

ANNUAL REPORT ON SUPPLY DUE DILIGENCE

This evaluation relates to the period 01.01.2023 – 31.12.2023.

Key operations were verified and audited, including waste inspection and procedure of recovery material that contain precious metals, laboratory testing, purchase procedure, supply chain risk assessment, refinery, storage, packing, inventory, and product delivery.

In the table below we report the kg of material that is use in the production:

Source /Type of material	Silver	Gold
Mined		
Recycled	35.937	184
Grandfathered		
Mixed		

In accordance with COP RJC, the firm has created a policy addressing due diligence for the supply chain of salt and compounds that contain gold, palladium, platinum. This policy dated 01.07.2023 is shared in the Progold website.

The company has designated Valentina Bizzotto, TQM of Progold S.p.A., to be accountable for the implementation of due diligence, as well as a compliance officer, and has put in place internal and external communication arrangements.

The Company has established and applies a procedure to evaluate supplier and customers and how to accept the good in entrance.

The Company ensures that its suppliers agree to a supply chain policy that is compliant with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. To do this, the organization must:

- Establish long-term relationships with suppliers, rather than short-term or one-time contracts, if possible, in order to gain power over suppliers.
- Accepts only conflict-free gold from refiners or banks on the current LBMA Good Delivery List.
- Accepts only conflict-free precious metals traceable from RJC chain accredited enterprises and recycled form organizations that meet OECD rules on KYC and Due Diligence.
- Communicate to suppliers' expectations about responsible mineral supply chains from conflict-affected and high-risk areas and implement the Company Policy and the Ethical Code into commercial contracts and/or contractual agreements with suppliers.

Progold S.p.A. detected and analysed the supply chain risk utilizing the RJC Risk Assessment Toolkit throughout the risk assessment process. We identify several but with a low or moderate risks and for mitigating them the company has:

- Communicate the Policy and Ethical Code to internal and external stakeholders.
- Adoption of procedures within the integrated management system.
- Defining roles, allocating responsibilities and accountability, and delegating authority to ensure the effectiveness of the integrated management system and its procedures.
- Procedure for maintaining records.
- Personnel training

Progold S.p.A. has arranged for a supply chain due diligence audit to be conducted by an impartial third party (Bureau Veritas Italia SPA).

Complaints of any human rights breaches received by e-mail from all parties are tracked and examined. Non-compliance management reports are handled in line with the non-compliance management procedure.

In 2023 we haven't received any claim about human right violation.

Last injury dated 2021.

