




RISK POLICY STATEMENT

DISCLAIMER

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Prepared by:	Legal and Compliance Officer		
Approved by:	Managing Director		
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Revision History

Date	Version	Comments (including Review History)
15 July 2022	00	DESIGNED TO MEET THE LEGAL AND REGULATORY REQUIREMENTS OF UNITED ARAB EMIRATES AND UAE DIRECTIVE ON AML/CFT



RISK POLICY STATEMENT

MASSIF TRADING LLC is dedicated to effectively managing risks to safeguard the company's assets, stakeholders, environment, and reputation, with the ultimate goal of achieving its business objectives while ensuring compliance with the UAE Federal Decree-Law No. 20 of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) and Cabinet Resolution No. 10 of 2019 on the Implementing Regulation of Federal Decree-Law No. 20 of 2018. The primary objective is to gain a comprehensive understanding of the balance between rewards and risks, actively working to minimize the likelihood and impact of adverse effects on the business. Compliance with relevant regulations and adherence to leading industry practices guide our pursuit of continuous improvement in risk management.

Our commitment involves the development, implementation, and maintenance of robust risk management practices and systems, focusing on the following objectives:

- Identifying, assessing, and managing risks in an effective manner.
- Making decisions based on a holistic consideration of the reward-to-risk balance.
- Providing greater certainty in achieving objectives.
- Satisfying corporate governance requirements.

The Company upholds a preference for low-risk exposure to none within our supply chain. However, recognizing the inherent high-risk nature of the gold sector, we acknowledge a tolerance for medium to high risk in line with the industry's characteristics.

Our commitment to transparency is a cornerstone of our risk management strategy, ensuring that all suppliers adhere to ethical practices and stringent compliance standards. In adherence to this commitment, the Company will:

- Dedicate efforts to combat financial crime, preventing the misuse of accounts held at our company for money laundering or terrorism financing.
- Scrutinize both new and existing customers based on their risk profile, employing appropriate tools to mitigate financial crime risks such as money laundering, sanctions, fraud, and terrorist financing.
- Embrace a risk-based approach to transaction monitoring, managing alerts promptly in accordance with regulatory requirements.
- Admit new, high-risk prospective customers only after satisfying enhanced due diligence requirements and obtaining management approval.
- Ensure regular reporting on high-risk customers and transactions to Senior Management.
- Suspend or terminate relationships with customers failing due diligence and risk assessment if not resolved within a reasonable time.
- Promptly report any transactions or activities of clients that appear suspicious.
- Implement Anti-Money Laundering (AML) and Know Your Customer (KYC) processes in accordance with the company's AML/CFT Policy and Procedure (MTL-KYC-01

MTL-KYC-10 Risk Policy Rev.00



AML/CFT Policy) as periodically adopted and revised by the Compliance Officer and approved by Senior Management.

Conversely, will not:

- Knowingly facilitate criminal activities by customers, including tax evasion, money laundering, terrorism financing, or any other fraudulent or illegal activity.
- Solicit or accept politically exposed persons without sufficient enhanced due diligence and management approval.
- Accept deliberate or systematic breaches of applicable laws and regulations.
- Engage in or facilitate business with, or onboard:
 - (i) entities or individuals sanctioned or associated with financing terrorism; or
 - (ii) entities or individuals operating in jurisdictions identified as Conflict Afflicted as per the Organization for Economic Co-operation and Development (OECD) guidelines and who do not meet OECD Standards for responsible business conduct in conflict-affected areas conducting Enhanced Due Diligence (EDD) in accordance with the company's AML/CFT Policy;
 - (iii) entities or individuals operating in jurisdictions identified as High Risk by under the US Dodd Frank Act and who do not meet OECD Standards for responsible business conduct in conflict-affected areas conducting Enhanced Due Diligence (EDD) in accordance with the company's AML/CFT Policy;
 - (iv) entities or individuals operating in jurisdictions subject to US Sanctions and Embargoes; and
 - (v) entities or individuals operating without required licensing or registration, or whose activities deviate from the scope of authorized licenses, conducting prohibited or illegal business, working for entities with prohibited lines of business, or without prior in-person or virtual meetings.

The Company will utilize this Risk Policy as a foundation and guide to develop and enhance its policies, procedures, controls, and overall Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Framework.

