

Dillon Gage Metals

2025 Responsible Sourcing Report

Reporting Period: January 1 – December 31, 2025

Headquarters: Dallas, Texas, USA

Executive Summary

Responsible sourcing is fundamental to Dillon Gage Metals' business philosophy and operational integrity. As a leading precious metals refiner, wholesaler, and secure storage provider, Dillon Gage is committed to maintaining a transparent, ethical, and sustainable precious metals supply chain while protecting the integrity of the global marketplace.

Throughout 2025, Dillon Gage continued to strengthen its responsible sourcing program through enhanced governance, expanded due diligence procedures, improved supply chain traceability, and increased supplier engagement. We maintained comprehensive risk-based controls designed to identify and mitigate risks associated with conflict financing, human rights abuses, money laundering, corruption, sanctions evasion, and environmental impacts.

A significant milestone during the reporting year was Dillon Gage's successful surveillance audit under the Responsible Jewelry Council (RJC) Code of Practices, as well as the successful completion of its initial audit for the RJC Chain of Custody Standard. These achievements reinforce our commitment to responsible governance, ethical business conduct, and traceability throughout the precious metals supply chain.

During 2025, Dillon Gage also formally committed to pursuing certification under the London Bullion Market Association (LBMA) Responsible Gold Guidance and Responsible Silver Guidance. Preparatory activities undertaken throughout the year strengthened governance, supply chain documentation, traceability systems, and supplier due diligence in advance of our initial independent LBMA Responsible Sourcing audit scheduled for 2026.

This report summarizes Dillon Gage's responsible sourcing activities during 2025 and demonstrates continued alignment with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the Responsible



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Jewelry Council Code of Practices, the RJC Chain of Custody Standard, and internationally recognized best practices for responsible precious metals sourcing.

About Dillon Gage

Founded in Dallas, Texas, Dillon Gage is one of North America's leading integrated precious metals companies. Dillon Gage provides refining, wholesale bullion trading, precious metals storage, and related logistics services to institutional, commercial, and retail markets.

Core business operations include:

- Precious metals refining
- Wholesale bullion trading and distribution
- International Depository Services (IDS) secure vaulting operations located in Texas, Delaware, and Canada

As an authorized distributor for several of the world's premier sovereign mints and a trusted refining partner for commercial customers, Dillon Gage recognizes that responsible sourcing is essential to maintaining customer confidence and preserving the integrity of the precious metals industry.

Since becoming a member of the Responsible Jewelry Council in 2019, the Dillon Gage has continuously enhanced its responsible sourcing framework through independent certification, employee training, strengthened governance, and implementation of internationally recognized due diligence standards.

Our Commitment to Responsible Sourcing

Dillon Gage is committed to sourcing precious metals in a manner that respects human rights, protects the environment, combats financial crime, and promotes transparency throughout the global supply chain.

The responsible sourcing program is designed to:

- Prevent conflict financing.
- Identify and mitigate human rights risks.
- Combat money laundering and terrorist financing.
- Prevent corruption and bribery.

- Support responsible environmental practices.
- Maintain transparency and traceability throughout the refining process.
- Continuously improve supply chain governance.

These commitments are embedded throughout Dillon Gage's operations and are supported by senior management, compliance personnel, and employees involved in sourcing, refining, logistics, and customer onboarding.

Governance and Management Systems

Effective governance is the foundation of Dillon Gage's responsible sourcing program.

Oversight of responsible sourcing activities is maintained by senior leadership, with operational responsibility assigned to the Compliance Officer. The Compliance Officer oversees implementation of responsible sourcing procedures, monitors supply chain risks, manages supplier due diligence, and reports regularly to executive management regarding compliance activities and emerging risks.

Supporting the Compliance Officer is a cross-functional team representing refining operations, trading, logistics, customer onboarding, and legal functions. This collaborative governance structure enables responsible sourcing principles to be integrated throughout our business operations.

Throughout 2025, management continued reviewing policies, procedures, and internal controls to ensure alignment with evolving international standards and regulatory expectations.

Responsible Sourcing Policy Framework

Dillon Gage maintains a comprehensive suite of policies that establish expectations for ethical business conduct and responsible sourcing across all business operations.

These include:

- Responsible Sourcing Policy
- Responsible Business Practices Policy
- Human Rights Policy

- Anti-Corruption and Bribery Policy
- Anti-Money Laundering and Counter-Terrorist Financing Procedures
- Health, Safety and Environmental Policy
- Whistleblower Policy

Collectively, these policies establish requirements designed to identify, assess, and mitigate risks associated with:

- Conflict-affected and high-risk areas (CAHRAs)
- Human rights abuses
- Child labor and forced labor
- Money laundering and terrorist financing
- Corruption and bribery
- Sanctions violations
- Environmental degradation
- Illegal mining activities

All relevant employees receive training on these policies, while suppliers are expected to comply with Dillon Gage's Responsible Sourcing Policy or maintain equivalent standards consistent with OECD Annex II.

2025 Responsible Sourcing Highlights

During 2025, Dillon Gage continued strengthening its responsible sourcing program through several significant initiatives that enhanced governance, transparency, supplier engagement, and supply chain integrity.

Expanded Precious Metals Due Diligence

Dillon Gage further enhanced due diligence procedures applicable to both gold and silver supply chains. Supplier onboarding processes were strengthened through expanded beneficial ownership verification, sanctions screening, geographic risk assessments, politically exposed person (PEP) reviews, and enhanced origin verification procedures.

These improvements support Dillon Gage's ongoing commitment to identifying and mitigating evolving supply chain risks while maintaining compliance with internationally recognized responsible sourcing standards.

Responsible Jewelry Council Certification Activities

A significant achievement during 2025 was the successful completion of Dillon Gage's surveillance audit under the Responsible Jewelry Council (RJC) Code of Practices.

In addition, the company successfully completed its initial audit for the **RJC Chain of Custody (CoC) Standard**, representing an important advancement in the responsible sourcing program.

The RJC Chain of Custody certification demonstrates Dillon Gage's commitment to responsible governance, supply chain transparency, and the traceability of precious metals throughout the refining process. Together, the RJC Code of Practices and Chain of Custody certifications affirm our dedication to maintaining the highest standards of ethical business conduct, responsible sourcing, and continuous improvement.

Commitment to LBMA Responsible Sourcing

During 2025, Dillon Gage formally committed to pursuing certification under the **London Bullion Market Association (LBMA) Responsible Gold Guidance** and the **LBMA Responsible Silver Guidance**.

Preparation activities undertaken during the reporting period included strengthening supplier due diligence procedures, enhancing traceability documentation, refining internal governance processes, improving supply chain risk assessments, and aligning sourcing activities with the LBMA Responsible Sourcing Program.

Dillon Gage is scheduled to undergo its initial independent LBMA Responsible Sourcing audits during 2026. These certifications represent another important milestone in Dillon Gage's commitment to meeting one of the precious metals industry's most rigorous and internationally respected responsible sourcing frameworks.

Strengthened Supply Chain Traceability

Throughout 2025, Dillon Gage continued improving documentation supporting precious metals traceability by maintaining comprehensive records of supplier identity, material origin, assay information, shipping documentation, customs records, transaction documentation, and refining activities.

These enhancements strengthen transparency throughout the supply chain and support both customer expectations and evolving international certification requirements.

Employee Training and Compliance

Employees involved in sourcing, refining, compliance, and customer onboarding participated in continuing education covering responsible sourcing requirements, OECD Due Diligence Guidance, anti-money laundering regulations, sanctions compliance, ESG risk awareness, and counterparty due diligence.

Ongoing training ensures that responsible sourcing principles remain integrated throughout Dillon Gage's daily business operations.

OECD Five-Step Due Diligence Framework

Dillon Gage's responsible sourcing program is structured around the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We apply a risk-based approach designed to identify, assess, mitigate, and monitor supply chain risks while promoting transparency and responsible business practices.

Step 1 – Establish Strong Company Management Systems

Dillon Gage maintains comprehensive management systems supporting responsible sourcing through documented policies, governance procedures, supplier onboarding protocols, employee training, transaction monitoring, and record retention practices.

Supply chain information is maintained throughout the refining process to support traceability from receipt of material through final processing. These management systems provide the operational foundation for effective due diligence and continuous improvement.

Step 2 – Identify and Assess Risks in the Supply Chain

Risk assessments evaluate suppliers, transactions, and material sources using multiple criteria, including:

- Geographic risk.
- Conflict-Affected and High-Risk Areas (CAHRAs).
- Supplier ownership and beneficial ownership.
- Material type and origin.
- Sanctions exposure.

- Politically Exposed Persons (PEPs).
- Human rights considerations.
- Environmental and social risk indicators.
- Financial crime risks.

Know Your Customer (KYC) and Know Your Counterparty (KYC) procedures remain central to supplier approval and ongoing monitoring. Enhanced screening tools and external compliance intelligence services support identification of emerging geopolitical and supply chain risks.

Step 3 – Design and Implement a Strategy to Respond to Identified Risks

Where elevated risks are identified, Dillon Gage applies a structured Enhanced Due Diligence (EDD) process designed to evaluate, monitor, and mitigate potential supply chain concerns before material is accepted for refining.

Enhanced Due Diligence measures are proportionate to the level of identified risk and may include:

- Collection of additional supplier documentation.
- Expanded verification of beneficial ownership.
- Enhanced review of material origin and trade routes.
- Increased transaction monitoring.
- Independent research and intelligence gathering.
- Site visits or third-party assessments, where appropriate.
- Development of supplier corrective action plans.
- Suspension or termination of business relationships when identified risks cannot be adequately mitigated.

Throughout 2025, we continued strengthening supplier risk segmentation by incorporating enhanced sanctions screening, geopolitical monitoring, and ESG risk indicators into its due diligence process. Management regularly reviews identified risks and mitigation activities to ensure the effectiveness of our responsible sourcing program.

Step 4 – Independent Third-Party Assessment

Independent verification remains an important component of Dillon Gage's responsible sourcing program.

During 2025, Dillon Gage successfully completed its surveillance audit under the Responsible Jewelry Council (RJC) Code of Practices and its initial audit under the RJC Chain of Custody

Standard. These independent assessments confirmed Dillon Gage's continued commitment to responsible governance, ethical business practices, and supply chain traceability.

We also initiated preparations for independent assurance under the London Bullion Market Association (LBMA) Responsible Gold Guidance and Responsible Silver Guidance. Internal assessments, documentation reviews, procedural enhancements, and governance improvements were completed during 2025 to support the company's initial LBMA Responsible Sourcing audits scheduled for 2026.

Step 5 – Public Reporting

Transparency is an essential element of Dillon Gage's responsible sourcing program. Dillon Gage publishes information regarding its responsible sourcing framework, governance, due diligence practices, and continuous improvement initiatives through publicly available policies and annual reporting.

Supply Chain Risk Management

The global precious metals supply chain continues to face evolving geopolitical, regulatory, environmental, and social risks. Dillon Gage applies a risk-based approach designed to proactively identify and address these challenges.

During 2025, particular attention was given to the following risk categories:

- Conflict-Affected and High-Risk Areas (CAHRAs)
- Sanctions compliance and sanctions evasion
- Human rights abuses
- Child labor and forced labor
- Artisanal and Small-Scale Mining (ASM) risks
- Illegal mining
- Environmental degradation
- Money laundering
- Terrorist financing
- Corruption and bribery

Dillon Gage continued monitoring developments involving global sanctions programs, particularly those affecting precious metals trade. Enhanced origin verification procedures and review of complex trading routes helped reduce the risk of accepting material originating from sanctioned or misrepresented sources.

Dillon Gage also continued monitoring emerging risks associated with artisanal and small-scale mining operations. Where applicable, enhanced due diligence procedures were applied to evaluate supply chain transparency, legal mining status, human rights considerations, and environmental practices.

Supply Chain Traceability

Traceability is fundamental to maintaining confidence in responsibly sourced precious metals.

Throughout 2025, Dillon Gage continued strengthening documentation supporting the movement of precious metals from supplier receipt through refining and final distribution.

Information maintained includes:

- Supplier identification
- Beneficial ownership information
- Material description
- Country of origin
- Weight and purity
- Shipping documentation
- Customs documentation
- Commercial invoices
- Assay records
- Refining records
- Transaction history

Supporting documentation is retained in accordance with company policies and applicable regulatory requirements.

These traceability improvements also support Dillon Gage's successful RJC Chain of Custody certification and preparations for LBMA Responsible Sourcing certification.

Supplier Engagement

Dillon Gage believes responsible sourcing requires active collaboration throughout the supply chain.

Responsible sourcing expectations are communicated during supplier onboarding and reinforced through contractual requirements, ongoing communication, and periodic due diligence reviews.

Suppliers are expected to:

- Comply with Dillon Gage's Responsible Sourcing Policy or maintain equivalent standards.
- Cooperate with due diligence requests.
- Provide documentation supporting material origin.
- Notify Dillon Gage of significant ownership or operational changes.
- Participate in corrective action activities where appropriate.

Where elevated risks are identified, Dillon Gage works constructively with suppliers to implement corrective actions whenever practical. Business relationships may be suspended or terminated when identified risks cannot be adequately mitigated.

Customer Due Diligence and Compliance

Robust customer onboarding procedures remain an essential component of Dillon Gage's responsible sourcing framework.

Know Your Customer (KYC) and Anti-Money Laundering (AML) procedures are designed to verify customer identity, understand business activities, and identify potential financial crime risks before business relationships are established.

Compliance activities include:

- Identity verification
- Beneficial ownership verification
- Politically Exposed Person (PEP) screening
- OFAC sanctions screening
- European Union sanctions screening
- United Nations sanctions screening
- United Kingdom sanctions screening
- Ongoing transaction monitoring
- Periodic customer reviews

During 2025, Dillon Gage expanded its use of external compliance intelligence resources to strengthen regional risk assessments, identify emerging geopolitical concerns, and enhance monitoring of supply chain activity.

Employee Training

Maintaining an effective responsible sourcing program requires knowledgeable employees and continuous education.

Throughout 2025, employees involved in sourcing, refining, logistics, compliance, trading, finance, and customer onboarding received periodic training covering:

- OECD Due Diligence Guidance
- Responsible Jewelry Council requirements
- Anti-money laundering regulations
- Human rights due diligence
- ESG risks within mineral supply chains
- Counterparty due diligence
- Sanctions compliance

Training materials are reviewed periodically to reflect changes in regulations, industry standards, and internal procedures.

Grievance Mechanism

Dillon Gage maintains a confidential grievance mechanism allowing employees, suppliers, customers, contractors, and other stakeholders to report concerns relating to responsible sourcing or ethical business conduct.

The grievance process supports reporting of concerns involving:

- Human rights
- Responsible sourcing
- Corruption or bribery
- Environmental issues
- Financial crime

- Violations of company policy

Anonymous reporting is available where permitted by applicable law.

All reported concerns are reviewed by the Compliance Officer, investigated appropriate, and addressed through corrective and preventive actions when necessary.

We remain committed to maintaining an open reporting culture that encourages transparency and accountability throughout its operations.

Transparency and Continuous Improvement

Responsible sourcing is an evolving process requiring continuous evaluation and improvement.

Throughout 2025, Dillon Gage continued enhancing governance, refining due diligence procedures, strengthening supplier engagement, and improving traceability documentation in response to evolving regulatory expectations and industry best practices.

Management periodically reviews responsible sourcing policies, supplier risk assessments, training programs, and compliance procedures to ensure they remain effective and aligned with internationally recognized standards.

Looking Ahead to 2026

As regulatory expectations and stakeholder demands for responsible sourcing continue to evolve, Dillon Gage remains committed to strengthening its governance, due diligence, and supply chain transparency.

Building on the successful completion of its 2025 Responsible Jewelry Council (RJC) Code of Practices surveillance audit and initial RJC Chain of Custody audit, we will continue expanding our responsible sourcing program to meet the highest international standards.

A key priority for 2026 is the completion of Dillon Gage's initial independent audits under the **London Bullion Market Association (LBMA) Responsible Gold Guidance** and **LBMA Responsible Silver Guidance**. During 2025, we undertook significant preparations for these certifications by enhancing supplier due diligence, strengthening supply chain traceability,

refining internal governance procedures, and aligning sourcing practices with LBMA Responsible Sourcing Program requirements. These efforts position Dillon Gage to meet one of the precious metals industry's most rigorous and globally recognized responsible sourcing frameworks.

In addition to the LBMA certification process, Dillon Gage will continue to:

- Enhance digital traceability and documentation throughout the precious metals supply chain.
- Further strengthen supplier risk assessments through expanded geopolitical, sanctions, and ESG risk monitoring.
- Continue employee training on responsible sourcing, anti-money laundering, sanctions compliance, and human rights due diligence.
- Deepen engagement with suppliers to promote transparency, ethical sourcing, and continuous improvement.
- Maintain alignment with evolving OECD Due Diligence Guidance, Responsible Jewelry Council standards, and other internationally recognized best practices.

Dillon Gage views responsible sourcing as an ongoing commitment rather than a compliance exercise. Through continuous improvement, independent verification, and collaboration with customers, suppliers, and industry organizations, Dillon Gage remains dedicated to protecting the integrity of the precious metals supply chain while supporting ethical, transparent, and sustainable sourcing practices worldwide.

Conclusion

Responsible sourcing remains a core element of Dillon Gage's corporate values and long-term business strategy.

During 2025, We strengthened our responsible sourcing program through enhanced governance, expanded supplier due diligence, improved traceability systems, increased employee training, and continued investment in internationally recognized certification programs.

The successful completion of the Responsible Jewelry Council Code of Practices surveillance audit and the initial RJC Chain of Custody audit marked significant milestones in Dillon Gage's responsible sourcing journey, affirming our commitment to responsible governance, ethical business practices, and transparent supply chain management.



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Dillon Gage's commitment during 2025 to pursue certification under the LBMA Responsible Gold Guidance and Responsible Silver Guidance further demonstrates its dedication to continuous improvement and alignment with globally recognized standards for responsible precious metals sourcing.

By integrating robust management systems, comprehensive risk assessments, effective due diligence, independent verification, and transparent reporting, Dillon Gage continues to foster trust among customers, suppliers, financial institutions, and industry stakeholders.