

# REPORTING REQUIREMENTS

FOR COPs

6 & 7

LEO FRANCE SPA



**COP 6 & 7: HUMAN RIGHTS  
& DUE DILIGENCE**

Contact Information

COMPANY NAME: **LEO FRANCE SPA**  
DATE: **04.11.2024**  
REPORTING PERIOD: **2023-2024**  
CONTACT: **mara.paperini@leofrance.it**

---

COMPANY MANAGEMENT SYSTEMS

LEO FRANCE SPA have the following policies in own website (<https://leofrance.com/certificazioni-azienda-bigiotteria/>), detailing our commitment to respect human rights throughout our supply chain and our supply chain due diligence on the following minerals gold, silver, palladium originating from conflict-affected and high-risk areas. LEO FRANCE SPA endorse these policies to our suppliers and stakeholders by distributing them via e-mail and website, these policies can also be accessed by our internal stakeholders via company public board and externally via and externally via website.

To support supply chain due diligence, we have implemented the following internal measures: external auditing, conducting proper due diligence and verifying the financial health of the supplier.

The senior manager responsible for overseeing supply chain due diligence is Ethics Committee.

To aid us in identifying our human rights impacts we have developed and implemented the follow systems:

- RJC\_Human\_Rights\_Due\_Diligence\_Toolkit
- Human rights risk analysis
- Human resources management procedures
- Internal audits

During these analysis no HIGH risks has been rilevated.

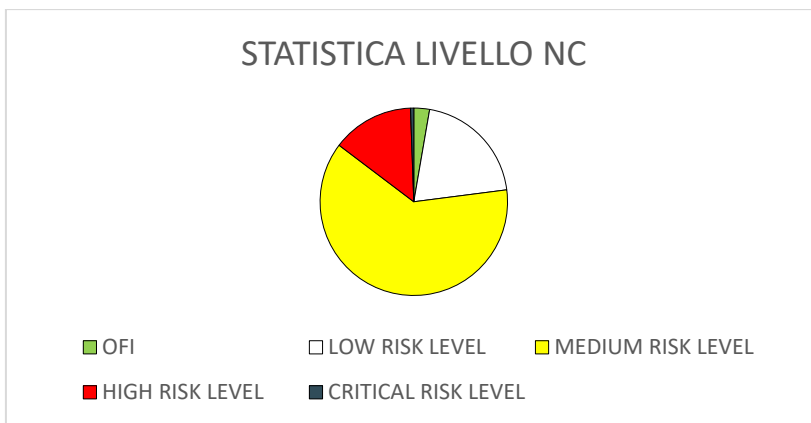
We have the human rights policy *POL.RJC rev. 28/04/2021* published in own website <https://leofrance.com/certificazioni-azienda-bigiotteria/>

The senior manager responsible for overseeing our human rights impacts is Ethics Committee.

LEO FRANCE SPA have established a system of controls and transparency over our supply chain, which include our approach for identifying suppliers and identifying sources of our materials and products with external auditing and signing of commitments. These methods have strengthened our due diligence efforts by through a direct approach with the supplier. During the past year, 33 audits were carried out at subcontractors, the results of which are shown in the table below:

NR AUDIT	33
AVERAGE SCORE	62%
HIGHEST SCORE	79%
LOWEST SCORE	53%
HIGHEST NR OF NC/OFI PER AUDIT	27
LOWEST NR OF NC/OFI PER AUDIT	2
TOTAL NC/OFI	701

AVERAGE NR NC/OFI PER AUDIT	21
TOTAL NR NC OF CRITICAL RISK LEVEL	4
% CRITICAL RISCK LEVEL NC NR	0,57
TOTALE CRITICAL RISK LEVEL NC NR	99
% HIGH RISK LEVEL NC	14
NC-LEVEL STATISTICS	
OFI	19
LOW RISK LEVEL	142
MEDIUM RISK LEVEL	437
HIGH RISK LEVEL	99
CRITICAL RISK LEVEL	4



As a company we communicate our expectations regarding human rights and supply chain due diligence by sharing our company policy and asking all suppliers to sign the RJC commitment, through which they commit to uphold the company values in accordance with RJC standards.

In addition to this, we also maintain continuous and long-lasting relationships with our suppliers, creating a stable collaboration based on mutual knowledge and trust.

When needed, we also take an audit to strengthen our engagement with suppliers; the outcome of doing so has been very positive, all our suppliers are RJC certified and accepted our policies; the risk of our supply chain is LOW.

Our grievance mechanism for internal stakeholders can be accessed via signal box and dedicated email ([comitatoetico@leofrance.it](mailto:comitatoetico@leofrance.it)), our external grievance mechanism is available via web site by writing to the dedicated e-mail address. **No grievances were received during the reporting period in question.**

The employee responsible for these grievance mechanism is Ethics Committee.

#### IDENTIFIED & ASSESSED RISKS

We assess our own and supplier's due diligence practices and those relating to human rights by applying the corporate code of ethics and sharing it with all our clients and suppliers.

During the evaluation of our and our suppliers' due diligence and human rights practices, we identified potential and actual risks within our supply chain, as we conduct continuous audits of suppliers.

Based on the NC that have emerged, we have identified the areas of highest risk for our supply chain:

- Health and safety:
  - o Delivery and use of personal protective equipment (PPE)
  - o Regular medical examinations and fitness for the job

- Mandatory training for workers
- Authorisations and maintenance related to the premises and working environment:
  - Presence of practicability of the premises
  - Environmental authorisation for emissions into the atmosphere
  - Maintenance of machinery, equipment and facilities
  - Maintenance of fire-fighting equipment
- Human Resources Management:
  - Correct storage of workers' identity documents
  - Regular medical examinations and fitness for the job
  - Management of protected categories
  - Correct drafting of employment contracts
- Environment:
  - Environmental authorisation for emissions into the atmosphere
  - Presence and correct drafting and storage of waste disposal documentation

To respond to eventual risks identified within our supply chain, we use our Risk Management Plan as described in our *RJC manual*. Our risk management plan consists of :

- Immediately suspend or stop purchasing from the suppliers involved. Mitigate where possible.
- Immediately suspend or discontinue purchasing from affected suppliers. Mitigate where possible.
- Continue or temporarily suspend trade with suppliers but implement measurable mitigation actions. Suspend or discontinue if mitigation measures are ineffective.

The company monitors the management of NC detected during audits and taken over by suppliers.

Le NC, le azioni correttive e le qualifiche dei fornitori vengono gestiti attraverso un portale, dove l'azienda conserva anche le evidenze delle azioni condotte dai fornitori.

However, during the evaluation of our and our suppliers' due diligence and human rights practices, we did not identify any risks that resulted in a supplier permanently losing its qualification.

Our partners have always shown themselves to be willing to collaborate in the management of the NC detected and prepared for continuous improvement.

## STRATEGY

Our risk assessment findings are received by Ethics Committee.

To respond to the risks identified within our supply chain, we took the following steps to design and implement a risk management plan with follow up audits:

- Informing suppliers of detected NCs and requesting appropriate correction plans,
- Verifying the correct implementation of corrective actions

Our risk management plan consists of corrective action plans and follow up audits.

To implement our risk management plan we have taken the following risk mitigation steps:

- Identify the risk
- Take corrective actions plans
- Improve the corrective actions
- To monitor and track the effectiveness of these risk mitigation measures by internal audits

In addition to this, we evaluated improvement of this risk after six months through other internal audit and the result of which was positive.

LEO FRANCE SPA provided the training regarding human rights to our employees via email and public boards; this training included information on:

- Standard RJC-COP-April-2019
- Responsible supply chain
- Human Rights and Working Conditions
- Health, Safety and Environment
- Corporate Policy
- Social and Human Rights
- Commercial, Anti-Corruption, Anti-Bribery and Anti-Money Laundering Policy
- Security

We have also provided training regarding our due diligence activities to all of our employees via email and public boards; this training included information on own code of practice and anti-corruption code, once a year.

LEO FRANCE communicate to our stakeholders regarding our due diligence activities and efforts to prevent human rights risks. This communication is in the form of signed commitment. When a human rights risk is identified we communicate the risk and how we are addressing it to potentially affected stakeholders by email.

Since our last report **no grievances have been raised** regarding human rights risks or our supply chain due diligence.

#### CARRY OUT A THIRD PARTY AUDIT (OPTIONAL INFORMATION)

LEO FRANCE SPA has joined the RJC in 2021 and has since achieved 3 years certifications.

In support of our continuous improvement journey, our latest third-party RJC audit took place within our organisation against the RJC COP 2019 on 13-14/10/2021.