

	<b>ZOE PRECIOUS METALS AND JEWELRY (FZE) TARGETED FINANCIAL SANCTIONS, SANCTIONS SCREENING PROCEDURES AND REPORTING</b>	No	ZOE/TFS/001
		Rev No.	001
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## Introduction

The United Nations Security Council (UNSC) can impose sanctions to maintain and restore international peace and security under Chapter VII of the UN Charter.

These measures encompass a broad range of enforcement alternatives that do not imply the warrant of the use of armed force, including interruption of economic associations, international communications and diplomatic relations.

The Security Council sanctions regimes primarily support political conflict resolution, nuclear non-proliferation, and counterterrorism.

The United Arab Emirates (UAE) is mandated to implement UN Security Council Resolutions (UNSCR), including those related to the UN's sanctions regimes.

The UAE is implementing relevant UNSCRs on the suppression and combating of terrorism, terrorist financing, and countering the financing of weapons of mass destruction, particularly relating to targeted financial sanctions (TFS).

The UAE Government also applies TFS by publishing a Local Terrorism List in accordance with UNSCR 1373 (2001).

## Legal Framework:

- ✓ **Federal Law:** Decree Federal Law No. 20 of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organizations.
- ✓ **Executive Regulation:** Cabinet Decision No. 10 of 2019 Concerning the Implementing Regulation of Decree Federal Law No. 20 of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organizations.
- ✓ **Executive Resolution:** Cabinet Resolution No. 74 of 2020 concerning the Local Terrorist List of terrorists and implementation of UN Security Council decisions relating to preventing and countering financing terrorism and leveraging non-proliferation of weapons of mass destruction, and the relevant resolutions.

**ZOE METALS** confirms its alignment with the implementation of Target Financial Sanctions (TFS) and its commitment to comply with all TFS-related obligations such as:

- ✓ Conduct an appropriate screening on existing clients/new clients to verify any positive names matched with any designated person (Entity or Individual).
- ✓ Upon a new update on the sanctions list, perform screen without delay.
- ✓ Upon screening, reasonable measures must be taken to verify and confirm the identity of the customer against the designated person.
- ✓ Implementing appropriate and internal controls to ensure a right compliance with the most recent publications of targeted financial sanctions of the UNSC Consolidate lists and the Local Lists
- ✓ Execute procedures/policies that prohibit staff to communicate directly or indirectly any customer or any third-party that freezing actions or any other Measures are going to be implemented as per provisions of Cabinet Resolution No. 74 of 2020.
- ✓ Conducting periodic reviews in regards to transactions and source of funds.

**ZOE METALS** acknowledges the threat posed by sanctioned or blacklisted entities and individuals, and will implement measures to prevent such relationships, thoroughly investigate those identified, and take timely action.

Implementing real-time systems for screening customer names against sanctions lists, particularly the UN Sanction List issued by the UN Security Council and local regulators' list.

#### International sanctions, restrictions on high-risk jurisdictions and blacklists:

**ZOE METALS** is required to conduct sanctions screening against international sanctions lists such as:

- ✓ UNSCR Sanctions list
- ✓ UAE Local Sanctions list, and;
- ✓ Any other relevant sanctions list, which are primarily imposed by OFAC, United Nations, and European Union against selected countries.

The compliance department is responsible for maintaining a list of High-Risk Countries, which will be updated in the internal system as needed.

#### Procedures

**ZOE METALS** is obligated to document and record all customer's documents, transactions and screenings.

The task involves the implementation of a precise and effective procedure;

Existing Customer		
Action to Take		Report
Confirmed Match	<ul style="list-style-type: none"> <li>- Freeze assets within 24 hours.</li> <li>- Prohibit performing any action, and making funds</li> </ul>	<b>Funds Freeze Report</b> <ul style="list-style-type: none"> <li>✓ On GoAML Report</li> <li>✓ Within 5 days</li> </ul>
Partial Match	<ul style="list-style-type: none"> <li>✓ Suspend all transactions on the spot and remain suspended until further instructions from UAE - FIU</li> </ul>	<b>Partial Name Match Report</b> <ul style="list-style-type: none"> <li>✓ On GoAML Report</li> <li>✓ Within 5 days</li> </ul>
No Match	<ul style="list-style-type: none"> <li>✓ No Action is required, continuity of the due diligence</li> </ul>	

Potential Customer		
Action to Take		Report
Confirmed Match	<ul style="list-style-type: none"> <li>- Rejection of the Customer</li> </ul>	<b>Funds Freeze Report</b> <ul style="list-style-type: none"> <li>✓ On GoAML Report</li> <li>✓ Within 5 days</li> </ul>
Partial Match	<ul style="list-style-type: none"> <li>✓ Suspend all transactions on the spot and remain suspended until further instructions from UAE - FIU</li> </ul>	<b>Partial Name Match Report</b> <ul style="list-style-type: none"> <li>✓ On GoAML Report</li> <li>✓ Within 5 days</li> </ul>
No Match	<ul style="list-style-type: none"> <li>✓ No Action is required, continuity of the due diligence</li> </ul>	

**Confirmed Match:** Where all the following identifiers match with the sanction lists.

**Partial Match:** Where some of the following identifiers match with the sanction lists but, the match decision is not conclusive

KEY IDENTIFIERS					
Natural Person	✓	Name	Legal Person	✓	Name
	✓	Aliases		✓	Aliases
	✓	Date of Birth		✓	Company
	✓	Nationality		✓	Address of Registration
	✓	ID passport Information		✓	Address of the companies

	✓ Last Known Address		✓ Other information/Additional
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### Duration and Measures

The Asset freezing and prohibition measures have no time limit, the funds must remain frozen until the individual, group, or entity is removed from the Local Terrorist List or the UN List, or until a freezing cancellation decision is made by the qualified authority.

- ✓ Not allowing the customer to access to the following, if applicable
  - Funds/Payments (Money available in their accounts)
  - Assets (gold, silver)
  - Blocking trading access

### 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

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### Communication Details:

For questions and/or concerns related to above policy, please send an email to [compliance@zoemetals.com](mailto:compliance@zoemetals.com)

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