

## **MKS PAMP SA**

- A. ZAGGR00072 – Silver 999.9 – 25 kg Grains  
– (Carbon Neutral – Selected recycled  
sources)**
- B. ZAGGR00073 – Silver 999.9 – 6509 g Grains  
– (Carbon Neutral – Selected recycled  
sources)**

## **Qualifying Explanatory Statement in support of the Achievement of and ongoing commitment to carbon neutrality**

Application Period: 1<sup>st</sup> January 2024 – 31<sup>st</sup> December 2024

**Date:** 11<sup>th</sup> 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. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources) and B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources) marketed globally for the period commencing January 2024 to December 2024 (see Section 3); and
2. is committed to maintaining carbon neutrality for its A. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources) and B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources) (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



July 11<sup>th</sup>, 2024

## 2. General information

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
<b>Entity making PAS 2060 declaration:</b>	MKS PAMP SA
<b>Subject of PAS 2060 declaration:</b>	<p>A. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources).</p> <p>B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources).</p> <p>Emissions included:</p> <ul style="list-style-type: none"> <li>- Raw materials</li> <li>- Inbound transportation</li> <li>- Manufacturing</li> <li>- Downstream Distribution</li> </ul>
<b>Description of Subject:</b>	<p>A. Bag of Grains made of 25 kg of fine silver (999.9 purity).</p> <p>B. Bag of Grains made of 6,509 g of fine silver (999.9 purity).</p>
<b>Rationale for selection of the subject:</b>	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.

<b>Boundary:</b>	Cradle-to-Gate
<b>Type of conformity assessment:</b>	Independent third-party certification (see Annex 4)
<b>Baseline date for PAS 2060 programme:</b>	1 <sup>st</sup> January 2024 - 31 <sup>st</sup> December 2024
<b>Individuals responsible for evaluation and provision of data necessary for declaration:</b>	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
<b>Declaration of achievement:</b>	Carbon neutrality of A. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources), B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources) achieved by MKS PAMP SA in accordance with PAS 2060 in July 2024 for the period commencing 1 <sup>st</sup> January 2024 certified by the Carbon Trust.
<b>Recorded carbon footprint of the subject during the period stated above</b>	<p><u>Product Carbon Footprint</u></p> <p>A. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources): 28 kgCO<sub>2</sub>/kg of silver – total prediction: 28,000 kgCO<sub>2</sub>.</p> <p>B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources): 21 kgCO<sub>2</sub>/kg of silver – total prediction: 21,000 kgCO<sub>2</sub>.</p> <p><i>See Annex 1 for further details.</i></p>
<b>Carbon offsets purchased</b>	49 credits (tCO <sub>2</sub> e) from avoidance offset projects.  <i>See Annex 3 for further details.</i>

#### 3.1. Carbon footprint methodology

PAS 2060 Requirement	Information relating to the carbon neutral declaration
<b>Description of the standard and methodology used to determine GHG emissions and reductions</b>	<p>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.</p> <p>The methodology is as follows: The per kg footprint was calculated by the Carbon Trust, using:</p> <p>a) primary data provided by MKS PAMP SA for sourcing segregated silver from 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023.</p>

	<p>b) data for the production emissions of the corresponding financial year. The total footprint was then applied to the mass of silver grains output for the period to yield a kgCO<sub>2</sub>e footprint per kg.</p> <p>The total footprint of the subject of neutrality was calculated based on predicted sales volume.</p> <p>MKS PAMP SA produces many products at the refinery in addition to silver grains. 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.</p> <p>Activity data was multiplied by emission factors to calculate emissions. For recycled silver supply, the emission factors used for the raw material was calculated using the EU Product Environmental Footprint Circular Footprint Formula (PEF CFF) to yield the overall emission factor.</p> <p>The provisions of the methodology for calculating the carbon footprint were applied as detailed and the principles set out in PAS 2060 were met.</p>
<p><b>Justification for the selection of the methodologies chosen</b></p>	<p>The carbon footprint of the listed product was calculated using a recognised methodology that was based on the following document:</p> <ul style="list-style-type: none"> <li>- ISO 14067 - an internationally recognised approach to the calculation of representative product CO<sub>2</sub>e footprints which meets the requirement of PAS 2060 for the substitution of GHG emissions.</li> </ul> <p>The GHG emissions that are accounted for in the footprint study of the product 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.</p> <p>Further, the following assumptions were made in quantifying GHG emissions:</p> <p><u>Raw materials:</u></p> <ul style="list-style-type: none"> <li>- The silver input is all procured from recycled sources.</li> <li>- Certain EFs for chemicals were not available, proxies were used, for example trimercaptotriazine.</li> <li>- Black water and white water are outputs provided by PAMP. It is assumed that water consumption is the sum of these two.</li> </ul>

	<p><u>Packaging:</u></p> <p>Where specific packaging disposal data could not be provided, assumptions were made based on the percentage of silver sold in each geographical region and applied to each SKU to calculate end of life emissions per country.</p>
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### 3.2. Carbon footprint summary

Carbon Footprint <i>(for latest footprinting year)</i>	Information relating to the carbon neutral declaration
<b>Total Carbon Footprint</b>	<p>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'.</p> <p>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.</p> <p><i>See Annex 1 for further details.</i></p>
<b>Carbon Footprint per functional unit</b>	<p><i>For total emissions per functional unit, please refer to section 3 'Recorded carbon footprint of the subject during the period stated above'.</i></p> <p><i>See Annex 1 for further details.</i></p>

### 3.3. Carbon offsets

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
<b>Offset methodology</b>	<p>Carbon Credits amounting to a total of <b>49 tCO2e</b> from the previous year unused offset credit purchased and retired for the Gold bars QES, are allocated from the VCS programs, offsetting for Scope 1, 2, and 3 of the emissions from the fabrication of the products.</p> <p><i>See Annex 3 for methodology details.</i></p>
<b>Offset Confirmation</b>	<p>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.</p> <p>The credits from the selected carbon offset projects are:</p> <ul style="list-style-type: none"> <li>• only issued after the emission reduction has taken place.</li> <li>• retired prior to the date of the declaration of achievement.</li> <li>• supported by publicly available project documentation on a registry which provides information about the offset project, quantification methodology and validation and verification procedures.</li> <li>• stored and retired in an independent and credible registry.</li> </ul>

<b>Offsets</b>	Full details of the carbon offsets included in making this declaration are provided in Annex 3.
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## 4. Declaration of ongoing commitment to carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
<b>Declaration of on-going commitment:</b>	<p>MKS PAMP SA commits to maintain carbon neutrality for products A and B in accordance with PAS 2060 for the period January 2025 – December 2025.</p> <p>Carbon neutrality for products A and B for the period January – December 2025 will be achieved by December 2025.</p>

### 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	<p>Based on the data period of baseline Year 1 (1st July 2023 – 30th June 2024), MKS PAMP SA aims to reduce the GHG emissions of products A and B.</p> <p>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.</p> <p>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.</p> <p><i>Full details of reduction targets are provided in Annex 2.</i></p>
Planned means of achieving avoided GHG emissions	<p>The plan primarily targets the manufacturing processes at MKS PAMP SA's production site, with the following short-term actions:</p> <ol style="list-style-type: none"> <li><b>Avoid using of diesel in boilers:</b> 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.</li> <li><b>Avoid the use of fossil fuels for electricity:</b> 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</li> </ol>

	<p>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.</p> <p>3. <b>Minimize energy use in our manufacturing:</b> 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.</p>
<p>Planned means of achieving and maintaining GHG emissions reduction</p>	<p>MKS PAMP SA recognizes that a significant portion of its GHG emissions stems from the procurement of raw materials. MKS PAMP SA commits to engaging with clients who share our dedication to reducing GHG emissions. Our aim is to foster a client base that is actively pursuing carbon reduction pathways.</p> <p>To address this, we are implementing a series of measures aimed at reducing emissions through strategic sourcing, contract revisions, and aligning our client base with our ESG objectives.</p> <ol style="list-style-type: none"> <li>1. Select environmentally responsible sources: Prioritize suppliers with established GHG reduction goals and those actively pursuing emissions reduction initiatives.</li> <li>2. Revise contracts to include GHG emissions data: Update our refining contracts and supplier onboarding documents to mandate the inclusion of GHG emissions information.</li> <li>3. Governance and Strategic Integration: Embedding GHG Reduction Goals Firmly Within Our Operations</li> </ol> <p>1. <u>Source selection</u></p> <p><b>Short-term focus:</b> Conduct a thorough market analysis to identify suppliers with lower GHG emissions or those committed to reducing their emissions footprint.</p> <p><b>Medium-term focus:</b> Implement internal controls for managing carbon emissions in sourcing, led by our dedicated ESG team. This involves quarterly assessment and comparison of the GHG footprint of our precious metal inputs against our reduction targets.</p> <p><b>Long-term focus:</b> Aim for a stable sourcing strategy that prioritizes GHG emissions reduction across both mining and recycling suppliers. This includes:</p> <ul style="list-style-type: none"> <li>• <b>Adjusting our relationship based on supplier performance.</b> MKS PAMP SA will collaborate with its partners to ensure GHG</li> </ul>

reductions in their activities and will offer varying financial incentives to sources depending on their reduction performance.

- **Improve our refining capacity and sourcing of recycled materials.** Improving our refining capacity and sourcing of recycled materials. MKS PAMP SA plans to expand its refining process to include infrastructure and technology better suited to processing recycled materials, increasing its capacity for recycled sources. This strategy aims to provide with the capabilities to onboarding a greater number of recycled sources.

## 2. Client-relation documents

**Short-term focus:** Modify existing contracts to require detailed GHG emissions disclosure, ensuring all data handling is in strict confidence.

**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. Governance and strategy

**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.

**Medium-term focus: 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.

<p>The offset strategy to be adopted for residual emissions</p>	<p>For this new product certification, we estimate to sell in 23-24:</p> <ul style="list-style-type: none"><li>- 1,000 kg of A. ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources), which would emit 28 tCO<sub>2</sub>e to be offset.</li><li>- 1,000 kg of B. ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources), which would emit 21 tCO<sub>2</sub>e to be offset.</li><li>-</li></ul> <p>These estimates are based on predictive sales.</p> <p>We allocate 49 credits for the predictive sales of the new certified products.</p> <p><i>See Annex 3 for the nature of the offsets and number of credits.</i></p>
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# 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 <sub>2</sub> e not rounded	kgCO <sub>2</sub> e per Functional Unit not rounded	kgCO <sub>2</sub> e per Functional Unit rounded	Functional Unit
Silver Grains	ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources).	Global	28,000	28.37	28	kg
	ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources).		21,000	20.93	20	

### A1.2 Methodology overview

Requirement	Information Relating to the Carbon Neutral Declaration
<b>Boundary of the product</b>	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 silver grains (25 kg and 6509 g), part of a range of precious metal products 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 grains are primarily used by clients for further transformation and are sold to jewellers and wholesalers. The carbon footprint of these products is measured from cradle to gate, including downstream transport, ensuring that the environmental impact is accounted for from the extraction of raw materials through to delivery to clients, supporting the declaration of neutrality.
<b>Boundary of carbon footprint</b> (the greenhouse gas emissions system considered)	Carbon Trust Assurance Limited certified that MKS PAMP SA has calculated the carbon footprint representing selected silver grains Cradle-to-Gate Business-to-Business and marketed globally in accordance with PAS 2060:2014.

Silver grains are semi-finished products, 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-gate product carbon footprint includes all emissions from raw material extraction, value chain logistics (upstream and downstream distribution), manufacturing and packaging. The calculations include Land Use Change and Biogenic Emissions for which further information on each stage is listed below:

**Raw materials**

The carbon neutral product is based on MKS PAMP SA provenance sources from the baseline FY23 (July 2022 – June 2023). Under MKS PAMP SA's provenance services, clients may select raw material from a list of pre-approved, highly vetted companies and accordingly choose the source based on pre-selected criteria: type (LSM, ASM, recycled), 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 and refinery. 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.

	<p>The 25 kg silver grains are packaged into plastic bags weighing 25 kg and sealed with a plastic clamp. 20 bags of silver grains are grouped together onto pallets, separated by cardboard sheeting. The product is delivered with a MKS PAMP label and warranty certificate.</p> <p>The 6509 g silver grains are packaged in laminated plastic bags, and then onto a wooden pallet, separated by cardboard sheeting for onward distribution. The bags are sealed with a plastic clamp and further packaged into raffia bags and surrounded by silicone gel beads.</p> <p><b>Downstream distribution</b> 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.</p>
<b>Functional unit</b>	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	Silver, other inputs and packaging	Scope 3 Category 1 and 2	Any process that constituted less than 1% of total emissions was excluded from the assessment.	The total mass of the raw material inputs for each footprinted product over the reporting year. Type of material (recycled), amount in gr and in oz, sourced from the supplier,	The emission factors used for the raw material was calculated using the EU Product Environmental Footprint Circular Footprint Formula (PEF CFF). The emission factor applied to the input	<u>Raw Materials</u> <b>Activity Data Quality Indicator: Good</b>  <b>Emission Factor Data Quality Indicator: Good</b>  <b>Application Data Quality Indicator: Good</b>  <u>Land Use Change</u>

				<p>weighted coefficient and origin of the source.</p>	<p>material was calculated using the following two formulae which have been derived from PEF CFF.</p> <p>For other chemical inputs, emission factors were taken from the FPX v4.7 database, BEIS 2022 and Ecolnvent 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 Ecolnvent.</p>	<p><b>Activity Data Quality Indicator:</b> Medium</p> <p><b>Emission Factor Data Quality Indicator:</b> Medium</p> <p><b>Application Data Quality Indicator:</b> Medium</p>
Inbound transport	Transport of raw materials from supplier to MKS PAMP SA	Scope 3 Category 4	Any process that constituted less than 1% of total emissions was excluded from the assessment.	Suppliers' location, the distance and mode of transport (air, sea, road), and the distance used by each of the mode of transport.	Emission factors were applied to these activity data which derive from Carbon Trust FPX v4.7 transportation calculator.	N/A

Manufacturing	Fuels (Gas, Propane), Electricity, and waste	Scope 1, Scope 2, Scope 3 Category 5	Any process that constituted less than 1% of total emissions was excluded from the assessment.	Based on invoice of suppliers of MKS PAMP SA. Electricity: MWh / year for electricity Natural gas and propane: m3 / year for each process step. Waste: data in percentage of mass of product (kg) is waste per year.	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.	<b>Activity Data Quality Indicator:</b> Good  <b>Emission Factor Data Quality Indicator:</b> Good  <b>Application Data Quality Indicator:</b> Good
Packaging	Packaging of finished products	Scope 3 Category 5	Any process that constituted less than 1% of total emissions was excluded from the assessment.	Mass of materials for one box or pallet was provided by MKS PAMP SA.	The 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.	<b>Activity Data Quality Indicator:</b> Good  <b>Emission Factor Data Quality Indicator:</b> Good  <b>Application Data Quality Indicator:</b> Good
Downstream Distribution	Transport of Silver Grains from MKS PAMP SA to global markets	Scope 3 Category 9	Any process that constituted less than 1%	Locations (country) the product was transported to,	Emission factors were applied to these activity data which derive from Carbon	<b>Activity Data Quality Indicator:</b> Good

			of total emissions was excluded from the assessment.	the distance and mode of transport (air, sea, road), and the distance used by each of the mode of transport.	Trust FPC v4.7 transportation calculator.	<b>Emission Factor Data Quality Indicator:</b> Good  <b>Application Data Quality Indicator:</b> Good
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#### A1.4 Geographical Areas of Emissions Overview:

##### Silver grains

Geographical Area	SKU	Relevant Emissions			
		Upstream transport	Raw Materials	Manufacturing (Utilities, Waste & Packaging)	Downstream Distribution
Global	ZAGGR00072 – Silver 999.9 – 25 kg Grains – (Carbon Neutral – Selected recycled sources).	3.97 kgCO2e/kg	16.3 kgCO2e/kg	0.32 kgCO2e/kg	7.79 kgCO2e/kg
	ZAGGR00073 – Silver 999.9 – 6509 g Grains – (Carbon Neutral – Selected recycled sources).	3.97 kgCO2e/kg	16.3 kgCO2e/kg	0.33 kgCO2e/kg	0.34 kgCO2e/kg



## 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 Silver grain bag, 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 silver 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 <sub>2</sub> e)	Offset Price	Justification for choice of offset
<a href="#">VTRM Renewable Energy 2</a>	Brazil	Energy industries (renewable/non-renewable sources)	VCS	Wind	49 allocated for the predictive sales out of the 10,000 credits bought and	2019-2020	July 5 <sup>th</sup> 2022	<a href="https://registry.verification.org">https://registry.verification.org</a> Reference: <a href="#">1903</a>	49	below \$10/t CO <sub>2</sub>	Based on its global footprint, MKS PAMP SA decided to focus on avoidance projects. Carbon avoidance projects contribute to climate action by preventing 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

					<p>retired in 2022, which can be seen in the MKS PAMP QES - Gold Bars Product Neutrality Achievement - 20.1.2022 . At the end of the phase 2 (certification of provenance kilo bars and large bars and grains, there is 2475 credits left).</p>						<p>three key criteria for MKS PAMP SA</p> <ol style="list-style-type: none"> <li>1) the project had to leverage the power of technology</li> <li>2) the project had to be based in a country where it either operates or sources from and</li> <li>3) be in line with its corporate values.</li> </ol>
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Total tonnes (tCO <sub>2</sub> e) offset				49						
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# Annex 4: Independent third-party assurance



## 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

### RJC-CoC Recycled Silver Grains\*

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-13699.

\* Please note that while the product is called "recycled" Carbon Trust Assurance Limited have not provided any formal opinion over the recycled nature of the product.

Valid from: 1<sup>st</sup> January 2024

Valid Until: 31<sup>st</sup> December 2024

for and on behalf of Carbon Trust Assurance Ltd,

A handwritten signature in black ink, appearing to read "M. Hockaday".

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 06547058 with its Registered Office at Level 5, Arbor, 235 Blackfriars Road, London SE1 9AX, UK. Telephone: +44 (0) 20 7 770 7000. Carbon Trust Assurance Limited is a fully owned subsidiary of the Carbon Trust.

# Annex 5: Additional supporting information for interested parties

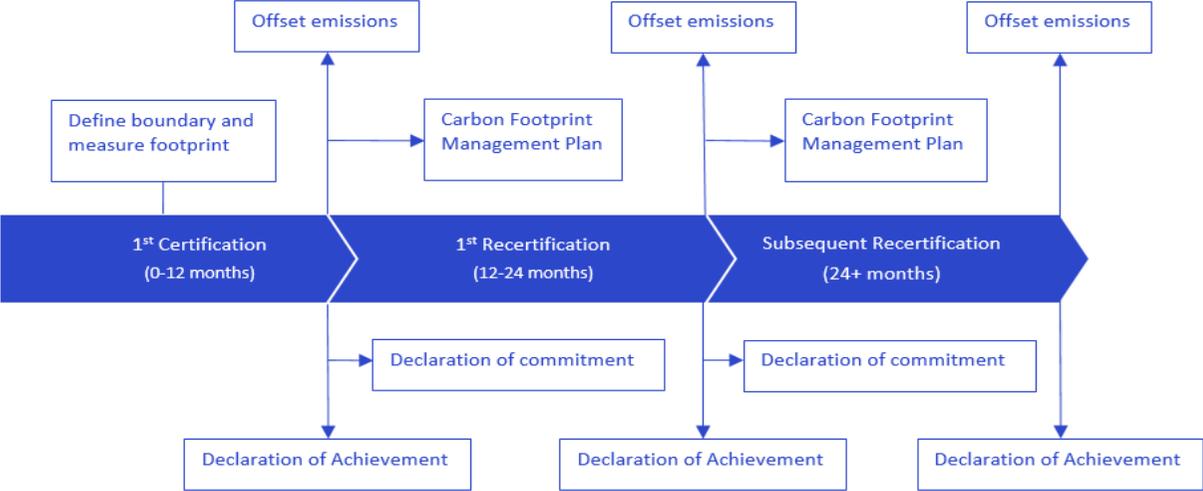


Figure 1. PAS 2060 certification process

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]

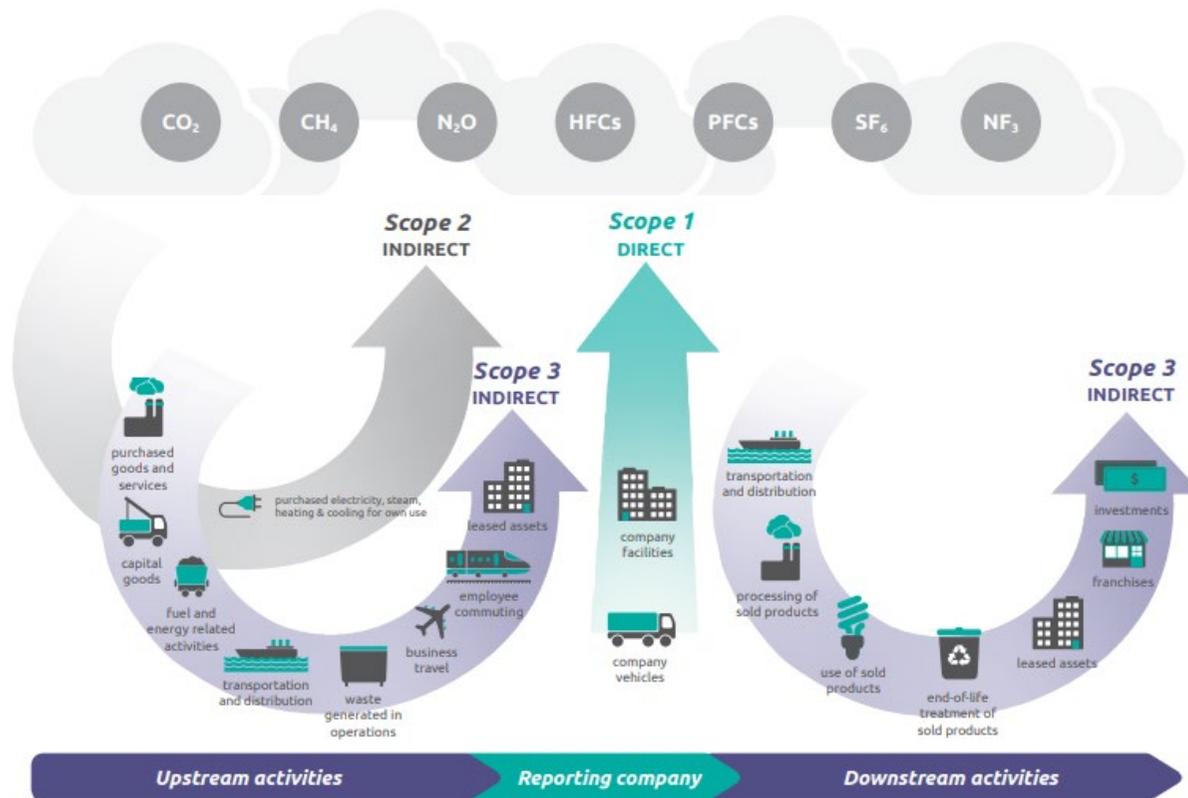


Figure 2. Organisational carbon footprinting

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