



FAGGI ENRICO S.P.A.

Precious Metals Supply Chain

Due Diligence Policy

Prepared in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

Sesto Fiorentino, 1 September 2026

Approved by: Sole Director Cav. Lav. Gianni Faggi

1. Introduction and Purpose

FAGGI ENRICO SPA operates in the precious metals sector and is committed to ensuring that its sourcing, processing, refining, production and trading activities are conducted exclusively on the basis of legitimate and ethical sources and transactions, in full respect of human rights, the environment and the law. It is an affiliate member of the London Platinum & Palladium Market (LPPM) and a certified member of the Responsible Jewellery Council (RJC).

The Company adopts this Precious Metals Supply Chain Due Diligence Policy with the aim of preventing, mitigating and remedying the risk that the precious metals it handles are associated, directly or indirectly, with armed conflict, serious human rights abuses, money laundering, terrorist financing, tax evasion, fraud or other unlawful activities.

This Policy has been drawn up in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereinafter the "OECD Guidance" or "OECD DDG"), as well as the LPPM guidelines (Responsible Platinum/Palladium Guidance) and the standards of the Responsible Jewellery Council (RJC COP and RJC COC).

2. Scope of Application

This Policy applies to all sourcing, processing, refining, transport and trading activities involving precious metals (gold, silver, platinum, palladium, rhodium and other platinum group metals).

The Policy applies to all of the Company's business partners involved in the precious metals supply chain. General purchases unrelated to the precious metals supply chain (for example, stationery, energy and general services) are excluded from the scope of this Policy.

3. The Model

In accordance with the framework set out in the OECD Guidance, FAGGI ENRICO SPA has structured its due diligence system as follows:

1. Adopt and integrate into the Company's management systems a robust responsible sourcing policy for supply chains of minerals from conflict-affected and high-risk areas, together with a policy on diversity, equity and inclusion.
2. Identify and assess risks in the supply chain, by identifying and evaluating the risks of adverse impacts on the basis of the information gathered, with particular attention to Conflict-Affected and High-Risk Areas.
3. Design and implement a strategy to respond to the identified risks, by reporting the findings of the risk assessment to management, adopting risk management measures (mitigation or suspension of engagement), monitoring and verifying the measures adopted, and carrying out additional enhanced due diligence where necessary.
4. Subject the supply chain due diligence carried out to independent third-party audit at identified critical points of the supply chain, where applicable and in line with industry practice.
5. Report annually on supply chain due diligence, ensuring transparency towards the competent authorities, business partners and other stakeholders.

4. Commitments against the Financing of Unlawful Activities and Human Rights Abuses

FAGGI ENRICO S.p.A. does not tolerate, contribute to, facilitate or assist, directly or indirectly:

- ✓ any form of torture or cruel, inhuman or degrading treatment;
- ✓ any form of forced or compulsory labour;
- ✓ any unlawful or unacceptable form of child labour, including the worst forms of child labour;
- ✓ other serious human rights violations and abuses, such as human trafficking and widespread sexual violence;
- ✓ war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide;
- ✓ active or passive corruption in any form.

The Company immediately suspends business relationships with customers and suppliers for whom the risks indicated above have been reasonably identified and cannot be mitigated.

4.1 Non-State Armed Groups and Security Forces

FAGGI ENRICO S.p.A. does not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals.

Likewise, the Company does not tolerate any direct or indirect support to public or private security forces that engage in unlawful conduct. The Company recognises that the legitimate role of security forces must be exclusively to maintain the rule of law, safeguard human rights, provide security to workers, and protect the site or transport routes from unlawful interference.

We intend to immediately terminate the relationship with upstream suppliers for which we identify a reasonable risk that they source from, or are linked to, third parties that provide direct or indirect support to non-state armed groups and to public or private security forces.

4.2 Anti-Money Laundering and Countering the Financing of Terrorism

The Company does not offer, promise, give or demand any form of bribe to conceal or misrepresent the origin of precious metals or to evade taxes, fees or royalties due in connection with the extraction, processing, transport or export of minerals.

The Company actively supports efforts to prevent and detect money laundering and terrorist financing where a reasonable risk has been identified in connection with the supply chain, and promptly reports any suspicious unlawful financial transactions to the competent Authorities, in accordance with the applicable AML/CFT standards.

All payments relating to transactions in material containing gold, silver or platinum group metals are made exclusively through official, traceable banking channels.

5. ESG Factors in Supplier Qualification

In qualifying and monitoring its business partners, FAGGI ENRICO S.p.A. considers the following environmental, social and governance (ESG) factors:

- compliance with applicable laws on the environment, health and safety, and workers' rights in the countries where the activities are carried out;

- proper management of emissions to air, water and soil, as well as of any environmental incidents;
- proper management of water resources, with particular attention to areas where such resources are scarce or compromised, and protection of access to drinking water;
- exclusion of sourcing from protected areas, nature reserves and World Heritage sites;
- proper storage, handling and disposal of hazardous chemical substances, including mercury and cyanide;
- respect for workers' rights, including pay, working hours, collective bargaining, non-discrimination and freedom of association;
- protection of biodiversity and animal welfare;
- participation, where applicable, in local community development programmes;
- conduct of business relationships with integrity and in an ethical manner, in support of supply chain transparency.

6. Origin of Materials and High-Risk Areas

The definition of high-risk area adopted by FAGGI ENRICO S.p.A. is aligned with Annex II of the OECD Guidance and the related LPPM - RJC guidelines. The Company carries out a country risk assessment for all counterparties supplying material originating from areas identified as CAHRA (Conflict-Affected and High-Risk Areas).

For materials originating from high-risk countries or areas, and in any case for Suppliers that have not publicly committed to a similar Responsible Supply Chain Policy or one based on OECD Annex II, the Company applies enhanced due diligence (EDD) measures, which include, by way of example: more in-depth KYC/KYP checks, requests for additional documentation on the origin of the material, on-site verifications where possible, and enhanced assessment by the Compliance Officer or equivalent body.

The Company does not engage in business relationships with counterparties located in countries subject to international sanctions (UN, EU, OFAC/USA, SECO, UK and other competent authorities for the sector) and maintains an internal list of countries of origin from which it does not accept materials, subject to periodic review based on developments in the geopolitical and regulatory context.

The Company does not engage in business relationships with counterparties suspected of trading in stolen precious metals, immediately suspends any agreements and cooperates with the Authorities to combat this phenomenon.

FAGGI ENRICO S.p.A. further undertakes to:

- Investigate and consider suspending any Supplier suspected of handling stolen PGMs, pending further Due Diligence.
- Cooperate with the Authorities in seeking to put an end to the trade in stolen PGMs.
- Refuse to make cash payments (or partial cash payments) for autocatalyst material.

7. Due Diligence Management System

FAGGI ENRICO S.p.A. implements an integrated management system for responsible sourcing, consistent with the industry guidelines (LPPM, RJC) applicable to the metals handled, which provides in particular for:

- the definition of clear roles and responsibilities for the implementation of the management system, including a Compliance Officer / Responsible Sourcing Officer;

- the application of adequate due diligence (Know Your Customer – KYC, Know Your Product – KYP, Know Your Transaction – KYT) before starting any business relationship and on an ongoing basis throughout its duration;
- continuous monitoring of transactions in order to identify risks of conflict, money laundering, terrorist financing and serious human rights or environmental violations;
- retention of documentation relating to counterparties and transactions for a minimum period in compliance with applicable law (and in any case not less than 10 years, in line with industry best practice), in order to demonstrate that adequate and constant due diligence has been applied;
- an ongoing training programme for all personnel involved in the precious metals supply chain;
- periodic updating of KYC/KYP information relating to business partners and, depending on the level of risk, periodic checks, including on-site;
- the requirement for business partners to formally acknowledge the principles of this Policy in writing and, in turn, to adopt responsible sourcing policies consistent with Annex II of the OECD Guidance.

Where the management systems of business partners prove deficient or inadequate, the Company may, where commercially appropriate and feasible, offer support through training and mentoring activities aimed at improving the relevant policies and procedures.

8. Reporting and Whistleblowing Mechanism

FAGGI ENRICO S.p.A. makes available to its employees, business partners and all interested parties a "Whistleblowing Report Form" (for reporting unlawful conduct), freely accessible, including anonymously, on the website www.faggi.it, for reporting suspected or established violations of this Policy, and problems or irregularities identified in the precious metals supply chain.

Reports received are forwarded to the Compliance Officer and handled with due regard for confidentiality and the protection of the reporting person, in accordance with the applicable internal procedures. All reports deemed relevant are investigated and, where necessary, corrective measures are adopted by the responsible management.

9. Responsibilities and Governance

Implementation of this Policy is entrusted to the Company's Responsible Sourcing Officer, who monitors its effectiveness and proposes its periodic update. Decisions on the management of identified risks and on any suspension or termination of business relationships are taken by the responsible management, with the involvement of Senior Management for the most significant cases.

This Policy has been approved by the Sole Director of FAGGI ENRICO S.p.A. and is subject to periodic review in order to ensure its continued compliance with the OECD Guidance, applicable regulations and industry best practice.

Sesto Fiorentino, 1 September 2026

FAGGI ENRICO S.p.A.

Cav. Lav. Gianni Faggi

