

**İSTANBUL ALTIN RAFİNERİSİ A.Ş. or
İSTANBUL GOLD REFINERY INC.
INDEPENDENT LIMITED ASSURANCE
REPORT PREPARED
AS OF 31 DECEMBER 2021 IN
ACCORDANCE WITH INTERNATIONAL
STANDARD ON ASSURANCE
ENGAGEMENTS ISAE 3000 ISSUED BY
THE INTERNATIONAL AUDITING AND
ASSURANCE STANDARDS BOARD**

**To the Board of Directors
İstanbul Altın Rafinerisi Anonim Şirketi (IAR) or
Istanbul Gold Refinery INC. (IGR)**

ISAE 3000 INDEPENDENT LIMITED ASSURANCE REPORT ON THE ABSENCE OF BUSINESS AND TRADE OF GOLD AND PRECIOUS METALS BETWEEN İSTANBUL ALTIN RAFİNERİSİ A.Ş. (İSTANBUL GOLD REFINERY INC.) AND THE ISLAMIC REPUBLIC OF IRAN, BOLIVARIAN REPUBLIC OF VENEZUELA AND OTHER BANNED COUNTRIES' PUBLIC AND PRIVATE COMPANIES AND REAL PERSONS

We have engaged by the Board of Directors of İstanbul Altın Rafinerisi A.Ş. (IAR, İstanbul Gold Refinery INC., IGR, the Company or the Refinery) to perform a limited assurance engagement on the "Subject Matter Selected for Limited Assurance", within the context of Gold Supply Chain Policy of the Company. Independent limited 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 and with the guidance set out in the LBMA Responsible Gold Programme - Third Party Audit Guidance for ISAE 3000 Auditors (the Audit Guidance) issued by the LBMA. An independent limited assurance report ("the Report") was prepared for the year ended 31 December 2021.

Subject Matter Selected for Limited Assurance

This report has been prepared for İstanbul Gold Refinery INC. for the purpose of assisting the management in determining whether there has been any trade or business of gold and precious metals between IAR / IGR and the Islamic Republic of Iran, Bolivarian Republic of Venezuela and other banned countries' public and private companies and real persons for no other purpose. Our assurance report is made solely to IAR / IGR in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than IAR / IGR for our work, or for the conclusions, we have reached in the assurance report.

The Management Responsibilities

The management of İstanbul Gold Refinery INC. are responsible for the preparation and presentation of the Subject Matter Selected for Limited Assurance within the context of Gold Supply Chain Policy of the Company in accordance with IAR / IGR'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.

The Auditor's Responsibility

Our responsibility is to carry out a limited assurance engagement 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, issued by the International Auditing and Assurance Standards Board and with the guidance set out in the LBMA Responsible Gold 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 limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance provided.

Limited assurance procedures performed

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

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

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

- The company's Golden Supply Chain processes were asked to the management of the company to understand the risk management procedures and necessary clarifications were obtained,
- Within the scope of preparation of this report, necessary explanations were obtained from the responsible staff concerned,
- Refiner's production site visited. The complete Gold Supply Chain process observed, the required disclosures obtained and necessary audits and controls performed regarding the functionality of the system. It was observed that the refinery is producing according to domestic and international standards and certificates,
- Procedures, documents and information related to gold suppliers, buyers and other related parties selected in order to assess if the Refinery has an effective compliance system. As a result of the assessments, it was seen that the Refinery has established an effective compliance system that is in accordance with LBMA Responsible Gold Regulations,
- Within the context of the Customer Know-How System (Know Your Client), where IAR / IGR has established a management system that the Golden Supply Chain has put into place, established an appropriate internal control and communication system, identified the risks in the supply chain and took the necessary precautions. It has been found that the entire system is kept in operation by establishing a Risk Management Plan, which is also used by an appropriate Customer Acceptance Policy and Compliance systems such as "World - Check" (Thomson Reuters),

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

- We have checked sales and trade receivable accounts of the Company between 1 January – 31 December 2021. We listed all the clients according to the transaction values. We checked client files according to Company's gold supply chain policy, customer acceptance policy, risk assessment policy and the other related documents.
- We have checked suppliers/trade payables and cost of goods sold accounts between 1 January – 31 December 2021. We checked suppliers' files according to the company's gold supply chain policy, supplier acceptance policy - know your client (KYC) policy, risk assessment policy 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 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 origin. Identification and "know your client" information of all actors in the gold supply chain, including, but not limited to, the gold producers, intermediaries of IAR / IGR, gold traders and exporters and re-exporters, as well as third party service providers handling the gold (e.g. logistics, processors and transportation companies).
- We tried to identify the ownership (including beneficial ownership) of the companies, corporate structure (including the names of corporate officers and directors) and the related businesses such as related parties, affiliates and subsidiaries of the companies.

Limited assurance procedures performed (Continued)

The procedures selected depend on our judgement, including the assessment of the risk of material misstatement of the Gold Supply Chain Policy, whether due to fraud or error. In assessing the risk, we consider the internal controls relevant to the Company's preparation of the Gold Supply Chain Policy in order to design procedures that are appropriate in the circumstances. However, our aim is not to give an opinion on the effectiveness of the internal control system, but to reveal the relationship between the Golden Supply Chain Policy prepared by the Company management and the internal control system. Our independent assurance work includes evaluating the appropriateness of the Gold Supply Chain Policy adopted by the Company management and the procedures implemented in this context and in accordance with the London Bullion Markets Association's (LBMA) Responsible Gold Guidance.

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

Inherent limitations

Information on non-financial activities is subject to more inherent limitations than financial information due to the characteristics of such subject matter and the obligations arising from the determination, calculation, sampling and forecasting of such information. The absence of an important regulatory body, which may provide for the selection of different but acceptable measurement techniques subject to assurance, may lead to significant measurement differences in this respect. This will lead to significant impact on comparability. 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 Limited Independent Assurance Report can be read within the given criteria.

In particular, where information relies on information obtained from third parties, such as lab test results, our limited independent assurance efforts do not involve testing third party information that may be of interest to such information.

Independence and competency statement

We have compiled 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 behaviour. Our engagement was conducted by a team of assurance specialists with experience in responsible gold reporting.

Limited assurance

Based on the limited assurance procedures performed nothing has come to our attention that causes us to believe that İstanbul Altın Rafinerisi A.Ş. (İstanbul Gold Refinery INC.) with regards to the "Subject Matter Selected for Limited Assurance", has purchased or sold or had any other type of business relationship with the Islamic Republic of Iran, Bolivarian Republic of Venezuela and other banned countries' public and private companies or real persons for the year ended 31 December 2021. Compliance procedures of IAR / IGR were in all material respects, prepared and presented in accordance with the requirements of the LBMA Responsible Gold Guidance.

Arkan Ergin Uluslararası Bağımsız Denetim A.Ş.
Member, RSM International

Eray YANBOL
Engagement Partner

İstanbul
18 February 2022

