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GLOSSARY OF TERMS

Accreditation Standards	means the following accreditation standards issued and regulated by DMCC (as amended from time to time): A. the Dubai Good Delivery standard (DGD); and B. the Market Deliverable Brand standard (MDB);
Company	means any person or entity that is subject to any one or more of the Accreditation Standards;
Applicable Laws and Regulations	means all applicable laws, regulations, orders, injunctions, judgments, decrees, rulings or other similar requirement enacted, adopted, promulgated or applied by a relevant governmental authority that is binding upon or applicable to such company, as amended unless expressly specified otherwise.
ASM	Means artisanal and small-scale mining formal or informal mining operations with predominantly simplified forms of exploration, extraction, processing, and transportation. ASM is normally low capital intensive and uses high labour-intensive technology. ASM can include people working on an individual basis as well as those working in family groups, in partnerships, or as members of cooperatives or other types of legal associations and enterprises involving hundreds or even thousands of miners.
Conflict-Affected and High-Risk Areas	means areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, insurgencies or civil wars. High-risk areas are those where there is a high risk of conflict or of widespread or serious abuses as defined in the OECD Due Diligence Guidance for Responsible for Responsible Supply Chains of Minerals from Conflict-Affected and/or High-Risk Areas. Such areas are often characterised by political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure, widespread violence and violations of national or international law.
FIU	means the Financial Intelligence Unit of the UAE;
Human Rights	mean the universal rights and freedoms regarded as belonging to every person, without discrimination, based on internationally recognised standards;
IGC	means DMCC's Independent Governance Committee;
LSM	means gold and/or precious metals large scale mining operations that are not considered to be ASM.
Money Laundering	means the process by which the financial proceeds of crime are disguised to conceal an illegal origin;
Mined Gold and/or Precious Metals	means gold and/or precious metals that originates from mines and has never been previously refined. The origin of Mined Gold and/or Precious Metals is the mine where it is extracted. Mined Gold and/or Precious Metals subcategories are as follows: (a) Alluvial; (b) Ore; (c) Concentrate; (d) Dore; (e) Mining by-product; (f) LSM gold; (g) ASM gold; 4 and (h) Tailings.
OECD Guidance	means the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas;
PEP	means a Politically Exposed Person
Recycled Gold and/or Precious Metals	means gold and/or precious metals that has been previously refined, such as end-user, post-consumer and investment gold and/or precious metals and gold and/or precious metals-bearing products, and scrap and waste metals and

	materials arising during refining and product manufacturing including recovered material from industrial recovery, which is returned to a refiner or another downstream intermediate processor to begin a new life cycle as 'recycled gold'. The origin of Recycled Gold and/or Precious Metals is considered to be the point in the supply chain where the gold and/or precious metals is returned to the refiner or other downstream intermediate processor or recycler; assay samples are excluded from this category and falls out of scope of the review provided the member is able to justify the quantity during the review period ;
Resolution	means Cabinet Decision No. (10) of 2019 on the Executive Regulation of Federal Decree-Law No. 20 of 2018 on Anti-Money Laundering and Combatting the Financing of Terrorism and Financing of Illegal Organizations;
Review	means an independent audit of the Company undertaken in accordance with DMCC's Rules for RBD-GPM;
Reviewer	has the meaning given to that term in Rule 4.2;
Rules	means Part C of DMCC's Rules for RBD-GPM;
Schedule	means the schedule set out in Part D of DMCC Rules for RBD-GPM;
STR	means a Suspicious Transaction Report, as further described in the Schedule;
Terrorism Financing	means any kind of financial support to those who encourage, plan or engage in terrorism; and
UAE	means the United Arab Emirates.
Suppliers	This term refers to any individual or organisation who is considered to be a participant in the supply chain for the supply of gold and gold-bearing materials.
Supply chain	The term supply chain refers to the system of all the activities, organisations, actors, technology, information, resources and services involved in moving gold from the source to end consumers.
Upstream supply chain and Upstream Companies	"Upstream supply chain" means the gold supply chain from the mine to refiners. "Upstream companies" include miners (artisanal and small-scale enterprises or medium and large-scale gold mining companies), ¹¹ local gold traders or exporters from the country of gold origin, transporters, international gold traders of Mined/Recyclable Gold and refiners. Artisanal and small-scale gold producers such as individuals, informal working groups or communities are not expected included as upstream companies for the purposes of carrying out due diligence in line with this Guidance, although they are encouraged to remain involved in due diligence efforts of their customers and formalise so they can carry out due diligence in the future.
Downstream supply chain and Downstream Companies	"Downstream supply chain" means the gold supply chain from refiners to retailers. "Downstream companies" include refined gold traders and gold markets, bullion banks and exchanges or other entities that do their own gold vaulting, jewellery manufacturers and retailers, and other companies using gold in the fabrication of products (e.g. manufacturers and retailers of electronics or medical devices).
Supply Chain Due Diligence	With specific regard to supply chain due diligence for responsible mineral sourcing, risk-based due diligence refers to the steps companies should take to identify, prevent and mitigate actual and potential adverse impacts and ensure that they respect human rights and do not contribute to conflict ¹² through their activities in the supply chain.

1. INTRODUCTION

AURIZ GOLD REFINERY (FZC), an established company for Imitation Trading Jewellery, Pearls & precious Stones trading, Goldsmith, Crystal Products Trading, Non-manufactured precious metals trading, Jewellery Trading is fully committed in providing high quality products and services while meeting the highest ethical and moral standards with respect to responsible sourcing.

AURIZ GOLD REFINERY (FZC) recognizes that risks of significant adverse impacts may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and we recognize that we have the responsibility to respect human rights and not contribute to conflict, we commit to adopt, widely disseminate and incorporate in contracts and/or agreements with suppliers the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas, as representing a common reference for conflict-sensitive sourcing practices and suppliers' risk awareness from the point of extraction until end user. We commit to refraining from any action which contributes to the financing of conflict and we commit to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

2. PURPOSE & SCOPE

This document concerns all companies, units, business and business partners of AURIZ GOLD REFINERY (FZC). involved in the business of gold and gold containing valuable metals. It does not include business or business partners not involved with gold refinement.

The Supply Chain Policy shall become effective on the date of its publication. Potential changes to it shall be issued by the Supply Chain Officer indicating revision number. Unit officers/managers are responsible for ensuring the full understanding of the principles and application of this directive by all personnel, for establishment of their own internal communication systems, facilitating an operational style to meet the requirements of unit internal adaptation systems, and application of unit internal instructions and directives.

Company Supply Chain Officer has the primary responsibility for Compliance process and Due Diligence activities and stages towards the Board of Management, our clients, accrediting organizations and other third parties. Gold Supply Chain Policy concerning gold refinement and put into effect by AURIZ GOLD REFINERY (FZC). in consideration of the scope of activities and implementations meeting the requirements of accrediting institutions and organizations, national and international regulations and standards has the objective of managing all commercial relationships, the supply chain process and relevant commercial transactions based on the principles of this Policy.

3. HISTORY

The United Arab Emirates is one of the most important countries in the world from a logistics & supply chain perspective. Seven emirates make up the country: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al-Quwain, Fujairah, and Ras Al Khaimah. UAE has seen a shift from being a logistics hub to a supply chain nerve centre primarily for Asia, Europe, and MEA. The shift has resulted from economic diversification, effective implementation of the national logistics plan, and digital transformation by private and public entities across the region. Investments in the logistics and supply chain sector are also key reasons for developing UAE's supply chain industry.

It is no secret that the UAE is positioned to dominate the globe in supply chain management and logistics. For increased connectivity, Dubai can simply integrate into the free zone and customs-bonded road, rail, and air infrastructure. Dubai is regarded as one of the top maritime hubs. This is pertinent given that the handling of dry bulk cargo and containers for logistics in the maritime sector are expanding quickly, and the government is making major investments to improve supply chain management.

A noteworthy fact is that its “geographical location and infrastructure has always positioned it as an ideal supply and redistribution gateway and offers huge growth potential for businesses,”

UAE TRANSPORTATION INFRASTRUCTURE	
Major Sea Ports	Airports
<ul style="list-style-type: none"> • Jebel Ali port • Port Rashid • Miya Zayed Port • Port of Khor Fakkan 	<ul style="list-style-type: none"> • Dubai International Airport • Al Maktoum Airport • Sharjah Airport • Abu Dhabi International Airport

UAE WAREHOUSING INFRASTRUCTURE	
Major Free Trade Zones	Major Warehouses at Sea Ports & Airports
<ul style="list-style-type: none"> • Jebel Ali Free Zone • Dubai Logistics City • Dubai Airport Free zone • Mustafah Industrial Zone, Abu Dhabi • Shahjah Airport International Free Zone (SAIF) 	<ul style="list-style-type: none"> • Dubai Cargo Gateway (Dubai Cargo Village) • Al Maktoum Int'l Airport • Jebel Ali Port , Dubai • Abu Dhabi International Airport • The port of Khalid, Sharjah

LEADING PLAYERS IN LOGISTICS INDUSTRY	
Major Foreign Logistics Players	Major Local Logistics Players
<ul style="list-style-type: none"> • DHL • BLUE DART • ARAMEX • FEDEX • FIRST FLIGHT 	<ul style="list-style-type: none"> • Al Futtaim Logistics • AGL Logistics • Al Masood Logistics • CLARION Logistics ME • Freight Works Logistics

4. KEY REGULATIONS, STANDARDS AND INITIATIVES

4.1 INTERNATIONAL STANDARDS

Organisations like the International Organization for Standardization (ISO) and Social Accountability International (SAI) offer a systematic approach to managing business partners through their standards, including:

- ISO14001:2015 Environmental management systems (www.iso.org/standard/60857.html);
- ISO 45001:2018 Occupational health and safety management systems (www.iso.org/iso-45001-occupational-health-and-safety.html); and
- SA8000®Standard (www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=1689)

Through these standards, companies must give the same level of protection to indirect employees working on-site as to all directly employed personnel. This means that companies must ensure business partners are:

- made aware of hazards and controls in the same way as employees;
- communicated with regularly, and given appropriate training based on the nature, scope and complexity of their work; and
- evaluated and chosen based on their ability to work and supply goods within the organisation's stipulated practices, policies and procedures.

The UN Guiding Principles on Business and Human Rights requires companies to avoid causing or contributing to adverse human rights impacts not only through their own activities, but also as a result of their relationships with business partners. COP 6 Human rights and COP 7 Due diligence for responsible sourcing from conflict-affected and high-risk areas for related requirements related to business partners.

4.2 NATIONAL LAW

Most countries have legislation to protect the well being of business partners while working on another company's premises and to ensure they are given adequate controls and a reasonable level of supervision. This means that, in general, you are responsible for the lawful conduct of any business partners working on your site. But laws vary from country to country. The RJC expects its members to be aware of the specific legislative and regulatory requirements in their operating jurisdictions.

4.3 LAW NO. 20 OF 2018

Law No. 20 of 2018 sets out specific provisions relating to Designated Non-Financial Businesses and Professions (DNFBPs) who include institutions carrying out non-financial activities and professions, which includes specifically jewellery and precious metals and stones traders. Any member company of DMCC that deals with jewellery, precious metals and/or stones (Relevant Member) would be considered an DNFBP for the purposes of Law No. 20 of 2018.

A primary objective of the Resolution and Law No. 20 of 2018 is to provide an effective tool aimed at avoiding Money Laundering, and to provide for a framework within which Suspicious Transactions are duly recognised and reported. These reports are known as Suspicious Transaction Reports, or STRs. “Suspicious Transactions” under Law No. 20 of 2018 are considered those transactions, where reasonable grounds arise to suspect that funds are the proceeds of a felony or a misdemeanour or are related to financing of terrorism or to the financing of unlawful organisations, whether these transactions are carried out or attempted to be carried out.

4.4 LAW NO. 7 OF 2014

Under Law No. 20 of 2018, the financing of terrorism is the provision and/or collection of funds or ensuring obtaining or transporting the same by any means, directly or indirectly, to any association, entity, organisation, centre, group, gang or any persons against whom the provisions of Federal Law No. 7 of 2014 on Combating Acts of Terrorism apply ([Law No. 7 of 2014](#)).

Law No. 7 of 2014 defines a Terrorist Organisation as a group formed of two or more persons, which acquires legal personality ipso jure or which is created ipso facto, that commits a terrorist act, directly participates in, threatens of, aims at, plans, seeks, promotes, or aids the commission of such act regardless of the name, form, place of establishment, location, nationality or place of existence of its members.

The Manual underpins that purpose through the following:

Clarity in defining the roles and responsibilities of personnel involved in the Supply Chain processes;
Highlighting the flow of different processes that define the Supply Chain activities;
Emphasizing the key interactions with various stakeholders involved in each process;
Illustrating required approvals, inputs and outputs to the processes;
Providing a clear direction to achieving performance targets and optimizing return on investments; and
Mandating a competitive procurement process in an objective and transparent manner to achieve best value for money.

AURIZ GOLD REFINERY (FZC) members must implement and maintain a robust documented policy and detailed processes (Policy) to include common principles, standards and processes for responsible supply chain management. The Policy should be consistent with the standard set forth in the model supply chain policy under the OECD Guidance and should, as a minimum, include the following:

5. SUPPLY CHAIN POLICY AND PROCESS IMPLEMENTATION

- criteria for supply chain due diligence;
- main elements of Know-Your-Customer (KYC) processes;
- risk management
- monitoring and surveillance; and
- training.
- Development and approval of long-term Supply Chain strategic plan.
- Review and update of the long-term Supply Chain strategic plan.

6. MAINTENANCE AND REVIEW

The Supply Chain Policy and Procedure Manual shall be issued and maintained by the Supply Chain Officer and shall be subject to review and update, when the need arises, in order to ensure that the manual remains relevant and appropriate for the users and stakeholders and accommodate for changes in business environment.

The review shall include consideration of the following:

- Changes in UAE regulations and statutes relevant to Supply Chain;
- Requests for updating the Supply Chain Policy and Procedure Manual received from End Users;
- Recommendations from the internal audit function;
- Changes in the internal and external operating environment that require changes in Policy and Procedure to re-align the Supply Chain Policy and Procedure Manual to the changed context;
- Changes in organizational structure; and.
- Changes in the technology environment and landscape of AURIZ GOLD REFINERY (FZC)

7. DOCUMENT CONTROL AND RETENTION

An original signed off copy of the Supply Chain Policy and Procedure Manual shall be retained by Supply Chain Manager. Ownership and copyright of all material contained in this Supply Chain Policy and Procedure Manual shall vest in AURIZ GOLD REFINERY (FZC).

No portion of this Supply Chain Policy and Procedure Manual may be copied or reproduced in any manner or form whatsoever without the express written permission of the Senior Management.

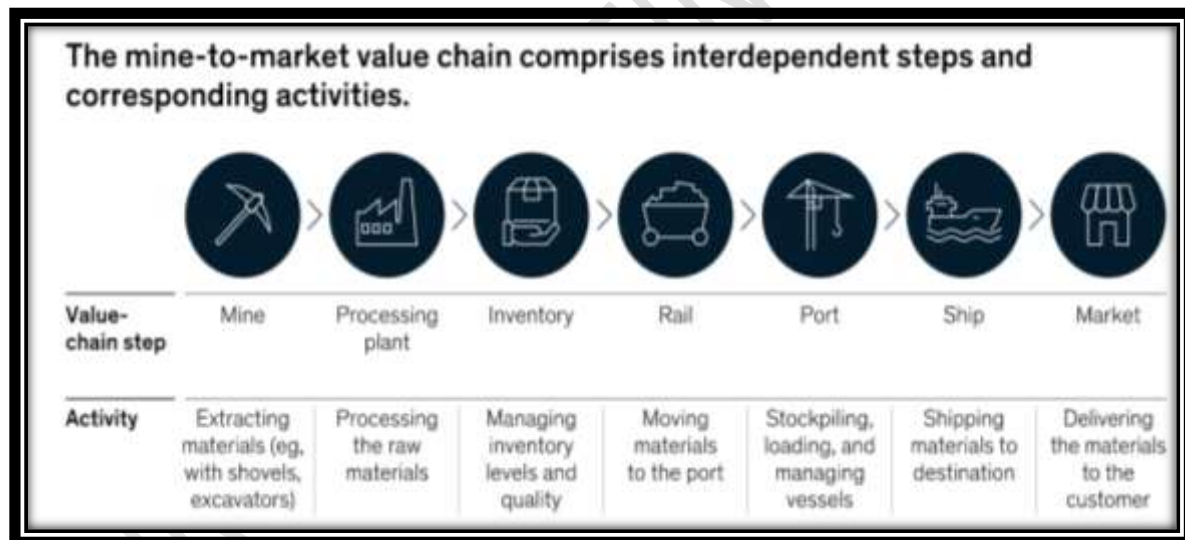
8. WHAT IS A SUPPLY CHAIN?

A supply chain is a collection of suppliers required to create one specific product for a company. The chain is made up of nodes or “links,” which can include multiple manufacturers for parts, then the completed product, then the warehouse where it is stored, then its distribution centers, and finally, the store where a consumer can purchase it. The concept of the chain is important, because each link is connected in a specific direction and order, and the next link cannot be reached without going through the previous one. Each link adds time and costs, and can involve labor, parts, and transportation.

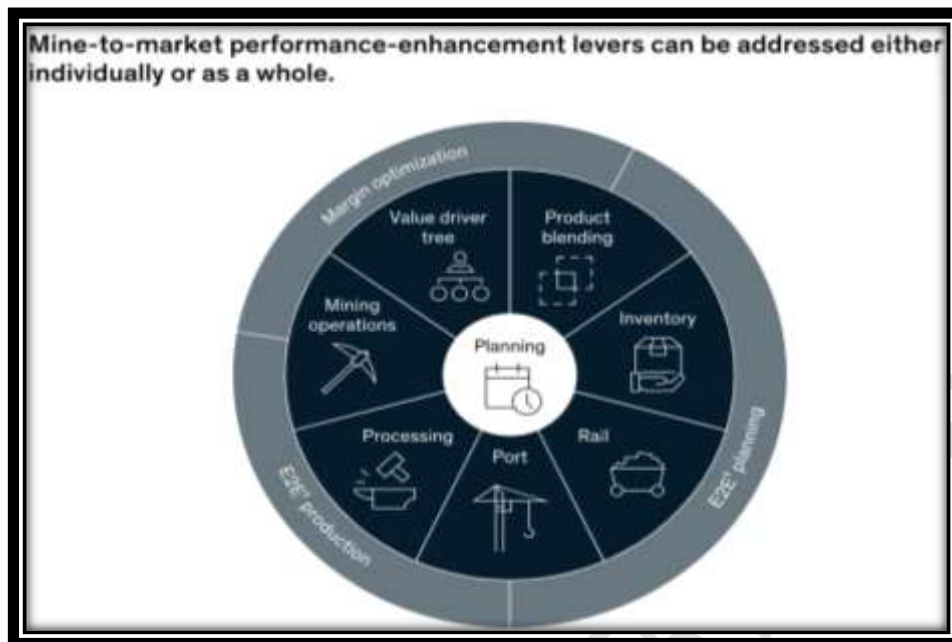
Every product a company carries may have its own supply chain, though they may use certain suppliers for multiple products. You can see why this gets so complicated, especially for international supply chains.

Here are examples from well-known Master of Supply Chains:

- I. Mining value chains are highly complicated and must account for all assets, including equipment (for example, trucks and shovels), processing plants, and railway and port operations. Further complicating matters, the wide range of related activities requires a series of interdependent steps before products reach customers, many of whom live in other countries or on other continents (see sidebar “From extraction to the customer: The mine-to-market value chain”).



- II. Mine-to-market performance enhancements aim to unlock greater potential than optimizing operations, the value chain, or commercial services independently. Our research, which includes mining companies across countries and product types, suggests that mine-to-market optimization can generate a 10 to 15 percent increase in earnings before interest, taxes, depreciation, and amortization (EBITDA) by optimizing throughput, product margins, and operating costs.
- III. Based on these findings, we identified 11 levers for performance enhancement along the value chain (Exhibit 2). These levers can be addressed either individually or comprehensively but are always interconnected with and build upon data from key value-chain steps (see sidebar “Mine-to-market performance-enhancement levers”).



9. WHAT IS SUPPLY CHAIN MANAGEMENT?

As the name implies, supply chain management (SCM) is handling and optimizing all the many complicated facets of a supply chain, involving goods and services. Even ensuring timely handoff from manufacturer to shipper to supplier to shipper to buyer is a massive task, but to do it cost effectively and build net value is truly a challenge.

Each Company conducting business in the supply chain relating to Mined Gold and/or Precious Metals and Recycled Gold and/or Precious Metals must implement and maintain systems and procedures which are sufficiently robust to conduct effective due diligence on the supply chain. The complexity of the management system should depend on the volume of business, location, type of supplies processed, and complexity in the supply chain. Members should evaluate the objectives of their management system against performance to ensure attainment of the expected outcome in a periodic manner.

SUPPLY CHAIN MANAGEMENT (SCM) is an integrated business management approach inter-connecting component such as:

- Business planning and organizing
- Production management
- Procurement management
- Logistics management
- Warehousing management
- Customer service management