

Annual Step 5 Due-Diligence Report 2023

Table 1: Refiner's details

Refiner's Name	WIELAND Edelmetalle GmbH		
CID Number	CID002778		
Facility Address	Schwenninger Str. 13, 75179 Pforzheim, Germany		
Scope	RMAP: Au	RJC COP: Au, Ag, PGM	RJC COC: Au, Pt, Pd, Rh
Senior management responsible for this report	Stefan Helmling, Managing Director		

Table 2: Summary of activities undertaken to demonstrate compliance with RJC CHAIN-OF-CUSTODY-GUIDANCE

Step 1:	Establish strong company management systems.	WIELAND has strong company management systems in place and has fully complied with step 1
Supply chain policy	WIELAND has adopted a supply chain policy. Our supply chain policy is published on our Homepage: http://www.wieland-edelmetalle.de/company/	We established an appropriate supply chain policy for Gold, Silver, Platinum, Palladium and Rhodium, which is consistent with the model set out in the Annex II of the OECD Due Diligence Guidance. This established our responsibility for conducting risk-based due diligence, screening and monitoring of transactions and governance structures on site. This policy is our commitment to implement the relevant regulatory and ethical requirements.
Management structure and responsibilities for due diligence program	WIELAND has set up an internal management structure to support supply chain due diligence.	Internal management has been established to define governance, roles and response, internal audit, communication, and management review in accordance with the adopted policy. A Compliance Officer has been appointed for the SAXONIA Group to manage the process and report directly to the Managing Partner.
Internal control systems and processes for information collection	WIELAND has established a strong internal system of due diligence, controls and information collection over Precious Metal supply chain.	WIELAND has robust internal control systems in place. The accompanying documents of the shipments must be checked. Each lot received is accurately registered in our digital transaction system. Before the material is processed, specific checks are carried out regarding the identity and origin of the material received.

Record-keeping system and processes for identifying material origin.	WIELAND has established checks and controls for incoming materials and will keep appropriate records.	WIELAND has robust procedures in place to identify the origin of materials. All documents of the shipments must be verified. Each lot received is accurately recorded in our digital transaction system. Specific checks are carried out on the material received before it is processed.
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Step 2:	Identify and assess risks in the supply chain	
System for identifying red flag locations	Wieland has a process to identify red flag locations in the supply chain.	We identify and assess risks in our supply chain. We set up a customer database for suppliers and assign them a risk profile according to our risk profile criteria. This KYC process is a formal prerequisite for entering a business relationship with a supply party. Our due diligence process is carried out using a risk-based approach.
Description of red flags in supply chain.	We have implemented a process to identify "red flags" in the supply chain, based on "red flags" in the area of our business partners and in the quality of delivered material.	During the counterparty adoption process, we perform various checks to identify red flags on the customer's side. Daily we check the material arriving at our plant in terms of material composition and country of origin, as well as countries in transit.
Steps taken to map red flag supply chain	We check red flags in the supply chain during our KYC-process and during material checks when the material arrives at our plant.	Through our KYC process, we check and monitor red flags. These checks are accompanied by regular reviews and event-driven reviews. In addition, we check each material delivery against predefined parameters.
Methods, practices and information yielded by on-the-ground assessment teams	We visit significant business partners on a regular base. We use these visits also for gathering information.	Staff visiting partners have received training to verify relevant standards. We document our visits through a special report that is used to verify site conditions. The report includes information about the site, supply chain and due diligence. During the reporting year, site visits to partners were limited due to the Corona pandemic.
Actual and potential risks identified (not for potential suppliers)	WIELAND has set up risk assessment and management for the complete supply chain.	The check for actual and potential risks is implemented in the KYC and due diligence processes. In addition, we check each material delivery against internal standards regarding origin, supplier and plausibility.

Step 3:	Design and implement a strategy to respond to identified risks (if applicable).	We have fully complied with Step 3: Design and implement a strategy to respond to identified risks (if applicable).
How internal control systems have been strengthened to collect reliable information from red flag supply chains.	In order to harmonise internal control systems with the Compliance requirements, WIELAND has strengthened information collection in the supply chain.	We strengthened and deepened controls and intelligence gathering throughout the supply chain through revised KYC-processes and due diligence processes.
Steps taken to manage risks, including involvement of affected stakeholders. Efforts made to monitor and track performance for risk mitigation.	WIELAND has established risk management and appointed designated managers to track performance.	The risk management systems in place are designed to be reviewed annually by the appointed manager, i.e. compliance. Reporting is reviewed by management for improvements to the process. The annual report also monitors the involvement of the stakeholders concerned.
Number of instances where member has decided to disengage from suppliers.	We have a process in place to report the number of instances where we have decided to part ways with suppliers.	We run our KYC process as a Group-wide process that includes reporting to the Group's management and Executive Committee. To provide the necessary resources, a Compliance Manager has been hired at the Group holding company. Since 2019, all new potential customers have been screened in accordance with the applicable KYC process and only after approval by the Compliance Department has a business relationship been established. Customer relationships already existing at this time are also checked accordingly and approved once again. In the event of a failure to comply with KYC requirements, the customer relationship is terminated. Over the course of 2023, the integration of the KYC process into the approval processes of recycling customers was intensified. At the end of the year, all recycling customers, for whom the KYC check and approval process was not complete, were systemically blocked in the companies ERP system, so that material purchases can no longer take place without documented KYC approval. As of end of 2023 438 recycling customer are approved.
All instances of risk mitigation and results of follow-up after six months.	WIELAND has established the required tools to perform risk mitigation.	Identified risks are investigated by the Compliance Department. The results of the assessment are reported to Senior Management. Senior Management supported by the Compliance Officer decides on a case-by-case basis which strategy for risk management will be implemented. During the reporting period no risks were identified.

Step 4:	Carry out independent third-party audit of refiner's due diligence practices.	The independent auditing companies KPMG and TDI regularly audit WIELAND in accordance with the relevant compliance regulations i. e. of the Responsible Jewellery Council COP and COC Standards and the RMAP Standard of the Responsible Minerals Initiative (RMI).
Last Assessment Date	<u>Responsible Minerals Initiative:</u> 08/28/2023 – 08/29/2023 <u>Responsible Jewellery Council:</u> 07/05/2022 – 07/07/2022	
Assessment Period	<u>Responsible Minerals Initiative:</u> 06/01/2022 – 06/30/2023 <u>Responsible Jewellery Council:</u> 04/01/2018 – 05/31/2022	
Assessment Type	<u>Responsible Minerals Initiative:</u> Re-audit <u>Responsible Jewellery Council:</u> Re-Certification	
Assessment Cycle	<u>Responsible Minerals Initiative:</u> 1 year <u>Responsible Jewellery Council:</u> 3 years	
Lead auditor name	<u>Responsible Minerals Initiative:</u> David Sturmes, TDi Sustainability <u>Responsible Jewellery Council:</u> Martin Reith, KPMG	
Most recent audit summary report	<u>Responsible Minerals Initiative:</u> https://www.responsiblemineralsinitiative.org/media/docs/PublicReports/WielandEdelmetallePublicReport.pdf <u>Responsible Jewellery Council:</u> https://www.responsiblejewellery.com/member/wieland-edelmetalle-gmbh/	

Pforzheim, 05.04.2024

Stefan Helmling
Managing Director

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