MGIP PART 2:2026

MALAYSIA GOLD INDUSTRY PRINCIPLES (MGIP) - PART 2: REQUIREMENTS FOR ORGANISATIONS SEEKING CERTIFICATION

Malaysia Gold Industry Principles (MGIP)

© Copyright 2026

Foreword

The Malaysia Gold Industry Principles (MGIP) is a national framework established to promote responsible, ethical, transparent, and sustainable practices throughout the Malaysian gold industry. MGIP aims to strengthen industry governance, enhance consumer confidence, support product quality and integrity, and improve the competitiveness and international recognition of Malaysia's gold industry.

The MGIP Part 1, *Governing Charter*, establishes the vision, core values, principles, governance framework, and strategic direction of MGIP. It serves as the overarching reference document for organisations seeking to align their practices with and demonstrate their commitment to the objectives and principles of MGIP. The principles are as follows:

a) PRINCIPLE 1 Fairness and integrity;

b) PRINCIPLE 2 Transparency;

c) PRINCIPLE 3 Protection of client assets;

d) PRINCIPLE 4 Responsible gold sourcing;

e) PRINCIPLE 5 Regulatory compliance;

f) PRINCIPLE 6 Commercial prudence; and

g) PRINCIPLE 7 Operational professionalism.

MGIP Part 2 specifies the requirements for certification under the MGIP framework. It translates the principles and commitments set out in the MGIP Part 1, *Governing Charter* into measurable and verifiable requirements that organisations can implement and demonstrate through their policies, processes, practices, and controls. The requirements are structured into eight (8) codes covering:

a) Code 1: Refining;

b) Code 2: Wholesale and trading;

c) Code 3: Manufacturing;

d) Code 4: Assaying and hallmarking;

e) Code 5: Retail;

f) Code 6: Financial and investment-linked gold products;

g) Code 7: Gold-backed micro-financing; and

h) Code 8: Shariah gold (under development).

© MGIP 2026 - All rights reserved

MGIP PART 2:2026

The requirements specified in this document provide a structured approach for implementing the principles of responsible business conduct, integrity, accountability, transparency, quality assurance, and continual improvement within the gold value chain.

Conformity with this document demonstrates an organisation's commitment to the objectives of MGIP and contributes to strengthening trust, credibility, and sustainability across the Malaysian gold industry.

© MGIP 2026 - All rights reserved

Information to assist users of the standard

For the purposes of this standard, the following ISO definitions have been adopted regarding verbal forms for the expression of provisions:

a) "**shall**" indicates an auditable **requirement**: it is used to indicate requirements strictly to be followed in order to conform to the document and from which no deviation is permitted;

b) "**should**" indicates a **recommendation**: it is used to indicate that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required, or that (in the negative form) a certain possibility or course of action is deprecated but not prohibited;

c) "**may**" indicates a **permission**: it is used to indicate a course of action permissible within the limits of the document; and

d) "**can**" indicates a **possibility** or a **capability**: it is used for statements of possibility and capability, whether material, physical or causal.

Compliance with this standard does not by itself grant immunity from legal obligations.

© MGIP 2026 - All rights reserved

MALAYSIA GOLD INDUSTRY PRINCIPLES (MGIP) - PART 2: REQUIREMENTS FOR ORGANISATIONS SEEKING CERTIFICATION

SECTION 1 GENERAL REQUIREMENTS

1.1 Scope

This document specifies the requirements for organisations seeking certification under the Malaysia Gold Industry Principles (MGIP) scheme.

It establishes the requirements for the implementation and continual improvement of systems, processes, and practices that support the objectives and principles of MGIP, including responsible business conduct, product integrity, traceability, quality assurance, transparency, and regulatory compliance.

1.2 Normative references

The following normative references are indispensable for the application of this standard. For dated references, only the edition cited applies. For undated references, the latest edition of the normative reference (including any amendments) applies.

MGIP Part 1: Governing Charter

MS 1247:2005, *Description and Marking of Articles of, or Containing Precious Metal — Code of Practice (First Revision)*

ISO 15093, *Jewellery and Precious Metals — Determination of High Purity Gold, Platinum and Palladium — Difference Method Using ICP-OES*

ISO 18214, *Jewellery and Precious Metals — Determination of High Purity Gold, Silver, Platinum and Palladium — Difference Method Using SPARK-OES*

ISO 23345, *Gold — Determination of Homogeneity*

ISO 24018, *Precious Metals — Gold Bars — Specifications and Test Methods*

ISO/IEC 17025, *General Requirements for the Competence of Testing and Calibration Laboratories*

ISO 31000, *Risk Management — Guidelines*

ISO/IEC 27001, *Information Security Management Systems — Requirements*

ISO/IEC 27005, *Information Security Risk Management*

© MGIP 2026 - All rights reserved

SIRIM 67, *Keperluan Penilaian Emas dan Perak sebagai Barang Gadaian*

SIRIM 68, *Requirements for Precious Metal Assaying Laboratories*

Trade Descriptions Act 2011 (Act 730)

Trade Descriptions (Articles Made of Precious Metals) Regulations 1994

Companies Act 2016 (Act 777)

Income Tax Act 1967

Sales Tax Act 2018

Environmental Quality Act 1974

Customs Act 1967

Consumer Protection Act 1999 (Act 599)

Occupational Safety and Health Act 1994 / Occupational Safety and Health Act 2022

Industrial Coordination Act 1975

Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613)

Financial Services Act 2013 (Act 758)

Islamic Financial Services Act 2013 (Act 759)

Capital Markets and Services Act 2007

Cooperative Societies Act 1993

Pawnbrokers Act 1972 (Act 81)

London Bullion Market Association (LBMA) Responsible Gold Guidance

London Bullion Market Association (LBMA) Good Delivery Rules

London Bullion Market Association (LBMA) Proactive Monitoring (PAM) Programme

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

UN Guiding Principles on Business and Human Rights

ILO Conventions

© MGIP 2026 - All rights reserved

1.3 Terms and definitions

For the purposes of this standard, the following terms and definitions apply.

1.3.1 entity

refers to any legal or organisational unit operating within the gold value chain, including but not limited to companies, firms, partnerships, sole proprietorships, government bodies, or other institutions engaged in activities such as refining, trading, manufacturing, assaying, hallmarking, or retail of gold.

1.3.2 fineness

content of gold, expressed as parts per thousand (‰) by mass.

1.3.3 hallmark

official control mark (or combination of marks), applied by a State-appointed, independent Assay Office.

1.3.4 jewellery

ornamental article worn on clothing or the body, or inserted into pierced parts of the body, such earrings and other bodypiercings.

1.3.5 semi-finished product

product that can easily be used to produce a finished item and/or a component part.

1.3.6 finished product

manufactured article ready for end-use.

1.3.7 doré bar

ingot made of gold, silver and other metals obtained after pre-refining usually at the site of a mine.

1.3.8 minted bar

homogeneous bar manufactured by stamping or pressing, with a specific design and markings, as well as a legal fineness.

1.3.9 cast bar

homogeneous bar produced in a mould directly from melted metal, without further metallurgical treatment after solidification, with a rectangular parallelepiped shape.

NOTE. Usually the cast bar is formed as a truncated pyramid to allow an easier extraction from the mould.

© MGIP 2026 - All rights reserved

1.3.10 kilobar

investment bar weighing one kilogram, usually obtained by a casting process.

NOTE. The gold kilobar is the world's most traded gold bar, popular among investors and jewellery manufacturers; ISO 24018 specifies a number of requirements (including dimensions, mass, fineness, markings, appearance) for that product.

1.3.11 bullion

fine precious metal bar meeting given specifications (dimensions, mass, fineness, markings, appearance).

1.3.12 refining

processing, purification, and recovery of gold to achieve specified purity levels suitable for commercial use.

EXAMPLE Refining doré gold and recycled gold, precious metals recovery from scrap jewellery or industrial materials, production of refined gold bars or feedstock for manufacturing, recycling and secondary refining of gold.

1.3.13 wholesale and trading

sourcing, wholesale trading, and distribution of gold products within domestic and international markets.

EXAMPLE Wholesale gold products trading between dealers, distribution of investment-grade gold products, international gold products sourcing and trading, and institutional or B2B transactions.

1.3.14 manufacturing

fabrication and production of gold products for commercial and consumer markets.

EXAMPLE Jewellery manufacturing and fabrication, production of minted bars and commemorative gold products, fabrication of gold components and finished consumer products, design and production of jewellery and related items.

1.3.15 assaying and hallmarking

testing, verification, and certification of gold purity and authenticity.

NOTE. This includes laboratory testing gold purity, issuance of assay certificates, hallmarking and quality marking of gold products, independent verification of precious metals content.

1.3.16 retail

distribution and sale of gold products directly to consumers or investors.

EXAMPLE Retail sale of gold products, retail distribution of investment gold products, consumer gold investment services, online and physical retail platforms for gold products.

© MGIP 2026 - All rights reserved

1.3.17 financial and investment products linked to gold

financial instruments or investment arrangements linked to gold.

EXAMPLE Gold investment accounts offered by financial institutions, exchange-traded gold products (ETFs), exchange-traded gold contracts, structured or digitally represented gold investment products.

1.3.18 gold-backed micro-financing

micro-financing services secured by gold collateral.

EXAMPLE Pawnbroking (conventional or Ar-Rahnu) services secured by gold products; short-term financing secured by gold collateral; valuation and management of gold collateral.

1.3.19 Ar-Rahnu

a valuable asset pledged as security for a debt (secured financing), which may be liquidated to settle the debt in the event of default by the debtor. It is a Sharia-compliant pawnbroking system that provides short-term collateralised loans to individuals.

1.3.20 gold collateral

gold products provided by a customer as security for microfinancing.

1.3.21 Shariah-compliant gold related activities

governance and structuring of Shariah-compliant refineries, gold products and services.

EXAMPLE Structuring of Shariah-compliant activities, including but not limited to refinery operations and gold trading procedures; Shariah advisory and governance oversight; compliance review of Shariah-compliant gold products; and ensuring adherence to Shariah principles in gold-related activities.

1.3.22 Marhun

Gold pledged by a customer as collateral for a financing facility in accordance with the principles of Rahn.

1.3.23 Agent/Distributor

An institution or entity appointed by a Product Provider/Principal to undertake marketing, distribution or sales activities on its behalf, without thereby assuming ownership, issuance, manufacturing, refining or custody responsibilities unless expressly agreed or undertaken.

1.3.24 Product provider/Principal

An institution or entity that owns, issues or provides the gold product and assumes the obligations attributable to the product provider under this Code.

© MGIP 2026 - All rights reserved

SECTION 2 MANAGEMENT SYSTEM

2.1 Context of organisation

The quality management system requirements specified in this document are common requirements applicable to all organisations in the gold value chain.

Organisations operating within regulated sectors, such as banking institutions, shall additionally comply with the applicable policy documents, guidelines, directives, acts, regulations, and other regulatory requirements issued or enforced by the relevant authorities. For banking institutions in Malaysia, this includes requirements issued by Bank Negara Malaysia (BNM), as well as applicable legislation and regulatory obligations governing their operations.

2.1.1 Understanding the organisation and its context

2.1.1.1 The organisation shall determine and monitor internal and external issues relevant to its business activities that may affect its ability to fulfil MGIP certification requirements.

2.1.1.2 The organisation shall identify issues related to:

a) business operations;

b) market conditions;

c) legal and regulatory obligations;

d) economic and financial factors;

e) technology and cybersecurity;

f) occupational health and safety;

g) environmental impacts;

h) gold market integrity; and

i) stakeholder expectations.

2.1.1.3 The organisation shall review the issues identified in 2.1.1.2 at planned intervals and whenever significant changes occur.

2.1.2 Interested parties

2.1.2.1 The organisation shall determine its interested parties, i.e. parties that may affect, be affected by, or perceive themselves to be affected by the organisation's gold-related business activities.

© MGIP 2026 - All rights reserved

2.1.2.2 The organisation shall determine the applicable needs, expectations, and requirements of these identified interested parties.

2.1.2.3 The organisation shall monitor and review information relating to these interested parties and their requirements at planned intervals, or when significant changes occur.

NOTES:

1. Relevant interested parties may differ depending on the organisation's certified activity, size, business model, and regulatory obligations.

2. Examples of interested parties include:

   a) customers;

   b) investors;

   c) gold suppliers and service providers;

   d) financial institutions;

   e) government agencies;

   f) regulatory authorities;

   g) certification and accreditation bodies;

   h) employees and workers;

   i) shareholders and business owners;

   j) local communities;

   k) industry associations; and

   l) law enforcement agencies, where applicable.

3. Interested parties that may be particularly relevant based on the Code under which the organisation’s business operates are as listed below :

   a) Code 1 (Refining): regulators, suppliers, laboratory service providers, and environmental authorities

   b) Code 2 (Wholesale and Trading): suppliers, customers, financial institutions, and AML/CFT regulators

   c) Code 3 (Manufacturing): suppliers, customers, workers, DOSH, and environmental authorities

   d) Code 4 (Assaying and Hallmarking): customers, accreditation bodies, regulators, and laboratories

   e) Code 5 (Retail): consumers, enforcement authorities, and financial institutions

   f) Code 6 (Financial and Investment-Linked Gold Products): investors, custodians, financial regulators, and financial institutions

   g) Code 7 (Gold-Backed Micro-Financing): borrowers, investors, financial institutions, regulatory authorities, and Shariah governance bodies (where applicable)

© MGIP 2026 - All rights reserved

2.1.3 Scope of certification

2.1.3.1 The organisation shall define their scope of management system. The scope shall be maintained as documented information. An organisation shall only claim certification for the Code(s) appearing within its certification scope.

2.1.3.2 The scope shall include:

a) name of legal entity;

b) physical location(s);

c) Code(s) under which the organisation's activity(ies) for which certification is being sought falls ;

d) products and services covered; and

e) outsourced activities, where applicable.

2.2 Leadership and governance

2.2.1 Leadership commitment

Top management shall demonstrate its commitment to:

a) compliance with MGIP requirements;

b) ensuring product integrity;

c) compliance with applicable legal requirements;

d) ethical business conduct;

e) occupational health and safety;

f) environmental responsibility; and

g) continual improvement.

2.2.2 Corporate governance

2.2.2.1 The organisation shall maintain a documented governance structure.

2.2.2.2 Responsibilities, authorities and reporting lines shall be defined.

2.2.2.3 Management shall ensure accountability for:

a) compliance;

© MGIP 2026 - All rights reserved

b) risk management;

c) financial integrity;

d) product integrity; and

e) customer protection.

2.2.3 MGIP policy

2.2.3.1 The organisation shall establish, document and maintain a MGIP Policy.

2.2.3.2 The policy shall include commitments towards:

a) legal compliance;

b) ethical sourcing and trading;

c) responsible business conduct;

d) health and safety;

e) environmental protection;

f) customer confidence; and

g) continual improvement.

2.3 Planning

2.3.1 Risk and opportunity management

2.3.1.1 The organisation shall establish a documented risk management process.

2.3.1.2 Risks shall be assessed considering likelihood and impact.

2.3.1.3 Risk treatment actions shall be implemented and monitored. Minimum risk areas that need to be monitored are as follows.

a) fraud;

b) theft;

c) money laundering;

d) counterfeit products;

e) cybersecurity;

© MGIP 2026 - All rights reserved

f) market volatility;

g) legal non-compliance;

h) safety incidents;

i) environmental incidents; and

j) reputational risks.

NOTE. For all codes, fraud prevention, traceability and anti-money laundering controls are to be treated as critical certification issues.

2.3.2 MGIP objectives

2.3.2.1 The organisation shall establish measurable objectives.

2.3.2.2 Objectives shall include, where applicable:

a) compliance performance;

b) customer satisfaction;

c) safety performance;

d) environmental performance; and

e) operational performance.

2.3.3 Management of change

When the organisation determines the need for changes, it shall ensure that the changes are planned and implemented in a controlled manner such that compliance with requirements is not affected. Examples of changes include:

a) relocation;

b) ownership changes;

c) new technology;

d) new products;

e) new suppliers; and

f) outsourcing arrangements.

© MGIP 2026 - All rights reserved

2.4 Support

2.4.1 Resources

The organisation shall provide resources necessary to achieve conformity. Resources shall include:

a) competent personnel;

b) premises;

c) equipment;

d) information systems;

e) security controls; and

f) financial resources.

2.4.2 Competence

2.4.2.1 Personnel performing activities affecting conformity shall be competent. Specifically, personnel conducting assaying, purity verification, hallmarking or investment product verification shall possess demonstrable competency.

2.4.2.2 Competence shall be based on one or more of the following:

a) education;

b) training;

c) qualification;

d) experience.

2.4.3 Awareness

Personnel shall be aware of and understand:

a) MGIP requirements;

b) company policy;

c) legal obligations; and

d) consequences of non-compliance.

2.4.4 Communication

The organisation shall establish internal and external communication arrangements.

© MGIP 2026 - All rights reserved

2.4.5 Documented information

2.4.5.1 The organisation shall establish controls for documented information, including:

a) creation;

b) approval;

c) revision;

d) access;

e) retention; and

f) disposal.

2.4.5.2 Records shall remain legible, traceable and retrievable. Missing traceability records shall be treated as a major finding.

2.5 Operational compliance requirements

2.5.1 Legal and regulatory compliance

2.5.1.1 The organisation shall be legally registered in Malaysia.

2.5.1.2 The organisation shall maintain applicable licences, permits and approvals.

2.5.1.3 The organisation shall periodically evaluate compliance with applicable legal requirements which shall include, but not limited to, the following:

a) Companies Act 2016

b) Income Tax Act 1967

c) Sales Tax Act 2018

d) Occupational Safety and Health Act 1994 / OSHA 2022 amendments

e) Factories and machinery legislation, where applicable

f) Environmental Quality Act 1974

g) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001

h) Local government authority requirements

Violation of legal requirements may result in suspension or withdrawal of certification.

© MGIP 2026 - All rights reserved

2.5.2 Occupational health and safety

2.5.2.1 General

The organisation shall establish arrangements to identify, assess and control occupational hazards. The absence of a documented Hazard Identification, Risk Assessment, and Risk Control (HIRARC) and unresolved occupational safety and health violations of a serious nature shall constitute major nonconformities.

2.5.2.2 Legal compliance

The organisation shall ensure compliance with applicable Department of Occupational Safety and Health (DOSH) legal requirements.

2.5.2.3 Hazard management

The organisation shall:

a) conduct hazard identification;

b) assess risks;

c) implement controls; and

d) review effectiveness.

2.5.2.4 Emergency preparedness

The organisation shall establish emergency response procedures.

2.5.2.5 Incident management

The organisation shall investigate occupational safety and health incidents and implement corrective actions.

2.5.3 Environmental management

2.5.3.1 The organisation shall identify environmental aspects associated with its activities.

2.5.3.2 The organisation shall ensure compliance with applicable environmental legal requirements. Illegal disposal of hazardous waste shall result in major nonconformity.

2.5.3.3 The organisation shall control:

a) waste generation;

b) hazardous materials;

c) emissions;

© MGIP 2026 - All rights reserved

d) effluent discharge; and

e) resource consumption.

2.5.3.4 Environmental incidents shall be reported, investigated and addressed.

2.5.4 Supply chain and due diligence

2.5.4.1 The organisation shall evaluate and approve suppliers relevant to activities under its scope of certification.

2.5.4.2 Monitoring of supplier performance shall be conducted periodically.

2.5.4.3 The organisation shall establish due diligence processes to mitigate the following risks, related to the businesses of its suppliers.

a) fraud;

b) counterfeit gold;

c) illegal sourcing; and

d) financial crime.

2.5.5 Traceability and product integrity

2.5.5.1 The organisation shall maintain traceability of gold materials and products relevant to its Code activities. Loss of traceability shall be considered a major certification risk.

2.5.5.2 Records shall permit verification of:

a) source;

b) movement;

c) ownership; and

d) disposition.

2.6 Performance evaluation

2.6.1 Monitoring and evaluation

The organisation shall monitor, analyse and evaluate the following:

a) compliance performance;

b) customer complaints;

c) supplier performance;

© MGIP 2026 - All rights reserved

d) safety performance;

e) environmental performance; and

f) achievement of objectives.

2.6.2 Internal audit

Internal audits shall be conducted at least once every 12 months.

2.6.3 Management review

The organisation shall carry out a review of the performance its management system at planned intervals. Management reviews shall be conducted at least annually.

Mandatory inputs shall include:

a) audit findings;

b) customer complaints;

c) legal compliance status;

d) safety performance;

e) environmental performance;

f) risks and opportunities; and

g) supplier performance.

The output of the review shall include, if applicable, recommendation(s) to improve the effectiveness of the management system.

2.7 Improvement

2.7.1 Nonconformity and corrective action

Where non-conformities are detected relating to the implementation of the system, root-cause-based corrective actions shall be implemented and verified for effectiveness.

2.7.2 Continual improvement

The organisation shall identify and implement actions aimed at continual improvement of its MGIP-certified activities.

© MGIP 2026 - All rights reserved

SECTION 4 CODE OF PRACTICE FOR WHOLESALE AND TRADING

4.1 Scope

This section specifies the requirements for entities undertaking wholesale, distribution, brokerage, import, export and trading activities involving gold products.

The requirements of this Code apply to activities involving gold bars, bullion, investment gold products, semi-finished gold materials, jewelleries and other gold products, including procurement, supplier management, storage, transportation, trading transactions, risk management, responsible sourcing and related wholesale operations, where applicable.

4.2 Wholesale and trading technical requirements

4.2.1 Product verification and acceptance

4.2.1.1 Incoming gold products

The wholesale/trading entity shall:

a) verify the purity, fineness, weight, serial number and certification of incoming gold products;

b) establish documented inspection procedures;

c) perform independent verification using recognised analytical methods where appropriate;

d) investigate discrepancies relating to:

   i) purity;

   ii) weight;

   iii) certification;

   iv) serial number; and

   v) product specifications.

e) maintain records of verification activities.

4.2.2 Responsible sourcing and supply chain due diligence

The wholesale/trading entity shall:

a) establish a responsible sourcing policy;

b) identify and assess risks associated with suppliers and supply chains;

© MGIP 2026 - All rights reserved

c) ensure gold products are not knowingly sourced from activities involving:

   i) child labour;

   ii) forced labour;

   iii) human trafficking;

   iv) terrorism financing;

   v) organised crime;

   vi) illegal mining; and

   vii) serious human rights violations.

d) establish procedures for risk mitigation and supplier engagement;

e) maintain supply chain traceability records and

f) periodically review supply chain risks.

4.2.3 Customer due diligence and Know Your Customer (KYC)

The wholesale/trading entity shall:

a) establish documented KYC procedures;

b) verify customer identity before entering trading relationships;

c) identify beneficial owners where applicable;

d) classify customers according to risk;

e) perform enhanced due diligence for high-risk customers; and

f) maintain customer due diligence records.

4.2.4 Anti-Money Laundering and Counter Financing of Terrorism (AML and CFT)

The wholesale/trading entity shall:

a) establish AML and CFT procedures consistent with applicable legal requirements;

b) monitor transactions for unusual or suspicious activity;

c) conduct sanctions screening where required;

d) establish escalation and reporting procedures for suspicious transactions; and

e) maintain records of AML and CFT reviews and investigations.

© MGIP 2026 - All rights reserved

4.2.5 Trading transaction controls

The wholesale/trading entity shall:

a) establish documented procedures for wholesale trading transactions;

b) verify counterparty identity prior to transaction execution;

c) maintain records of:

   i) transaction date;

   ii) product description;

   iii) purity;

   iv) weight;

   v) quantity;

   vi) price;

   vii) payment method; and

   viii) customer information.

d) ensure all transactions are properly authorised; and

e) utilise recognised and secure payment channels.

4.2.6 Transportation, storage and security

The wholesale/trading entity shall:

a) implement controls for transportation and storage of gold products;

b) establish inventory controls including:

   i) restricted access;

   ii) segregation of duties;

   iii) authorised custodians;

   iv) inventory movement records; and

   v) periodic stock reconciliation.

c) maintain appropriate insurance coverage; and

© MGIP 2026 - All rights reserved

d) establish procedures for incidents involving:

   i) theft;

   ii) robbery;

   iii) loss;

   iv) substitution; and

   v) damage.

4.2.7 Export and import controls

The wholesale/trading entity shall:

a) comply with import and export requirements;

b) maintain shipping and customs documentation;

c) verify legal source declarations where required; and

d) implement procedures to prevent cross-border regulatory violations.

4.2.8 Wholesale and trading operational risk controls

The wholesale/trading entity shall:

a) establish operational controls to minimise trading risks;

b) identify and manage risks relating to:

   i) counterfeit products;

   ii) supplier failure;

   iii) logistics disruption;

   iv) fraud;

   v) cybersecurity;

   vi) documentation errors; and

   vii) transaction settlement failures.

c) establish contingency plans for operational disruptions; and

d) periodically assess effectiveness of controls.

© MGIP 2026 - All rights reserved

4.3 Product standards

4.3.1 Product integrity

The wholesale/trading entity shall:

a) trade only genuine gold products compliant with applicable MGS specifications;

b) verify declared purity, fineness and weight; and

c) maintain controls against:

   i) product substitution;

   ii) counterfeit products;

   iii) tampering; and

   iv) fraudulent certificates.

4.3.2 Hallmarking, certification and traceability

The wholesale/trading entity shall:

a) ensure gold products are accompanied by appropriate hallmarking for jewellery or certificates for gold bar/bullion where applicable.

b) verify correspondence between:

   i) certificate number;

   ii) serial number;

   iii) weight;

   iv) purity;

   v) manufacturer identification;

c) establish procedures for suspected fraudulent documentation; and

d) quarantine products under investigation.

4.3.3 Product information disclosure

The wholesale/trading entity shall provide relevant counterparties with:

   i) purity/fineness;

   ii) weight;

© MGIP 2026 - All rights reserved

iii) product description;

iv) pricing breakdown;

v) certification details, where applicable;

vi) serial numbers, where applicable; and

vii) trading terms and conditions.

4.3.4 Fair trading practices

The wholesale/trading entity shall:

a) conduct transactions fairly and transparently;

b) avoid misleading information;

c) avoid market manipulation;

d) disclose trading terms, fees and charges and

e) establish dispute resolution procedures.

4.4 Assaying testing and verification

4.4.1 Independent product verification

The wholesale/trading entity shall:

a) establish procedures for independent verification using recognised methods including:

i) X-Ray Fluorescence (XRF);

ii) Density Testing; or

iii) other recognised methods.

b) maintain calibration and maintenance records; and

c) retain verification records.

4.4.2 Hallmark and certification verification

The wholesale/trading entity shall:

a) verify authenticity of hallmarks and related documents;

b) verify authenticity of certificates and related documents

© MGIP 2026 - All rights reserved

c) conduct periodic sample verification based on risk assessment and

d) investigate suspected fraudulent certificates.

4.4.3 Non-conforming product management

The wholesale/trading entity shall:

a) quarantine non-conforming products;

b) conduct investigations;

c) identify root causes;

d) implement corrective actions; and

e) maintain records of all non-conformities.

4.5 Risk management

The wholesale/trading entity shall:

a) maintain a risk register;

b) assess and monitor, where applicable, the following:

   i) gold price risk;

   ii) market risk;

   iii) counterparty risk;

   iv) liquidity risk;

   v) operational risk;

   vi) cybersecurity risk;

   vii) compliance risk;

   viii) sanctions risk; and

   ix) responsible sourcing risk.

c) establish risk mitigation measures;

d) establish business continuity and recovery arrangements; and

e) periodically review risk controls and effectiveness.

© MGIP 2026 - All rights reserved

4.6 Regulatory requirements

The wholesaler or trader shall identify, comply with, and monitor applicable legal and regulatory requirements relating to the purchase, sale, storage, distribution, import, and export of gold products. Applicable requirements shall include, where relevant:

a) Trade Descriptions Act 2011;

b) Trade Descriptions (Articles Made of Precious Metals) Regulations 1994;

c) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA);

d) Customs Act 1967 and related import and export requirements;

e) Consumer Protection Act 1999; and

f) other legal and regulatory requirements applicable to the wholesale and trading of gold products in Malaysia.

© MGIP 2026 - All rights reserved

Bibliography

[1] Detailed Delivery Rules of Shanghai Gold Exchange, 2019

[2] Detailed Rules for Bullion Physical Leasing of Shanghai Gold Exchange, 2024

[3] SGEB2-2019, Gold Bar, Shanghai Gold Exchange Standard, 2004

[4] SGEB1-2019, Gold Ingot, Shanghai Gold Exchange Standard, 2002

[5] Measures for the Administration of Inventory Swaps of Shanghai Gold Exchange

[6] Measures for the Administration of Safe Deposit Vaults of Shanghai Gold Exchange, 2019

[7] Measures for the Administration of SGE-Assisted Pledging Transactions of Shanghai Gold Exchange

[8] Operating Guidelines of Shanghai Gold Exchange for Load-In/Load-Out and Bonded Zone Entry/Exit Procedures for International Board-Certified Vaults

[9] GB/T 4135-2016, National Standard of the People's Republic of China, Silver Ingots

[10] Emirates Bullion Market Committee Rules for Risk Based Due Diligence in the Gold Supply Chain Version 1/2021

[11] Emirates Bullion Market Committee UAE Good Delivery Accreditation Rules Version 1/2021

[12] Retailing Code of Conduct, Self-Assessment Guide, Indian Association for Gold Excellence and Standards (IAGES)

[13] ISO 22095:2020, Chain of custody - General terminology and models

[14] OECD Due Diligence Guidance for Responsible Business Conduct, 2018

[15] The AAOIFI Shari'ah Standard No. 57 on Gold and its Trading Controls, Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

© MGIP 2026 - All rights reserved

MGIP
MALAYSIA GOLD INDUSTRY PRINCIPLES

Acknowledgements

SIRIM Berhad would like to thank the members of the MGIP Working Group who have contributed their ideas, time and expertise in the development of this document.

Dato' Seri Louis Ng (Chairman)	Malaysia Gold Association
Mr Fan Shao Kai/ Mr Mike Oswin/ Mr Tan Kway Guan (Co-chairman)	World Gold Council
Ms Nor Azian Duriat/ Ms Noraslina Mat Zain/ Ms Zulaikah Zulkefly (Technical Secretary)	SIRIM Academy Sdn Bhd
Datuk Haji Abdul Rasull Abdul Razak	Abdul Razak Jewellers
Ms Catherine Teh	Aurora Italia International Berhad
Prof Adj Dr Hajjah Sarimah Bashah	Bank Muamalat Malaysia Berhad
Dato' Chiah Hock Yew	Jin Huo Gold & Jewellery Industries (M) Sdn Bhd
Mr Kelvin Tan Chun Hau	Jin Huo Jewellery Global Sdn Bhd
Mr Abdul Shukor Anuar	KL Assay Office (M) Sdn Bhd
Dato' Haji Abdul Wahab Hamid	Koperasi Dagang Emas Malaysia Berhad
Mr Veerabalan Achary	Malaysia Indian Goldsmith & Jewellers Association (MIGJA)
Mr Dylan Chew Li Ren	Malaysia Pawnbrokers Association
Mr Elson Beh	MGA Legal Counsel
Datuk Prof Dr Mohamad Akram Laldin/ Mr Khairun Najmi Saripudin/ Mr Mohd Zikri Mohd Shairy	MGA Shariah Advisory Board
Mr Cheung Chee Sing/ Mr Orson Ewe Hong Kai	PM Refinery Sdn Bhd
Mr Poon Wai Kit/ Mr Chin Lang Hoe	Province Wellesley Gold & Silver Ornament Merchants Association
Mr Vincent Tan/ Ms Janelle Ang/ Ms Susan Foo	Public Gold Marketing Sdn Bhd

Ms Nurul Atika Mohamed/ Ms Nor Fazliana Mohd Zikri	Rakyat Management Services Sdn Bhd
Mr Jimmy Dang/ Mr Nor Azhar Jamil	Refine Au Sdn Bhd
Mr Tan Jia Hoe/ Mr Quah Chuan Seong	TES Global Resources Sdn Bhd
Dato' Jeff Kua	TTT Bullion (M) Sdn Bhd

Observers

Ministry of Domestic Trade and Cost of Living (KPDN)
Malaysia External Trade Development Corporation (MATRADE)
Department of Standards Malaysia

© MGIP 2026 - All rights reserved

© Copyright 2026
All rights reserved. Unless otherwise specified, no part of this standard may be reproduced or utilised in any form or by any means, electronic or mechanical, including photocopying, recording or otherwise, without prior written permission from MGIP.