MKS PAMP SA

A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3)
B. ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4)
C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1)
D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2)

E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3)
F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4)
G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1)
H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2)

I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3)
J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4)
K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix)

Qualifying Explanatory Statement

in support of the

Achievement of and ongoing commitment to carbon neutrality

Application Period: 1st January 2024 – 31st of December 2024

Date: 4th July 2024

1. Executive summary

This document is the Qualifying Explanatory Statement (QES) which provides collected evidence in support of the declaration that MKS PAMP SA:

1. has achieved carbon neutrality for its A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3), B. ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4), C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1), D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2), E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3), F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4), G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1), H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2), I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3), J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains –(Carbon Neutral - Source 4) and K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix) marketed globally for the period commencing January to December 2024 (see Section 3); and
2. is committed to maintaining carbon neutrality for its A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3), B. ZAUCB00218 – Gold 999.9 –1000 g Bar (Carbon Neutral - Source 4), C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1), D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2), E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3), F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4), G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1), H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2), I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3), J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains –(Carbon Neutral - Source 4) and K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix) (see section 4).

The carbon neutrality declaration has been made and the collected supporting evidence has been provided in accordance with the requirements prescribed by PAS 2060:2014 – Specification for the demonstration of carbon neutrality.

Tamara Jomaa Shakarchi
Head of ESG and Philanthropy

4th July 2024

2. General information

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Entity making PAS 2060 declaration:	MKS PAMP SA
Subject of PAS 2060 declaration:	A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3). B. ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4). C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1). D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2). E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3). F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4). G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1). H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2). I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3). J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4). K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix). Emissions included: - Raw materials - Inbound transportation - Manufacturing - Downstream Distribution - End of Life – only applicable to gold bars.
Description of Subject:	A. Cast bullion bar made of 1 kg of fine gold (999.9 purity). B. Cast bullion bar made of 1 kg of fine gold (999.9 purity). C. Cast bullion bar made of 1 kg of fine gold (999.9 purity). D. Cast bullion bar made of 1 kg of fine gold (999.9 purity). E. Cast bullion bar made of 12.5 kg of fine gold (999.9 purity). F. Cast bullion bar made of 12.5 kg of fine gold (999.9 purity). G. Cast bullion bar made of 12.5 kg of fine gold (999.9 purity). H. Cast bullion bar made of 12.5 kg of fine gold (999.9 purity). I. Bottle of Grains made of 12.5 kg of fine gold (999.9 purity). J. Bottle of Grains made of 12.5 kg of fine gold (999.9 purity). K. Bottle of Grains made of 12.5 kg of fine gold (999.9 purity).

Rationale for selection of the subject:	Out of our cast products range, this range of products is destined to be sold to demanding customers that require the best quality and durability for their product. Making it neutral will increase the reputation of the product and push the competitors to turn to carbon neutrality.
Boundary:	Bars: Cradle-to-Grave Grains: Gradle-to-Gate
Type of conformity assessment:	Independent third-party certification (see Annex 4)
Baseline date for PAS 2060 programme:	1st January – 31st December 2024
Individuals responsible for evaluation and provision of data necessary for declaration:	Tamara Jomaa-Shakarchi – Head of ESG Marco Villari – ESG Officer Emilie Panizzutti – Junior ESG Officer Paul Cambazard – Intern ESG Officer

3. Declaration of achievement of carbon neutrality

PAS 2060 Requirement	Information relating to the carbon neutral declaration
Declaration of achievement:	Carbon neutrality of A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3), B. ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4), C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1), D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2), E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3), F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4), G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1), H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2), I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - 3), J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4) and K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix achieved by MKS PAMP SA in accordance with PAS 2060 in April 2024 for the period commencing 1st January 2024, certified by the Carbon Trust.
Recorded carbon footprint of the subject during the period stated above	<u>Product Carbon Footprint</u> A. ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3): 5,161 kgCO2e/kg of gold – total prediction: 130,000 kgCO2e. B. ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4): 2,740 kgCO2e/kg of gold – total prediction: 69,000 kgCO2e.

	C. ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1): 4,211 kgCO2e/kg of gold – total prediction: 106,000 kgCO2e. D. ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2): 3,445 kgCO2e/kg of gold – total prediction: 87,000 kgCO2e. E. ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3): 5,162 kgCO2e/kg of gold – total prediction: 310,000 kgCO2e. F. ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4): 2,741 kgCO2e/kg of gold – total prediction: 165,000 kgCO2e. G. ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1): 4,212 kgCO2e/kg of gold – total prediction: 253,000 kgCO2e. H. ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2): 3,446 kgCO2e/kg of gold – total prediction: 207,000 kgCO2e. I. ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3): 25,771 kgCO2e/kg of gold – total prediction: 2,578,000 kgCO2e. J. ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4): 13,571 kgCO2e/kg of gold –total prediction: 1,358,000 kgCO2e. K. ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix): 22,122 kgCO2e/kg of gold – total prediction: 2,213,000 kgCO2e. *See Annex 1 for further details.*
Carbon offsets purchased	7,476 credits (tCO2e) from avoidance offset projects. *See Annex 3 for further details.*

3.1. Carbon footprint methodology

PAS 2060 Requirement	Information relating to the carbon neutral declaration
Description of the standard and methodology used to determine GHG emissions and reductions	The methodology for calculating the carbon footprint was as follows: The methodology for calculating the carbon footprint was developed to be in accordance with the requirements of ISO 14067 and PAS 2060:2014. The methodology is as follows: The per kg footprint was calculated by the Carbon Trust, using: a) primary data provided by MKS PAMP SA for sourcing segregated gold from 1st July 2022 to 30th June 2023.

	b) data for the production emissions of the corresponding financial year. The total footprint was then applied to the mass of gold bars and grains output for the period to yield a $kgCO_2e$ footprint per kg. The total footprint of the subject of neutrality was calculated based on predicted sales volume. MKS PAMP SA produces many products at the refinery in addition to gold bars. Therefore, MKS PAMP SA allocated raw material inputs, outputs, and utility usage for each process step based on the mass output of all products manufactured at the factory. Inbound and outbound transportation distances and modes were provided by MKS PAMP SA, and end-of life emissions for gold bars were calculated using secondary data and assumptions. Activity data was multiplied by emission factors to calculate emissions. For the virgin gold supply, MKS PAMP SA provided the Carbon Trust with supplier-specific emission factors based on reported figures and calculations. Other emission factors were sourced from Government publications (i.e. BEIS), Ecoinvent v3.9.1., and published literature. The provisions of the methodology for calculating the carbon footprint were applied as detailed and the principles set out in PAS 2060 were met.
Justification for the selection of the methodologies chosen	The carbon footprints of the listed products were calculated using a recognised methodology that was based on the following document: - ISO 14067 - an internationally recognised approach to the calculation of representative product CO2e footprints which meets the requirement of PAS 2060 for the substation of GHG emissions. The GHG emissions that are accounted for in the footprint study of the products are based on the 100-year Global Warming Potential figures published in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 and include those required by the GHG Product Standard. Further, the following assumptions were made in quantifying GHG emissions: <u>Raw Materials:</u> - The virgin emission factor for gold was provided by MKS PAMP SA for every segregated sources. - For trimercaptotriazine and many chemicals in the minting department, a specific chemical could not be found in EcoInvent

	3.9.1 so the 'chemical, organic//[GLO] chemical production, organic' was used instead. - Potassium fluoroborate EF was not reported in EcoInvent 3.9.1, the EF for sodium fluoroborate was used instead. <u>Land Use Change:</u> - Land Use change methodology follows the IPCC 2019 refinement and 2006 IPCC Guidelines for National Greenhouse Gas Inventories with its default values. 20 years was used for the land use change assessment period. - Using the gold procured by MKS PAMP, a calculation for the % of procured by MKS PAMP was made to apportion the hectares of the mine attributable to MKS purchases. - If the exact start date for the mine is unknown, assume mid period start date of 2013. <u>Packaging</u> - Where specific packaging disposal data could not be provided, assumptions were made based on the percentage of gold sold in each geographical region and applied to each SKU to calculate end of life emissions per country. <u>End of Life:</u> - In terms of the PEF CFF, it is assumed that there is a 100% recycling rate of the gold bars at the end of their life.

3.2. Carbon footprint summary

Carbon Footprint *(for latest footprinting year)*	**Information relating to the carbon neutral declaration**
Total Carbon Footprint	For total emissions of products based on forecasted sales, please refer to section 3 *'Recorded carbon footprint of the subject during the period stated above*'. Actual sales will be reviewed during reconciliation at the end of the certification period and the footprint, and number off offsets required, will be adjusted.
Carbon Footprint per functional unit	For total emissions per functional unit, please refer to section 3 '*Recorded carbon footprint of the subject during the period stated above*'. *See Annex 1 for further details.*

3.3. Carbon offsets

PAS 2060 Requirement	**Information Relating to the Carbon Neutral Declaration**
Offset methodology	7,476 Carbon Credits (tCO2e) from the previous year are allocated to compensate the emissions of the predicted sales for the certified

	period, for the list of products of this QES. The Credits are from the CDM and VCS programs, offsetting for Scope 1, 2, and 3 of the emissions from the fabrication of the products. *See Annex 3 for methodology details.*
Offset Confirmation	The offsets generated represent genuine, additional GHG emission reductions elsewhere. Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage, and double counting. Carbon offsets are verified by an independent third-party verifier. The credits from the selected carbon offset projects are: • only issued after the emission reduction has taken place. • retired prior to the date of the declaration of achievement. • supported by publicly available project documentation on a registry which provides information about the offset project, quantification methodology and validation and verification procedures. • stored and retired in an independent and credible registry.
Offsets	Full details of the carbon offsets included in making this declaration are provided in Annex 3.

4. Declaration of ongoing commitment to carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Declaration of on-going commitment:	MKS PAMP SA commits to maintain carbon neutrality for the listed products A to K in accordance with PAS 2060 for the period January 2025 – December 2025. Carbon neutrality for the listed product A to K for the period January 2025– December 2025 will be achieved by December 2025.

4.1. Carbon management plan

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality	Based on the data period of baseline Year 1, MKS PAMP SA aims to reduce the GHG emissions of all listed products A to K. Short Term: In Year 2 (1st January – 31st December 2025), by at least 1.22 % from Year 1. Medium Term: In Year 5 (1st January – 31st December 2028), by at least 4.88 % from Year 1. Long Term: In Year 8 (1st January – 31st December 2031), by at least 8.54 % from Year 1.

	Moreover, MKS PAMP SA has set SBTi-approved GHG reduction targets for their Scope 1, 2 and 3 by 2030, which demonstrates the company's wider ambitions on overall GHG emission reduction goals. *Full details of reduction targets and translation into kgCO2e reduced emissions per kg are provided in Annex 2.*
Planned means of achieving avoided GHG emissions	MKS PAMP SA developed a strategy to minimize its GHG emission by focusing on avoidance in the manufacturing processes where the company has complete control (scope 1 and 2 of the products' emissions) and on reduction process where the company has more limited control such as the inbound of raw material (scope 3 of the products' emissions). The plan primarily targets the manufacturing processes at MKS PAMP SA's production site, with the following short-term actions: 1. **Avoid using of diesel in boilers:** Previously, diesel fuel was the second-largest source of emissions in our manufacturing process. In 2020, MKS PAMP SA made a significant change by switching to natural gas, thus eliminating diesel use in daily operations. Now, diesel is only used in our backup generator for emergencies, such as when the power grid fails. 2. **Avoid the use of fossil fuels for electricity:** MKS PAMP SA is committed to sourcing 100% of its electricity from renewable sources and currently purchases Swiss Hydroelectric certificates to achieve this goal. As of January 2022—and since 2017 at our production facility—MKS PAMP SA has sourced 100% of its electricity from renewable sources. The company plans to continue this practice indefinitely. Furthermore, in the latter half of 2023, we installed solar panels at our production site, which now supply 5% of our electricity needs. 3. **Minimize energy use in our manufacturing:** MKS PAMP SA conducted a thorough energy analysis of its manufacturing process, identifying opportunities to significantly improve energy efficiency and enhance performance monitoring. Initiatives include reusing produced heat, upgrading to more efficient ventilation systems, and developing new interfaces for energy and environmental data monitoring.
Planned means of achieving and maintaining GHG emissions reduction	The majority of GHG emissions related to the product lay in the inbound of raw gold materials. MKS PAMP SA will take the following actions to ensure that reduction occurs: 1. Select environmentally responsible sources: Prioritize suppliers with established GHG reduction goals and those actively pursuing emissions reduction initiatives.

	2. Revise contracts to include GHG emissions data: Update our refining contracts and supplier onboarding documents to mandate the inclusion of GHG emissions information. 3. Governance and Strategic Integration: Embedding GHG Reduction Goals Firmly Within Our Operations 1. <u>Source selection.</u> The sourcing of the verified gold bars and grains come from selected mined sources, acting as provenance feed. Under MKS PAMP SA's provenance services, clients may select raw gold from a list of pre-approved, highly vetted companies and accordingly choose the source based on pre-selected criterions: type (LSM, ASM, etc), emissions, location, certifications, etc. MKS PAMP SA plans to set specific mechanisms to ensure that GHG emissions are considered while making decisions on our sourcing. **Short-term focus:** Conduct a thorough market analysis to identify suppliers with lower GHG emissions or those committed to reducing their emissions footprint. **Medium-term focus:** Establish internal controls for sourcing carbon emission management. MKS PAMP SA plans to continuously monitor its supply flow to ensure no significant discrepancies in the sourcing. Intake in sources is done daily at the production site once each shipment is received. MKS PAMP SA will put in place a process led by the ESG team that estimates monthly the overall and per kg GHG footprint for precious metals input and compare it to targets. Adjustments will be sought to address excesses. When that process is in place, the effective vs. targets figures will be reported to strategic teams within MKS PAMP SA on a quarterly basis. **Long-term focus:** MKS PAMP SA is committed to a stable sourcing strategy that prioritizes GHG emissions reduction across its suppliers. This includes: • **Adjusting our relationship based on supplier performance.** MKS PAMP SA will collaborate with its mining partners to ensure GHG reductions in their activities and will offer varying financial incentives to sources depending on their reduction performance. 2. <u>Client-relation documents</u> MKS PAMP SA starts working with clients only after the compliance department approves the clients' onboarding process. To ensure that new clients' emission reduction pathways align with MKS PAMP SA strategy, we will require mining clients to disclose their GHG reduction

	ambition during this process. Accordingly, we will not take on new mining clients who do not present any pathway for reduction. For existing clients, MKS PAMP SA will revise their refining contract to ensure disclosure of their GHG emissions and allow MKS PAMP SA to act accordingly. **Short-term focus:** Amend existing refining contract within mining sources. MKS PAMP SA includes a clause that requires clients to disclose their names to MKS PAMP SA and Scope 1, 2 and 3 GHG current and prospective data only for our internal evaluation purpose by 3rd party consultants or auditors mandated by MKS PAMP SA and bound by strict confidentiality clauses. This information will not be disclosed to any other external party, without the consent of the client. **Medium-term focus:** Incorporate carbon measurement and reduction requirements in clients' onboarding forms and compliance reviews. MKS PAMP SA will ensure clients disclose their GHG data, intention to reduce carbon emissions, ambitions, and action plans. Clients will be reviewed and onboarded based on their commitment to GHG reductions and their capacity to act. **Long-term focus:** Formalize clients' carbon reduction targets. MKS PAMP SA plans to set, in their contractual agreements, formal carbon reduction targets in partnership with our clients, reinforcing our mutual commitment to sustainability. 3. <u>Governance and strategy</u> MKS PAMP SA sales team is the primary interface with our precious metal supplier. They meet with suppliers regularly (including through on-site visits) and have the most in-depth understanding of the applicability of GHG emissions reduction targets. MKS PAMP SA intends to adapt its governance documents (bylaws) to ensure that its sales strategy includes GHG emissions consideration while engaging with current precious metal suppliers and target new suppliers. **Short-term focus:** • **Embed ESG considerations into our corporate decision-making process.** MKS PAMP SA has modified the objectives and the duties of the company purpose to mention the necessity for it to strive for a material positive impact on society and the environment. In line with the Swiss Board Alliance 2030 initiative, these amendments have allowed for greater internal enforceability and a clear message to all our stakeholders on our GHG reduction commitments.

	• **Conduct market analysis.** MKS PAMP SA will analyse mines based on their GHG emissions and will focus on starting or increasing working relationships with those who emit less GHG or have plans to reduce their GHG emissions in the coming years. **Medium-term focus:** • **Meet with precious metals suppliers regularly.** MKS PAMP SA will meet with mines regularly and allocate a part of their plan to GHG emission reduction. The aim would be to: o Sensitize mines with MKS PAMP SA reduction actions. o Acquire firsthand yearly carbon emission data from our mining sources. o To collaborate with the mine to set a pathway for GHG reduction (MKS PAMP SA would then include this pathway in refining contracts). • **Incorporate GHG reduction metrics into budgeting, KPIs, and risk management** to anchor sustainability within our core business strategies and decision-making processes. Starting in FY26, we will commit to TCFD disclosures and embed GHG emissions considerations into the budgets and KPIs of all departments. **Long-term focus:** Onboard new clients. MKS PAMP SA will work towards establishing business relationships with new clients that have GHG emissions in line with our GHG emissions goals.
The offset strategy to be adopted for residual emissions	For this new product certification, for each total production of - 25 kg of ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3), we are estimating 130 tCO_2e necessary to be offset. - 25 kg ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4): we are estimating 69 tCO_2e necessary to be offset. - 25 kg ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1): we are estimating 106 tCO_2e necessary to be offset. - 25 kg ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2): we are estimating 87 tCO_2e necessary to be offset. - 60 kg ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3): we are estimating 310 tCO_2e necessary to be offset. - 60 kg ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4): we are estimating 165 tCO_2e necessary to be offset.

	- 60 kg ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1): we are estimating 253 tCO_2e necessary to be offset. - 60 kg ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2) we are estimating 207 tCO_2e necessary to be offset. - 100 kg ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3): we are estimating 2,578 tCO_2e necessary to be offset. - 100 kg ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4): we are estimating 1,358 tCO_2e necessary to be offset. - 100 kg ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix): we are estimating 2,213 tCO_2e necessary to be offset. These estimates are based on predictive sales. We allocate 7476 credits for the predictive sales of the new certified products. *See Annex 3 for the nature of the offsets and number of credits.*

Annex of Qualifying Explanatory Statement

Annex 1: Greenhouse gas emissions summary

A1.1 Carbon footprint details

New Certification

Product	Stock Keeping Unit	Geographic Area	Total Net $kgCO_{2e}$ not rounded	$kgCO_{2e}$ per Functional Unit not rounded	$kgCO_{2e}$ per Functional Unit rounded	Functional Unit
Kilo Bars	ZAUCB00217 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 3).	Global	17,348,081	5,161	5,000	Per kg
	ZAUCB00218 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 4).		12,039,614	2,740	2,800	
	ZAUCB00219 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 1).		6,182,447	4,211	4,000	
	ZAUCB00220 – Gold 999.9 – 1000 g Bar (Carbon Neutral - Source 2).		2,934,734	3,445	3,400	
Large Bars	ZAULB00126 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 3).		2,831,738	5,162	5,000	
	ZAULB00127 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 4).		332,973	2,741	2,800	
	ZAULB00128 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 1).		1,009,436	4,212	4,000	

	ZAULB00129 – Gold 999.9 – 400 oz Large Bar (Carbon Neutral - Source 2).		2,934,734	3,446	3,400	
Gold Grains	ZAUGR00097 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3).		39,301,253.84	25,771	26,000	
	ZAUGR00098 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 4).		5,258,822.82	13,571	13,500	
	ZAUGR00100 – Gold 999.9 – 12500 g Bottle Grains – (Carbon Neutral - Source 3/4 mix).		3,594,875.96	22,122	22,000	

A1.2 Methodology overview

Requirement	Information Relating to the Carbon Neutral Declaration
Boundary of the product	MKS PAMP SA is a provider of financial and physical trading services, and precious metals refinery based in Switzerland and member of the MKS PAMP GROUP. The products are MKS PAMP SA gold bars (1kg and 12.5kg), and gold grains (12.5kg gold), part of a range of precious metal cast bars and grains produced at MKS PAMP SA. The listed products are manufactured at the MKS PAMP SA refinery in Ticino, Switzerland to the highest industry standards. The bars are primarily used by clients for investment purposes and are sold to banks, financial institutions, governments, and state mints worldwide. The grains are primarily used by clients for further transformation and are sold to jewellers and wholesalers.
Boundary of carbon footprint (the greenhouse gas emissions system considered)	Carbon Trust Assurance Limited certified that MKS PAMP SA has calculated the carbon footprint representing all Gold Bars Cradle-to Grave and Gold grains Cradle-to-Gate Business-to-Business and marketed globally in accordance with PAS 2060:2014. Gold bars being finished products and gold grains being semi-finished products, are produced at MKS PAMP SA's refinery in Ticino, Switzerland and shipped to customers globally. The products are sold through our sales teams based in our MKS PAMP SA group offices.

	The cradle-to-grave product carbon footprint includes all emissions from raw material extraction to the end-of-life storage of the product. The cradle-to-gate product carbon footprint includes all emissions from raw material extraction to outbound distribution. Both include Land Use Change and Biogenic Emissions. **Raw materials** The carbon neutral product is based on MKS PAMP SA provenance sources from the period FY23 (July 2022 – June 2023). Under MKS PAMP SA's provenance services, clients may select raw gold from a list of pre-approved, highly vetted companies and accordingly choose the source based on pre-selected criterions: type (LSM, ASM, etc), emissions, location, certifications, etc. **Inbound Transportation** Raw materials are systematically transported from suppliers based globally to MKS PAMP SA's manufacturing facility in Ticino, Switzerland. This is done by air or sea, and road. **Manufacturing** Once the raw material is received, it is sampled and analysed for purity to ensure the composition follows approved norms and agreements. The material is then processed through the refinery's value chain, including but not limited to the foundry, refinery and minting. Under manufacturing, the main source of energy, being renewable, is electricity derived from hydroelectric power. Other energy sources used at the plant were natural gas and propane. The following waste streams were identified: black water, white water, non-precious metal waste, used crucibles. Waste activity data was derived from input data provided by MKS PAMP and BEIS 2022 was used for waste treatment emission factors. **Packaging** Packaging is carried out at MKS PAMP SA's facility. 1kg gold bars are individually packaged in protective plastic rolls with a paper certificate each. 25 bars are

	packaged in one plastic box for shipping. Large Bars are packaged in wooden pallets, separated by a cardboard sheer. Each pallet contains 500kg of gold (40 large bars at 12.5kgs each). Gold grains are packaged in 5kg plastic boxes. Then 4 of the 5kg plastic boxes are packaged together in a cardboard box. Each product comes with a security label, warranty certificate and MKS PAMP Label. **Downstream distribution** Finished and semi-finished products are transported by road from MKS PAMP SA's refinery to Zurich airport or to the final customers in Switzerland. Upon reaching the abroad country of destination by air or sea, the products are then transported to the end customer by road. **End-of-life – only applicable to gold bars.** Clients traditionally keep purchased gold bars in vaulting facilities. For the gold bars it is assumed 100% of the metal is recycled. The End-of-Life profile for packaging was calculated using BEIS 2022 disposal emission factors and the disposal method percentages of the different countries of the sold products.
Functional unit	Per kg

A1.3 Lifecycle Overview

Life cycle stage	Description	gCO2e per functional unit per life cycle stage	Excluded emissions & Justification	Primary data sources	Secondary data sources	Data quality and uncertainties
Raw Materials	Gold, other inputs and packaging	Scope 3 Category 1 and 2	Assume no land use change where land type is rocky/ desert or where there have been no visible expansions or	Gold inputs come from specific mining sources. The activity data provided by MKS PAMP was the total mass of the raw material inputs for each	The emission factors used for the gold were calculated using the EU Product Environmental Footprint Circular Footprint Formula (PEF CFF).	Land Use Change **Activity Data Quality Indicator:** Bars: Medium / Grains: Medium **Emission Factor Data Quality Indicator:** Bars: Medium / Grains: Medium

			change to the land scape in the last 20 years. Any process that constituted less than 1% of total emissions was excluded from the assessment. This includes; upstream packaging of the raw material inputs, namely the chemicals and gold, and land use chance for 2% of procured gold where the mine source could not be verified	footprinted product over the reporting year. MKS PAMP provided supplier's specific emissions factors for each of the mining sources. For packaging, the mass of materials for one box or pallet was provided.	For other chemical inputs, emission factors were taken from the FPX v4.7 database, BEIS 2022 and EcoInvent 3.9.1. In the cases when the emission factors were not available in either database, an emission factor of a similar chemical was applied from EcoInvent. For packaging, masses were scaled up to account for the total production output for each product. Emission factors applied to these packaging materials came from the Carbon Trust's FPX v4.7 database.	**Application Data Quality Indicator:** Bars: Medium / Grains: Medium <u>Raw Materials</u> **Activity Data Quality Indicator:** Bars: Good / Grains: Good **Emission Factor Data Quality Indicator:** Bars: Medium/ Grains: Good **Application Data Quality Indicator:** Bars: Medium/ Grains: Good <u>Packaging</u> **Activity Data Quality Indicator:** Bars: Good / Grains: Good **Emission Factor Data Quality Indicator:** Bars: Good / Grains: Good **Application Data Quality Indicator:** Bars: Good / Grains: Good

			and accurately calculated.			
Inbound transport	Transport of raw materials from supplier to MKS PAMP SA	Scope 3 Category 4	N/A	The activity data provided by MKS PAMP included the distance and mode of transport for each of the raw materials, as well as supplier location.	Using the distances, air, road and sea freights, FPX v4.7 calculators were used to find the emission factors for each ingredient's upstream transport.	N/A
Manufacturing	Fuels (Gas, Propane), Electricity, and waste	Scope 1, Scope 2, Scope 3 Category 5	N/A	Energy: This activity data was provided by MKS PAMP in MWh / year (for electricity) and m3 / year (for natural gas and propane) for each process step. Waste: activity data was derived from input data provided by MKS PAMP.	Energy: IEA 2023 emission factor was used for electricity as they use renewable energy. Emission factors from BEIS 2022 were used for natural gas and propane. For each process step a specific amount of kgCO2e emissions were associated with them, namely for example the first melting or the anode Casting.	**Activity Data Quality Indicator:** Bars: Good / Grains: Good **Emission Factor Data Quality Indicator:** Bars: Good / Grains: Good **Application Data Quality Indicator:** Bars: Good / Grains: Good

					Waste: BEIS 2022 was used for waste treatment emission factors.	
Downstream Distribution	Transport of Gold Bars from MKS PAMP SA to global markets	Scope 3 Category 9	N/A	For each country, the activity data was provided by MKS PAMP using the specific mode and distance of the type of transport used.	Emission factors were applied to these activity data which derive from Carbon Trust FPC v4.7 transportation calculator.	**Activity Data Quality Indicator:** Bars: Good / Grains: Good **Emission Factor Data Quality Indicator:** Bars: Good / Grains: Good **Application Data Quality Indicator:** Bars: Good / Grains: Good
Use Phase	N/A	Scope 3 Category 11 and 13	Not Applicable, no energy associated with use	N/A	N/A	N/A
End of life – **only applicable to gold bars.**	Disposal of Gold and Packaging	Scope 3 Category 12	Gold, as it is considered infinitely recycled.	For the gold bars it is assumed 100% of the metal is recycled.	Emission factors were applied to these activity data which derive from Carbon Trust FPC v4.7 transportation calculator.	**Activity Data Quality Indicator:** Medium **Emission Factor Data Quality Indicator:** Medium **Application Data Quality Indicator:** Medium

A1.4 Geographical Areas of Emissions Overview:

1kg bars

SKU	Geographical Area	Relevant Emissions				
		Upstream transport	Raw Materials	Manufacturing (Utilities, Waste & Packaging)	Downstream Distribution	End of life
A. ZAUCB00217 – 1kg Bars 3	Global	8.5 kgCO2e/kg	5,152.08 kgCO2e/kg	0.50 kgCO2e/kg	0.11 kgCO2e/kg	0.004 kgCO2e/kg
B. ZAUCB00218 – 1kg Bars 4	Global	16.88 kgCO2e/kg	2,722.08 kgCO2e/kg	0.50 kgCO2e/kg	0.11 kgCO2e/kg	0.004 kgCO2e/kg
C. ZAUCB00219 – 1kg Bars 1	Global	7.85 kgCO2e/kg	4,202.08 kgCO2e/kg	0.50 kgCO2e/kg	0.11 kgCO2e/kg	0.004 kgCO2e/kg
D. ZAUCB00220 – 1kg Bars 2	Global	7.85 kgCO2e/kg	3,437.08 kgCO2e/kg	0.50 kgCO2e/kg	0.11 kgCO2e/kg	0.004 kgCO2e/kg

Large bars

SKU	Geographical Area	Relevant Emissions				
		Upstream transport	Raw Materials	Manufacturing (Utilities, Waste & Packaging)	Downstream Distribution	End of life
E. ZAULB00126 – LB 3	Global	8.5 kgCO2e/kg	5,151.07 kgCO2e/kg	1.36 kgCO2e/kg	0.07 kgCO2e/kg	0.000004 kgCO2e/kg
F. ZAULB00127 – LB 4	Global	16.88 kgCO2e/kg	2.722.07 kgCO2e/kg	1.36 kgCO2e/kg	0.07 kgCO2e/kg	0.0002 kgCO2e/kg
G. ZAULB00128 – LB 1	Global	7.85 kgCO2e/kg	4,202.2 kgCO2e/kg	1.36 kgCO2e/kg	1.05 kgCO2e/kg	0.0005 kgCO2e/kg
H. ZAULB00129 – LB 2	Global	7.85 kgCO2e/kg	3,436.61 kgCO2e/kg	1.36 kgCO2e/kg	0.10 kgCO2e/kg	0.0002 kgCO2e/kg

Gold grains

SKU	Geographical Area	Relevant Emissions			
		Upstream transport	Raw Materials	Manufacturing (Utilities, Waste & Packaging)	Downstream Distribution
I. ZAUGR00097 – GG 3	Global	8.5 kgCO2e/kg	25,762.07 kgCO2e/kg	0.5 kgCO2e/kg	0.11 kgCO2e/kg
J. ZAUGR00098 – GG 4	Global	16.84 kgCO2e/kg	13,554.07 kgCO2e/kg	0.5 kgCO2e/kg	0.11 kgCO2e/kg
K. ZAUGR00100 – GG 3/4 mix	Global	11 kgCO2e/kg	22,111.07 kgCO2e/kg	0.5 kgCO2e/kg	0.11 kgCO2e/kg

Annex 2: Greenhouse gas emissions reduction trajectory

The below tables state the target trajectory for reducing greenhouse gas emissions associated with the product or service advertised. The trajectory includes quantified annual progress targets, covering at least the ten years following the publication of the report.

Geography	Functional Unit	SKUs	Requirement	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033

Global	%		**Percentage reduction target**	0%	1.22%	2.44%	3.66%	4.88%	6.10%	7.32%	8.54%	9.76%	10.98%
	kgCO2e / kg	**ZAUCB00217 - KB 3**	**Carbon footprint per functional unit**	5,161	5,098	5,035	4,972	4,909	4,846	4,783	4,720	4,657	4,594
			Reduction realised										
		ZAUCB00218 - KB 4	**Carbon footprint per functional unit**	2,740	2,707	2,673	2,640	2,606	2,573	2,539	2,506	2,473	2,439
			Reduction realised										
		ZAUCB00219 - KB 1	**Carbon footprint per functional unit**	4,211	4,160	4,108	4,057	4,006	3,954	3,903	3,851	3,800	3,749
			Reduction realised										
		ZAUCB00220 - KB 2	**Carbon footprint per functional unit**	3,445	3,403	3,361	3,319	3,277	3,235	3,193	3,151	3,109	3,067
			Reduction realised										
		ZAUGR00097 - GG 3	**Carbon footprint per functional unit**	25,771	25,457	25,142	24,828	24,513	24,199	23,885	23,570	23,256	22,941
			Reduction realised										
		ZAUGR00098 - GG 4	**Carbon footprint per functional unit**	13,571	13,405	13,240	13,074	12,909	12,743	12,578	12,412	12,246	12,081
			Reduction realised										
		ZAUGR00100 - GG 3/4 mix	**Carbon footprint per functional unit**	22,122	21,852	21,582	21,312	21,042	20,773	20,503	20,233	19,963	19,693
			Reduction realised										
		ZAULB00126 + LB 3	**Carbon footprint per functional unit**	5,162	5,099	5,036	4,973	4,910	4,847	4,784	4,721	4,658	4,595
			Reduction realised										
		ZAULB00127 - LB 4	**Carbon footprint per functional unit**	2,741	2,708	2,674	2,641	2,607	2,574	2,540	2,507	2,473	2,440
			Reduction realised										
		ZAULB00128 - LB 1	**Carbon footprint per functional unit**	4,212	4,161	4,109	4,058	4,006	3,955	3,904	3,852	3,801	3,750

			Reduction realised										
		ZAULB00129 - LB 2	**Carbon footprint per functional unit**	3,446	3,404	3,362	3,320	3,278	3,236	3,194	3,152	3,110	3,068
			Reduction realised										

Annex 3: Offsets

The below information relates to the compensation of residual emissions (i.e. offsetting):
The volume of emissions reduced or sequestered via carbon offsetting corresponds to the residual emissions of the products in question. As per the requirements of PAS2060, it has been confirmed the offsets have been retired on a public registry to avoid double accounting. The internal process for ensuring there is no double accounting of offsets is as follows:

The internal process for ensuring there is no double accounting of offsets is as follows: MKS PAMP SA has designated an officer within the ESG team to oversee that all purchased offsets are correctly accounted for. MKS PAMP SA has set up a manual accounting system (in line with its financial accounting system) to track offset allocation supported by our data system (Power Bi). Once offsets are retired, they are assigned to the corresponding SKU within the system, MKS PAMP SA calculates the total amount of offsets available per product. After every purchase of a Carbon Neutral Gold Bar, the ESG officer will make a report to the product management team with the amount (in kg) of product sold, the associated carbon offsets, and the remaining amount of Carbon Neutral gold and offsets available. Our offsetting team, sales team, and the head of ESG will then control these amounts for accuracy. The offset selected are from the projects listed below. Details on which project has been used to offset the GHG emission of the product is described on the QR code associated with the specific product.

Project name	Country	Project type	Standard	Type of credits	Total credits	Generation period	Retirement date	Reference No. & link to registry	Offset volume (tCO_2e)	Offset Price	Justification for choice of offset
VTRM Renewable Energy 2	Brazil	Energy industries (renewable/non-renewable sources)	VCS	Wind	7,476 allocated for the predictive sales out of the	2019-2020	July 5th 2022	https://registry.verra.org/ Reference: 1903	7476	below $10/t CO2	Based on its global footprint, MKS PAMP SA decided to focus on avoidance projects. Carbon avoidance projects contribute to climate action by preventing

					10,000 credits bought and retired in 2022, which can be seen in the MKS PAMP QES - Gold Bars Product Neutrality Achievement - 20.1.2022						carbon that would have been released into the atmosphere. MKS PAMP SA selected projects that generate renewable energy: with three different technologies in three different geographies. Identifying offset projects had three key criteria for MKS PAMP SA 1) the project had to leverage the power of technology 2) the project had to be based in a country where it either operates or sources from and 3) be in line with its corporate values.
	Total tonnes (tCO_2e) offset	7,476									

Annex 4: Independent third-party assurance

CARBON TRUST

Carbon Neutral Label

MKS PAMP SA

has achieved carbon neutrality and is committed to on-going carbon neutrality of the total carbon footprint of its

Provenance Gold Grains [redacted]

Carbon Trust Assurance has certified that this project has met all of the requirements for using the Carbon Trust Carbon Neutral Label.

A full description of the scope of certification and a detailed list of certified results can be found in the associated Certification Letter CERT-13698.

Valid from: 1st January 2024 Valid Until: 31st December 2024

for and on behalf of Carbon Trust Assurance Ltd,

Martin Hockaday,
Head of Assurance

CARBON TRUST

Carbon Neutral Label

MKS PAMP SA

has achieved carbon neutrality and is committed to on-going carbon neutrality of the total carbon footprint of its

Provenance Gold Kilo Bars [redacted]

Carbon Trust Assurance has certified that this project has met all of the requirements for using the Carbon Trust Carbon Neutral Label.

A full description of the scope of certification and a detailed list of certified results can be found in the associated Certification Letter CERT-13701.

Valid from: 1st January 2024 Valid Until: 31st December 2024

for and on behalf of Carbon Trust Assurance Ltd,

Martin Hockaday,
Head of Assurance

This certificate is for presentation purposes only. Please do not copy or circulate this certificate without the Certification Letter and associated Annexes where full details on the scope of the certification are documented. This certificate remains the property of Carbon Trust Assurance Limited and is bound by the conditions of the contract. Information and Contact: Carbon Trust Assurance Limited is registered in England and Wales under Company number 06547698 with its Registered Office at Level 5, Arbor, 255 Blackfriars Road, London SE1 9AX, UK. Telephone: +44 (0) 20 7 170 7000. Carbon Trust Assurance Limited is a fully owned subsidiary of the Carbon Trust.

CARBON TRUST

Carbon Neutral Label

MKS PAMP SA

has achieved carbon neutrality and is committed to on-going carbon neutrality of the total carbon footprint of its

Provenance Gold Large Bars [redacted]

Carbon Trust Assurance has certified that this project has met all of the requirements for using the Carbon Trust Carbon Neutral Label.

A full description of the scope of certification and a detailed list of certified results can be found in the associated Certification Letter CERT-13700.

Valid from: 1st January 2024 Valid Until: 31st December 2024

for and on behalf of Carbon Trust Assurance Ltd,

Martin Hockaday,
Head of Assurance

Annex 5: Additional supporting information for interested parties

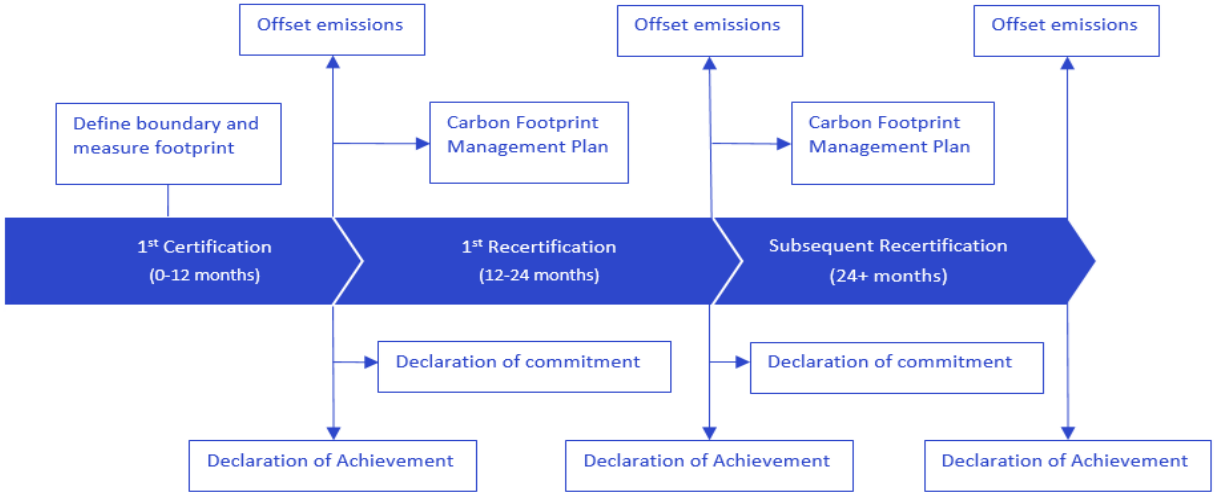

Figure 1. PAS 2060 certification process

Source: Carbon Trust. Adapted from "BSI - PAS 2060:2014: *Specification for the demonstration of carbon neutrality: Figure 1 – Illustration of the cyclical process for demonstrating carbon neutrality, taking into account permitted baseline period exceptions"*. [Simplified version]

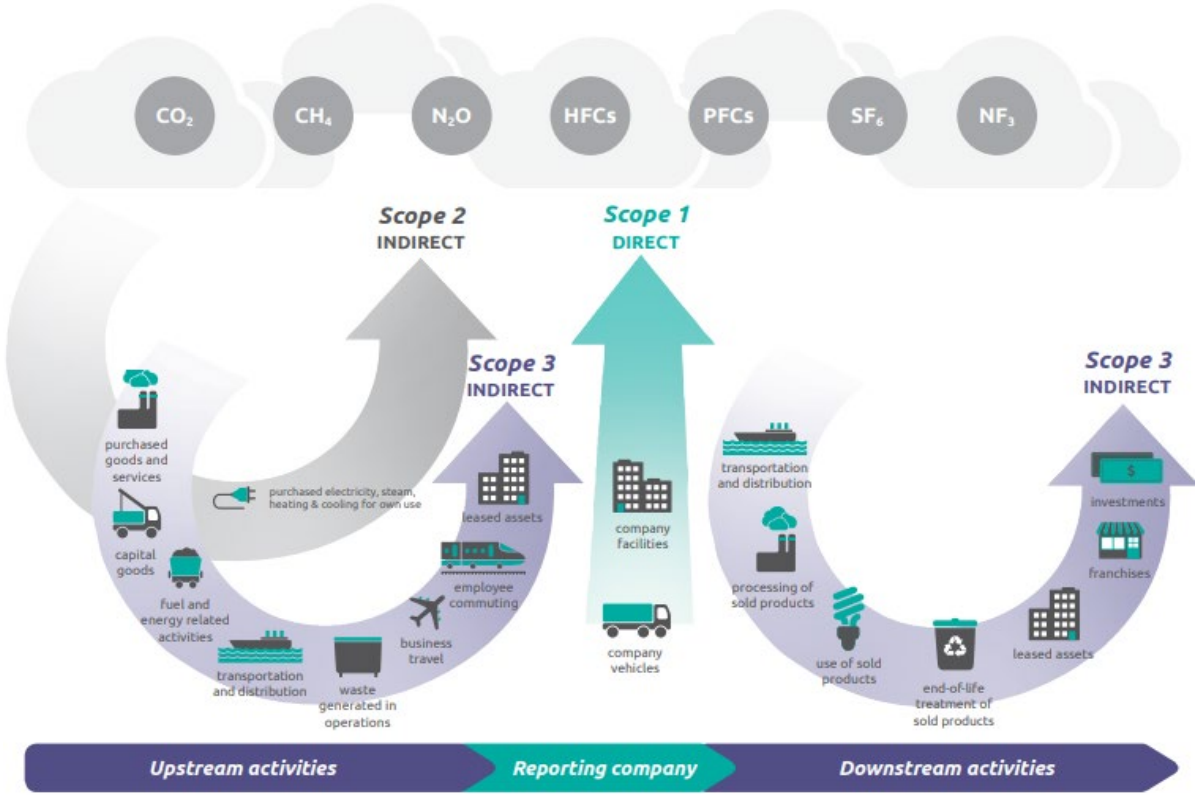

Figure 2. Organisational carbon footprinting

Source: Greenhouse Gas Protocol: http://ghgprotocol.org/