



## **2021 Annual Report**

Company Name: Zarian Group  
(Zarian Co.,Ltd, Zarian Limited, Zarian Fabrikation GmbH)  
Date: 10 January 2022  
Reporting Period: 01 January -31 December 2021  
Contact: Mr. Chollatis Suwannapiem (Chollatis@zarian.com)

### **Introduction:**

Zarian Group 2021 annual report detailing our responsible business policies in accordance with the Responsible Jewelry Council standard of practice, the scope of this report covers all Code of Practice 2019 as the achieved member shall meet all the standard guidelines and transform all practices into measurable action.

Under the “Supply Chain Policy”, Zarian group stated the commitment for transparent and responsible supply chain management. We have avoided to use materials produced through Conflict Affected and High Risk Areas. In addition, in order to fundamentally prevent the use of these conflict materials we have a process of due-diligence before entering into transaction with all gold, silver, PGM, diamonds, coloured gemstones suppliers, and do not trade with suppliers who are not complying with our Supply Chain Policy. This includes taking steps to identify and, where applicable, mitigate negative social and environmental impacts with a particular focus on addressing issues related to human rights, child labor, and forced labor.

Zarian group has appointed Mr. Chollatis Suwannapiem, the Factory Director, to be in charge of ensuring the practice following the applicable requirements and conforming with COP, monitoring and following up all compliant issues (if any) that has impact on our business industry.

Zarian group adopted, established, implemented, and exercised Code of Practice 2019 and OECD, the results are stated as below:

### **Legal Compliance:**

Systems in place that maintain awareness of, and ensure compliance with, applicable law has been monitored within our company. Legal area under COP provisions was already included such as bribery and facilitation payments, money laundering, human rights, working hours, remuneration, health safety and product disclosure.

All legal documents were completed and no particular issue has been found.



## Policy and Implementation:

Policies that committed to responsible business practices was already updated and endorsed by management. These policies were actively communicated to employees and made publicly available.

Supply Chain Policy, for example, has been updated for more materials covering. Due diligence policy has been worked strictly with suppliers. In addition, our questionnaire in KYC form will be strengthened in year 2022 to get more clear information.

All policy and implementation were implement and also be kept monitoring up to date.

## Reporting:

Business practice relevant to the COP was communicated publicly and directly with stakeholders annually.

Suppliers and stakeholders was encouraged not only to recognize the OECD guidance and our supply chain policy, but also to practices these policies accordingly.

## Financial accounts:

Our financial accounts of all business transactions in accordance with the Thai Accounting Standards were maintained and no fraud has been found.

The 2021 financial report will be completely audited by Certified Public Accountant (CPA) around end of March.

## Business Partners:

Responsible business practices were promoted among our significant business partners with our best endeavors and abilities.

Policies, systems, and procedures relevant to the COP were complied among our employees and counterparties.

## Human Rights:

Human Rights was respected by considering all potential and actual impacts in our operations and business relationships.

UN Guiding Principles on Business and Human Rights as appropriate to our size and circumstances was also committed and implement.



Human Rights policy was already endorsed by our chairman to respect human rights within our operations and business relationships and procedures for implementing the policy in alignment with COP 2 (Policy and implementation).

Human Rights Due Diligence processes was identified, prevented, mitigated and accounted for adverse human rights impacts that are connected to our business.

Human Rights Due Diligence efforts and remedy activities in accordance with COP 3 (Reporting) was communicated annually with our stakeholders.

### Due Diligence:

Due Diligence was exercised over our gold, silver, platinum group metals (PGM), diamonds and coloured gemstones supply chain in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the 'OECD Guidance').

The OECD Guidance Supplement on Gold as applicable and OECD Guidance while complying with COP 29 (Kimberley Process Certification Scheme and World Diamond Council System of Warranties) were implement to our operations and supply chains.

Supply chain policy with respect to sourcing from conflict-affected and high-risk areas has been adopted and communicated publicly and to our suppliers. The policy was consistent at a minimum with Annex II of the OECD Guidance or with other RJC- recognised due diligence frameworks.

No counterparties have been found in and high-risk countries lists (CAHRAs and Geneva Academy Rule of Law in Armed Conflicts) and we still keep monitoring in the future.

More details about annual reporting requirements for COP 7 Due Diligence within the RJC Code of Practices 2019 can be seen in another separate report.

### Community Development:

As Covid pandemic since year 2020, community activity is rarely done. The company hope to do more activities after this situation back to normal.

### Bribery and Facilitation Payments:

Anti-Bribery and Corruption Policy has been established publicly and trained to our employees.

Whistle\_Blower and Grievance Policy has been already installed and there is no issue has been found.

### Money Laundering and Finance of Terrorism:



Anti-Money Laundering & Know Your Counterparty (KYC) Policy has been established for business partners.

No counterparties have been found in government sponsored watch list or sanctions list and we will keep improving our KYC form to be more concisely.

### Security:

A professional security company has been employed since beginning to protect our employees, contractors, visitors against product theft, damage, or substitution of products within the premises.

Risk assessment to evaluate security risk has been done without any issues found. Appropriated Insurance has been done and covered all the risks.

### Provenance Claims:

It was already provided on request to our clients and some systems has been implement even though the company did not apply on this part.

### Labour Rights and Working Conditions:

Employment terms with regards to wages, working hours and other employment conditions was mentioned clearly in employee contract before employment start and in a language that was well understood.

Employee records and working hours were well maintained flowing Thai labor law.

All current working condition is complied with applicable Thai laws and no issue has been found.

Salary payment has been done two times or one time per month depending to each employee requirement with slip given. All payment was done via bank transferring.

Violence, harassment, child labour, and force labour issues have not been found.

The youngest employees in year 2021 is nineteen years and nine months.

Freedom of association and collective bargaining of employee right are always respected. As can be seen from the Welfare Committee which compound of employee and management that has been always supported by the company and no issue was pending from the previous year.

### Health, Safety and Environment:



Safe and healthy working conditions for all employees in accordance with applicable Thai law has been provided.

Health, Safety and Environment plan including fire equipment and alarms has been done and maintained by our safety officer in professional level.

Safe water, sanitary facilities for eating, air quality, noise/ heat/ illumination measurement and waste water have been annual safety inspected by professional outsource.

Employee annual health checking has been provided every year.

Full time nurse has been employed to make sure that the company has adequate on-site first-aid provisions and has appropriate procedures for transportation to local medical facilities in the case of a medical emergency and assist workers with work-related injuries to physically access medical treatment. No serious issue has been found in previous year.

The Safety Occupational Health and Working Environment Committee has been well supported as top management participate in every meeting.

Appropriate personal protective equipment (PPE) has been provided with well training.

Environment issue was seriously concerned by the management. More green part given was completely done and alternative energy was already concerned such as we will have a solar roof within this year.

No issue has been found in last period.

#### Gold, Silver, PGM, diamond, and coloured gemstone product disclosure:

Physical characteristics of the materials listed was already checked and mentioned in the invoices in compliance with Thai BOI regulation, Customs practice, and International standard.

All diamonds were tested by OGI Diatruue-CS and no Lab-Grown Diamonds or Cubic Zirconia(CZ) has been found.

#### Kimberley Process Certification Scheme (KPCS) and World Diamond Council System of Warranties (SoW)

The World Diamond Council System of Warranties (SoW) has been adopted in our purchasing and selling procedure and all counterparties have good participated.



Trade association resolutions and government restrictions prohibiting the trade in conflict diamonds was already informed to our staff and stakeholders.

In conclusion, Although Zarian Group has been achieved and complied with the standard of Responsible Jewelry Council, COP 2019, the company still commits to performing duties under ethics and business ethics in all forms as well as driving the organization towards sustainability.

Prince Haik Georg Eghiazarian  
Chairman