

Due Diligence Report of THOMAS SABO GmbH & Co. KG for the Financial Year 2020/2021

Supply chain policy

THOMAS SABO has issued a Supply Chain Policy in accordance with the OECD Due Diligence Guidance ("OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas") Annex II with its Procurement Management Guideline.

Compliance with the THOMAS SABO GmbH & Co. KG Supply Chain Policy is binding for our business partners. For our suppliers, these principles become part of the contract via the Code of Conduct for Suppliers.

A complaints process is available to internal and external stakeholders for complaints, enquiries, raising concerns, etc.

Management structure and responsibilities

The establishment of internal management structures for a system of due diligence, controls and transparency in the supply chain (incl. tracking / identification of further parties involved) has been completed, as has the definition of the associated responsibilities. The due diligence process is described in a corresponding company document and the responsible employees have been named.

The system is reviewed annually and adjusted if necessary.

Recording system and identification of the origin of the material

An ERP system makes it possible to collect all information from every transaction and make it available at any time.

Identification and assessment of risks along the supply chain

Risks along the supply chain are checked in accordance with the current OECD Due Diligence Guidance, i.e. materials and suppliers are checked to ensure that they do not contribute directly or indirectly (e.g. by financing participants / money laundering) to conflicts or their negative impacts such as lack of security, widespread violence, human rights violations, violations of national law and international law. We generally do not source from CAHRAs ([CAHRAs \(cahraslist.net\)](http://cahraslist.net)). Where risks/violations are identified, risk prevention or mitigation measures are taken. Depending on the risk assessment and the success of the measures taken, business relationships may be suspended or terminated.

No warning signs ("red flags") were identified during the reviews in the reporting period, so no risk mitigation or avoidance measures were required. As all our suppliers for precious metals and jewellery are certified, this is not expected for the rest of the year until the next review.

An action plan for the future has been prepared.

Audit summary reports

The audit of our RJC COP certification is scheduled for July 2021 and the result will be announced as soon as it is known.

Lauf, 12.07.2021

Dr Gunnar Binder
CEO