

**ONSA RAFINERI A.S.**

**INTEPENDENT REASONABLE ASSURANCE REPORTED**

**PREPARED AS OF 31 DECEMBER 2023 IN ACCORDANCE**

**WITH INTERNATIONAL STANDARD ON ASSURANCE**

**ENGAGEMENT ISAE 3000 ISSUED BY THE**

**INTERNATIONAL AUDITING**

**ISAE 3000 INDEPENDENT REASONABLE ASSURANCE REPORT ON THE ABSENCE OF BUSINESS AND TRADE OF GOLD/SILVER AND PRECIOUS METALS BETWEEN ONSA REFINERY AND THE ISLAMIC REPUBLIC OF IRAN'S PUBLIC AND BOLIVARIAN REPUBLIC OF VENEZUELA AND PRIVATE COMPANIES AND REAL PERSONS**

To the Board of Directors of

**Onsa Rafineri A.Ş**

We have been engaged by the Board of Directors of Onsa Rafineri A.Ş. (" Onsa Refinery ") to perform a reasonable assurance engagement on the "Subject Matter Selected for Reasonable Assurance", within the context of Gold /Silver Supply Chain Policy of the Company. Independent reasonable assurance work was conducted in accordance with International Standards 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. An independent reasonable assurance report ("the Report") was prepared for the year ended 31 December 2023.

**The Management Responsibilities**

The management of Onsa Rafineri A.Ş. are responsible for the preparation and presentation of the Subject Matter Selected for Reasonable Assurance within the context of Gold/Silver Supply Chain Policy of the Company in accordance with Onsa Refinery's internally defined procedures and for the development of the Reporting Criteria. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. Furthermore, the responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the information in a way that is free of material misstatements.

**The Auditor's Responsibility**

Our responsibility is to carry out a reasonable assurance engagement on the above mentioned information in order to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with International Standards on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information (Revised), issued by the International Auditing and Assurance Standards Board and with the guidance set out in the LBM A Responsible Gold/Silver Programme - Third Party Audit Guidance for ISAE 3000 Auditors(the Audit Guidance) issued by the LBMA.

The extent of evidence-gathering procedures performed in a reasonable assurance engagement are less than that for a reasonable assurance engagement, and therefore a lower level of assurance is provided than in a reasonable assurance engagement. The choice of audit procedures is subject to the auditor's own judgement.

This report has been prepared for Onsa Rafineri A.Ş. for the purpose of assisting the management in

determining whether there has been any trade or business of gold and precious metals between Onsa Refineri, the Bolivarian Republic of Venezuela and the Islamic Republic of Iran's Public and private companies and real persons for no other purpose. Our assurance report is made solely to Onsa Refinery in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Onsa Refinery for our work, or for the conclusions we have reached in the assurance report.

### Reasonable assurance procedures performed

The following identified information in the Report was selected for an expression of reasonable assurance:

- The Company has not purchased gold /silver or related precious metals from any of the Islamic Republic of Iran's public, Bolivarian Republic of Venezuela and private companies or real persons
- The Company has not sold gold/silver or related precious metals to any of the Islamic Republic of Iran's public, Bolivarian Republic of Venezuela, and private companies or real persons
- The Company does not have any other kind of business relationship with any of the Islamic Republic of Iran's public, Bolivarian Republic of Venezuela and private companies or real persons

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

- Enquiries of management to gain an understanding of Onsa Refinery's Gold /Silver Supply Chain Policy and Risk Management protocols. Questions about the Refinery's Compliance System were asked and required disclosures were obtained,
- Enquiries of relevant, responsible staff and the required disclosures were obtained,
- The complete Gold/Silver Supply Chain process was observed and the required disclosures obtained and necessary audits and controls were performed regarding the functionality of the system. It was observed that the refinery is producing according to domestic and international standards and certificates,
- We visited the Onsa Refinery to review the procedures for goods receiving, laboratory testing and refining gold/silver and to observe how these procedures support Onsa Refinery's compliance regime and systems of CRM, Achieve, and Traceability. Client transactions are covered through the traceability system starting from goods acceptance, assay results and details of customs declaration or consignment bill to invoicing.
- It was observed that the Refinery has established and put into force an effective management system regarding with the Refinery's Gold/Silver Supply Chain, which is in harmony with domestic and international standards. It was also observed that the Refinery has adopted appropriate internal control and intercommunication systems. The Refinery has formed a set of procedures and applications in order to identify risks in the supply chain. It was observed that the Refinery formed an appropriate "Know Your Client" (KYC) policy and "Risk Management Plan" within the context of KYC and is maintaining the system's operation.

We have carried out the following audit procedures in order to test the "Subject Matter Selected for Reasonable Assurance":



We checked sales and trade receivable accounts of the Company between 01.01-31.12.2022. We listed all the clients according to the transaction values. We checked client files according to Company's gold/silver supply chain policy, customer acceptance policy, risk assessment policy and the other related documents.

We checked suppliers payables and cost of goods sold accounts between 01.01-31.12.2023. We checked suppliers files according to the company's gold/silver supply chain policy, know your customer (KYC) procedure and the other related documents. We randomly selected suppliers files and tested them accordingly.

The assessment of risk in a supply chain begins with the origin of gold/silver supply. The Company has put forth the reasonable and good faith efforts, as well as additional first-hand evidence (collected through engagement with suppliers and desk research) and credible sources in order to make reasonable determinations of Gold/Silver Origin. Identification and "know your customer" information of all actors in the gold/silver supply chain, including, but not reasonable to, the gold/silver producers, intermediaries of Onsa Refinery, precious metal traders and exporters and re-exporters, as well as third party service providers handling the gold/silver (e.g. logistics, processors and transportation companies).

Onsa has a Risk Assessment Manual where all the KYC procedure, required documentation and information for due diligence or enhanced due diligence, responsible persons and their tasks & duties risk assessment procedures and internal workflow is defined in detail. Along with its effective KYC documentation and tools (CRM, Achieve system) Onsa has executed its KYC procedures. According to the origin of country and metal type of the transactions, the compliance officer is preparing country reports where information are obtained by Heidelberg Barometer, OFAC, UK, EU and UN Security Council & US Department of Treasury Sanction Lists, EITI, The World Fact book, Transparency Index, FATF Reports...etc.) Furthermore during customer profiling, type of customer (bank, manufacturing jeweler, retailer jeweler, trader, mines...) and an independent internet search through recognized web address like OFAC, Turkish Capital Markets Board's Blacklist are taken into consideration.

We tried to identify the ownership (including beneficial ownership) of the companies and corporate structure, including the names of corporate officers and directors; and the related businesses, subsidiaries of Onsa Refinery, parents, affiliates;

We have not carried out any work on data reported for prior reporting periods except for data that was included in the prior year's assurance scope, nor have we performed work in respect to future projections and targets. We have not conducted any work outside of the agreed scope and therefore restrict our opinion to the "Subject Matter Selected for Reasonable Assurance", within the context of Gold/Silver Supply Chain Policy of the Company.

The procedures selected depend on our judgement, including the assessment of the risk of material misstatement of the Gold/Silver Supply Chain Policy, whether due to fraud or error. In making those risk assessments, we consider the internal controls relevant to the Company's preparation of the Gold/Silver Supply Chain Policy in order to design procedures that are appropriate in the circumstances.

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

#### Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and

determining such data. The absence of an important regulatory body, which may provide for the selection of different, but acceptable, measurement techniques subject to reasonable assurance may result in different quantifications between different entities. The accuracy of different measurement techniques can also vary. In addition, the methods used to determine such information and the nature of the work and the measurement techniques and accuracy used may vary over time. The most important issue is that the Reasonable Independent Assurance Report can be read within the given criteria.

Our reasonable assurance relies on the premise that the data and information provided to us by Onsa Rafineri A.Ş. have been provided in good faith. As an audit firm, we expressly disclaim any liability or co-responsibility for any decision a person or an entity may make based on this Reasonable Assurance Report.

#### **Independence and competency statement**

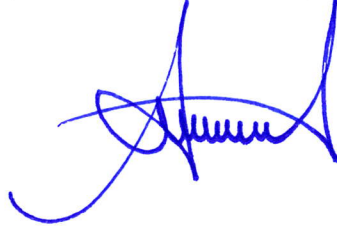
We have complied this report in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants, which includes comprehensive independence and other requirements founded on the fundamental principles of integrity, objectivity, and professional competence and due care, confidentiality and professional behavior. Our engagement was conducted by a team of assurance specialists with experience in responsible gold/silver reporting.

#### **Reasonable assurance**

Based on the reasonable assurance procedures performed, nothing has come to our attention that causes us to believe that Onsa Rafineri A.Ş. with regards to the "Subject Matter Selected for Reasonable Assurance", has purchased or sold or had any other type of business relationship with the Islamic Republic of Iran's public, Bolivarian Republic of Venezuela and private companies or real persons for the year ended 31 December 2023.

İstanbul- Türkiye, 20.03.2024

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



Abdulkadir SAYICI  
Partner