

**Independent Reasonable Assurance Report
(ISAE 3000 Engagement)**

on

Regulated Entity's Compliance Report

on

compliance with the MoE Due Diligence Regulations for Responsible Sourcing of Gold

for the period

1 January 2023 to 31 December 2023

MTM&O Gold Refinery DMCC

07 April 2024

[This document includes 4 pages in total including the cover page]

To,
The Board of Directors,
MTM&O Gold Refinery DMCC,
G-01, Plot No: DMCC-EZ3-01A,
DMCC Free Zone, Dubai,
United Arab Emirates

Independent Reasonable Assurance Report to MTM&O Gold Refinery DMCC (ISAE 3000 engagements)

Introduction

AKW Tax Reclaim Accounting & Consultancy (“AKW” or the “Reviewer”) was engaged by MTM&O Gold Refinery DMCC (the “Regulated Entity”) to provide an Independent Reasonable Assurance on its Compliance Report (the “Regulated Entity’s Compliance Report”) on compliance with the MoE Due Diligence Regulations for Responsible Sourcing of Gold, Version 1, August 2022 (the “MoE Due Diligence Regulations”) for the period from 1 January 2023 to 31 December 2023.

Scope

The objective of this engagement was to provide an opinion on whether the Regulated Entity’s Compliance Report dated 01 February 2024 describes fairly the activities undertaken during the year to demonstrate compliance, and whether management’s overall conclusion contained therein is in accordance with the requirements of the MoE Due Diligence Regulations.

Responsibility of the Management of the Regulated Entity

The Management of the Regulated Entity is responsible for the preparation and presentation of the Regulated Entity’s Compliance Report in accordance with the MoE Due Diligence Regulations. This responsibility includes establishing and maintaining effective governance framework, including risk management systems and internal controls from which the reported information is derived. Furthermore, the responsibility includes designing, implementing and maintaining management systems and processes relevant to the preparation of the Regulated Entity’s Compliance Report that is free from material misstatement, whether due to fraud or error. The information in relation to the activities described within the Regulated Entity’s Compliance Report is determined by the Management of the Regulated Entity to be appropriate and relevant to validate the degree of compliance with the MoE Due Diligence Regulations.

Our Independence

We confirm that we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board of Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. In conducting our engagement, we confirm that we satisfy the Minimum Criteria for Reviewers as set out in the MoE Due Diligence Regulations Annex I - Review Protocol (the “MOE Review Protocol”) to carry out the assurance engagement.

Our Responsibility

Our responsibility was to:

- perform a review of the Regulated Entity, in accordance with the ISAE 3000 standard, following the relevant guidance set out in the MOE Review Protocol.
- provide an opinion on whether the Regulated Entity's Compliance Report describes fairly the activities undertaken during the year to demonstrate compliance, and whether management's overall conclusion contained therein is in accordance with the requirements of the MoE Due Diligence Regulations.

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by International Auditing and Assurance Standards Board. A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about the fairness of the Regulated Entity's Compliance Report and the fact that management's overall conclusion has been drawn in accordance with the requirements of the MoE Due Diligence Regulations and with the MoE Review Protocol. The nature, timing and extent of procedures selected depend on our judgment, including the risk of material misstatements, whether due to fraud or error, in the Regulated Entity's Compliance Report. In making those risk assessments, we considered internal control relevant to the Regulated Entity's preparation of the Regulated Entity's Compliance Report.

In conducting the review, we meticulously planned and implemented an approach to gather essential evidence, information, and explanations pertinent to our defined scope. The process encompassed several key steps, including the following:

- Develop a detailed Review Plan, outlining the scope, criteria, principles, and intended activities, which was then communicated to the Regulated Entity for full transparency and collaboration.
- Conduct an opening meeting onsite with Regulated Entity's top management and key process owners to introduce the Review Plan, align on the review protocol, set the timeline, and emphasize the confidentiality essential to the process.
- Gather essential documentation including objectives, plans, procedures, standards, instructions, licences and permits, specifications, drawings, contracts, supply chain policies, and other pertinent policies and procedures that demonstrate the management systems, due diligence process and risk management practices. The process also included collection of client details, transaction records, and origin data.
- Collection of documents relating to inventory controls, inspections of records, minutes of meetings, audit reports, records of monitoring programmes and results of measurements.
- Execute the onsite review phase, engage in deep analysis to gather evidence supporting the review objectives. This included interviews with senior management, key process owners, and workers, visual inspections and physical walkthroughs of operational areas, and a comprehensive review of pertinent documents.
- Assessment of the evidence gathered during the review to evaluate Regulated Entity's implementation of, and compliance with the MoE Due Diligence Regulations including:
 - Regulated Entity's Supply Chain management systems (with emphasis on compliance and risk management structures, related operating policies and procedures, reporting mechanisms, training and development programmes).
 - Regulated Entity's due diligence measures (including KYC procedures, process and implementation and post-account opening and pre-transaction risk assessments including Red Flag assessment), and

- minimum information recording to ensure track and trace i.e., date of gold receipt, physical form and weight of gold, source of origin, point of origin in transportation and/or customs documents (recording of seal numbers and/or packaging list).
- Conduct a closing meeting with Regulated Entity's leadership and key process stakeholders to present the findings, conclusions, and actionable recommendations for enhancements, aimed at bolstering improvement.
- Review the statements made by the management in the Regulated Entity's Compliance Report as compared to the findings arising from the above procedures performed.

The procedures performed relate to the Review Period from 1 January 2023 to 31 December 2023 and do not extend to any assertions made in the Regulated Entity's Compliance Report regarding events subsequent to the Review Period.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our reasonable assurance report, including our opinion, has been prepared solely for the Management of the Regulated Entity and the Ministry of Economy for determining whether the Regulated Entity has complied with the MoE Due Diligence Regulations and for no other purpose.

Inherent Limitations of the Review Process

Whilst the Reasonable Assurance Report provides a rigorous assessment of the Regulated Entity's compliance with the MoE Due Diligence Regulations, it is crucial to acknowledge certain inherent limitations of the methodology and scope.

- **Subjectivity in Assessing Compliance:** Evaluating compliance with MoE Due Diligence Regulations often involves qualitative judgments and interpretations. Despite efforts to establish rigorous criteria and assessment tools, the evaluation of compliance may be subject to subjective biases or varying interpretations.
- **Scope of Document Review:** The testing of the accuracy and authenticity of selected documents, including management assertions and claims about its Due Diligence performance, was conducted through interviews and sample document reviews. However, the authenticity of these documents was not independently verified by contacting the respective government organizations or third-party entities.
- **Reliance on Information Provided:** The review relied on information provided by the Regulated Entity. While we have conducted its due diligence to verify the accuracy of this information, we did not independently validate the data or information provided. Thus, the conclusions are based on the assumption that the information provided is complete and accurate.
- **External Factors:** The Reviewer cannot predict or guard against future changes or factors arising after the review date, such as changes in legislation, regulatory focus, or the Regulated Entity's business model.
- **Timeliness of the Review:** Given the fast-moving nature of financial transactions, the findings of this review reflect the situation at a particular point in time. Issues of non-compliance could arise or be resolved in the intervening period between reviews.
- **Human Error and Fraud:** There is always an inherent risk of errors, omissions, and fraudulent acts not being detected, regardless of the thoroughness of the procedures employed. This review cannot ensure detection or prevention of all such issues.

Our Opinion

In our opinion, the Regulated Entity's Compliance Report dated 01 February 2024 for the period from 1 January 2023 to 31 December 2023 describes fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the requirements of the MoE Due Diligence Regulations for Responsible Sourcing of Gold, Version 1, August 2022.

AKW Tax Reclaim Accounting & Consultancy



Faisal Ahmed
Engagement Partner



07 April 2024
Dubai, UAE

Compliance Report – Ministry of Economy 2023

1st February 2024

The aim of this report is to summarize the steps taken by MTM & O Gold Refinery DMCC (the “Refiner” or “MTMO” or “we”) to achieve compliance during the calendar year 2023 with the Ministry of Economy (“MOE”) for Due Diligence Regulations for Responsible Sourcing of Gold.

Details of the Reporting Entity

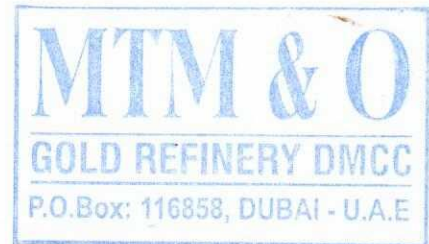
Refiner’ Name : MTM & O Gold Refinery DMCC
Location : Jumeriah Lake Towers, Dubai, U.A.E.
Reporting Period : 1st January 2023 – 31st December 2023
Senior Manager Responsible for this Report : Osama M Al Kaloti

Summarized Conclusion

Not compliant with Medium Risk Deviation with the MOE Due Diligence for Responsible Sourcing regulations during the calendar year 2023.

Our Evaluation

The structure of our evaluation is to address separately each step in the “5-step” framework for Due Diligence Regulations for Responsible Sourcing of Gold as per MOE requirements.



STEP 1:

Objective:

Establishing an Effective Governance Framework

Rules Included:

- 1.1 Adopt and commit to a policy for gold Supply Chain due diligence.
- 1.2 Establish management structures to support Supply Chain due diligence.
- 1.3 Establish a system for transparency, information sharing and control on gold Supply Chain.
- 1.4 Strengthen company engagement with gold supplying counterparties.
- 1.5 Establish a confidential grievance mechanism

Compliance Statement:

Non-Compliant with the MOE Due Diligence Regulations for Responsible Sourcing of Gold with Step 1 –Medium Risk Deviation

Demonstration of Compliance:

MTMO Compliance, Anti-Money Laundering, Combating Financing of Terrorism and Illegal Organization, and Sanctions Policies & procedures Manual, Responsible Sourcing Policy & Procedure Manual and Supply Chain Policy has been in use for the entire Reporting Period and this policy manual is consistent with MOE requirements. The policy and supporting procedures (MCP 1 – 20) include details on the gold supply chain due diligence roles and responsibility of employees, management and Board of Directors.

The Policies & Procedures, which is approved by Senior Management is updated in accordance with regulatory requirements. The Supply Chain Policy appears on our website www.mtm-o.com, shared with our stakeholders and is available internally to all employees. Shareholders, Management and members of staff of MTMO are required to follow the approved AML/CFT Policy Procedures and the Responsible Sourcing Policies & Procedures which they are required to read and formally sign acknowledge that these are been fully understood and compliant at all times.

The Policies Manual & Procedures covers a) scope b) roles and responsibilities c) Know your customer (KYC) and Customer due diligence measures d) supply chain risk assessment and risk mitigation e) ongoing monitoring f) independent audit g) record retention requirements h) training program.

MTMO has establish KYC procedures that are detailed and satisfy regulatory requirements and assess the red flags in the Supply Chain in order to determine whether they deal in gold mined, transported or traded in Conflict- Affected and High-Risk Areas (CAHRA).

MTMO has implemented an administrative management structure comprising (a) the Board (b) Risk & Compliance Committee (c) CEO (d) Compliance/supply chain officer (f) Internal Audit. The board takes the ultimate responsibility of laying down a top-to-bottom compliance culture and provides adequate oversight on the due diligence process, the Risk & Compliance committee provides a further oversight over the supply chain due diligence matters and advises the Board. The committee maintains an open-door policy where all staff are free to communicate with them at any time in case of required assistance or confusion that may arise, the CEO is responsible for all day-to-day operations to ensure that the policies, procedures, and controls laid down are well-communicated and incorporated in day -to-day

operations. The Compliance Officer is appointed by the Board with direct access as well as direct reporting to the CEO and unlimited access to the Risk & Compliance Committee. The Compliance Officer also submitted bi-annual reports to the Board.

As this is the first Supply chain due diligence regulations for the compliance officer, there is a strong need for enhanced training to bolster the Compliance Officer's capabilities, enabling him to fully manage the Supply Chain Due Diligence process and to execute his responsibilities effectively and independently. During 2023, the Compliance officer was dependent on the knowledge of the Head of Risk for Supply chain due diligence.

Our compliance team is located on-site and fully immersed in the daily activities of the Company and has necessary resources to perform their due diligence responsibilities which includes but not limited to overall management of the Supply Chain Due Diligence process and improving Supply Chain Due Diligence framework as well as managing and implementing a training and awareness program with regards to due diligence, MTMO has engaged with Crowe UAE for providing external training and gap analysis. The Compliance Team has also collaborated with the relevant MOE authority and the FIU by providing all requested data; and providing necessary records and documents to the supervisory officer.

The specific KYC requirements are taken care by MTMO Policies and procedures which includes account opening (MCP-01) and risk assessment (MCP-02). The related KYC checklists covers the KYC requirements moreover it is stipulated in both AML/CFT and Responsible Supply Chain policies. MTMO's responsible sourcing manual defines the process of obtaining KYC requirements of supplier's supplier to the extent possible on the source of gold. MTMO obtained suppliers' supplier details as part of the supplier account opening form. MTMO obtained ultimate beneficial owners, supplier's legal and operating structure at the time of account opening. MTMO Policy and Procedures ensures that the precious sourced from artisanal or small-scale miner (ASM) adequately identifies the origin of ASM's supply to the intend possible.

Where MTMO has sourced from artisanal or small-scale miners, the Company has:

- Identification and verification of the local supplier through documents such as export licenses
- Mine location and ASM legal existences and conformity with Legal Frame works or their willingness to formalize the legal frameworks.
- Mining licenses, invoices and packing list and declarations on the origin of gold with every shipment
- Identifiable sealed security boxes for each shipment
- Physical segregating different shipments
- Reporting inconsistencies to senior management or the compliance officer

There was one instance where the Ultimate Beneficial Owner (UBO) of a supplier was identified but the documentation pertaining to UBO was found to be insufficiently detailed. MTMO classified the account as High-Risk during onboarding and Senior Management approval was obtained. MTMO followed up with the supplier for UBO Identity documents but was unable to obtain the same. As a result, since the Company was unable to conduct further enhanced due diligence, the account was closed in April 2023.

MTMO has a clear policy of withholding from onboarding suppliers flagged during due diligence for incomplete KYC documentations or lack of further supply chain verification which is evident during the review. However, the internal rejection forms for the rejected clients did not have senior management acknowledgement or rejection dates.

During the review MTMO did not file any Suspicious Activity Report (SAR) or Suspicious Transaction Report (STR).

MTMO has complete details of physical metal including description, weight and assay of gold with our own or any other authentic gold testing lab reports are enclosed in complete transaction vouchers as per the defined procedures. Every shipment that comes to MTMO has complete shipping/transportation documents (such as waybill/airway bill, pro forma invoice, and bill of landing) to establish the Chain of Custody and is assigned a unique shipment reference number. This reference number is used to track and trace the history of that particular shipment. Purity and reference number certificate issued with each pure gold bar generated assures the description and weight of the product. The pure bars generated in MTMO also bears the reference number along with logo and stamp of the refinery. MTMO uses the unique bar reference numbers for each pure gold bar produced through which the year of production can be easily determined. MTMO Track and trace mechanism requires all incoming and outgoing shipments to bear a unique reference number for traceability. MTMO incoming shipments are segregated based on the type of gold. The weight and assay of the precious metal received are include in the transaction documents. Final assay reports are issued by refinery's own laboratory.

Our Compliance team's day to day activities further include;

- a) Maintaining and updating the FACTS Compliance system on a regular basis.
- b) Carry out MTMO Compliance Procedures as detailed in Procedures and Forms documents in the Policy Manual, including but not limited to Enhance Due Diligence or additional KYC.
- c) Coordination with Accounts department to ensure that there are no conflicts between NEO and FACTS compliance programs, and to ensure all necessary compliance approvals.
- d) Reporting any suspicious transactions, or Red flags on the FIU's GoAML platform.
- e) Dealers in Precious Metals and Stones reports (DPMSR) on the GoAML platform for regulator reequipments.

MTMO has attempted to enhance communications and relationships with its suppliers, MTMO has shared the AML/CFT Guidance for DNFBP's, MOE – Due Diligence Regulations and the OECD- Due Diligence Guidance for Responsible Sourcing, with all its suppliers and has also made them available on our website www.mtm-o.com. During the review direct communication (while available on our website) to one supplier was not evident due to the closure of the account in April 2023.

In 2023 MTMO has Amended its declarations for its suppliers in the Account Opening form to comply with MOE Due Diligence Regulations for Responsible Sourcing of Gold and OECD- Due diligence guidance for responsible sourcing as evidenced in our policy manual and MCP -01 procedure. During the review period, Accounts onboarded prior to 2023 the declaration was signed to comply with DMCC and OECD due diligence guidance.

MTMO has always tried to leverage from long-term relationships and has incorporated provisions in its contracts, questionnaires and daily shipments declarations with suppliers which are legally binding to enable enhancement of Supplier's due diligence process. MTMO is to further actively pursue capacity building and information sharing to enhance its supply chain best practices as recommended by the MOE Due diligence guidance. While the previous refinery contracts prior to MOE introduction for Due Diligence guidelines affirms that the material delivered complies with DMCC (as a DMCC licensed entity) and LBMA (as an international standard for international counterparties), MTMO did not include MOE regulation during the review period in the refining contracts.

MTMO ensures the retention of all sort of documentation either related to inventory/KYC or transactional related documentation in accordance in accordance to MOE regulations. MTMO has documented "record management (MCP-08) procedure according to which all type of records including KYC files, Transaction Vouchers, Audit Reports, rejected accounts etc.

A grievance mechanism has been established by MTMO in its Policy to guarantee employee or other stakeholders in the Supply Chain can raise concerns related to sourcing or trading of gold from CAHRA. The mechanism is confidential and any grievances shall be escalated to the Risk & Compliance committee, who shall assess the appropriate response, and shall recommend the necessary measures to mitigate and monitor any identified risks. Depending on the seriousness of the grievance, the Risk & Compliance Committee may also escalate the matter further to the Board.

During the review period, MTMO did not fully communicate the grievance mechanism by email or website to its external stakeholders, the grievance mechanism was shared to certain external stakeholders via policy upon their request.

STEP 2:

Objective:

Identification and Assessment of the Supply Chain Risk

Rules Included:

- 2.1 Conduct Supply Chain due diligence to identify potential risks.
- 2.2 Identify red flags/high risk indicators in the gold Supply Chain.
- 2.3 Undertake enhance due diligence measures for high-risk Supply Chains.

Compliance Statement:

Non-Compliant with the MOE Due Diligence Regulations for Responsible Sourcing of Gold Step 2 – Medium Risk Deviations

Demonstration of Compliance:

MTMO identifies & assess the risks in the Supply Chain to carry out required due diligence. Due diligence must be undertaken before entering a new business relationship with a supplier and is carried out on an ongoing basis. Risk factors that are reviewed include a) Counterparty Risk b) Geographical Risk c) Transactional Risk d) product risk e) delivery channel risk. Conducting risk assessment helps tailor the due diligence according to the risk identified.

Based on the information on origin of gold and information generated through Step 1, MTMO identifies the potential red flags in the Supply Chain based on the Appendix 4 in the Responsible Sourcing Policy Manual by any one, or combination or aggregate of more than one of the following 1- Location-based Red Flags 2- Supplier-based Red Flags 3- Circumstances -based Red Flags.

Where high risk Supply Chain is identified, Enhanced Due Diligence (EDD) measures are taken in order to mitigate the risk, where MTMO is unable to conduct Enhance Due Diligence measures MTMO has disengaged with the Supplier.

There was one instance where the Ultimate Beneficial Owner (UBO) of a supplier was identified but the documentation pertaining to UBO was found to be insufficiently detailed. MTMO classified the account as High-Risk during onboarding and Senior Management approval was obtained. MTMO followed up with the supplier for UBO Identity documents but was unable to obtain the same. As a result, since the Company was unable to conduct further enhanced due diligence, the account was closed in April 2023.

Based on factors as per MOE guidelines 2.2.1 MTMO has not flagged as per our risk assessment and country risk assessment and in line with MOE's definition of CAHRA in respect to a certain Jurisdiction in Latin America as a high-risk

jurisdiction nor a conflict affected area as per location based nor supplier based red flags. This jurisdiction is not identified by the presence of armed conflict, widespread violence, including violence generated criminal networks, or other risks of serious and widespread harm to people. The Jurisdiction does not have armed conflict such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars. High-risk areas are those where this a high risk of conflict or of widespread or serious abuses as defined in Annex II of the OECD Due diligence Guidance for responsible Supply Chain of Minerals. Such areas are often characterized by political instability or repression, institutional weakness, insecurity, collapse of civil infrastructures, widespread violence and violations of national or international law.

While sourcing from ASM, it was unclear in the consideration of ethnical and environmental factors during the gold handling and processing stage, although declaration was signed and a letter of conformance on the origin of minded gold was acquired with each shipment a need for a more systematic and comprehensive approach to due diligence to adhere to establish standards and best practices. MTMO has established long term relationships with its suppliers over the years and mitigated to the intent possible, while there were site visits during the initial stages of onboarding prior to the review period in relation to some of its suppliers, there are no further onsite visits to suppliers conducted during the review period to generate and maintain information on the circumstances and process of the supplier's activities. MTMO has agreed to plan a supply chain review including a site visit within the current year for this supplier.

MTMO does not accept cash payments from customers/suppliers and has not conducted any payments for gold transactions in 2023.

MTMO collects all possible information with regards to parties involved in the supply chain. KYC checklist is under continuous update to cover as much as possible of information. MTMO compliance maintains an internal system to monitor the validity of supporting documents/identification documents and follow up till updated documents are obtained.

MTMO has a separate risk assessment procedure (MCP-02) which stipulates risk assessment criteria and process. As per MTMO internal policy accounts with MTMO are classified into three commensurate to the level of risk involved. The three categorizations are Low, Medium and High.

STEP 3:

Objective:

Management of the Supply Chain Risk

Rules Included:

- 3.1 Devise a risk management strategy for the identification risk.
- 3.2 Risk Control Plan.
- 3.3 Continuous Monitoring.
- 3.4 Senior Management Reporting.

Compliance Statement:

Non-Compliant with the MOE Due Diligence Regulations for Responsible Sourcing of Gold Step 3 – Medium Risk Deviations

Demonstration of Compliance:

MTMO has developed a fully detailed compliance program which consists of AML/CFT and Responsible Supply Chain Policies and procedures. These policies and procedures include internationally accepted common principles, standards and processes for responsible supply chain management. MTMO has implemented the “Policy Review” procedure according to which the policy should be reviewed on yearly basis for compatibility with industry regulation. MTMO reports high-risk clients to the Risk & Compliance Committee and Management to control and mitigate the risk.

Where a high-risk rating has been made, it is immediately escalated to the Risk & Compliance Committee for their recommendations and/or approval.

MTMO has developed a policy to evaluate and control and identifies risks including emerging risk and incident reporting, and mitigation against any adverse implications of such risk. The plan is designed to assist MTMO in making informed decisions once EDD measures are gathered to: -

- 1- Establish or continue – Based on the documents and information gathered through EDD, the company may establish or continue existing relationships if it assesses that the supplier is managing the risks to reasonable extent.
- 2- Suspend – if EDD concludes that there is a founded suspicion of Money Laundering, Terrorist Financing, human rights abuses, environmental degradation direct or indirect support to illegitimate non state armed groups, fraudulent misrepresentation of origin of goods. MTMO must suspend the supply chain till risk mitigation measures are adequately completed.
- 3- Terminated: Upon identifying instances of Money Laundering and Terrorist financing, human rights abuse and support to armed conflicts, MTMO immediately terminates its relationship with supplier and to submit an appropriate report to FIU via GoAML platform.

An instance of one supplier where documentation pertaining to the Ultimate Beneficial Owner (UBO) was found to be insufficiently detailed yet identified, MTMO classified the account as High-Risk during onboarding with senior management approval. MTMO was unable to conduct further enhance due diligence and site visit in 2023, as per the

regulation to adopt an attempt to risk mitigation within 6 months, MTMO's risk mitigation failed therefore, MTMO Terminated the account in April 2023.

MTMO has developed policies and procedures that includes internationally accepted common principles, standards and processes for responsible supply chain management. MTMO understands that due diligence is an on-going, proactive and reactive process. All incoming shipments are verified regardless if the client achieved a low risk rating at the time of account opening or anytime during their relationship with us. As supply chain is very sensitive and reactive process, we see to it that identified risk is reviewed and mitigated accordingly.

MTMO Compliance team monitors the complete compliance program (including shipments, transactions, KYC and account opening process, etc.) very closely and keeps the Risk & Compliance committee and the management updated with any risk involved and the process to control and mitigate the risk. a need for a more systematic and comprehensive approach to due diligence to adhere to establish standards and best practices.

MTMO Compliance teams' identified risk in the Supply Chain are reported to the board and senior management on regular basis through Enterprise Risk Assessment, Risk Appetite Statement, Board meeting, Bi-Annual compliance management report, Internal audit reports and the Risk and Compliance Committee day to day responsibilities, a need for a more systematic and comprehensive approach to reporting a wider array of risk factors to adhere to establish standards and best practices.

STEP 4:

Objective:

Independent Third-Party Audit of Due Diligence Measures

Rules Included:

- 4.1 Audit Plan
- 4.2 Audit Implementation

Compliance Statement:

We will be fully compliant upon completion of the audit with Step 4

Demonstration of Compliance:

AKW Tax Reclaim Accounting and Consultancy (AKW) have been appointed to conduct a 'Third- party review of Due Diligence Regulations for Responsible Sourcing of Gold' as per the Ministry of Economy. The audit will be conducted in line with Step 4, and the guidance and protocols provided by the MOE Due Diligence Regulations for Responsible Sourcing of Gold. AKW will interview our staff and audit a sample of the Company's transactions, suppliers' on-boarding files, Policy & Procedures documentations and implementation as well as our risk assessment framework and risk mitigation steps. They will conclude the audit on-site in the premises of our refinery.

AKW is an independent reviewer where all designated auditors are known with their experiences/knowledge and competency level. All documentation will be treated with strict confidentiality and will be used only for review purposes.

STEP 5:

Objective:

Annual Reporting on Due Diligence Measures

Rules Included:

- 5.1 Management Systems
- 5.2 Risk Assessment
- 5.3 Risk Management

Compliance Statement:

We will be fully compliant upon submission of the report to MOE with Step 5

Demonstration of Compliance:

MTMO have submitted the following reports to MOE a) the Comprehensive Management Report issued by AKW b) MTMO Compliance Report c) AKW Assurance Report