



## **ANNUAL RJC COMPLIANCE REPORT - 2022**

### **SECTION - GENERAL INFORMATION ABOUT COMPANY**

#### **1.1 Company Profile**

MMTC-PAMP India Private Limited (MMTC-PAMP) is a Joint venture between MKS PAMP SA and MMTC Limited. We have received several awards since our inception from industry bodies for the transparency and sustainability that we rigorously uphold in our sourcing, refining and supply of precious metals in the Indian Market.

Our core philosophy of creating world class products in a world class way reflects in the quality of our precious metals and the trust our customers and partners place in us. We are the only LBMA-accredited gold and silver refinery in India and our precious metal is accepted across markets. We strive to continue to serve all our markets with integrity and excellence.

#### **1.2 Global Footprint**

MMTC-PAMP is a gold and silver refinery part of the MKS PAMP GROUP. Our parent company, the MKS PAMP Group, is a deeply trusted name in the precious metals business, bringing with it 60 years of experience and a global network of precious metals producers, users and traders.

Together, we commit to upholding global best practices of product excellence, sustainability and innovation across our value chain, and most importantly, realising our diversity and inclusion goals.

#### **1.3 Our Philosophy- World class products in a World class way**

We began our journey in 2008 and commenced full-scale commercial refining in 2012. Today, we offer a wide repertoire of products and services, produced with the most contemporary best practices and adherent to the highest global quality standards. We are leveraging India's growing digital economy to lead the way into a new era of responsible, trustworthy gold in India.

### **SECTION B: COMPLIANCE OF THE MMTC-PAMP:**

#### **2.1 Money Laundering, Terrorism Financing, Other Financial Offences**

- MMTC - PAMP operates in precious metal industry, considering the nature and risk involved we have defined policies and procedures in relation to Know Your Customer (KYC) and due diligence practices at time of onboarding of counterparty.
- We have appointed Compliance officer who reports to Risk Committee on compliance status on regular/need basis.
- Know Your Customer (KYC) and other compliance of Due Diligence is followed in line with OECD guidance
- Ongoing monitoring is carried out along with all stake holder.

#### **2.2 Kimberley Process and System of Warranties**



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- MMTC-PAMP does not Deal in Diamond, hence not applicable.

### 2.3 Anti-Bribery and Facilitation Payment Policy:

- MMTC-PAMP supports true and fair behaviour and completely prohibits Bribery and facilitation payment across organization.
- MMTC - PAMP has published precious metal policy and contact details on website to receive any grievance or complaints.

### 2.4 Ethical Sourcing of Precious metal Policy:

- MMTC-PAMP screen its counterparties at onboarding stages by following KYC and Diligence process and identifies risk including sourcing risk from Conflict Affected High Risk Area.
- MMTC-PAMP ensures all its supplies are screened for conflict free supplies.
- We have published the OECD based ethical sourcing policy and we are communicating our policies to all the supply chain partners and advising/encouraging them to adopt the same.

<b>Step. 1. Establishing Strong Company Management Systems</b>	
<b>1.A Adopt and clearly communicate to suppliers and the public company policy for the supply chain of mineral originated from conflict affected and high-risk areas.</b>	<p>Our Responsible Precious Metal Policy is fully compliant with the model set out in the Annex II of the OECD due diligence guidance. This sets out in particular our responsibility to establish strong company management systems to fight serious abuses of human rights, to avoid contributing to conflict over our supply chain and, to perform appropriate and risk based due diligence over our counterparties and precious metal supply chain</p> <p>The Policy is communicated to all our employees and publicly available on our website.</p>
<b>1. B Structure internal management system to support supply chain due diligence</b>	<p>MMTC-PAMP has established strong internal risk assessment to ensure that all its supplies are conflict free and ethically sourced.</p> <p>We have defined KYC and due diligence process which ensures that we screen our counterparties at onboarding stage.</p>
<b>1.C Engagement with Suppliers</b>	<p>We believe in long term relationships based on trust and mutual recognition, and therefore, value and encourage such</p>



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	<p>relationships. Our Agreement specifically refers to and includes our Responsible Precious Metal Policy.</p> <p>Where possible, we assist our precious metals supplying counterparties or prospects and encourage them to improve their responsible supply chain practices</p>
<b>1.E. Establishing company-level or industry wide grievance mechanism as an early warning risk-awareness system.</b>	Grievance mechanism has been established and is part of precious metal policy which is published on the web site of the company.
<b>Step. 2. Identify And Asses The Risk In The Supply Chain</b>	
<b>2. Identify and assess the risks in the supply chain and asses risk of adverse impact</b>	Supply chain due diligence following a risk-based approach is performed before entering into a business relationship and on an on-going basis with precious metals counterparty. All our counterparties and their ultimate beneficial owners are also screened at onboarding and during the course of the relationship against external databases.
<b>Step. 3. Reporting of Identified Risk In The Supply Chain</b>	
<b>3.1. Report findings of the supply chain risk assessment to the designated senior management of the company</b>	Senior Management revisits each year the decision as to whether to continue or not with business relationships categorised as high risk. Relationships considered as high risk are reviewed annually and submitted to Senior Management for validation
<b>3.2 Device and adopt risk management plan</b>	Risk management plan is being devised in case there is identified risk if any.
<b>3.3. Implement the risk management plan and monitor the performance of the risk mitigation efforts.</b>	Compliance officer monitors the effectiveness of Mitigation actions taken on identified risk if any.
<b>3.4 Internal Training</b>	Regular trainings are carried out among all concerned employees.
<b>3.5 Communication</b>	Precious metal Policy is communicated to – and part of our commercial agreements with – all our precious metals counterparties. We also encourage our counterparties to further communicate our Policy to their employees and own supply chain actors.
<b>Step. 4. Optional information on Step 4</b>	
<b>4.1 RJC COP Audit done on &amp; Done By</b>	RJC Accredited auditor audited in September 2020 to verify compliance of RJC COP 2019.
<b>4.2 Grievance and recommendation</b>	Nothing reportable.



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4.3. Area of concern & Remedial Measures	NIL
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### **2.5 Social Compliance**

- We conduct our operations with complete transparency, honesty, integrity, and openness and respect for the human rights and interests of our employees, and in compliance with all regulations and laws applicable to us.
- We respect all regulation for child labour, forced labour, non-discrimination, non-retaliation etc.
- All workmen rights are respected and adhere to freedom of association and collective bargaining regulations.
- MMTC PAMP is accredited with SA 8000:2014 which is social certification standard for organization across globe.

### **2.6 Health and Safety**

- We are committed to providing safe working conditions to eliminate incidents/ accidents arising out of work activities. We recognize the fundamental right of every person to health and safety in work environment.
- All our staff is being trained in the manner required to adhere to these work practices and drills.
- The hazardous activity carried out are protected by all means and employee's health check-up is done at regular intervals.
- All workplaces are constructed to meet safety standards with local regulations.
- Health and safety committee compromised well balance of worker and management members. It is established for continual improvement of health and safety practices in the workplace and periodical health and safety risk assessment.

### **2.7 Human Rights**

- We recognize and respect everyone's civil, economic and fundamental rights and fully comply with Labour norms and prevailing fair practices.
- The Company prohibits any form of sexually coercive, threatening, abusive or exploitative behaviour.
- Any reported incidents relating to direct or indirect physical, sexual, racial, religious, psychological, verbal, or any other form of harassment or abuse, or any other form of intimidation or degrading treatment is not tolerated by the company. POSH committee is formed to ensure such cases are reported to them and investigate the cases wherever observed.
- We do not employ child labour in our organization.

### **2.8 Environment Protection**

- MMTC-PAMP adheres with applicable environmental laws and regulations



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- The impact of our operations on the environment are studied systematically and assessed for compliance with appropriately defined standards and reviewed periodically to mitigate or eliminate such impact.

### **3. Sustainable Improvements:**

- We address our own environmental and societal responsibilities including climate change concern by having Science Based Target (SBTi) approved carbon emissions reduction targets in line with the Paris Agreement.

*Nishtha*

**Name:** Nishtha Khurana

**Designation:** Chief risk & Compliance officer

**Date:** 2 March 2023

**Signature:** *Nishtha*