



LBMA GOLD & SILVER
COMPLIANCE REPORT

Year 2025

NADİR METAL RAFİNERİ

nadirmetal.com.tr



INTRODUCTION

The London Bullion Market Association's ("LBMA") Responsible Gold Guidance ("RGG") and Responsible Silver Guidance ("RSG") have been established for Good Delivery Refiners to adopt high standards of due diligence to combat systematic or widespread abuses of human rights and terrorist financing practices, to avoid contributing to conflict, to comply with anti-money laundering and addressing environmental, social and governance responsibilities.

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance), together with its five-step framework, forms one of the primary reference sources for the LBMA Responsible Gold and Silver Guidance and is applicable to all Good Delivery Refiners. These directives require the adoption of high-standard due diligence practices to combat systematic or widespread human rights abuses, terrorist financing, avoid contribution to conflict, ensure compliance with anti-money laundering obligations, and address environmental, social, and governance (ESG) responsibilities.

Nadir Metal Rafineri Sanayi ve Ticaret Anonim Şirketi ("Nadir Metal" or "We"), founded in 1967, has been operating in the precious metals sector for over 55 years. Our main activities include refining, recycling, laboratory services, production of gold and silver bars under the "Nadir Metal" and "Nadir Gold" brands, and trading of precious metals.

Nadir Metal has been on the LBMA Good Delivery List for gold since 2011 and for silver since 2012. The Company is also a member of the Singapore Bullion Market Association (SBMA) and Shanghai International Gold Exchange (SGEI), holds "Approved Brand" status on COMEX, and operates as an accredited refinery for gold and silver at Borsa Istanbul.

Nadir Metal is fully aware of the risks that may arise in the extraction, processing, transportation, production, and trade of precious metals sourced from conflict-affected and high-risk areas.

Nadir Metal commits to avoiding contributing to conflict and to not engaging, directly or indirectly, in activities that may be associated with the financing of terrorism, money laundering, corruption, or serious human rights abuses. In this context, our company ensures compliance with all applicable national and international sanctions and regulations, implements risk-based due diligence processes, and adopts responsible sourcing practices throughout the supply chain. Furthermore, Nadir Metal commits to fulfilling its national and international responsibilities regarding sustainability under environmental, social, and governance headings.



This report summarises how Nadir Metal complies with the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the LBMA Responsible Gold Guidance (Version 9), and the LBMA Responsible Silver Guidance (Version 2) for the year 2025. The scope of this report covers the Company's Head Office, as well as its manufacturing, refining facilities and sales office as defined below:

Refiner's details	
Refiner's name:	Nadir Metal Rafineri San. ve Tic A.Ş.
Location:	Head office and manufacturing: İkitelli OSB Mah. Atatürk Bulvarı No:114 İç Kapı No:19 Başakşehir / İstanbul - Türkiye Phone number: +90 212 603 09 73 Refining and manufacturing: Akçaburgaz Mahallesi 3114. Sok. No:6 Esenyurt / İstanbul - Türkiye Phone number: +90 212 886 6729 Sales Office: Molla Fenari Mahallesi Atik Ali Paşa Medrese Sokak Arı Ören Han No: 16/A Fatih / İstanbul - Türkiye Phone number: +90 212 512 79 24
Scope of Assurance	Gold & Silver
Reporting year-end:	December 31, 2025
Date of Report - Version No:	14/04/2026-V2
Senior Management responsible for this report:	Abdullah TÜTÜNCÜ, Chairman



Table 1: Summary of Activities Undertaken to Demonstrate Compliance

Step 1: Company Management Systems Compliance Statement: Nadir Metal Rafineri San ve Tic A.Ş has fully complied with Step 1: Establish strong management systems.

1.1 Has the Refiner adopted a supply chain policy regarding due diligence for supply chains of gold and/or silver?

Nadir Metal has adopted and implemented a Precious Metals Responsible Supply Chain Policy Version V10 dated 19 September 2025 that is fully aligned with the requirements of Annex II of the OECD Due Diligence Guidance and the LBMA Responsible Sourcing Guidance, addressing all threat financing risks as defined in Annex II of the OECD Due Diligence Guidance, including: systematic or widespread human rights abuses associated with the extraction, transport or trade of precious metals; direct or indirect support to illegitimate non-state armed groups or public or private security forces; bribery and fraudulent misrepresentation of the origin of gold or silver; non-compliance with taxes, fees and royalties due to governments in Conflict-Affected and High-Risk Areas; money laundering and terrorism financing; and contribution to conflict. In addition, the Policy incorporates environmental, social and governance (ESG) factors, covering: compliance with environmental, health, safety and labour regulations; environmental management including water stewardship and protection of World Heritage Sites; storage, handling and disposal of hazardous chemicals; management of labour issues including diversity, collective bargaining and worker safeguarding; community engagement; and business integrity and ethical conduct. Furthermore, the identified risks and the risk management measures are corresponded within the policy as well.

The Company also supports the implementation of relevant international initiatives, such as the Extractive Industries Transparency Initiative (EITI).

Our Precious Metals Responsible Supply Chain Policy ("Policy) covers the Company's commitments to responsible sourcing, governance structure and responsibilities; the identification of risks and supply chain due diligence processes conducted under the 'Know Your Customer ("KYC")' principle; criteria for high-risk precious metals supply chains; risk assessment and management; ensuring the traceability of transactions; retention of supply chain due diligence records; and employee training activities.



The Policy approved by the Board of Directors, is reviewed annually, and/or updated when circumstances require by the Compliance Officer under the Legal and Compliance Coordination. During 2025, the Company's existing Policy has been reviewed, and the necessary revisions were carried out due to the change of the Company's headquarter address and reorganization. The updated Company Policy is communicated to all employees through internal board announcement and to relevant staff through trainings, is publicly available on the Company website in both Turkish and English as Version V10 dated 19 September 2025.

https://cdn.prod.website-files.com/6979e9bd877f27e6607176db/69a56d594815b1219aad6480_NMR-Precious-Metals-Responsible-Supply-Chain-Company-Policy.pdf

1.2 Has the Refiner set up an internal management structure to support supply chain due diligence?

Comments and Demonstration of Compliance

Nadir metal has established appropriate internal management structure to ensure effective oversight of the supply chain due diligence processes. Following the corporate reorganization carried out in 2025, the Company's organizational structure has been redesigned to strengthen the reporting hierarchy from operational units up to the Board of Directors. A formal organisational chart reflecting this structure is documented and available.

In this framework, the roles, responsibilities, and authorities of employees involved in supply chain due diligence processes have been clearly defined and documented. The effectiveness of existing reporting lines and internal communication mechanisms has been enhanced to ensure accountability, support effective risk management, and maintain compliance with the Company's responsible sourcing policies, relevant legislation, and LBMA requirements.

Following the restructuring of the Sustainability Committee in 2025, new permanent working groups were established to create a stronger framework, ensure accountability for assessing, managing compliance and sustainability risks. The Board of Directors has assigned specific duties and responsibilities to the Sustainability Committee and relevant working groups to support the implementation and monitoring of supply chain due diligence activities. However, the ultimate oversight, authority and responsibility for the responsible sourcing programme continue to rest with the Board of Directors ("Board").



The Board possesses the necessary competence, knowledge, and experience to oversee responsible sourcing activities and ensure effective risk management. The necessary trainings have been provided to carry out its oversight of responsible sourcing by the Board and the Senior Management for several years. All necessary reports and information are submitted to the Board of Directors by the Sustainability Committee (hereinafter referred to as the “Committee”), the Compliance Risks Working Group (hereinafter referred to as the “Working Group”), the Compliance Officer, and the Compliance Team.





Sustainability Committee

The Sustainability Committee was restructured in 2025 to enhance effective management and improve the efficiency of risk based decision-making processes by the Board of Directors.

The Committee has established four permanent working groups that report directly to Sustainability Committee:

- **Sustainability Risk and Opportunity Identification Working Group**

The Working Group systematically analyzes sustainability-related risks and opportunities and provides data to support strategic decision-making processes.

- **Strategy and Governance Working Group**

The purpose of the Working Group is to integrate sustainability objectives into the corporate strategy and to strengthen the governance structure in line with Turkish Sustainability Reporting Standards (TSRS) and the Company's national and international sustainability commitments.

- **Climate, Environmental and Social Impact Working Group**

It measures, manages, and improves the Company's climate-related, environmental, and social impacts, and carries out implementation and reporting activities in line with Turkish Sustainability Reporting Standards TSRS and the Company's national and international sustainability commitments.

- **Compliance Risks Working Group**

All working groups carry out their activities under the direct supervision of the Sustainability Committee, in accordance with their defined roles and responsibilities. The inputs and assessments received from the working groups are reviewed by the Committee, and final decision is submitted to the Board of Directors based on these evaluations.

Compliance Risks Working Group

Nadir Metal has had a Committee established by a decision of the Board of Directors to support risk management activities carried out within the scope of supply chain due diligence since 2012. In 2024, the structure and name of the Committee were revised, and it was renamed as the Compliance Risk Committee. In line with the corporate reorganization implemented in 2025, the Compliance Risk Committee was dissolved and replaced by the Compliance Risks Working Group. The Working Group consists of the Board Advisor, General Manager, Deputy General Managers, Compliance Officer, and Legal Advisor.



The Compliance Risks Working Group was formed to support Nadir Metal's compliance with national and international legislation, to assist in fulfilling the requirements of national and international accreditations and memberships, and to contribute to the establishment of an ethical, transparent, and sustainable supply chain management system within the framework of responsible sourcing programme of precious metals.

In addition, the Working Group is responsible for evaluating the risks identified in cases where there are findings and/or a strong likelihood regarding the existence of matters specified under the heading "Criteria for High-Risk Precious Metals Supply Chains" in the Company Policy, for assessing the adequacy of the enhanced due diligence and improvement plans conducted by the Compliance Officer, and submitting these assessments to the Sustainability Committee.

Compliance Unit

The Compliance Officer ("Officer") and the Compliance Team ("Team") possess the necessary competence, knowledge, and experience for the implementation and execution of supply chain due diligence processes and report directly to the Board of Directors on their activities.

The authorities, duties and responsibilities of the Compliance Officer are determined by a decision of the Board of Directors. In carrying out these duties, the Officer and the Team are supported by internal (if necessary external) legal advisor within the Legal and Compliance Coordination.

The Compliance Team is responsible for:

- Reviewing and updating the Company's processes and systems related to precious metals supply chain due diligence,
- Establishing appropriate structures and communication channels to ensure effective transmission of critical information,
- Conducting on-site visits
- Training employees on supply chain risks,
- Evaluating and reviewing due diligence files and risk classifications,
- Providing the Board of Directors with necessary and timely information, and
- Ensuring that appropriate measures are taken in the event of high-risk supply chains or transactions.
- Monthly reporting to the Board



The team, consisting of two members, has sufficient resources to perform its duties effectively within direct reporting line to the Board. The team is supported by relevant training programmes and all members hold the Compliance Officer Licence issued by MASAK (The Financial Crimes Investigation Board).

The Compliance Team participated in the OECD Responsible Mineral Forum while receiving trainings on Corporate Risk Management, Internal Control and Internal Audit, Introduction to Responsible Sourcing, and Sanctions in 2025.

During the reporting period, the Board and Senior Management received a training on responsible sourcing matters. In addition, developments in the framework of national and international responsible supply chains have been regularly reported to the Board by the Legal and Compliance Coordination.

Trainings

The responsible supply chain trainings are prepared under the supervision of the Compliance Officer by the Legal & Compliance Coordination that implemented and developed within the scope of the Company's "Training Directive" by the Human Resources Department. The training and continuous professional development program conducted within Nadir Metal is planned and implemented to cover national and international regulations, relevant standards, and accreditation requirements, including environmental, social, and governance topics and responsible supply chain due diligence processes. Training topics are determined to be relevant and proportionate to the Company's due diligence structure and supply chain.

After the trainings, employees' knowledge and understanding are assessed through examinations, with results documented, monitored, and used to evaluate training effectiveness.

Records are maintained, with participation status and contents which are regularly monitored. The training data obtained are reported and archived. Furthermore, the annual conducted trainings are shared with Borsa Istanbul and the Türkiye Ministry of Treasury and Finance every year.



In 2025, the following trainings were conducted:

Legal & Compliance

- 32 employees on Obligations under Exchange Regulations and Other Relevant Legislation
- 30 employees on Conflict-Affected and High-Risk Areas (CAHRAs) and Other Compliance Guidance
- 16 employees on Turkish Foreign Exchange Legislation and Practice
- 45 employees on Personal Data Protection
- 6 employees on LBMA Responsible Sourcing Awareness
- 28 employees on Risk Areas
- 30 employees on Case studies regarding the supply chain due diligence
- 28 employees on Responsible Supply Chain Legislation
- 41 employees on AML/CFT and International Regulation
- 245 employees on Company Policies (AML/CFT, Anti-Bribery & Corruption, Human Rights, Whistleblowing, Responsible Sourcing)

Corporate Governance

- 18 employees on Corporate Governance
- 15 employees on Sustainability
- 20 employees on Türkiye Sustainability Reporting Standards (TSRS)
- 21 employees on External Stakeholders and Communication

Environmental Management

- 53 employees on ADR Task-Specific Training
- 4 employees on Corporate Carbon Footprint Calculation and Management
- 154 employees on Environment & Zero Waste
- 11 employees on Use of Chemicals



Occupational Health and Safety (OHS)

- 91 employees on Occupational Health and Safety – General and Health Topics
- 166 employees on Occupational Health and Safety – Technical Subjects

Quality and Process Management

- 16 employees on Documentation Training

Human Resources

- 6 employees on Regulation on Overtime Work under the Labour Law

The reported figures reflect the number of individuals who attended the trainings and successfully passed the relevant exam if any. 100% of those required to complete the trainings have done so.

No material violations of the due diligence process were identified in 2025, and therefore no internal sanctions were applied.

Payments and Record Keeping

The Company's Collection and Payment Policy, Directive cover all collection, payment, and related financial transaction processes. Accordingly, all payment and collection related to the purchase and sale of precious metals, must be made through banking channels, and cash payment or collection are not permitted as a rule. Cash collection may be carried out by our sale office exceptionally, subject to the approval of the Board of Directors, taking into account the monetary limits determined in the applicable legislation and other regulations to which the Company is subject. According to Turkish foreign exchange and tax legislation, the cash payment exception limit is TRY 30,000 (approximately USD 670).

In addition, Nadir Metal does not make any payments to third parties in exchange for precious metals and does not accept any payments from third parties in exchange for precious metals. In year 2025 no cash payments or collections have been made in the purchase or sale of precious metals.

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All documents and records created within the Company are managed in a correct, update, accessible, traceable, and reliable manner in accordance with the Document and Record Management Policy and Directive. All supporting documents, data, and records related to transactions carried out within the framework of legislation, regulations, and guidelines and are stored in appropriate record management systems and retained for eight years.

1.3 Has the Refiner established a traceability system over gold/silver supply chains, including chain of custody mapping and identification of supply chain actors?

Comments and Demonstration of Compliance

Nadir Metal maintains an effective traceability system for its gold and silver supply chains called "Kuyumex", which consists of different modules, enabling the monitoring of the origin of precious metals, the identity of the parties involved in the supply chain, and the inputs and outputs throughout the process.

Within the scope of the traceability system, supply chain information regarding mined precious metals, recycled precious metals, and grandfathered precious metals are collected and maintained for each lot to be refined. Nadir Metal identifies the mine of origin and all actors involved in the supply chain of mined precious metals, supported by relevant documentation. For grandfathered precious metals, the date of production is verified. In addition, for recycled precious metals, the supply chain is identified through the last delivery point and the country from which the precious metal originates. Within the traceability system, all relevant documentation, including counterparties information, invoices, delivery notes, packing lists, custom declarations, airwaybills, transportation documents and assay reports, are maintained.

The traceability system assigns a reference number to every transaction. Information of date of arrival and delivery, transport document or waybill/invoice number, weight, assay, origin, product type, form etc. take place within the system. This ensures monitoring and controlling over all transactions and processes performed for each lot. Data and information entry into the traceability system is carried out by the relevant departments and/or units involved in the processes. Before entering data into the traceability system, the Compliance Officer creates a record for the counterparty via the CRM module. In this context, all necessary information and documents specified in the "Customer Due Diligence Procedure" are initially obtained and stored in the archive system. The counterparty profile is completed based on the collected information and documents. After the profile is opened in the CRM module, relevant information including the list of countries of origin for the accepted counterparty, the type and form of the precious metals to be shipped are recorded in the "Goods Acceptance and Identification Module" by the Compliance Officer.





The Compliance Officer and the Compliance Team, within the Legal and Compliance Coordination, are responsible for executing KYC (Know Your Customer) processes and conducting control activities in line with the Customer Due Diligence Procedure. It applies a risk-based approach while reviewing and monitoring transactions throughout the business relationship.

During 2025, no incidents were encountered regarding the identification of counterparties, the origin of precious metals, or traceability.

1.4 Has the Refiner strengthened company engagement with gold/silver-supplying counterparties, and, where possible, assisted gold/silver-supplying counterparties in building due diligence capabilities?

Comments and Demonstration of Compliance

Nadir Metal builds long-term relationships based on trust and mutual recognition with counterparties. The Company shares its expectations with precious metals suppliers through Precious Metals Supply Chain Principles, Nadir Metal's Ethics, Policies of Precious Metals Responsible Supply Chain, Human Rights, Anti-Bribery and Anti-Corruption, Anti-Money Laundering and Financing of Terrorism, Whistleblowing and expects commitment. Additionally, references to OECD Due Diligence Guidance, LBMA and Borsa Istanbul Responsible Sourcing Programs are included in contractual clauses. Where possible we visit our suppliers for capacity building and encourage them to improve the responsible supply chain practices.

In 2025, the Compliance Officer visited three suppliers for strengthening engagement. Furthermore, trainings are provided to our subsidiary within the scope of supply chain due diligence and information are shared with our stakeholders through conferences or trainings. Nadir Metal supports the Extractive Industries Transparency Initiative (EITI) and has not entered into any business relationship with a State-Owned Enterprise operating in an EITI country in 2025.

1.5 Has the Refiner established a company-wide confidential grievance mechanism?



Comments and Demonstration of Compliance

Nadir Metal has established a company-wide accessible and confidential grievance and whistleblowing mechanism that allows all stakeholders to raise concerns or newly identified risks. Notifications made to the Company are categorized as internal or external through several communication channels used and the stakeholders involved. A notification refers to any communication made verbally, in writing, or electronically by internal or external stakeholders such as whistleblowing, notice, complaints, objections, suggestions, or requests within the scope of Nadir Metal's activities, processes, products and services, supply chain, employees, or business relationships.

Within the scope of the Notifications Directive updated in 2025, all notifications are initially subject to a preliminary examination by the Legal and Compliance Coordination. Depending on the nature of the identified issues, reports notifications are escalated to either the General Manager or the Board of Directors.

The Legal and Compliance Coordination is responsible for receiving, monitoring, and recording notifications related to ethics, human rights, security, compliance, and responsible supply chain. Following a preliminary assessment on notifications, the Legal and Compliance Coordination ensures the necessary coordination by informing the Board of Directors. Notifications focused on human resources, quality, processes, services, and customer satisfaction handled within the framework of Quality Management under the responsibility of the General Manager. Feedback to notifications is, as a rule, provided through the same method by which the notification was submitted. In cases where direct feedback is not possible for anonymous notifications, if necessary it is considered sufficient to provide general information.

Furthermore, our Whistleblowing Policy is publicly available on Nadir Metal's website. Any interested party, individually or collectively, may report concerns or suspicious situations anonymously or by disclosing their identity through various channels. Stakeholders may report suspected or potentially illegal or unethical behavior without any risk of retaliation, victimization, or threat of harm via the following communication channels:

The external reporting channels for notifications to be made to our Company are as follows:

- **Email:** info@nadirmetal.com.tr, etik@nadirmetal.com.tr & legal@nadirmetal.com.tr
- **Website:** Through the "Contact Us" section on our corporate website,
- **Phone:** +90 212 886 7330
- **Address:** İkitelli OSB Mah. Atatürk Bulvarı No:114 İç Kapı No:19 Başakşehir, İstanbul / Türkiye





Internal Stakeholder Reporting Channels:

- External reporting channels
- **Suggestion and Complaint Boxes:** Through the boxes located in certain places within the Company

In 2025, there were a total of 12 grievances, of which 8 were submitted via the ethics email and 4 through the suggestion and complaint boxes. These primarily consist of from internal stakeholder's complaints arising during the relocation of the Company's headquarter and small bar production facility. The grievances consist of matters related to catering and transportation services, inflation-driven salary and benefits adjustments and did not include any topics related to responsible sourcing issues.

They have been handled within the framework of quality management system; were reviewed by the relevant departments and closed after appropriate corrective actions and communicated to the related individuals if possible. There were no ongoing grievances in 2025 related to responsible sourcing, no information is provided regarding any plan or expectations for their closure.

Nadir Metal ensures that all grievances are processed confidentially without any risk of retaliation or harm through its internal procedures and processes. Processes related to notifications are explained to all employees during policy training sessions.

Step 2: Risk Identification and Assessment

Compliance Statement with Requirement:

We have fully complied with Step 2: Risk Identification and Assessment.

2.1 Does the Refiner have a due diligence process to identify risks in the supply chain?

Comments and Demonstration of Compliance

Nadir Metal conducts a comprehensive due diligence process to identify and assess risks within the precious metals supply chain managed by the Compliance Officer as well as Compliance Unit. The entire process has been detailed within the Internal Control and Risk Assessment Directive. In 2025 the directive underwent a structural revision to further enhance the effectiveness of risk identification, assessment, and management processes. In this context, procedures and directives have been established to ensure that processes are managed in a more transparent and systematic manner.



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The due diligence processes are formally documented and described in detail within the *Customer Due Diligence Procedure* and *Responsible Supply Chain Continuous Monitoring and Control Procedure* by carrying out for the identification of risks defined within the Company Policy and *Responsible Supply Chain Risk Criteria and Classification Directive*. The purpose of this Directive is to regulate the procedures and principles for the systematic identification, assessment, classification, and monitoring of risks that may be encountered in business relationships. Nadir Metal defines and assesses supply chain risks in accordance with OECD Annex II, including human rights abuses, AML/CFT risks, bribery and corruption, ESG risks, compliance with applicable legislation, and risks identified under LBMA Responsible Sourcing Programme, BIST Responsible Supply Chain Programme and our company policies.

Criteria of risk may be exposed to in its precious metals supply chain including ESG-related risks are structured under the headings of location, counterparty and material. Furthermore zero-tolerance criteria are defined according to Company Policy.

The due diligence process initiated by the Compliance Unit begins with a rigorous analysis of information and documentation provided by the counterparty. In this context, open-source screening is conducted on the relevant parties; checks are performed against asset-freezing decisions as well as national and international sanctions lists.

Location-based risk identification includes evaluating the country of origin and general transportation routes. Locations on international sanctions including but not limited to the United Nations, European Union, United Kingdom Treasury, U.S. Treasury, and FATF Black List as well as World Heritage Site are defined under the zero-tolerance criteria. Countries are classified as low, medium, or high risk based on factors such as conflict-affected and high-risk areas (CAHRAs), corruption levels, human rights, etc. This assessment determines the level of due diligence applied. The methodology is supported by the following sources but are not limited to:

- **Country Risk Reports:** Heidelberg Barometer, Fragile States Index, and UN Human Rights reports.
- **Industry Guidance:** LBMA Toolkits, FATF Reports & Countries under Increased Monitoring by FATF, OECD Guidance, and EU CAHRA lists.
- **Market Intelligence:** Data on high-risk gold/silver transit hubs and money laundering jurisdictions



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Know Your Counterparty (KYC) assessments are conducted as part of the Company's due diligence process. This includes the collection and verification of relevant information regarding counterparty, including ownership structure (Ultimate Beneficial Owners), occupation, business activities, financial information, capital and source of wealth, the nature and volume of the business, as well as the origin and form of the precious metals subject to the transaction and their supply chains.

Based on the information and documentation obtained from the counterparty, World-Check and open-source screenings on the counterparty and related parties are conducted including checks against asset freezing decisions, national and international sanctions lists (e.g. Ministry announcements, OFAC, EU, UN, FATF), adverse media, and Politically Exposed Person (PEP).

Furthermore, the counterparty's compliance with environmental, health, safety and labor regulations are also taken into consideration within this process and LBMA Responsible Sourcing Programme toolkits are used. In addition, the counterparty is assessed within the framework of the Company's Responsible Supply Chain Risk Criteria and Classification Directive, as well as the zero-tolerance criteria set out in the Company's policy.

Ongoing monitoring activities are carried out by our Compliance Officer and Team, who possesses all the necessary skills and competencies, in accordance with the Responsible Supply Chain Continuous Monitoring and Control Procedure. Utilizing CRM, traceability and archiving systems, the Compliance Officer verifies the consistency between the customer profile and actual transactions, including location.

As part of ongoing monitoring, the Compliance Unit performs risk-based approach and control activities across counterparties, products, and locations. These controls include the periodic review, update, and verification of counterparty information and documentation; screening of counterparties, including adverse media checks; assessment of transactions with respect to origin, concentration of precious metal-bearing materials, volume, and alignment with the nature of the business relationship. Transportation routes details are monitored, and the consistency between the supplier profile, supporting documentation provided within the scope of the business relationship, and physical shipments is verified. The Compliance Officer initiates actions in line with the *Responsible Supply Chain Risk Assessment and Management Procedure* as well as monthly reporting to Board of Directors.



The Goods Receiving Unit verifies the received physical material against system records of the Counterparty within the traceability system. Any inconsistency triggers an immediate notification to the Compliance Officer; the material is then physically segregated and securely stored until the review is finalized. The Compliance Officer investigates the reason of the inconsistency and where necessary, conducts a reassessment. If high-risk criteria are identified, enhanced due diligence is applied and the prepared risk report is submitted to the Working Group, the Committee and Board of Directors for the final decision of the transaction and/or business relationship.

The Responsible Supply Chain Risk Assessment and Management Procedure sets out the risk assessment and approval processes. In cases assessed as low or medium risk, the Compliance Officer approves the supplier through the CRM system and informs the Board. Where a high risk is identified, the Compliance Officer performs enhanced due diligence and submits a risk report to the Working Group and the Committee.

During the audit, it was identified that the information regarding one of the shareholders of a supplier with a multi-layered beneficial ownership structure could not be fully determined. Ultimate Beneficial ownership (UBO) identification documentation have been obtained, World check screening was subsequently conducted on the relevant individual; no findings relating to sanctions list, adverse media or politically exposed person (PEP) status were identified. This non-conformance has been closed.

Additionally, adverse environmental news about one of a supplier have been identified by the auditors. With respect to the first news item, no precious metals have been sourced from the mine mentioned therein by the Nadir Metal Rafineri, and a statement from the supplier regarding the incident is available with an Environmental Impact Assessment (EIA) Report that its activities do not have any negative impacts on the region.

The second news item was subject to review in Year 2021. Based on the assessment of available information, including call reports, findings from the on-site visit, and evaluations conducted using the LBMA Toolkit, no adverse findings were identified. Furthermore, it has been confirmed through court decisions that the matter does not involve any negative determinations, and that the project operates within the framework of applicable environmental regulations and standards. This non-conformance has been closed.

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2.2 How does the Refiner classify identified risks in light of the standards of its due diligence system?

Nadir Metal's supply chain due diligence process is taking into consideration the risk criteria based on the OECD Due Diligence Guidance (Annex II), LBMA Responsible Gold and Silver Guidance, Borsa Istanbul Responsible Supply Chain Compliance Guidance, and Company's Policy .Accordingly, human rights violations, money laundering, terrorist and weapons of mass destruction financing, bribery and corruption, and environmental, social and governance risks are evaluated.

Particularly the Responsible Supply Chain Risk Criteria and Classification Directive, defines the risks on counterparty, location, and product-type basis. During the due diligence process the risks are evaluated under two main headings: zero-tolerance criteria and risk criteria. Risks are categorised as low/medium, and high risk.

During the reporting period, no cases were identified under zero-tolerance criteria. However, three high-risk cases were identified in the gold supply chain. The nature of the high risks are as follows:

- One gold supplier has been operating in a country listed on the FATF Jurisdictions Under Increased Monitoring since 2024.
- The other two gold suppliers are located in countries that host high-risk gold trading centres or transit points according to credible international reporting and market intelligence.

In high-risk cases, enhanced due diligence process is applied. Additional information and documents are requested, followed by on-site visit. During 2025, existing business relationships were already in place with two counterparties classified as high-risk, while a new business relationship was established with one supplier. World-Check screenings were performed; before any goods accepted, no adverse results were obtained. Counterparty information and documents (including ultimate beneficial owners) were checked and the trade registry was updated, country risk analyses were reviewed, and supplier transactions were regularly monitored including amounts and the type of precious metals. As a result, no issues were identified that would affect the current status or risk assessment. In addition, on-site visits were conducted to two high-risk suppliers located in high-risk gold trading or transit countries during the year 2025 by the Compliance Officer as one of the suppliers located in a country listed by the FATF had already been visited in 2024 by the Compliance Officer. During the visits, KYC information accuracy was verified using the LBMA Toolkit dated 2024; the system they use for combating money laundering and terrorist financing, policies, and practices for responsible supply chain management were evaluated.





During the assurance engagement, a lack of clarity was identified in the risk classification statement with respect to threshold boundary values within the Responsible Supply Chain Risk Criteria and Classification Directive. Specifically, ambiguity existed regarding the categorisation of counterparties whose risk scores fell at the exact boundary points between Low/Medium and Medium/High risk ranges. As a result of the assessment, it was determined that there is no deficiency in the application of the risk matrix used in the CRM Risk Assessment Module. In response, the Directive was updated to explicitly clarify the classification. This non-conformance has been closed.

2.3 Has the Refiner undertaken EDD measures for identified high-risk supply chains?

Nadir Metal applies enhanced due diligence measures for identified high-risk supply chains. The process is carried out by the Compliance Officer in accordance with the high-risk criteria specified in the Responsible Supply Chain Risk Criteria and Classification Directive and Company policies according to the Responsible Supply Chain Risk Assessment and Management Procedure. Enhanced due diligence is applied with different measures for Artisanal and Small-scale Mining (ASM), large-scale mines, high-risk recycled precious metals from Non-LBMA accredited refineries, and other sources. In high-risk situations, existing due diligence checks are applied more comprehensively and more frequently. The EDD procedure includes detailed KYC reviews, background screening, transaction monitoring, on-site visits and the use of external data sources and screening tools. Within the scope of EDD, risk assessments are conducted prior to each transaction.

On-site visits are conducted by the Compliance Officer. Visits are carried out before any transaction or at the latest within six months from the start of the business relationship for high risk counterparties. The appropriate documented and verified KYC information, assessment of threat financing risks, ESG factors, any specific supply chain due diligence findings, as well as the operational capacity and adequacy of the counterparty are also evaluated during the on-site visit. Timing and frequency of visits are determined and planned with risk-based approach. In the presence of force majeure or another valid reason, these visits may be postponed or may not be conducted, subject to the opinion of the Compliance Risks Working Group, the approval of the Sustainability Committee, and the decision of the Board of Directors. In 2025, we conducted EDD for three suppliers and no high risks were identified during the site visits.



The Compliance Officer conducts risk assessments for every active supplier every six months. For high risk suppliers risk assessment is conducted before any transaction.

Nadir Metal did not work with intermediate refineries with high-risk supply chains during the reporting period. No high risks were identified during on-site visits conducted by the Compliance Officer. Reports prepared for on-site visits were submitted to the Compliance Risks Working Group and Sustainability Committee for evaluation.

The mined gold and silver is sourced from well established, licensed and regulated small, mid and large scaled mines located in Türkiye. These mines are not member of the World Gold Council.

Step 3: Risk Management

Compliance Statement with Requirement:

We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

Does the Refiner have a process to respond to the identified risks by either (i) mitigating the risk while continuing to trade, (ii) mitigating the risk while suspending trade, or (iii) disengagement from the risk?

Nadir Metal operates a detailed and documented risk management process documented within the Responsible Supply Chain Risk Assessment and Management Procedure, which is taking into account the Responsible Supply Chain Risk Criteria and Classification Directive. The Directive and the procedure are established in line with the OECD Due Diligence Guidance and RGG V9 & RSG V2 requirements.

During the enhanced due diligence process and /or risk assessment where zero-tolerance criteria are identified such as money laundering, terrorist financing, serious human rights abuses, direct or indirect support to non-state armed groups, or misrepresentation of the origin of precious metals, serious adverse impacts in environmental, social, and governance matters, Nadir Metal does not establish a business relationship with the counterparty or terminates any existing relationship immediately. Notifications are made by the Compliance Officer to the competent authorities in accordance with the relevant procedure provisions, and the Board of Directors is informed.

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Addition, if there is reasonable suspicion of serious adverse impacts in environmental, social, and governance matters, the business relationship is suspended and enhanced due diligence process is carried out. After additional information and documents requested to resolve suspicions are provided in a timely and appropriate manner, evaluations made by the Compliance Officer are reported to the Compliance Risks Working Group. The opinion formed as a result of the evaluations carried out by the Working Group. The result is communicated to the Sustainability Committee, and the Committee's opinion is submitted for the decision of the Board of Directors.

If findings regarding bribery, non-fraudulent misrepresentation of origin, non-payment of taxes/royalties to the state, or ESG risks are not satisfactory following enhanced due diligence, however the Board is satisfied that the counterparty is making good-faith efforts to mitigate the risks, an improvement plan of up to six months may be implemented. In this regard, the plan prepared by the Compliance Officer is submitted to the Compliance Risks Working Group and the Committee for evaluation; the Committee's final opinion is then submitted to the Board of Directors for decision making. In 2025, there were no improvement plans in place; therefore, no six-month follow-up or measurable improvement results were applicable.

Nadir Metal implements a risk-based management strategy that includes enhanced due diligence measures to manage identified risks in the precious metals supply chain and reduce potential adverse impacts. Counterparties initially classified as not high-risk may be re-evaluated and reclassified as high-risk upon review of the risk assessment or emergence of new risk indicators. Nadir Metal attaches importance to ongoing monitoring, reviewing, and updating the adequacy of risk management strategies as necessary. The Compliance Officer regularly reports to the Board of Directors on high-risk supply chains and counterparties subject to risk mitigation measures.

No cases requiring suspension of the business relationship have been identified during the audit period. No business relationship had been terminated in 2025. No cases requiring cooperation with national or local public authorities occurred during the reporting period.



Step 4: Arrange for an independent third-party audit of the supply chain due diligence

Compliance Statement with Requirement:

We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Comments and Demonstration of Compliance:

Nadir Metal has engaged United Verifiers Limited as the Third-Party Assurance Provider to conduct an assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE 3000), taking into account its expertise in the OECD Due Diligence Guidance and LBMA Responsible Sourcing requirements. United Verifiers is an approved service provider by LBMA and has complete financial and other independence from Nadir Metal. The selection process considered the provider's experience, competence, and eligibility in line with LBMA requirements. By Board Resolution, the Board of Directors has ensured the independence of the Assurance Provider by assessing its qualifications, experience, and independence. The Assurance Provider has confirmed that it has no conflicts of interest with the Company and complies with the independence requirements under ISAE 3000 and the London Bullion Market Association Responsible Sourcing Programme.

The Assurance Report is publicly available on Nadir Metal's website and on the LBMA website.

<https://www.nadirmetal.com.tr/en/compliance/precious-metals-responsible-supply-chain>

No high/medium-risk non-conformances were identified in the previous audit cycle.

During audit period, four medium-risk non-conformances have been identified. These non-conformances relate to the existence of adverse environmental news regarding one supplier, another one to the requirement related to the one of the ultimate beneficial owner (UBO) , and a lack of clarity in the risk classification statement, and to the structure of the compliance report. All non-conformances have been closed by the auditor.

Step 5: Report on supply chain due diligence Compliance Statement with Requirement: We have fully complied with Step 5: Report on supply chain due diligence.



Comments and Demonstration of Compliance:

Further information and specific details of how Nadir Metal's systems, procedures, processes, and controls have been implemented to align with the specific requirements of the LBMA Responsible Gold Guidance Version 9 and Responsible Silver Guidance Version 2 have been set out in our gold/silver supply chain policy, compliance report, and independent third-party audit report, which are publicly available on Nadir Metal's website: www.nadirmetal.com.tr

During the assurance engagement, it was noted that the structure of the compliance report did not fully meet the requirements of RGG V9 and RSG V2, particularly with respect to the placement and documentation of medium-risk non-conformances identified during the assurance cycle. The Compliance Report has been comprehensively reviewed and updated to ensure that all medium-risk non-conformances are individually addressed under the relevant steps of this report, with corrective actions documented in the corresponding sections. This non-conformance has been closed.

Management Conclusion Is the Refiner in compliance with the requirements of the LBMA Responsible Gold/Silver Guidance for the reporting period?

Yes. In conclusion, Nadir Metal implemented effective management systems, procedures, processes, and practices to conform to the requirements of the LBMA RGG V9 & RSG V2 as explained above for the reporting year ended 31 December 2025.

Nadir Metal is committed to ensuring its social, environmental, and governance responsibilities and regulatory requirements and will continue to review and update its internal controls on an ongoing basis.

Other Report Comments: If users of this report wish to provide any feedback to Nadir Metal Rafineri with respect to this report, they can contact us by emailing etik@nadirmetal.com.tr and/or compliance@nadirmetal.com.tr

Istanbul, 14 April, 2026

Abdullah Tütüncü,
Chairman