



## **BUSINESS ETHICS POLICY**

### **1 Background**

- a. Established in 2008, MMTC-PAMP India is among the world's most advanced gold and silver refining and minting facilities. The company is set up as a joint venture between India's MMTC (a Government of India Undertaking) and Switzerland's PAMP SA (the world's leading bullion brand), part of the MKS Group. PAMP is one of only three refineries in the world accredited as a Good Delivery Referee by both the London Bullion Market Association (LBMA) and London Platinum & Palladium Market (LPPM). For further information please visit our website [www.mmtcpamp.com](http://www.mmtcpamp.com)

### **2 Legislation and Regulations**

- a. MMTC-PAMP INDIA PVT. LTD. operates in compliance with all applicable legislations/ regulations as applicable in the countries in which it operates.
- b. All MMTC-PAMP personnel are expected and encouraged to comply with all applicable laws and regulations as well as all internal MMTC-PAMP rules and policies relating to its business activities.
- c. Compliance team maintains the list of applicable legal and regulatory requirements and same is followed for compliance on regular basis. Necessary records of requirements and its compliance is maintained.

### **3 Money Laundering, Terrorist Financing, Other Financial Offences**

- a. MMTC-PAMP recognizes the fact that it has to take on the onus of analyzing its potential vulnerabilities to money laundering and implement specific steps that are required for protection against abuse by criminals (Refer the MMTC-PAMP Responsible Precious Metals Policy available at <http://mmtcpamp.com/aboutus>).
- b. We thrive to comply with all relevant applicable national and, where appropriate, international laws/ regulations with respect to money laundering, terrorism financing, bribery, facilitation payments, corruption, smuggling, embezzlement, fraud, racketeering, transfer pricing and tax evasion.
- c. MMTC-PAMP shall act in accordance with national laws with respect to auditing of its financial accounts and maintaining internal controls as prescribed by the various applicable regulations.
- d. Regular formal trainings are conducted for concerned personnel to know and understand the relevant money laundering/ financial offences related legal, regulatory



and internal requirements as they apply to their jobs. Ignoring or not reporting suspicious activity that appears to be questionable may also be considered as a violation of the Business Principles, depending on the seriousness of the non-conformance.

- e. Compliance officer ensures all the critical steps such as KYC & KYS, Identification of suspicious transactions, reporting to management and record keeping as required by the local act and legislations are complied with.

#### **4 Anti-Bribery and Facilitation Payment Policy:**

- a. MMTC-PAMP commits to complete prohibition of Bribery and facilitation payment across MMTC-PAMP.
- b. MMTC-PAMP will not offer, accept or countenance any payment, gift in kind, hospitality, expense or promises as such that may compromise promises of fair competition.
- c. Periodic training and awareness shall be carried out to educate employees about various type and ways of bribery and facilitation payments and internal procedure to be followed for compliances.

#### **5 Gold Sourcing Policy:**

Refer the MMTC-PAMP Responsible Precious Metals Policy available at <http://mmtcpamp.com/aboutus>.

#### **6 Employment**

- a. We are committed to comply with all relevant applicable national and, where appropriate, international laws / regulations with respect to employment and labor.
- b. MMTC-PAMP shall not require workers to work for more than the national limit of hours in a week on a regular basis.
- c. MMTC-PAMP shall ensure that wages and benefits for a standard working week shall meet at least national minimum standards and shall be sufficient to meet the basic needs of workers and provide some discretionary income.
- d. Regular formal trainings are conducted for personnel to know and understand the relevant employment and labor related legal, regulatory and internal requirements as they apply to their jobs.
- e. The procedures detailed in the Employee Manual should be followed for dismissal of employees, in case the need for the same arises, and arbitrary dismissal procedures shall be avoided.



- f. Information regarding applicable employment policies and working practices shall be communicated in a transparent manner to all employees.

## **7 Health and Safety**

MMTC-PAMP recognizes the need to develop a sustainable, value creating business and is committed to:

- Any adverse impact of business processes on those who carry it out shall be identified and eliminated. Going forward, carry out systematic review of operations to identify sources of health and safety related risks.
- Make use/ comply with appropriate standards as required by prevailing laws, expert opinion and our knowledge of best practices.
- Formulate clearly described work practices and drills.
- Train its staff in a manner required to adhere to these work practices and drills.
- The health of its personnel, exposed to certain hazardous processes, to be monitored periodically through appropriate medical checks, and reviewed using expert inputs for improvements.
- Workers to not be under the influence of or abusing, drugs, alcohol and/ or other illegal substances.
- We will seek to substitute the use of material, which are known to cause an adverse impact on the health of workers or health of consumers in the course of its manufacture or use.
- All workplaces will be constructed to meet safety standards with local regulations as the minimum standards that will be applicable
- A Health, Safety and Environment Committee has been constituted with members appointed by the senior management, which will have its fullest support in executing operational changes required to implement these policies.

## **8 Non Discrimination, Disciplinary Practices**

- a. Any form of discrimination relating to the hiring, discharge, pay, promotion and training of employees on the basis of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, HIV status, Migrant status, membership of worker representative bodies, political affiliations, or any criteria that are unlawful is strongly discouraged by the MMTC-PAMP and any such reported incidents will be viewed as a serious violation of MMTC-PAMP Business Principles.
- b. Employees who have certain life threatening diseases or illnesses are not treated differently from other employees, and will continue to employ such personnel, as long



as they are physically and mentally fit to attend to their normal job responsibilities.

- c. MMTC-PAMP shall at no time condone the use of corporal punishment or other forms of mental or physical coercion
- d. MMTC-PAMP encourages all personnel to voice their concerns promptly, if they have a genuine reason to believe that a policy, MMTC-PAMP operation or practice is or will likely be in violation of any law, regulation or internal MMTC-PAMP rule or policy, including its Business Principles. MMTC-PAMP assures all employees who come forward in good faith to report issues, that they will be treated fairly and respectfully.

## **9 Child Labor**

- a. No form of child labor should be employed at any of the facilities of MMTC-PAMP.
- b. Unless local laws stipulate a higher age, the minimum age for employment applicable at MMTC-PAMP shall be eighteen.
- c. MMTC-PAMP has in place suitable policy and procedures to verify the age proof all new employees joining MMTC-PAMP.

## **10 Forced Labor**

- a. Management at MMTC-PAMP is fully committed to ensuring that forced or involuntary labor is not practiced in any form at any of its facilities. Any reported incidents relating to forced labor will be considered as a serious violation of its Business Principles.
- b. The following definitions will be applicable:
  - The Universal Declaration of Human Rights that states that 'No one shall be held in slavery or servitude'
  - ILO Convention 29, which defines forced or compulsory labor as 'all work or service which is extracted from any person under the menace of any penalty, and for which the said person has not offered himself voluntarily'

## **11 Human Rights**

- a. All employees in the Company's facilities will be treated with equality, respect and dignity.
- b. MMTC-PAMP will not interfere with the rights of its employees to observe tenets or practices based on caste, race, national origin, gender, religion, disability.
- c. MMTC-PAMP strongly discourages any form of sexually coercive, threatening, abusive or exploitative behavior. Any such behavior/ actions noticed or reported shall not be tolerated by the Company.
- d. Any reported incident 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 will not be tolerated by the company.

- e. HSE & Anti sexual harassment committees are formed which shall review the compliance at regular intervals by holding review meetings.

## **12 Environment Protection**

MMTC-PAMP is committed to effective environmental management as one of its important corporate priorities, and will focus on the following initiatives:

- Compliance with all applicable environmental laws and regulations
- The impact of each of our operations on the environment will be systematically assessed for compliance with appropriately defined standards and reviewed periodically to mitigate or eliminate such impact.
- Disposal procedures for waste generated will be clearly defined and practiced in line with standards that are set by law and best practices of the industry.
- Improvement of employee environmental awareness and performance through detailed policies and procedures, training, and recognition of excellence.
- Measurement of environmental performance through auditing with employee accountability and reporting to senior management.
- Commitment to a continual improvement process in environmental management.

## **13 Product Security**

### **Safety of Product**

MMTC-PAMP is committed to ensure safety of its product throughout the supply chain by following precautions as mentioned below:

- Each and every stage of product processing is covered through blanket insurance,
- Suitable safe guarding and storage is ensured at all stage with the help of safes & storage vaults.
- Manufacturing unit is guarded by security agency and monitored by closed circuit cameras.
- All the concerned persons are suitably trained on relevant safety and security procedures to be followed at all times.
- MMTC-PAMP shall ensure safety & Security of contractors, employees, visitors & all interested parties while processing its products.



## **SAFETY OF SUPPLIERS, CUSTOMERS, INTERESTED PARTIES AND CONTRACTORS**

- All the locations of the companies are safe guarded by security staff.
- MMTC-PAMP has developed emergency plan, which includes emergency scenarios such as theft, earthquake, fire & robbery, etc.
- Appropriate safety and security is ensured at all facilities of the company.
- Office area is under CCTV vigilance and regular back-ups of recordings are maintained.

## **SUPPLIER COMMUNICATION PROCEDURE & TRAINING TO ENSURE “QUALITY, HEALTH & SAFETY, ENVIRONMENT (QEHS) & SOCIAL COMPLIANCE” ACROSS THE VALUE CHAIN AMONGST CHANNEL PARTNERS/ INTERESTED PARTIES**

- MMTC-PAMP India has an integrated supplier registration procedure; the evaluation process is initiated by filling up an exhaustive supplier registration form which covers information about Quality, Health & Safety, Environment and Social compliance of prospect suppliers.
- On successful submission and review a supplier is enrolled and on the basis of performance over a period of time, supplier achieving high score constantly are added on the approved supplier list.
- Awareness literature for social compliance is circulated from time to time by mailers, emails, web publications or by holding awareness meeting.