

REMONDIS PMR B.V.  
Precious Metals Recycling  
T +31 168 385555  
F +31 168 385550  
info@remondis-pmr.nl

Moerdijk, 15th of April 2024

Refiner's details	
Refiner's name	Remondis PMR B.V.
Location	Jupiterweg 2, 4782 SE Moerdijk, The Netherlands
Reporting year-end	2023
Date of Report	15-04-2024
Senior management responsible for this report	Tobias Schmiemann, Managing Director T +31 168 385555 F +31 168 385550 <a href="mailto:Tobias.schmiemann@remondis-pmr.nl">Tobias.schmiemann@remondis-pmr.nl</a>

## Summary of activities undertaken to demonstrate compliance

### Step 1: Establish strong company management systems

Compliance Statement with Requirement: <i>We have fully complied with Step 1: Establish strong management systems. To comply we did revise our grievance mechanism to make it more easily accessible for stakeholders and we did revise our KYC process to gather additional data and information about our existing customers and prospects. Furthermore we did strengthen the assessment from the OECD Due Diligence Guidance as required by Section VIII.B.5. of the Standard.</i>
Has the Refiner adopted a company policy regarding due diligence for supply chains of precious metal? <i>We already had an appropriate supply chain policy for precious metals before the reporting period, which is consistence with the model set out in the Annex II of the OECD Due Diligence Guidance. It covers all elements mentioned by the OECD and further takes all specific requirements of RMI and LBMA into account. This sets out our responsibility for conducting risk-based due diligence, screening and monitoring of transactions and governance structures in place. As an addition to the previous policy, we did underline the consequences for counterparties by not complying with our rules.</i>

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

*An internal management system has been set up to define the governance, roles and responsibilities, internal audit, communication and senior management review as per the adopted policy. The compliance officer has been assigned to manage the process, and has a direct line of reporting to the executive committee. The compliance officer role covers:*

- *Monitoring of supply chain due diligence process*
- *Evaluation of CAHRA's Assessment*
- *Revision of policy when required*
- *Training of employees*

*For further improvements we redefined the roles of the participants of the process and we did strengthen the structure of the process by being more specific in the actions and consequences.*

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

*We have a robust 'lot' receipts process, which is supported by our new ERP-System, that creates a high level of traceability and transparency across the whole batch process. We require specific documents and information, that must be received and transactional details entered before we process the precious metal bearing material.*

Has the Refiner strengthened company engagement with precious metal supplying counterparties, and where possible, assisted precious metal supplying counterparties in building due diligence capabilities?

*We make reference to the OECD guidelines in our offers and external communication. We also communicate our expectations to our suppliers in reference to precious metal bearing material and the due diligence requirements in our policy.*

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

*We have developed a mechanism allowing employees to voice concerns over the precious metal supply chain or a newly identified risk. A functional mailbox has been established, which is reviewed by the compliance officer as part of the grievance mechanism. We do training session on an annual basis with all relevant employees and communicate changes in the management structure or risks immediately.*

## Step 2: Identify and assess risks in the supply chain

Compliance Statement with Requirement:

*We have fully complied with Step 2: Identify and assess risks in the supply chain.*

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

*We identify and assess risks in the supply chain. For every supplier, we have established a client database and allocated a risk profile according to our risk profile criteria based on the CAHRA's assessment and the individual KYC Due Diligence assessment of the counterparty. We extended the requirements this year to make the assessment more robust. This involves not only the database for clients but also the assessment of CAHRA's and associated risks during transit etc. This process is now a formal requirement before entering any business relationship with a precious metal supplying counterparty and will be reviewed on an annual basis or on a five year basis, when the associated risk is 'low'.*

*We identify CAHRA's by the following criteria from the below mentioned resources and thresholds annually at minimum:*

- *Conflict*                 *Heidelberg barometer (threshold 4 and above)*
- *Human rights*       *Fragile State Index (threshold higher than 75 points)*
- *Governance*         *Transparency International Corruption Index (threshold below 30)*
- *EU Cahra's list*
- *Dodd-Frank Act*
- *Red flags*

*For 2023 we did an enhanced due diligence and made a risk management plan for a customer in Brazil, on which conclusion we accepted the customer.*

*For the other countries no red flags were ascertained. There have been no companies identified as high risk nor did we start any business engagement without sufficient proof of data and origin of the material.*

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

*Supply chain due diligence comprising all measures required by the LBMA Responsible Gold and Silver Guidance as well as the Responsible Minerals Initiative is performed before entering into a business relationship with any precious metal supplying counterpart. We did not perform enhanced due diligence for higher-risk categories, which includes those where gold originates from or transits via a conflict-affected or human rights abuse high-risk area, as this never happened to be the case during the assessments this year, but we do have a procedure, that covers this topic. In addition, we conduct appropriate scrutiny and monitoring of transactions undertaken through the course of the relationship.*

Does the Refiner report risk assessment to the designated manager?

*The Compliance officer provides a commentary report to the senior management team on a yearly basis and on a case-by-case basis, if high risks are identified. The senior executives must approve all new suppliers classified as high risk. Senior management retains the ultimate control and responsibility for the precious metal supply chain.*

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

Compliance Statement with Requirement:

*We have fully complied with Step 3: Design and implement a management system to respond to identified risks.*

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?

*We did cover all aspects required by the OECD Guidance in addition to the requirements raised by LBMA and RMI. The risk assessment leads to a risk profile, which represents the foundation of the actions, that need to be taken to continue/ engage into the business with the counterpart. This is described in our internal procedure. Based on the assessment the compliance officer provides the risk management plan to the senior management with advise how to proceed. Final decision is taken by the senior management.*

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.

*Our risk assessment involves the risks of countries, companies and transit and will be reviewed periodically based on the initial risk assessment. The performance will be monitored by the Compliance Officer and reported to the senior management.*

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

Compliance Statement with Requirement:

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

We engaged the services of the assurance provider TUV NORD CERT. for Silver and TDI Sustainability for Gold and their independent reasonable assurance report can be viewed on <https://www.remondis-pmr.nl/en/about-us/>

The next audits are planned in April 2024.

### **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*

Further information and specific details of how our systems, procedures, processes and controls have been implemented to align to the specific requirements in the LBMA Responsible Silver and Gold Guidance and the Responsible Minerals Initiative have been set out in our precious metal supply chain policy, which is available on our company website.

[https://www.remondis-pmr.nl/fileadmin/user\\_upload/remondis\\_pmr\\_nl/downloads/20210920\\_Supply\\_Chain\\_Policy\\_-\\_RE\\_PMR\\_BV\\_01.pdf](https://www.remondis-pmr.nl/fileadmin/user_upload/remondis_pmr_nl/downloads/20210920_Supply_Chain_Policy_-_RE_PMR_BV_01.pdf)

### Management conclusion

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance for the reporting period? **Yes**

*In conclusion, we implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Gold And Silver Guidance, as explained above, for the reporting year ended 31 December 2023.*

*We are committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis. Corrective Action Plans are communicated separately to the LBMA Executive, in its role as administrator of the LBMA Responsible Gold and Silver Guidance and RMI.*

### Other report comments

*If users of this report wish to provide any feedback to Remondis PMR with respect to this report, they can contact compliance on [Compliance@remondis-pmr.nl](mailto:Compliance@remondis-pmr.nl).*



Leo de Bruyn, Managing Director



Tobias Schmiemann, Managing Director