



# Independent Reasonable Assurance Report on the LPPM Refiner's Compliance Report of C. Hafner GmbH + Co. KG for reporting year 2019

To the Management of C. Hafner GmbH + Co. KG

KPMG Cert GmbH Umweltgutachterorganisation ('KPMG' or we') have been engaged with letter dated 23 December 2019 and scope extension dated 08 July 2020 to carry out a Reasonable Assurance engagement on C. Hafner GmbH + Co. KG's LPPM Refiner's Compliance Report - for the year ended 31 December 2019. The Refiner's Compliance Report is based on the criteria described in the Responsible Platinum/Palladium Guidance, published by the London Platinum & Palladium Market ('LPPM'), available at [www.lppm.com](http://www.lppm.com)

## **C. Hafner GmbH + Co. KG's Responsibilities**

C. Hafner GmbH + Co. KG's management is responsible for the preparation and presentation of the Refiner's Compliance Report in accordance with the LPPM Responsible Platinum/Palladium Guidance (version 2). 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.

## **Ensuring the independence and quality of the auditor**

During performance of the engagement we observed the requirements of independence and quality assurance set out in legal provisions and professional pronouncements, in particular the professional code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

## **Our responsibilities**

Our responsibility is to carry out a Reasonable Assurance Engagement and to express an independent conclusion based on the work performed and evidence obtained, as to whether the Refiner's Compliance Report, in all material respects, describes fairly the activities undertaken during the year to demonstrate that compliance is in accordance with the requirements of the LPPM Responsible Platinum/Palladium Guidance.

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 ('the Audit Guidance') as a Reasonable Assurance Engagement. ISAE 3000 requires that we plan and perform the Assurance Engagement to obtain reasonable assurance about whether the Refiner's Compliance Report is free from material misstatement.

An Assurance Engagement on the Refiner's Compliance Report involves performing procedures to obtain sufficient appropriate evidence to give reasonable assurance over the Refiner's Compliance Report. The procedures selected depend on our judgement. These procedures included:

- Inquiries of management to gain an understanding of C. Hafner GmbH + Co. KG'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;
- Visits and remote audit to sites operating in Wimsheim and Pforzheim, Germany;
- 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 Platinum/Palladium Guidance;
- Reviewing a selection of Platinum/Palladium supplying counterparty due diligence dossiers and transactions;
- Testing a selection of the processes, controls and estimates that support the information provided in the Refiner's Compliance Report;
- Reviewing the overall presentation of the Refiner's Compliance Report to ensure consistency with our findings.

### **Our conclusion**

Based on the work we have performed and the evidence we have obtained, in our opinion, the Refiner's Compliance Report for the year ended 31 December 2019, in all material respects, describes fairly the activities undertaken during the year to demonstrate compliance with the requirements of the LPPM Responsible Platinum/Palladium Guidance. This conclusion is to be read in the context of the remainder of this Assurance Report, in particular the inherent limitations explained above and this Assurance Report's intended use.

### **Restriction on use / limited liability**

This Assurance Report is made solely to C. Hafner GmbH + Co. KG, in accordance with the terms of our engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of C. Hafner GmbH + Co. KG showing that it has obtained an independent Assurance Report in connection with the C. Hafner GmbH + Co. KG 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 C. Hafner GmbH + Co. KG. We have carried out our engagement on the basis of the General Engagement Terms included in our engagement agreement dated as of 23 December 2019 and scope extension dated 08 July 2020. 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, Germany, 11 August 2020

KPMG Cert GmbH Umweltgutachterorganisation

A handwritten signature in blue ink, appearing to be 'G. Krause', with a long horizontal stroke extending to the right.

Gerd Krause  
Managing Director

A handwritten signature in blue ink, appearing to be 'Mara Zimen', with a stylized, cursive script.

ppa. Mara Zimen



# Appendix

## Refiner's Compliance Report