



BAIRD & CO. LTD

SUPPLY CHAIN DUE DILIGENCE POLICY & STATEMENT 2025

VERSION 3
BAIRD & CO. LTD



Introduction

Baird & Co Ltd (Company No. 02269558), a UK-registered private limited company, operates internationally in the precious metals sector. Its core activities include refining, trading, and sales of precious metals, as well as scrap purchasing and the production of industrial materials and engineered products.

Purpose of Document

This document outlines Baird & Co commitment to responsible sourcing practices in alignment with international due diligence standards. Specifically, it aims to:

- Recognize the risks associated with the extraction, trade, and processing of precious metals that may contribute to conflict financing, particularly in the Democratic Republic of the Congo and other Conflict-Affected and High-Risk Areas (CAHRAs).
- Acknowledge targeted sanctions, including asset freezes and travel bans, related to CAHRAs.
- Present our Statement of Compliance with the OECD Due Diligence Guidance.
- Describe our internal management systems and controls supporting the supply chain due diligence process.
- Detail our supply chain due diligence policies, procedures, and risk mitigation measures.
- Outline our internal accountability framework.

Compliance Standards

Baird & Co Ltd operates in accordance with the following internationally recognized standards and regulations:

- LBMA Responsible Gold Guidance (Version 9, 2021)
- LBMA Responsible Silver Guidance (2018)
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (3rd Edition, 2016)
- UK Modern Slavery Act (2015)
- UK Bribery Act (2010)
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997, 2009, 2021)
- ILO Conventions: Minimum Age (1973) and Worst Forms of Child Labour (1999)
- Extractive Industries Transparency Initiative (EITI) Principles (2003)
- Responsible Jewellery Council Code of Practices (2019)
- Baird & Co Ltd Policies and Statements:
 - Supply Chain Due Diligence Company Statement (2025)
 - Anti-Bribery and Corruption Statement (2025)
 - Modern Slavery and Human Trafficking Statement (2025)
 - Customer Due Diligence Policy (2023)

Baird & Co. is committed to supporting the Extractive Industries Transparency Initiative (EITI) by promoting transparency and accountability in the extractive sector, ensuring our supply chain practices align with EITI's standards for governance and responsible sourcing

Baird & Co. Company Statement of Compliance with OECD Supply Chain Due Diligence Standards

Commitment to Ethical and Responsible Sourcing

Baird & Co Ltd is fully committed to sourcing all precious metals from legitimate, ethical, and conflict-free origins. We do not tolerate, nor will we knowingly engage with, any party linked to:

- Forced or compulsory labour
- Torture or degrading treatment



- Human rights abuses
- War crimes, crimes against humanity, or genocide
- The worst forms of child labour
- Financing or supporting non-state armed groups
- Illegal control of mining sites, trade routes, or points of mineral export
- Extortion or illegal taxation at any point in the supply chain

Our **Supply Chain Due Diligence Statement** reflects our commitment to OECD-aligned practices and our zero-tolerance policy towards any supplier or counterparty associated with criminal or unethical conduct.

Indicators of Armed Group Involvement in Mineral Supply Chains

Baird & Co identifies the following red flags in Conflict-Affected and High-Risk Areas (CAHRAs) that may indicate armed group involvement:

1. Illegal Taxation & Extortion

Armed groups may impose unofficial taxes or fees at mining sites, trade routes, and transport hubs, or extract payments through threats and violence.

2. Protection Payments

Security "fees" may be demanded by armed groups to avoid looting, arrest, or for safe passage, often linked to extortion and smuggling.

3. Commercial Control

Armed actors and affiliated networks invest in or directly control mineral extraction and trade, often through intermediaries or front operations.

4. Indirect Control via Pillage

Armed groups may engage in looting, forced seizure of mining sites, arbitrary arrests for extortion, or forced sales of minerals to preferred traders.

Structural Indicators of Militarised Resource Exploitation

Operational Priorities

Military deployments often target economically valuable zones, rather than responding to security needs.

Diversion of Resources

State or military assets may be repurposed for personal enrichment through the mineral trade, undermining legitimate governance.

Internal Competition & Parallel Command

Deployment decisions are influenced by resource value, leading to competition and parallel chains of command.

Collusion with Armed Groups

Criminal networks may collaborate with armed groups to loot traders, smuggle minerals, and undermine disarmament initiatives.

Lack of Transparency

Secrecy, fear of reprisal, and the absence of oversight allow racketeering to thrive within military and civilian structures.



Aviation & Airspace Vulnerabilities

Weak regulation enables smuggling via private flights and unmonitored airstrips, often involving military or armed group personnel.

Supply Chain Traceability Challenges in CAHRAs

Despite formal requirements for origin certification, key weaknesses persist:

- Diggers often lack traceable mine-of-origin documentation
- Traders rely on generic transport permits, lacking site-specific detail
- Air-freighted minerals are accompanied by flight receipts only, with limited traceability
- Commingling of conflict-affected and conflict-free material remains common

Baird & Co remains committed to enhanced due diligence, risk assessment, and the continual strengthening of systems to improve traceability and reduce the risk of exposure to minerals that fund conflict or human rights violations.

Conflict-Affected and High-Risk Areas (CAHRAs)

Conflict-Affected and High-Risk areas includes countries or areas identified by the relevant regulations (EU Regulation 2017/821 and Section 1502 of the Dodd Frank Act (DFA 1502)).

The baseline countries in scope for CAHRAs designation are:

The Democratic Republic of the Congo (DRC) and its nine adjoining countries:

- Angola
- Burundi
- Central African Republic
- The Republic of the Congo
- Rwanda
- South Sudan
- Tanzania
- Uganda
- Zambia

The EU List of CAHRAs is updated quarterly. The current list of CAHRAs as at June 2025 designates the following countries as Conflict-Affected and High-Risk:

Afghanistan	Ethiopia	Philippines
Benin	India	Russia
Burkina Faso	Lebanon	Somalia
Burundi	Libya	South Sudan
Cameroon	Mali	Sudan
Central African Republic	Mozambique	Togo
Chad	Myanmar	Ukraine
Colombia	Niger	Venezuela
Democratic Republic of the Congo	Nigeria	Yemen

Eritrea	Pakistan	Zimbabwe
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Within the EU, the application of CAHRA designation is applied nationally (country-wide) and also sub-nationally (to a specific region within the country).

Baird & Co. Internal Management Systems and Controls

Overall responsibility for the management of risk and compliance within the supply chain of the company sit with The Board of Baird & Co.

The internal organisational structure responsible for Supply Chain Due Diligence and Compliance is organised as follows:

- **The CEO; Lorena Baird, The COO; Carlos Baird**
- **The HoC/MLRO; Karen Coomber**
- **1 Senior Compliance Officer, 4 Compliance Officers, 1 p/t Compliance Analyst**

The Board of Baird & Co. take account of the level or risk and the risk combinations that present within the global supply chain and The Board regularly assess, review and approve all supply chain due diligence procedures.

Baird & Co. - Internal Accountability Processes and Procedures

Training Plan

Baird & Co. recognizes that the effectiveness of its due diligence framework depends on the competence and awareness of its employees and relevant stakeholders. As such, we are committed to providing regular, targeted training to ensure consistent application of our due diligence policies, in alignment with the LBMA Responsible Sourcing Guidance, OECD Due Diligence Framework, and applicable anti-money laundering and counter-terrorist financing (AML/CFT) regulations. This is crucial for individual growth, organisational success, overall productivity, provides employees to develop skills, improve their confidence and can have a positive impact on their performance and the company as a whole.

This includes training on:

Audience	Training Content	Frequency	Format
New Joiners	Induction, company ethics, grievance	Onboarding	Orientation session, Online / In-person
Specified Roles	AML, Code of Conduct	Annually	Online / In-person
Compliance, Sales Teams & Management	AML, LBMA Guidance, CDD Enhanced Due Diligence (EDD)	Annually	Online / In-person
Senior Management	Governance, policy updates	Routinely / Ongoing	Executive briefings

Attendance of training is recorded. The Compliance Department reviews training effectiveness annually, updating content to reflect legal or procedural changes.

Continuous Improvement

In line with our continuous improvement policy, training modules are reviewed periodically to ensure alignment with emerging risks, geopolitical developments, and updates from LBMA, FATF, OECD, and other relevant bodies.



Whistleblowing Policy in relation to Supply Chain Due Diligence

It is important that any fraud, misconduct or wrongdoing detected within the Company's Supply Chain is reported and properly addressed. Therefore, all employees are trained and encouraged to raise concerns in a responsible manner.

Employee Responsibilities

All employees must report any practice or action of the Company, or actions of other employees or other agents that are reasonably believed to be a violation of the Company's Supply Chain Due Diligence Policy, this includes any activity that:

- is a criminal offence
- is a failure to comply with legal or regulatory obligations
- is a danger to the health and safety of the individual
- is an attempt to conceal information on any of the above

Grievance Policy

Reporting Procedure

In the first instance employees should raise any concerns with their managers. If the employee believes the manager to be involved, or for any reason they cannot approach their manager, they should raise the concern with the following staff, the Compliance Officers, or the MLRO. If they are unable to raise concerns with any of the aforementioned persons they should write to The Board of Directors of Baird & Co.

Anonymity

Any employee reporting or whistleblowing should not be named if anonymity is necessary for their privacy and protection. Any report made will be investigated to a satisfactory level so as to substantiate the claim.

Anonymous reports should be made in writing to:

Addressed to: Complaints Department, Baird & Co. Ltd, PO Box 71581, London, E6 9NF
or

Addressed to: The Board of Directors, Baird & Co. Ltd, PO Box 71581, London, E6 9NF

Whistleblower's who disclose information in good faith will be protected irrespective of the quality of the evidence provided or the outcome of the investigation.

Evidence

Employees reporting a concern, or whistleblowing must provide the following information within their report whenever possible:

- Name(s) of affected person, community and/or organisation
- Factual description
- Witnesses
- Date
- Time
- Location
- Identity of buyers of minerals from the stated location

Any employee raising legitimate concerns will not be subject to any detriment the employee will also be protected from any intimidation or harassment.

Any matters raised under this policy will be investigated promptly and confidentially. The outcome of the investigation, as well as any necessary remedial action to be taken.

Allegations regarding potential breaches of this policy will be treated in confidence and investigated thoroughly. If a concern is raised in relation to this policy the Company is committed to ensuring that the employee will be



protected from victimisation, harassment or less favourable treatment. Any such incident will be dealt with under the Company's Disciplinary Procedures.

Escalating your concern

If an employee is dissatisfied the response received they may report the matter to the appropriate authority which may include:

- HM Revenue & Customs
- Health & Safety Executive
- Environment Agency
- Information Commissioner's Office
- Financial Conduct Authority

As part of Modern Slavery and Human Trafficking training and awareness staff and also advised of the following route of escalation for any reports relating to modern slavery within the company's supply chain:

The UK Government Modern Slavery Helpline is 0800 0121 700. This line is for anyone who thinks they may have come across an instance of modern slavery, or indeed who may be a victim themselves, to call for more information and guidance on what to do next.

- If a specific case of modern slavery is identified here in the UK, it should be reported to the police on 101.
- If potential victims are in immediate danger the standard 999 emergency number should be used.
- If modern slavery is identified or suspected abroad, then the response should be tailored to the local circumstances

APPROVAL FOR THIS POLICY

The Baird & Co. Supply Chain Due Diligence Policy and statement was approved by The Board of Baird & Co. Ltd on 15TH May 2025 and the document will be reviewed and updated annually.

Director
Baird & Co. Ltd

Date	Approved By
2 nd Feb 2024	Lorena Baird
16 th April 2025	Lorena Baird
15 TH May 2025	Carlos Baird