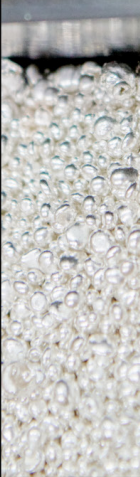
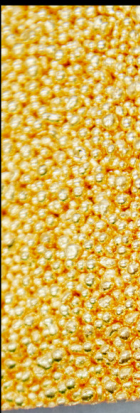
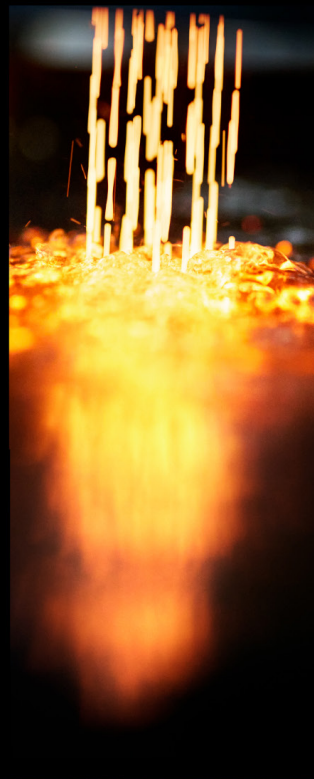
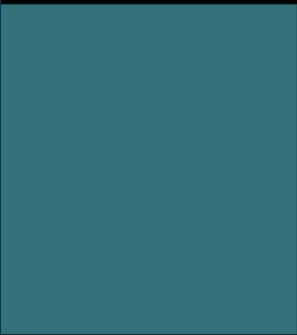


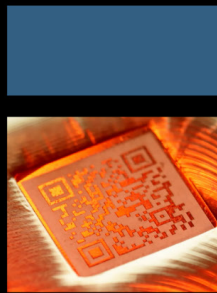


MKS PAMP



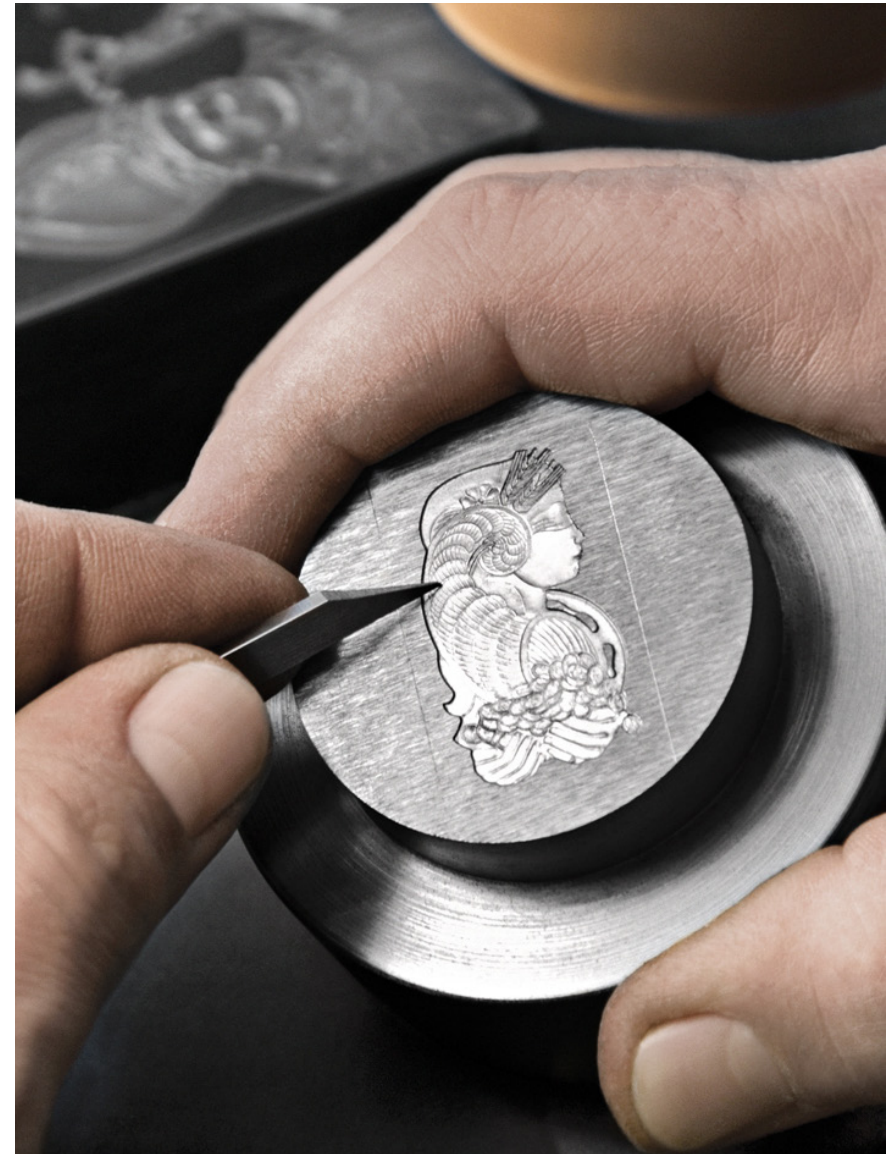
MKS PAMP SA

FY2023
ESG REPORT



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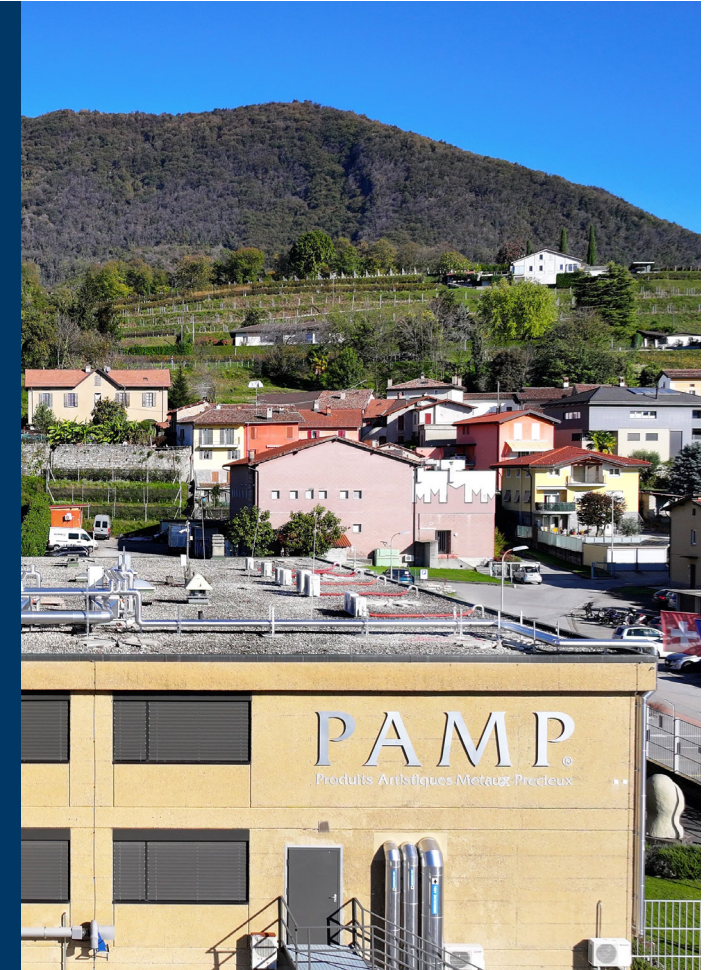


The FY23 Environmental, Social, and Governance (ESG) Report serves as MKS PAMP SA's ("MKS PAMP") primary tool for disclosing ESG performance. It is aligned with the [Global Reporting Initiative \(GRI\)](#) 2021 standards. The reporting period spans from July 1, 2022, to June 30, 2023, and covers MKS PAMP's locations in Geneva and Ticino, Switzerland.

This is the first time that MKS PAMP has conducted partial assurance on its ESG report. The FY23 report is assured by PricewaterhouseCoopers (PWC) for Greenhouse Gas (GHG) Emissions (GRI 305) and Health & Safety (GRI 403). For FY24, MKS PAMP plans to expand this assurance to include additional GRI topics.

Additionally, in July 2023, to stay at the forefront of sustainability reporting, we engaged PWC to conduct a comprehensive assessment of our maturity level across key sustainability reporting frameworks, including the DDTrO, Swiss RBI, TCFD, and ESRS under CSRD.

Contact: esg@mkspamp.com



¹As a private company, MKS PAMP does not publish financial statements.

A message from Marwan Shakarchi, Chief Executive Officer

“The transformation from a small family-owned business to a global corporation brings both opportunities and responsibilities to drive sustainable progress.”

Dear Reader,

In our Financial Year 2023, we intensified our commitment to environmental, social, and governance (ESG) initiatives, reaching a pivotal milestone in our sustainability journey. I am pleased to present our ESG report, highlighting significant achievements from setting targets to realizing them.



Our progress includes reducing our environmental impact, enhancing community involvement, and maintaining fairness in governance. These achievements could not have been realized without the dedication of our employees. We have established ESG as a key performance indicator to value their work and reinforce our commitment to sustainable practices across our operations.

The transformation from a small family-owned business to a global corporation brings both opportunities and responsibilities to drive sustainable progress. Central to our principles, we believe in being agents of positive change. Our approach to profitability is underpinned by sustainable practices that prioritize the well-being of people and the planet. From the outset, we have championed long-term thinking, responsible sourcing, and ethical conduct, establishing industry benchmarks through collaboration with our partners.

As we navigate an evolving landscape, trust, responsibility, and purpose remain our guiding principles. I am grateful to our dedicated employees whose efforts drive our mission forward.

Together, we are shaping a brighter future for generations to come.

Marwan Shakarchi, Chief Executive Officer

Environment



A sustainable path

To ensure that our commitments align with the latest science, since 2022 we have had our greenhouse gas emissions reduction target validated by the Science Based Targets initiative (SBTi). The SBTi has classified our company's scope 1 and 2 targets as being in line with a 1.5°C trajectory, currently the most ambitious designation available through the SBTi process. As such, MKS PAMP SA commits to reducing absolute scope 1 GHG emissions by 46.2% by FY2030 from a FY2019 base year. MKS PAMP SA also commits to the ongoing annual sourcing of 100% renewable electricity through FY2030.

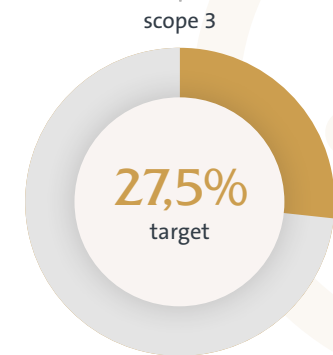
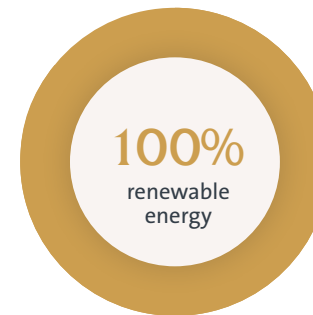
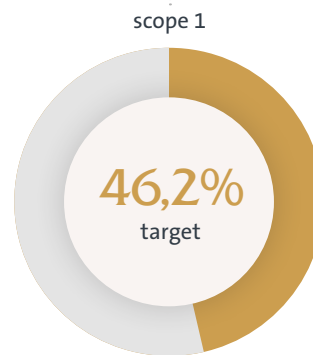
MKS PAMP SA further commits to reduce absolute scope 3 GHG emissions by 27.5% by FY2030 from a FY2019 base year.*

Since FY2019, we have undertaken strategic initiatives to decrease our carbon footprint and have made significant progress.

**As of February 2024, MKS PAMP SA has increased its commitment to reduce absolute scope 3 GHG emissions to 30% by FY2030 from a FY2019 baseline year.*

Our refinery has transitioned from diesel to methane for heating and steam generation, supplemented by other measures to enhance energy efficiency and monitor company KPIs. These measures include energy assessments conducted with external advisors, which have led to the activation of various projects. These projects include a new Energy Management System (EMS) for improved data handling, separation of furnace cooling, enhancements in heat recovery, and airflow redesigns.

We prioritize emission reduction in purchasing goods and services, as Category 1 of our Scope 3 emissions comprises over 95% of our total emissions. Since FY19, we have reduced emissions by enhancing GHG source disclosures, monitoring our sourcing mix, and integrating carbon measurement and reduction criteria into client onboarding and compliance reviews.



We source 100% renewable electricity across our three Swiss locations.

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Social



Investing in our communities

People have always been at the heart of MKS PAMP’s business. It is important for us to foster relationships with the communities surrounding our operations, earn their trust, and make them feel valued. In addition to minimizing our environmental footprint, we place a high emphasis on designing our operations to thoughtfully address and mitigate local concerns. Throughout FY23, we continued our support for educational initiatives, healthcare development, and infrastructure improvements.

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Enshrining social and environmental considerations in our by-laws

In January 2023, MKS PAMP amended its company by-laws to incorporate social and environmental impact considerations. This pivotal change not only redefines our mission but also ensures that these considerations are integral to all operational and financial activities of the company. Furthermore, the responsibilities of the Board of Directors have been expanded to include the evaluation of social and environmental impacts in their decision-making. These amendments underscore our commitment to responsible governance and align our strategic objectives with sustainability, reinforcing our dedication to creating lasting value for all stakeholders.

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SPOTLIGHT

Integrating sustainability at the highest level of governance: MKS PAMP’s engagement in Swiss Board for Agenda 2030.

Launched during the World Economic Forum in Davos in 2022, the Swiss Boards Agenda 2030 (SBA2030) is an alliance of Swiss CEOs and board members committed to accelerating the United Nations’ Agenda 2030 for Sustainable Development goals within corporate governance. MKS PAMP is proud to be among the first 21 signatories of this ambitious alliance and continues to integrate this initiative into its operations. Accordingly, we have amended our by-laws to prioritize positive environmental and social impacts, placing sustainability at the core of our strategy and board agenda.

As part of our commitment to #SBA2030, our CEO, Marwan Shakarchi, and board member, Hans Isler, participated in a masterclass in November 2023. This session focused on exchanging insights on critical topics such as the changing role of boards, enhancing stakeholder engagement, optimizing supply chains, amending by-laws, and crafting a purpose-driven business strategy.

“MKS PAMP is proud to be part of this initiative and hopes to encourage other companies, particularly in the financial sector, to join the SBA2030 Alliance.”

Marwan Shakarchi, CEO



Swiss Board for Agenda, Marwan Shakarchi & Hans Isler, nov 2023



Tamara Jomaa-Shakarchi’s interview for SBA2030

See Tamara Jomaa-Shakarchi’s interview with SBA2030 [here](#).

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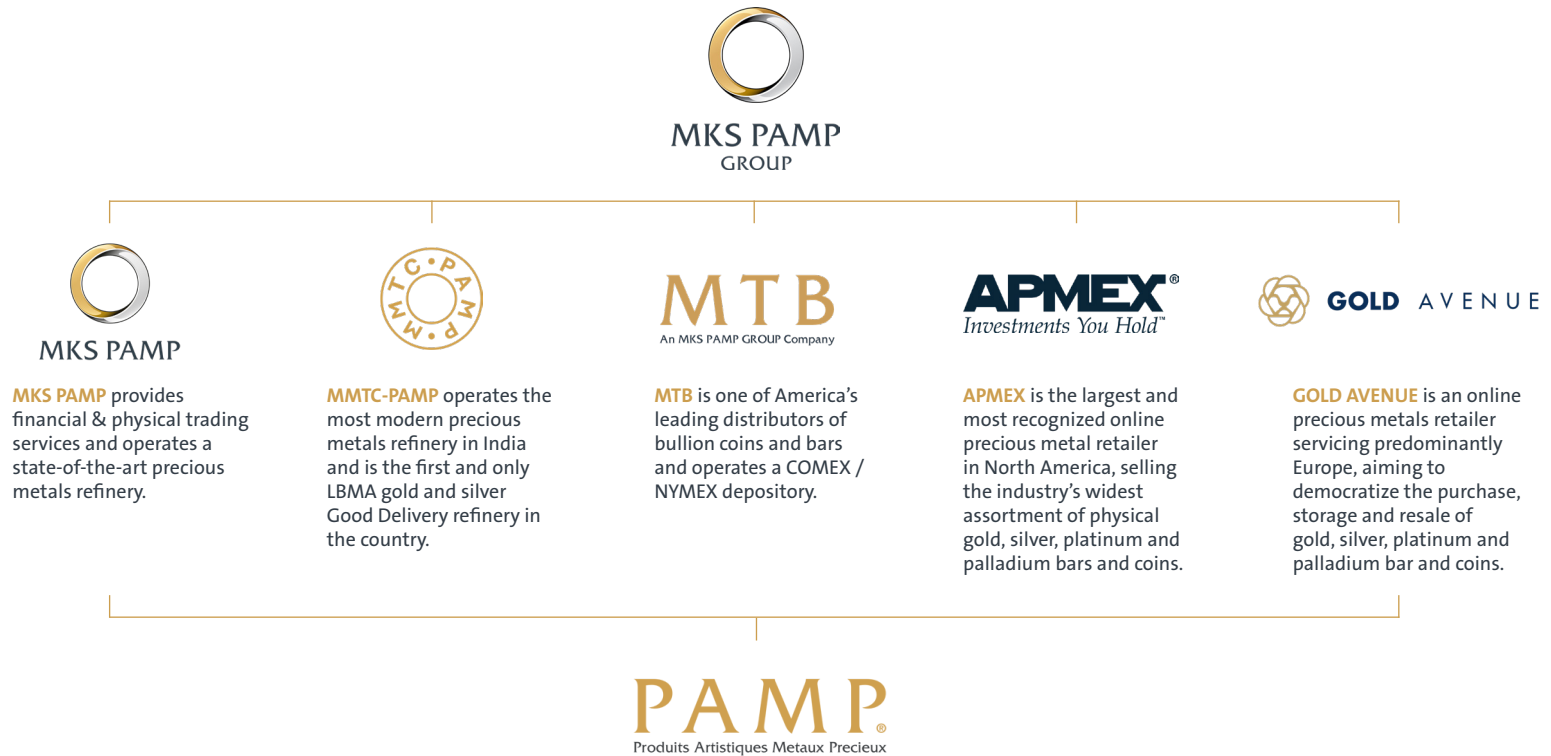
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GRI 1.1. The organisation and its reporting practices

Our group companies

Group structure

MKS PAMP is part of the MKS PAMP GROUP, a global, integrated precious metals group comprising 6 companies, with 17 offices across 11 countries.



PAMP is the world's leading bullion & product brand, and an integral part of MKS PAMP's product offering.

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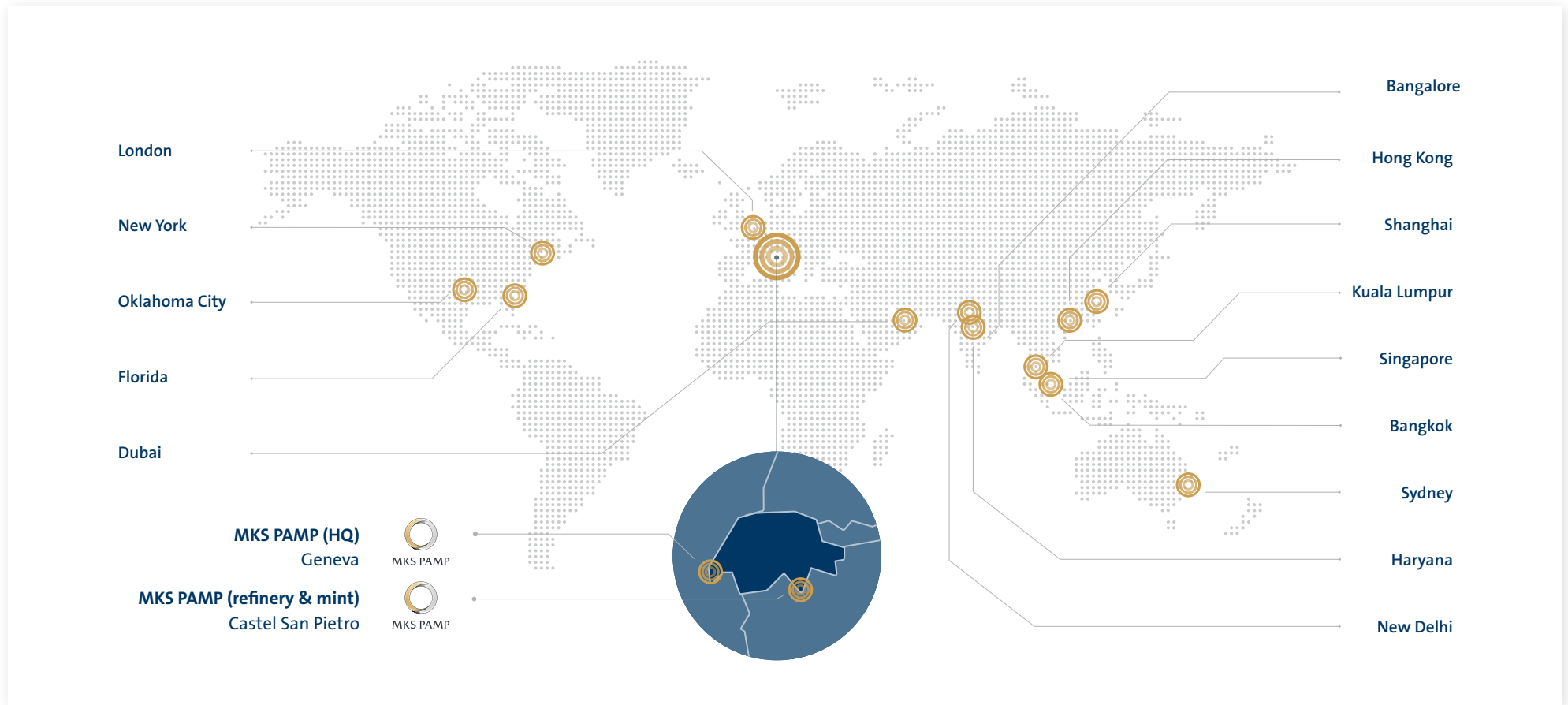
Governing structure



GRI 1.1. The organisation and its reporting practices

Group locations

MKS PAMP is headquartered in Geneva, Switzerland, where it provides financial and physical trading services and operates a state-of-the-art precious metals refinery and mint located in Castel San Pietro, Ticino. We offer products and services catering to every segment of the market, with particular emphasis on the investment, jewellery, and industrial sectors.



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Purpose, mission, and strategy

Our business has always been guided by the MKS PAMP GROUP family values, which continue to be the foundation of all our actions. In FY23, these values propelled MKS PAMP to uphold higher standards of ethics and integrity in our governance. Maintaining efficient and flexible decision-making processes remains a key priority.



Purpose

To safeguard our partners' values through investments in precious metals



Mission

To produce beautiful and safe physical assets by refining, trading, and selling superior precious metals products globally and in Switzerland.

To engage with our suppliers, customers, and employees to ensure that our products are innovative, authentic and responsibly sourced and produced, to the highest standards in the industry.

To create wealth while promoting social wellbeing and responsibly managing all the resources involved in our supply-chain.



Strategy

Five focus areas combine to define who we are:

Family culture - The Company will ensure that a family spirit is entrenched in its culture. We will promote high environmental, social and governance standards to ensure sustainability in all our business activities for the long-term success of present and future generations.

Skilled and diverse workforce - The Company will assist employees in adapting to technological advancements and utilising their individual knowledge and expertise to create and provide value-added products and services. The Company will strive for diversity and equality in its workforce and ensure that all employees are valued, respected, and integrated into the corporate family.

A sustainability driven company - Sustainability and profitability are guiding principles; both are equally prioritised. We adopt an integrative approach that incorporates progressive social and environmental solutions in our commercial and operational activities.

Innovative practices - The Company aims to surpass the industry's expectation of innovation and excellence. Our priority is to deliver the highest quality and transparency in our customer-centric products and services.

Access to products and solutions - The Company will focus on customer's needs. Providing continuous access to the physical supply-chain is essential to our partners.

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GRI 1.2. Activities and workers

Products



Provenance™

Provenance™ is a traceability solution that leverages blockchain technology to track the global precious metal supply chain, guaranteeing responsible sourcing. This solution enables clients to pick and choose the origin and type of precious metal source.

Carbon Verified products

Our portfolio of Carbon Neutral and Carbon Measured precious metals products are verified according to the standards and criteria established by the Carbon Trust, and in line with the PAS 2060 international standards. These include our gold cast bars, 1oz Lady Fortuna gold minted bar, and our gold and silver grains.

Cast bars

Produced in gold, silver, platinum and palladium, our fully customisable cast bars range in weights from 1 tael to 1000 ounces.

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Minted bars

From original concept and design through to tooling, production, packaging, and marketing support, we manufacture minted bars in gold, silver, platinum, palladium, and rhodium, all of which are available in a range of sizes and weights (0.3g – 1kg).



Industrial products

As a vertically integrated precious metals company, we provide specialty precious metals products to a variety of industrial clients, such as semi-fabricated products for the jewellery and watch industries; gold, silver, and platinum alloys; coins and metal blanks. We also offer a full range of Platinum Group Metal (PGM) chemical compounds and fine metals.



VERISCAN®

Accredited by the LBMA in March 2023, **VERISCAN™** is an advanced app-based scanning technology that identifies and enables the instant and secure authentication of registered PAMP products using an iPhone. VERISCAN™ reduces the risk of fraud, boosts efficiency and in turn potentially decreases buy-back costs for both distributors and investors.

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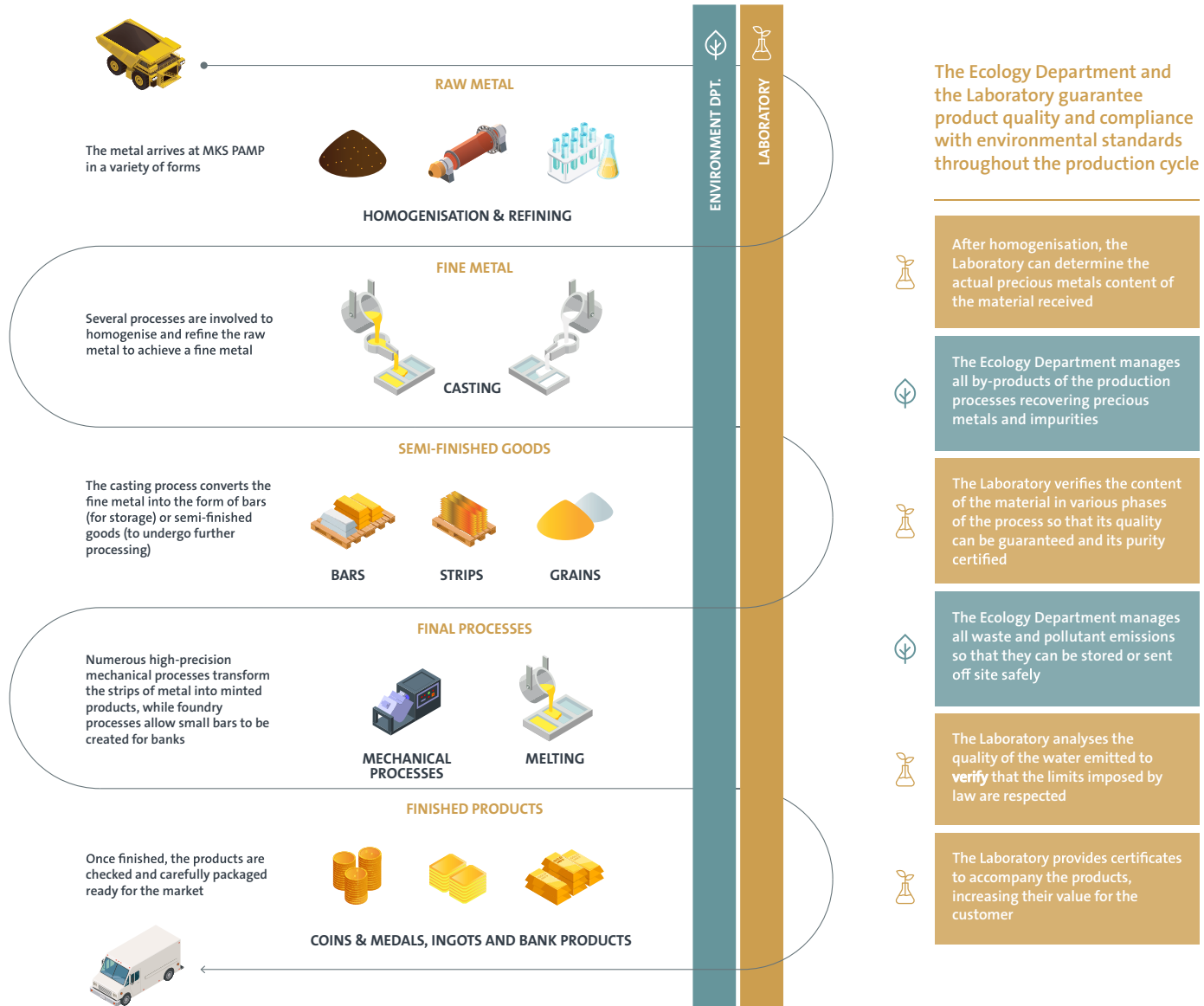
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GRI 1.2. Activities and workers

Services



Trading services



PHYSICAL TRADING

We are active in location and quality swaps, maintaining extensive product inventories and providing logistic and storage solutions in all major markets.



FINANCIAL TRADING

We focus on competitive pricing, liquidity and timely trade execution for spot, forwards, options, and treasury swaps, while offering tailored risk management and hedging strategies.



ONLINE TRADING

Our in-house Web Trading Application (WTA) enables clients to trade gold, silver and PGMs in multiple currencies and provides access to market liquidity and execution in real time.

Treasury services

We help our customers better manage supply chain related cost and risk through our tailor-made financing solutions for all precious metals and against multiple currencies.

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GRI 1.2. Activities and workers



Production and refining services

The refining capacity of our production site in Switzerland exceeds 450-metric tons for gold, 600-metric tons for silver and 5 tons for PGM (platinum, palladium, rhodium, ruthenium, iridium, and osmium) per year. Methods include electrolysis as well as wet chemical refining (aqua regia). We refine doré from mining partners, recycled material from the secondary jewellery market, investment bars and spent industrial material.



Analysis and sampling

Our Assay and Analysis Laboratory, which operates as an independent entity under the remit of the Swiss Central Office for the Control of Precious Metals, is certified to carry out tests on precious metals. The Laboratory also holds the ISO/IEC 17025 accreditation and has several analytical methods accredited. The comprehensive range of services include fire, spectrometric, ICP, X-ray and chemical assays. All material arriving at the refinery, whether doré or recycled material, is melted and sampled.



Vaulting and storage

We offer bespoke and secure precious metals storage solutions in Switzerland and through our affiliate companies in India and the USA, which offer similar services in their respective countries. Additionally, we offer vaulting facilities in various other locations through our dedicated logistic partners. Our services also include all-risk insurance, flexible stock management, and LBMA-accredited weighing and acceptance procedures.



Collectibles and custom minting

We produce a range of innovate keepsake designs across several categories, including legal tender, commemorative coins, and official, brand-licensed collectibles.

MKS PAMP is working since 2012 in an exclusive worldwide partnership with UNESCO, to develop, design, produce and market a range of commemorative coins and medallions promoting World Heritage sites and using the UNESCO brand.

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GRI 1.3. Governance

Governing structure

Elected by the General Assembly, the Board of Directors is the highest governing body at MKS PAMP. Comprising two executive and three non-executive members, the Board meets a minimum of four times per year and is responsible for establishing strategy and delegating its execution. Selection criteria for

Board Members are based on professional competency, and independence. In 2023, the by-laws of the company were amended to ensure that the social and environmental impact of the company's activities is considered in the board's decision making. The board is also responsible for setting the company's ESG policy.

During FY23, our Board was constructed as follows:



Karma Liess-Shakarchi
Chairwoman

Executive member (Jul - Dec 2022)
Non-executive member (Jan - Jun 2023)



Marwan Shakarchi

Executive member & CEO



Aleardo Cattaneo

Non-executive member



James Emmett

Non-executive member



Hans Isler

Non-executive member

Delegation of responsibility

The Executive Management is collectively responsible for formulation and implementing the ESG strategy based on the ESG policy approved by the Board.

All employees at MKS PAMP share the responsibility to contribute to the organisation's ESG impact and as of FY23, employees are evaluated in their yearly performance review based on their understanding of ESG.

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GRI 1.4. Strategy, policies, and practices

Our ESG strategy

“Sustainability has always been at the core of the values and vision from which Marwan and I have built MKS PAMP. Today, we are simply better equipped to articulate the importance of sustainability through more precise language, the establishment of effective governance frameworks, and the integration of its ecological dimensions into the breadth of our operations.”

Karma Liess-Shakarchi
Chairwoman of the Board
of Directors



At MKS PAMP, we regard sustainable development as a central pillar guiding our strategic decisions and operational initiatives. We believe that the path to lasting profitability lies in practices that respect and safeguard people and our planet.

Consequently, we continuously integrate innovative solutions into our operations, including the implementation of lean management, acquiring more precise technologies, and rigorously tracking and monitoring our efforts while setting new goals and targets. Through these actions, we actively contribute to our commitment

under the Science Based Targets initiative (SBTi) to reduce our Scope 1 and 2 emissions, aligning with the ambitious 1.5°C trajectory set by the SBTi.

We adhere and contribute to several industry frameworks and are subject to Swiss federal and cantonal regulations, and specific agreements. Furthermore, we carry out mandatory and voluntary disclosure requirements and undergo third-party evaluations. These initiatives collectively enable us to monitor and manage our performance, identify gaps, and determine areas where we can make the most significant impact.



Embracing lean management

Lean management is a core practice at our refinery and is integral to our strategy for maintaining a leading position in the precious metals refining industry. We foster a lean culture through internal training and certification programs. Adhering to lean principles ensures our operations are agile, efficient, and secure. Our monthly internal 5S (Sort, Set, Shine, Standardize, and Sustain) audits consolidate results and improve our shop floor operations. By systematically eliminating waste and optimizing every aspect of our refining processes, we enhance our ability to respond quickly to market demands while upholding the highest safety and quality standards. This continuous improvement approach underscores our commitment to staying ahead of the curve and delivering superior results in precious metals production.



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GRI 1.5: Approach to stakeholder engagement

Credentials

Accreditations

MKS PAMP is one of only three ‘Approved Good Delivery Referees’ of both the London Bullion Market Association (LBMA) and London Platinum and Palladium Market (LPPM).



Chicago Mercantile Exchange (CME)

Accredited Good Delivery.



London Bullion Market Association (LBMA)

Approved Referee and Accredited Good Delivery Refinery.



London Platinum and Palladium Market (LPPM)

Approved Referee and Accredited Good Delivery Refinery.



Tokyo Commodity Exchange

Accredited Good Delivery for gold, silver, platinum, and palladium.

Certifications

MKS PAMP is the only refinery in Switzerland to simultaneously hold ISO 9001, ISO 14001, ISO 17025, ISO 45001, and SA8000 accreditations:

PRODUCTION

- ✓ **ISO 9001 (Quality Management System)**
Certified since March 2008.
- ✓ **ISO 45001 (health and safety)**
Certified since July 2009 (formerly OHSAS 18001).
- ✓ **ISO 14001 (Environmental Management System)**
Certified since July 2009.
- ✓ **ISO 17025 (General requirements for the competence of testing and calibration laboratories)**
Accredited since June 2005.
- ✓ **SA8000 (Social Accountability)**
Certified since June 2014.

PRODUCTS

- ✓ **CARBON TRUST CARBON NEUTRAL LABEL**
Our 1kg gold cast bar, 400oz gold cast bar and 1oz Lady Fortuna gold minted bar have achieved Carbon Neutral certification as verified by the Carbon Trust.
- ✓ **CARBON TRUST CARBON MEASURED LABEL**
Our recycled silver grain, gold grain, 1oz Lady Fortuna gold minted bar, and 1kg and 400oz gold cast bar have achieved Carbon Measured certification as verified by the Carbon Trust.

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GRI 1.5: Approach to stakeholder engagement

MKS PAMP is also committed to the implementation of responsible supply of precious metals practices through its leading role in several initiatives.

Memberships & collaborations

MKS PAMP is proud to have played a significant role in contributing to several internationally recognized initiatives, that have established the highest codes of conduct and integrity across the industry.



Organisation for Economic Co-Operation and Development (OECD)

Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area – Gold Supplement published in May 2011.



LBMA Responsible Gold Guidance

First published in 2011. Member.



World Gold Council (WGC)

Conflict-Free Gold Standard published in 2012. Responsible Gold Mining Principles published in 2019.



Responsible Jewellery Council (RJC) Chain-of-Custody (CoC)

Responsible Gold Mining Principles published in 2019. Certified Member (refinery).



OECD Guidance – Member of the Multi-Stakeholders Steering Group (MSG) for the implementation of the OECD Due Diligence Guidance as well as different working groups established by the OECD Secretariat to facilitate the implementation of the Guidance.



LBMA – Leading role in the evolution of the Responsible Gold Guidance as well as the development of best practices for its implementation.



Swiss Better Gold – Co-founder of Swiss Better Gold in April 2013 and, as Member of the Board, actively supports its goal to provide Artisanal Small and Medium Scale Miners improved social and environmental conditions.



London Platinum and Palladium Market (LPPM) – Member



Responsible Minerals Initiative (RMI) – Member



ASFCMP (Swiss Precious Metals Industry Association) – Member



SUISSENÉGOCE (formerly Swiss Trading and Shipping Association (STSA)) – Member



Swiss Boards for Agenda 2030 – Signatory

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SPOTLIGHT

Empowering ESG: insights from LBMA Assaying & Refining (A&R) conference presentation

Given our dedication to ESG principles, we were honoured to participate in the LBMA A&R Conference in London in March 2023. During the event, we delivered a presentation titled 'ESG in a Precious Metal Refinery: Addressing Challenges and Illustrating Examples,' highlighting the importance of environmental and social factors. Our presentation showcased concrete examples of initiatives aimed at improving emissions management and upholding occupational H&S standards.



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GRI 2.1. Process to determine material topics; GRI 2.2. List of material topics

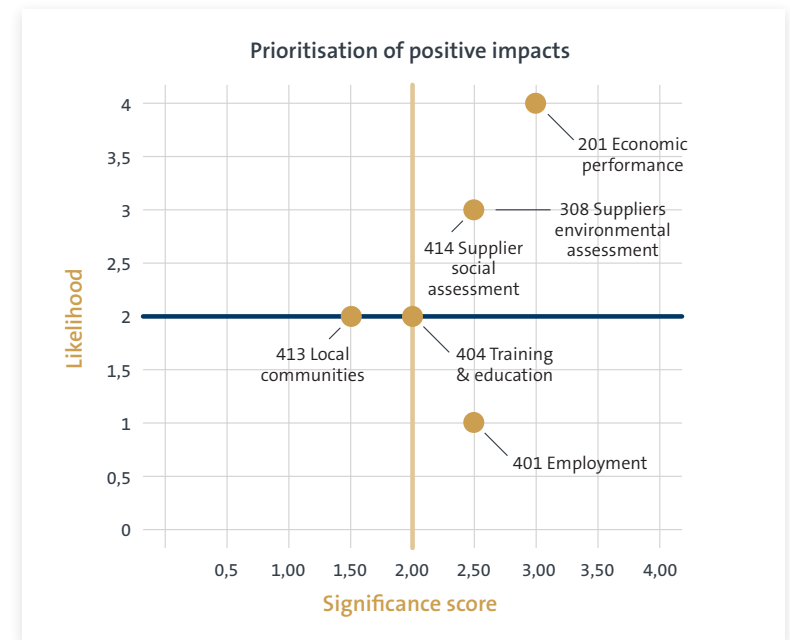
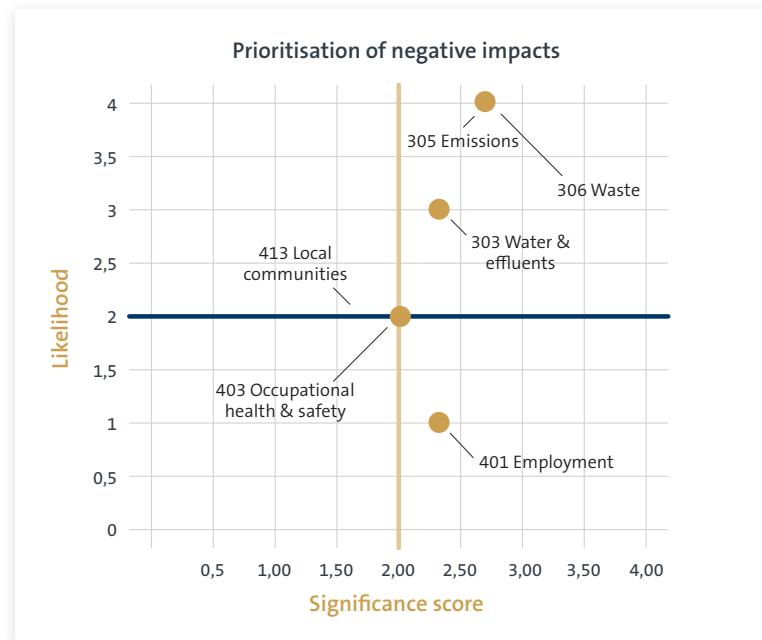
Materiality assessment

Our impact materiality assessment for FY23 was conducted according to the GRI 2021 standards. This process ensures that our approach to ESG topics and reporting accurately reflects

the concerns of our stakeholders. In FY24, we plan to perform a double materiality assessment that will focus on environmental and social impacts within the context of financial standards.

Material topics

- 201 Economic performance
- 302 Energy
- 303 Water and effluents
- 305 Emissions
- 306 Waste
- 308 Suppliers environmental assessment
- 401 Employment
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- 414 Supplier social assessment



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Gap assessment

In 2023, PWC, at the request of MKS PAMP, conducted a comprehensive gap assessment on key sustainability reporting frameworks. This assessment encompassed four key regulations: the Swiss indirect counterproposal to the “Responsible Business Initiative”, the Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO), the Swiss Ordinance on Climate Disclosure (TCFD), and the European Sustainability Reporting Standards (ESRS) subject to Corporate Sustainability Reporting Directive (CSRD).

Under an eligibility assessment, MKS PAMP has been assessed to only fall under the reporting of child labour due diligence under the DDTrO framework. As the company fully complies and is audited for its compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of minerals from conflict-affected and high-risk areas, including its Gold Supplement (OECD Guidance), we are exempted from the specific due diligence, reporting and audit obligations relating to minerals and precious metals from conflict affected and high-risk area of DDTrO*.

Framework

- Swiss Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (CO Art. 964j - Art. 964l and DDTrO)
- Swiss indirect counter-proposal to the “Responsible Business Initiative” (“RBI”) – Non-financial reporting (CO Art. 964a - Art. 964c)
- Swiss Ordinance on Climate Disclosure (“Swiss TCFD”)
- EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standard (ESRS)

Description

- Due diligence and reporting requirements regarding conflict minerals and child labour, including audit requirement for conflict minerals
- Transparency on **five non-financial matters** (environmental issues, employee-related issues, social issues, human rights, and anti-corruption), **disclosure of business model, policies** incl. due diligence applied, **risk procedures, measures taken** and **KPIs**
- Climate-related disclosures cover **governance** (overseeing climate risks & opportunities), **strategy** (climate-related impact on business, **risk management** (climate-associated risks and opportunities), and **metrics and targets** (quantifying climate impact)
- Extensive sustainability reporting for **general requirements, environmental, social and governance** topics (over **1’000 datapoints / 80 disclosure topics**)

Applicability

- MKS PAMP SA is exempted of the conflict minerals requirements of the DDTrO*
- Currently not applicable to MKS PAMP SA
- Currently not applicable to MKS PAMP SA
- Applicability to MKS PAMP SA to be assessed in FY28

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Stakeholder engagement

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GRI 308: Supplier Environmental Assessment; 414: Supplier Social Assessment

Engagement strategy

Over the years, MKS PAMP has been built on reputation and trust, which remains at the centre of who we are and what we do, ensuring we maintain strong relationships with our clients, partners, and stakeholders. We are committed to deepening our understanding of risks, opportunities, and the impacts of our business on others through open and transparent dialogue with our stakeholders. We do this via engagement with regulators and our industry, as well as onsite visits to our suppliers.



During FY23, we conducted the following activities:



Conducted environmental impact assessments and ongoing monitoring at our refinery and our offices.



Publicly disclosed results of our environmental and social impact performances.



Supported local community programs.



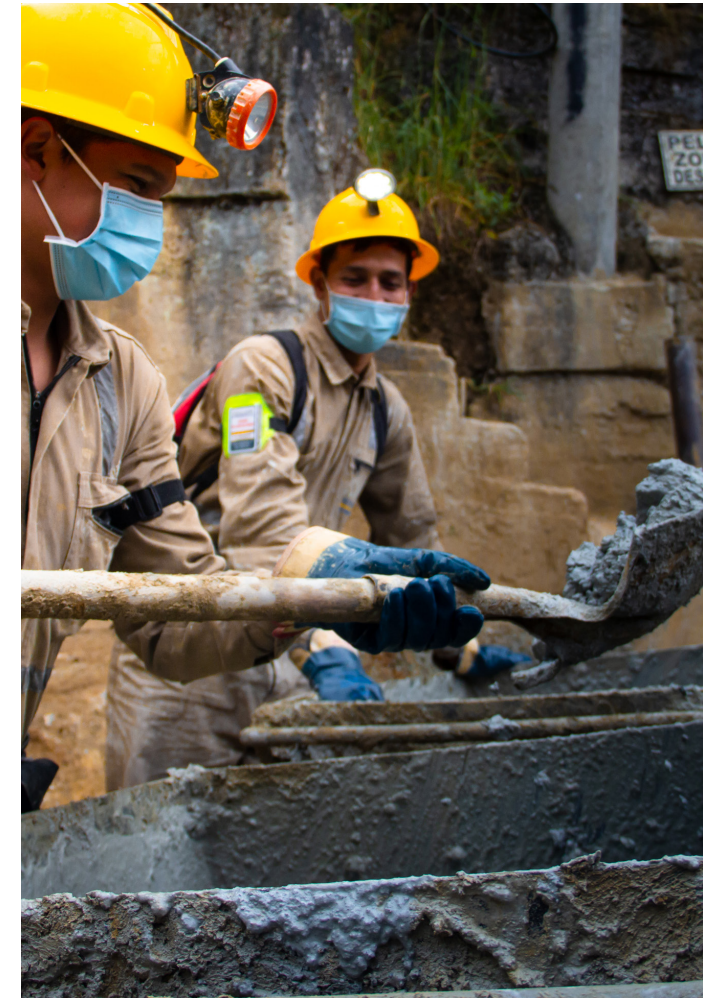
Established consultation processes with local community at our refinery.



Designated worker representatives to safeguard employee interests, facilitate dialogue with management, occupational health, and safety specialists, and address concerns.



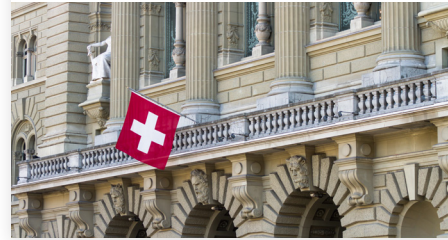
Implemented formal local community grievance processes.



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Key stakeholders

GOVERNMENT



INSTITUTIONS



SUPPLIERS



EMPLOYEES



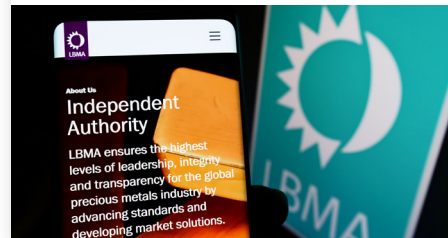
CUSTOMERS AND COMMERCIAL PARTNERS



LOCAL COMMUNITIES



INDUSTRY ASSOCIATIONS



CIVIL SOCIETY



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Partnering for sustainability to empower customer success

Our commitment to customer engagement focuses on creating value through transparency, responsiveness, and innovation. We actively seek customer feedback to enhance product quality and service delivery, ensuring our practices meet their expectations and standards through regular communication. We strive to inform our customers about the origins, sustainability, and ethical sourcing of our products.

In April 2023, we conducted a client satisfaction survey aimed at gathering our client’s inputs and gaining a better understanding of their ESG priorities. Consequently, in June 2023, we distributed a climate engagement survey, which further strengthened our ESG collaborations and efforts.



SPOTLIGHT

Ensuring Traceable Supply Chains

Founded in 1982, Pandora evolved from a family-owned jeweller to become the world’s largest seller of jewellery by volume thanks to its globally acclaimed design approach of customisable charm bracelets, necklaces and rings that are today mainstays within the retail jewellery sector. Responsible sourcing and environmental impact are fundamental principles of the Pandora brand, which sought and selected MKS PAMP as a key partner to realize its goals of increased sustainability. As a principal supplier, we are proudly committed to realizing Pandora’s ambitious goal of transitioning to 100% recycled silver and gold across all jewellery offerings by 2025. To that end, Pandora has set strict criteria for its suppliers, including requirements that partners achieve CoC Certification from the RJC, one of the industry’s foremost regulatory organisations.

To meet increasing brand and end user demand for recycled materials, MKS PAMP has implemented tailored sourcing and production solutions, including dedicated, bespoke supply chains fitted to the specific requirements of ecologically conscious clients like Pandora. By leveraging our Provenance™ solution, MKS PAMP provides real-time insights into the origin and sequential CoC documentation of each precious metal component. With established, separate refining lines for our diverse recycled precious metals inputs, such as silverware and industrial sector sources, and streamlined production processes, MKS PAMP is uniquely positioned to ensure that Pandora successfully meets its sustainability targets.

“Pandora is working to become a low-carbon and circular business, and our shift to 100% recycled silver and gold is a major step on the way. MKS PAMP has been a key partner in our transition. Their collaboration and commitment have helped us secure a long-term supply of recycled metals that are certified to the strictest standards in the jewellery industry.”

Pieter Pennings
Vice President Supply Chain & Sustainability



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GRI 414: Supplier Social Assessment

Supplier management

MKS PAMP actively applies to the highest standards in responsible sourcing practices. We commit to sourcing materials in a secure, transparent, traceable, and ethically, socially, and environmentally responsible manner, ensuring they are not tainted by conflict or human rights abuses.

Our suppliers are categorised under two groups: Precious metal suppliers and non-precious metal suppliers. Each group is managed under specific processes which include reviews, questionnaires, in-person meetings and onsite visits.

The due diligence and risk assessment conducted on our precious metal supply chain, including child labour, is described in our compliance report on OECD Guidance for the year 2023 and will be published on our website.

During the FY23, there has been no case of suspicion of child labour identified within our supply chain.



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GRI 308: Supplier Environmental Assessment

Precious metals suppliers

MKS PAMP sources through responsible precious metal supply chains, fostering long-term relationships, including Artisanal Small and Medium Scale Gold Mines. We actively promote these criteria within the sector to encourage adherence and reinforce industry standards. Our onboarding process consists of a due diligence to assess the risk of money laundering, terrorism financing, contribution to conflict financing or human rights abuse, corruption and bribery, and non compliance with Swiss, EU, UN US, UK sanctions. This includes considering ESG factors.

ESG risk management practices are integrated into our Know-Your-Customer (KYC) process, which assesses counterparties' governance, and aspects of their social and environmental performance, such as chemical use and handling, health and safety (H&S) measures, community relationships, security services, and methods of extraction, processing and transportation.

Precious metal suppliers onboarded are classified as high-risk or non-high-risk. High-risk suppliers undergo special monitoring, including mandatory regular on-site visits and an annual compliance review. We also require suppliers to disclose their GHG emissions data to align with our decarbonisation plan to reach our SBTi targets.

MKS PAMP adheres to the [MKS PAMP GROUP'S Responsible Precious Metals Policy](#), ensuring compliance with the OECD Due diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, the LBMA Responsible Gold/Silver Guidance and the LPPM Responsible Platinum/Palladium Guidance. This includes significant involvement from regular contacts with civil society actors throughout the precious metals industry.

To read our LBMA and LPPM compliance reports, please click [here](#).

GOAL

By FY30, we aim to ensure that 100% of our suppliers comply with our comprehensive ESG standards. These standards emphasize sustainable practices, ethical operations, transparent governance, and the prioritisation of partners who proactively improve their ESG performance, thereby reducing the environmental and social impact of our overall supply chain.

FY25 Short-term Targets

Include all aspects of ESG into onboarding and monitoring processes of our precious metal sources.

Engage sources on how best MKS PAMP can help support improvement in their ESG performance.

FY30 Long-term Target

Continuously ensure precious metals suppliers are fully aligned with ESG requirements and have either a positive or improved performance.



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Supporting Artisanal and Small Scale Gold Mines (ASGM)

Artisanal and Small Scale Gold Mines (ASGM) play a significant role in gold production but potentially face major challenges such as illegality, forced labor, and environmental degradation. MKS PAMP acknowledges the importance of addressing these issues and actively supports ASGM. Our support primarily involves providing ASGM with market access and impact funding to improve their social and environmental practices. We actively participate in initiatives aimed at supporting and promoting responsible ASGM inclusion.



Swiss Better Gold Association

Collaborating with [Swiss Better Gold](#), a Public-Private Partnership focused on supporting responsible gold ASGM through responsible supply chains and that contributes to improvement in ASGM social and environmental practices, including inclusiveness initiatives with processing plants and gold panners in Colombia. Swiss Better Gold's accreditation as an [ISEAL](#) member enhances its credibility and impact.

LBMA Artisanal and Small-Scale Mines Working Group

Engaging with the [LBMA](#) ASGM Working Group to support the wider inclusion of responsible ASGM within LBMA flows, aiming to increase downstream uptakes of responsibly sourced gold and advocating for regulatory changes conducive to improvements of ASGM practices.

Swiss Artisanal and Small-Scale Mines Working Group

Increasing awareness among Swiss gold market actors of the positive impacts of sourcing from ASGM.



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GRI 308: Supplier Environmental Assessment

Non-precious metals suppliers

MKS PAMP evaluates non-precious metal suppliers using a questionnaire and a declaration of commitment that addresses transparency, environment, health and safety, ethics, and quality management. This process adheres to our company policy—business ethics—to ensure our stakeholders comply with the SA8000 certification and the ethical and environmental standards defined by the Responsible Jewellery Council (RJC). In FY23, over 50% of our non-precious metal suppliers were local, supporting economic growth in the community and minimizing emissions related to transport. We also collaborated with our transportation suppliers to collect data on GHG emissions generated during the transport of goods (including precious metals) to and from our refinery.



Transparency



Environment



H&S



Ethics



Quality management

GOAL

By FY30, ensure we have evaluated 100% of our selected providers based on their environmental and social impact.

FY25

Short-term Target

Develop an ESG questionnaire for non-precious metals suppliers.

FY27

Medium-term Targets

Have at least 50% of relevant non-precious metals suppliers complete the questionnaire.

Define a scoring system for assessing non-precious metals suppliers based on their ESG impact and performance.

FY30

Long-term Targets

Assess non-precious metals suppliers against the defined ESG scoring assessment system.

Have 100% of relevant non-precious metals suppliers complete the questionnaire.



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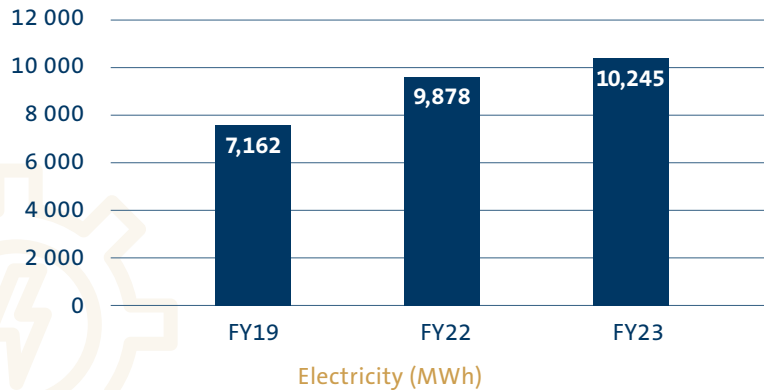
GRI 302: Energy

Energy

Energy is an essential resource, and its efficient use is crucial for decarbonisation. As a company producing and offering a range of products and services across multiple sites, we strive to optimize our resources to minimize environmental impact. To achieve this, we have committed to sourcing 100% renewable electricity until 2030. In FY23,

MKS PAMP consumed a total of 10,245 MWh of electricity, classified under scope 2 emissions. This represents a 43.1% increase from our FY19 baseline and a 3.7% increase from FY22. The rise is primarily due to increase in powering production at our refinery, as well as the establishment of an additional office in Geneva in 2021.

MKS PAMP electricity consumption



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GRI 302: Energy

Our actions

Energy effectiveness tracking mechanisms are key to ensuring continual progress, accountability, and alignment with established goals and benchmarks. Since 2016, our refinery in Ticino has maintained an agreement with the Swiss Confederation under the Action on Climate and Trade (ACT). We continuously monitor energy consumption at our Ticino facility and conduct third-party audits of direct CO₂ emissions to ensure compliance with reduction targets set out in the agreement.



We actively monitor and manage the decarbonisation progress within our supply chain to reduce carbon-based energy consumption.



We analyze our manufacturing process to reduce natural gas consumption. For this purpose, we have commissioned a polytechnical school and energy experts to perform a comprehensive assessment of our manufacturing process. Their work will help us design an effective plan for energy monitoring and efficiency management.



In 2020, we transitioned to natural gas, eliminating diesel from our daily operations. Diesel is now reserved exclusively for our backup generator in case of emergency power outages. To further reduce natural gas consumption, we utilize a heat pump to recover thermal energy.

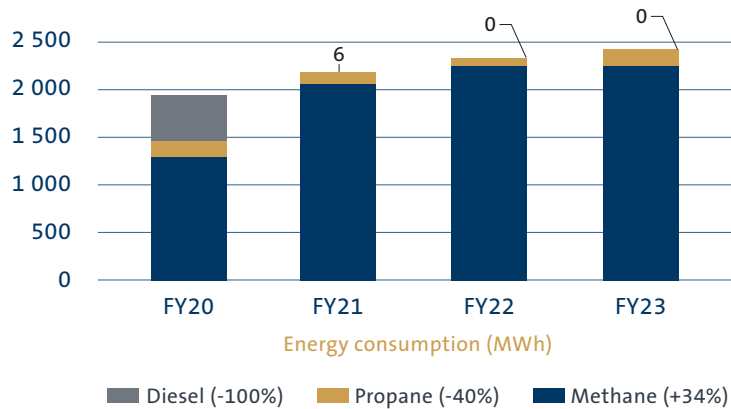


We conducted an energy analysis of our manufacturing process to improve energy efficiency and monitor performance. This initiative includes projects aimed at reusing heat, implementing a more efficient ventilation system, and developing new interfaces for monitoring energy and environmental data.



We installed a solar plant on our refinery's roof, covering the entire available surface. This installation produces approximately 5% of our total electrical needs. We plan to enhance refrigerant tracking and conduct a feasibility study for using an evaporative condenser, backed by refrigerants with a lower climate impact.

Energy consumption from FY20 to FY23



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GRI 303: Water and Effluents

Water and effluents

At our refinery, we are aware of the adverse effects of our water consumption and usage, which we want to minimise. Our water intake and release are regulated by criteria defined by Swiss federal and cantonal regulations, as well as specific agreements, and discharges are checked for their chemical composition.

Our Ticino refinery is authorised and licensed to drain water from a local well within its premises. The amount of water drained from the well is generally close to what is sent back to the river, thereby restoring the natural flow of water. A water balance is shared yearly with the public office to monitor environmental impacts related to water usage. Water is obtained from two sources: public distribution (purchased) and the private well. Chemically treated water is processed internally, analysed, and disposed to the public water treatment plant.



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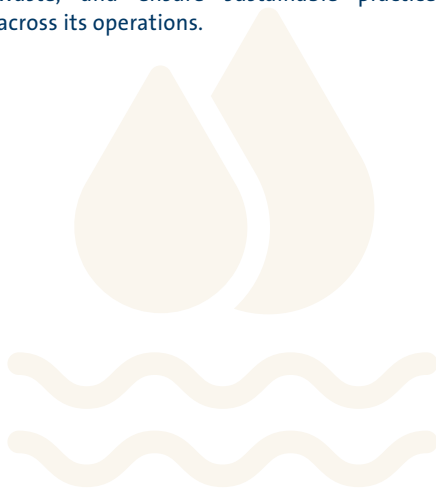
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Special waste



GRI 303: Water and Effluents

To improve and promote responsible usage of water and effluents, MKS PAMP has established a clear goal and specific targets. These targets will guide the company’s efforts to optimize water management, minimize waste, and ensure sustainable practices across its operations.



GOAL

By FY30, improve our wastewater treatment systems to minimize the impacts of our water usage and discharge.

FY25
 Short-term Target

Reinforce monitoring of 100% of water discharged by the factory (chemical water).

FY27
 Medium-term Targets

Implement technical systems preventing accidental contamination of clear water.
 Implement smart chemicals initiatives.

FY30
 Long-term Target

Ensure recovery of chemicals from water for reusage and improvement of discharged water quality.



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GRI 303: Water and Effluents

In FY23, MKS PAMP had a 19% increase in water withdrawal and 33% increase in water discharge compared to the previous financial year. As shown in Tables 1 and 2, the amount of water discharged is greater than the withdrawal. This discrepancy is due to the possible inclusion of some rainwater in the final discharge.

Table 1: Total water withdrawal in FY23

WATER WITHDRAWAL	TOTAL [ML]	CASTEL SAN PIETRO [ML]
GROUNDWATER	11.07	11.07
THIRD-PARTY WATER	18.91	18.91
TOTAL WATER WITHDRAWAL	29.98	29.98

Table 2: Total water discharge in FY23

WATER DISCHARGE	TOTAL [ML]	CASTEL SAN PIETRO [ML]
NATURAL RECEPTOR	13.12	13.12
LOCAL TREATMENT PLANT	19.1	19.1
TOTAL WATER DISCHARGE	32.22	32.22



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GRI 305: Emissions

NOx emissions

At MKS PAMP, we monitor and manage our NOx emissions to maintain their concentration in our fumes below the legal limit of 250mg/m³, as specified in the Ordinance on Air Pollution Control. We continuously track NOx levels, promptly reporting our findings to the cantonal authorities of Ticino. Our commitment ensures compliance with stringent environmental standards and minimizes our impact on the local community.



GOAL

Maintain a daily average of NOx concentration levels in our fumes below the legal limit.

FY25 Short-term Target

Implement a more precise and reliable monitoring system for emission tracking.

FY27 Medium-term Targets

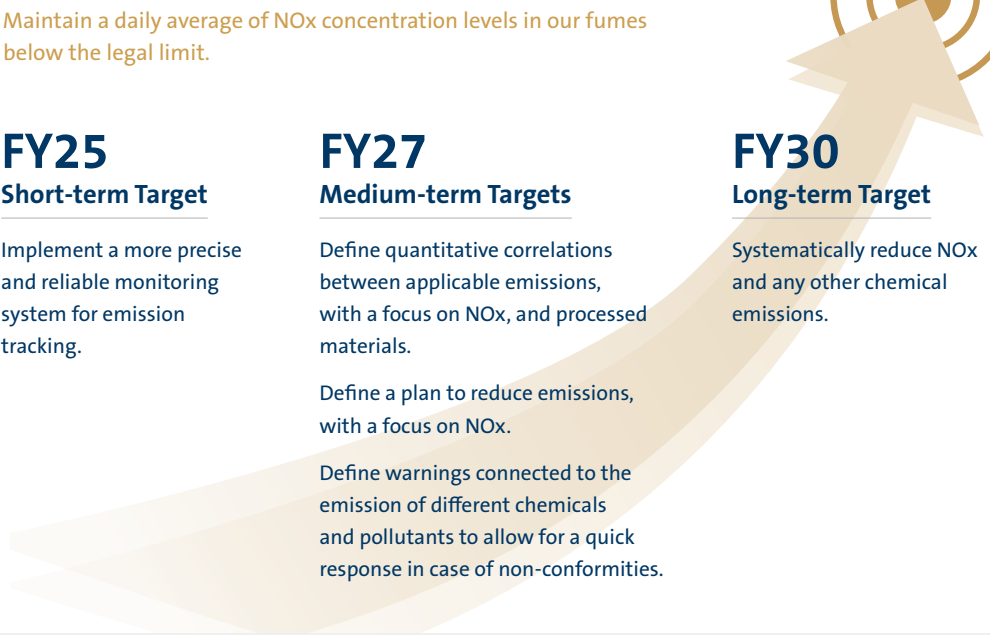
Define quantitative correlations between applicable emissions, with a focus on NOx, and processed materials.

Define a plan to reduce emissions, with a focus on NOx.

Define warnings connected to the emission of different chemicals and pollutants to allow for a quick response in case of non-conformities.

FY30 Long-term Target

Systematically reduce NOx and any other chemical emissions.



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GRI 305: Emissions

Our SBTi progress

At MKS PAMP, we adopt a comprehensive approach to reducing greenhouse gas emissions by monitoring and analyzing local emissions across our sites. We set targets and commitments within the Science-Based Targets initiative (SBTi) framework. Additionally, our refinery continues to comply with the ACT agreement with the Swiss authorities, as well as national legal requirements on air emissions and other emissions (including NOx).

Our commitments to reduce our emissions are a top priority, and we strive to integrate emission-related factors into decision-making. This has transformed how we discuss and evaluate projects and communicate with current and prospective customers.

GOAL

By FY30, reduce our GHG emissions in alignment with our SBTi-approved targets.

FY25

Short-term Targets

Obtain a limited assurance audit on energy and emission elements.

Source 100% renewable electricity energy.

FY27

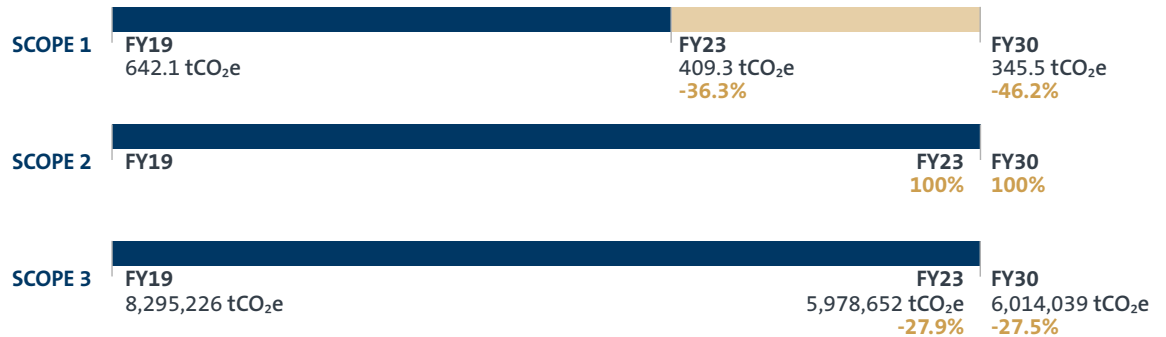
Medium-term Target

Invest and implement new technologies to reduce fossil fuel energy usage and maximise energy efficiency.

FY30

Long-term Target

Achieve the SBTi targets of 46.2% reduction since FY19 in Scope 1 emissions and 27.5% reduction since FY19 in Scope 3 emissions, adhering to the guidelines of the Paris Agreement.



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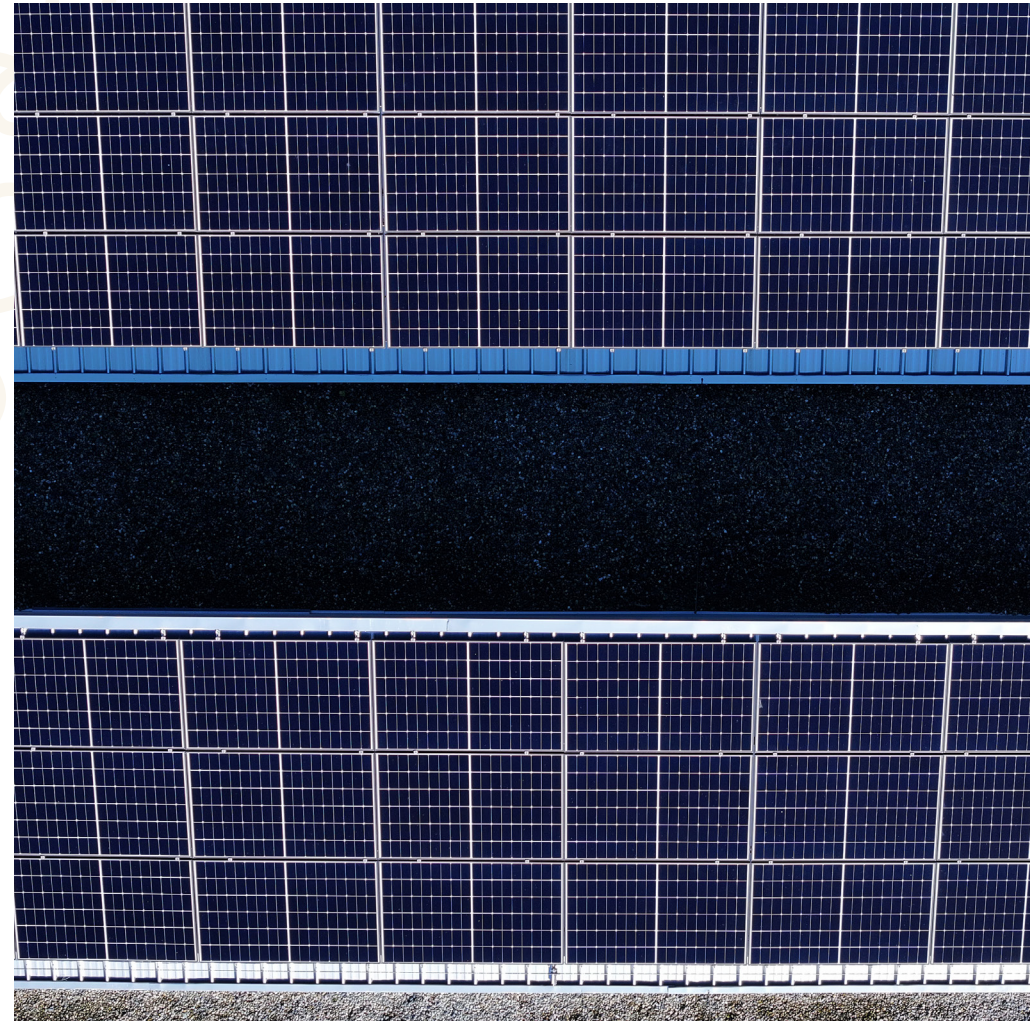
GRI 305: Emissions

FY23 GHG emissions

MKS PAMP monitors its GHG emissions quarterly and conducts an annual inventory of its Scope 1, 2, and 3 emissions. We adhere to the ISO 14064 and GHG Protocol Corporate Standard to measure our emissions, with FY19 as our base year.

In FY23, we revised the initial calculations of our Scope 1,2 and 3 emissions for both the baseline year FY19 and FY22 inventories. This revision was necessitated by several factors: the availability of more accurate data from our supply chain for Scope 3 Category 1, a previous error in determining our financial control over an operation which led to a reassignment from Scope 1 to Scope 3 Category 6, and a reclassification of purchased heating for offices from Scope 3 Category 8 to Scope 1. For Scope 2, MKS PAMP adopted a more comprehensive and reliable emission factor for calculations, leading to an increase in reported emissions. The previous year’s calculation has been restated for comparability purposes. Additionally, following the assurance process, a restatement for Scope 3 Category 15 was provided for FY19 and FY22, applying the FY23 methodology to enhance comparability and accuracy. We now only consider investments that generate positive revenue and employ a 5% equity share threshold for including investments.

These amendments were submitted to the Science Based Targets initiative (SBTi) as part of our five-year target update and were approved in FY24 according to their guidelines, including an approval to increase our Scope 3 reduction target to 30%. The emissions from our GHG inventory for FY19, FY22, and FY23 have been reviewed and assured by an independent third-party, PwC. For further information please consult the limited assurance report prepared in accordance with ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements in the GRI found within the Annex of this report.



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GRI 305: Emissions

GHG emissions SCOPE 1

Results

MKS PAMP continues to implement targeted projects to reduce its Scope 1 emissions. These projects include enhanced data handling, furnace cooling separation, heat recovery improvements, airflow redesigns, and measures to prevent refrigerant leaks.

SCOPE 1

EMISSION TYPE	SCOPE 1, tCO ₂ e		
	FY19	FY22	FY23
GHG scope			
STATIONARY combustion	541.0	348.0	365.7
MOBILE combustion	23.2	6.1	4.2
FUGITIVE emissions	77.9	138.3	39.4
TOTAL	642.1	492.4	409.3

36.3% decrease from baseline

GHG emissions SCOPE 2

In FY23, MKS PAMP consumed a total of 10,245 MWh of electricity, categorized under Scope 2 emissions. This represents a 43.1% increase from our FY19 baseline and a 3.7% increase from FY22, primarily due to increased power requirements for production at our refinery and the establishment of an additional office in Geneva in 2021.

SCOPE 2

GHG scope	LOCATION BASED tCO ₂ e			MARKET BASED tCO ₂ e		
	FY19	FY22	FY23	FY19	FY22	FY23
ORIGINAL	100	114	1,108	5.41	1.18	0
RESTATED	775	1,269	1,108	0	0	0

43% increase from baseline

100% decrease from baseline

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GRI 305: Emissions

GHG emissions SCOPE 3

SCOPE 3

Despite an overall decrease of 27.9% in emissions from FY19 to FY23 due to shifts in sourcing practices in Scope 3, there was an increase in emissions from FY22 to FY23 due to a higher volume intake. We will continue to monitor our sourcing practices to ensure progress toward emission reductions in Scope 3.

EMISSION TYPE	SCOPE 3, tCO ₂ e		
	FY19	FY22	FY23
GHG scope			
01. PURCHASED GOODS & SERVICES	8,178,477	5,738,403	5,849,731
02. CAPITAL GOODS	1,294	967	1,091
03. FUEL & ENERGY RELATED ACTIVITIES	121	70	170
04. UPSTREAM TRANSPORTATION & DISTRIBUTION	4,716	4,149	3,533
05. WASTE GENERATED IN OPERATIONS	24	57	16,832
06. BUSINESS TRAVEL	343	183	265
07. EMPLOYEE COMMUTING	245	280	321
09. DOWNSTREAM TRANSPORTATION & DISTRIBUTION	528	1,123	3,763
10. PROCESSING OF SOLD PRODUCTS	30,349	43,722	51,241
15. INVESTMENT	79,028	72,258	51,703
TOTAL	8,295,226*	5,861,212*	5,978,652

*Amendments were applied in our FY19 and FY22 GHG data upon further data evaluation.

27.9% decrease from baseline

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GRI 305: Emissions

Actions taken towards reducing GHG emissions

Since the majority of the GHG emissions associated with MKS PAMP’s products are tied to inbound materials, the company recognizes the importance of responsible sourcing in its operations. Its precious metals products are procured from a mix of mined and recycled sources, influenced by market dynamics and consumer demand. Central to sourcing is understanding both the origin of the material and its environmental and social impact.

Select environmentally responsible sources

Prioritize suppliers with established GHG reduction goals and those actively pursuing emissions reduction initiatives.

- ✓ Conduct a thorough market analysis to identify suppliers with lower GHG emissions or those committed to reducing their emissions footprint (short-term focus).
- ✓ Implement internal controls for managing carbon emissions in sourcing, led by our dedicated ESG team (medium-term focus).
- ✓ Adjust our relationship based on supplier performance (long-term focus).
- ✓ Improve our refining capacity and sourcing of recycled materials (long-term focus).

Revise contracts to include GHG emissions data

Update our refining contracts and supplier onboarding documents to mandate the inclusion of GHG emissions information.

- ✓ Modify existing contracts to require detailed GHG emissions disclosure, ensuring all data handling is in strict confidence (short-term focus).
- ✓ Incorporate carbon measurement and reduction requirements in clients’ onboarding forms and compliance reviews (medium-term focus).
- ✓ Formalize clients’ carbon reduction targets (long-term focus).

Governance and strategic integration

Embedding GHG reduction goals firmly within our operations.

- ✓ Embed ESG considerations into our corporate decision-making process (short-term focus).
- ✓ Incorporate GHG reduction metrics into budgeting, KPIs, and risk management to anchor sustainability within our core business strategies and decision-making processes (medium-term focus).

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GRI 305: Emissions

Tracking our effectiveness

To monitor the progress of our efforts, we use a range of tools. These help us measure, analyze, and report on our strategies for reducing emissions. With data analytics, we gain insights into energy consumption, emissions trends, and environmental impact across all operations. This monitoring allows us to identify areas for improvement, refine our approaches, and ensure alignment with our ESG goals. These systems are instrumental in maintaining transparency, accountability, and continuous progress as we work toward a more sustainable future.

Continuous monitoring of NOx concentration, as mandated by law, involves keeping data logs. This process enables real-time tracking and analysis for a better understanding of our emissions.



Monthly measurement of our GHG footprint helps us stay on track with our CO₂ reduction goals. This proactive approach ensures that all targets are met.



Collaboration with leading local academic and scientific institutions is aimed at leveraging their expertise in best practices for GHG inventories reduction. Joint analyses are performed to further improve our understanding.



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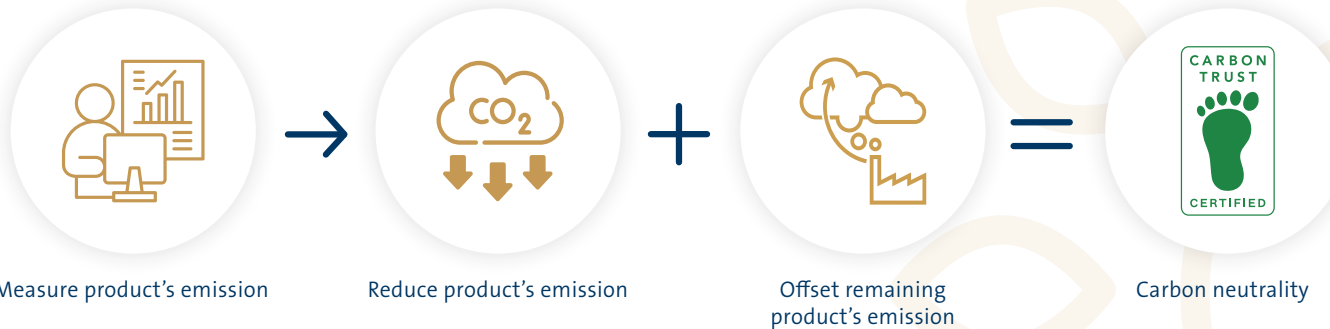
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Carbon verified products

MKS PAMP has a portfolio of Carbon Neutral and Carbon Measured precious metals products, verified according to the standards and criteria established by the Carbon Trust. This meticulous verification process provides a more detailed understanding of emissions, allowing MKS PAMP to analyze both company-wide and product-specific emissions.



Carbon Neutrality

The Carbon Neutral label involves measuring each product's carbon footprint, adopting a carbon management plan, and offsetting any residual impact by purchasing carbon credits from offset projects.

The Carbon Trust Assurance Team conducts an independent audit to validate this offset purchase, ensuring it aligns with the PAS 2060 standard. The team verifies that the appropriate number of voluntary offsets have been purchased to fully neutralize the total carbon emissions.

The offset process

The purchase of carbon credits at MKS PAMP is conducted solely for the purpose of claiming carbon neutrality for a specific range of products, verified by the Carbon Trust. MKS PAMP adheres to [MKS PAMP GROUP policy on Offset and Purchase of Carbon Credits from Offset Projects](#) that requires offsets be used for a product's neutrality claim, only after a reduction plan is validated and efforts to reduce

the product's carbon footprint have been made.

MKS PAMP buys the certificates used to offset the emissions for the Carbon Neutral product, verified by the Carbon Trust, through two suppliers: [ClearSky Ltd.](#) and [Pact Capital AG.](#)

You can find more information on our offset projects here: <https://www.mkspamp.com/carbonverifiedproducts>

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SPOTLIGHT

MKS PAMP a sourcing partner for UBS Carbon Compensated Gold backed ETF

In March 2023, we partnered with UBS as the sourcing partner of its new 'Carbon Compensated Gold Exchange Traded Fund' (ETF). The ETF is the first of its kind, backed by gold bars whose footprint has been measured and verified, a reduction plan validated, and the remaining emissions offset through the purchase of high-quality offsets. The 12.5kg Large Cast Bars are supplied by MKS PAMP and verified by the global climate consultancy, the [Carbon Trust](#).

For more information, click [here](#).



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GRI 306: Waste

Waste

In our production activities, we emphasize the importance of waste segregation, particularly separating recyclable materials like plastic, paper, and glass from general waste. Non-hazardous waste is carefully sorted to streamline the recycling process, reducing the burden on landfills and minimizing environmental impact. We ensure that hazardous waste is identified and safely managed by specialized recyclers.

Our tracking mechanisms utilize data from waste collectors and official regulatory reports, promoting responsible waste processing. Additionally, we employ technologies to detect and reduce internal waste incineration, while collaborating with the Swiss PET Recycling Association to improve plastic recycling rates. We also encourage our partners to incorporate recycling practices for everyday waste in their operations.



Recycling containers within the refinery premises

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► Waste

General and incinerated waste

Special waste



GRI 306: Waste



Refining and melting generate the most special waste at MKS PAMP, which is then recycled. Special waste, which requires specific handling and disposal due to its hazardous or unique nature, is carefully managed. We are currently evaluating how different inbound materials impact energy consumption and waste production, paying particular attention to those materials that require more processing and generate higher waste output.

Special waste is separated and sent to specialized recyclers, who use specific technological processes to recover and reuse materials based on their waste type. The waste is shipped in compliance with Swiss and EU regulations for hazardous waste and chemicals transportation. These recyclers are reputable businesses that adhere to EU standards. When partnering with a new recycler, we conduct a due diligence process to ensure their operations align with proper procedures.

WASTE DIVERTED FROM DISPOSAL (RECYCLED)	TOTAL [t]	CASTEL SAN PIETRO [t]	GENEVA [t]
TOTAL	305.54	284.94	20.6
NON HAZARDOUS	110.48	89.88	20.6
PET bottles	1.21	0.81	0.4
Paper	15.25	11.25	4
Glass	7.1	7.1	
Metals	15.79	15.79	
Wood	48.23	48.23	
Plastic	6.7	6.7	
Compost	0.2		0.2
General waste	16		16
HAZARDOUS	195.06	195.06	0
Other solvents	0.47	0.47	
Ash	37.42	37.42	
Sludge hydrates	157.17	157.17	

WASTE DIRECTED TO DISPOSAL (INCINERATED OFFSITE)	TOTAL [t]	CASTEL SAN PIETRO [t]	GENEVA [t]
TOTAL	51.03	51.03	0
NON HAZARDOUS	49.06	49.06	0
Bulky waste	49.06	49.06	0
HAZARDOUS	1.97	1.97	0
Industrial oils	1.35	1.35	0
Sand, carbons, resins	0.62	0.62	0

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GRI 306: Waste

General and incinerated waste

To enhance waste management practices, MKS PAMP has established commitments to make our process more circular, aiming to optimize the repurposing and recycling of waste.

GOAL

By FY30, recycle 100% of general and incinerated waste.

FY25

Short-term Targets

Develop a waste management plan prioritising reusing and recycling.

Establish baseline data for waste generation and set initial reduction targets.

FY27

Medium-term Targets

Implement waste reduction measures to minimise general waste generation.

Reduce incinerated waste by 50% and optimise the types of materials requiring this processing.

FY30

Long-term Targets

Continuously improve waste reduction and recycling practices, aiming to achieve a circular economy model with minimised waste.

Invest in new technologies to eliminate the incineration process.



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GRI 306: Waste

Special waste



GOAL

By FY30, reduce the amount of special waste.

FY25

Short-term Target

Establish a plan to reduce copper hydroxide waste.

FY27

Medium-term Target

Invest in new technology to recycle special waste and define the exact amount of special waste to reduce.

FY30

Long-term Target

Reduce the amount of special waste through the supply chain.



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GRI 401: Employment

Employment

MKS PAMP aims to ensure our employees utilize their individual knowledge and expertise to create and provide value-added product and services. It is vital to our continued success that we attract, develop, and retain a diverse workforce at all levels, and help individuals progress throughout their careers. Our culture is rooted in our core values of family, integrity, partnership, and entrepreneurship.

In FY23, we employed 304 full-time equivalent staff. Throughout the year, we have been proactive in maintaining ethical and safe working environments by implementing robust policies and commitments regarding employment practices. These initiatives include staff regulations, a whistleblowing policy (currently under review), and an anti-harassment policy. We address grievances through the channels from which they originate, in collaboration with the appropriate supervising bodies.

We are pleased to offer employee benefits, which include discretionary bonuses, extended maternity leave, and flexibility in working conditions such as unpaid leave, work-from-home options, and a flexible activity rate. We continuously work towards minimizing turnover among our staff, thereby building long-term relationships. Following this process, we solicit employee satisfaction feedback through employee engagement surveys or worker representatives to better understand their priorities.



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GRI 401: Employment

GOAL

By FY30, MKS PAMP will continue to foster a fair work environment and offer inclusive opportunities for all.

FY25

Short-term Targets

Identify and implement mandatory management training courses.

Develop a comprehensive plan to promote inclusive practices in the company.

Promote our grievance mechanism to facilitate its use.

Maintain our monthly worker representative's session at the refinery in Ticino.

Continue the MKS PAMP Engagement Pulse Survey conducted every 1.5 years by an external specialist.

FY27

Medium-term Targets

Review and redesign processes facilitating work in specific departments.

Hold regular training sessions to ensure a positive workplace culture.

FY30

Long-term Targets

Continue to provide a positive and safe environment for all MKS PAMP employees.

Through our Engagement Pulse Survey, increase our scoring across all sections that relate to positive performance, and decrease our scoring across all section that related to negative performance.



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GRI 403: Occupational Health and Safety

Occupational health and safety

The safety and well-being of our employees are paramount at MKS PAMP. We are dedicated to continuously enhancing our H&S performance through various proactive measures. These include conducting risk analyses, investigating accidents and near misses, performing root cause analyses, internal audits, safety walks, and regular employee training sessions.



GOAL

By FY30, achieve zero workplace incidents and ensure 100% of employees complete annual occupational health and safety training to foster a safer and more informed work environment.

FY25

Short-term Targets

- Develop and implement a comprehensive health and safety policy.
- Increase near miss disclosures.

FY27

Medium-term Targets

- Further improve machineries and health and safety practices
- Ensure constant reporting of near misses.
- Define KPIs for monitoring hours of absence due to injury and illness.

FY30

Long-term Targets

- Reach zero professional accident performance.
- Incorporate and focus our efforts on a preventive rather than reactive methodology across all health and safety impacted operations.
- Promote campaigns on non-professional health and safety education (e.g. sports and hobbies).



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GRI 403: Occupational Health and Safety

Health and safety management

To monitor the effectiveness of our actions, we require all departments to report near misses, aiming for a ratio of 10:1 compared to accidents, as supported by scientific research. This strategy helps us to benchmark our performance against set targets. Over the past year, an increase in the near misses to accidents ratio was noted, primarily due to outcomes from dedicated training sessions that emphasize the importance of reporting near misses. This is also supported by increased awareness at the management level.

When a health and safety issue is detected, our Health, Safety, Environment, and Quality (HSEQ) team completes detailed reports involving all relevant parties, such as the injured employee, other staff members, supervisors, and technical offices, as applicable. The aim is to identify the root causes and develop corrective and preventive measures.

Although the Swiss legal framework mandates a H&S management system for refineries, our Ticino branch, formerly known as PAMP SA, has proactively maintained OHSAS18001 certification since 2009 and has transitioned to ISO45001 more recently. Our H&S processes also meet the requirements of SA8000 and the RJC Code of Practice. Our two Geneva offices, primarily engaged in administrative tasks, are considered low-risk environments and do not require extensive H&S plans. Nonetheless, we prioritize employee well-being by implementing measures such as ergonomic furniture and installing defibrillators, accompanied by comprehensive training to ensure a safe and healthy work environment.



Near misses/accidents ratio

8.1[↑]

FY22: 4.1

Minor work-related injuries

11[↑]

FY22: 7

Injury rate

3.9[↑]

FY22: 2.7



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GRI 404: Training and Education

Training and education

At MKS PAMP, we firmly believe that our success hinges on the potential of our team members. We are committed to significantly investing in their professional development, enhancing their skills to align with our company’s ambitions. Our [training policy](#) enriches current competencies and provides tools for continuous career progression.

Investing in human capital is key to our future success. We foster an environment where continuous training is integral to each individual’s professional journey, promoting a corporate culture that blends excellence, innovation, and well-being.

Professional development at MKS PAMP reflects the diverse pathways and aspirations of our team members, focusing on deepening and broadening knowledge, updating skills, project-based learning, and developing transferable skills.



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GRI 404: Training and Education

- ✓ Make learning part of the company's commitments, rules, and policies.

- ✓ Have learning resources readily available, training leadership to develop their teams, encourage knowledge sharing, and recognise achievements in personal and professional development.

- ✓ Make e-learning platforms and artificial intelligence available to staff and provide personalized learning experiences.

- ✓ Encourage cross-functional training and development to create a more versatile and capable workforce.

GOAL

By FY30, ensure all team members at MKS PAMP, regardless of their role, will have equitable and inclusive access to skill development.



FY25 Short-term Targets

Establish a company-wide Learning Culture that values lifelong learning.

Leverage Technology for Learning, which utilises the latest in educational technology to make learning more accessible, effective, and tailored to individual needs.

Expand talent capabilities and broaden the range of skills and expertise within the company.

Integrate training programs promoting the company's ESG commitments.

FY27 Medium-term Targets

Systematically identify professional development opportunities tailored to each team member.

Encourage and facilitate access to training for acquiring new skills based on the company's needs and individual aspirations.

Identify and develop current and future leaders with dedicated leadership development paths.

FY30 Long-term Targets

Ensure universal access to company development opportunities.

Incorporate reskilling programs focusing on immediate skills needs and on developing the ability to learn and adapt continuously.

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GRI 413: Local Communities

Local communities



GOAL

Complete 200 hours of community engagement per financial year.



FY25 Short-term Targets

Establish a community engagement plan.

Sensitise workforce community service.

FY27 Medium-term Target

Guarantee that our operations do not create any disturbances for nearby communities.

FY30 Long-term Target

Ensure positive impact and no disturbance.



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GRI 413: Local Communities

Our partners

At MKS PAMP, we recognize the significant impact we have on our community, and our communities have on us. We maintain strong connections with various stakeholders to ensure we operate responsibly at every level.

Near our production site in Castel San Pietro, and around our offices in Geneva, we partner with local institutions to organize volunteering activities. These initiatives enable all employees to contribute, underscoring our commitment to community cohesion.



ISTITUTO SANT'ANGELO DI LOVERCIANO, a local school for children with special needs, by funding various educational projects, apprenticeships, and training.



CASA DON GUANELLA

The local retirement home **CASA DI RIPOSO DON GUANELLA**, by funding events that help strengthen social ties among residents and combat isolation.



COLIS DU COEUR, a Geneva food bank that provides emergency food and support to people facing hardship.



The local **RED CROSS BLOOD DONOR SERVICE**, through organising blood donation events.



The local **UNICEF** chapter, through participation in annual local events.



TAVOLINO MAGICO, A Ticino food bank that provides emergency food and support to people facing hardship.



APIDAE, an organisation that promotes biodiversity, by the upkeep of beehives in our gardens.



LE CARÉ AND VESTIAIRE SOCIAL, a shelter in Geneva, for whom we organized a clothing drive, collecting over 190 kg of clothes.

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GRI 413: Local Communities



SPOTLIGHT

Fostering sustainability advocates

In spring 2023, MKS PAMP welcomed at its production site in Ticino a group of local primary school students, sparking a heartwarming and transformative dialogue on sustainability. Guided by key experts, including our Managing Director, ESG and HSEQ Director and Sales Director, these curious young minds, aged 9 to 10, enjoyed a glimpse into our refinery and learned the importance of sustainable industry practices. The visit included a variety of activities, from witnessing live production to participating in creative design workshops. Through these immersive experiences, the students offered fresh and insightful perspectives on how we can enhance our sustainability efforts.

This exchange of ideas fostered a meaningful conversation about the critical role of sustainability and how industries can contribute to a greener future. It also underscored the incredible potential of direct, experiential learning in inspiring a new generation of ESG advocates. MKS PAMP is committed to engaging young people in their communities and nurturing their understanding of environmental responsibility, reflecting our strong belief in the transformative power of education.

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Business adaptability

Central to family-owned businesses is an emphasis on long-term thinking and strategic planning. As a family company, our goal is to create value for generations to come. This drives us to make choices that benefit not only today's generation but also sustain our operations for future ones. Our approach prioritizes sustainable growth in our business model, ensuring our operations remain robust and aligned with our ESG commitments. However, it is crucial that we maintain the ability to assess new situations and adjust our course in response to market changes or other conditions, including those related to ESG.



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GRI 201: Economic Performance

Risk management and mitigation

At MKS PAMP, we adopt a comprehensive approach to managing risks through robust legal compliance, internal policies, and our unwavering commitment to responsible sourcing. These practices support our overarching goal of maintaining ethical operations.

Senior executives are responsible for assessing and managing risks, including those related to ESG, executed through our commitment to compliance and ethical conduct. We enforce a zero-tolerance policy against bribery and corruption to ensure that all business interactions and transactions are conducted ethically and impartially. Our robust **Anti-Bribery and Corruption Policy** explicitly prohibits any form of bribery or illicit payments to any third party or government official.

Furthermore, we actively combat human rights abuses within our supply chain by integrating human rights considerations into our business decisions. This commitment is reflected in our strict supplier selection criteria, designed to ensure that our partners adhere to comparable ethical standards.

POLICY FRAMEWORKS AND GOVERNANCE

Our governance structure and policy frameworks are designed to uphold the principles of human rights across all aspects of our operations. We continuously strive to enhance our corporate governance practices, integrating robust risk management and mitigation processes to address human rights and environmental risks throughout our value chains.



FIGHTING AGAINST HUMAN RIGHTS ABUSES

MKS PAMP is steadfast in its efforts to fight against human rights abuses associated with the trade of precious metals. As a Certified Member of the **RJC** and a member of the MSG of the **OECD**, we actively contribute to the development and implementation of industry standards and guidelines aimed at promoting responsible sourcing practices.



INTERNAL POLICIES AND REGULATIONS

Our internal policies and regulations regarding responsible business conduct are rigorously enforced. These policies receive approval from the Board and adhere to Swiss law, International Labour Organisation standards, and OECD guidelines. We pay special attention to areas such as minimum compensation, health, security, equality, and workers' rights.



COMMITMENT TO RESPONSIBLE SOURCING

We are committed to sourcing precious metals responsibly, ensuring that our supply chain is free from human rights abuses and contributions to conflict. Our Precious Metals Policy outlines strict commitments to combatting abuses such as forced labour, child labour, bribery, and money laundering. We strictly adhere to local and international sanctions and do not tolerate sourcing from illegal mining operations or areas designated as World Heritage Sites.



TRAINING

We provide regular training for our employees on Anti-Money Laundering, anti-terrorism financing, and responsible sourcing practices to ensure adherence to our policies and standards.



COMPLIANCE

We maintain thorough records to demonstrate adherence to onboarding protocols and ongoing due diligence, requiring our suppliers to uphold standards consistent with OECD guidelines.



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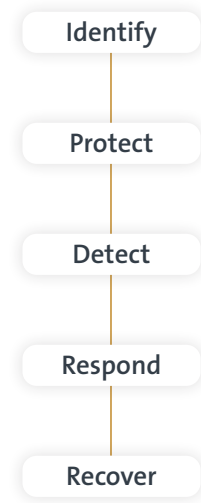
Data security and privacy

We continue to adhere to the National Institute of Security and Technology (NIST) framework, which guides our IT security and infrastructure teams in identifying, protecting, detecting, responding to, and recovering data and digital assets with the same level of protection and diligence as our tangible assets.

All employees are informed about and required to follow our Data Privacy and Security Guidelines, which govern their daily work. Additionally, we provide an external cybersecurity awareness training program to our staff.

During the FY23 reporting period, MKS PAMP did not experience any security breaches. We are continuously upgrading and adapting our data security capabilities in response to the evolving external threats, with the goal of achieving ISO 27001 certification by FY26.

NIST framework



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GRI 201: Economic Performance

Economic performance

Our strategy at MKS PAMP focuses on equally prioritizing profitability and having a positive environmental and social impact. We adopt an integrative approach that incorporates progressive solutions throughout our commercial and operational activities. We monitor the economic outcomes of our actions through monthly internal reports for our executive management and quarterly reports to the Board.



Goal

Increase economic performance



Target

20% yearly increase in profit



Indicators

Turnover evolution, investment evolution, cost evolution (e.g. salaries and benefits paid), client profitability evolution, budget versus actual evolution



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Innovation

Throughout our history, MKS PAMP has transformed the industry by introducing next-generation products and services that have become best practices. Research and innovation remain core principles, as we aim to not only deliver more value to our clients but also drive the industry forward with cutting-edge and transformative solutions. We strive to set high standards for bullion identification security through our authentication solution, VERISCAN™, and our traceability solution, Provenance™.

In FY23, VERISCAN™, leveraging AlpVision’s cutting-edge invisible anti-counterfeit technology, achieved the LBMA Security Feature accreditation as part of the LBMA Gold Bar Integrity program. This prestigious accreditation underscores VERISCAN™ compliance with the highest industry standards, providing a reliable method to authenticate registered PAMP precious metals products with a simple scan.



VERISCAN™ BULLION IDENTIFICATION SECURITY SYSTEM



1. SCAN THE QR CODE



2. SCAN THE PRODUCT



3. VIEW THE RESULT



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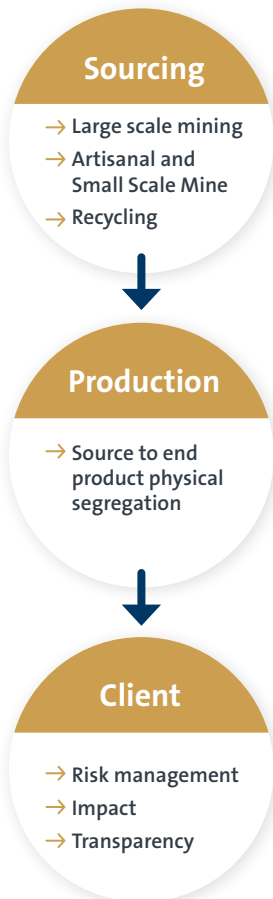
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- ✓ Select from a list of pre-approved, highly vetted companies from which to source material.
- ✓ Choose the source based on pre-selected criteria: type (LSM, ASM, recycled), emissions, location, certifications, etc.
- ✓ Direct or indirect due diligence and monitoring on the source.
- ✓ Our batch refining enables full physical segregation of the product so there is no mix up with metals from other sources.
- ✓ 100% of the end product comes from a single selected source.
- ✓ Ability to manage sourcing risk exposure and exclude all links to unrelated sources.
- ✓ Ability to have a direct relationship with the source.
- ✓ Ability to impact the source's environmental and social conditions.
- ✓ Ability to be fully transparent on the source(s) used.



SPOTLIGHT

Promoting responsible artisanal and small-scale mining with Breitling

An impactful partnership with Breitling is transforming the luxury watch industry while promoting responsible artisanal and small-scale mining. In October 2022, we leveraged our Provenance™ solution to support Breitling as the sourcing partner for its Super Chronomat Origins timepiece – the brand's first-ever “traceable watch” that transparently informs and engages watch owners about the origins of the precious materials used to build it.

As a founding member of Swiss Better Gold, MKS PAMP is a longstanding advocate for building secure, transparent, and verifiable gold supply chains from responsible ASGM miners to market. Our collaboration with Breitling underscores our endeavour to promote responsible mining practices. The Touchstone mine, located in Colombia, has been a good illustration of our shared values with both the mine and Breitling of supporting environmental consciousness and community empowerment.

“In order to reshape our approach to responsible sourcing to achieve positive social and environmental impact along the value chain while enabling product integrity and traceability, we knew we needed to have the right partners. The commitment of MKS PAMP to sourcing responsible artisanal and small-scale gold made it clear to us that this partnership would enable us to deliver our objectives.”

Aurelia Figueroa
Global Director of Sustainability, Breitling

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As we reflect on FY23 at MKS PAMP, our journey in ESG has been both challenging and transformative. We embarked on a path that required us to confront complex issues head on, which revealed the intricate interplay between our operation and their environmental, social and governance impact. This journey, though fraught with challenges, has been marked by significant achievements and the steadfast support of our board, colleagues, and partners.

Our accomplishments in FY23 have laid a solid foundation for sustainable growth. The implementation of the [MKS PAMP GROUP ESG Policy](#) has catalysed a paradigm shift within entities across the Group including MKS PAMP, fostering a culture of mindfulness and responsibility towards our environmental and social footprint. The establishment of ambitious goals for our key ESG topics has forged the path towards long-term sustainability, requiring moving beyond short-term gains in favour of strategic, sustainable development.

The launch of innovative products and services, highlighted in the various spotlights of this report, underscores the value of partnerships on this journey, and joint commitments to pioneering sustainable solutions within our industry. These initiatives have opened new avenues of engagement, demonstrating



the potential for positive impact through perseverance and innovation.

However, our journey is far from over. The road ahead is paved with challenges, including ongoing debates surrounding ESG, the risks of greenwashing, and the imperative to balance profitability with our sustainability commitments. As we navigate these complexities, we are reminded of the critical importance of considering the broader implications of our decisions, particularly in terms of employee well-being, environmental stewardship, wider social responsibility, and product quality.

Stepping into FY24, we are filled with a sense of optimism and determination. The journey of ESG integration at MKS PAMP is an ongoing process, one that requires continuous reflection, adaptation, and commitment. Like the mythological Pandora’s box, ours too is filled with hope – hope for a sustainable future, hope for meaningful change, and hope for the continued success of our collective ESG endeavours.

Together, we are poised to build on the progress of the past year, driving forward our ESG agenda with resilience and vision. Our achievements in FY23 are but the first steps in a long journey towards sustainability

and excellence. With the unwavering support of the entire MKS PAMP community, we look forward to the opportunities and challenges that lie ahead, confident in our ability to make a lasting, positive impact.

Tamara Jomaa-Shakarchi
Head of ESG, MKS PAMP



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LIST OF ACRONYMS

ACT	Action on Climate and Trade	GRI	Global Reporting Initiative
A&R	Assaying & Refining	KYC	Know-Your-Customer
AML	Anti-Money Laundering	LBMA	London Bullion Market Association
ASGM	Artisanal and Small Scale Gold Mines	LPPM	London Platinum and Palladium Market
CME	Chicago Mercantile Exchange	MSG	Multi-Stakeholders Steering Group
CoC	Chain-of-Custody	NIST	National Institute of Security and Technology
CSRD	Corporate Sustainability Reporting Directive	OECD	Organisation for Economic Co-Operation and Development
DDTrO	Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour	PGM	Platinum Group Metal
EMS	Energy Management System	PWC	PricewaterhouseCoopers
ESG	Environment, Social and Governance	RBI	Responsible Business Initiative
ESRS	European Sustainability Reporting Standards	RJC	Responsible Jewellery Council
ETF	Exchange Traded Fund	RMI	Responsible Minerals Initiative
HSEQ	Health, Safety, Environment, and Quality	TCFD	Swiss Ordinance on Climate Disclosure
H&S	Health and Safety	WGC	World Gold Council
GHG	Greenhouse Gas	WTA	Web Trading Application



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