Independent Assurance Report (Limited Assurance Engagement) on the LPPM Refiner's Compliance Report of BASF Metals LLC for reporting year 2024

To the Management of BASF Metals LLC, Iselin

KPMG Cert GmbH Umweltgutachterorganisation, Cologne, ('KPMG' or 'we') has been engaged with letter dated 29 November 2023 to carry out a limited assurance engagement on the LPPM Refiner's Compliance Report of BASF Metals LLC, Iselin, (further "Company") for the year ended 31 December 2024. The Refiner's Compliance Report is based on the criteria described in the LPPM Responsible Platinum/Palladium Guidance, published by the London Platinum & Palladium Market ("LPPM"), available at www.lppm.com.

BASF Metals LLC's Responsibilities

The legal representatives of BASF Metals LLC are responsible for the preparation and presentation of the Refiner's Compliance Report in accordance with the LPPM Responsible Platinum/Palladium Guidance. This responsibility includes establishing appropriate risk management procedures and internal controls relevant to the preparation of the Refiner's Compliance Report that is free from material misstatements, whether due to fraud or error. The criteria identified by the senior management as relevant for demonstrating compliance with the Guidance are the activities described within the Refiner's Compliance Report.

Our responsibilities

It is our responsibility to express a conclusion on the Refiner's Compliance Report for the year ended 31 December 2024 based on our work performed within a limited assurance engagement.

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) – "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (IAASB) and the guidance set out in the LPPM Responsible Sourcing Programme – Third Party Audit Guidance for ISAE 3000 Auditors. ISAE 3000 requires that we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Refiner's Compliance Report has not been prepared, in all material respects, in accordance with the LPPM Responsible Platinum/Palladium Guidance. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures:

- Inquiries of management to gain an understanding of BASF Metals LLC's policies and procedures for risk management;
- Interviews with senior management and relevant staff responsible for the preparation of the Refiner's Compliance Report;
- Interviews with relevant staff responsible for providing the information in the Refiner's Compliance Report;
- Visit to the head office in Iselin (USA) and the sites operating in Seneca (USA) and Cinderford (UK);
- Assessing the suitability of the Reporting Criteria including the appropriateness of relevant methods, policies, procedures, and internal controls that the refiner has in place with the LPPM Responsible Sourcing Guidance;
- Reviewing a selection of platinum/palladium supplying counterparty due diligence dossiers and transactions;
- Reviewing the overall presentation of the Refiner's Compliance Report to ensure consistency with our findings.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Ensuring the independence and quality of the auditor

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Our conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Refiner's Compliance Report of BASF Metals LLC for the period from 1 January to 31 December 2024 has not been prepared, in all material respects, in accordance with the requirements of the LPPM Responsible Platinum/Palladium Guidance.

Restriction on use/limited liability

This assurance report is addressed solely to BASF Metals LLC, in accordance with the terms of our engagement contract. Those terms permit disclosure to other parties solely for the purpose of BASF Metals LLC showing that it has obtained an independent assurance report in connection with BASF Metals LLC's Refiner's Compliance Report. Accordingly, our report shall not be used by any other person or for any other purpose. We have provided the services described above on behalf of BASF Metals LLC. We have carried out our engagement on the basis of the General Engagement Terms included in our engagement letter dated 29 November 2023. By taking note of and using the information as contained in our assurance report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms in the engagement agreement (including the limitation of our liability for negligence to EUR 1 million) and acknowledges their validity in relation to us.

Cologne, 20 May 2025

KPMG Cert GmbH
Umweltgutachterorganisation

Gerd Krause
20.05.2025
Krause
Managing Director

Martin Reith, Manager
20.05.2025
ppa. Reith
Senior Manager

Appendix

Refiner's Compliance Report

Appendix
Refiner's Compliance Report

We create chemistry

2024 Refiner Compliance Report on due diligence activities for BASF's Platinum/Palladium supply chain

Table 1: Refiner's details	
Refiner's name	BASF Metals LLC
Location	554 Engelhard Dr, Seneca, SC 29678, United States
Reporting period	01.01.2024 to 31.12.2024
Date of Report	April 2025
Senior Management responsible for this report	Timothy Ingle, Senior Vice President Precious Metal Services & Recycling, BASF Metals LLC
BASF Metals LLC (BASF) is one of the leading recyclers of secondary Platinum/Palladium material (e.g., spent automotive catalysts). We recognize that the social and environmental benefits of our catalyst recycling business must be balanced against the risk that accepting, handling, and processing Platinum/Palladium in secondary material could contribute to or result in socially and environmentally adverse impacts. Through our management processes we seek to address such risks.	

BASF evaluation

Step 1: Establish strong company management systems
1. Has the refiner adopted a company policy regarding due diligence for supply chains of Platinum and Palladium?
Compliance Statement with Requirement BASF has adopted a policy regarding due diligence for supply chains of Platinum/Palladium. *Comments and Demonstration of Compliance* In April 2021 we established our approach to responsible sourcing of Platinum and Palladium to be consistent with the 'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas' (OECD Guidance) and the LPPM Responsible Platinum/Palladium Guidance (LPPM RPPG) version 4. Our Responsible Platinum/Palladium Sourcing Policy is publicly available on our Homepage (About Us | BASF Catalysts). With this policy, we set our expectations to commercial counterparties that Platinum/Palladium sourced by BASF originates from legal and responsible sources, that Platinum/Palladium materials are not associated with crimes, armed conflicts, serious human rights or environmental abuses and that they will not be used for money laundering, financing terrorism, tax evasion, fraud, or any other crime. Besides our Responsible Platinum/Palladium Sourcing Policy, BASF is obliged to comply with EU, US, UK anti-money laundering regulations, and the German due diligence law. The responsible sourcing procedures we have adopted are complementary to our pre-existing anti-bribery and anti-money laundering procedures and are designed to ensure the integrity of Platinum/Palladium material sourced. BASF commits to protecting people and the environment and aims to work together with suppliers to strengthen the sustainability performance of our supply chain. In our operations, we do this with our company wide ESG framework and respective policies which encompass relevant topics such as Environment, Health and Safety as well as International Labor Standards.

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2. Has the refiner set up an internal management structure to support supply chain due diligence?

Compliance Statement with Requirement

BASF has set up an internal management structure to support supply chain due diligence.

Comments and Demonstration of Compliance

An internal management system based on ISO 9001´s document control has been set up to define the governance, roles and responsibilities, communication, and senior management review as per BASF's Responsible Platinum/Palladium Sourcing Policy. The management system includes guidelines, processes and standardized forms for risk identification, client onboarding, monitoring of supplier and analysis of incoming materials and training. To maintain overall compliance with mandatory requirements, we focus on continuous improvement for all relevant processes and procedures.

Due diligence activities are actively supported by BASF's senior management, including Senior Vice President and Vice President Precious Metals Services of our Environmental Catalyst and Metal Solutions (CC-EM) organization, and implemented by the Responsible Minerals Officer (Head of Responsible Sourcing of Minerals, CC-EM), Global Supply Chain Manager (CC-EM), Global Sales Director (CC-EM) and Global Procurement Manager (ECMS). Other BASF's functions such as Credit (ECMS) also support our due diligence efforts.

3. Has the refiner established a strong internal system of due diligence, controls, and transparency over the supply chains of Palladium and Platinum, including traceability and identification of other supply chain actors?

Compliance Statement with Requirement

BASF has established an internal system of due diligence, controls, and transparency over the supply chains of Palladium and Platinum, including traceability and identification of other supply chain actors.

Comments and Demonstration of Compliance
BASF's management system comprises an initial screening of all counterparties through a site visit conducted by our sales or procurement team before or within the first 12 months of the business relationship. In addition, a desk-based review of company documents is conducted. Through this review we identify the nature of the business, type of materials sourced, origin of materials, and counterparty's supply chain risk management systems. Based on this initial screening, we decide whether the respective counterparty is allowed to deliver material to our facilities. If any high risk factors are detected, we perform an enhanced due diligence.

Each delivery is reviewed for consistency, given a unique lot number, and accompanied by information about the supplier, the country of origin of the material as well as country of incorporation of the supplier. 4, we improved our automated tracking of country of origin by developing a dashboard that allows us to assess potential risks associated with the material's source. The country of origin is available for all suppliers regardless of risk level and can be checked accordingly. Our ERP system allows for easy tracking and traceability of each lot. Furthermore, we have implemented a system of checks and controls (i.e., 4-eyes principle, software assisted plausibility checks etc.). The Responsible Minerals Office of CC-EM has overview over all receiving locations as well as refining operation in Seneca to ensure compliance with LPPM's framework.

All receipts and customers are centrally monitored. This includes monitoring of country of origin information for all materials received.

In 2024, we expanded our due diligence efforts by conducting risk assessments on our affiliated companies, which further strengthens our overall metal traceability.

BASF has established a company-wide communication mechanism to promote broad based employee participation and risk identification to management. Any employee, counterparty or external stakeholder may express concerns relating to BASF's Platinum/Palladium supply chain by contacting BASF's compliance hotline (Code of Conduct (basf.com). As part of our annual training, employees are encouraged and trained to participate in our overall goal to identify risks in our supply chain.

In 2024 no issue, problem, or concern regarding the supply chain of Platinum/Palladium was raised via BASF´s compliance hotline.

Our employees involved in the Palladium/Platinum supply chain receive regular (yearly) or ad-hoc (new hire)

Internal

training based on a training program developed by the Responsible Minerals Team. The training is provided by the Sustainability Manager and tracked accordingly. In 2024, we revised our training materials to address various functions within the organization and updated our training matrix to identify employees requiring this training. Additionally, we implemented a knowledge test and feedback survey following each training session.

BASF has assigned a Responsible Minerals Officer who designs, supervises and reviews the Platinum/Palladium supply chain due diligence process based on the Policy and LPPM RPPG version 4. Due diligence within LPPM scope is managed centrally by the Responsible Minerals Office CC-EM and supported by local functions in each site. This includes the refinery in Seneca (US) as well as the receiving locations such as our warehouses in the United States and our site in Cinderford, UK.

The Responsible Minerals Officer CC-EM has a direct reporting line to senior management and ensures effective implementation of LPPM RPPG version 4 requirements.

BASF strongly supports law enforcement efforts to stop catalytic converter theft, ensure public safety and help protect businesses from being adversely impacted by criminal activity. BASF complies with valid law enforcement subpoenas and court orders, and cooperates with law enforcement investigating crimes, including those related to automotive catalytic converters.

BASF is committed to meeting the Environment, Health, Safety, Security, Energy, and Quality needs and expectations of its customers, employees, partners, and the communities in which it operates.

To support these commitments, BASF has established an Environmental Protection, Health, Safety and Quality (EHSQ) management system which is built on the guiding principles of the Responsible Care initiative of the chemical industry. The certification is audited in a regular cadence at least every 5 years with the option of shorter intervals where applicable. Effectiveness and compliance are adequately audited both internally and externally with the company's EHSQ performance regularly monitored and reported appropriately. The EHSQ unit in the Corporate Center defines Group-wide management and control systems and monitors compliance with internal requirements and legal regulations, while the sites and Group companies implement these requirements locally. Our global network enables information and insights to be shared across the BASF Group on an ongoing basis.

BASF is committed to making a meaningful impact on society through proactive engagement with local communities. In 2024, our Seneca, South Carolina, USA, site exemplified this commitment by providing vital assistance to families affected by Hurricane Helene. This included $20k in Publix gift cards for food and the provision of 20 generators to those in critical need. Additionally, the site donated nearly $40k to various community organizations last year, supporting key charities such as Make-A-Wish, Grace's Closet, NOLA, Ripple of One, Collin's Children's Home, and Safe Harbor. These initiatives range from granting wishes for children to providing essential items for students, arranging heart screenings, and supporting financial wellness for low-income families. Moreover, BASF actively participates in STEM initiatives for local schools, organizes food and hygiene drives, and conducts regular road cleanups, reinforcing its commitment to community welfare.

4. Has the refiner strengthened company engagement with Platinum and Palladium supplying counterparties, and where possible, assist Palladium and Platinum supplying counterparties in building due diligence capabilities?

Compliance Statement with Requirement

BASF has strengthened company engagement with Platinum/Palladium supplying counterparties, and where possible, assisted supplying counterparties in building due diligence capabilities.

Comments and Demonstration of Compliance

We are actively communicating our Responsible Platinum/Palladium Sourcing Policy to our commercial counterparties and internal relevant staff. Furthermore, we address our Expectations on Responsible Sourcing Practices to commercial counterparties providing services or processing to Platinum/Palladium bearing material.

We inform relevant counterparties about BASF´s Responsible Platinum/Palladium Sourcing Policy and Expectations to promote BASF`s certification according to the LPPM RPPG version 4.

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All new commercial counterparties receive our Responsible Platinum/Palladium Sourcing Policy as well as the Expectations on responsible sourcing practices of commercial counterparties providing or processing Platinum/Palladium bearing material. These documents are supplemented by BASF´s Supplier Code of Conduct. To ensure actuality, we ask our customers to acknowledge BASF 's Expectations on Responsible Sourcing Practices on an annual basis. In 2024, we began exploring the automation of this process by testing a central system that distributes policies to counterparties, who can then acknowledge them in the system. If this approach proves feasible and effective, we will develop a roadmap and timeline for global implementation.

We engage in due diligence discussions with our suppliers on an ongoing basis, sharing our idea of Responsible Sourcing practices and exchanging on best practices.

Step 2: Identify and assess risks in the supply chain

1. Does the refiner have a process to identify risks in the supply chain?

Compliance Statement with Requirement

BASF fully complies with step 2: Identify and assess risks in the supply chain.

Comments and Demonstration of Compliance

BASF has processes in place to identify risks in the supply chain. We have defined a list of Conflict- Affected and High-Risk Countries (CAHRAs) based on Responsible Minerals Initiative (RMI), EU CAHRA List (under Regulation (EU) 2017/821), Dodd Frank Act Section 1502 and Responsible Minerals Assurance Process (RMAP) recommendations, complemented by a list of Increased Risk Countries (IRCs). The list is updated in a yearly cadence or ad-hoc if deemed necessary. Starting from the CAHRA list, every counterparty is subject to an initial screening, consisting of a series of AML and KYC checks as well as on-site visits by a representative of our sales team. The on-site visit includes a multitude of technical and economic checks as well as queries for relevant due diligence parameters.

For every commercial counterparty, we identify the risk profile (low, medium, high) according to our risk matrix. All counterparties of which the material and/or provenance cannot be classified low-risk, undergo closer scrutiny. Depending on our assessment, a counterparty based in, sources from or material transits through a CAHRA or might be in violation of risks outlined in the OECD Guidance Annex 2, is classified high-risk. Such rating will result in enhanced due diligence measures, including AML scrutiny on companies in the supply chain related to CAHRAs and further verification of the company's management practices.. As long as there are no restrictions present that would prohibit travel, our sales team visits all customers initially at their respective sites.

In case additional scrutiny is deemed necessary based on initial high-risk assessment, a specific assessment site visit based on but not limited to LPPM RPPG version 4 criteria is conducted by the sales team together with a representative of the sustainability team joining virtually or on-site. The result of this visit factors into the overall risk assessment of the counterparty and is also used to promote responsible sourcing practices throughout the supply chain.

Following a risk-based approach, we have implemented an ongoing review of KYC Dossiers through periodic re- assessment of suppliers with frequency depending on the risk level (1 – 5 years depending on risk rating).

2. Does the refiner assess risks in the light of the standards of their due diligence system?

Compliance Statement with Requirement

BASF assesses risks in the light of the standards of our due diligence system.

Comments and Demonstration of Compliance

For all our commercial counterparties, including other BASF business, we are committed to assessing supply chain risks associated with the sourcing of Platinum/Palladium materials in line with our "Responsible Platinum/Palladium Sourcing Policy" and due diligence procedures. Our due diligence process includes:

- Site visit carried out by our sales or procurement team
- Know-Your-Counterparty checks
- AML checks
- Desk-based risk assessment and risk classification of counterparties
- On-site risk assessments (for counterparties classified as high-risk)

For those counterparties identified as 'high-risk' we conducted an enhanced due diligence and, as appropriate, develop a corrective action plan with the counterparty.

BASF continuously works to optimize our due diligence system.

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

1. Does the refiner report risk assessment to the designated manager?

Compliance Statement with Requirement

Risk Assessments are reported to the designated Senior Management.

Comments and Demonstration of Compliance

Senior management retains the ultimate control and responsibility for the Platinum/Palladium supply chain. The Responsible Minerals Officer and team assess the potential risks in line with BASF's Responsible Platinum/Palladium Sourcing Policy and related management processes. If red flags, high risks, or supply chain issues are identified with new or existing commercial counterparties, the Responsible Minerals Officer will report to senior management immediately. Senior management approves the decision to continue or terminate high-risk supply chains on a yearly basis.

We have strict controls for traceability of Platinum/Palladium materials. We monitor our counterparties, and we report periodically to BASF's senior management on the risks identified and on the effectiveness of any risk mitigation plans that are implemented.

2. 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

Compliance Statement with Requirement

BASF has devised a strategy for risk management of identified risks.

Comments and Demonstration of Compliance

Based on above-described risk assessment, BASF decides on a risk mitigation strategy with an initial decision on continuing, suspending or ending trade. In case of non-plausibility of sources, no cooperation/no willingness to improve by counterparty, due diligence effort exceeds value of counterparty or risk mitigation not feasible/not acceptable there will be disengagement from the source.

In case of proven or high possibility of money- laundering, terrorist financing, serious human rights abuse, support to illegitimate non-state armed groups, fraudulent misrepresentation of origin, there is disengagement, or suspension of trade under a strict risk mitigation plan. In case of doubt business should be suspended until clarity is achieved.

In case of high possibility of risks involving illegitimate/non-properly trained private security forces, bribery, non-fraudulent misrepresentation of the origin or non-compliance with legally due taxes, fees, royalties, it may be possible to continue business under a risk mitigation plan.

Our ERP system is designed to prevent the acceptance of material from counterparties that have been suspended or terminated indefinitely.

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We create chemistry

3. Monitor the improvement plan when a strategy of risk mitigation is undertaken
Comments and Demonstration of Compliance BASF´s due diligence management system requires the continuous monitoring of our counterparties. If a risk management strategy or risk mitigation is undertaken, the Responsible Minerals Officer as well as Senior Management determine appropriate measures to monitor improvement on a case-by-case basis. If risk mitigation fails after 6 months implementation of risk mitigation efforts, we re-consider our risk mitigation strategy and decision. To date, our risk assessments have not identified such risks. Where necessary we encourage our counterparties in strengthening their responsible supply chain practices. Subsequently, in 2024 there was no counterparty identified that would have led us to go beyond this encouragement and implement a risk mitigation plan in accordance with Step 3 of the LPPM RPPG version 4.
Step 4: Arrange for an independent third-party audit of the supply chain due diligence
Compliance Statement with Requirement BASF has complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence. BASF engaged the services of the assurance provider KPMG Cert GmbH. The assessment was conducted following the ISAE 3000 approach for reporting year 2024.
Step 5: Report on supply chain due diligence
Compliance Statement with Requirement BASF´s Refiner Compliance Report for reporting year 2024 has been prepared in accordance with the LPPM RPPG version 4 Step 5. The Compliance report, the Independent Assurance Report as well as our Supply Chain Policy and Corporate Supplier Code of Conduct are available on our homepage.

Management Conclusion
BASF has implemented effective management systems, procedures, processes and practices to conform to the requirements of the LPPM RPPG version 4 for the reporting year ended 31 December 2024. This 2024 Refiner Compliance Report is the Platinum/Palladium supply chain due diligence report published by BASF and is part of our efforts to ensure our due diligence activities comply with industry requirements. Going forward, we are committed to continually improve our public reporting on supply chain due diligence.

Iselin, New Jersey. April 2025

Amanda Dunne

Amanda Carol Dunne
Head of Responsible Minerals, Director of Operations & Finance

Internal