

	ZOE PRECIOUS METALS AND JEWELRY (FZE) RESPONSIBLE SOURCING	No	ZOE/RSR/001
		Rev No.	001
		Date	2025
		Email	Compliance@zoemetals.com

Introduction:

As part of our commitment to fight against money laundering, financing of terrorism, and related offenses we, **ZOE METALS** is truly implicated to follow the high standards of responsible gold sources and following the national laws placed by the body regulators.

Enforcing the right procedures and policies to comprehend strictly our business model with decency and reputability.

We develop responsibly and always upgrade ways to make sure that every transaction/negotiation is clear and handle it with all the seriousness that it implicates.

The mining activity, transportation routes, and trade of mineral resources can stimulate growth, employment, and local development. However, the precious metals supply chain can be linked to the worst human rights abuses, any kind of money laundering, direct and direct bribery, and terrorism Financing

ZOE METALS conducts all its business as a Market Participant as defined by the LBMA Global Precious Metals Code, and is acting in a manner consistent with the principles of the Code.

ZOE METALS applies following standards:

- ✓ LBMA Responsible Gold Guidance;
- ✓ OECD Due Diligence Guidance for responsible supply chain of minerals from conflict-affected and high risk areas;
- ✓ OECD Due Diligence Guidance Gold Supplement;
- ✓ World Gold Council Conflict-free gold standard
- ✓ UAE Responsible Gold Guidance
- ✓ RMI – Responsible Mining Initiative

We, **ZOE METALS** are aware of the risks that precious metals extraction, processing and trading may be involved into illegal practices, especially from conflict-affected and high-risk areas.

ZOE METALS has established strong company management systems to identify and assess these risks in supply chain.

Implementing effective **Know Your Customer - KYC Procedures** for each of customer and third parties.

Sufficient information is gathered on every Client and completed on a periodic basis, using a risk-based approach.

Example:

Risk Categories	Definition	Due Diligence to be Applied
Low-Risk A	<ul style="list-style-type: none"> ✓ Precious Metals with clean source ✓ Security in the regions ✓ Secured and clean transport routes ✓ Customers with strong documentation and records. ✓ Companies listed on the recognized stock Exchange 	Basic Due Diligence
Medium-Risk B	<ul style="list-style-type: none"> ✓ Gray Listed Countries 	Simplified Due Diligence Enhanced Due Diligence

High-Risk C	<ul style="list-style-type: none"> ✓ Precious Metals from high-risk regions ✓ Precious Metals from areas affected by conflict and gold with risk transport routes. ✓ Mined gold is claimed to be originated from a country that has limited known reserves. ✓ Recycled gold comes from a country where gold from high-risk areas reasonably suspected to transit. Counterparty is located in a country representing high-risk for money laundering. ✓ The mined gold originated from artisanal mining (ASM). ✓ The mined gold is produced with the use of mercury. ✓ Involvement of PEP's 	Enhanced Due Diligence
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Generally all counterparties; company names, beneficial owners and management is verified by World-check, Sanction lists and adverse Media.

Whole supply chain must be declared transparently and below documents should be provided, but not limited to:

- ✓ Evidence/certificates determining the origin of gold - Mining concession documentation approved by the Mining agency of each country or body regulatory.
- ✓ Mining license, mining titles and precious metals trading License
- ✓ Mining capacity and GPS Locations
- ✓ Mining agreements between trader and Gold source
- ✓ Import/Export license
- ✓ A legitimate tax number along with the certificate in order to perform transactions.
- ✓ Exclusive Commercial register issued by the Chamber of commerce - country of source.
- ✓ Analysis of Partnership structure and authorized signatories
- ✓ Judicial background of each shareholder, authorized signatories implementing (Screening) and national legal control authority of each country
- ✓ Taxation receipts it must include the name of the company and tax number assigned by the government.
- ✓ Royalty fees along with the shipping documents issued by the mining agency or tax authority control.
- ✓ Artisanal Mining - Gold declaration receipts along with the ID identification and site source.
- ✓ Environmental study report or/and environmental license issued by the Ministry of Environment.
- ✓ Bank channels - Transactions and payments
- ✓ AML Framework documents

Additionally, Mine site visit reports along with photographs and brief descriptions shall be performed by **ZOE METALS** or by approved 3rd parties company with suffice knowledge about the Activity.

While working with these kind of organizations, **ZOE METALS** can react faster in case any red flag is raised.

In accordance with a responsible enhanced due diligence, all information is **verified** before starting the on boarding process with **ZOE METALS**; in case of any doubts, nonconformity or violations, **ZOE METALS** will not proceed with account opening or update existing relationship.

ZOE METALS is committed to follow an ethical responsible policies for each source, responsible sourcing that do not integrate any international violations while conducting business and acquiring mineral; none of the issues below will not be tolerated:

- ✓ Money Laundering – AML
- ✓ Armed Conflict and/or Terrorism Financing
- ✓ Sourcing from countries
- ✓ Persons under TFS sanctions
- ✓ Illegal mining - Extraction method.
- ✓ Illegal mine Sources and mining concession alterations
- ✓ Human Rights violation such as: Inhumane behavior, torture, sexual violence, slavery and oppression

- ✓ Crimes such as race-hatred and genocide
- ✓ Forced labor or non-voluntary work Child labor
- ✓ Direct or indirect type of bribery
- ✓ Negative Environmental Impacts, environmental violations of restricted areas and world heritage sites
- ✓ Illegal taxation and unlawful documentations

When serious violations concerning the above are identified, transactions and commercial relationship shall be suspended or terminated immediately without any objection.

We also support and educate local communities in order to bring them to the desired compliance level.

Conducting Due Diligence

- ✓ Implementation of an adequate Risk-based approach
- ✓ Adoption of a progressive approach
- ✓ Mitigation of the visualized risks — but No Prohibition of the high-risk areas
- ✓ Progressive Compliance

The OECD'S Five-Step Framework

Adoption of a comprehensive five-step due diligence process for companies in the global mineral supply chain, ensuring responsible sourcing of minerals from conflict-affected or high-risk areas.

- ✓ Establish strong management systems
- ✓ Identify, assess, and priorities risks
- ✓ Manage risks
- ✓ Audit control points
- ✓ Communicate and report on due diligence

ZOE METALS is committed to following an ethical responsible policy of each source and fight against the international violations Money.

Following the government's regulations of the country of origin "Supply chain" in terms of the precious metal sector to understand the kind of risks and evaluate accurately.

Daily meetings are performed where the management and all the departments are involved with the intention to keep updating the internal records and ongoing procedures, it includes:

- ✓ Internal discussions about existing customers/new customers
- ✓ Open communications with finance, dealing, accounts, and sales department to determine in which aspects we have to improve and what kind of information must be requested, clarified, and deepened.
- ✓ International/national transfers
- ✓ Trading records.
- ✓ Recent changes in governmental procedures around the world and based on those changes we take immediately changes.
- ✓ Minutes of meetings are recorded and classified.

Changes to the Policy

The Compliance Department along with the Board reserves the right to change this Policy from time to time as it considers necessary.

Board Approval Date: November 27, 2024

Effective Date: December 02, 2024

Due for review: May 08, 2025

Signatures

Kutluay Furkan Caner
Managing Director

Luisa Fernanda
Compliance Officer

Vishmi Nayanika
Compliance Assistant

Communication Details:

For questions and/or concerns related to above policy, please send an email to compliance@zoemetals.com

For anonymous inquiries /concerns/ whistleblowing and grievances, please contact us through the email: info@zoemetals.com

Policy Acknowledgement:

By signing this document, we acknowledge that we have received, read and understand the Responsible Sourcing Policy.
We hereby undertake to commit to compliance with the Policy.

We also understand that **ZOE METALS** is open on considering ways to support and assist in establishing processes to promote, improve and develop our practices, if necessary.

Name:

Designation:

Company Name:

Date & Place

Signature:

Stamp: