

# 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 2024 to 31 December 2024

Fine Gold (A Branch of Fine Gold LLC)

21 May 2025

[This document includes 5 pages in total including the cover page]

To,  
The Senior Management,  
Fine Gold (Branch),  
QB-6, Ground Floor, DAFZA Industrial Park,  
Dubai Airport Free Zone,  
Dubai, United Arab Emirates.

## **Independent Reasonable Assurance Report to Fine Gold (Branch) (ISAE 3000 engagements)**

### **Introduction**

AKW Tax Reclaim Accounting & Consultancy (“AKW” or the “Reviewer”) was engaged by Fine Gold (Branch) (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 2024 to 31 December 2024.

### **Scope**

The objective of this engagement was to provide an opinion on whether the Regulated Entity’s Compliance Report dated 21 May 2025 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 the 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. This process also included collection of client details, transaction records, and origin data.
- Collect documents relating to inventory controls, inspections of records, minutes of meetings, audit reports, records of monitoring programmes, and results of measurements.
- Assess the entity's risk profile and review its risk management and mitigation plans to ensure alignment with best practices and to address the most critical compliance risks.
- Evaluate the status of previous review recommendations and examine whether management has implemented corrective actions on the findings from the previous review.
- Determine whether corrective actions taken have addressed the underlying issues and if these changes have been effective in reducing compliance risks.
- Execute the onsite review phase, engaging in deep analysis to gather evidence supporting the review objectives. This included interviews with senior management, key process owners, and workers; visual inspections; physical

walkthroughs of operational areas; and a comprehensive review of pertinent documents.

- Assess the evidence gathered during the review to evaluate the Regulated Entity's implementation of, and compliance with, the MoE Due Diligence Regulations, including:
  - The Regulated Entity's supply chain management systems (compliance and risk management structures, related operating policies and procedures, reporting mechanisms, training and development programmes).
  - The Regulated Entity's due diligence measures (including KYC procedures, process implementation, and post-account opening and pre-transaction risk assessments, including Red Flag assessment).
  - Minimum information recording requirements to ensure track and traceability, including 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 lists).
- Conduct a closing meeting with the Regulated Entity's leadership and key process stakeholders to present the findings, conclusions, and actionable recommendations for enhancement.
- Review the statements made by management in the Regulated Entity's Compliance Report against the findings arising from the procedures performed.

The procedures performed relate to the Review Period from 1 January 2024 to 31 December 2024 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 organisations 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 21 May 2025 for the period from 1 January 2024 to 31 December 2024 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

21 May 2025  
Dubai, UAE



# COMPLIANCE REPORT – MINISTRY OF ECONOMY 2024

This report summarizes the steps taken by FINE GOLD (BRANCH) to comply with the UAE Ministry of Economy's Due Diligence Regulations for the Responsible Sourcing of Gold during the calendar year 2024.

## Details of Reporting Entity

<b>Company Name: Address:</b>	<b>FINE GOLD (BRANCH)</b>  600 M2 Warehouse P6-044, P6-045, SAIF Zone, Sharjah, United Arab Emirates
<b>Location:</b>	600 M2 Warehouse P6-044, P6-045, SAIF Zone, Sharjah, United Arab Emirates
<b>Reporting year-end:</b>	2024
<b>Date of Report</b>	May 21, 2025
<b>Senior management responsible for this report</b>	Shiyad Kattuparambil Abdulkareem Mohamed Ahamed Meeran

## Refinery Evaluation

The tables and statements below demonstrate our evaluation of compliance with each sub-point of the Due Diligence Guidelines for Responsible Sourcing of Gold.

Summarized conclusion Evaluation

**Compliance with MOE Due Diligence Regulations for Responsible Sourcing of Gold – Low-Risk Deviations**

Our Evaluation of each rule is:

### Step 1: Establishing an effective Governance Framework

- 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 the gold Supply Chain.
- 1.4 Strengthen company engagement with gold-supplying counterparties.
- 1.5 Establish a confidential grievance mechanism

### Compliance Statement:

**Compliance with the MOE Due Diligence Regulations for Responsible Sourcing of gold – Low Risk Deviations.**

### Demonstration of Compliance:

FINE GOLD has adopted policies, procedures, and mechanisms in accordance with UAE Guidelines for Responsible Sourcing, the London Bullion Market Association (LBMA), OECD Guidelines, Dubai Multi Commodities Centre (DMCC), and the Alliance for Responsible Mining (ARM), among others.

Assessments and evaluations conducted by the Compliance Team involve not only the compliance officer but also employees and management. These evaluations are approved by management, regularly updated, and open to revision if needed.

The Compliance Department is responsible for disclosing AML/CFT policies and procedures. Employees are made aware of the due diligence procedures after receiving management approval.

All procedures and policies are periodically reviewed and evaluated by FINE GOLD management, recognizing the importance of management in decision-making processes.

Implemented Policies Include:

- ✓ Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Policy
- ✓ Anti-Bribery & Anti-Corruption Policy
- ✓ Responsible Sourcing Manual
- ✓ Fundamental Principles for Sourcing Precious Metals
- ✓ Responsible Sourcing Policy
- ✓ Corporate Responsibility and Human Rights
- ✓ Ultimate Beneficial Owners (UBO) Policy
- ✓ Transaction Monitoring: Red Flags Indicators for STR's & SAR's Policy
- ✓ STR Process
- ✓ Tipping Off Policy
- ✓ DPMSR Process
- ✓ Targeted Financial Sanctions, Sanctions Screenings, procedures and reporting Policy
- ✓ Compliance Training and Awareness Policy
- ✓ Role of Compliance Officer Policy
- ✓ Responsibilities of compliance committee
- ✓ Record Keeping/Data Retention Policy
- ✓ Politically Exposed Persons (PEP's) Due Diligence Policy
- ✓ Know your employee Policy
- ✓ Know your customer policy
- ✓ Risk-Based approach and Enterprise risk assessment
- ✓ Risk Appetite Statement
- ✓ Environmental, Social & Governance (ESG) policy
- ✓ Code of Conduct and Ethics
- ✓ Compliance and Responsible Business Practices
- ✓ Grievances & Whistleblowing
- ✓ Occupational Health and Safety Instructions
- ✓ No Cash Payments Policy
- ✓ Due Diligence: ASM – Remuneration and traceability
- ✓ KYC Form – Recycled Material
- ✓ KYC Form – Mined Material

FINE GOLD shares critical policies and procedures with customers and counterparties and regularly updates them on its website.

Mechanisms and procedures have been established for Conflict-Affected and High-Risk Areas (CAHRA) based on red flag indicators.

FINE GOLD maintains a strong compliance culture and actively communicates with stakeholders to ensure a transparent and ethical supply chain. Communication is open across all departments.

A Supply Chain Manual has been prepared for internal use to identify and mitigate risks. The Compliance Department has unrestricted access to customer files, supply chain data, and transactions.

Although FINE GOLD has not sourced from mined material suppliers to date, systems are in place to manage this if needed. The due diligence measures include government and third-party verification, continuous monitoring of mining regulations, and evaluation of supplier profiles including:

- ✓ Mining Cooperatives
- ✓ Processing Plants
- ✓ Collectors
- ✓ Artisanal and Medium-Scale Miners
- ✓ Black and Women's Communities

- ✓ Large-Scale Industrial Mining

Ongoing Compliance Activities Include:

- ✓ KYC updates
- ✓ Risk assessments and mitigation planning
- ✓ Compliance verifications and management reporting
- ✓ GoAML and DPMSR reporting (as necessary)
- ✓ Monitoring regulatory changes
- ✓ Sanction screening against UAE and international lists

The Compliance Team screens all employees, shareholders, management, and suppliers semi-annually, including all new staff. FINE GOLD collects complete documentation from clients before boarding. The compliance team ensures adherence to best practices in collecting KYC, transaction, and shipment records.

FINE GOLD applies Red Flag Indicators for SAR/STR monitoring and conducts periodic evaluations. Internal GoAML submission training has been completed in line with FIU requirements. AML and responsible sourcing training is conducted by Crowe UAE, Hayford, ICA and Ministry of Economy Webinars with compliance certificates maintained.

## **Step 2: Identification and Assessment of the Supply Chain Risk**

- 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 enhanced due diligence measures for high-risk Supply Chains.

### **Compliance Statement:**

**Compliant with the MOE Due Diligence Regulations for Responsible Sourcing of gold – Low-Risk Deviations.**

### **Demonstration of Compliance:**

Due diligence begins only upon management's instructions to initiate account opening. Required documentation is submitted by the customer and promptly reviewed by the Compliance Department.

Applies to both Recycled and Mined Materials:

- ✓ Country of registration
- ✓ Nature of business activities
- ✓ Sanctions (company and shareholders)
- ✓ Criminal background checks
- ✓ PEP status
- ✓ Business tenure and activities
- ✓ Face-to-face vs. non-face-to-face onboarding

Reports are prepared manually using information from guidance documents, FATF, CAHRA, and other regulatory sources.

Geographic risk is assessed thoroughly with potential rejection or risk mitigation based on:

- ✓ CAHRA or unstable regions
- ✓ Crime or government instability
- ✓ Proximity to sanctioned countries
- ✓ Illegal mining or poorly regulated sectors

As disclosed in Step 1, the supply chain must be evaluated properly and professionally and, any kind of violation/risk evidence shall be denied on the spot or accepted with an available and prepared risk mitigation plan contemplated by the compliance department and approved by the senior management.



### **Step 3: Management of the Supply Chain Risk**

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

#### **Compliance Statement:**

**Not compliant with the MOE Due Diligence Regulations for Responsible Sourcing of gold – Medium-Risk Deviations.**

#### **Demonstration of Compliance:**

As disclosed in Step 1, FINE GOLD compliance elaborated a compliance program that consists of AML/CFT, a Responsible Supply Chain, Due Diligence and Corrective Plans.

The compliance department shall share with the management Bi-Annual Reports.

FINE GOLD shall continue preparing and sharing changes and updates with the management regarding the current clients and the subject risk rating.

Medium and high-risk customers are closely monitored, with follow-up evaluations and management-approved mitigation plans. Although a robust risk assessment process is in place, governance framework and clearly defined roles and responsibilities require to be disclosed in the supply chain policy .

FINE GOLD will terminate relationships where risks include:

- ✓ Money laundering
- ✓ Terrorist financing
- ✓ Human rights violations
- ✓ Environmental crimes
- ✓ Heritage area exploitation
- ✓ Illegal mining

A formal risk control policy aligned with FINE GOLD's risk appetite is in development.

### **Step 4: Independent Third-Party Audit of Due Diligence Measures**

- 4.1 Audit Plan
- 4.2 Audit Implementation

#### **Compliance Statement:**

**FINE GOLD is fully compliant upon completion of the audit with Step 4**

FINE GOLD has engaged **AKW Tax Reclaim Accounting and Consultancy (AKW)** to conduct a third-party audit in accordance with Step 4 of the MOE Guidelines.

The audit includes:

- ✓ Review of company files, supplier and transaction records
- ✓ Evaluation of policies, procedures, and AML training
- ✓ Site visit to the refinery

### **Step 5: Annual Reporting on Due Diligence Measures**

- 5.1 Management Systems
- 5.2 Risk Assessment

### 5.3 Risk Management

**Compliance Statement:**

**FINE GOLD is fully compliant upon submission of the report to the Ministry of Economy with step 5**

FINE GOLD has submitted the previous Report to Ministry of Economy – MOE and the same was also uploaded on the company website.

FINE GOLD shall submit all the necessary reports to the Ministry of Economy which are as follows:

- ✓ Compliance Report
- ✓ Comprehensive management report (issued by AKW)
- ✓ Assurance Report (issued by AKW)

Manager: Shiyad Kattuparambil Abdulkareem  
Manager: Mohamed Ahamed Meeran

