

# INTERNATIONAL PRECIOUS METAL REFINERS

International Precious Metal Refiners IPMR Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict- Affected and High-Risk Areas (CAHRAs).

## Introduction

IPMR recognizes that risks of significant adverse impacts which may be associated with extracting, trading, handling, and exporting minerals from conflict-affected and high-risk areas and recognizing that we have the responsibility to respect human-rights and not contribute to conflict, we commit to adopt, widely disseminate and incorporate in contracts and/or agreements with suppliers the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas, as representing a common reference for conflict-sensitive sourcing practices and suppliers' risk awareness from the point of extraction until end user.

We commit to refrain from any action which contributes to the financing of conflict-and we commit to comply with relevant OECD Due Diligence Guidance for responsible supply chain from conflict-affected and high-risk areas, The EBC Rules for Risk Based Due Diligence in the Gold Supply Chain, The Ministry of Economy Due Diligence Regulations for Responsible Sourcing, United Nations Sanctions resolutions or, where applicable, local laws implementing such resolutions. And international business best practices including RJC (COP & COC) requirements.

We at IPMR strongly recommend our suppliers to operate in accordance with OECD due diligence for responsible supply chain from CAHRAs, EBC Rules for Risk Based Due Diligence in the Gold Supply Chain, UN principles and international best business practices as RJC COP and RJC COC.

IPMR statement with regards to serious abuses associated with the extraction, transport, or trade of minerals

1. While sourcing from, or operating in, conflict-affected and high-risk areas, IPMR will neither tolerate nor by any means profit from, contribute to, assist with, or facilitate the commission by any party of:
  - a. Any forms of torture, cruel, inhuman, and degrading treatment.
  - b. Any forms of forced or compulsory labour, which means work or service which is exacted from any person under the menace of penalty, and for which said person has not offered himself voluntarily.
  - c. Child labour use not permitted by law.
  - d. Other gross human rights violations and abuses such as widespread sexual violence.
  - e. War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.
  - f. Health & safety measures abuse or violations.

PMR statement with regards to human rights violation, health, and safety measures breach IPMR takes all reasonable preventive measures, efforts and applications to obstruct the violation of human rights laws and breach of health, and safety measures as mandated by prevailing laws and regulations and in alignment with international business best practices during the entire process covering mineral extraction, transportation, trade stages, including at points of passage to mining area, exports and taxation. The above is secured by the on boarding process to all clients that covers areas of KYC, KYCC, source of funds and wealth in addition to frequent monitoring and update. It is the responsibility of the compliance officer "Controller" to ensure effective implementation and prompt escalation to any identified / suspicious transaction. It is one of the main roles of the compliance officer to promptly report any suspicious transaction reports after been discussed with IPMR Senior Management.

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IPMR statement with regards to risk management of serious abuses.

2. IPMR will immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from or linked to any party committing serious abuses as defined in paragraph (1).

IPMR statement with regards to direct or indirect support to non-state armed groups.

3. IPMR will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling, or export minerals. "Direct or indirect support" which 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.
  - a. Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain and/ or
  - b. 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
  - c. Illegally tax or extort intermediaries, export companies or international traders.
  - d. Illegal health, safety measures and/ or human rights violation.
  - e. Illegal mining sources and operations.

IPMR statement with regards to public or private security forces.

4. IPMR shall not have any illegal taxation and money extortion relationship concerning mining areas, transportation routes, places where mineral trade is conducted, or elements closely related with supply chain which are under illegal control of public or private security forces. IPMR shall be aware of the role of public or private security forces charged with the safety of mining areas, transportation routes, personal employed at such places, materials, equipment, and trade conducted. Our company and others on our supply chain shall only enter into agreements with public and private security forces and that provides services in the context of safety and human rights within the framework of international standards and principles.

IPMR statement with regards to risk management of direct or indirect support to non-state armed groups.

5. IPMR will immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from, or liked to, any party providing direct or indirect support to non-armed groups a defined in Paragraph 3

IPMR statement with regards to public or private security forces

6. IPMR agrees to eliminate, in accordance with paragraph 10, direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain: illegal tax or extort intermediaries, export companies or international traders.
7. IPMR recognizes 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.

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8. IPMR will support or take steps, to adopt screening policies to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses will not be hired.

9. IPMR will support efforts, or take steps, to engage with local authorities, international organizations whenever applicable, and civil organizations to workable solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.

10. IPMR will support efforts, or take steps, to engage with local authorities, international organizations, and civil society organizations to avoid or minimise the exposure of vulnerable groups, in particular artisanal miners where minerals in the supply chain are extracted through artisanal or small-scale mining, to adverse impacts associated with the presence of security forces, public or private, on mines sites.

IPMR statement with regards to risk management of public or private security forces.

11. IPMR will commit to adopt and implement a risk management plan with our suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in paragraph (5), where IPMR identifies that such a reasonable risk exists. In such cases IPMR will suspend or discontinue engagement with those suppliers after failed attempts at mitigation within six months from the adaptation of the risk management plan. Where IPMR identifies a reasonable risk of activities inconsistent with paragraphs (8) and (9), IPMR will respond in the same way.

IPMR statement with regards to bribery and fraudulent misrepresentation of the origin of minerals:

12. IPMR will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport, and export.

IPMR hereby declares that it shall in no way engage in any bribery for situations of false or incorrect information declaration, etc. or any proposals which may be construed as such, demands, claims, or promises in activities concerning payments made to the State in matters such as mineral's origin, taxation, fees, and licensing.

IPMR declares its punctual registration and payment to all related taxes, fees and royalties due to the government in accordance with the prevailing local laws, rules, and regulations.

IPMR statement with regards to money laundering, terrorist financing, targeted financial sanctions, weapons of mass production proliferation, environmental and social issue.

13. IPMR will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering, terrorist financing, weapons of mass production proliferation from, or connected to, the extraction trade, handling, transport, or export of minerals. IPMR takes all reasonable preventive measures, efforts, and applications to obstruct money laundering, terrorist financing and weapons of mass production proliferation during the entire process covering mineral extraction, transportation, trade stages, including at points of passage to mining area, exports and taxation. The above is secured by the on boarding process to all clients that covers areas of KYC, KYCC, source of funds and wealth in addition to frequent monitoring and update.

14. It is the responsibility of the compliance officer "Controller" to ensure effective implementation and prompt escalation to any identified / suspicious transaction. It is one of the main roles of the compliance officer

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to promptly report any suspicious transaction reports after been discussed with IPMR Senior Management. IPMR is committed to inform and report to the relevant authorities any suspicious individual, entities and transactions arising during our business conduct and as mandated by prevailing rules.

15. IPMR exerts best reasonable efforts to ensure the mitigation of risks that are associated with the abuse of environmental and social issues associated with gold they produce, distribute, transport, export sell and/or purchase.

IPMR statement with regards to the involvement of cash:

16. IPMR shall avoid, where practicable, cash purchases and ensure that all unavoidable cash purchases of minerals are supported by verifiable documentation and preferably routed through official banking channels. Cash purchases, shall, in any event, be made in compliance with the provisions of the OECD Due Diligence guidance for responsible supply chain from CAHRAs, The Ministry of Economy Due Diligence Regulations for Responsible Sourcing of Gold, the EBC Rules for Risk Based Due Diligence in the Gold Supply Chain, and in alignment with prevailing rules, regulations, international business best practices (RJC COP & RJC CoC).

17. IPMR is obliged to report cash transactions for an amount that exceeds AED 55K or equivalent to the Ministry of Economy by using the GoAML platform as mandated by the regulator. The International Precious Metal Refiners (IPMR) has existing management system to ensure consistent implementation of the due diligence and risk control requirements of the policy which includes but not limited to:

- Scope, clear responsibilities, and escalation channels.
- Identification, assessment, and criteria for high-risk gold supply chain.
- Know-your-Customer (KYC) process.
- Monitoring and surveillance of transactions.
- Mandatory trainings for relevant staff that are involved in the supply chain at any stage.

IPMR requires all its staff involved in the gold supply chain to strictly comply with this policy and implement it in the management system.

For assistance or further queries related to the supply chain policy, employees, stakeholders, and counterparties can send an email to [Compliance@ipmr.com](mailto:Compliance@ipmr.com)

## Disclaimer

Parts of the OECD due diligence guidance for responsible supply chain for sourcing minerals from conflict-affected and high-risk areas have been adapted by the mentioned policy'.