



Version: 1.0

Effective Date: 01/02/2026

Approved By: Board of Directors

Owner: Money Laundering Reporting Officer (MLRO)

Review Cycle: Annual or upon regulatory change

1. PURPOSE

Gold Brick Gold Trading LLC (“GBGT”) is committed to conducting its gold trading activities responsibly, ethically, and in full compliance with applicable laws and international standards.

This Responsible Sourcing Policy establishes GBGT’s framework to ensure that gold purchased, traded, stored, or sold by the Company:

- Is not associated with **money laundering, terrorist financing, counter-proliferation financing, or sanctions breaches**
- Is not sourced from **conflict-affected or high-risk areas (CAHRAs)** without appropriate due diligence and mitigation
- Does not contribute to **human rights abuses, corruption, or criminal activity**
- Complies with **UAE AML/CFT/CPF laws, LBMA Responsible Gold Guidance, OECD Due Diligence Guidance, and FATF standards**
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2. SCOPE

This policy applies to:

- All gold and precious metal suppliers, intermediaries, brokers, refiners, and logistics providers
- All forms of gold, including bullion, grain, scrap, doré, and jewellery
- All employees, management, directors, and agents involved in procurement, trading, logistics, finance, and compliance

3. REGULATORY & STANDARDS FRAMEWORK

GBGT’s Responsible Sourcing framework is aligned with:

UAE Legal & Regulatory Requirements

- UAE Federal Decree-Law No. 20 of 2018 (AML/CFT)
- Cabinet Decision No. 10 of 2019
- Cabinet Decision No. 74 of 2020 (Targeted Financial Sanctions & CPF)
- Ministry of Economy (MoE) DNFBP / DPMS AML-CFT-CPF Guidelines

- Executive Office for Control & Non-Proliferation (EOCN) directives

International Standards

- FATF Recommendations
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals
- LBMA Responsible Gold Guidance (RGG)

4. RESPONSIBLE SOURCING PRINCIPLES

GBGT shall **not knowingly engage** in gold transactions that involve:

- Money laundering, terrorist financing, or counter-proliferation financing
- Sanctioned or designated persons, entities, or jurisdictions
- Bribery, corruption, or fraud
- Serious human rights abuses
- Illicit mining, smuggling, or tax evasion
- Misrepresentation of origin or chain-of-custody

5. GOVERNANCE & ACCOUNTABILITY

Board of Directors

- Approves this policy and sets the Company's responsible sourcing risk appetite
- Provides oversight of sourcing risks and remediation actions

Senior Management

- Ensures effective implementation across operations
- Allocates adequate resources

MLRO / Compliance Function

- Owns and maintains the Responsible Sourcing framework
- Oversees supplier due diligence and risk assessments
- Escalates high-risk cases and files STRs or sanctions reports where required

6. OECD FIVE-STEP DUE DILIGENCE FRAMEWORK (IMPLEMENTATION)

GBGT applies the OECD five-step framework as follows:

Step 1 – Establish Strong Management Systems

- Board-approved Responsible Sourcing Policy
- Supplier Code of Conduct
- Contractual clauses covering:
 - Lawful origin
 - Sanctions compliance
 - Audit and termination rights
- Documented grievance and escalation mechanism

Step 2 – Identify & Assess Supply Chain Risks

For each supplier, GBGT assesses risks related to:

- Country of origin and transit (including CAHRAs)
- Nature of supplier (miner, trader, refiner, scrap dealer)
- Ownership and control structure
- Use of cash
- Completeness of chain-of-custody documentation
- Adverse media, PEP, or sanctions exposure

Risk assessments are documented using the **Supplier Onboarding Forms** and assigned a **Low / Medium / High** rating.

Step 3 – Design & Implement Risk Mitigation Measures

Depending on risk level, GBGT may:

- Request additional documentation (origin declarations, assay reports, export permits)
- Require enhanced due diligence (EDD)
- Conduct site visits or third-party audits
- Impose transaction limits or enhanced monitoring

- Suspend or terminate the relationship where risks cannot be mitigated

Step 4 – Independent Review

- High-risk suppliers may be subject to independent third-party audits
- Findings are documented and remediation actions tracked

Step 5 – Reporting & Recordkeeping

- Responsible sourcing activities are documented and retained for **at least 5 years**
- Findings are reported internally to Senior Management and the Board
- Regulatory reporting is performed where required

7. SUPPLIER DUE DILIGENCE REQUIREMENTS

Before onboarding a supplier, GBGT requires:

- Legal identity and licensing verification
- Beneficial ownership identification ($\geq 25\%$ or control by other means)
- Sanctions, PEP, and adverse media screening
- Full chain-of-custody documentation
- Source-of-gold declarations
- OECD Responsible Sourcing declaration (signed)

Suppliers failing to meet these requirements will **not be onboarded**.

8. SANCTIONS & COUNTER-PROLIFERATION FINANCING

GBGT maintains zero tolerance for sanctions breaches.

- All suppliers and transactions are screened against **UN and UAE sanctions lists**
- Assets are frozen **without delay** where required
- Reports are submitted to **EOCN and relevant authorities** within prescribed timelines
- Attempted transactions are treated as reportable events

9. TRADE-BASED MONEY LAUNDERING (TBML) CONTROLS

GBGT implements gold-specific TBML controls, including:

- Price reasonableness vs market benchmarks
- Assay, weight, and purity reconciliation
- Review of shipment routes and logistics providers
- Restrictions on third-party payments
- Detection of circular or non-commercial trades

10. ESCALATION, STR & EXIT

Where responsible sourcing concerns arise:

- Issues are escalated internally via Compliance and the MLRO
- **STRs are filed without delay** where suspicion exists
- Supplier relationships are suspended or terminated if risks cannot be mitigated
- Regulatory notifications are made where required

11. TRAINING & AWARENESS

- All relevant staff receive annual training on responsible sourcing
- Training includes:
 - Conflict minerals risks
 - OECD & LBMA principles
 - Gold-specific red flags
 - Sanctions and CPF obligations

12. RECORDKEEPING & CONFIDENTIALITY

- All responsible sourcing records are retained for **minimum five (5) years**
- Records are stored securely and retrievable within **48 hours** upon request

- Confidentiality and data protection requirements are strictly observed

13. POLICY BREACHES

Any breach of this policy may result in:

- Disciplinary action
- Termination of supplier relationships
- Regulatory reporting
- Legal action where applicable

14. POLICY REVIEW & APPROVAL

This policy is reviewed at least annually or upon:

- Regulatory change
- Material change in sourcing risk
- Audit or inspection findings

BOARD APPROVAL

Approved by the Board of Directors of **Gold Brick Gold Trading LLC** on:

Date: 01/02/2026

Name: MOSES JAYARAJ

Title: Director



Signature: _____