Independent Practitioner's Reasonable Assurance Report

Assurance firm	**Suntech Auditors & Consultants**
Refiner	**Prestige Precious Metals FZCO**
Prepared for	**UAE Ministry of Economy (MOE) & Board of Directors of Prestige Precious Metals FZCO**
Assurance period	**1st January 2024 to 31st December 2024**
Date of Assurance Report	**29-June-2026**

Scope

We Suntech Auditors & Consultants ("Suntech" or the "Reviewer") was engaged by Prestige Precious Metals FZCO ("Prestige" or the "Regulated Entity") to perform a 'reasonable assurance engagement and provide an independent review on compliance with the Ministry of Economy (MOE) Due Diligence Regulations for Responsible Sourcing of Gold, Version 1, August 2022 (the "MOE Due Diligence Regulations") for the period from 1st January 2024 to 31st December 2024.

Criteria Applied by Prestige

In preparing the Subject Matter, Prestige applied guidance contained within the Ministry of Economy (MOE) Due Diligence Regulations for Responsible Sourcing of Gold, Version 1, August 2022 (the "MOE Due Diligence Regulations") and the OECD Due Diligence Guidance.

Responsibilities of Regulated Entity

Regulated Entity's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of Reviewer

Our responsibility is to carry out a reasonable assurance engagement in order to express a conclusion based on the Refiner's activities described within the Refiner's Compliance Report. Within the scope of our engagement, we did consider information from external sources of information.

The procedures performed depend on our judgment as assurance practitioners, including the assessment of the risks of material misstatement in the Refiner's Compliance Report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Refiner's Compliance Report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Refiner.

We conducted our 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 the International Auditing and Assurance Standards Board and in accordance with the Ministry of Economy (MOE) Due Diligence Regulations for Responsible Sourcing of Gold, Version 1, August 2022 (the "MOE Due Diligence Regulations")

This report has been prepared for the Refiner for the purpose of assisting the Refiner in assessing the suitability of the assurance criteria, and hence the Refiner's supply chain policy and management systems and for no other purpose. Our assurance report is made solely to the Refiner in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than the Refiner for our work, or for the conclusions we have reached in the assurance report.

Our Independence and Quality Control

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Assurance Guidance to carry out the assurance engagement.

Description of Procedures Performed

Following procedures were conducted:

- Conducting interviews with relevant personnel to obtain an understanding of the reporting processes and internal controls
- Reviewing and inspecting relevant documentation of the systems, policies and processes for compiling, assessing and reporting the Subject Matter in order to conform with the Criteria;
- A site visit of the Prestige, to obtain an understanding of the processes, the security measures and controls in place to support the movement of metals
- Assessing the accuracy of data, through analytical procedures, where applicable;

- Testing, on a sample basis, underlying evidence such as approvals for the purposes of reconciling relevant information to that used in the preparation of the Subject Matter and
- Reviewing presentation and disclosure of the Subject Matter.

We also performed other procedures which we considered to be necessary under the circumstances.

Inherent Limitations

Non-financial information, such as the Subject Matter, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matter and the methods used for determining such information. The methods used by refiners to comply with the Criteria can differ.

Conclusion

The Prestige Precious Metals FZCO Compliance Report for the period 1 January 2024 to 31 December 2024, in all material respects, fairly describes 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 Rules on Risk Based Due Diligence in the Gold Supply Chain for the period 1st January 2024 to 31st December 2024.

Assurance Team	Pawan Kumar – Senior Manager Varun Chaturvedi – Lead Auditor Gautam Jain – Audit Manager
Signature	
Date	29 June 2026
Place	Dubai, UAE

SUNTECH AUDITORS & CONSULTANTS
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DUBAI, UAE
سونتك لتدقيق الحسابات و الاستشارات

Company Name: **Address :**	**PRESTIGE PRECIOUS METALS FZCO** Unit G01 Plot No. DMCC-EZ3-07 DMCC Free Zone Enterprise Zone 3 Dubai, UAE
Location:	Dubai, UAE
Reporting year-end:	2024
Date of Report	25/11/2025
Date of Revision	09/06/2026
Senior management responsible for this report	Name : Abdullah Meler Title : Managing Partner

PRESTIGE PRECIOUS METALS' EVALUATION

The statements which are listed below demonstrate our evaluation of the compliance to each sub point of the rules as defined in Guidelines for Due Diligence of Responsible Sourcing of Gold.

Summarized conclusion

Prestige Precious Metals acknowledges the potential risks associated with the extraction, trade, handling, and export minerals, especially from conflict-affected and high-risk regions. The Company recognizes that responsible sourcing is not only a regulatory obligation but a fundamental pillar of its corporate values and long-term business integrity. As an active and prominent participant in the supply chain, Prestige Precious Metals is committed to upholding the highest standards of transparency, traceability, and ethical conduct across all stages of its operations.

Therefore, Prestige Precious Metals continues to be fully committed to adhering to all relevant industry standards and regulatory guidelines, including the Ministry of Economy Due Diligence Regulations for Responsible Sourcing of Gold. The Company continuously invests in strengthening its internal compliance framework, enhancing due diligence procedures, and fostering responsible relationships with its suppliers and counterparties to ensure that its sourcing practices remain aligned with both regulatory expectations and international practices.

Based on the significant efforts deployed and the corrective measures progressively implemented throughout the full year of 2024, Prestige Precious Metals considered its overall compliance position to be *Compliant with low-risk deviations*.

Following submission of the reports to the Ministry, the Ministry advised that the rating be revised to *non-compliant with medium-risk deviations*, taking into account findings from the preceding limited follow-up audit conducted in September 2024.

Evaluation

Disclosure on the individual rating of the level of compliance or non-compliance for the sub-points of each Step 1 -5 of the MOE Regulations

STEP 1: ESTABLISHING AN EFFECTIVE GOVERNANCE FRAMEWORK ***Compliance statement: Compliant with the MoE Due Diligence Regulations for Responsible Sourcing of Gold*** ***Demonstration of Compliance:***

1.1. Adopt and commit to a policy for managing risks in gold from CAHRAs Regulated Entities must adopt a documented gold Supply Chain policy that incorporates the risks and risk mitigation measures. The policy and any supporting procedures should include details on the gold Supply Chain Due Diligence which the company will assess itself and the activities and relationships of suppliers. The policy should at least contain the following elements, which are consistent with OECD model Supply Chain policy as listed in Annex II of OECD Guidance. a) Scope b) Roles and responsibilities of employees, management and Board of Directors c) Know Your Counterparty (KYC) and Customer Due Diligence measures d) Supply Chain risk assessment and risk mitigation process e) Ongoing monitoring measures f) Independent audit mechanism g) Record retention requirements h) Training program	Prestige Precious Metals is dedicated to adhering to regulations pertinent to its business operations, embracing international best practices, and complying with market standards. It pledges to operate in alignment with the OECD due diligence guidance for responsible mineral supply chains from conflict-affected or high-risk regions, including its supplement focused on gold, UAE Due Diligence Regulations for Responsible Sourcing of Gold, the DMCC regulations for risk-based due diligence within the Gold and Precious Metals Supply Chain, in addition to other relevant regulations. Prestige Precious Metals has developed and implemented a wide range of internal policies and procedures, such as: • Responsible Supply Chain Policy and a Supply Chain Risk Identification, Mitigation and Monitoring Manual • AML/CFT/CPF: Policy and Procedures • Anti-Bribery and Anti-Corruption Policy • Enterprise-Wide Risk Assessment Report • Human Rights Policy • Whistle Blower Policy • Integrated Management System – QHSE Manual • STR/SAR Policy • Targeted Financial Sanctions Compliance Policy • Staff Onboarding Policy Prestige Precious Metals' Supply Chain Policy outlines its commitment to establishing a responsible mineral

	supply chain. The commitment is publicly accessible on the company's website and shared with customers wishing to engage with the company. The guidelines, procedures, and controls articulated in the policy are applicable to all customers and staff members. The responsibilities and roles of management, compliance officers, staff, and suppliers are explicitly defined to ensure consistent implementation. The Supply Chain Policy has been communicated to all employees working in the Company. The due diligence criteria for the supply chain encompass adequate risk assessment factors outlined in the OECD rules and MOET Responsible Sourcing Regulations. Key components of the KYC procedures align with AML/CFT/CPF laws. Identification and validation of documents and the KYC form serve as the initial pivotal steps in the procedures and controls and are conducted before accepting any client. Upon applicant screening, background checks, and review of the applicant's intended business purposes, funding sources, and expected business activities, an initial decision regarding the application status (acceptance, rejection, or the need for further information) is made. Prestige Precious Metals' policies and procedures are reviewed and, if necessary, amended periodically or when appropriate to be compliant with any legislative developments. a. Scope: Prestige Precious Metals is dedicated to adhering to regulations pertinent to its business operations, embracing international best practices, and complying with market standards. It pledges to operate in alignment with the OECD due diligence guidance for responsible mineral supply chains from conflict-affected or high-risk regions, including its supplement focused on gold, the UAE Due Diligence Regulations for Responsible Sourcing of Gold, the DMCC regulations for risk-based due diligence within the Gold and Precious Metals Supply Chain, along with other relevant regulations. b. Responsibilities: The responsibilities and roles of management, compliance officer, and

	employees, are explicitly defined in the policy and separately in Job Descriptions. c. Know Your Counterparty (KYC) and Customer Due Diligence measures: The importance of and the different steps for the KYC-processes are clearly defined in the AML/CFT/CPF Policy and Supply Chain Policy and Procedures. The KYC elements are in line with the requirements of the applicable Cabinet Decision and the Federal Decree Law regarding Anti-Money Laundering, and Combatting the Financing of Terrorism. With our KYC process in place, we can identify and verify the customer, to understand the nature of the customer's business, to assess (money laundering) risks, to identify the UBO's of the customer and to identify PEP's, if any. After evaluating the applicant's screening, background information, and examining the business plan, source of funds, and anticipated levels of activity, an initial determination is rendered regarding the application status. This decision may involve acceptance, rejection, or a request for additional information from the customer. All KYC findings are summarized in the Customer Compliance Report. The continuous KYC monitoring involves supervising transactions and customer profile. d. Supply Chain Risk assessment and risk mitigation process: Prestige Precious Metals follows the five-step framework for risk-based due diligence for responsible supply chain of minerals. Prestige Precious Metals has developed a manual for risk identification, monitoring and reporting, which includes procedures on risk assessment and the risk mitigation measures. e. Ongoing Monitoring Measures: Prestige Precious Metals has developed a manual for risk identification, monitoring and reporting, which includes procedures on risk monitoring measures. f. Independent Audit Mechanism: The Supply Chain Policy highlights the requirement of appointing an accredited reviewer to conduct an annual independent third-party audit. g. Record retention requirements: Prestige Precious Metals shall maintain relevant records for a minimum duration of five years.

	h. Training program: A Training Strategy is developed and implemented. Several trainings were attended by Senior Management, the Compliance Team and other employees, based on the level of risk exposure of each employee in the supply chain.
1.2. Establish management structures to implement Supply Chain Due Diligence Regulated Entities must establish internal governance system to effectively implement and maintain a Supply Chain Due Diligence program on an ongoing basis. The minimum requirements are as follows:	Prestige Precious Metals has successfully set up internal governance frameworks for effectively implementing and maintaining Supply Chain Due Diligence programme on an ongoing basis.
1.2.1 The board of directors, or equivalent, should acquire the necessary knowledge and experience, or utilise external expert advisors, to: a. provide oversight of the Supply Chain Due Diligence framework and outcomes; b. ensure that effective structures and communication processes are in place for critical information sharing; c. assess the effectiveness of the Supply Chain Due Diligence policies and processes on an ongoing basis; d. ensure that the compliance officer's responsibilities include gold Supply Chain Due Diligence matters; e. ensure the availability of required resources to manage the Supply Chain Due Diligence process; f. delegate authority and assign responsibility to staff whom are equipped with the necessary competence, knowledge and experience to manage the Supply Chain Due Diligence process; and put in-place an organizational structure that can effectively communicate critical information, including the Supply Chain Due Diligence policies and procedures, to relevant employees.	Senior Management of Prestige Precious Metals has years of knowledge and experience in the gold industry, both in the United Arab Emirates and internationally. With his extensive experience, the managing partner plays a pivotal role in overseeing the company's compliance program, including supply chain due diligence. The Compliance Team, who is responsible for gold supply chain due diligence matters, maintains direct communication with Senior Management, and provides regular updates and reports on compliance matters, developments, and risk mitigation measures ensuring the company stays responsive to evolving regulatory requirements. Senior Management reviews the company policies and protocols and gives approval for implementation.
1.2.2 Regulated Entities must appoint a compliance officer, who must be a senior person in the organization, reporting directly to the Chief Executive Officer (CEO) (or equivalent) and has access to the board of directors, or equivalent.	Prestige Precious Metals' Compliance Officer is appointed in July 2023 and has a direct reporting line to Senior Management.

	The Compliance Officer exhibits good knowledge of Compliance, including AML/CFT/CPF and Responsible Sourcing. She is assisted by a Compliance Assistant to strengthen the compliance function. Prestige Precious Metals has developed a comprehensive training strategy for 2024, for both the Compliance Team and other employees involved in the supply chain. This strategy promotes compliance culture and focuses on AML/CFT, supply chain due diligence, compliance governance, customer due diligence and enhanced due diligence, risk assessment, transaction monitoring, STR/SAR filing, etc. It also includes clear objectives, a schedule for 2024, and different key performance indicators to measure progress and effectiveness. In line with the Training Strategy, several trainings (both internal and external) were attended by the Compliance Team, Senior Management and/or other employees. The effectiveness of the training is evaluated through quizzes and feedback forms. Relevant information on trainings is recorded in a Training Register. Prestige Precious Metals has also developed an ongoing Capacity Building Program, including a log to track the development of the actions taken, to upskill the compliance team and provide them with the necessary tools and resources to execute their responsibilities effectively. Given the expansion of the clientele and other growth goals, Prestige Precious Metals has added a member to the Compliance Team who supports the Compliance Officer is her tasks. Upon her appointment, the Compliance Assistant has received comprehensive training from the Compliance Officer on the fundamentals of AML/CFT and Responsible Supply Chain.

The compliance officer should be responsible for the overall management of the Supply Chain Due Diligence process, including: a. a. Monitor the Supply Chain Due Diligence process; b. b. improve the Supply Chain Due Diligence framework including by reviewing and updating the Supply Chain policy and procedures; c. c. manage and implement a training and awareness program with regard to due diligence; d. d. collaborate with the relevant Supervisory Authority and the FIU by providing all requested data, and allow their authorised employees to view the necessary records and documents that will allow them to perform their duties	In line with the job description and responsibilities, the Compliance Officer is responsible for the overall management of the Supply Chain Due Diligence process: a. The Compliance Officer is responsible for monitoring the company's due diligence processes. All findings by the Compliance Officer are summarized in a customer compliance report and presented to Senior Management. Incoming shipments are verified by the production team and by the Compliance Officer and should get approval before acceptance. b. The Compliance Officer updates the company policies and procedures and obtains Senior Management approval. c. The Compliance Officer is responsible for developing a training program and to promote a culture of compliance within the company. During the reported period, the Compliance Officer has developed and implemented a training strategy, covering foundational training and advanced modules, based on the role of the employee. d. The Compliance Officer is responsible to cooperate with the relevant authorities and submit reports whenever required.
1.2.3 Regulated Entities shall perform a fit & proper test and conduct KYC checks of the compliance officer, and other employees involved in the procurement process, during recruitment and on annual basis.	All relevant personnel have been subject to the appropriate background checks by public domain search and sanction screening in alignment with regulatory standards, and ongoing KYC checks are regularly conducted. Moreover, the Prestige Precious Metals implements a Staff Onboarding Policy, outlining the importance of Know Your Employee and the training to be provided to the newly hired employee.

1.2.4 Regulated Entities must develop and implement a training program for all persons involved in the responsible Supply Chain Due Diligence process.	
1.2.4 Regulated Entities must develop and implement a training program for all persons involved in the responsible Supply Chain Due Diligence process.	The Compliance Officer has developed and implemented a comprehensive Training Strategy for 2024, covering all required topics for persons involved in the responsible supply chain due diligence process.

The training program: a. Should be provided during staff recruitment and on an ongoing basis; b. includes a mixture of topics between generic Supply Chain Due Diligence training and role-specific matters; c. should be provided at least on bi-annual basis via face to face or digital channels; d. effectiveness should be assessed through questionnaires and feedback forms; and e. records related to the training and subsequent assessments should be kept as part of the overall record keeping mechanism of the Regulated Entity and should be available upon request by the Supervisory Authority	a. Trainings are provided both as part of the onboarding stage of the employee, within 30 days from the joining date, and on an ongoing basis. b. The trainings covered different topics ranging from foundational training to more advanced modules and from generic supply chain due diligence to role-specific matters. The trainings for all staff covered not only AML/CFT requirements but also supply chain due diligence. Further, the Compliance Team has attended several advanced trainings and workshops, which have equipped the team with a comprehensive understanding of the regulatory landscape, enabling them to adeptly navigate and implement robust compliance measures within the company. c. Trainings were provided on a bi-annual basis. d. The effectiveness of the trainings was assessed through feedback and quizzes/questionnaires. e. Prestige Precious Metals maintains a training register and maintains record of all training materials and feedback forms.

1.3 Establish a system for transparency, information sharing, and control on gold Supply Chain: ***Regulated Entities must document the Supply Chain Due Diligence findings and information in a systematic way which ensures visibility on the entire Supply Chain of gold.*** ***Regulated Entities should conduct Due Diligence on immediate counterparty in all cases and should extend this till the origin of the gold in case of any risk identified in the supply chain.*** ***This process must document the information as detailed below:***	Prestige Precious Metals has put in place processes to collect and record due diligence findings and data in a systematic way. Prestige Precious Metals gathers and verifies KYC information from its direct suppliers through the account opening form. KYC files are kept and revised when needed, and it is a prerequisite during onboarding that the supplier commits to adhering to Prestige Precious Metals' policies. Our diligent customer identification protocols ensure precise identification, verification of customer identities, and evaluation of potential risks posed by the customer, in line with UAE applicable laws. Specifically, our Customer Due Diligence (CDD) measures, delineated in the Prestige Precious Metals' policies are employed in the following scenarios: - Before initiating a business relationship. - When suspicions arise concerning money laundering or terrorism financing. - In instances where uncertainties arise about the accuracy or sufficiency of previously obtained. Identification and verification, along with the completion of the KYC form, serve as the initial and crucial step in the procedures and controls, conducted before accepting

	any customer. After applicant screening, background checks, and an assessment of the applicant's intended business purposes, funding sources, and anticipated level of activity, an initial determination regarding the application status (acceptance, rejection, or the need for further information) will be made. The Compliance Officer collects all information obtained from its customers and the due diligence findings in a Customer Compliance Report, which is presented to Senior Management. In case there is a risk identified in the supply chain, Prestige Precious Metals will apply further due diligence. The Compliance Officer has developed a Supply Chain Risk Identification, Mitigation and Monitoring Manual and an Enhanced Due Diligence Protocol for Artisanal and Small-Scale Mining Supply. These manuals include different tools to be used by Prestige Precious Metals to conduct due diligence, including a country report, CAHRA list, FATF list of jurisdictions, list of red flag indicators and red flag form, PEP declaration, source of wealth declaration, Compliance Checklist for incoming shipments, etc. These tools enable the Compliance Officer to identify any red flags and risks at the onboarding stage and during the relationship. All the due diligence findings are also summarized in compliance report, which is attached to the customer file of the relevant customer. The due diligence findings are presented to Senior Management. Further, Prestige Precious Metals has held meetings with its customers to discuss the due diligence requirements for responsible sourcing, including the due diligence requirements for ASM. By building trust with its customers and strengthening the relationships, Prestige Precious Metals was able to get a clearer overview of the different supply chains it sources from. It is essential for Prestige Precious Metals to continue these efforts to have a clear understanding of the origin of the gold it receives, both for mined gold, and for recycled gold when necessary.

1.3.1 For natural persons, the name, as in the identification card or travel document, nationality, address, attaching a copy of a valid identification card or travel document, and approval needs to be obtained from the senior management, if the supplier or any of the Beneficial Owner is identified as a PEP	As outlined in Prestige Precious Metals' policies, prior to onboarding the company requests from natural applicants: • KYC Account Opening Form duly completed and signed • Valid Emirates ID for Emirati nationals and non-Emirate residents • Valid Passport for non-residents • Address proof such as utility bill, bank statement, insurance policy or other official document Upon receipt of the documents, Prestige Precious Metals conducts a verification of the documents, applicant screening, background checks, and an assessment of the applicant's purpose and activities. The findings of this verification will be summarized in the Customer Compliance Report. If the supplier or any of the UBO's is identified as a PEP, they shall be subject to enhanced due diligence during the onboarding process and during the business relationship, and the customer will only be onboarded after approval from Senior Management. Enhanced Due Diligence for PEPs consist of proper establishment of the source of wealth and increased media check to verify the background of the PEP status.
1.3.2 For legal persons and legal arrangements: a. the name; b. legal form; c. memorandum of association or equivalent constitutional document; d. commercial license; e. country of incorporation; f. countries of operations; g. headquarter office address or the principal place of business; and	As outlined in Prestige Precious Metals' policies, the company requests from legal applicants: • KYC Account Opening Form duly completed, signed and stamped • Corporate documents including a the certificate of incorporation, valid trade/operating/commercial license, memorandum of association or equivalent constitutional document, VAT Registration Certificate • Address Proof such as utility bill, bank statement, or other official document. Upon receipt of the documents, Prestige Precious Metals conducts a verification of the documents, applicant screening, background checks, and an assessment of the applicant's intended business purposes and expected operations. The findings of this

h. names of relevant persons holding senior management positions and acting as authorised representatives in the legal person or legal arrangement, including authorisation letters.	verification will be summarized in the Customer Compliance Report.
1.3.3 Regulated Entities are required to verify that any person purporting to act on behalf of the supplier is authorized through official documents such as power of attorneys, and verify the identity of that person as prescribed in section (1.3.1) and (1.3.2) above	Prestige Precious Metals's account opening form includes a section to appoint authorized representatives of the customer, other than the shareholder(s). When another person, other than the shareholder or authorized representatives appointed in the account opening form, acts on behalf of the customer, a separate authorization letter is required including information on the shipment or purpose for which the authorization is granted. Identification and verification of these authorized representatives is carried out to assess the risk before engaging.
1.3.4 Regulated Entities are exempted from identifying and verifying the identity of any shareholder, partner, or the Beneficial Owner, if such information is obtainable from reliable sources where the supplier or the owner holding the controlling interest are a company listed on a regulated stock exchange subject to disclosure requirements through any means that require adequate transparency requirements for the Beneficial Owner or a subsidiary whose majority shares or stocks are held by the shareholders of a holding company.	Prestige Precious Metals has not onboarded any customers of which the shareholder, partner, or beneficial owner cannot be identified through reliable sources.
1.3.5 For gold supplied from ASM, the policy should provide for gathering additional information, including: **a**. Identification and verification of the local exporter through documents such as export licenses; b. mine location and ASM's legal existence and conformity to legal framework (if available) or their willingness to formalize the legal framework	Prestige Precious Metals has developed and implements a protocol for Enhanced Due Diligence for Artisanal and Small-scale Mining Supply. This protocol covers the essential aspects such as supplier identification, document verification, framework of the mining site, risk assessment, on-site assessments, etc. The protocol and the due diligence reports on the counterparties in the supply chain helps Prestige Precious Metals in gaining a more accurate and comprehensive understanding of the supply chain dynamics and potential risks.

1.3.6 Regulated Entities shall cease establishing or maintaining a business relationship or executing any transaction should they be unable to undertake CDD measures towards the supplier and should consider reporting such instances to FIU though Suspicious Activity Reports/ Suspicious Transactions Reports.	As outlined in Prestige Precious Metals' policies, no relationship will be established with a customer if it was not possible to identify the customer or the shareholder or to conducted customer due diligence. For one of Prestige Precious Metals' customers, no identity document was provided for one of the UBO's. Also considering the absence of transactions, it was decided to terminate the relationship. Prestige Precious Metals has also filed Suspicious Activity Reports/Suspicious Transactions Reports when deemed necessary.
1.3.7 Regulated Entities shall create and maintain documents inventory related to Supply Chain Due Diligence carried out by the entity which should be accessible for the entity as well as the regulatory on a timely manner. The records inventory shall include, at least: a. Information regarding the form, type and physical description of gold/gold bearing material; b. proof of origin of mined gold through official government issued certificate of origin or equivalent document and invoices and packing list; c. information regarding the weight and assay of gold as provided by supplier; d. KYC information of supplier including identification and verification of entities and ultimate Beneficial Owners who owns 25% and above directly and indirectly; e. unique reference numbers for each input and output of gold; f. dates of input and output, purchases and sales; g. shipping/transportation documents (such as waybill/airway bill, pro forma invoice, and bill of lading) to establish Chain of custody from origin to refinery;	Prestige Precious Metals maintains documentation and records regarding its Supply Chain Due Diligence since the beginning of its operations in 2023. The company's record keeping policy states that these documents should be retained for at least five years. a. Compliance Check Form, Customer Lab Report and XRF Report: these documents include information on the form, type and physical description of gold/gold bearing material. b. Prestige Precious Metals maintains shipment documentation, including certificates or declarations of origin or equivalent documents, to identify the origin of the mined gold. c. The Compliance Check form gives an overview of information on the weight and assay of the gold, as provided by the supplier. d. Prestige Precious Metals maintains KYC files and updates the information of these files when necessary. e. Each individual lot will be assigned a unique internal number identifying the specific lot and customer. f. Deliveries and releases of gold shipment are properly recorded in our accounting software. g. With every shipment, the company requires complete and accurate shipment documentation, including

h. date of arrival at the refinery and date of assay finalization and financial transactions details including amount, method of payment, currency, and banking information	(where applicable) bill of entry, airway bill, sales documents, etc. h. The company's accounting software maintains proper records of gold shipments, along with financial transaction details.
1.3.8 Regulated Entities should make and receive payments for gold through official banking channels where possible and for unavoidable cash transactions there should be proper verification of origin of cash and should be reported to the FIU where applicable.	Cash transactions are accepted, but preference is given and customers are encouraged to make payments through bank transfer. Any cash payment above AED 55,000.00 will be reported to FIU.
1.3.9 Regulated Entities should cooperate fully with regulators and law enforcement agencies in the UAE regarding gold transactions. Regulated Entities should provide access to complete information regarding all shipments and transactions carried out with regard to gold refining.	Prestige Precious Metals cooperates fully with regulators and law enforcement agencies regarding gold transactions. Prestige Precious Metals ensures that all information regarding shipments and transactions carried out with regard to gold refining is readily available.
1.3.10 All records, documents, data and information collected as part of Supply Chain Due Diligence of an actual and potential relationships should be kept, preferably, on a computerized database for not less than five years from completion of a transaction or termination of the business relationship with the supplier. The records, documents and data kept shall be organized so as to permit data analysis and tracking of financial transactions. All records, documents, data and information should be immediately available to regulators and law enforcement agencies upon request	In accordance with our record keeping policy, Prestige Precious Metals maintains pertinent records, files, documents, communications, and forms, including without being limited to: a. All customer documentation as outlined in the KYC checklist and/or correspondences, encompassing documents acquired during client due diligence and/or enhanced due diligence. b. All shipping/transportation documents for each shipment. c. All documentation related to a red flag, along with any corresponding response or follow-up. d. All transaction documents. e. All delivery notes. f. All records of training sessions attended by Prestige staff, officers and other stakeholders – comprising dates, content, and attendees.

	The above documents are maintained in easily accessible location for a minimum of five years from the latest of: a. Date of the most recent transaction related to the most recent material intake from a supplier; b. Date of the conclusion of a comprehensive inspection by a MoE approved reviewer; c. Date of closure of the customer's account or termination of the relationship with the customer; and d. Date of closure of an investigation into a specific transaction or customer.
1.3.11 Regulated Entity's policy must include adequate security requirements to ensure compliance with the Regulations in relation to material sourced from LSM or ASM mining entities. These requirements shall include the following measures: **a. The use of identifiable sealed security boxes for each shipment to avoid any tampering or removal of content** **b. b. physically segregating different shipments until verification is adequately completed and confirmed in accordance with Step 1.3.7;** **c. c. reporting any inconsistencies to senior management or the Compliance Officer (as appropriate);** **d. d. ensuring that any assessor of a shipment is independent from any conflict of interest; and** **e. e. if applicable, verify a supplier's participation in the Extractive Industry Transparency Initiative**	Prestige Precious Metals upholds the utmost security standards for receiving metals within its factory premises. It has developed and implemented a protocol that needs to be followed by the Production Team whenever a shipment arrives at the facility: 1. Once arrived at the refinery, Prestige Precious Metals' team will scrutinize each shipment, examining its physical form, type, specifications, etc. Each individual lot will be assigned a unique internal number identifying the specific lot and client. Also, the delivery documents will be thoroughly checked and compared. 2. A description of the material will be included in the Compliance Checklist for incoming shipments, accompanying the material through the production cycle and will be marked in the internal system. 3. Prestige Precious Metals team will also perform a physical verification of any hallmarks or distinctive characteristics in the smelting facility. 4. If there are any discrepancies, red flags, or any other non-compliance issues at any stage of the process, the staff should inform the Compliance Officer and suspend processing until these discrepancies are resolved and regulatory compliance is ensured. 5. All metals are assayed and refined in Prestige Precious Metals' refinery. To prevent any tampering or content removal, every shipment received by Prestige will be securely placed within identifiable sealed boxes, maintaining this security measures throughout the entire process.

1.4. *Strengthen company engagement with gold supplying counterparties*
Regulated Entities should build long-term relationships with suppliers and should make their suppliers commit to a Supply Chain policy consistent with the Regulations and Appendix II of the OECD Guidance. This should be achieved by the following:

1.4.1 Communicating the expectations of the refiners to the supplier on due diligence for responsible Supply Chains of gold from CAHRA. This should be done by requiring the supplier to commit to refiner's gold Supply Chain policy (as per section 1.1 of the Regulations); or through supplier's own policy.	Prestige Precious Metals is committed to build long-term relationships with its suppliers, to educate its suppliers on the importance of responsible sourcing and to spread the compliance awareness throughout its supply chains. In the KYC Account Opening Form, every customer had to declare that it will comply with Prestige Precious Metals' Supply Chain Policy and General Terms & Conditions.
1.4.2 Sharing the AML/CFT Legislation, the Regulations, OECD Guidance, and Gold Supplement with all suppliers.	Prestige Precious Metals has shared the relevant regulations through email with its suppliers. The key regulations are also shared on Prestige Precious Metals' website. Moreover, the KYC Account Opening Form refers to the OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas, LBMA Responsible Gold Guidance, and the DMCC Practical Guidance.
1.4.3 Incorporating the Supply Chain policy in line with this Regulations into commercial contracts and/or written agreements with suppliers which will be legally binding.	The terms and conditions of Prestige Precious Metals contain requirements and obligations on AML/CFT and supply chain due diligence.
1.4.4 Supporting suppliers through capacity building measures and information sharing to improve Supply Chain practices of suppliers and other parties in the Supply Chain	The Compliance Officer organized visits/meetings with the customers to discuss the (importance of) due diligence for responsible sourcing of gold. Further, Prestige Precious Metals has informed its suppliers through email on key regulations, regulatory updates, upcoming trainings, etc.

1.5. **Establish a confidential grievance mechanism**

Regulated Entities must implement a grievance mechanism through which the employees or other stakeholders in the Supply Chain should be able to raise concerns related to sourcing or trading of gold from a CAHRA.	
The mechanism should ensure that: a. employees or other stakeholders are enabled to report any misconduct, or an improper state of affairs or circumstances in a secured way that protects the identity and from criminal and administrative liabilities; b. it acts as a warning system in additional to refiners own system for risk assessments; c. all relevant parties should know the presence of such mechanism through appropriate communication channels such as policy and newsletters or through websites d. it encourages users to submit such concerns without fear of reprisal; e. all submitted concerns be evaluated independently to ensure no undue influence of parties in the entity; f. ensure that all submissions should be treated fairly without prejudices and there should be documented procedures to share information on the status to stakeholders in a transparent manner; and g. all such submission should be utilized in improving the Supply Chain mechanism and should be utilized in the risk assessment process. Regulated Entities should use their own KYC tools and/or independent audit, assurance reports or certification of conformance with recognized responsible sourcing standards (other initiatives) can be considered as supporting evidence.	In line with our Whistle Blower Policy, Prestige Precious Metals encourages its employees and other stakeholders to report any suspected violations or concerns regarding unethical behavior, illegal activities, fraud, financial irregularities, discrimination, harassment, or any other misconduct. All employees have acknowledged receipt of this Whistleblower Policy. In addition to the option of raising compliance violations through internal channels, any interested party can voice concerns and report violations – anonymously or not – related to Prestige's supply chain and associated risks sending an email to compliance@prestigemetals.ae or hr@prestigemetals.ae . During the reporting period, no employee or other party has raised any concern or reported any issue.

STEP 2: IDENTIFICATION AND ASSESSMENT OF THE SUPPLY CHAIN RISK

Compliance statement: Compliant with the MoE Due Diligence Regulations for Responsible Sourcing of Gold – Low Risk Deviations

Demonstration of Compliance:

2.1 Conduct Supply Chain Due Diligence to identify potential risks Regulated Entities must identify and 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 should be carried out on an ongoing basis. Conducting risk assessment will help to tailor the due diligence according to the risks identified. Where high risk Supply Chain is identified, enhanced due diligence measures should be taken in order to mitigate the risks. Regulated Entities should use the management system put in place under Step 1 of the Regulations in order to effectively identify and assess risks through their Supply Chain. If a Regulated Entity can reasonably determine on the basis of the information collected under Step 1 of the Regulations that it does not deal in gold mined, transported or traded in a CAHRA, no additional due diligence is required. The management systems established under Step 1 should be maintained and regularly reviewed. However, Regulated Entities should ensure that the applicable AML/CFT measures in line with AML/CFT Legislation and other Applicable Laws and Regulations are complied with which are applicable to Regulated Entities being DNFBPs. The risk assessment should be carried out using risk factors broadly categorized in 2.1.1 to 2.1.5.	Prestige Precious Metals conducts supply chain due diligence in line with the criteria specified in the Ministry of Economy regulations and OECD guidelines. Prestige Precious Metals implements it Supply Chain Policy and applies due diligence measures to verify the identities of suppliers and their beneficial owners, both prior to onboarding and when executing transactions. Due Diligence starts at the onboarding stage of a (potential) customer. Once a customer completes the prerequisites to open an account and all essential information is gathered and verified, the Compliance Officer assesses the risk level. The risks assessment stands as an integral part of the customer's account and is mandatory before initiating any business relationship or transaction. It includes at least the following risk factors: customer risk, geographical risk, transaction risk, product risk, delivery channel risk. When a supply chain is labeled as high risk, enhanced due diligence is applied, which – depending on the type of risk – could include enhanced media checks, source of wealth declaration, additional verification, increased monitoring, senior management approval, etc. The Compliance Officer uses a Customer Compliance Report to collect all information in a systematic manner and to have a clear presentation for Senior Management. This Customer Compliance Report includes company details, list of KYC documents received from the customer, public domain search findings, screening results, supply chain due diligence findings, a country report, a risk level and a conclusion with recommendations by the Compliance Officer. Therefore, all due diligence findings for customers and their supply chain are clearly summarized in a Customer Compliance Report, and presented to Senior Management. During the business

	relationship, the Customer Compliance Report is updated whenever there is new information. Further, Prestige Precious Metals requests its customers to provide information on their EDD practices. Prestige Precious Metals has received enhanced due diligence reports on the counterparties in the supply chain, which gives a comprehensive overview of the due diligence conducted by its direct customers and the risks of the supply chain. For some counterparties, source of wealth declarations or declarations on their commitment to responsible sourcing were obtained.
2.1.1 Counterparty Risk Factors **a.KYC information of the Regulated Entity's suppliers as identified under Step 1 of the Regulations (including information about the origin and transportation of the gold).** **b. Identified Red Flags (as defined in Step 2.2 of the Regulations) in the Supply Chain.** **c. Number of participants in the Supply Chain.** **d. Extent and effectiveness of due diligence practices of a counterparty.** **e. Counterparty's conformance with OECD Guidance while engaging in sourcing of gold.** **f. Whether a counterparty's due diligence practices have been audited by a qualified third-party auditor in line with applicable responsible sourcing mechanism.** **g. Length of establishment of supplier or other counterparties in the Supply Chain.** **h. Complexity in the ownership structure of the counterparties such as presence multiple layers of ownership and involvement of trust and similar vehicles apparently for purpose of anonymity.**	When conducting risk assessment, the Compliance Officer takes into account different factors for customer/counterparty risk: a. Which KYC information from the customer and other counterparties is obtained? The Compliance Officer will verify the information and conduct due diligence. b. Are there any red flags identified in the supply chain? If a red flag is identified, additional due diligence is conducted. c. How many counterparties are involved in the supply chain? When there are more counterparties involved in the supply chain, the risk for this supply chain increased. d. Which due diligence practices are applied by the customer? e. Does the customer follow the OECD Guidance? f. Are the due diligence practices of the customer or other counterparties audited by a qualified third-party auditor in line with applicable responsible sourcing mechanism? The presence of such certification is considered in the risk assessment. g. How long is the supplier active in the business? h. Is the ownership structure of the counterparty clear or are there different layers involved? i. Is the gold sourced from ASM or LSM? j. Are there any PEP's identified in the supply chain?

i. Size of mining operations of a supplier (ASM or LSM), if applicable **j. Involvement of any PEPs that have been entrusted with prominent public functions or individuals who are closely related to such individuals.** **k. Adverse media/Sanctions listing findings through the screening the suppliers and other actors in the supply chain.**	k. Is there any adverse media found or any match for sanctions in the supply chain?
2.1.2 Geographical Risk Factors **Regulated Entities should be able to identify the location and origin of the gold sourced by them using reasonable efforts. Different origins have different risks and require different treatments. Identification of gold origin should be evidence based and collected through suppliers and entity's own research.** **a. Mined Gold: The origin of mined gold is the mine itself except in cases of a mining by-product such as gold obtained through mining of copper. A refiner should be able to identify misrepresentation of mined gold as by-product through appropriate due diligence.** **b. Recyclable Gold: The origin of recycled gold is the point at which it becomes recyclable such as when it is first sold back to a gold recycler/Refiner. A refiner's due diligence should include measures to identify attempts to misrepresent the origin of newly mined gold through recycled gold.** **c. Grandfathered Stocks: If a verifiable date from prior to 1 January 2012, no determination of origin is required. However, if red flags (refer to Section 2.2) are identified with regard to violation of AML regulations or international sanctions, further scrutiny of the Supply Chain is warranted.**	Prestige Precious Metals uses reasonable efforts to identify the location and origin of the gold delivered to the refinery. a. For mined gold, Prestige Precious Metals uses reasonable efforts to identify the mine itself. Information on the mine is obtained both through transparent communication with the direct customer and through own research. b. For recycled gold, Prestige Precious Metals obtains transaction documents from its customers to verify the origin. When conducting risk assessment, the following factors for geographical risk are considered: a. What is the legal framework in the country? Is the country under increased monitoring by FATF or even on the blacklist? b. Are there significant conflicts or human rights abuses in the country? c. Is there a significant presence of bribery or corruption? d. Are there any criminal organizations active and somehow involved? e. Are there any CAHRAs nearby the country? f. What is the level of enforcement of criminal laws? g. Which payment mechanisms are used? h. Are there any international sanctions or embargoes? i. Is there any CAHRA involved in the supply chain? For the above risk factors, the following websites or databases are consulted: • KnowYourCountry

Location-based risk identification should be carried out using reasonable efforts and recognized sources of information. At a minimum, following risk factors should be utilized for risk identification. **a. The AML/CFT and other regulatory environment in the supplier's jurisdiction or location which is part of Supply Chain.** **b. Level of conflicts or human rights abuses in any location comprising part of the Supply Chain through reliable resources.** **c. Level of involvement of wide spread bribery and corruption through reliable resources.** **d. The level of involvement or potential involvement of any criminal organization.** **e. The level of access from a location comprising part of the Supply Chain to nearby markets or processing operations that are termed as CAHRA.** **f. The level of enforcement of laws addressing significant criminal activity.** **g. Payment mechanism used (e.g. formal banking system vs. non-banking system).** **h. The existence of international sanctions and/or embargoes that have been directed against the country and/or individuals/entities in that country by UN Security Council and/or UAE from time to time.** **i. Involvement of countries identified as CAHRA.**	• FATF country lists • Global Organized Crime Index • UN Reports • Transparency International's Corruption Perception Index • Sanctions Lists • Countryrisk.io
2.1.3 Transactions Risk Factors **a. Inconsistency of transaction with the local or market practices (amount, quality, potential profit, etc.).** **b. Inconsistency of volumes, types and concentrations of material compared with previous shipments with the same client.** **c. Use of excessive cash in transactions.**	When conducting risk assessment, the following factors for transaction risks are considered: a. Is the (intended) transaction in line with the industry practice? Is the transaction normal, reasonable and legitimate? b. Is the transaction in line with previous activities of the customer? c. Is there a justification for the use of cash? d. Is there any attempt of smurfing detected? e. Are there any red flags or risks in the transaction identified?

d. Attempted structuring of transactions to make payments to avoid government thresholds. **e. Identified risks and severability and probability of adverse impacts of the applicable transaction.** **f. Gold that are transported which are not reasonably reconciled with the declared location of the origin** **g. Unexplained geographic distance in the Supply Chain**	f. Does the declared country of origin match with the production of that country and the shipment documents? g. Is there any red flag regarding the transportation route?
2.1.4 Product Risk Factors: **a. The nature of the gold supplied such as, ASM or LSM gold, gold by-product, melted recyclable gold and unprocessed recyclable gold. The risk may vary from product to product.** **b. Level of concentration of gold in the supplied gold.**	When conducting risk assessment, the following factors for product risk are considered: a. What is the type of gold delivered to Prestige? b. What is the purity level? Is there any other material detected in the gold? Upon arrival of the shipment, the Production Team conducts a preliminary quality check to verify the type of precious metal and determines an indicative purity through the XRF. If any discrepancy is detected in the gold, the shipment will be put on hold and further investigation will be carried out.
2.1.5 Delivery Channel Risk Factors: **a. Physical delivery of gold to unrelated third parties which is not consistent with normal business practices.** **b. Courier/transport related risk factors including physical security practices such as sealed security boxes for shipment in which the tampering or removal of content during transport is likely.** **c. Extent of reliability and KYC information of third party transportation companies validated through accepted standards**	When conducting risk assessment, the following factors for delivery channel risk are considered: a. How is the gold delivered to Prestige Precious Metals? b. Are there any security measures taken by the customer or other counterparties for the transportation of the gold? c. Are there any third-party transportation companies involved? Or other intermediaries? What is included in the agreement with the transportation companies?

***2.2* Identify Red Flags/ High Risk Indicators in the gold Supply Chain**

Based on the information on origin of gold as stipulated in Section 2.1, and information generated through Step 1, Regulated Entities should identify the potential red flags in a Supply Chain of gold. Red flags can be broadly categorized as below	All Prestige Precious Metals' employees are responsible for identifying red flags in the supply chain of gold and should be reported to the Compliance Officer or to Senior Management. Internal protocols, that are distributed by the Compliance Officer and easily accessible at the office and the factory of the company, emphasize this responsibility. Every identified red flag undergoes an investigation. If any red flag surfaces during the onboarding stage, the Compliance Officer conducts an exhaustive inquiry, and the customer's account remains unopened until it is considered that the red flag has been clarified/resolved and Senior Management approval is obtained. If any red flag emerges during the relationship, the shipment is halted, and further investigation is carried out. The transaction is resumed after the red flag has been clarified/resolved and after Senior Management approval. If deemed necessary by the Compliance Officer, a STR/SAR is filed with the FIU. All red flags are documented in a Red Flag Form, which contains information on the nature of the red flag, the related customer/transaction, and the action taken. This Red Flag Form is submitted to Senior Management. Red flags detected during the onboarding stage are pointed out in the Customer Compliance Report. Red flags are also discussed with Senior Management during the monthly meetings. Further, the Training Strategy for 2024 specifically emphasizes the critical role of timely and accurate reporting to the FIU and appropriate trainings were scheduled.

2.2.1 Location Based Red Flags a. The gold originates from, or has been transported through, a CAHRA or countries subject to international sanctions. b. The gold originates from a country known to have limited discovered reserves and expected production levels. c. The gold originates from a country through which gold from CAHRAs is known or reasonably suspected to transit. d. The gold is claimed to originate from recyclable/scrap or mixed sources and has been refined in a country where gold from CAHRAs is known or reasonably suspected to transit. e. The gold originated or transported through countries known to have weak oversight of Money Laundering, corruption, bribery, presence of informal banking systems, and known cash intensiveness in the economy	The Compliance Officer has distributed a list of red flags to all employees which include location based red flags. a. Customers are required to provide information on the country of origin, in the account opening form. The Compliance Officer conducts due diligence on the declared countries and summarizes the findings in a Country Report, which forms part of the Customer Compliance Report. b. Part of the Country Report is a section on the gold production of that country. c. When conducting due diligence on the country, research is done on potential smuggling of gold. d. When conducting due diligence on the country, research is done on potential smuggling or level of transit. e. The FATF list of countries under increased monitoring and the KnowYourCountry tool is used to verify the AML/CFT legislation and enforcement, presence of corruption/bribery and other high-risk indicators.
2.2.2 Supplier Red Flags a. Suppliers or other known upstream entities operate in one of the red flag locations, referred to in 2.2.1, of gold origin and transit, or have shareholder or other interests in suppliers of gold from one of the red flag locations of gold origin and transit, referred to in 2.2.1. b. Suppliers or other known upstream entities are known to have sourced gold from a red flag location of gold origin and transit in the last 12 months. c. Discrepant or inconsistent KYC information obtained through Identification and verification process of suppliers or refused to provide requested documentation. d. Supplier or Beneficial Owners are listed in any government lists for Money Laundering, fraud or terrorism or that are listed under international sanctions regulations.	The Compliance Officer has distributed a list of red flags to all employees which include supplier based red flags. a. Based on the information provided by the customer, in combination with the country due diligence conducted by the Compliance Officer, it is assessed if any red flag is present. b. Based on the information provided by the customer during the onboarding stage or upon a transaction, it is assessed whether the gold will be or is sourced from a red flag location. c. KYC information and due diligence findings are summarized in a Customer Compliance Report. If there are any discrepancies, this will be emphasized in the Customer Compliance Report or a red flag form is submitted to Senior Management and appropriate action is taken. d. If the supplier or beneficial owners appear to be listed for money laundering, fraud or terrorism, or under international sanctions regulations, a red flag form is submitted to Senior Management and depending on the

e. Supplier does not have policies and practices related to ethics, integrity, and combatting Money Laundering, bribery, and corruption. f. Lack of effective assessment of supplier's counterparties risk assessment framework to identify risks in the upstream Supply Chains. Refiners with ASM gold should also consider the following aspects while identifying and assessing risk a. Suppliers of ASM gold sources, gold ore processing plant, traders and local exporters. b. Whether the mining project can be considered legitimate ASM (i.e., legally registered, cooperative-based and/or government-recognized, or central bank supported initiative). c. Whether the mining practice is subject to standards and best practices. d. Whether the ASM gold source consider ethical and environmental elements while handling and processing gold.	situation and according to the risk appetite, the customer will not be onboarded, or the relationship will be terminated. e. Lack of policies or practices related to ethics, integrity, and combatting money laundering, bribery, and corruption are reported to Senior Management either through the Customer Compliance Report or through a red flag form. f. Lack of effective assessment of supplier's counterparties risk assessment framework to identify risks in the upstream supply chains are reported to Senior Management either through the Customer Compliance Report or through a red flag form. Given the increased risk of ASM gold, the following factors are considered when conducting due diligence: a. Is the gold sourced from ASM? b. Can the mining project be considered as legitimate? c. Is the mining practice subject to standards and best practices? d. Are there ethical and environmental elements considered by the ASM while handling and processing gold?

2.3 Undertake Enhanced Due Diligence Measures for High-Risk Supply Chains	
If there are high-risk elements or red flags identified in the Supply Chain or unknown information, Regulated Entities should conduct EDD measures prior to engaging with such suppliers. If the Regulated Entity can reasonably determine that there are no high-risk elements or red flags as assessed through Step 2.2 in that Supply Chain, no additional due diligence is required for that Supply Chain. The management systems established under Step 1 should be continued and reviewed on an ongoing basis. EDD consists of site visits, desk based reviews, and reviewing of sample transactions of suppliers on an ongoing basis. EDD for high-risk relationships should be carried out during the	When a high-risk element or red flag is identified in the supply chain, Prestige Precious Metals applies enhanced due diligence measures. Depending on the nature of the red flag and the situation, enhanced due diligence involves comprehensive background checks, customer visits and meetings, source of wealth/funds declarations, declarations on the origin of the gold, increased monitoring, etc. The outcomes of these measures are systematically documented, attached to the customer file, and reported to Senior Management. Prestige Precious Metals has developed and implements a protocol for Enhanced Due Diligence

establishment of relationship and on an ongoing basis (at least on bi-annual basis).	for Artisanal and Small-scale Mining Supply. This protocol covers the essential aspects such as supplier identification, document verification, framework of the mining site, risk assessment, on-site assessments, etc.
2.3.1 Conduct onsite visits to gold suppliers individually or through joint on-the-ground assessment teams or an industry mechanism using competent, suitably qualified, knowledgeable, and independent assessors, to generate and maintain information on the circumstances and processes of the supplier's activities. Regulated Entities can establish such teams independently or jointly with other entities in the upstream Supply Chain. Onsite inspections should be aimed at substantiating the documented KYC information. Irrespective of whether the onsite visit was conducted by way of an assessment team or independently by the Regulated Entity, the factors in 2.3.2 and 2.3.3 must be considered during the onsite visit. The responsibility remains with the Regulated Entity irrespective of whether the on-site carried independently or jointly, **2.3.2 : Determine if the Mined Gold is LSM Gold or ASM Gold**	Prestige Precious Metals properly documents its customer visits and meeting through minutes of the meeting. Further, Prestige Precious Metals maintains close cooperation with its suppliers for on-site assessments of the mining sites or meetings with countersuppliers. Prestige Precious Metals has received detailed on-site assessment reports covering a significant portion of its mining suppliers and has conducted meetings with aggregators to reinforce due diligence, and uphold the highest ethical and environmental standards in the sourcing activities.
2.3.3 Gather information/document such as, without limitation: a. Identification and verification of each entity in the Supply Chain through operating licenses or similar document; b. identification and verification of the ownership of each entity (direct or indirect ownership up to 25% and above) and connected parties (board of directors and senior management); c. identifying the mines of origin, the transportation routes, and points where gold is traded;	Prestige Precious Metals requests its customers to provide information on the supply chain, in line with the requirements of the Ministry of Economy and other applicable regulations. It collects all possible information with regards to the parties involved in the supply chain, the mine sites and transactional documents. After receiving the information, Prestige Precious Metals conducts supply chain due diligence and summarizes the findings in a comprehensive report. Prestige Precious Metals has developed and implements a protocol for Enhanced Due Diligence for Artisanal and Small-scale Mining Supply. This protocol covers the essential aspects such as supplier identification, document verification,

d. for ASM, identify whether the mine is involved in a legitimate ASM; e. details of Beneficial Owners and controllers of ASM; f. the methods of gold processing and transportation; g. identification of the related businesses (subsidiaries, parents, and affiliates); h. verification of the identity of the entities using reliable, independent source documents, data or information (e.g. business registers, extract, certificate of incorporation); i. identification of any nexus with the government, political parties, military, criminal networks, or non-state armed groups through screening or publicly available data and research; j. evidence of any serious abuses committed by any party in mines, transportation routes and points where gold is traded and/or processed through the public domain findings or through screening process; k. information on any direct or indirect support to non-state armed groups or public or private security; and l. screening the entity name, ownership including ultimate Beneficial Owners and connected parties through government watch lists for finding any sanction listings or adverse media (at a minimum United Nations sanction lists and the UAE local terrorist list should be utilized); m. current production and capacity of mine(s), a comparative analysis of mine capacity against recorded mine production if possible, and record any discrepancies; n. current processing production and processing capacity of mine smelt house(s), and a comparative analysis of processing capacity against recorded processing production if possible, and record of any discrepancies; o. documents related to payments to government or other regulatory agencies related royalties, taxes or fees.	framework of the mining site, risk assessment, on-site assessments, etc.

p. all payments made to public or private security forces or other armed groups at all points in the Supply Chain from extraction onwards, unless prohibited under applicable law; q. militarization of mine sites, transportation routes, and points where gold is traded and exported; r. KYC information of the gold exporter and all actors in the Supply Chain, including international gold traders and all third party service providers handling the gold (e.g. logistics, processors and transportation entities) or providing security at mine sites and along transportation routes. KYC should consist of the below; and s. verification of sample documents related to transactions carried out by the supplier.	

STEP 3: MANAGEMENT OF THE SUPPLY CHAIN RISK ***Compliance statement: Non-Compliant with MoE Due Diligence Regulations for Responsible Sourcing of Gold – Medium-Risk Deviations*** ***Demonstration of Compliance:***
Management of the Supply Chain Risk Regulated Entities should evaluate and respond to identified risks through EDD in order to mitigate the identified risks. The following steps are minimum expected in order to mitigate the risks identified. Regulated Entities are encouraged to take into account the potential social and economic impacts of risk mitigation measures adopted by them. A risk management plan should be subject to continuous review based on changes in circumstances related to business, operations or supply base, risk nature, or a major change in applicable Steps and regulations.

3.1 Devise a risk management strategy for the identified risk According to the risks identified as per procedures in Step 2 of this document, Regulated Entities should adopt risk appetite approach which should establish the methods of risk treatment as below. Risk appetite policy should be part of the overall Supply Chain risk policy. a. Establish or continue: Based on the documents and information gathered through EDD (Step 2.3), Regulated Entities may establish or continue existing relationships if it assesses that the supplier is managing the risks to a reasonable extent. This should be subject to remedial actions for improvement of suppliers due diligence program in agreement with the Regulated Entity. The Regulated Entity should measure the improvement through quantitative/qualitative analysis. The plan should be approved by senior management and Compliance officer. Regulated Entity should seek significant improvement within 6 months of adoption of the plan. After failed attempts of risk mitigation, in conformity with the recommended risk management plan, Regulated Entities should suspend or terminate the relationship. b. 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, the Regulated Entity should suspend engagement with such supply chain till risk mitigation measures are adequately completed c. Terminate: Upon identifying instances of Money Laundering and Terrorist financing, human rights abuse and support to armed conflicts, Regulated Entities should immediately terminate its relationship with the supplier. During such instances, the Regulated Entity should submit an appropriate report to the FIU.	Prestige Precious Metals has a Risk Appetite Statement which is part of the overall Supply Chain policy. Part of the Customer Compliance Report is dedicated to the measures that should be applied to mitigate the risk. Based on the outcome of the mitigation measures, Prestige Precious Metals shall: • Continue existing relationships if it assesses that the customer is managing the risk to a reasonable extent. • Suspend engagement if 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 – until risk mitigation measures are adequately completed. • Terminate its relationship with the customer upon identifying instances of money laundering and terrorist financing, human rights abuse and support to armed conflicts.
3.2 Risk Control Plan Regulated Entities that adopt an 'Establish/Continue' or 'Suspend' approach, shall adopt a Risk Control Plan which should include, at minimum: a. reporting mechanisms for identified risks to the senior management;	The Risk Control Plan includes the following as per the requirements: a. Customer Compliance Reports, red flag forms and monthly meetings are used to reports identified risks or red flags in the supply chain. b. The risks and required steps are shared with the suppliers to be able to take appropriate action.

b. enhanced engagement with suppliers through establishing a Chain of Custody and/or traceability system where a red flag has been identified c. enhancement of the physical security practices; d. physical segregation and security of shipments where a red flag has been identified; e. an agreement with the supplier which facilitates timely and accurate provision of additional information related to supply chain with identified risks. f. disengaging with suppliers for at least 3 months, when they fail to comply with the mitigating controls within a period of 6 months, and/or disengaging entirely if such controls are not feasible and/or unacceptable in light of the cost-benefit analysis and the capabilities of the Regulated Entities conducting the due diligence; g. reviewing on a regular basis the results of the mitigation measures, undertaking additional fact & risk assessments for identified risks requiring mitigation or after a change of circumstances.	c. Shipments are separated if a red flag has been identified. d. Shipments are segregated if a red flag has been identified. e. The agreements with the suppliers contain clauses on information sharing. Also, the customer must acknowledge in the Account Opening Form that they will provide information requested by Prestige Precious Metals for purposes of supply chain due diligence. f. Prestige Precious Metals disengages with customers who fail to comply with mitigating controls or if there is no development in the outcome of the risk mitigation measures. g. Whenever there are developments and/or on a regular basis, the Customer Compliance Report and the risk control plan with the mitigation measures are updated. The risk mitigation measures are summarized in a risk control management log per customer which facilitates tracking of the outcome of the different mitigation measures and provides insights in the need for additional measures. These measures are presented to and discussed with Senior Management on a regular basis.
3.3 Continuous Monitoring Supply Chain Due Diligence is a dynamic process and requires ongoing risk monitoring. After implementing a Risk Control Plan, Regulated Entities should assess if Step 2 should be repeated or, any further enhanced measures are required. Any changes in the Supply Chain may require the Regulated Entity to repeat some due diligence steps to ensure effective monitoring of risk	Prestige Precious Metals conducts continuous monitoring of customer profile and activities. This involves auditing transactions conducted throughout the duration of the relationship, employing a risk-based approach to verify the alignment with the provided information, types of activities, and the risk profiles of the customers. If any suspicion arises, the Compliance Officer of employee who detected the suspicion will alert this to Senior Management or the Compliance Officer, and if deemed necessary, also to the FIU. Prestige Precious Metals has developed and implements Supply Chain Risk Identification, Monitoring and Reporting Manual. This manual forms part of the Supply Chain Policy. The Manual includes a comprehensive section dedicated to continuous monitoring. Further, Prestige Precious

	Metals uses a Compliance Check Form for every incoming shipment which is completed by the Production Team and the Compliance Officer. This form facilitates to detect any new red flags during the relationship. All risks and risk mitigation measures are also summarized in a risk management log per customer, which facilitates tracking of the outcome of the different mitigation measures and provides insights in the need for additional measures.
3.4. Senior Management Reporting The identified risks in the Supply Chain and Risk Control Plan should be reported to a Regulated Entity's board of directors (or equivalent) and senior management on periodic basis (at least every 3 months). The report should include counterparties identified as high-risk and the respective Risk Control Plan.	The Compliance Officer has direct contact with Senior Management, and any risks, red flags, discrepancies, or other significant findings, are immediately reported to Senior Management. Prestige Precious Metals has developed and implements a Supply Chain Risk Identification, Monitoring and Reporting Manual. This manual forms part of the Supply Chain Policy and includes a comprehensive section on reporting mechanisms to be used within the company. Any reporting is systematically recorded either in forms such as a red flag form, in minutes of meetings, in bi-annual compliance reports, etc.
STEP 4: INDEPENDENT THIRD-PARTY AUDIT OF DUE DILIGENCE MEASURES ***Compliance statement:*** **Non-Compliant with the MoE Due Diligence Regulations for Responsible Sourcing of Gold – Medium-Risk Deviations** ***Demonstration of Compliance:***	

Regulated Entity's compliance with the Regulations will be subject to annual independent third-party audit by an accredited Reviewer as stipulated in the Review Protocol (ANNEX I). Review of a Regulated Entity's Supply Chain Due Diligence framework should be carried out by an approved Reviewer and should be arranged at the Regulated Entity's own cost. The recommendations in this section shall not be considered as an audit standard; however, they outline some basic principles, scope, criteria, and other basic information for consideration by entities. The Review Protocol sets principles to be followed by Reviewers while conducing independent third party audit of a Regulated Entity which is mentioned in ANNEX I of this Regulations **4.1 Audit Plan** Regulated Entities should plan the audit in line with the Regulations and consider the below elements. **4.1.1 Audit scope:** the audit scope should include all the major elements of a Supply Chain Due Diligence framework as outlined in the Regulations. These are Supply Chain Due Diligence policy and procedures, the processes and systems, Supply Chain risk assessment and risk mitigating measures, supplier engagement details, chain of custody, and other traceability information. **4.1.2 Audit criteria:** The audit should determine the conformity of the implementation of a Regulated Entity's Supply Chain Due Diligence framework against an audit standard that is based on the Regulations. This should also determine conformity to and compliance with the Regulations in all communications with participants across the entire Supply Chain. **4.1.3 Audit principles:** **a. Independence:** The Reviewer organization and all of its members must be independent from the Regulated Entity as well as from the Regulated Entity's subsidiaries, licensees, contractors, and suppliers. The auditors must not have conflicts of interests with the Regulated Entity, including business or financial relationships with the Regulated Entity. The Reviewer also should not have provided compliance consultancy (such as setting up a compliance framework or drafting compliance policies) services during the past 12 months.	Prestige Precious Metals engaged Suntech Auditors & Consultants to conduct an independent third-party review of the Supply Chain Due Diligence compliance for the period January-December 2024. Due to a genuine difference in interpretation of the applicable provisions of the Due Diligence Regulations, the completion of this independent review was not conducted within the expected regulatory timelines. This delay was never intended as a deviation from our compliance obligations and it arose solely from a genuine misinterpretation of the regulatory framework.

b. Competence: Reviewers should be competent enough to conduct the review efficiently. The review should be carried out in accordance with accepted auditing standards. Reviewers should also have personal attributes such as integrity, confidentially and professionalism. The Reviewers should also have specialist skill-set related to Supply Chain due diligence principles, procedures and techniques and internationally accepted guidelines i.e. OECD Guidelines. The knowledge of gold procurement practices, geographical context etc. are a prerequisite for reviewers. **c. Accountability**: List of accredited Reviewers shall be published on the MoE's website. **4.1.4 The audit activities**: **a. Audit Preparation**: The objectives, scope, language, and criteria for the audit should be clearly communicated to the Reviewers with any ambiguities clarified between the auditee and Reviewers before the initiation of the audit. **b. Onsite Investigation**: The reviewers must conduct onsite investigations and gather evidence and verify information by conducting interviews with management, making observations; and reviewing documents. The review should include visits of all sites where the Regulated Entity carries out business and should thoroughly review sample from suppliers of Regulated Entities. **c. Document Review**: Sample documents gathered during the review i.e., documents retained as part of a Regulated Entity's Supply Chain Due Diligence framework, sample documents related to the Regulated. **4.2 Audit implementation:** Audit should be implemented in accordance with the audit scope, criteria, principles and activities as documented in Step 4 of the Regulations. Regulated Entities should co-ordinate the relevant stakeholders to carry out audits in line with recommended audit standard as set out in this document.	

STEP 5: ANNUAL REPORTING ON DUE DILIGENCE MEASURES

Compliance statement:

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

Demonstration of Compliance:	
Regulated Entities should submit all audit reports stipulated under section 12 of ANNEX I to the MoE on annual basis. **5.1 Management Systems** The Regulated Entities Comprehensive Management Report should include the management systems requirements as set out in Step 1 of the Regulations. a. the Regulated Entity's management structure, roles and responsibilities with regard to Supply Chain Due Diligence; b. policy & procedures; c. KYC & information collection procedures; d. database & record keeping system; and e. procedures for identification and verification of all counterparties in the Supply Chain system **5.2 Risk assessment** Regulated Entities should include in their Comprehensive Management Report the risk assessment procedures (Step 2). In particular, Regulated Entities should include: a. how the red flags are identified; b. details of the red flags identified; c. describe the steps taken to map the factual circumstances of those red flag operations and red flagged Supply Chains; d. methods of assessment teams including collaboration with other stakeholders in the Supply Chain; and e. actual or potential risks identified. **5.3 Risk Management** Regulated Entities should include, in their Comprehensive Management Report, the risk management procedures (Step 3). In particular, Regulated Entities should include: a. the internal controls that would have assisted in gathering required information on red flagged Supply Chain; b. describe the steps taken to manage risks, including a risk strategy for risk mitigation, procedures and mechanism in place to monitor remediation activities; and c. details of actions taken as part of risk mitigation (number of instances where a Regulated Entity has decided to continue, suspend or terminate relationships) without disclosing the identity of those suppliers, except where law allows to do so.	Due to a genuine difference in interpretation of the applicable provisions of the Due Diligence Regulations, the audit reports were not submitted within the expected regulatory timelines. This delay was never intended as a deviation from our compliance obligations, and it arose solely from a genuine misinterpretation of the regulatory framework.

AN OVERVIEW OF THE MANAGEMENT ASSESSMENT FOR ALL THE REQUIRMENTS OF THE MOE REGULATIONS FOR RBDG

FRAMEWORK STEPS	RATING
STEP 1: ESTABLISHING AN EFFECTIVE GOVERNANCE FRAMEWORK	☐ *Fully compliant* ☐ ***Compliant with Low Risk Deviations*** ☐ *Non-compliance: Medium Risk Deviations* ☐ *Non-compliance: High Risk Deviations*
STEP 2: IDENTIFICATION AND ASSESSMENT OF THE SUPPLY CHAIN RISK	☐ *Fully compliant* ☐ ***Compliant with Low Risk Deviations*** ☐ *Non-compliance: Medium Risk Deviations* ☐ *Non-compliance: High Risk Deviations*
STEP 3: MANAGEMENT OF THE SUPPLY CHAIN RISK	☐ *Fully compliant* ☐ *Compliant with Low Risk Deviations* ☐ ***Non-compliance: Medium Risk Deviations*** ☐ *Non-compliance: High Risk Deviations*
STEP 4: INDEPENDENT THIRD-PARTY AUDIT OF DUE DILIGENCE MEASURES	☐ *Fully compliant* ☐ *Compliant with Low Risk Deviations* ☐ ***Non-compliance: Medium Risk Deviations*** ☐ *Non-compliance: High Risk Deviations*
STEP 5: ANNUAL REPORTING ON DUE DILIGENCE MEASURES	☐ *Fully compliant* ☐ *Compliant with Low Risk Deviations* ☐ ***Non-compliance: Medium Risk Deviations*** ☐ *Non-compliance: High Risk Deviations*

Sign and Company Stamp:

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