

Document Responsible Sourcing of Precious Metals Review Protocol

Document Control Information

Author(s)

1. DMCC – Commodity Services Department

First introduced	6 th November 2012	Review schedule	Annual
Date approved	1 st August 2014	Next review	August 2015
Document version	3.3	Replaces version	Un-numbered, November 2013

1. PURPOSE

The purpose of this Version Control (VC) document is to record amendments that are periodically being made to DMCC's "Responsible Sourcing of Precious Metals Review Protocol" (the Review Protocol). The protocol was originally introduced as a draft version in November 2012 and a final version published in January 2013. The document is used in conjunction with DMCC's Responsible Sourcing of Precious Metals guidance to carry out reviews for Market Participants receiving a DMCC accreditation.

This document will be reviewed and updated from time to time in order to address:

- 'Grey' areas requiring further interpretation
- Improvements that may adopt new best practices
- Simplification or enhancements of processes
- Other updates as deemed necessary

2. SPECIFIC PROCEDURE

2.1 Version control and naming convention

The Review Protocol will be dated and versioned. The convention to be applied as of the publishing of this version control document is as follows:

- a. the date the document is created or revised shall be identified on the first page and incorporated into the header of the document
- b. current version of the document shall be identified on the first page and incorporated into the header of the document
- c. Revisions to the Review Protocol shall be labelled by adding decimal points to the current version of the document (e.g. 1.0 → 1.1 → 1.2 etc.)
- d. Substantive changes to the Review Protocol shall be labelled by adding one whole number to the current version of the document (e.g. 1.2 → 2.0 etc.)
 - a. A substantive change shall be identified as an amendment that changes the implementation of the protocol, alters the definitions or assessment of levels of compliance, and/ or incorporates new definitions or processes into the document.
- e. The Review Protocol will be reviewed on an annual basis or more often if it is considered necessary.

3. DOCUMENT HISTORY

Review Protocol Version	Date Published	Description of Changes
1.0	November 2012	Consultative Draft Version that was shared for public consultation with the DMCC's Dubai Gold Advisory Group and participants at the November 2012 OECD conference
2.0	January 2013	Finalization of the Draft Review Protocol, with the following amendments: <ul style="list-style-type: none"> - Made wording changes throughout the document to improve grammar and sentence construction and make reading more clear
3.0	May 2013	<ul style="list-style-type: none"> - Review activities detailed to include pre-review activities, onsite review activities (i.e. opening meeting; obtaining review evidence via interviews, visual observations and documentation review); Conclusion on the level of compliance with the DMCC guidance (i.e. fully compliant, non-compliant low/medium/high risk); and closing meeting - Clarity on public reporting requirements wherein corrective action plan to address non-compliances based on the SMART principle - Overall final rating of the review to be decided by DMCC review panel - Clarity on 2nd time reviews based on result of the 1st review - Inclusion of sample ISAE 3000 assurance report
3.1	June 2013	<ul style="list-style-type: none"> - Non-compliant Low risk is now termed as Compliant with Low risk deviations as per the ISAE 3000 methodology - Compliant with low risk deviations is to be stated in the detailed management report, however will be stated as fully compliant in the auditee's compliance statement and reviewer's assurance report. Overall final rating is not required, however rating for each Step 1-5 is required to be stated in the management report and auditee's compliance statement - Introduction of annual review requirement and clarity on follow up reviews for non-compliance high risk overall rating - Emphasis of matter included in the sample ISAE 300 assurance report along with minor wording changes to improve grammar, sentence construction to make reading more clear

Review Protocol Version	Date Published	Description of Changes
No Number	November 2013	<ul style="list-style-type: none"> - Wording change to reflect that the review protocol can be used by market participants globally - Reviewer competencies strengthened and mention of DMCC to provide awareness sessions to approved reviewers to ensure consistency of the review process - Replaced 'requirement of having a compliance and/or supply chain risk officer' to 'requirement to have an adequate compliance function' - Removed prescriptive documentation and sample guidelines, instead, these are left at the discretion of the reviewer basis their level of engagement - Reworded on-going monitoring process to reflect that reviewer may propose any enhancements to the their own review process methodology for ongoing reviews, if required by them - Made wording changes throughout the document to improve grammar and sentence construction and make reading more clear; deleted some redundant areas that were covered in more than one section within the document - Specifically defined that follow up reviews for high risk rating should also address medium risk findings along with the high risk findings. - For market participants requiring a follow-up review within 90 days, allowed for public reporting to be done on a consolidated basis through one report which summarises finding and provides overall final conclusions. - Reviewer's final rating of the level of compliance with the DMCC guidance will be treated as final, wherein no further re-assessment by DMCC review panel is required
3.3	August 2014	<ul style="list-style-type: none"> - Inserted version number and date of approval - Provided clarification on annual review requirements for companies carrying out a Follow-up Review (4.3.2) - Added comment on ISO 19011 Reporting Format (6.2)