



DIJLLAH JEWELLERY FZE

Customer Due Diligence Process

Updated Version Rev 04.05A.2021





Anti-Money Laundering (AML) Policy, Compliance and Supervisory Procedures

Dijllah Jewellery FZE's Anti Money Laundering Policy is based on the **Cabinet Decision No. (10) of 2019** concerning the implementing regulation of **Federal decree law no. (20) of 2018** on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organizations.

Anti-Money Laundering (AML) Policy, Compliance and Supervisory Procedures

All procedures contained in this AML Compliance and Supervisory Policy Manual applies equally to and is fully observed by **Dijllah Jewellery FZE**.

1. The Company Policy

It is the policy of the Company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorism or criminal activities. All employees of the company are required to commit to maintaining the highest possible ethical standards of business conduct and adhere strictly to the Company's AML and KYC Compliance policies and procedures.

Money Laundering

This is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived income so that the unlawful proceeds appear to have derived from legitimate origins or constitute authentic assets. Usually, money laundering occurs in three stages:

i. Placement Stage

Cash first enters the financial system at this stage, where the cash generated from criminal activities will be converted into commercial instruments such as money orders or traveller's cheques or deposited into accounts at financial institutions.

ii. Layering Stage

The funds will transfer or move into other accounts or other financial institutions to separate or layer the money from its criminal origin.

iii. Integration Stage

The funds will re-establish into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses.

Finance of Terrorism

Terrorist Financing may not necessarily involve the proceeds of criminal conduct, but rather an attempt to hide the origin or intended use of the funds, which is, at a later stage, used for criminal purposes.

It is the policy of the Company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorism or criminal activities. All stakeholders and employees of the company are required to commit to maintaining the highest possible ethical standards of business conduct and adhere strictly to the Company's AML and KYC Compliance policies and procedures. These are set out below and must be read thoroughly and fully understood.

All employees of the **Dijllah Jewellery FZE** are provided with a copy of the most recent version of the company's AML and Compliance policy. Each member of staff must commit to following the Company's AML policy and KYC procedures and is required to sign a form of acknowledgement that they have read, fully understood, and will adhere strictly to the Company's AML and KYC Compliance policies. If an employee is accused of having violated any aspect of the company's AML policy, a formal meeting with the Compliance to have taken place the offence will be noted on the employee's personnel file and a written warning issued. If the employee is proven to have violated the company's AML policy on a second occasion that employee's contract of employment will be immediately terminated. The company reserves the right to notify the relevant authorities of any or all such proven offences and to cooperate fully with all appropriate Regulatory Authorities.



As per Article 3 sub point 2 of Section 1: Activities and Transactions of Financial Institutions and DNFBPs

Dijllah Jewellery FZE is considered a DNFB as Dealers in precious metals and precious stones in carrying out any single cash transaction or several transactions that appear to be interrelated or equal to more than AED 55,000.

As per Article 4, Section 2: Identification and Mitigation of Risks

1. **Dijllah Jewellery FZE** required to identify, assess, and understand their crime risks in concern with their business nature and size, and comply with the following:
 - a) Considering all the relevant risk factors such as **customers, countries, or geographic areas**; and **products, services, transactions, and delivery channels**, before determining the level of overall risk and the appropriate level of mitigation to be applied.
 - b) Documenting risk assessment operations, keeping them up to date on on-going bases and making them available upon request.
2. **Dijllah Jewellery FZE** shall commit to take steps to mitigate the identified risks mentioned as per Clause (1) herein, taking into consideration the results of the National Risk Assessment, by the following:
 - a) Developing internal policies, controls and procedures that are commensurate with the nature and size of their business and are approved by senior management, to enable them to manage the risks that have been identified, and if necessary, to monitor the implementation of such policies, controls and procedures and enhance them as per Article (20) of the present Decision.
 - b) Applying Enhanced CDD measures to manage high risks once identified. Examples include
 - 1) Obtaining more information and investigating this information such as information relating to the **Customer and Beneficial Owner identity**, or information relating to the purpose of the business relationship or reasons of the transaction.
 - 2) Updating the CDD information of the Customer and Beneficial Owner more systematically.
 - 3) Taking reasonable measures to identify the source of the funds of the Customer and Beneficial Owner.
 - 4) Increasing the degree and level of ongoing business relationship monitoring and examination of transactions to identify whether they appear unusual or suspicious.
 - 5) Obtaining the approval of senior management to commence the business relationship with the Customer.
 3. In case the requirements stipulated in Clauses (1 and 2) above are met, **Dijllah Jewellery FZE** shall be permitted to apply simplified CDD measures to manage and limit the identified low risks, unless there is suspicion of a committed Crime. The simplified CDD measures should be commensurate with the low risk factors. These include the following, as examples:
 - a) Verifying the identity of the Customer and Beneficial Owner after establishing the business relationship.
 - b) Updating the Customer's data based on less frequent intervals.
 - c) Reducing the rate of ongoing monitoring and transaction checks.
 - d) Concluding the purpose and nature of the business relationship based on the type of transactions or the business relationship that has been established, without the need to gather information or performing specific procedure

Business Risk Assessment Process

The aim of this Assessment is to summarize the steps taken by “Dijllah Jewellery FZE” to Assess the Business Risk associated with the “the Gold and Precious Metals Industry.

The Risk factors are diversified into multiple factors mentioned below

1. **Customer Risk Based Approach**
2. **Know Your Customer Based Risk Approach**
3. **Cash Based Risk Approach**
4. **Geographical and Country Based Risk Approach**
5. **Product based Risk Approach**

1) **Customer Risk Based Approach:**

Customer risk assessment is a series of evaluations made when a new business relationship or transaction is to be initiated with the customer. It is a critical process for a more accurate analysis of the potential risks that the customer may create. Customer risk factors are as follows in general terms:

Customer or Entity:

It is the evaluation made by examining who the customer is and the nature of Business they are involved in, the length of Business i.e how long has the company has been in existence, the nature of Business of the Company

Geography:

It is evaluated by looking at the country of Incorporation of residence of the UBO and the location of the people with whom the firm connected. This process is a very important step. This risk management is based on **Know your Country Risk Rating** and OECD Country Risk Rating.

Product/Services:

Identifying transactions with a higher risk of money laundering is critical to understanding customer risk. For example, some transactions that are not transparent (names or other important information being anonymous) are red flags.

Since the Industry is into Gold and Bullion Trading, we are aware of the fact that it falls under high risk hence we are not considering the Product as High Risk.

Delivery Channel:

The objective of this is review for companies in the supply chain to identify and assess the risks associated with gold and precious metals, which they either: produce, distribute, transport, export or purchase. A company must conduct a risk-based assessment on each party included in the supply chain from the mines including suppliers, exporters and transporters of newly mined, or recycled gold and precious metals.

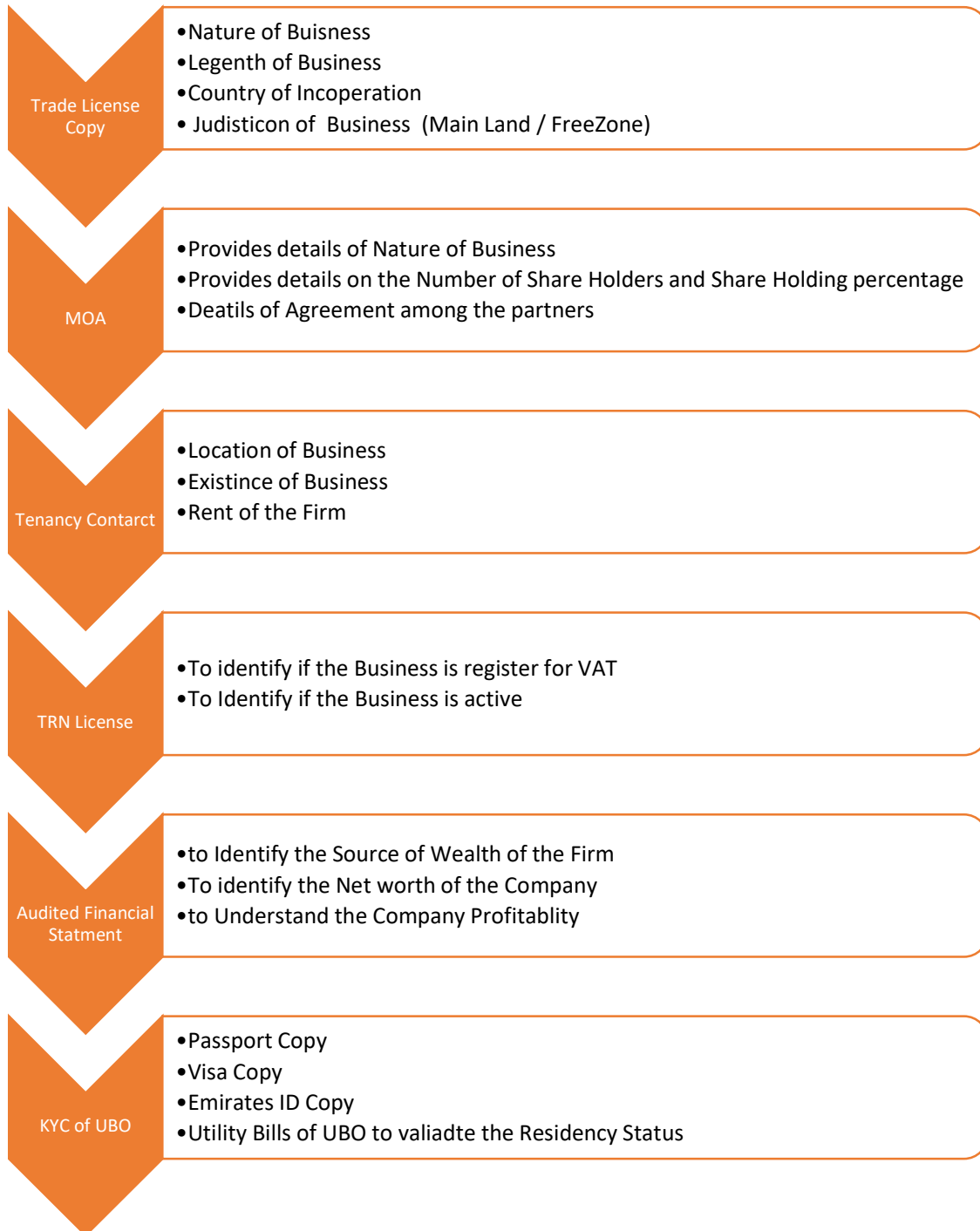
Multiple Factors are as follows

- Origin and transportation.
- The level of government regulation and supervision in the country of origin.
- The level of conflicts or human rights abuses in the country of origin.
- Level of enforcement of laws addressing significant criminal activity in the country of origin.
- Existence of sanctions and/or embargoes that have been directed against the country

2) Know Your Customer Based Risk Approach

Dijllah Jewellery FZE , to protect the company, its employees and stakeholders from becoming a target accused with violation of international laws and procedures in matters such as money laundering and terrorist financing, continuously applies effectively practiced Know Your customer (KYC) procedures.

Minimum KYC Requirements:



3 Cash Based Risk Approach

The regulatory characteristics of the gold market in a number of countries make it attractive for organized crime groups to own cash-for-gold businesses to place and integrate illicit proceeds. Given the limited level of industry oversight and licensing requirements, **cash-for-gold businesses** have the potential to provide criminal groups with a continuous supply of untraceable gold commodities from various sources.

The high-volume, low value transactions conducted through these cash-intensive businesses can be easily falsified or co-mingled with the proceeds of crime, while the purchased gold can be used to make untraceable gold-based payments for illicit goods and services. Because much of the recycled material is purchased in cash, large numbers of transactions are undertaken anonymously.

Original source of funds to buy gold bullion cannot be established. The transaction involves the receipt of cash (or by other payment methods, including cheques or credit cards) from third party entities that have no apparent connection with the transaction or front or shell companies or wire instructions / payment from parties which were not identified in the original letter of credit or other documentation.

The transactions that involve payments for goods through cheques, bank drafts, or money orders not drawn on the account of the entity that purchased the items also need further verification.

If the customer prefers making payments for payment and Receipts, we consider this customer under the following Risk Category.

| Cash Percentage | Risk Rating | Action |
|-----------------|-------------|--------------------|
| 0-24% | Low Risk | SDD |
| 25-74% | High Risk | EDD |
| 75%-100% | Prohibited | Reject application |

We identify that the Cash Percentage that the company intends to use cash for the transaction from the account Opening Form that they have provided.

Factor we undertake to Mitigate the Risk of Excessive Cash Transaction are as Follows.

- Conduct Cash based Business with only entity who have cleared our extensive Onboarding procedure, ie Customer who have cleared World Check, Document Verification and other Media Checks.
- We identify the source of funds from the Audited financials and verify the source of wealth of the firm based on which we conduct of review.
- We collect Cash Declaration form from the customer who intended to conduct cash-based business exceeding AED 55,000/-, declaring the source of funds are from legit means which we cross verify through our process.
- Cash Transaction above AED 55,000/- will be declared in the GO AML as part of MOE guidelines.
- We do not deal with customer who only prefer to transact in cash ie, if a customer transacts in cash above 75% of their business transaction, we reject the application the same is identified via Account Opening Form.
- We report any potential/ Customer who raise RED Flags by attempting to Structure the Transaction to stay under the Authority Radar.



4. Geographical and Country Based Risk Approach

1. Dijllah Jewellery FZE shall implement enhanced CDD measures proportionate to the risk level that might arise from business relationships and Transactions with natural or legal persons from high-risk countries.
2. Dijllah Jewellery FZE shall implement the measures defined by the Committee regarding High-Risk Countries
3. Dijllah Jewellery Shall Conduct Extensive Research on the Customer and Suppliers who are identified to be from high-risk Country, the compliance officer shall conduct proliferation of the customer and suppliers and if they are found to be satisfactory.
4. Dijllah Jewellery FZE shall conduct reviews based on the risk rating issued by prominent website like Know your country <https://www.knowyourcountry.com/copy-of-country-reports> and will review OECD Country High Risk Countries for Supply Chain Risk Review and AML Risk Review.
5. We conduct Extensive review on the customer who are based from Medium High Risk Country as stated in know your country data based.
6. We ensure our Supplier and Customer are not sourcing Gold from an Conflict Zone or are involved in Human Rights Violation.
7. Responsible Sourcing of the Gold Declaration has been taken from the supplier and we conduct review on them periodically conduct Site Visit and conduct extensive desk research on them.
8. All our suppliers are to follow the OECD Guidelines when sourcing Gold, if found otherwise we terminate the business relation immediately based on the report submitted by the compliance manager to the Senior Management who reviews the finds and take action accordingly the TAT for this is about 5 working days.
9. We Do not deal with Customer who are based from any Sanctioned Country and Conflict Zones.

Location-based red flags of gold and precious metals related to origin and transportation include the following:

- The gold and precious metals originate from or have been transported through a conflict-affected or high-risk area.
- The gold and precious metals are claimed to originate from a country that has limited known reserves or stocks, likely resources or expected production levels of gold and precious metals (i.e. the declared volumes of gold and precious metals from that country are in excess of its known reserves and/or expected production levels).
- The gold and precious metals are claimed to originate from recyclable/scrap or mixed sources and has been refined in a country where gold and precious metals from conflict-affected or high-risk areas is known or reasonably suspected to transit.
- In each of these location-based red flag considerations, the risk is increased when anti-money laundering laws, anti-corruption laws, customs controls and other relevant government laws are weakly or not enforced, where informal banking systems operate, and when cash is extensively used.
- Supplier-based red flags include the following:
- Suppliers or other known upstream companies operate in one of the red-flagged locations of gold and precious metals' origin and transportation or have shareholder(s) or other interests in suppliers of gold and precious metals from one of the above-mentioned red flag locations of gold and precious metals' origin and transportation.
- Suppliers or other known upstream companies are known to have sourced gold and precious metals from a red flagged location of gold and precious metals origin and transit in the last 12 months.

5. Product and Supply Chain Based Risk Approach

The objective of this is for companies in the supply chain to identify and assess the risks associated with gold and precious metals, which they either: produce, distribute, transport, export or purchase. A company must conduct a risk-based assessment on each party included in the supply chain from the mines including suppliers, exporters and transporters of newly mined, or recycled gold and precious metals. Factors to take into consideration for conducting the risk assessments are as follows:

The geographical location of gold and precious metals supply:

- Origin and transportation.
- The level of government regulation and supervision in the country of origin.
- The extent of cash transactions used in the country of origin.
- The level of conflicts or human rights abuses in the country of origin.
- Payment systems used in the country of origin. I.e. formal banking versus informal systems such as money exchanges and 'Hawalas'.
- Level of involvement of criminal organizations in the country of origin.
- Level of high-risk businesses (such as gaming and casino, etc.) in the country of origin.
- Level of access from a country to nearby markets or processing operations that are termed as conflict and/or high-risk areas.
- Level of enforcement of laws addressing significant criminal activity in the country of origin.
- Existence of sanctions and/or embargoes that have been directed against the country and individuals/entities in that country.

When assessing counterparty risk in the supply chain a company should focus on the following:

- KYC information of the company's suppliers, which should include information about the origin and transportation of the gold and precious metals.
- Red flags (obvious high risks) in any aspect of the entire supply chain.
- Number of suppliers i.e. the greater, the higher the risk.
- Level of control that the counterparty has over its suppliers.
- Level and adequacy of due diligence practices of the counterparty.
- Whether the counterparty has due diligence practices that have been audited by a qualified third-party auditor.
- How long the counterparty has been in the gold and precious metals business (longer = lower risk).
- No indication and/or disclosure of beneficial owners of the counterparty.
- Seeking anonymity by intermediating third parties such as lawyers, accountants, etc.
- Scale of mining operations of the supplier, if applicable.
 - Politically exposed persons that have been entrusted with prominent public functions or individuals who are closely related to such persons.

When assessing transaction risk in the supply chain a company should focus on the following:

- Due diligence should be proportional to the value of the transaction.
- Gold and precious metals that are transited and/or exported which are not reasonably reconciled with the declared location of the origin.
- Unexplained geographic distance in the supply chain.
- Melted recyclable gold and precious metals is higher in risk than unprocessed recyclable gold and precious metals. An unusual circumstance which are not consistent with the local practices (amount, quality, potential profit, level of discount etc.).
- Use of cash in excess of government thresholds.
- Payment by cash and/or physical delivery to unrelated third parties.
- Structuring to make payments in smaller multiple transactions to avoid the government thresholds.



Adequate documentation, records of supply chain and due diligence are maintained which should include the following:

- Physical form, type and physical description of gold and precious metals including any Imprints and/or hallmarks.
- Weight and assay of gold and precious metals after proper own verification and/or through third party verification.
- Full KYC due diligence of all suppliers including their due diligence practices, which need to conform to international standards. The KYC form should also include the company's suppliers and their locations.
- Unique reference number for each entry/input and exit/output.
- Name, stamp and logo of refiner/producer/manufacture (if applicable).
- Year of refining/production (if applicable).
- Dates of purchases and sales.
- Inventory list classified as per supplier.
- All documentation should be kept for at least five years, and we must have a mechanism for tracing products back to the origin of the purchased material, known as 'Track and Trace'. Documents should include the following:
 - Shipping/transportation documentation.
 - Sales documents with specific lot numbers.
 - Mining license and related permissions.
 - Import/export licenses and forms.



Dijllah Jewellery FZE Risk Assessment overview

Dijllah Jewellery FZE implements an internal risk assessment process that is carried out using a risk-based approach on each party involved in the supply chain. Customers have been classified into two categories commensurate to the level of risk involved:

Low risk customers: the customers that satisfy the minimum KYC standards and there is no reasonable ground to suspect that the subject relationship is involved with Money Laundering or financing of unlawful organizations. Local PEPs are categorized as Low Risk except for any triggers that support other classification

Medium risk customers: the customers that satisfy the minimum KYC standards and there is no reasonable ground to suspect that the subject relationship is involved with Money Laundering or financing of unlawful organizations. Local PEPs are categorized as Low Risk except for any triggers that support other classification, Customer/Entity who are based out of **high-risk countries** but have no Adverse information on them and the UBO and have cleared our world check search with out concerns will be listed in this risk grade.

High risk customers: the customers that are not satisfying the KYC standards at first stage, and there is a reasonable ground to suspect that the subject relationship may involve Money Laundering and/or funding of unlawful organizations require deeper investigation using Enhanced Due Diligence, prompting escalation to Dijllah Jewellery FZE Senior Management for consideration and approval. Foreign PEP is categorized as High Risk by default.

On-going monitoring

The Dijllah Jewellery FZE Compliance Officer conducts this during the course of business; respective data updates take place accordingly when and as required:

All customers must satisfy the minimum KYC requirements and are subject to on-going review and updates commensurate with level of risk involved. High Risk clients require enhanced due diligence and are subject to more frequent reviews compared to the low-risk customers.

Note: in case any of red Flags has been identified at any point of time an immediate review is conducted as illustrated

The Dijllah Jewellery FZE RM must complete the Dijllah Jewellery FZE Know Your Customer (KYC) checklist, which will assist in carrying out the risk assessment and must ensure that all client information on the account opening form is complete, accurate and has been verified with required documents.

If all KYC standards for customers that provide locally sourced gold have been satisfied that customer is rated as **Low Risk by default.**

However, the customer is rated as High Risk in case any of the below has been identified, and the overall risk will be determined by the following risk elements, namely:

- a. The origin, location and transportation at any stage involves high risk areas
- b. Type of gold is not in alignment with acceptable types of gold by Dijllah Jewellery FZE
- c. Weak or unacceptable standards of enforcement of laws addressing significant criminal activity, and
- d. The existence of sanctions and/or embargoes that have been directed against the country and/or individuals/entities in the country.
- e. Increased level of cash involvement in payment methods

For Customers rated as High Risk the actions set out below are mandated:

- ✓ EDD to be conducted.
- ✓ Dijllah Jewellery FZE President approval is required along with the Dijllah Jewellery FZE Compliance Officer
- ✓ On-going monitoring
- ✓ Update at least semi-annually and/or whenever is required.

Counterparties in the supply chain:

- ✓ KYC information to be satisfied by Dijllah Jewellery FZE including information on the origin transportation of gold
- ✓ Any Red Flag identified in any part of the entire supply chain
- ✓ The number of participants in the supply chain where the greater number represents more risk
- ✓ The level of control that a counterparty has on its suppliers.
- ✓ The level and adequacy of due diligence practices of a counterparty
- ✓ Whether a counterparty's due diligence practices are audited by a qualified third party
- ✓ For how long the counterpart has been carrying out activities in the gold business
- ✓ A counterparty's willingness to disclose its ultimate beneficial owner(s)
- ✓ A counterparty's attempts to be or remain anonymous.
- ✓ The scale of mining of a supplier, i.e. ASM or LSM if applicable
- ✓ The involvement of any PEPs that have been entrusted with prominent functions or individuals who are closely related to such persons.

Applicable transactions, including consideration of:

- ✓ The proportionality of the due diligence to the identified, risks and severability of adverse impacts of the applicable transactions
- ✓ Gold that is transported is not reasonably reconciled with the declared location of the origin
- ✓ Unexplained geographic distance in the supply chain
- ✓ The level of concentration of gold and/ or precious metals
- ✓ Any unusual circumstances that are not consistent with the local or market practices (amount, quality, potential profit, etc.)
- ✓ The use of cash in excess of government threshold
- ✓ Payment in cash and/or physical delivery to unrelated third parties
- ✓ Transaction structuring to make payments in smaller multiple transactions to avoid government thresholds.

Dijllah Jewellery FZE risk assessment statements

Dijllah Jewellery FZE has no tolerance to accept any relationship where there is an acceptable level of suspicion of involvement with money laundering or funding of unlawful organizations.

Dijllah Jewellery FZE management shall avoid, where practical, increased level of cash involvement and will ensure that all unavoidable usage of cash is supported by verifiable documentation and routed through banking channels. Cash involvement must be in full compliance with the provisions of the DMCC's Anti Money Laundering and Combating Financing of Terrorism policy.

The overall risk rating and corresponding approval matrix is defined below.

| Risk Rating | Monitoring Frequency | Type of Due Diligence | Approving Authority |
|-------------|----------------------|------------------------------|--|
| Low | At Least Quarterly | Standard Due Diligence (SDD) | Compliance Officer |
| Medium | At Least Monthly | Standard Due Diligence (SDD) | Compliance Officer |
| High | At Least Weekly | Enhanced Due Diligence (EDD) | Dijllah Jewellery FZE Senior Executive Officer (SEO) |

What are SDD and EDD?

SDD stands for Standard Due Diligence and means that the minimum KYC requirements are required to be properly satisfied by Dijllah Jewellery FZE prior to the initiation of any business relationship, SDD applies to Low risk rated customers only.

EDD stands for Enhanced Due Diligence and means that Dijllah Jewellery FZE is to exert best efforts to collect more information, data, and source of wealth for existing, potential customers and suppliers and go deeper with research based on case by case with regards to the respective customer, EDD applies to High Risk rated customer



Subjective Evaluation

The final step of the risk assessment involves a subjective evaluation, which uses all information obtained.

This is an additional measure that allows the Dijllah Jewellery FZE RM to make an assessment as whether or not the RM agrees with the mentioned rating. If the RM believes that the given risk rating is not truly reflective of the inherent risk posted by the customer, then the RM must document the reasons for recommending a departure from either Low Risk or High Risk and involve Dijllah Jewellery FZE President and the Compliance Officer for final decision.

Some of the factors to be considered when determining the subjective evaluation may include, but are not limited to, the following:

- a. Reputation of the customer
- b. References (face to face meetings, initiated from trusted source. etc.)
- c. Reasons the Customer chose Dijllah Jewellery FZE
- d. Experience (if any) of Dijllah Jewellery FZE RM in dealing with the customer
- e. Media reports.

Dijllah Jewellery FZE Risk Management System review program

Dijllah Jewellery FZE Compliance Committee has been formed to operate under the supervision of a chairman to ensure independence and on-going compliance with DMC –BRD-GPM rules at any point of time. Compliance in Dijllah Jewellery FZE is not only the responsibility of the Compliance Department; it is the responsibility of each and every staff member and stakeholder in Dijllah Jewellery FZE.

Dijllah Jewellery FZE implements suitable systems and processes for risk identification and assessment; the periodic assessment and update is an integral part of Dijllah Jewellery FZE risk management system; the Compliance Officer is responsible for:

- a. Conducting a review and update of all related policies and procedures on an annual basis and/or upon the occurrence of the change of any relevant circumstances or regulatory updates; to ensure its adequacy.
- b. Conduct a full assessment review of the Dijllah Jewellery FZE risk management system on a semi-annual basis to:
 - ✓ Ensure that Dijllah Jewellery FZE risk management system is up to date and in accordance to the prevailing business circumstances and regulations
 - ✓ Ensure the adequacy of Dijllah Jewellery FZE risk management system to mitigate risks in accordance to the requirements
 - ✓ Conduct a full review of the risk management system related elements (policies, processes, systems etc.) to Identify weaknesses and inherent risk involved

Prepare a detailed report of findings along with recommendations and target dates in accordance to level of risk involved:

- ✓ Submit the related report along with recommendations to the Dijllah Jewellery FZE senior management
- ✓ Follow up with relevant Dijllah Jewellery FZE business units with regards to approved corrective action until full rectification is achieved
- ✓ Retain the review report along with full set of related documents, records and communications for easy future reference for five years

As per section 3 of Article 5: Customer Due Diligence Policy and Procedure

Based on the Cabinet Decision No. (10) of 2019 Concerning the implementing regulation of decree law no. (20) of 2018 On anti- money laundering and combating the financing of terrorism and illegal organizations.

Customer Due Diligence (CDD): Process of identifying or verifying the information of a customer or Beneficial Owner, whether a natural or legal person or a legal arrangement, and the nature of its activity and the purpose of the business relationship and the ownership structure and control over it for the purposes of the Decretal-Law and this Decision

As per section 3 of Article 5:

Dijllah Jewellery FZE will undertake CDD measures to verify the identity of the Customer and the Beneficial Owner before or during the establishment of the business relationship or opening an account, or before executing a transaction for a customer with whom there is no business relationship. And in the cases where there is a low crime risk, it is permitted to complete verification of Customer identity after establishment of the business relationship, under the following conditions:

- (a) The verification will be conducted in a timely manner as of the commencement of business relationship or the implementation of the transaction.
 - (b) The delay is necessary in order not to obstruct the natural course of business.
 - (c) The implementation of appropriate and effective measures to control the risks of the Crime.
2. Dijllah Jewellery FZE will take measures to manage the risks in regard to the circumstances where Customers are able to benefit from the business relationship prior to completion of the verification process.

As per section 3 of Article 6

Dijllah Jewellery FZE undertake CDD measures in the following cases:

1. Establishing the business relationship.
2. Carrying out occasional transactions in favour of a customer for amounts equal to or exceeding AED 55,000, whether the transaction is carried out in a single transaction or in several transactions that appear to be linked;
3. Where there is a suspicion of the Crime.

Where there are doubts about the veracity or adequacy of previously obtained Customer's identification data.

As per section 3 of Article (7)

Dijllah Jewellery FZE will undertake CDD measures and ongoing supervision of business relationships, including:

1. Audit transactions that are carried out throughout the period of the business relationship, to ensure that the transactions conducted are consistent with the information they have about Customer, their type of activity and the risks they pose, including - where necessary - the source of funds
2. Ensure that the documents, data or information obtained under CDD Measures are up-to-date and appropriate by reviewing the records, particularly those of high-risk customer categories



As per section 3 of Article (8)

1. Dijllah Jewellery FZE will identify the Customer's identity, whether the Customer is permanent or walk-in, and whether the Customer is a natural or legal person or legal arrangement and verify the Customer's identity and the identity of the Beneficial Owner. This should be done using documents, data or any other identification information from a reliable and independent source as follows:

(a) For Natural Persons:

The name, as in the identification card or travel document, nationality, address, place of birth, name and address of employer, attaching a copy of the original and valid identification card or travel document, and obtain approval from the senior management, if the Customer or the Beneficial Owner is a PEP.

(b) For Legal Persons and Legal Arrangements:

- (1) The name, Legal Form and Memorandum of Association
 - (2) Headquarter office address or the principal place of business; if the legal person or arrangement is a foreigner, it must mention the name and address of its legal representative in the State and submit the necessary documents as a proof.
 - (3) Articles of Association or any similar documents, approved by the relevant authority within the State.
 - (4) Names of relevant persons holding senior management positions in the legal person or legal arrangement.
2. Dijllah Jewellery FZE will verify that any person purporting to act on behalf of the Customer is so authorized and verify the identity of that person as prescribed in Clause (1), of this Article.
 3. Dijllah Jewellery FZE will understand the intended purpose and nature of the business relationship, and obtain, when necessary, information related to this purpose.
 4. Dijllah Jewellery FZE will understand the nature of the Customer's business as well as the Customer's ownership and control structure.

As per section 3 of Article (9)

Dijllah Jewellery FZE will take reasonable measures to identify the Beneficial Owners of legal persons and Legal Arrangements and verify it, by using information, data, or documents acquired from a reliable source, by the following:

1. For Customers that are legal persons:

- (a) Obtaining and verifying the identity of the natural person, who by himself or jointly with another person, has a controlling ownership interest in the legal person of 25% or more, and in case of failing or having doubt about the information acquired, the identity shall be verified by any other means.
- (b) In the event of failing to identify the natural person exercising control as per paragraph (a) of this Clause, or the person(s) with the controlling ownership interest is not the Beneficial Owner, the identity shall be identified for the relevant natural person(s) holding the position of senior management officer, whether one or more persons.

2. For Customers that are Legal Arrangements:

Verifying the identity of the Settlor, the Trustee(s), or anyone holding a similar position, the identity of the beneficiaries or class of beneficiaries, the identity of any other natural person exercising ultimate effective control over the legal arrangement and obtaining sufficient information regarding the Beneficial Owner to enable the verification of his/her identity at the time of payment, or at the time he/she intends to exercise his/her legally acquired rights.



As per section 3 of Article (10)

Dijllah Jewellery FZE shall be exempted from identifying and verifying the identity of any shareholder, partner, or the Beneficial Owner, if such information is obtainable from reliable sources where the Customer or the owner holding the controlling interest are as follow:

1. A company listed on a regulated stock exchange subject to disclosure requirements through any means that require adequate transparency requirements for the Beneficial Owner.
2. A subsidiary whose majority shares or stocks are held by the shareholders of a holding company.

Section 3 of Article (11)- Not Applicable to Dijllah Jewellery

As per section 3 of Article (12)

Dijllah Jewellery FZE shall apply CDD measures to Customers and the ongoing business relationship on the effective date of the present Decision, within such times as deemed appropriate based on relative importance and risk priority. It should also ensure the sufficiency of data acquired, in case CDD measures were applied before the effective date of the present Decision.

As per section 3 of Article (13)

Dijllah Jewellery FZE is prohibited from establishing or maintaining a business relationship or executing any transaction should they be unable to undertake CDD measures towards the Customer and should consider reporting a suspicious transaction to the FIU.

Even if Dijllah Jewellery FZE suspect the commission of a Crime, Dijllah Jewellery FZE should not apply CDD measures if they have reasonable grounds to believe that undertaking such measures would tip-off the Customer and they should report a Suspicious Transaction to the FIU along with the reasons having prevented them from undertaking such measures.

As per section 3 of Article (14)

Dijllah Jewellery FZE will commit to the following:

1. Dijllah Jewellery FZE will Not deal in any way with Shell Banks, whether to open bank accounts in their names, or to accept funds or deposits from them.
2. Dijllah Jewellery FZE will Not create or keep records of bank accounts using pseudonyms, fictitious names or numbered accounts without the account holder's name.

List of Documents Dijllah Jewellery FZE

The list of documents that we collect from our customer and suppliers are listed below these documents are used to conduct the customers and suppliers' due diligences.

1. Trade License Copy
2. Office Tenancy Contract
3. Memorandum of Association & Certificate of Incorporation
4. Passport, Visa, and Emirates I.D of all Partners.
5. Home Address of All Partners (Utility/Tenancy)
6. TRN Certificate
7. Account Opening Form
8. Supplier Code of Ethics Form
9. AML and CTF Policy of the Company.
10. Financial Copy of the Company
11. Supply Chain Policy

Dijllah Jewellery FZE

M-24, Gold Centre building, Deira, Dubai, U.A.E

As per Section 4 of Article 15: PEP Assessment Rules and Regulations:

Dijllah Jewellery FZE has developed PEP Assessment Rules and Regulations based on Cabinet Decision No. (10) of 2019 as per Section 4.

As per Section 4 of Article 15

1. In addition to undertaking CDD measures required under Section 3, Part 1 of this Chapter, **Dijllah Jewellery shall** be required to carry out the following:

First: For Foreign PEPs:

- (a) Put in place suitable risk management systems to determine whether a Customer or the Beneficial Owner is considered a PEP.
- (b) Obtain senior management approval before establishing a business relationship, or continuing an existing one, with a PEP.
- (c) Take reasonable measures to establish the source of funds of Customers and Beneficial Owners identified as PEPs.
- (d) Conduct enhanced ongoing monitoring over such relationship.

Second: For Domestic PEPs and individuals previously entrusted with prominent functions at international organizations:

- a. Take sufficient measures to identify whether the Customer or the Beneficial Owner is considered one of those persons.
 - b. Take the measures identified in Clauses (b), (c), and (d) under the first paragraph of this Article, when there is a high-risk business relationship accompanying such persons.
2. **Dijllah Jewellery shall** be required to take reasonable measures to determine the beneficiary or Beneficial Owner of life insurance policies and family takaful. If identified as a PEP, Financial institutions shall inform senior management before the pay-out of those policies, or prior to the exercise of any rights related to them, in addition to thoroughly examining the overall business relationship, and consider reporting to the Unit a suspicious transaction report.

Classification of PEP:

The definition of politically exposed person (PEP) is an individual with a high-profile political role, or who has been entrusted with a prominent public function. They present a higher risk for involvement in money laundering and/or terrorist financing because of the position they hold.

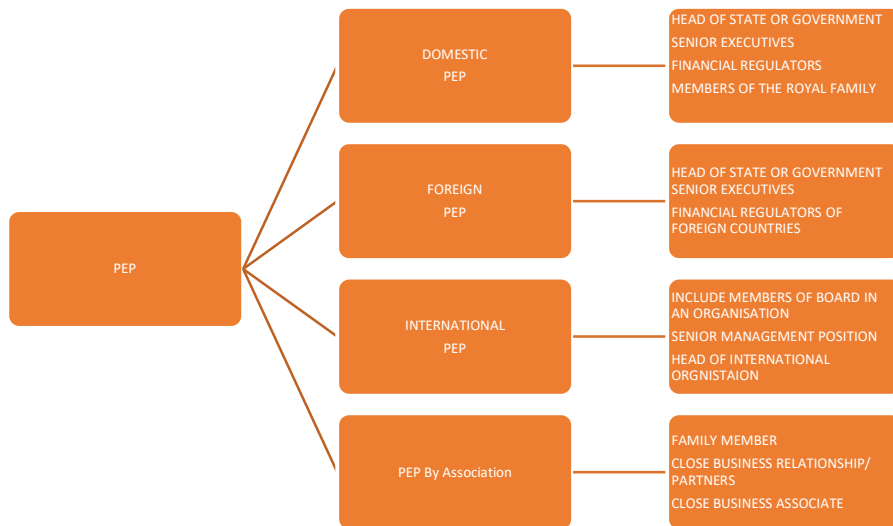
PEP is defined as high-risk customers who have greater opportunities than ordinary citizens to acquire assets through illegal means such as taking bribes and money laundering.

PEPs must be identified and screened in financial institutions because of the risks they have. The process of identifying PEPs and determining their risks is generally referred to as PEP List Screening and is a very important screening for the best implementation of AML compliance programs, especially in financial institutions.

Types /Categories of PEP:

The AML/CTF Rules define three categories of PEPs:

- Domestic PEPs are individuals who hold a prominent public position or function in an Australian government body.
- Foreign PEPs are individuals who hold a prominent public position or function in a government body of a foreign country.
- International organisation PEPs are individuals who hold a prominent public position or function in an international organization.
- PEP by association: The Spouse, Siblings, Children and Parents, A natural person having joint beneficial ownership of legal entities and legal arrangements, or any other close business relationship. A legal person or legal arrangement whose beneficial owner is a natural person and is known to have been set up for the benefit of such person or his immediate family members.



Risk Classification Factor

| | |
|---|--|
| High Risk – Level 1 PEPs | Medium Risk – Level 2 PEPs |
| <ul style="list-style-type: none"> • Heads of state and government • Members of government (national and regional) • Members of Parliament (national and regional) • Heads of military, judiciary, law enforcement and board of central banks • Top ranking officials of political parties | <ul style="list-style-type: none"> • Senior officials of the military, judiciary, and law enforcement agencies • Senior officials of other state agencies and bodies and high ranking civil servants • Senior members of religious groups • Ambassadors, consuls, high commissioners |
| Medium Risk – Level 3 PEPs | Low Risk – Level 4 PEPs |
| <ul style="list-style-type: none"> • Senior management and board of directors of state owned businesses and organisations | <ul style="list-style-type: none"> • Mayors and members of local, country, city and district assemblies • Senior officials and functionaries of international or supranational organisations |

Risk Mitigation Factor:

Having good customer records and a PEP database that can be screened using unique identifying data will reduce the number of false positives and the overall burden on compliance teams.

Unique identifying data should include the following:

- Name (all known names and aliases)
- Date of Birth, and where this isn't available, Year of Birth.
- Country of political exposure
- Gender (where available)
- Politically exposed role(s), and date(s) or year(s) of appointment
- Date or year that the PEP left their position (where applicable)
- Where applicable if the PEP is deceased.

Where possible, use native character searching. Searching for names in their native language greatly reduces false positives by limiting transliteration issues.

- Use geography to help determine risks—not all countries pose the same risk. Lower risk countries present the opportunity to reduce the amount of time spent reviewing close associates and relatives.
- Reduce the number of hits you receive by using date of birth and age to refine your search.
- Consider changing screening levels by risk levels. For low-risk PEPs, consider screening and monitoring for sanctions only; for medium-risk, PEPs, screening and monitoring for sanctions and regulatory actions only; and for high-risk PEPs, screening, and monitoring against an entire database.

RISK RATING TABLE FOR PEP:

| Details | Customer Details | Risk Grade |
|--------------------------------------|------------------|------------|
| Customer Name | | |
| Date of Birth | | |
| Place of Birth | | |
| Nationality | | #N/A |
| Occupation | | |
| Sector | | #N/A |
| Position Held | | #N/A |
| Year in which position was held last | | #N/A |

PEP Review Condition:

- If Customer onboarding must be rejected if more than 3 or more Red Flags
- If Customer must be subjected to Enhanced Due Diligence if more than 1-2 Red Flags



Section 5 of Article 16: Suspicious Transaction Reports (STRs)

Dijllah Jewellery FZE has developed Suspicious Transaction Reports Rules and Regulations based on Cabinet Decision No. (10) of 2019 **as per Section 5**.

As per Section 5 of Article 16.

Dijllah Jewellery FZE shall put in place indicators that can be used to identify the suspicion on the occurrence of the Crime in order to report STRs, and **shall update these indicators on an ongoing basis**, as required, in accordance with the development and diversity of the methods used for committing such crimes, whilst complying with what the Supervisory Authorities or FIU may issue instructions in this regard.

Red Flag Indicators.

A Red Flag indicates possible money laundering or terrorist financing and includes but is not limited to the following:

- a. Customer exhibits unusual concern when questioned about compliance with our AML policies, particularly with respect to identify verification, source of gold, or a reluctance or refusal to disclose any information related to business or furnishing unusual or suspicious identification or business documents.
- b. The information provided by the customer that identifies a legitimate source of gold found to be false, misleading, or materially incorrect.
- c. Upon **Dijllah Jewellery FZE** request, the customer refuses to identify or fails to indicate a legitimate source of gold or source of wealth.
- d. The customer, shareholder, authorized signatories and UBOs have a questionable background, or have been the subject of news report indicating possible criminal, civil, or regulatory violations.

Dijllah Jewellery FZE Red Flags identification process, in accordance to the DMCC- RBD-GPM rules, means that a Red Flag can be any (including a combination or aggregate) of one or more of the following:

- a. Location- based Red Flag, as further described below;
- b. Supplier- based Red Flag, as further described below; or
- c. Circumstances- based Red Flag, as further described below.

Location - Based Red Flags

Shall be the occurrence of, or the reasonable suspicion of the occurrence of, any of the following circumstances:

- a) The gold originates from, or has been transported through conflicted and/or High-risk areas;
- b) The gold is claimed to originate from a country that has limited known reserves or stocks, likely resources or expected level of production (for example where the declared volumes of gold from that country is in excess of its known reserves/expected production levels);
- c) The gold is claimed to originate from a country through which gold from conflicted areas is known or reasonably suspected to transit; or
- d) The gold is claimed to originate from recyclable/scrap or mixed sources and has been refined in a country where gold from conflicted areas and High-risk areas is known or reasonably suspected to transit.

Supplier - Based Red Flags

A supplier- based Red Flag shall be the occurrence of, or the reasonable suspicion of the occurrence of, any of the following circumstances:

- a) A supplier or other participant in the supply chain of gold operates in any location that could give rise to a location-based Red Flag, or has a shareholder or other interests in any supplier of gold from one of the above mentioned locations;
- b) A supplier or other participant in the supply chain of gold is known to have sources of gold from any location that could give rise to a Location-based Red Flag in the twelve months (12) previous to the applicable transaction.

Circumstances - Based Red Flags

A circumstances-based Red Flag shall be the occurrence of any anomalies or unusual circumstances that are identified through the information collected during customer on boarding that gives rise to a reasonable suspicion that the gold may contribute to any serious abuses associated with extraction, transportation of and/or trading.

Dijllah Jewellery FZE Red Flags procedures

In case of the identification of any Red Flags at any stage of the supply chain, the identified Red Flag is promptly escalated to **Dijllah Jewellery Compliance Officer** as well as **Dijllah Jewellery President**. Reasonable grounds must support identified Red Flags that a prospective transaction may involve any related risks

Dijllah Jewellery Compliance Officer shall be held responsible in coordination with other business units in **Dijllah Jewellery** to investigate the case using methods of Research as below:

Desk Research includes (where available) **Dijllah Jewellery** exerting its best efforts to:

- ✓ Identify each company in the supply chain.
- ✓ Identify the ultimate beneficial owners of each company in the supply chain.
- ✓ Ensure that each company in the supply chain holds the necessary permits and licenses.
- ✓ Obtain financial information (such as balance sheets, annual reports, rating agencies reports etc.) on each company in the supply chain.
- ✓ Ensure that each company in the supply chain is not listed on any sanctions and/or embargoes list
- ✓ Review research reports including those from governments, international organizations, and media relating to mineral extraction and its impact on conflict, human rights or environmental harm in the country of potential origin.
- ✓

Onsite Visits in addition to above desk research. **Dijllah Jewellery** representative must go for onsite visits to generate and maintain information on the circumstances and processes of various activities including:

- ✓ Gold extraction/processing / handling and trading / assayed quality characteristics/ taxes and fees
- ✓ A detailed Call Report to be prepared and signed by the **Dijllah Jewellery RM** to be forwarded to **Dijllah Jewellery Compliance Officer** along with any supporting documents to finalize the investigation.

Random Sample Verification

This involves the verification of related transactions selected on a random basis

The **Dijllah Jewellery Compliance Officer** to finalize the report and submit to **Dijllah Jewellery President** for prompt action and decision.

Upon the investigation of the above and if it is concluded that there is no reasonable ground that the relationship is involved with any money laundering or funding of unlawful transactions, it is the duty of the **Dijllah Jewellery FZE** senior management, along with the **Dijllah Jewellery Compliance Officer**, to take the final decision as per the below guidance, although each decision is made on a case-by-case basis:

- ✓ Continuity of activities while developing risk mitigation controls; arrange with concerned supplier to implement controls to mitigate the identified red flag based on risk level involved
- ✓ Temporarily suspend trading activities with the specific supplier where a red flag had been identified
- ✓ Disengaging for a period of between 3 months and 6 months with a specific supplier who fails to comply with the mitigating rules/or refrains from accepting the mitigating rules
- ✓ Consulting with suppliers and affected shareholders and agreeing on risk mitigation controls which should be adopted
- ✓ Reviewing on a regular basis the results of the mitigation measures, undertaking additional fact and risk assessment for risks requiring mitigation or after a change of circumstance
- ✓ Any action must be officially documented where all records to be retained for a period of five (5) years in accordance to DMCC-RBD-GBP rules

Note: in the above-mentioned cases and if the decision is to retain relationship the mentioned account is categorized High Risk by default.



As per Section 5 of Article 17.

1. If **Dijllah Jewellery** have reasonable grounds to suspect that a Transaction, attempted Transaction, or funds constitute crime proceeds in whole or in part, or are related to the Crime or intended to be used in such activity, regardless of the amount, they shall adhere to the following without invoking bank secrecy or professional or contractual secrecy:
 - (a) Directly report STRs to the FIU without any delay, via the electronic system of the FIU or by any other means approved by the FIU
 - (b) Respond to all additional information requested by the FIU.
2. **Dijllah Jewellery** board members, employees and authorised representatives shall not be legally liable for any administrative, civil or criminal liability for reporting when reporting to the Unit or providing information in good faith

As per Section 5 of Article 18

1. **Dijllah Jewellery**, their managers, officials, or staff, shall not disclose, directly or indirectly, to the Customer or any other person(s) that they have reported, or are intending to report a Suspicious Transaction, nor shall they disclose the information or data contained therein, or that an investigation is being conducted in that regard.

Action to be taken if there is a Suspicion Transaction.

In case of reasonable grounds that the subject incidents involve AML /CFT risks the Dijllah Jewellery Compliance Officer (Controller) is held responsible to:

- ✓ Submit a STR to the FIU in the GO AML along with all supporting documents, appropriate justifications, provide a copy of that STR.
- ✓ Retain all related documents in a safe manner for a period of five (5) years after the date of the STR has been submitted to the mentioned regulatory bodies.
- ✓ STR's are completed and files for any suspicious transaction or series of transactions that may include but will not be limited to the following:
 - ✓ The transaction is intended to, or is conducted in such a way so as to, hide or disguise funds, or assets derived from illegal activity as part of a plan to violate the law or regulation
 - ✓ The transaction is designed in such a way so as to avoid any requirements of Government regulations.
 - ✓ The transaction involves the use of the company to facilitate criminal activity.

In case of no reasonable grounds that the subject incident involves AML/CFT risks the Dijllah Jewellery Compliance Officer (Controller) obtains the Dijllah Jewellery senior management official consent prior to proceeding with the subject customer, however the account is rated as High Risk.

Dijllah Jewellery FZE STR Filing Process





As per Section 6 of Article 19: Reliance on a Third Party

1. Taking into consideration the high-risk countries identified by the Committee, the Dijllah Jewellery shall be permitted to rely on a third party to undertake the necessary CDD measures towards Customers as per Section 3 of Part 1 of this Chapter, and Dijllah Jewellery shall be responsible for the validity of these CDD measures, and shall do the following:
 - a) Immediately obtain from third parties (Customer/Supplier), the necessary identification data and other necessary information collected through the CDD measures and ensure that copies of the necessary documents for such measures can be obtained without delay and upon request.
 - b) Ensure that the third party is regulated and supervised and adheres to the CDD measures towards Customers and record-keeping provisions of the present Decision.

2. Dijllah Jewellery, will rely on third parties that are part of the same Financial Group, shall ensure that:
 - (a) The Financial Group applies the CDD, PEP, and record-keeping requirements and implements programs for combating the Crime in accordance with Sections 3, 4, 11 of Part 1 of this Chapter and Article (31) of this Decision, and the Financial Group is subject to supervision in that regard.

 - (b) The Financial Group sufficiently mitigates any high risks linked to countries through its own policies and controls for combating the Crime.



Section 7: Internal Supervision and Foreign Branches and Subsidiaries

As per section 7 of Article 20

Dijllah Jewellery FZE shall have internal policies, procedures, and controls for combating the Crime, that is commensurate with the Crime risks, and with the nature and size of their business, and to continuously update them, in which it holds majority interest, including the following:

1. CDD measures towards Customers as required in accordance with the Decretal-Law and the present Decision, including procedures for the risk management of business relationships prior to completing the verification process.
2. Procedures for the reporting of Suspicious Transactions which has been developed will be adhered to.
3. Appropriate arrangements for compliance management for combating the Crime, including appointing a compliance officer
4. Screening procedures to ensure the availability of high competence and compatibility standards when hiring staff
5. Preparation of periodic programs and workshops in the field of combatting the Crime to build the capabilities of compliance officers and other competent employees.
6. An independent audit function to test the effectiveness and adequacy of internal polices, controls and procedures relating to combating the Crime.



Section 8 of Article 21 Compliance Officer Tasks

As per section 8 of Article 21:

Dijllah Jewellery FZE has developed the Task of Compliance Manager based on Cabinet Decision No. (10) of 2019 as per section 8 of Article 21.

The compliance officer shall have the appropriate competencies and experience and under his or her own responsibility, shall perform the following tasks:

1. Detect Transactions relating to any Crime.
2. Review, scrutinise and study records, receive data concerning Suspicious Transactions, and take decisions to either notify the FIU or maintain the Transaction with the reasons for maintaining while maintaining complete confidentiality.
3. Review the internal rules and procedures relating to combating the Crime and their consistency with the Decretal-Law and the present Decision, assess the extent to which the institution is committed to the application of these rules and procedures, propose what is needed to update and develop these rules and procedures, prepare and submit semi-annual reports on these points to senior management, and send a copy of that report to the relevant Supervisory Authority enclosed with senior management remarks and decisions.
4. Prepare, execute, and document ongoing training and development programs and plans for the institution's employees on Money Laundering and the Financing of Terrorism and Financing of Illegal Organisations, and the means to combat them.
5. Collaborate with the Supervisory Authority and FIU, provide them with all requested data, and allow their authorised employees to view the necessary records and documents that will allow them to perform their duties.
6. The Company designates a duly qualified Compliance Officer to oversee and implement its Anti-Money Laundering Program, KYC procedures OECD Guidelines and DMCC rules. The duties of the Compliance Officer include administering and monitoring the company's AML policy, overseeing Compliance related internal and external communication, and conducting AML training for all employees. The Compliance Officer will also ensure that detailed AML and KYC records are maintained and kept for periods as directed from time to time by the appropriate Regulatory Authorities.
7. The company's Compliance Officer will share information about those suspected of terrorism and money laundering with other financial institutions/ and Entity for the purposes of identifying and reporting activities that may involve terrorist acts or money laundering activities but only if an appropriate Non-Disclosure Agreement is signed between the respective parties.
8. The Compliance Officer would be committed to maintaining the highest standards of Know Your Customer (KYC) procedures and to verifying the identity of any customer seeking to open an account, using all practical means before proceeding.
9. The Compliance Officer will ensure records will be maintained in-house, and use will be made of client identification services in order to verify a potential clients identify and good standing, ensuring that the prospective client does not appear on any global sanctions lists, such as FATF or OFAC, UKHTM, EU and CTF.
10. The Compliance Officer will be responsible for on-boarding clients must ensure that the prospective client is fully aware that the Company will be conducting rigorous KYC background checks and identity verification. If any prospective client objects in any way to this process the account opening procedure will immediately be terminated and will be updated in Go AML Portal.

Section 9: High-Risk Countries

As per section 9 of Article 22:

- 1) Dijllah Jewellery FZE shall implement enhanced CDD measures proportionate to the risk level that might arise from business relationships and Transactions with natural or legal persons from high-risk countries.
- 2) Dijllah Jewellery FZE shall implement the measures defined by the Committee regarding High-Risk Countries
- 3) Dijllah Jewellery Shall Conduct Extensive Research on the Customer and Suppliers who are identified to be from high-risk Country, the compliance officer shall conduct proliferation of the customer and suppliers and if they are found to be satisfactory.
- 4) Dijllah Jewellery FZE shall conduct reviews based on the risk rating issued by prominent website like Know your country <https://www.knowyourcountry.com/copy-of-country-reports> and will review OECD Country High Risk Countries for Supply Chain Risk Review and AML Risk Review.
- 5) Dijllah Jewellery FZE collects a copy of the Suppliers Code of Ethics and Appendices duly signed all our customers who agree to comply with its provisions at all times during the business relationship with the company.

Furthermore, Risk mitigation for High Risk Countries have been detailed in Risk Assessment Process.

Dijllah Jewellery FZE Ensure to Follow the Ten Principles of The UN Global Compact (while Sourcing from Africa and other Regions consider Risk)

The UN Global Compact's ten principles in the areas of human rights, labor, the environment, and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

Dijllah Jewellery FZE is fully committed to observing the observing the precepts set out below in every aspect.

Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights: and
Principle 2 Make sure that they are not complicit in human rights abuses.

Labour

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
Principle 4 The elimination of all forms of forced and compulsory labour.
Principle 5 The effective abolition of child labour; and
Principle 6 The elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7 Businesses should support a precautionary approach to environmental challenges.
Principle 8: Undertake initiatives to promote greater environmental responsibility; and
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Section 11: Record-keeping

As per section of Article 24:

1. Dijllah Jewellery FZE shall maintain all records, documents, data and statistics for all financial transactions and local or international commercial and cash transactions for a period of no less than five years from the date of completion of the transaction or termination of the business relationship with the Customer.
2. Dijllah Jewellery FZE shall keep all records and documents obtained through CDD measures, ongoing monitoring, account files and business correspondence, and copies of personal identification documents, including STRs and results of any analysis performed, for a period of no less than five years from the date of termination of the business relationship or from the closing date of the account to Customers who maintain accounts with these institutions or after the completion of a casual transaction or from the date of completion of the inspection by the Supervisory authorities, or from the date of issuance of a final judgment of the competent judicial authorities, all depending on the circumstances.
3. The records, documents and data kept shall be organised to permit data analysis and tracking of financial transactions.
4. Dijllah Jewellery FZE shall make all Customer information regarding CDD towards Customers, ongoing monitoring and results of their analysis, records, files, documents, correspondence and forms available immediately to the relevant authorities upon request.



Anti-Bribery and Anti-Corruption Policy

SCOPE: This policy is applicable to all the employee of Dijllah Jewellery FZE and its subsidiaries, including senior management staffs and to the members of the board of directors of the company. Dijllah Jewellery FZE is committed to conduct its business legally, honestly and with transparency and integrity. The policy further extends to all national and international business dealings and transactions of the company.

POLICY: A bribe is an inducement payment, reward, or advantage offered to any person in order to gain any commercial or personal advantage. A bribe can be of anything of value notonly money, it can be gifts, inside information, sexual or other favors, corporate hospitality or entertainment.

GIFTS AND HOSPITALITY: This policy does not prohibit giving and receiving promotional gifts of low value and normal and appropriate hospitality. However, in few circumstances gifts and hospitality may amount to bribery and all employees must abide to the Anti- Bribery policy of the company. Any kind of gifts that exceed the customary courtesies, or that fail to observe standards of honesty and modesty shall be immediately reported to your immediate supervisor. No gifts shall be accepted by any employee or management of the company that might appear to be offered for influencing the company to act in any of their favors.

Hospitality means and includes meals, invitation to functions or parties in connection with matters related to the company's activity. Reasonable and essential hospitality which seeks to improve the customers, clients' business relationship is considered as an established and essential part of the business.

POLITICAL AND CHARITABLE CONTRIBUTIONS: We do not make any donation to any political parties either in cash or kind as this can be perceived as an attempt to gain an improper business advantage. Charitable support and donations are acceptable whether of in kind services, knowledge, or direct financial contributions. We only make charitable donations that are only legal and ethical.

COMPLIANCE: It is the responsibility of the partners, shareholders, and the senior management staffs of the company to abide by all laws, regulations and international conventions applicable in the countries where the company operates its business. Ultimate responsibility for compliance with this policy throughout the group is taken by the Head of compliance.

RECORD KEEPING: All the financial records are maintained appropriately to have controls in place which will evidence the reason for making any payments to any related or third parties.

TRAININGS: The company gives anti-bribery training to all the employees, senior management staffs, Directors. The compliance officer will give training in person to all its members. All Existing members receive regular, relevant training on how to adhere to this policy.

REPORTING BRIBERY: The company encourage everyone to raise concerns about any issue or suspicion of malpractice at the earliest stage. If you are uncertain about an act if it constitutes bribery or corruption, you may clarify it with your immediate supervisor or manager. If the employee feel that should be discussed with the Managing Director or General Manager of the company he shall always raise his concern to them directly.

REVIEW OF POLICY: Dijllah Jewellery FZE Compliance Manager is responsible for the content and administration of the Policy. The compliance Manager will closely monitor compliance with this Policy, as well as its effectiveness. The Policy is reviewed every two years, or more frequently in line with changes in legislation. All staff are required to re-acquaint themselves with this Policy every year.



HUMAN RIGHTS POLICY

Respect for human rights is a fundamental value Dijllah Jewellery, the has built a reputation on trust and respect, and we are committed to earning that trust with a set of values that represent the highest standards of integrity and excellence.

We strive to respect and promote human rights in accordance with the UN Guiding Principles on Business and Human Rights. Our aim is to help increase the enjoyment of human rights within the communities in which we operate. Our Human Rights Policy is a corner stone in these endeavors.

Human Rights Policy reflects an in-depth global consultation on the salient human rights risks of the Company, which are the most severe potential impacts associated with our business. Our Human Rights Policy applies to the company, and its counter parties in which we hold a majority interest. It includes the following twelve components:

- Respect for Human Rights
- Community and Stakeholder Engagement
- Diversity and Inclusion
- Freedom of Association and Collective Bargaining
- Safe and Healthy Workplace
- Workplace Security
- Forced Labour and Human Trafficking
- Child Labour
- Work Hours, Wages and Benefits
- Land Rights and Water Resources
- Healthy Lifestyles
- Guidance and Reporting for Employees

Scope: This Policy is applicable to every employee of Dijllah Jewellery including senior executive and financial officers, and to members of the Dijllah Jewellery Directors and Stake holders. The Policy and its reporting requirement are also applicable to Dijllah Jewellery's clients and suppliers. This Policy is intended to supplement all applicable laws, rules, and other corporate policies.

POLICY REQUIREMENTS:

The policy is to respect the human rights of all individuals impacted by Dijllah Jewellery operations, including employees, internal and external stakeholders. This Policy requires that the same respect be provided by all the employees of Dijllah Jewellery (including affiliate or subsidiary employees) and third-party service providers. For purposes of this Policy, "external stakeholders" means residents of communities in which Dijllah Jewellery operations take place, employees of third-party service providers and other non-employees whose human rights may be directly impacted by its operations. While governments have the primary responsibility to protect against human rights violations, Dijllah Jewellery recognizes its corporate responsibility to respect human rights. Dijllah Jewellery does not tolerate violations of human rights committed by its employees, affiliates, or any third parties acting on its behalf or related to any aspect of a Dijllah Jewellery operation. Dijllah Jewellery does not tolerate the use of child labour, prison labour, forcibly indentured labour, bonded labour, slavery or servitude, and adheres to the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Dijllah Jewellery does not tolerate discrimination against individuals on the basis of race, color, gender, religion, political opinion, nationality or social origin, or harassment of individuals freely employed.



DIJLLAH JEWELLERY WHISTLE BLOWING POLICY

Dijllah Jewellery Whistle Blowing Policy is adopted from DMCC Whistle Blowing Policy

“**Whistleblowing**” is making a disclosure in the public interest and/or to uphold the integrity of the DMCC’s responsible sourcing initiatives and its Accredited Members and Reviewers.

1. Introduction

Part 1 This policy is complementary to, and intended to be read in conjunction with the DMCC Rules for RBDGPM

for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain (DMCC Rules for RBDGPM).

Part 2 unless otherwise expressly stated, defined terms used in this DMCC Whistleblowing Policy shall have the meaning given to them in the DMCC Rules for RBD-GPM.

Part 3 The DMCC is committed to the highest standards of openness, probity and accountability in the global industry for the trade of gold and/or precious metals. An important aspect of accountability and transparency is a mechanism for those members of the DMCC that are subject to the DMCC Rules for RBD-GPM, other market participants, Reviewers (as defined in the DMCC Rules for RBD-GPM) and other concerned parties to raise concerns about suspicious or illegal acts involving gold or precious metals trade in a responsible and effective manner.

2. DMCC Review Protocol

Part 4 The DMCC Review Protocol was established in November 2012 to provide guidance to international audit firms and Reviewers conducting assessments on members accredited to DMCC’s responsible sourcing initiatives to ensure a level of conformity when implementing the DMCC Practical Guidance.

Part 5 Pursuant to Article 1 of the DMCC Rules for RBD-GPM; the DMCC Practical Guidance has been replaced by the DMCC Rules for RBD-GPM. Pursuant to Article 6 of the DMCC Rules for RBD-GPM, the DMCC Review Protocol has been amended and restated in the form set out in Annex 3 of the DMCC Rules for RBD-GPM.

3. Scope of DMCC Whistleblowing Policy

Part 6 The DMCC Whistleblowing Policy is designed to enable market participants, Accredited Members, Non-Accredited Members, Reviewers and prospective Reviewers and any other relevant market participants to raise concerns and disclose information about a suspicious wrongdoing and/or an illegal act, with the aim of protecting public interest and/or upholding the integrity of the DMCC’s responsible sourcing initiatives and its Accredited Members.

Part 7 These concerns may include, but are not limited to, the following:

- a. Financial malpractice or impropriety or fraud;
- b. Failure to comply with a legal obligation or applicable laws;
- c. Human Rights abuses (including dangers to health and safety and child labour);
- d. Severe damage to the environment;
- e. Criminal activity;
- f. Improper conduct or unethical behaviour;
- g. Attempts to conceal any violations of the DMCC Rules for RBD-GPM or the DMCC AML/CFT Policy;
- h. Falsification of documents or fraudulent suppliers;
- i. Direct or indirect link to conflict gold financing; and
- j. (Direct or indirect violations of the DMCC AML/CFT Policy or the DMCC Rules for RBD-GPM.

4. Responsible Sourcing and Whistleblowing

Part 8 Upon the discovery of any information, which could give rise to a reasonable suspicion of serious malpractice or wrongdoing within the terms of the DMCC Rules for RBD-GPM, any Reviewer or member of the DMCC’s responsible sourcing initiatives should promptly disclose such information to the DMCC, stating in such disclosure an explanation of the associated grounds for suspicion.

Part 9 Accredited Members or Non-Accredited Members (as defined in the DMCC Rules for RBD-GPM) and other market participants are encouraged to report any suspicious activities taking place in the global gold and/or precious metals market