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ANNUAL BUSINESS RESPONSIBLE REPORT For the year 2021. Dated: 21st, February 2022

THE SAM PRECIOUS METALS FZ-LLC.DIFFERENCE

Introduction:

SAM PRECIOUS METALS FZ-LLC. is internationally recognized as an industry leader for bringing global standards of excellence to the UAE precious metals industry. Our goal is to service a few select customers which allows us to tailor our product and infrastructure to service their needs. This applies to product development, customer service, shipping and each customer's specific needs.

This Document Includes following elements as a part of formal annual reporting for its social compliance, Human Right and Ethical Sourcing Compliances.

- Section A: General Information about the Company:
- Section B: Financial compliance
- Section C: Social Compliance
- Section D: Human Right Compliance
- Section E: OECD compliance Report.

Section A: General Information about the Company:

Our team – Cooperative & Flexible

Our people are our greatest strength - we have an experienced & multifaceted team of merchandisers, designers, artisans, analysts, and fulfilment specialists. Together we strive to create an environment where we go above and beyond to not only service, but to anticipate our customers' needs and requirements and follow through on them.

Section B: Financial compliance of the SAM PRECIOUS METALS FZ-LLC:

1. Money Laundering, Terrorism Financing, Other Financial Offences

Current Status

- SAM PRECIOUS METALS FZ-LLC. recognizes the fact that entities in precious metals industry have to take on the onus of analysing their potential vulnerabilities to money laundering and implement specific steps that are required for protection against abuse by criminals.



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- Strict compliance is ensured at all the entities and compliance officer has been appointed at entity level who in turn reports to SAM PRECIOUS METALS FZ-LLC. (CEO) on compliance status on annual basis.
- Know Your Counter Party and other compliance of Due Diligence is followed in line with OECD guidance.
- Ongoing monitoring is carried out along with all stakeholders.

Area of concern & Remedial Measures

- Nil As on Date.

Area of concern & Remedial Measures

- Nil As on Date.

2. Anti-Bribery and Facilitation Payment Policy:

- The SAM PRECIOUS METALS FZ-LLC. shall ensure complete prohibition Bribery and facilitation payment across organization and in all the entities.
- SAM PRECIOUS METALS FZ-LLC. has published compliance team contact details on website to receive any grievance or complaints.

Area of concern & Remedial Measures

- Nil As on Date.

3. Ethical Sourcing of, Gold and Silver:

- Our company is concerned about the environment and social impacts of irresponsible mining.
- SAM PRECIOUS METALS FZ-LLC. has identified the risk of supply chain with respect to Conflict Affected High Risk Area and working closely with supply chain for reducing the potential risks in supply chain
- SAM PRECIOUS METALS FZ-LLC. ensure all its supplies are screened for conflict free supplies.
- We have published the OECD based ethical sourcing policy and we are communicating our policies to all the supply chain partners and pushing them to adopt the same.



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Area of concern & Remedial Measures

- Current concern is lack of awareness about OECD regulation and requirements of sourcing among our upward supply chain mainly in mining sector(exposure is approx. 15 % of total business with limited suppliers) where we work with ASM and small aggregators.
- We do the details KYC and Enhance due diligence at periodic basis and transaction monitoring, supplier self-declaration for conflict free supply is obtained and additional supporting documents and information's are reviewed.
- We have started creating awareness about our Ethical sourcing requirements for our supply chain Through sharing the applicable regulation, studding the applicable laws in relevant nations where our suppliers operate, what more information can authentic cate that the source is conflict free and how our suppliers can be more compliant.
- We started Engagement with our global supply chain for obtaining the further supply chain information and supporting them to achieve ethical and conflict free sourcing in metal business.
- We have started the site visits to established strong bounding with supply chain partners and get more insides about the ethical compliance and practices at ground level can be verified more precisely.

Section C: Social Compliance:

4. Social Compliance

- We ensure full compliance with all applicable national and, where appropriate, international laws / regulations with respect to employment and labour codes in all our establishment.
- We respect all regulation for child labour, forced labour, non-discrimination, non-retaliation etc.
- All work man rights are respected and adhere to freedom of association and collective bargaining regulations.

Area of concern & Remedial Measures

- No point has been reported in the social compliance of the SAM PRECIOUS METALS FZ-LLC. were remedial measures at SAM PRECIOUS METALS FZ-LLC. level is required.
- Entity level remedial measures are taken based on internal and external audits conducted by reputed agencies.



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5. Health and Safety

- We at SAM PRECIOUS METALS FZ-LLC are concerned about the health and safety of employees and are constantly studying about any adverse impact of our business processes that are identified and eliminated. Towards this end, we will systematically review our operations to identify sources of health and safety related risks.
- This review will use appropriate standards as required by prevailing laws, expert opinion, and our knowledge of best practices.
- All our staff will be trained in the manner required to adhere to these work practices and drills.
- The health of our staff, exposed to certain hazardous processes, is monitored periodically through appropriate medical checks, and reviewed using expert inputs for improvements.
- All workplaces are constructed to meet safety standards with local regulations as the minimum standards that will be applicable.

Area of concern & Remedial Measures

- Nil as on date, as no accidents are reported in last one year.
- Organization has been blessed and we did not have any fire or any other incidents

6. Environment Protection

- SAM PRECIOUS METALS FZ-LLC is complying with all applicable environmental laws and regulations.
- The impact of each of our operations on the environment are studied systematically and assessed for compliance with appropriately defined standards and reviewed periodically to mitigate or eliminate such impact.
- Disposal procedures for waste generated are followed in line with the applicable national and international regulations.
- Improvement is seen in employee's environmental awareness and performance with the help of detailed policies and procedures, training, and recognition of excellence.



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Area of concern & Remedial Measures

- Emerging need for sustainable growth and responsible manufacturing is the area for improvements and management has suggested step by step approach to grow in these directions.
- leading to dangerous circumstances.

Section D: Human Right Compliance:

7. Human Rights

- SAM PRECIOUS METALS FZ-LLC. is not and will not interfere in the right of employees to observe tenets or practices based on caste, race, national origin, gender, religion, disability, union membership, or political affiliation.
- The Company strongly discourages any form of sexually coercive, threatening, abusive or exploitative behaviour.
- Any reported incidents relating to direct or indirect physical, sexual, racial, religious, psychological, verbal, or any other form of harassment or abuse, or any other form of intimidation or degrading treatment will not be tolerated by the company.
- SAM PRECIOUS METALS FZ-LLC. ensures that none of its suppliers and stake holder have engaged in any activity which can violate the Human Right Principles.
- We have carried out the Human Right Due Diligence of suppliers and other Stake holders & based on risk assessment where necessary.

Area of concern & Remedial Measures

- No Area of concern & Remedial Measures has been raised in the Human right for any of our operating units.
- Supplier's further upstream compliance with respect to Human Right compliance is monitored with the help of digital status of country for human right compliances and site visits are conducted to review the Human Right compliance at supplier level.
- Annual plan of site survey for all suppliers of mined gold and recycled metal is made and same shall be executed during the coming years.



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Section E: OECD Compliance Report :

Step. 1. Establishing Strong Company Management Systems	
1.A Adopt and clearly communicate to suppliers and the public company policy for the supply chain of mineral originated from conflict affected and high risk areas.	SAM PRECIOUS METALS FZ-LLC has established its supply chain policy, which has been documented and published as on 01 st March,2022 on the website of the company under Tab of Responsible Sourcing . Best Endower communication has been sent to all upstream supply chain partners and their commitments are obtained.
1. B Structure internal management system to support supply chain due diligence	SAM PRECIOUS METALS FZ-LLC has established strong internal risk assessment to ensure that all its supplies are conflict free and ethically sourced. Company has carried out countrywide risk assessment and supplier wise risk assessment in accordance with the OECD requirements
1.C. Establishing system of controls and transparency over the minerals supply chain.	Suppliers are requested to share the information, which is analyzed to identify potential risk of CAHRA's if any.
1.D. Stringent Company Engagement with Suppliers	Regular communication and awareness are carried out with suppliers (upstream suppliers). Ongoing monitoring is carried and two way communications are carried out to strengthen the supply chain.



<p>1.E. Establishing company-level or industry wide grievance mechanism as an early warning risk-awareness system.</p>	<p>Grievance mechanism has been establishing and published on the web site of the company under Tab of Contact - Grievances and Whistleblowing.</p>
<p>Step. 2. Identify And Asses The Risk In The Supply Chain</p>	
<p>2. Identify and assess the risks in the supply chain and asses risk of adverse impact</p>	<p>Company has established strong ongoing monitoring system for each and every transactions and annual Enhanced Due Diligence for KYC and other supply chain information is carried out.</p>
<p>Step. 3. Identify And Asses The Risk In The Supply Chain</p>	
<p>3.1. Report findings of the supply chain risk assessment to the designated senior management of the company</p>	<p>Compliance officer shall review all the transactions and were queries are raised or Red Flag raised to obtain the additional information. Supplier engagement and meetings are carried out to identify ways and means to reduce the potential risk of conflict supplies</p>
<p>3.2 Device and adopt risk management plan</p>	<p>Compliance officer shall seek the additional information and after its review further decision of raising CARA shall be issued.</p>
<p>3.3. Implement the risk management plan and monitor the performance of the risk mitigation efforts.</p>	<p>Compliance officer shall monitor the effectiveness Mitigation actions taken and revised status of the associate risk if any.</p>
<p>3.4 Internal Training</p>	<p>Regular trainings are carried out among all the affected employees.</p>





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3.5 Communication	Period communication are sent across the supply chain for increasing awareness about Ethical sourcing as per OECD regulations.
Step. 4. Optional information on Step 4	
4.1 RJC COP Audit done on & Done By	ISOQAR India as accredited auditor from RJC office shall conducted audit to verify compliance shall be done by end of March-2022.
4.2 Grievance and recommendation	Nothing reportable. Grievance contact cell has been appointed and its contact details are available on the company website.

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Compliance Officer



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