

A large, faint, light brown outline of a lion head is positioned on the left side of the page, serving as a background element. It is a stylized representation of a Chinese lion dance head, with large eyes and a prominent mane.

## **RESPONSIBLE SUPPLY CHAIN STANDARD AND POLICY**

**16 December 2024**

**Version 1.2**

## COMPLIANCE MANAGEMENT

At Rich Precious Metals (RPM/The Company) Limited is a Hong Kong Customs & Excise registered Dealer in Precious Metals and Stones, Registration No.: A-B-23-05-00159. RPM is committed to steadfastly uphold our commitment to conducting business with the highest ethical, moral, and social responsibility standards. This commitment extends to our valued partners, ensuring they receive fair and equitable compensation for their collaboration.

We are committed to fostering a precious metals supply chain that is ethical, transparent, and fully compliant with international norms. As a Hong Kong-based entity actively engaged with businesses at all stages of the supply chain and trading with regulated counterparties globally, our business success is anchored in responsibility, sustainability, and rigorous due diligence. This document outlines our expanded and fully implemented Responsible Supply Chain Standard & Policy, detailing our principles, procedures, and operational framework in alignment with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals, LBMA Responsible Gold and Silver Guidance, and AML/CFT requirements.

## GLOBAL ENGAGEMENT AND ETHICAL STANCE

By adhering to our Responsible Supply Chain Standard & Policy, Rich Precious Metals Limited actively participates in global efforts to combat money laundering, terrorism financing, armed conflict, and human rights abuses. We unambiguously condemn any form of human rights and child rights abuse, expecting all stakeholders in our supply chain to align with these fundamental values.

Our policy takes a zero-tolerance stance against bribery or facilitation payments, ensuring that our operations remain free from such unethical practices. We demand clear, transparent, and full compliance with local and international regulations from every partner in our supply chain. To instill a culture of responsibility, we conduct ongoing training programs to keep all stakeholders informed about standards, due diligence practices, and best practices such as Know Your Customer (KYC) and Know Your Product (KYP).

Our commitment to due diligence extends beyond sourcing and includes transportation and logistics. We collaborate with the world's leading high-security transportation and logistics companies, strictly following the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and its Supplement on Gold.

## GOVERNANCE AND INTERNAL CONTROLS

Rich Precious Metals Limited has implemented an internal compliance management framework that aligns with the expectations of global standards.

We have designated a Compliance Officer responsible for overseeing the due diligence system, internal controls, and adherence to anti-money laundering and responsible sourcing practices.

All employees are trained on our internal compliance requirements, and our policies are reviewed annually by senior management to be inline with local requirements and global best practices.

Before onboarding any supplier, we conduct a multi-tier due diligence process including full KYC (Know Your Customer), Enhanced Due Diligence (EDD) for high-risk entities, and verification of relevant licenses with applicable regulators.

We collect and validate ownership information, beneficial owners, corporate structure, production methods, and export capacity. Suppliers are ranked by risk level and subject to quarterly reviews, site visits (where practical), and background screening through international databases.

## **SHIPMENT MONITORING AND TRANSACTION OVERSIGHT**

Each precious metals shipment is documented and assessed for compliance with regulatory and sourcing requirements. We collect the following documentation per transaction: commercial invoice, export permits, packing list, customs clearance forms, assay reports, transportation manifest, and chain of custody declaration.

We ensure full traceability at all stages of the supply chain, including declared origin, collection center information, and transport chain tracking. Shipments are handled by vetted logistics partners offering secured and insured transport solutions.

## **COMMUNITY DEVELOPMENT AND ENVIRONMENTAL PROTECTION**

Our ultimate goal is to supply our customers with responsible precious metals. We actively assess and encourage suppliers to adopt responsible and sustainable practices, minimizing environmental impact. Responsible gold and silver, for us, signifies not only compliance with standards but also active involvement in local community development.

## **SUPPLIER OBLIGATIONS**

Our suppliers play a crucial role in upholding our Responsible Supply Chain Standard & Policy. They are expected to comply with our standards on human rights, labor rights, socially responsible practices, environmental principles, and anti-corruption principles. Additionally:

- Suppliers must promptly notify Rich Precious Metals Limited of any circumstances affecting compliance.
- Rich Precious Metals Limited reserves the right to evaluate suppliers' compliance and suppliers must maintain written records of documentation to demonstrate compliance.

- The Responsible Supply Chain Standard & Policy may be revised to align with changes in laws, regulations, and company policies. The current version is available online and will be effective upon posting.

Suppliers are required to operate in compliance with all applicable environmental, labor, tax, and anti-corruption laws and regulations of the countries in which they operate. Suppliers with significant environmental impacts must maintain an effective environmental policy and/or environmental management system that supports environmental protection and prudent management of natural resources.

Suppliers shall not use any form of forced, imprisoned, indentured, bonded, or involuntary labor. Employment of children under the age defined by the International Labor Organization conventions or by national law, whichever is highest, is strictly prohibited.

Suppliers must provide equal opportunity and advancement opportunities for all employees, regardless of various factors, and promote diversity and inclusion within their organizations.

## **GRIEVANCE MECHANISMS**

We have a confidential grievance mechanism accessible to all stakeholders, including suppliers, refiners, transport agents, and employees. Reports can be submitted to [compliance@rpm.hk](mailto:compliance@rpm.hk). All grievances are logged, investigated confidentially, and resolved through a documented escalation procedure.

Whistleblowers are protected from retaliation under our internal code of ethics.

Findings are used to improve business practices and eliminate risk-prone relationships.

This comprehensive Responsible Supply Chain Standard & Policy reflects our dedication to ethical business practices, and we encourage all stakeholders to actively participate in our ongoing commitment to responsible sourcing and supply chain management.

## **CONTINUOUS TRAINING AND CAPACITY BUILDING**

Our commitment to responsible sourcing and ethical business practices is reinforced by an ongoing training program designed to bring all stakeholders, including employees and partners, up to date on the latest industry standards, due diligence practices, and evolving regulatory requirements.

All employees and key contractors undergo training programs covering the OECD five-step framework, risk identification and mitigation, KYC/KYP procedures, red flags in gold trade, and anti-bribery protocols.

Training occurs at onboarding and is repeated annually or when regulations are updated. Our internal knowledge base is continuously updated to include sector-specific guidance.

We also extend training resources to select suppliers to strengthen supply chain integrity.

Through regular training sessions, we empower our teams to stay informed about Know Your Customer (KYC) and Know Your Product (KYP) best practices, reinforcing our commitment to transparency and accountability.

## **INCLUSIVE WORKFORCE AND DIVERSITY INITIATIVES**

We recognize the significance of fostering an inclusive and diverse workforce. In addition to compliance with anti-discrimination laws, we actively encourage our suppliers to promote diversity and inclusion within their organizations. This extends beyond gender and includes considerations for race, ethnicity, gender, disability, and veterans. We believe that increasing workforce diversity and building an inclusive workplace is not only integral to our business success but also contributes to the broader societal goals of equity and fairness.

## **SUPPLY CHAIN RESILIENCE AND RISK MITIGATION**

Building on our commitment to risk-based due diligence, we continually assess and enhance our supply chain resilience. By actively collaborating with industry partners and leveraging the latest risk management tools, we ensure that our supply chain remains robust and adaptive. This approach aligns with our commitment to the OECD Due Diligence Guidance and enhances our ability to identify and address potential risks in a proactive manner.

## **ENHANCED TRANSPARENCY THROUGH REPORTING**

Transparency is a cornerstone of our responsible supply chain practices. We provide our banking partners, auditors, and trading counterparties with access to compliance documentation and conduct periodic briefings. This transparency reinforces our reputation and provides assurance across the supply chain.

## **ADAPTABILITY TO EVOLVING STANDARDS**

The landscape of responsible business practices is dynamic, with standards and regulations evolving over time. In recognition of this reality, Rich Precious Metals Limited is committed to adapting our Responsible Supply Chain Standard & Policy to align with changes in laws, regulations, and industry best practices. Regular reviews and updates ensure that our commitment to responsibility remains at the forefront of our operations.

## **STRATEGIC PARTNERSHIPS FOR SUSTAINABLE IMPACT**

Rich Precious Metals Limited recognizes that achieving responsible supply chain practices requires collaboration and collective efforts. We actively seek strategic partnerships with like-minded organizations, industry associations, and non-governmental organizations to amplify the impact of our initiatives. Through collaborative projects and knowledge-sharing,

we aim to set new benchmarks for responsible business practices in the precious metals industry.

## **ACKNOWLEDGMENT OF CHALLENGES AND CONTINUOUS IMPROVEMENT**

We acknowledge that the path to responsible business practices is not without challenges. However, we view challenges as opportunities for learning and improvement. Rich Precious Metals Limited is committed to a culture of continuous improvement, where lessons from challenges are actively used to refine our processes, strengthen our policies, and enhance the overall effectiveness of our responsible supply chain practices. By embracing challenges as catalysts for positive change, we remain dedicated to achieving new heights in responsible business conduct.

## **GLOBAL LICENSING AND LEGAL COMPLIANCE**

Rich Precious Metals Limited operates as a Hong Kong Customs & Excise registered Dealer in Precious Metals and Stones, Registration No.: A-B-23-05-00159.

We adhere to local and international AML/CFT laws and undergo periodic legal compliance reviews. We submit all required documentation to customs, regulators, and banking institutions as required.

## **CONCLUSION: A COMPREHENSIVE COMMITMENT TO RESPONSIBLE BUSINESS**

In conclusion, Rich Precious Metals Limited is not merely committed to responsible supply chain practices; we are dedicated to pioneering initiatives that set new standards for ethical, sustainable, and socially responsible business conduct. Our Responsible Supply Chain Standard & Policy is a living document that evolves with the dynamic landscape of responsible business practices. Through continuous improvement, transparency, and strategic collaborations, we aim to make a lasting impact on the precious metals industry and contribute to a more sustainable and responsible global business environment.