

## ANNEXURE A

### **“KALOTI GROUP CONVEYS ITS STATEMENT ON REFERENCES MADE TO IT IN THE ENOUGH PROJECT REPORT”**

Kaloti Group regrets that it was not allowed the opportunity to respond to the criticisms and allegations being raised prior to publication of the Report. However, post publication, Kaloti Group has been in communication with the Enough Project and has been given an opportunity to put forward its position.

Kaloti Group states that there is no evidence or suspicion in any audit that conflict gold ever entered its supply chain. This was also subsequently confirmed by the auditors. Kaloti Group further conveys that in line with DMCC guidelines, it collects proper documentation on all suppliers and has the proper checks and balances in place to detect and reject conflict gold and to ensure legality of all its dealings with suppliers across the globe. The group also highlights that UAE and UN rules and regulations have no sanctions pertaining to gold trade with Sudan.

Kaloti Group also expresses that they have taken several measures in the past to educate suppliers, exporters, and miners in general, regarding the responsible sourcing of gold and ensuring that they comply with stringent supply chain due-diligence processes. Kaloti Group is therefore confident in stating that its supply chain is completely free from conflict minerals and that all its dealings are legal and in accordance with the UAE rules and regulations and therefore it would be wrong to accuse Kaloti Group of being under suspicion for accepting conflict gold from any region.

Kaloti Group further reports that DMCC's decision to delist its refinery was unexpected and that it is seeking more details in relation to this and on what grounds such action was taken. Notwithstanding the above, Kaloti Group subsequently consulted its case with the OECD representatives and their point of view does not coincide with DMCC's decision on the matter.

Kaloti Group emphasizes that it will nevertheless continue its responsible sourcing compliance program and independent audits to ensure transparency and compliance with the relevant rules and regulations. The Kaloti Group further stated that it will always benchmark its responsible sourcing practices against the highest possible standards locally and internationally and should this require even more policies and processes to be implemented in the future, the Kaloti Group will of course ensure that these changes are effected.

Kaloti Group attributes the delisting of its refinery mostly to negative and unjust media reports by NGO's making false references to Kaloti without considering that there is no evidence of any violations in Kaloti Group's supply chain in any audit. Kaloti Group also states that this one-sided, rather politicized news coverage by NGO's has not only affected it but also weakened the legitimate and fully compliant suppliers that originate from under-developed regions and who have fully complied with the stringent supply chain due-diligence requirements. This method of news reporting would certainly further deteriorate the economic welfare of these regions according to Kaloti Group.