

RESPONSIBLE SOURCING POLICY

F.A.OR., acknowledging that the activity of mining, trade, handling and export of precious metals coming from conflict areas (the so-called “conflict metals”) and from high-risk areas can imply risks connected with significant negative effects and endorsing the approach of respect for human rights as well as the will not to contribute in any way to conflicts, is committed to adopt the present policy and to spread it as well as to raise awareness in this regard among its suppliers. The company is committed to refrain from any wilful action which could contribute to finance conflicts and it is willing to comply with UN pertinent resolutions implying sanctions that is, where applicable, to comply with national laws enforcing the above mentioned resolutions.

Through an external independent audit our company gives evidence that:

- it respects human rights in compliance with the Universal Declaration of Human Rights and with the Declaration of the International Labour Organisation regarding the fundamental principles and rights at the workplace;
- it doesn't either make use of or tolerate any kind of concussion, bribery, corruption, money laundering or financing of terrorism;
- it supports transparency in payments;
- it does not either directly or indirectly support armed groups
- it has drawn up and developed a procedure describing the methods through which the concerned parties can express their issues
- it implements a management system for due diligence activities based on risk, concerning responsible sourcing supply chains for minerals coming from conflict and high-risk areas

Within the framework of the sourcing process, our company is committed to comply with the following principles:

1. not to tolerate:
 - any form of torture or cruel, inhuman and degrading treatment
 - any form of forced or compulsory labour, meaning any kind of work or service which would be required from a person under menace of punishment and for which the above-mentioned person has not spontaneously volunteered
 - child labour and serious violations/breaches of human rights
 - war crimes or other serious violations of the international humanitarian right, crimes against mankind or genocide
2. trade relationships with suppliers and customers for whom a reasonable risk as regards abuses is identified or who could be involved in or connected with the above-mentioned crimes are not allowed
3. not to tolerate any wilful either direct or indirect support, through the purchase of precious metals, to armed groups or their affiliates, who:
 - control mining sites, transports roads, places where precious metals are traded and stakeholders up the supply chain
 - illegally tax or extort money or precious metals from mining sites, during transport or at the trade places
 - illegally tax or extort money or precious metals from intermediaries, export companies and international trading companies
4. business relationships with suppliers, in case a reasonable risk is identified that the same suppliers may purchase from or may be in a way connected with non-state armed groups through direct or indirect support, are either not allowed or shall be immediately interrupted
5. we are committed not to either directly or indirectly support public or private security forces which openly control, tax or illegally extort money in connection with mining sites, along transport roads, in places where precious metals are traded, towards intermediaries, export companies and international trade routes

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6. we herewith state that the role of public or private security forces is to guarantee the safety of workers, plants, equipment and goods in compliance with the rule of the law, including compliance with Norms which guarantee human rights
7. it is not allowed to offer, promise or request kickbacks and we firmly oppose solicitation of kickbacks, as well as any request of concealment or dissimulation regarding the origin of gold/silver, or any request to make false declarations regarding taxes, levies, tariffs and royalties paid to governments in connection with mining, trade, handling, transport and export of precious metals.
8. No form of money laundering is allowed and we support the efforts for an effective elimination of money laundering deriving from, or connected with, mining, trade, transport or export of precious metals.

We require our employees, agents, consultants and trade partners to comply with the present policy and, in order to apply it, we shall implement suitable disciplinary measures, up to and including termination of employment or interruption of contracts.

The present policy has been developed and drawn up with reference to the principles of the OECD guidelines regarding Due Diligence for responsible supply chains.

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