

### Annual Report on Responsible Practices 2024

RABAT presents the Annual Report on Responsible Practices, a document dedicated to sharing the company's progress, objectives, and ongoing commitment to sustainability and corporate responsibility. This report focuses on the year 2024 and represents a critical opportunity to reflect on the efforts undertaken, evaluate the current impact, and envision the future.

#### Context and Relevance of Responsible Practices

In an era where global challenges such as climate change, social inequality, and ethical concerns demand urgent action, responsible practices within RABAT are a necessity. In the company's context, these practices not only reflect fundamental values but also guide operational decisions, influence stakeholder relationships, and shape the company's reputation within the industry.

RABAT asserts that success is not only measured in financial terms but also in the ability to operate ethically, reduce environmental impact, and contribute to the well-being of communities. Responsible practices are a collective challenge that involves every employee, business partner, and customer within the ecosystem.

This report, in addition to highlighting RABAT's achievements, also emphasizes areas where the organization intends to continue the path to excellence. RABAT is firmly committed to adopting a proactive approach to sustainable innovation, confronting challenges with courage, and adapting to changes while pursuing its mission of corporate responsibility. The organization expresses its gratitude to everyone who contributes to the journey toward sustainability and responsibility; it is through collective efforts that lasting and meaningful impact is achieved.

#### Commitment to RJC Certification

RABAT is deeply committed to upholding the principles of sustainability and ethical business practices, which are fundamental aspects of its identity as a retail jeweler and watchmaker. Now, as a member of the *Responsible Jewellery Council* (RJC), RABAT is further strengthening its commitment to implementing the Code of Practices (COP) standard. For this reason, the company has developed a series of policies and procedures to ensure continuous compliance with RJC requirements.

Additionally, RABAT is dedicated to developing and consolidating strong and lasting relationships with suppliers and other business partners to promote responsible business practices throughout the supply chain. This commitment includes adopting measures aimed at identifying and, when necessary, mitigating negative social and environmental impacts, with particular attention to issues related to human rights, child labor, and forced labor.

To achieve this, RABAT conducts due diligence with all its suppliers, always in line with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance).

During 2024, the company has adhered to the supply chain policy established in line with the OECD Guidance. The policy is available at the following webpage: <https://www.rabat.net/pub/media/wysiwyg/footer/rabat-responsible-jewellery-council-policy-and-supply-chain-integrity-es.pdf>

RABAT has developed internal control systems and processes to collect and record information regarding the origin of supplied materials and, where available, information related to the due diligence conducted by manufacturing partners.

The company continuously analyses its supply chain, contacting all partners to communicate and requesting increasingly detailed information about their business and corporate practices, as well as examining the origin of the materials used.

The commitment to responsibilities extends beyond the company's own operations. RABAT has established a robust risk identification system to proactively address potential issues within the supply chain. Additionally, the organization maintains an accessible grievance mechanism that allows anyone to raise concerns about unethical or unsustainable practices. This proactive approach ensures that RABAT upholds transparency and accountability, fostering a more ethical and sustainable supply chain ecosystem.

In its ongoing commitment to sustainability and business ethics, the entity has adopted a dynamic approach to ensuring compliance with the standards of the Responsible Jewellery Council (RJC). RABAT has taken concrete measures, such as undergoing rigorous third-party audits conducted by independent experts, to assess compliance with RJC guidelines.

Third-party audits represent an important step in demonstrating dedication to transparency and integrity. These audits are conducted using detailed processes and comprehensive evaluation methodologies to verify that practices fully and consistently meet RJC standards. The results of each audit provide additional assurance of ethics and sustainability.

The adoption of third-party audits underscores the commitment to continuous improvement and exceeding compliance expectations. RABAT will continue working with qualified professionals to objectively evaluate its practices and implement necessary improvements to maintain the high standards of the RJC. This ongoing commitment strengthens its position as a leader in adopting responsible and environmentally respectful business practices.



### **New Initiatives Adopted Regarding Responsible Practices**

RABAT has maintained its commitment to ethics and traceability through various actions:

**1. Establishment of the RJC (Responsible Jewellery Council) Committee:**

RABAT has set up a committee to manage and oversee issues related to the RJC on a weekly basis and as needed.

**2. Update of the Ethical Code for Suppliers:**

RABAT has updated its specific Ethical Code for all its material suppliers. This code establishes the principles and expectations of ethical and sustainable conduct that RABAT aims to uphold, ensuring a standard of responsibility and transparency throughout the supply chain.

**3. Monitoring and Evaluation of the Know Your Customer (KYC) Form:**

As part of its due diligence approach, RABAT monitors and evaluates the Know Your Customer (KYC) form and the additional due diligence questionnaire, in which RABAT requests detailed information from suppliers about the origin of precious stones and materials used. This action aims to ensure greater traceability and a conscious, responsible selection of materials.

**4. Sustainability Training:**

This year, RABAT has implemented sustainability training programs and shared this information on its bulletin board. These training sessions aim to raise awareness and foster a culture of responsibility within RABAT, further strengthening the collective commitment to sustainability.

**5. Extension of Internal Protocols:**

During the year, RABAT has established new internal protocols focused on improving its ethics and traceability policies. These internal procedures are developed to reinforce the organizational structure and ensure compliance with the highest ethical standards in operations.

**6. Gold Procurement:** According to the certifications provided by the suppliers and verified through RABAT's due diligence, the gold used in RABAT's own jewelry comes from certified sources in accordance with the Responsible Gold Guidance of the London Bullion Market Association (LBMA).

- 7. RABAT has also updated its Code of Best Practices**, reaffirming its principles to ensure quality, ethics, and sustainability. This code highlights RABAT's corporate culture, ethical traceability of materials, commitment to its products, as well as detailing PBC policies and environmental management through responsible recycling.

RABAT continues to uphold its commitment to the Responsible Jewellery Council's (RJC) Code of Practices (COP), thereby ensuring sustainability and responsibility requirements.

After conducting thorough due diligence, RABAT has not identified any red flags. RABAT performs due diligence, analyzes its results, and continues to ask its suppliers questions on an ongoing basis, monitoring their outcomes.

### **Regulatory Compliance: An Ethical Pillar**

RABAT places great importance on regulatory compliance to ensure ethical, transparent, and lawful business conduct. Below are the main laws and regulations to which the company is subject, along with confirmation of its compliance.

#### **Main Laws and Regulations:**

##### **Commercial, Tax, and Anti-Money Laundering Laws:**

The entity is subject to Spanish commercial and tax laws and is committed to conducting business in strict compliance with them. This includes requirements such as tax compliance, accurate financial statements, and transparency in reporting. In terms of anti-money laundering measures, RABAT adopts all necessary due diligent actions, such as formal identification, payment traceability, and ethical, self-accounted sales practices.

##### **Environmental Regulations:**

RABAT recognizes the importance of protecting the environment and complies with applicable Spanish environmental regulations. The organization is committed to monitoring and reducing the environmental impact of its operations, ensuring compliance with regulations on emissions, waste management, and resource conservation.

##### **Labor Laws and Workers' Rights:**

RABAT complies with labor laws, including labor standards, workers' rights, and working conditions. The entity promotes a safe and respectful work environment by ensuring compliance with labor and workplace safety laws.

### **Health and Safety Standards:**

The health and safety of employees, customers, and partners are of paramount importance. RABAT complies with workplace health and safety standards, implementing practices and procedures that ensure a risk-free and hazard-free working environment.

### **Confirmation of Compliance:**

It is confirmed that RABAT has made and will continue to make efforts to comply with all applicable laws and regulations. The entity adopts a proactive approach to monitoring regulatory developments and adapting its business practices accordingly. Compliance is a key component of the corporate culture, and adhering to such regulations is the foundation upon which RABAT builds its relationships with customers, suppliers, and other stakeholders.

If there are regulatory changes or situations requiring adjustments, RABAT acts promptly to align its operations and policies to ensure continuous compliance. The entity is committed to addressing any non-compliance with the utmost seriousness and taking corrective measures to maintain integrity and trust.

### **Contribution to the SDGs: Towards a Sustainable Future**

RABAT is deeply committed to adopting the United Nations Sustainable Development Goals (SDGs) as part of its continuous improvement process. The organization's efforts are particularly aligned with the following relevant SDGs:

- **SDG 5:** Gender Equality
- **SDG 8:** Decent Work and Economic Growth
- **SDG 10:** Reduction of Inequalities
- **SDG 12:** Responsible Production and Consumption
- **SDG 13:** Climate Action


### Conclusions: Commitment to a Better Future

In conclusion, this report is a testament to RABAT's commitment to ethical, responsible, and compliant business management. The organization looks to the future with determination, leveraging these efforts and boldly tackling upcoming challenges. RABAT's journey toward sustainability is a collective effort, and the entity extends its gratitude to all those who join this mission.

Date of Effect: January 2, 2025



D. Jordi Rabat  
RABAT's Group CEO



D. Arturo Alfocea  
RABAT's Group COO