

**AHLATÇI METAL RAFINERİ A.S.**  
**INDEPENDENT REASONABLE**  
**ASSURANCE REPORT**  
**ON THE REFINER'S COMPLIANCE**  
**REPORT FOR THE PERIOD**  
**1 JANUARY TO 31 DECEMBER 2024**

**To the Board of Directors Ahlatçı Metal Refinery**  
**Independent Reasonable Assurance Report on Ahlatçı Metal Refiner's Compliance Report**

**Introduction**

We were engaged by the Management of Ahlatçı Metal Refinery ("Ahlatçı Metal" or the "Company") to provide a reasonable assurance on its 21 February 2025 dated Refiner's Compliance Report for the year ended 31 December 2024.

**Scope of our work**

The objective of this engagement is to provide an opinion on whether the Ahlatçı Metal Refiner's Compliance Report describes fairly the activities undertaken during the year to demonstrate compliance, and whether management's overall conclusion has been drawn in accordance with the requirement of the Emirates Bullion Market Committee Rules for Risk Based Due Diligence (EBC for RBDG) in the Gold Supply Chain version 1/ 2021 (the "EBC Rules") and with Annex-2 the EBC Review Protocol on Responsible Sourcing of Gold (the "EBC Review Protocol") both obtained from the EBC website.

**Management's responsibilities**

The management and the compliance officer of the Company is responsible for preparation and presentation of the Refiner's Compliance Report per the EBC Rules for Risk Based Due Diligence in the Gold Supply Chain. This responsibility includes conformance with Rules 1 to 5 of the EBC Rules. The criteria identified by the management as relevant for demonstrating compliance with the EBC Rules for RBDG and with Annex-2 the EBC Review Protocol are the activities described within the Refiner's Compliance Report.

**Auditor's responsibilities**

Our responsibility is to carry out a reasonable assurance engagement to express an opinion as to whether the Refiner's Compliance Report, in all material respects, describes fairly the activities undertaken during the year to demonstrate compliance, and that management's overall conclusion contained therein is in accordance with the requirements of the Guidance.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board and EBC Rules for Risk Based Due Diligence in the Gold Supply Chain Version 1/ 2021 and its Annex 2- EBC Review Protocol on Responsible Sourcing of Gold. This standard requires that we plan and perform this engagement to obtain reasonable assurance.

Our work has been undertaken so that we report to Ahlatçı Metal Refinery on those matters that we have agreed to state to them in this report. Our tests are related to Ahlatçı Metal Refinery rather than performed to meet the needs of any particular customer.

Our report must not be recited or referred to in whole or in part in any other document nor made available, copied, or recited to any other party, in any circumstances, without our express prior written permission. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Ahlatçı Metal Refinery for our work, this report, or the opinions we have formed.

### **Subject matter**

This report covers the Ahlatçı Metal Refinery general level of compliance in accordance with the EBC Rules for Risk Based Due Diligence in the Gold Supply Chain (EBC Rules for RBDG / Version 1 / 2021) issued by Emirates Bullion Market Committee for market participants in the gold industry and its Annex 2 - EBC Review Protocol as described in Refiner's Report as at 21 February 2025.

### **Reasonable assurance procedures performed**

We designed and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. These procedures included:

- Site visits to Ahlatçı Metal Refinery to evaluate if the management system is in place as described in the compliance report
- Enquiries of relevant staff at the corporate office responsible for the preparation of the Report
- Assessment to understand Ahlatçı Metal Refinery's processes, and risk management procedures around the gold supply chain in place
- Testing on a sample basis to evaluate whether the requirements of EBC Rules for RBDG Version 1/2021 and EBC Review Protocol are being executed and followed by Ahlatçı Metal Refinery
- Assessing the suitability of the policies, procedures, and internal management that Ahlatçı Metal Refinery has in place to conform to the Guidance
- Review of a selection of the supporting documentation, including gold supplier counterparties' due diligence files and transaction documentation, and furthermore the due diligence documents and risk assessments for the upstream of its suppliers
- Enquiries of relevant staff responsible for supply chain management
- Testing a selection of the underlying processes and controls which support the information in the Report
- Review of the presentation of the Report to ensure consistency with our findings
- Inspection of cash handling procedures and controls, including verification of vault operations and reconciliation practices
- Interviews conducted with the Compliance Officer, Operations and Refinery Managers, the Head of Security, and Internal Audit personnel to validate the organizational structure and confirm the implementation of responsibilities as outlined in the compliance framework

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Scope based on Reasonable assurance:**

The review procedures undertaken by us will cover to the followings:

1. We have observed that Ahlatçı Metal Refinery has established a robust sustainable Supply Chain Management System. Ahlatçı's Gold Supply Chain Policy includes a scope, distributed responsibilities and has customer acceptance policy. The Policy is well defined and robust, and the requirements found adequate taking into consideration the application of Rule 1.1 to 1.19.

The Implementation of the policies and procedures were verified and found sufficient in satisfying the requirements laid out under rule 1.1 to 1.19.

2. Environmental, Social and Governance (ESG) Reporting

As part of its ongoing commitment to responsible sourcing and transparency, Ahlatçı Metal Refinery has initiated internal efforts to develop a comprehensive ESG report. While the ESG report has not yet been published as of the date of this assurance engagement, the Company has declared that the report is under preparation and will be made publicly available on its official website in the near future. This initiative aligns with the evolving expectations of the Emirates Bullion Market Committee and global best practices in responsible supply chain management.

2. a) Audit observations in relation to transactions:

(i) The number of transactions audited, and the number of high-risk transactions audited:

We have observed that all transactions conducted by Ahlatçı Metal Refinery during the reporting period were classified as non-high-risk.

A total of 94 transactions were recorded in 2024. Of these, 71 transactions (75.53%) were conducted with related party companies, 1 transaction (1.07%) was carried out with foreign clients, and the remaining 22 transactions (23.40%) were executed with various local firms and individuals.

Unlike the previous reporting period, no gold purchases were made through the ATOM (Gold Savings Creation Model) system in 2024. The Company has stated that this was due to the lack of financial advantage in sourcing gold via this channel during the year. Accordingly, no transactions involving ATOM clients were subject to audit.

The majority of the transaction volume was concentrated among a limited number of suppliers. Specifically, 11 suppliers, including related parties, accounted for 100 % of the total transaction volume. All suppliers were based in non-high-risk jurisdictions and were assessed as low-risk.

Furthermore, during the reporting period, Ahlatçı Metal Refinery engaged in a structured toll refining arrangement involving the import of dore gold from Azerbaijan. The material was refined domestically under contractual terms and subsequently re-exported to the originating entity. All counterparties involved in this process were domiciled in jurisdictions classified as non-high-risk under the EBC framework. The transactions were subject to standard due diligence procedures and were assessed as low-risk.

(iii) the total number of customer onboarding (KYC) files reviewed by the reviewer;

In 2024, Ahlatçı Refinery did not conduct any gold purchases through the ATOM system. The Company has stated that this was due to the lack of financial advantage in sourcing gold via this channel during the reporting period.

Accordingly, no KYC files related to ATOM clients were reviewed.

We collected and audited 100% of the KYC files of the existing suppliers, excluding ATOM-related clients, as there were no transactions with them in 2024.

(iv) the total volume of Mined Gold and/or Recycled Gold in relation to the transactions audited;

The total volumes of Mined and Recycled Gold associated with the audited transactions have been recorded and analyzed in detail within the Comprehensive Management Report, in accordance with the requirements of Rule 2 and Annex 4 of the EBC Review Protocol.

(v) the sampling rules or methods used:

A risk-based sampling methodology was applied, consistent with Rule 2.2 and Rule 2.3 of the EBC Rules. Samples were selected based on transaction volume, customer value, supplier risk profile, country of origin, and material type, ensuring adequate coverage of potentially higher-risk areas.

vi) the total volumes of cash transactions (if any) and its usage in excess of government thresholds as applicable in the Accredited Member's place of domicile:

Ahlatçı Metal has implemented a robust cash transaction policy in line with Rule 1.13 and Rule 2.3 of the EBC Rules. All transactions exceeding legal thresholds are reported in accordance with Turkish AML-CFT regulations, as enforced by the Financial Crimes Investigation Board (MASAK). No cash transactions exceeding government thresholds were identified during the review period.

(vii) The total volumes of unrelated third-party payments and unusual deliveries

In accordance with Rule 2.3(c)(viii) and Rule 2.7 of the EBC Rules, all transactions were reviewed for anomalies. No unrelated third-party payments or unusual deliveries inconsistent with market norms were identified.

(viii) Adequacy and implementation of track and trace mechanisms

Track and trace mechanisms were reviewed in accordance with Rule 1.13(i) and Rule 3.3(g) of the EBC Rules. Sampled transactions demonstrated adequate traceability from origin to delivery, with supporting documentation verified and found satisfactory.

(b) in relation to geographical considerations:

We audited the transactions according to their geographical source and the sampling covers all the countries.

We audited the geographical origin of the gold transactions and if they are Mined or Recyclable Gold.

Ahlatçı Metal Refinery has no transactions which is related to a sanctioned and/or embargoed country, entity, or individual

(c) in relation to risk assessment, the alignment of the risk assessment methodology with Rule 2 and any deviations from those requirements of Rule 2; and

None. The risk assessment verified and found to be sufficient.

(d) the number of transactions and/or suppliers where enhanced due diligence was conducted during the period subject to Review.

No high-risk suppliers or transactions were identified during the review period; therefore, enhanced due diligence procedures were not triggered, in accordance with Rule 2.8 and Rule 3.3 of the EBC Rules.

3. In respect of Rule 3, the Review Report must detail the adequacy and implementation of the Risk Control Plan.

In accordance with Rule 3 of the EBC Rules for Risk Based Due Diligence (RBDG), Ahlatçı Metal Refinery has developed and implemented a comprehensive Risk Control Plan. The plan includes mechanisms for identifying, evaluating, and mitigating risks associated with the sourcing, transportation, and processing of gold.

During the reporting period from 1 January 2024 to 31 December 2024, the Company continued to apply its previously established Gold Supply Chain Policy, which is aligned with the OECD Due Diligence Guidance and the EBC Review Protocol (Annex 2). The policy includes procedures for risk-based due diligence, supplier acceptance, and ongoing monitoring of the supply chain.

The implementation of the Risk Control Plan was reviewed and found to be adequate. The Company demonstrated effective internal controls, escalation procedures, and documentation practices in line with the minimum content requirements outlined in Rule 3.3 of the EBC Rules.

Ahlatçı Metal's implementation of risk control plan was verified and found adequate in respect of Rule 3.



3. In respect of Rule 4 – Independent Third-Party Audit

As required under Rule 4 of the EBC Rules and Annex 2 of the EBC Review Protocol, Ahlatçı Metal engaged an EBC-approved independent reviewer, PKF Aday Bağımsız Denetim A.Ş., to conduct a reasonable assurance audit in accordance with ISAE 3000 standards.

The audit included a review of the Company's supply chain due diligence systems, risk assessment methodology, and implementation of the Risk Control Plan. The findings of the audit were consistent with the Company's internal reporting and demonstrated conformity with the EBC Rules for RBDG.

The Company has committed to publishing the final version of the Compliance Report and the Reviewer's Assurance Statement on its official website ([www.ahlatcimetal.com.tr](http://www.ahlatcimetal.com.tr)), in accordance with the public disclosure requirements of Rule 5 and Annex 2 of the EBC Review Protocol.

4. In respect of Rule 5 – Annual Reporting and Public Disclosure

the Review Report must provide confirmation as to the Accredited Member's public disclosure on the Accredited Member's website of the relevant Review Reports in accordance with EBC Review Protocol in Annex2 and Policy as described in Rule 1.3.

a) Ahlatci Metal has implemented and maintained a robust documented policy and detailed process which includes common principles, standards and processes for responsible supply chain management. The policy is consistent with the standard set forth in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chain and cover all the minimum requirements.

b) Whether a corrective action plan or measures have been recommended.

We have not recommended any corrective action plan for the activities of 01.01.-31.12.2024.

c) Assessment of the actions taken/corrective actions implemented over the previous corrective action plan or measures recommended.

None.

**Inherent limitations**

Non-financial information, such as that included in the Refiner's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Guidance may differ. It is important to read the Ahlatçı Metals A.Ş.'s Gold Supply Chain Policy available on Ahlatçı's website <https://www.ahlatcimetal.com.tr>.

Our testing of the accuracy of selected qualitative statements in the Refiner's Compliance Report relating to the material issues (such as management assertions and performance claims) were done through interviews and Ahlatçı's document reviews.

The authenticity of documents produced by gold supplying counterparties was not checked by contacting the respective government organisations.

**Independence and competency statement**

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board of Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Audit Guidance to carry out the assurance engagement.

**Opinion**

In our opinion, in all material respects, the accompanying Refiner's Compliance Report dated 21 February 2025 for the period from 1 January to 31 December 2024 prepared by the directors describes fairly the level of general compliance and management's overall conclusion contained therein is in accordance with the requirements of the ***EBC Rules on Risk Based Due Diligence in the Gold Supply Chain (EBC Rules for RBDG / Version 1/2021) and its Annex 2 - EBC Review Protocol***.

***İstanbul- Türkiye, 30.05.2025***

PKF Aday Bağımsız Denetim A.Ş.  
(A Member of PKF International)



Abdulkadir SAYICI  
Sorumlu Denetçi