

## REPORT on the Supply Chain Due Diligence

ASS#: 1/01/2023 - 31/12/2023	General Supply Chain REPORT	Clients Gold and Silver
Andrea Malfanti C&SR Dir.	Date: 31/12/2023	Approved CEO 30/12/2023

To whom it may concern and

- to the honorable Chief Executive Officer and the members of the board of Directors , External Auditors

The present report is covering the period since the beginning of the year 2023 and it cover the whole 12 months

For each and every client it has been necessary to forward and exchange an NDA but despite the forwarding we still had few client reluctant to release to us informations on their supply chain.

Positively we have been sending to all the clients our supply chain policy and the risk assessment for them to fill it up by themselves containing several questions focusing on the legality of their purchases and their personal knowledge of the provenance of their gold and silver.

We have furthermore inserted questions on the use of **Recycled precious metals** as a part of knowledge but also, considering our choices on this kind of supply, as incentive to promote the use of the recycled metals in the whole chain of manufacturing.

We have delivered our **KYC** and the **Supply Chain Policy** and the **Risk assessment** Due Diligence also to buyers and sellers from which we are not rendering refining services but just selling or buying. We felt nevertheless the duty to complete the whole range and the entire cycle of the precious metals handled or exchanged for whatsoever reason including the trade.

As Arezzo we have formally renewed and précised our Provenance Claim , confirming our choices to avoid any newly mined metals or to participate in any form to the processing of mining.

Gold Clients active in the period(^)	nr. 8
Gold and Silver Clients	nr. 11
Silver clients	nr. 5
Mailed KYC and SCP/RAss	nr. 20

**RISK Assessment** results: CAHRA High Risk = 0

CAHRA Low Risk = 0

Other kind of risk not directly related to Metals Supplies = 0

GENERAL ADVICE : - We have been personally inspected the companies to which we are entertaining business relations as in the performing of our core objectives as well as

- On 20 active clients 9 of them are RJC certified ( COP ) or RJC members ( 1 ) in the progress of the certification
- 2 of them ( buyers /sellers ) are LBMA GLD certified
- **No red Flags have been raised**
- **None** of them is purchasing Gold or Silver from CAHRA countries nor from private individuals from wherever
- **All purchases done are documented and invoiced regularly from authorized suppliers**
- **Authorized Suppliers from where the clients are purchasing from are associated to RJC , LBMA , Gold traders association , Thai Gems and Jewelry Association**
- All of them are keeping the record of the transactions done and all the transactions are performed by bank
- On our supplies 60 % of Gold ( Au ) is originated from loss and internal recovery as contractually agreed with clients and then by reprocessing the dispersion left in the remains and recovered in due time or by the recovery of the impurities in the alloys in the normal course of action , the other 40% is purchased by RJC certified COP company ( 1 )
- On our supplies Silver ( Ag ) is originated 100 % from Purchases of scraps ( any kind of ) , losses and recovery as contractually agreed with clients , subsequently reprocessed to recover the dispersion left in the remains in due time or by the recovery of the impurities in the alloys in the normal course of the daily action

On the whole of our supplies the Value of Certified Clients (RJC + LBMA) weighs for as much as 58 % either for Purchases and Sales or loss recovery afterward therefore we can conclude that there is no risk whatsoever in terms of supplies for whatever is concerning the violations of fundamental rights as in the OECD prescriptions and warnings.