GRN.

Secure Payment Channels – All payments are processed exclusively through authorized banking channels, following appropriate internal approvals.

As part of our risk mitigation strategy, HPPL also screens all counterparties against international sanctions lists, including the Office of Foreign Assets Control (OFAC) and Specially Designated Nationals (SDN) list, to ensure we do not engage with restricted entities.

It is also important to note that a significant portion of HPPL's suppliers are large, reputable organizations or government-backed entities, which further reduces the risk of non-compliance or unethical practices.

Does the Refiner assess risks considering the standards of their due diligence system?

Comments and Demonstration of Compliance:

As previously noted, HPPL primarily operates as a secondary refiner, sourcing precious metals from post-industrial materials rather than directly from mining activities. Our supplier base consists largely of reputable corporate entities and government-owned enterprises, many of which are LPPM-accredited and adhere to high standards of corporate governance and compliance.

To maintain alignment with LPPM Responsible Sourcing Guidelines, HPPL proactively engages with its suppliers to identify and assess any potential risks or instances of non-compliance. Should any red flags or concerns be identified—whether through internal reviews or third-party insights—these are promptly escalated to the Compliance Officer. Appropriate actions are taken in accordance with our due diligence policy, including the suspension of business dealings or refusal to onboard suppliers who do not meet compliance requirements.

Due to the established and carefully selected nature of our supply chain, the number of suppliers is relatively limited, and most are LPPM members or Public Sector Undertakings (PSUs) from India and international markets. This significantly mitigates the overall risk exposure of HPPL's sourcing operations.

Additionally, HPPL does not source directly from mining companies, particularly for Platinum and Palladium. As a result, risks typically associated with direct mining activities—such as high-risk jurisdictions, questionable country of origin, and ambiguous UBO—are largely not applicable to HPPL’s sourcing model.

HPPL has a clearly defined policy to suspend existing business relationships or decline new engagements if suppliers fail to meet our due diligence or compliance requirements. This policy underscores our commitment to ethical, transparent, and responsible sourcing practices across all tiers of our supply chain.

Monitoring of transactions

At HPPL, senior management retains overall accountability and control over the Platinum and Palladium supply chain, ensuring adherence to compliance requirements and the maintenance of high standards of corporate governance. Responsibility for the effective implementation of supply chain due diligence is delegated to the Compliance Officer and relevant functional heads, who operate under the strategic direction of senior leadership.

For supply chains identified as “High Risk,” senior management plays a direct role in reviewing the due diligence findings and making final decisions on whether to proceed with, conditionally engage, or disengage from the supplier. These decisions are guided by a structured risk assessment process and compliance standards.

HPPL has implemented a formalized procedure to identify conflict-affected and high-risk areas in the supply chain. This framework includes a well-defined methodology of transaction monitoring. Conducting enhanced due diligence, which is integrated into our KYC and supplier onboarding processes. Through this, we ensure comprehensive risk identification, mitigation, and ongoing monitoring.

Transaction-level monitoring is performed in accordance with a risk-based approach, with periodic reviews based on the supplier’s risk profile. Continuous scrutiny of transactions is maintained throughout the relationship lifecycle. Any unusual, suspicious, or inconsistent transactions are flagged by the relationship manager and escalated to the Compliance Team for investigation. In such cases, the material is quarantined and not processed until all discrepancies are clarified and resolved.

During the last financial year, HPPL did not identify any instances of high-risk engagements within its Platinum and Palladium supply chain. Additionally, no evidence of child labour or human rights violations was found among any of our suppliers.

Step 3: Design and implement a management system to respond to identified risks

Compliance Statement with Requirement:

We have fully complied with Step 3:

HPPL has designed and implemented a management system to effectively respond to identified risks. The Compliance Officer continuously monitors all risk categories associated with vendors and customers and takes appropriate measures to address them.

HPPL follows a strict policy of not engaging with high-risk vendors, including mining companies and suppliers from sanctioned countries. As part of regular business interactions, relevant executives coordinate with the Compliance Officer to share information, and appropriate remedial actions, including non-engagement, are taken as required.

In addition to other review mechanisms, the Company uses the LPPM Assessment Form to evaluate risk prior to entering into any transaction. Suppliers undergo a structured onboarding process that includes verification of financial stability, ownership structure, risk management practices, AML compliance, and related checks.

Currently, HPPL identifies the country of origin for each supply and maintains all necessary supporting documentation, as verified during audits. To strengthen risk management practices, a clearly defined procedure is in place, offering explicit guidance on addressing risks across the supply chain.

This process is integrated into the KYC and risk assessment steps during supplier onboarding. HPPL also conducts regular monitoring and assessment of high-risk suppliers, including obtaining Certificates of Origin and declaration letters confirming non-involvement with conflict zones, sanctioned parties, or money laundering activities.

A well-defined process for escalation, management review, and resolution has been established, including specific timelines, in accordance with Step 3, Section 3.1 of the OECD Guidelines, to promptly address any changes in supplier risk levels.

HPPL has a defined process to identify the risk level associated with each high-risk supplier or customer. Based on this assessment, management evaluates the transaction and decides whether to proceed.

Regular updates and progress reports related to improvement plans are presented to Senior Management, who take appropriate action when required. The Compliance Team escalates concerns to Senior Management as needed. Senior Management maintains overall responsibility and control over the precious metal supply chain, and the risk management framework is reviewed by the Risk & Compliance Committee.

Has the Refiner devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk?

Regarding compliance and demonstration of adherence:

Based on the outcomes of due diligence and KYC assessments, HPPL takes appropriate actions to ensure full compliance with the LPPM guidelines. Depending on the findings, business engagement may proceed with specific conditions—such as confirming that materials do not transit through sanctioned countries in cases involving landlocked supplier nations or ensuring that payments are made exclusively through international SWIFT transactions to the supplier's own account, with no involvement of unrelated third parties.

Alternatively, where warranted, the Company may choose to discontinue the business relationship. While robust policies and processes for risk identification and mitigation are in place, HPPL has not, to date, encountered any instances requiring conditional engagement or dealings involving High-Risk Areas or entities.

The Company remains alert and fully prepared to take appropriate action should such scenarios arise in the future.

It is also important to highlight that HPPL has not conducted any business with sanctioned countries or entities. Furthermore, as the Company does not source material directly from mines, representatives from the respective business units personally visit supplier facilities to procure spent catalyst material. These visits serve to confirm compliance with human rights principles, ESG standards, and other applicable requirements.

Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.

The Compliance Officer and the Executive Director conduct quarterly reviews to monitor transactions with relevant entities. Any deviations from established procedures are thoroughly evaluated and addressed during these assessments. It is noteworthy that, to date, no issues, concerns, or instances of non-compliance have been identified.

Additionally, specific documentation is incorporated into management review discussions to assess the effectiveness of the due diligence management system, with a particular focus on responsible sourcing objectives and related performance indicators.

Step 4: Arrange for an independent third-party audit of the supply chain due diligence

We have complied with Step 4: **Arrange for an independent third-party audit of the supply chain due diligence**

To this end, we have appointed RCS Global, a reputable LPPM-approved audit firm, to conduct a Reasonable Assurance audit and assess the effectiveness of our due diligence practices.

Step 5: Report on supply chain due diligence

Compliance Statement with Requirement:

We have fully complied with STEP 5 - Report on supply chain due diligence.

The Policy Statement (available on our official website) <https://www.hp.co.in/about-us/responsible-sourcing.php> this Compliance Report, and the Independent Assurance Report collectively demonstrate our adherence to this requirement.

Anti [Refiner's] overall conclusion

Table 3: Management conclusion

Is the Refiner in compliance with the requirements of the LPPM Responsible Platinum and Palladium Guidance for the reporting period?

[Yes/No]

The Company strives to continuously improve its own processes and practices and to adhere to responsible sourcing principles and OECD guidelines.

Table 4: Other report comments

HPPL has no further comments.

For Hindustan Platinum Private Limited

Sarika Patil

Compliance Officer
Sarika Patil

