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## **Compliance / Policy References**

The realm of responsible gold practices and regulations. From the LBMA Responsible Gold Guidance to the OECD Due Diligence Guidance, and the World Gold Council Conflict-Free Gold Standard, there is a plethora of frameworks shaping the industry. Additionally, the DMCC offers Practical Guidance for Market Participants in the Gold and Precious Metals sector, while the UAE has its own Due Diligence Regulations for Responsible Sourcing of Gold. These standards and regulations play a crucial role in ensuring ethical practices and responsible sourcing within the gold industry.

## **Extent**

Attention to all companies, units, and business partners affiliated with B.W NVEST engaged in the gold and gold-containing valuable metals sector. Please note that this communication excludes entities not involved in gold refinement activities. The forthcoming B.W NVEST Gold Supply Chain Policy is scheduled to be enforced from April 2025. Any potential modifications to this policy will be communicated by the Compliance Officer, John MacIver, along with a revision number for clarity.

It is imperative that Officers/Managers take on the responsibility of ensuring that all staff members comprehend and adhere to the principles outlined in this directive. This entails establishing effective internal communication channels, fostering an operational approach that aligns with the unit's internal adaptation mechanisms, and implementing internal instructions and directives within the unit.

The Company Compliance Officer, John MacIver, holds the key role in overseeing the Compliance process and Due Diligence activities. This involves interactions with the B.W NVEST Management, clients, accrediting bodies, and other relevant third parties. The Gold Supply Chain Policy, specifically focusing on gold refinement, is designed by B.W NVEST to align with the activities and practices required by accrediting institutions, national and international regulations, and standards. The primary aim is to effectively manage all commercial relationships within the specified scope.



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## **Responsibilities**

A Compliance Officer has been appointed by the CEO of the Board at B.W NVest. The Company Compliance Officer collaborates with all managers and units, sharing operational, observational, and inspection findings with relevant unit managers for necessary corrections. Additionally, the Officer keeps the Chairman of the Board informed. Depending on the nature and confidentiality of the issue, direct reporting to the Chairman may be required.

The Company Compliance Officer oversees all monitoring and statutory compliance activities. Simultaneously, they serve as the Chief Compliance Trainer. The Compliance Organizational Structure chart, featured in Annex 1 of B.W NVest Global Trading's Responsible Due Diligence, outlines the role of the Compliance Officer. The operational procedures are detailed in the Compliance Directive.

To streamline compliance efforts, a Company Compliance Committee has been established under the CEO's supervision. The Committee's functions are delineated in the Compliance Directive. All personnel involved in gold and gold-containing metal operations at B.W NVest are accountable for adhering to the corporate Gold Supply Chain Policy. They are expected to promptly report any issues or deficiencies and undertake necessary corrective measures.

## **High-Risk Situations and Actions Taken**

With a focus on ensuring compliance with accreditation standards and meeting the requirements of the London Bullion Market Association (LBMA) and Dubai Multi Commodities Center (DMCC), the UAE Due Diligence Regulations for Responsible Sourcing commits to:

- Establishing a robust corporate management system,
- Identifying and evaluating risks in the gold supply chain,
- Designing and implementing risk mitigation strategies,
- Conducting independent audits for gold supply chain Due Diligence.



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This commitment is spearheaded by Company Compliance Officer, John MacIver, and the Compliance Committee. The primary goal is to address risks such as armed conflict, violence escalation, human rights violations, money laundering, and terrorism financing, categorizing them as high-risk elements, clients, or transactions.

In line with this mission, B.W NVEST will enact the Gold Supply Chain Policy, ensuring its relevance and fostering a shared awareness among all staff, clients, business associates, and relevant third parties. Employees engaged in gold-related activities will adhere to the Gold Supply Chain Risk Management Plan and uphold client relationships based on the Client Acceptance Policy.

### **Violations of Extraction, Transportation, Commerce Recourses**

While conducting business or acquiring minerals in areas affected by conflicts or in high-risk areas, none of the issues below shall be tolerated or exploited for benefit by B.W NVEST.

Crimes such as ethnic cleansing, genocide or crimes against humanity, war crimes and serious violations of human rights.

Forced labor or non-voluntary work under threat

Child labor use not permitted by laws

Human rights violations

**When serious violations are identified, transactions and commercial relationships shall either be suspended or terminated immediately with no exceptions at all**



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### **Direct/Indirect Support of (VNSAs) Violent Non-State Actors**

At B.W NVEST, we uphold strict standards to ensure ethical practices within the mineral supply chain:

Prohibiting support for Violent Non-State Actors in any stage of extraction, transportation, or trade

Preventing illegal control of ore areas or transportation routes

Combating illegal taxation, extortion, or racketeering in mining areas or transportation routes

Denouncing illicit taxation or extortion from intermediary organizations, export companies, or individuals involved in international trade

**Ethical integrity is paramount in our operations to promote a responsible and transparent mineral supply chain.**

### **Compliance with Violent Non-State Actors**

When suspicion arises regarding direct or indirect support of non-governmental armed groups or collusion during mineral extraction, transportation, trade, import, and export stages, transactions and commercial relationships must be promptly **suspended** or **terminated**.



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### **Public or Private Security**

At B.W NVest, we prioritize ethical practices in our operations. We ensure that there are no illegal taxation or extortion relationships in any aspect related to mining areas, transportation routes, mineral trade locations, or supply chain components under the control of unauthorized public or private security forces.

It is crucial for our company and our supply chain partners to engage exclusively with security forces that uphold safety and human rights standards in line with international principles. We advocate for transparency and accountability in payments to public security forces, aligning with the efforts of local authorities, international organizations, and civil society groups.

Additionally, we actively support initiatives by local authorities, international organizations, and civil society entities to uncover and address any potential adverse impacts of public or private security forces in mining areas, small-scale mining activities, or production sites. Our commitment lies in promoting a responsible and rights-based approach to all our interactions within the mining and trading sectors.

### **Managing Public or Private Security**

At B.W NVest, the focus on risk management is paramount, especially in the context of its supply chain positioning. Embracing the principle of implementing a comprehensive risk management plan, the company addresses risks associated with supporting clients, company operations, and interactions with both public and private security forces. Prioritizing proactive measures to safeguard all aspects of its operations, B.W NVest demonstrates a commitment to ensuring the security and stability of its engagements.



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### **Misdeclaration of Precious Minerals (Bribery or Deception)**

At B.W NVest, we are committed to upholding ethical standards and transparency in all our dealings. We affirm our stance against bribery, false information, or any activities that could be perceived as such. Our integrity remains unwavering in matters related to payments to the State, including mineral origin, taxation, fees, and licensing.

### **Money Laundering**

B.W NVest is committed to upholding stringent measures against money laundering across every stage of the mineral extraction process. This includes monitoring transportation, trade, and key checkpoints leading to mining sites, as well as overseeing export and taxation procedures.

### **Tax Paid, Licenses and Payments**

At B.W NVest, our commitment is clear: all taxes, licenses, and payments linked to mines in conflict zones or high-risk areas adhere strictly to the relevant laws and regulations. Transparency and compliance are at the core of our operations.

### **Risk Management to Misdeclaration of Precious Minerals (Bribery or Deception), Money Laundering and Tax Paid, Licenses and Payments**

At B.W NVest, we prioritize our role in the supply chain process by ensuring proactive communication and establishing essential connections with various entities. This includes engaging with central or local government authorities, international organizations, civilian authorities, and impacted third parties like Moody's. Our aim is to identify, mitigate, and eliminate potential risks effectively.



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### **Supply Chain Assessments and KYC Procedures**

At B.W NVEST, safeguarding against legal risks like money laundering and terrorism financing is paramount. We implement robust Know Your Customer (KYC) protocols and a Customer Acceptance Policy to shield both our organization and staff. Our diligence extends to the procurement and disposal of precious minerals, where we conduct thorough supply chain evaluations, adhere to stringent customer acceptance guidelines, and meticulously assess risk factors.

### **Traceability and Monitoring**

At B.W NVEST, we prioritize mitigating business risks by partnering with clients who uphold professional standards. Each client undergoes a thorough risk assessment, receiving a designated profile of low, medium, or high-risk, subject to regular reviews. Every client is uniquely identified through a reference ID, with essential documentation securely stored.

In our Salesforce system, a dedicated account is established and connected using client ID, enabling seamless monitoring of all commercial activities. We meticulously track transactions of processed precious metals, ensuring transparency and accountability.

Our operations are closely monitored by the Compliance Officer (John Macliver) and Moody's 3rd Party, adhering to the stringent guidelines outlined in the Customer Acceptance Policy. This rigorous oversight guarantees the integrity and compliance of all interactions between B.W NVEST and our esteemed clients.



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### **Managing Supply Chain and AML**

The Management Board receives monitoring reports every month, leading to a reassessment and potential revision of client risk profiles. External audits conducted annually include the previous year's Compliance Process audit and reporting. B.W NVEST conducts internal and independent audits to enhance personnel awareness, provide training refreshers, and monitor implementations. The company has established an internal audit system (Lexis Nexis) in collaboration with consistent business partners for ongoing assessments. Annual controls assess regular supplier clients' administrative processes and perform localized area inspections to evaluate trade risks effectively.

### **Records**

Ensuring compliance with due diligence requirements is crucial. All records and documents pertaining to the gold supply chain are archived for a minimum of 5 years in a traditional manner and stored in a secure database environment. The corporate Archive Directive is updated to reflect these practices.

### **TRAINING**

John MacIver, the Compliance Officer appointed by B.W NVEST's CEO, reports to the CEO, when necessary, based on the significance of the matter. The Compliance Officer monitors adherence to statutes and leads compliance training for all employees, including management. This training includes updates on due diligence and creates collective awareness within the company. Details of the supply chain process are outlined in the Company's Compliance Directive, Risk Management Plan, Customer Acceptance Plan, Workflow Diagrams, and other procedures.