



# STG Metals Supplier Standards





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## Introduction and Scope

STG Metals<sup>1</sup> is a group of entities engaged in the trading and supply of physical metals and minerals products.

This Supplier Standards document (“**Supplier Standards**”) outlines STG Metals’ processes and the criteria that it requires its trade counterparties, vendors and suppliers (collectively “**Suppliers**”) to meet, to ensure that health and safety, human rights, ethics, and regulatory requirements are in line with industry standards and all applicable national and international laws, rules and regulations (“**Rules**”). In this context, a Supplier refers to any person or entity that provides goods or services used in STG Metals’ operations, encompassing the entire spectrum of production, procurement, storage, handling, transportation, testing, and purchasing of products. These Supplier Standards are expected to be upheld at all times by STG Metals’ staff, its service providers and its Suppliers.

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<sup>1</sup> ‘STG Metals’ refers to all entities within the STG group who are involved with the physical trading and supply of metal.

## Compliance and Speaking Up

### **What we do**

STG Metals adheres to all applicable Rules, and international standards. STG Metals has a robust Compliance framework which all employees must adhere to. The business operations of STG Metals are overseen by a dedicated Compliance function that maintains specific policies and advises on regulatory matters. The policies and these Supplier Standards are periodically reviewed and updated, together with processes, procedures and controls, to address evolving compliance demands in the jurisdictions that STG Metals operates in. STG Metals has robust KYC and onboarding procedures, which are performed in line with industry standards for conducting business with its Suppliers.

All employees of STG Metals are required to follow the group's policies and complete necessary compliance training courses, and they are expected to report and escalate any issues to the compliance team.

### **What we expect**

STG Metals' Suppliers must adhere to all applicable Rules and international standards that govern their business. Suppliers to STG Metals should have adequate systems and controls in place for ensuring compliance with the relevant Rules that govern their business and should not cause STG Metals to break any Rules whilst conducting business.

Suppliers should have adequate internal policies and procedures for identifying, assessing and escalating social, environmental and other issues in the supply chain to their senior management, as appropriate. Where it is assessed that there are significant risks, Suppliers may be asked to share their internal procedures and/or assist with supply chain audit. The Supplier must seek to eliminate, prevent or minimize risks according to their likelihood of occurrence and the severity of the adverse impacts on the supply chain.

Appropriate controls should be applied and due diligence undertaken by Suppliers on their counterparties and on upstream companies within their supply chain in accordance with all applicable Rules and international standards, and in compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas where applicable.

Suppliers are expected to bring any issues concerning breaches of Rules or international standards impacting the supply chain to the attention of STG Metals in the first instance via the STG Metals grievance process outlined at the end of these standards.

Additionally, where applicable, Suppliers are expected to maintain all relevant information and records concerning the full supply chain and to disclose these as necessary to STG Metals when they are required to do so.



## Anti-Money Laundering, Sanctions, Anti-Trust, Anti-Bribery and Anti-Corruption

### What we do

STG Metals is vigilant in ensuring that it does not purchase, sell or consume materials or provide services that contravene applicable Rules, including both national and international laws. STG Metals complies with all applicable sanctions laws and ensures through its contracts and Supplier Standards that its Suppliers adhere to the same Rules, and do not cause it to break any Rules.

STG Metals has established an Anti-Money Laundering, Sanctions, Anti-Bribery and Anti-Corruption (hereby referred to collectively as “AML”) program which ensures its compliance with applicable AML laws. The AML programme provides for:

- A system of internal controls to assure ongoing compliance with applicable AML and economic sanctions laws and regulations;
- The designation of AML Compliance Officers, responsible for coordinating and monitoring day-to-day compliance with the AML Program for their businesses;
- Anti-money laundering training for appropriate personnel;
- Risk-based procedures for correspondent banking and private banking accounts;
- Appropriate risk-based measures for monitoring transaction activity of customers’ accounts;
- Retaining records of all AML documentation for the period required by applicable law;
- Suppliers to be screened against lists of persons, entities or countries issued by the government/competent authorities (e.g. OFAC, HM Treasury, UN, EU); and
- Risk based due diligence requirements including periodic updates and identification and verification of the identity for all suppliers where necessary.

STG Metals expects that its staff do not offer, give, authorise to give, promise or demand bribes. All staff are expected to not offer or give gifts or other inducements to anyone, whether directly or through third parties, with the intent or perceived intent of influencing the recipient’s decisions or actions. Staff must not conceal information concerning the origin of material and must disclose information in accordance with all applicable laws. Staff should escalate any potential issues or risks concerning bribery or corruption to the Compliance team immediately.

### What we expect

STG Metals requires that its Suppliers uphold all applicable Rules relating to anti-money laundering, bribery, sanctions, trade controls, and conflicts of interest. STG Metals expects its Suppliers to maintain a similar AML program or company code of conduct that adheres to the same level of diligence for AML topics.

STG Metals expects that its Suppliers do not offer, give, authorise to give, promise or demand bribes. Suppliers must not conceal information concerning the origin of material and must disclose to STG any relevant information in accordance with all applicable laws.



Suppliers should identify when there is a reasonable risk of fraud or bribery in the supply chain and mitigate and remediate the risks, as necessary. On identification of a potential issue concerning fraud or bribery, or where they suspect that a lack of controls in relation to AML, suppliers should work with their upstream companies to improve the supply chain and prevent any materials they source from being impacted.

Suppliers should abide by antitrust and competition law to ensure a fair and competitive marketplace, which is crucial for the integrity of the entire supply chain. Compliance with these laws helps prevent practices such as price-fixing and market manipulation, which can undermine competition and harm consumers. We expect all Suppliers to be vigilant in their business practices, ensuring that their agreements and interactions with other market participants do not violate antitrust regulations.

## Ethics, Health and Safety, Labour and Environment

### What we do

STG Metals expects its staff to ensure their behaviour meets all applicable Rules. Staff must uphold these at all times and escalate any concerns or potential breaches of the any Rules to STG's Compliance team.

We recognise our responsibility to act consistently with the fundamental principles and concepts of the International Labour Organisation, including all Rules relating to the prohibition of forced labour, child labour and human trafficking. We comply with any applicable due diligence and/or reporting obligations, as required.

In regard to Labour, STG Metals:

- Prohibits all forms of unfair or illegal discrimination based on race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, trade union membership, political belief, or any other potential bias;
- Has a zero tolerance for any form of modern slavery, including forced, compulsory, and child labour;
- Maintains appropriate policies and procedures to protect the labour rights of our workforce; and
- Respects the rights of our workforce to lawful freedom of association and collective bargaining.

### What we expect

Suppliers should have similar policies, procedures and controls for their company and their supply chain, which are aligned to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas (OECD Conflict Minerals Guidance) or other similar standards.

Under no circumstances should Suppliers benefit from, contribute to or be associated with forced, compulsory or the worst forms of child labour. Compliance with the relevant applicable international conventions including ILO Conventions No. 29 (Forced or compulsory labour), No. 138 (Minimum Age Convention, 1973) and No. 182 (Worst Forms of Child Labour - 1999) should be maintained throughout the supply chain.

For Suppliers with physical assets (such as Mines), we expect the implementation of robust health and safety policies and procedures that promote workplace safety and a zero-tolerance policy for all work-related injuries. These Suppliers must also provide appropriate training to enable safe performance of duties, and adherence to all applicable health and safety laws.

## Human Rights

### **What we do**

STG Metals supports and respects internationally recognized principles of human rights, as outlined in the Universal Declaration of Human Rights and consistent with the United Nations (“UN”) Guiding Principles on Business and Human Rights.

In high-risk conflict areas, as defined by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, we recognize our responsibility to respect human rights and avoid contributing to conflict. We comply with any applicable due diligence and/or reporting obligations, as required. We will perform assessments of Suppliers through a robust KYC programme to ensure their compliance with human rights and child labour laws. This may include third-party evaluations.

### **What we expect**

We expect our Suppliers to develop and implement policies and procedures that respect human rights within their operations and supply chains, including mechanisms for remediating any adverse human rights impacts. Where local laws conflict with these standards, Suppliers must comply with local laws while striving to uphold human rights.

Suppliers should routinely assess their supply chain and perform regular assessments or audits of the companies and Suppliers that are upstream. This may include an audit on compliance with applicable Rules and international standards.

Suppliers should work with upstream companies to remedy any potential or actual issues concerning human rights or child labour they identify or anticipate may arise. Suppliers should report any concerns regarding these matters to STG Metals via the Grievance Line (see below).





## Due Diligence

### **Disengagement**

Where Suppliers fail to meet these standards, STG Metals will work with its Suppliers to commit to an improvement plan and we reserve the right to suspend, discontinue or terminate relationships that fail to meet these Supplier Standards.

### **Review**

We periodically review these Supplier Standards to ensure their continued relevance and effectiveness, striving to enhance our practices and those of our Suppliers.

## Further Resources

Suppliers can find links to industry standards, laws and other international instruments which supplement STG Metals' Supplier Standards (as and when applicable) below:

[Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour](#)

[International Labour Standards on child labour](#)

[OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)

[OECD Due Diligence Guidance for Responsible Business Conduct](#)

[EU Conflict Minerals Regulation](#)

[EU Forced Labour Regulation](#)

[EU Directive on corporate sustainability due diligence](#)

[International Organization for Standardization \(ISO\) standards on sustainable procurement](#)

STG Metals Grievance Line:

[STGCompliance@squarepoint-trading.com](mailto:STGCompliance@squarepoint-trading.com)