

**MKS PAMP SA, Geneva**

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**Independent Reasonable Assurance Report**

LBMA Responsible Gold Guidance

LBMA Responsible Silver Guidance

OECD Due Diligence Guidance

For the year ended 31 December 2024

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## Independent Reasonable Assurance Report to the Board of Directors of MKS PAMP SA, Geneva

We were engaged by MKS PAMP SA to provide reasonable assurance on its Refiner's LBMA/LPPM Responsible Sourcing Guidance and OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-affected and High-risk Areas Compliance Report ("Refiner's Compliance Report") for the year ended 31 December 2024.

The assurance scope consists of the Refiner's Compliance Report and the Country of Origin Annex.

### Responsibilities

MKS PAMP SA's Management is responsible for the preparation and presentation of the Refiner's Compliance Report and the Country of Origin Annex in accordance with the *LBMA Responsible Gold and Silver Guidance* and the *OECD Due Diligence Guidance for Responsible Supply Chain of minerals from conflict-affected and high-risk areas* (altogether the "Guidance"). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by the Management as relevant for demonstrating compliance with the Guidance are the activities described within the Refiner's Compliance Report. Our responsibility is to carry out a reasonable assurance engagement in order to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with International Standard on Assurance *ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board and the guidance set out in the *LBMA Responsible Gold/Silver Programme – Third Party Audit Guidance for ISAE 3000 Auditors (the Audit Guidance)*.

This report and its annex have been prepared for MKS PAMP SA for the purpose of assisting the Board of Directors in determining whether MKS PAMP SA has complied with the Guidance and for no other purpose. Our assurance report is made solely to MKS PAMP SA in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than MKS PAMP SA for our work, or for the conclusions we have reached in the assurance report.

### Inherent limitations

Non-financial information, such as that included in the Refiner's Compliance Report and the Country of Origin Annex, is subject to more inherent limitations than financial information, given to more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Guidance may differ. It is important to read the MKS PAMP precious metal supply chain policy available on MKS PAMP's website [Responsible Sourcing | MKS PAMP](#).

### Independence and competency statement

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We have applied International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Emphasis of matter paragraph**

We draw attention to the fact that the Country of Origin Annex is not publicly available.

**Conclusion**

In our opinion, the MKS PAMP SA's Compliance Report and the Country of Origin Annex for the year ended 31 December 2024, in all material respects, describe fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein, is in accordance with the requirements of the LBMA Responsible Gold Guidance, Version 9 dated November 2021, and of the LBMA Responsible Silver Guidance, Version 2 dated November 2023 and of the OECD Due Diligence Guidance for Responsible Supply Chain of minerals from conflict-affected and high-risk areas, including its gold supplement.

Geneva, March 25, 2025

**Forvis Mazars SA**

Franck Paucod  
Licensed audit expert  
(Auditor in charge)



Tatiana Gomes  
Licensed audit expert

**Enclosures:**

- MKS PAMP SA's Compliance Report 2024

Copy to London Bullion Market Association

**MKS PAMP SA LBMA/LPPM  
Responsible Sourcing Guidance  
and OECD Due Diligence Guidance  
for Responsible Supply Chain of Minerals  
from Conflict-affected and High-risk  
Areas  
Compliance Report for the Year 2024**



MKS PAMP

## **Introduction**

Supply chain due diligence has always been a key focus for the MKS PAMP GROUP and we strive to continuously improve our processes and practices as well as to play a leading role the industry to further enhance due diligence standards and practices.

MKS PAMP SA (The Company), Geneva, Switzerland, a subsidiary of MKS PAMP GROUP Ltd (UK), is active in the sourcing, trading, transformation and manufacturing of precious metals and operates an accredited London Bullion Market Association (LBMA) / London Platinum and Palladium Market (LPPM) Good Delivery refinery located in Castel San Pietro, Ticino, Switzerland.

The *LBMA Responsible Gold and Silver Guidance* (RGG and RSG) as well as the *LPPM Responsible Platinum and Palladium Guidance* (RPPG) have been established for Good Delivery Refiners to ensure the adoption of high standards of due diligence to combat systematic or widespread abuses of human rights, to avoid contributing to conflict and to comply with high standards of anti-money laundering (AML), to combat terrorist financing practices and address environmental and social responsibilities. The RGG, RSG and RPPG are the Industry Programs for precious metals refiners to implement the OECD Due Diligence Guidance for Responsible Supply Chains of minerals from conflict-affected and high-risk areas (OECD Guidance) and are based on the five steps framework of this guidance.

MKS PAMP SA has implemented the RGG and the OECD Guidance on all precious metals sourced since 2012. As the Company fully complies and is audited for its compliance with the OECD Guidance, including its Gold Supplement, we are exempted from the similar due diligence and reporting obligations relating to minerals and precious metals from conflict affected and high-risk area of the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected and Child Labour (DDTrO) (art 9 DDTrO). Regarding child labour, we comply with the due diligence and reporting requirement of the DDTrO.

The Company is regulated by the Swiss Precious Metal Control Office for its compliance with the Swiss Anti Money Laundering Act and the Swiss Precious Metal Control Act. As such, we are independently audited on a yearly basis to assess our compliance with the Swiss AML regulation, including processes and due diligence carried out as well as monitoring of relationships and transactions.

The MKS PAMP GROUP operates two refineries and leads by example by committing to:

- Embedding Responsible Sourcing as a central tenet of its Group policies and operating procedures.
- Strictly applying those Responsible Sourcing guidance to all its refineries and Group companies which are involved in the precious metal business.
- Applying the most stringent guidance, the LBMA RGG, to all precious metals sourced.

MKS PAMP SA sources precious metals for itself and for its sister company MMTC-PAMP India Private Limited, in India. All precious metals sourced by MKS PAMP SA fully comply with the requirements of the LBMA RGG and RSG, the LPPM RPPG and the OECD Guidance.



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We source precious metals from both recycled and mined supply chains in over 40 countries. The percentage of mined gold<sup>1</sup> refined is almost equivalent to the one of recycled gold<sup>2</sup>. For mined material, we predominantly source from well-established large-scale industrial mines located in Europe, North America, South America, Africa and Asia. We also source from responsible small-scale industrial and artisanal operations in North and South America and Africa and support continuous improvement of social and environmental practices of those mining operations. Regarding recycled materials, we source predominantly from industrials, manufacturers, precious metals wholesalers and dealers, and banks located in Europe, North America and Asia.

Compliance with LBMA, LPPM, and OECD Guidance is a fundamental part of our broader ESG strategy, reflecting our commitment to upholding and advancing industry standards. These frameworks help us minimize negative impacts and amplify positive contributions across our operations and supply chain, benefitting stakeholders globally.

In 2024, we further demonstrated leadership in sustainability by advancing our efforts to measure and reduce GHG emissions, including publishing measurable results aligned with our science-based targets validated by the SBTi. Both MKS PAMP GROUP refineries—MKS PAMP SA and MMTC-PAMP India Private Ltd—have approved SBTi targets, distinguishing them as the only precious metals refiners with this recognized validation. As part of SBTi requirements, MKS PAMP SA underwent a mid-process revaluation of its targets in 2024, resulting in an increased Scope 3 emissions reduction target to 30%, up from the original 27.5%, due to strong performance in reducing emissions. Additionally, MKS PAMP SA remains an industry pioneer in sustainability, having developed the first-ever portfolio of Carbon Trust-verified precious metals products.

To ensure transparency and accountability, our ESG commitments and progress are reported annually. The report published in 2024 and covering FY23 activities, included a partial assurance from PWC on two of our most critical material topics: GHG emissions and Health and Safety. This reporting framework is supported by a dedicated ESG team that monitors progress toward our goals and drives continuous improvement.

We also lead the way in sustainability governance. MKS PAMP SA was the only refinery to have joined the Swiss Boards for Agenda 2030 (SBA2030) at its inception in 2022, an alliance of Swiss CEOs and Board Members committed to advancing board-level accountability for sustainability. As a further demonstration of our commitment, we were among the first companies in the alliance to amend our by-laws to embed sustainability as a core strategic objective, ensuring it guides decision-making at every level of the organization.

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<sup>1</sup> As per OECD Guidance definition

<sup>2</sup> As per OECD Guidance definition



MKS PAMP

**Table 1: Company's details**

Company name	MKS PAMP SA
Location	Head office at Promenade St-Antoine 10, 1204 Geneva, Switzerland Refining and manufacturing factory at 6874 Castel San Pietro, Switzerland
Reporting period	January 1 <sup>st</sup> 2024 to December 31 <sup>st</sup> 2024
Precious metals in the scope of the LBMA/LPPM/OECD Responsible Sourcing audit	Gold, Silver, Platinum Group Metals (PGMs)
Date of Report	6 February 2025
Report approved by the board of directors	James Emmett, Chief Executive Officer, MKS PAMP SA



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This report summarizes how MKS PAMP SA has complied with the requirements of the 5 Steps of the RGG, RSG and RPPG and the OECD Guidance during the year 2024 for all types of precious metals sourced.

## **MKS PAMP SA's evaluation**

### **Step 1: Establish strong company management system**

We have fully complied with Step 1; establish strong company management systems.

#### **Responsible sourcing policy**

Our Responsible Precious Metals Group Policy is fully compliant with the model set out in the Annex II of the OECD Guidance. Our policy sets out our responsibility to establish strong company management systems to:

- avoid risks of significant adverse impacts that may be associated with the extracting, trading, handling and exporting minerals as per Annex II of the OECD Guidance; i.e. risk of conflict financing, contribution to serious human rights abuses, mineral fraud and money laundering.
- mitigate a broader set of risks; including environmental, social and governance (ESG) risks (refer to Step 2).
- not tolerate in our group nor in our precious metal supply chain the employment of children, in conformity with the ILO convention 138.
- strictly adhere to applicable local and international sanctions including Swiss, UN, EU, UK and US.
- strictly commit to only send and receive payment for precious metals through official banking channels.

Our Responsible Precious Metal Group Policy is approved by the MKS PAMP GROUP board of directors, reviewed each year and updated when circumstances require. The current version of this group policy and guidance has been approved by the Group board of directors in August 2022. Our company AML-CFT, Responsible Sourcing and Sanctions policy was revisited in 2024 and was approved by our MKS PAMP SA board of directors in February 2025.

These policies are communicated to all our employees and are available on our Intranet. Our MKS PAMP GROUP Responsible Precious Metal Group Policy is published on our website and this policy, or the OECD Annex II policy is part of our commercial agreements with our precious metals counterparties.

### **Internal Management structure to support supply chain due diligence**

#### **Responsibilities**

Responsibilities and roles within our operations have been appropriately defined in order to support responsible sourcing. The Board of directors retains the ultimate control and responsibility for combating serious human rights abuses, money laundering, terrorist financing, avoiding contributions to conflict as well as addressing environmental and sustainability responsibilities over the supply chain. The Board of





directors is composed of 6 members, including 3 independent non-executive members, with an extensive expertise in various fields providing a right balance of experience in finance, auditing, risk management, regulated industry, fintech, corporate governance, leadership, strategy and precious metals. All our board members benefit from more than 30 years of experience in their respective field. In addition, during the year two board members enhanced their governance expertise by participating in a one-day IMD masterclass designed for Swiss board members to focus on integrating ESG into business strategy and emphasize the critical role boards play in driving sustainability forward. The same training has been followed in 2022 and 2023 by three other board members. All board members participated in 2024 as well in at least a one-day training organized by the Swiss Association of Manufacturers and Traders in Precious Metals (ASFCMP), covering subject such as AML-CFT, LBMA RGG, artisanal mining or human rights.

The Board of directors has delegated the operational responsibilities over the supply chain to the Chief Executive Officer (CEO), supported by the Executive Management. The CEO supervises the Compliance Team composed of three highly experienced employees with a strong expertise in AML-CFT, responsible sourcing, audit, finance and precious metals, who have been assigned to manage the process. The cumulative experience of the Team in precious metal responsible sourcing and AML is 24 years. The Compliance Team is supported by the client relation officers in charge of collecting and reviewing onboarding documentation.

In case of opinion divergence with the CEO, the Compliance Team has a direct reporting line to the independent members of the Board of directors. Relationship Managers and the client relation officers are the first line of defence regarding responsible sourcing.

#### Compliance Department

The Compliance Team manages all matters regarding anti-money laundering, combating terrorism financing, avoiding contributions to conflict, fighting serious human rights abuses, and addressing social, and environmental responsibilities over the supply chain.

In particular, the Compliance Team is responsible of the following:

- Review and assessment of the counterparty due diligence prepared by the Relationship Managers and their support teams. Additional documentation, information or clarification are obtained when and if necessary. When the Compliance Team is satisfied with the due diligence conducted, the account opening is submitted to two members of the Executive Management Committee for final approval.
- Performance of periodic and event-driven reviews of counterparty's due diligence files.
- Supervision of the internal training program on AML-CFT and responsible sourcing.
- Preparing and updating the AML-CFT and responsible sourcing internal policies.
- Reporting comprehensive information to Senior Management and Board of Directors in order for them to perform their duties, including provision of:
  - Quarterly update to the Board of Directors on any relevant compliance matter;
  - Annual Compliance Management Information reporting on new accounts, type of supply chain, supply chain monitoring, on-site visit, training and grievance/query. Such reporting



- includes Key Performance Indicators on effectiveness and performance of supply chain management system;
- Annual reputational risk assessment (incl. typology and number of high-risk counterparties)
- Supporting the business lines in all matters regarding AML-CTF and responsible sourcing.
- Decision in agreement with the CEO of the reporting of suspicious transaction and the freezing of assets in compliance with local regulation.

The Compliance Team is currently looking to further reinforce its department by hiring a new team member.

### Compliance culture and training

Through our company values, we maintain a robust Compliance culture in which all employees recognise their personal and collective responsibility. Such culture has been further fostered by establishing an extensive communication between the Relationship Managers, the Compliance Team and the Executive Committee through meetings, trainings and regular pre-onboarding meetings where all actors share their respective expectations. MKS PAMP SA also relies on the broad expertise and knowledge of Relationship Managers to perform an initial assessment of prospects and eliminate those not meeting our expectations at a very early stage of the onboarding process. To strengthen this initial assessment, during the year, MKS PAMP SA established an onboarding committee, comprising of the CEO, COO, Chief Commercial Officer and Head of Compliance to discuss potential new business relationships before the onboarding process. The organization of this Committee will be further strengthened during 2025.

The training program, which is a critical component of our responsible sourcing program, includes face to face or video conference training sessions organized internally or externally.

During the year, the Compliance Team organized three training sessions on responsible sourcing to help employees identify and assess AML and responsible sourcing risks. Additionally, our training program was strengthened through a session conducted by the Swiss Association of Manufacturers and Traders in Precious Metals (ASFCMP), focusing on anti-money laundering (AML) and responsible sourcing.

All 51 employees required to undergo training participated in at least one of these sessions. Furthermore, the ASFCMP training session was attended by members of the Board of Directors, underscoring the importance of these initiatives at all levels of the organization.

All members of the Compliance Team attended at least one external responsible sourcing seminar or AML training in order to maintain their responsible sourcing competences. Two members of the Compliance Department participated as well in the LBMA Responsible Sourcing Summit organized in March 2024 and the OECD forum on Responsible Mineral Supply Chains in May 2024.

Due diligence issues identified over the course of a relationship are escalated to the Compliance Team and the CEO, as required. During 2024, no material violations of the internal due diligence process have been identified and escalated, and no internal sanctions were reported. Due diligence in compliance with



LBMA/LPPM responsible sourcing standards and OECD guidance has been conducted on all our counterparties; no exception has been reported during 2024.

**System of transparency, information collection and control over the precious metal supply chain due diligence**

MKS PAMP SA has implemented the following systems to support precious metals supply chain due diligence:

- *Due diligence toolkits*: continuously reviewed and amended as circumstances require.
- A *Customer Relationship Management (CRM) system* developed to enhance the digitalisation steps on due diligence documentation, formalize the checklist of required documents and streamlines the different steps of on-boarding and approval process. When the due diligence is finalized and any required clarification obtained, electronic approval is given by the Compliance Team and by two members of the Executive Management Committee in this system.
- An *Automated Counterparties Screening Tool* that screens daily all our counterparties, authorised signatories and ultimate beneficial owners against Worldcheck. Any hits generated are reviewed daily by the Compliance Team.
- A *Traceability system database* that records each step of the process from the reception of the material to the finalization of the refining process. This database records supply chain information and documents for each lot sent for melting or refining to the MKS PAMP GROUP refineries with a unique identification number allocated. For each lot, the system captures data covering:
  - Counterparty with the risk level of the supply chain
  - Country of origin of the precious metal
  - Type of material (i.e. mined / recycled)
  - Subcategory of the material (e.g. Large scale mine / ASM / LBMA bullion / Non LBMA bullion / rudimentary bars / jewellery / industrial or electronic waste). This system has permitted to enhance the transparency and strengthen the monitoring of transactions.
  - Date of receipt
  - Purity and weight
  - Shipping documents (e.g. airwaybills, bill of lading packing list, pro-forma invoice, import and export forms)
  - Pictures taken at reception
  - Assay and refining finalization.

As required by our internal guidelines, these transactional documents recorded in this system are received and verified by the Operations Team before the reception of the precious metals. Control of the conformity of the material received with the shipping document, such as the packing list, is performed at reception of the precious metal at the plant. The Compliance Team performs a second level control to ensure that the material received is in line with expectations, such as the type of material received. In addition, shipments coming from conflict affected countries are flagged in our traceability system. Furthermore, the system generates alerts depending on specific



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scenarios defined, such as discrepancies in weight or purity. Alerts are reviewed and analysed by the respective teams in charge.

In addition, in the majority of cases, we manage the transport of the material from the source, which enables us to even further control the traceability of materials.

- *The ERP system*, which manages the master data as well, requires electronic approval by Compliance for the creation of any new counterparty in the system, which is given when a counterparty is approved in the CRM. Any change of key information about a counterparty in the ERP require the approval of the Compliance Department as well.

*Provenance™* is a cutting-edge segregation and traceability solution that provides our customers full physical traceability from the source, throughout the refining process and down to the product they receive. In addition, our VERISCAN™ application enables the authentication of our products with a simple scan.

#### Record keeping

After the termination of a business relationship or after completion of a transaction, supply chain and transactions records are kept for 10 years.

#### Payment through banking channels

MKS PAMP SA bans all cash transactions regardless of the amount and therefore all currency and metal payments related to precious metals are made through international banking channels. We have a policy restricting the execution or receipt of third-party payments. Standard settlement instructions are pre-approved by Compliance Team before being approved in the ERP system by the Treasury Team to ensure full compliance with this policy.

#### Engagement with precious metal suppliers and stakeholders

We only seek long term relationships based on trust and mutual transparency. Therefore, we never accept one off transactions. For sourcing from large/medium scale mines, we do not use intermediaries. Our common approach is to source directly from the mine in order to have a direct access to the key stakeholders to strengthen the due diligence process. This approach allows to easily identify the origin and all counterparties throughout the supply chain. In the case of artisanal and small-scale mining, we may however source from aggregators due to volume constraints. Enhanced due diligence is made both on these aggregators and on the artisanal mining operations.

Our responsible supply chain expectations are an integral part of our Refining Agreement: it specifically refers to and includes our Responsible Precious Metal Group Policy or the policy in Annex II of the OECD Guidance.

Where possible, we assist our precious metals supplying counterparties or prospects and encourage them to improve their responsible supply chain practices. In particular, our Relationship Managers, who are regularly trained, are responsible for promoting responsible sourcing practices throughout the supply



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chain. Therefore, they take advantage of each on-site visit to explain the regulatory environment, our expectations, the best practices seen in the industry and provide our counterparties with help or guidance advising them to continuously improve their own practices and where applicable, obtain independent certification of their practices. For example, our Relationship Managers promote the application of the International Cyanide Management Code or the UN Voluntary Principle on Human Rights to mining supply chains that are not yet compliant and recommend them to measure and reduce their carbon footprint. During these visits and whenever relevant and possible, we meet with local mining and environmental agencies. In addition, whenever possible and especially for ASM supply chains, we introduce our counterparties or prospects to not-for-profit associations supporting improvements of social and environmental practices.

For counterparties that are intermediate refineries (non-LBMA/LPPM refineries), we required their participation in an industry program adhering to the OECD guidance. Additionally, counterparties sourcing from these intermediate refineries were required to obtain an audit of the refinery demonstrating compliance with OECD-equivalent standards if they wished to supply such materials to us.

In order to strengthen industry practices, during 2024, we actively participated in LBMA working groups focused on strategy and artisanal and small-scale mining (ASM task force), in ASFCMP and SUISENÉGOCE regulatory working groups and in ISO working groups on the development of precious metals responsible sourcing and definitions standards. Our involvement also extends to regular interactions with various non-governmental organizations (NGOs).

### **Cooperation with government authorities**

We maintain a strong commitment to cooperate with relevant authorities. We are regulated by the Swiss Precious Metal Control Office and cooperate fully with them during their annual audit.

### **Payment to Governments**

During the reporting period, we have not made payment to Governments or state-owned entities located in EITI member countries related to the purchase of mined precious metal sourced from them. However, we have sourced gold from the Bank of Ghana for 17,953 ounces in 2024 and the Bank requested delivery of bullion.

### **Grievance mechanism**

MKS PAMP SA has put in place accessible, independent, respectful and transparent grievance mechanisms through the following e-mail address: **responsiblepm@mkspamp.com** allowing any employee, supply chain actor or stakeholder to voice confidentially and without any fear of reprisal any concerns over the supply chain or any newly identified risk. All relevant grievances (including anonymous ones) are treated directly by the Compliance Department. This mailbox address is available on our Precious Metal Policy, on our [website](#) and systematically communicated during internal trainings. Grievance cases are reported in the quarterly compliance update shared with the Board of directors.



In 2024, we have initiated the full review of our grievance mechanism. As a first step, we have strengthened our internal grievance mechanism by implementing a Group Whistleblowing policy which encourages employees to report any concerns relating, amongst others, to our supply chain. The second phase of the initiative is to enhance the existing external grievance mechanism. During 2024, we have not received any direct grievance through our grievance mechanism. Grievance from other channels (industry association, media, civil society or other stakeholders) are escalated to the Compliance Department for analysis. Answers are provided to the relevant stakeholders to the extent allowed by confidentiality and competitive requirements.

The allegations or enquiries we have received are the following:

New Liberty Mine (Liberia)

We have received allegations from Coalition for Responsible Multinationals on alleged water pollution as well as a media enquiry on the violent protests the mine faced in February 2024. Following the continuous enhanced monitoring performed in 2023 (including an on-site visit, refer to [2023 compliance report](#)), we maintained regular discussion and engagement with the mine. In particular, we continued to monitor the mine's compliance with their discharge permit by receiving the quarterly analysis results of water samples taken by an independent accredited laboratory and submitted to the local environmental authorities. Regarding water pollution allegation and community engagement, [please refer to our public statement](#).

In February 2024, the mine faced violent protests from some of the nearby communities. The police intervened upon request of the mine, as the security personnel of the mine is not armed. The confrontation with the Liberian Police Force unfortunately led to the death of three civilians. We contacted the mine without delay to obtain information on the incidents and organized regular meetings afterwards. Investigation conducted by the local authorities concluded that action by the police was justified given the violence of the demonstration. We consider this incident to be outside of the mine's scope of responsibility.

The mine continues to be engaged in an independent mediation process with some of the nearby communities supported by an international NGO. We continue our engagement with this NGO to have a triangulation of the information.

Based on the clarification and supporting documentation obtained as part of our due diligence procedures on the above elements, we continue sourcing from this mine. Nevertheless, and for an abundance of caution, we have also decided to commission an independent third-party assessment of the mine's practices, in particular on environmental and social aspects to benchmark with best practices. The independent on-site visit is planned for Q1 2025.

Gedabek Gold mine (Azerbaijan)

In January 2024, we received another grievance through media relating to the Gedabek gold mine in Azerbaijan held by Anglo Asian Mining, London. The local community protested in Summer 2023 against the mine's new tailing facility (TSF) project and allegations of water pollution were also made. The protest outside the mine's perimeter by the community has been subject to alleged excessive use of force by the local police. Following the protests, the mine partially suspended its operation to undertake a Health, Safety and Environmental due diligence review of the tailings management by an independent consulting firm. [Anglo Asian Mining published the main results of the assessment done by the consulting firm, refer](#)



[to statement](#). In particular, the report concluded that the opposition to the new tailings storage facility was the result of a lack of proactive communication by the mine with the local community, longstanding issues regarding land allocation and mineral rights, and the failure to follow accepted international protocols for public consultation, rather than a fundamental technical problem with the current tailings storage facility or the proposed location for the new tailings storage facility. The mine is following the key recommendations made by the independent expert, including the establishment of a community relation officer as well as reassessing its plan for a new TSF. Regarding the alleged excessive use of force by the police outside the mine concession, we consider it is outside of the mine's scope of responsibility. Based on the clarification obtained, we decided to continue sourcing from this mine. We had as well answered to the LBMA on such allegations in February 2024. Throughout the year, we continued to monitor the situation, including the implementation of key recommendations. A new on-site visit is planned for 2025.

#### North Mara Gold Mine (Tanzania)

During the year, regarding North Mara mine in Tanzania (refer to step 3 below: risk mitigation), we received enquiries by media, Coalition for Responsible Multinationals and RJC regarding alleged human rights issues. We answered to these queries, despite not having sourced from North Mara Gold Mine in 2024.

## **Step 2: Identify and assess risks in the supply chain**

We have fully complied with Step 2: Identify and assess risks in the supply chain.

### **Risks identification**

MKS PAMP SA identifies and assesses risks in the supply chain. The risks assessed as part of our due diligence procedures are the following:

- Systematic or widespread human rights abuses associated with the extraction, transport or trade of precious metals, including worst forms of child labour, any forms of torture, inhuman and degrading treatments, widespread sexual violence or other gross human rights violation forced or compulsory labour, war crimes, crimes against humanity or genocide;
- Direct or indirect support to illegitimate non-state armed groups, public or private security forces which illegally control mines sites, traders, other intermediaries, transport routes through the supply chains or illegally tax or extort money or minerals through the supply chains ("illegitimate non-state armed groups, public or private security forces");
- Child labour;
- Bribery and fraudulent misrepresentation of the origin of precious metals;
- Non-compliance with taxes, fees and royalties due to Governments related to mineral extraction, trade and export from conflict affected and high-risk areas;
- Money laundering or terrorism financing;
- Contribution to conflict;
- Sourcing from illegal mining;





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- Non-compliance in the primary supply chain with environmental, health & safety and labour regulation in country of operation;
- Adverse ESG impact in primary supply chain.

We conduct due diligence following a risk-based approach and have established criteria for high-risk categories and systematically apply them to all our precious metal supplying counterparties. A risk assessment to identify the risk classification of the counterparty is conducted before entering into any business relationship with a precious metal supplying counterparty.

Supply chains are assessed as high-risk due to their location in high-risk areas (location risk), due to the profile of the supply chain (product risk) or counterparty type. Reliable external data or indexes are used to determine high risk areas which are reviewed on an annual basis.

### *Indexes/data used to determine high-risk country:*

LOCATION RISK	FATF lists	Section 1502 Dodd Frank Act
	EU CAHRAS	Conflict gold transit zone identified by UN
	Heidelberg Conflict Barometer	Fragile State Index
	UNICEF children rights in workplace index	Cato Institute Human Freedom Index

### *Criteria to determine high-risk counterparty:*

COUNTERPARTY RISK	Non-LBMA/LPPM refinery	Unexplained geographic routing supply chain
	High-risk business	Offshore company
	Sourcing from CAHRA	Politically Exposed Persons (PEP)

### *Criteria used to determine high-risk product:*

PRODUCT RISK	Artisanal and small-scale Mining	Use of mercury
	Mine with highly adverse ESG factors	

The due diligence toolkit, including a risk assessment template, has been designed to formalize and enhance our risk analysis process. This updated toolkit captures all relevant information required to evaluate the risks described above.

Risk classification is initially determined by the Relationship Manager based on predefined high-risk criteria and subsequently reviewed, assessed, and validated by the Compliance Department. Notably, the Compliance Department retains the authority to classify a relationship as high-risk, even if it does not meet the specific criteria outlined in our policy.



All risk levels and assessments are documented directly in our CRM system and must receive approval from the Compliance Department before undergoing final review by two members of the Executive Management Committee. Additionally, risk assessments are revisited during periodic or event-driven reviews of the due diligence file.

### **Due diligence**

Risk-based supply chain due diligence is performed before entering into a business relationship and on an on-going basis with any precious metals supplying counterparty in order to identify and assess the risks described above. Due diligence procedures conducted are different based on the type of supply chain (large scale mine/ ASM/ recycled precious metal) and the type of counterparty (listed group, small private companies). All our counterparties, their authorized signatories and ultimate beneficial owners are also screened at onboarding and on a daily basis against external databases.

Our entire supply chain undergoes a three-step approval process:

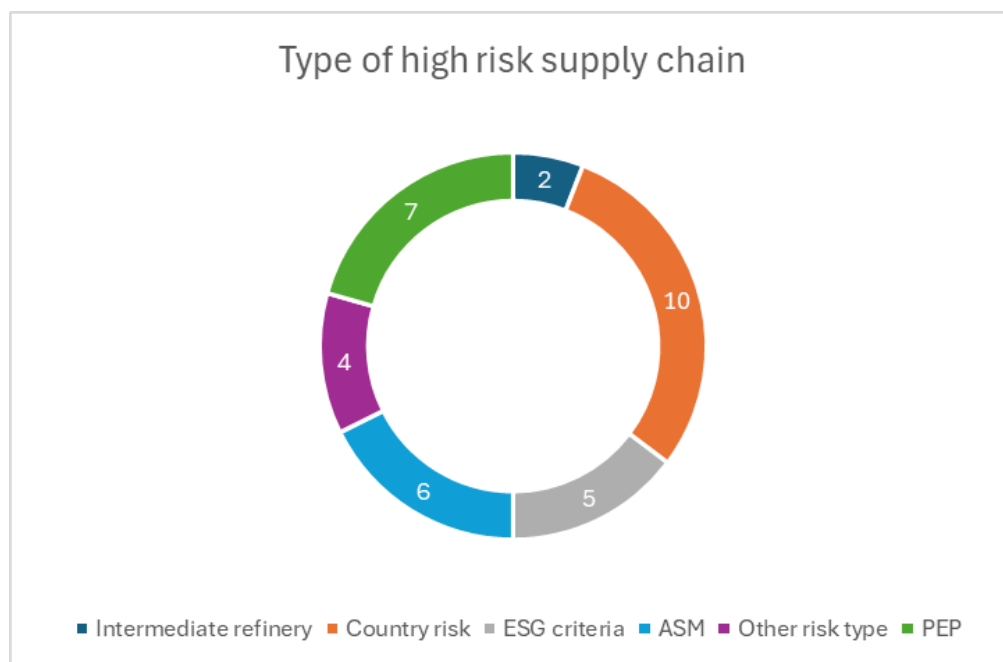


Pre-approval by two members of the Executive Management Committee is required before starting the onboarding. This process is further enhanced by the creation of an Onboarding Committee during 2024.

### **Enhanced due diligence**

We also perform enhanced due diligence in compliance with LBMA/LPPM Responsible Sourcing Guidance and OECD Guidance for higher risk categories. For the year 2024, about 33% of our upstream supply chain was categorized as high inherent risk, mainly resulting from the location of the mining operations in a high-risk country or because an authorised signatory or an ultimate beneficial owner had political exposure (incl. role as board member of a State-owned entity). The remaining relationships classified as high risk are due to the following factors:

- Sourcing from artisanal or small scale mine
- ESG factors
- Intermediate refineries which have not finalized their equivalent OECD audit or with material non-conformance
- Risk classification upgraded by the Compliance Department



Relationships considered as high-risk are reviewed annually. Following the review, a report is established by the Compliance Department and presented to two members of the Executive Management Committee, including the CEO, to revisit the decision as to whether continue with these business relationships based on the risk analysis. During the 2024 annual review, no decision was taken to terminate a relationship for compliance reasons.

Non-high-risk relationships are also reviewed each three to five years on a risk-based approach by the Compliance Department. In addition, every relationship is reviewed on an event trigger basis, such as a change of ownership, the identification of negative news, or changes in the supply chain.

<b>% of high-risk supply chain reviewed during the year as per periodic review</b>	<b>% of non-high-risk supply chain reviewed during the year as per periodic review</b>
100%	12% representing 100% of non-high-risk account to be reviewed during 2024

In compliance with the LBMA responsible program, all our high-risk supply chains are visited, including artisanal mining operations. In addition, we aim to perform on-site visits of all our non-high-risk mining sources at least every 5 years. We believe on-site visits are critical to corroborate our desktop assessment. On-site visits are conducted by competent in-house personnel as required by the guidance. Such visits are fully integrated in our due diligence program, and we used the LBMA RGG v9 on-site toolkits to document the visits across 2024. During the year, our Team has visited 20 approved supply chains located in Africa, South America, North America, and Asia, as well as a number of prospects. All our high risk supply chains approved in 2024 have been visited before the account opening. All our existing mining counterparties have been visited within the 5 last years; except in one instance, a mine located in Spain, where the on-site visit that was planned to be done in late 2024 had to be postponed to early 2025 due to scheduling conflict. We have also one mining counterparty owned by a World Gold Council member, located in



Ghana, that could not be visited within the 5 years' timeframe as planned due to restructuring of the ownership of the mine. A visit will be planned for Q1-Q2 2025 with the new owner if we keep the relationship following onboarding. None of the on-site visits conducted in 2024 has triggered the identification of new risks.

*Factors triggering the on-site visit conducted in 2024*

<b>New supply chains</b>	<b>Recurrent visit (each 5 years)</b>	<b>Specific issue triggering on site visit and type of risk</b>
3	16	1*

\*North Mara

*Risk level of supply chain visited in 2024:*

<b>High-risk supply chain</b>	<b>Non-high-risk supply chain</b>
12	8

Our policy is to source only gold bullion produced by LBMA/LPPM, RMI, RJC, CME or LME accredited refineries. All these programs require to undergo an OECD guidance equivalent audit. Non LBMA gold bars sourced therefore need to be pre-approved by the Compliance Department, who will verify that these bars are produced by a refinery that has joined a program compliant with the OECD guidance. During 2024, we had one case where we indirectly received investment bars from intermediate refiners that were not pre-approved by Compliance. The bars were returned to our counterparty with a reiteration of our requirements.

Following the RGG 9 requirements, all our counterparties being intermediate refineries have joined the RMI or RJC and have gone through and OECD equivalent audit, except one. This counterparty, located in Hong Kong, and which sources only materials from jewellery sources and not from high-risk countries, joined the RJC program in 2023. The audit, that was planned in 2024 has been postponed to 2025. As we fully support its commitment to strengthen its responsible compliance program, and as we have received updated AML and supply chain policy in line with responsible sourcing practices, we continue sourcing from them despite not having yet received the result of the audit. We are proud to have successfully convinced additional supply chains actors to join such program promoting responsible sourcing and aligned with the OECD guidance.

Another of our intermediate refinery counterparties located in the USA, sourcing recycled material, and having gone through the RMI audit had significant non-conformance items in 2023. As the counterparty took remedial action in 2024 to close all the gaps identified and remains on the RMI conformant smelter list, we have decided to continue sourcing from them.

## **Monitoring**

In addition to on-boarding due diligence, we conduct appropriate and continuous scrutiny and monitoring of transactions undertaken through the course of the relationship following a risk-based approach. Transaction monitoring include reviewing the type, quantity, expected purity of material received and the consistency of the documents with each other and with the KYC information. Any unusual or high-risk transaction is communicated to the Compliance Team who will ensure that proper clarification is obtained. All transactions are reviewed daily by the Compliance Team in addition to the operational

checks conducted. Where material inconsistencies or suspicions are identified, the material is segregated, and clarification is undertaken. Material is released only when all the inconsistencies are resolved or when no doubt remains.

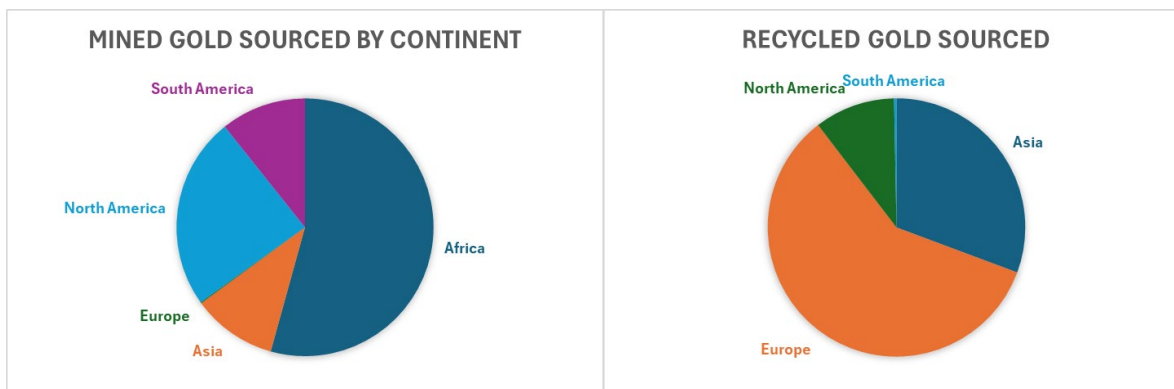
During the year, we have not identified any instance of zero-tolerance non-compliance in our supply chain, nor faced any incident relating to the identification of our counterparties, the origin of precious metals or traceability. We however had one incident, as described above, where we received a lot with non-LBMA bullion brands not pre-approved by Compliance. Such non conformant lot has been identified at reception and returned to the counterparty. We have as well not identified any case of suspicion of child labour within our supply chain.

During 2024, we submitted suspicious activity report on one of our supply chains, a European precious metal recycled collector, to the Money Laundering Reporting Office (MLRO) in Switzerland. Although the report did not give rise to any follow up action by the MLRO, we decided to terminate the relationship.

### **Supply chain description (including ASM)**

We source from recycled and mined precious metals supply chains (as per OECD guidance definition). Regarding the mined precious metals supply chains, we source mainly from well-established large industrial mines located in Europe, North America, South America, Africa, Asia and Oceania. Regarding recycled materials, we source predominantly from industrials, manufacturers, precious metals wholesalers and dealers, and banks in Europe, North America and Asia. We do not source any precious metals from the United Arab Emirates.

### ***Volume of mined and recycled gold sourced by continent for the year 2024.***



In our drive to support responsible ASM, in previous years we have extended our supply chain in Brazil, Alaska, Ghana and Colombia to small-scale operations, by sourcing directly or through aggregators. As part of our due enhanced diligence process, we frequently visit the aggregators and each of the small-scale mines. On the projects in Colombia, we engage with the Swiss Better Gold Association, a not-for-profit organisation, that supports responsible ASM mines to improve their environmental and social practices. Meetings were also organized with local authorities. All the precious metals sourced from ASM



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located in Colombia in 2024 and through two aggregators have gone through our enhanced due diligence process and are accredited by Swiss Better Gold (SBG). One of these aggregators in Colombia sources gold and PGM from a network of traditional artisanal miners, with full traceability. This chain is also supported by Swiss Better Gold and miners can therefore benefit from a premium to support their livelihood. It is a great pride for us to provide traditional alluvial miners with access to the international market and promote the formalisation of this sector.

During 2024, we have sourced ASM gold from the following supply chains:

- Colombia: gold and PGM sourced from artisanal miners and small-scale mines through two aggregators;
- Ghana: gold sourced from a small-scale mine through the Central Bank;
- Brazil: gold sourced directly from a small-scale industrial mine (this supply chain is no longer active);
- Alaska: gold sourced directly from small scale I mining operations (these supply chains are no longer active).

Our Group continues to actively participate in a number of different initiatives aiming to source or facilitate sourcing from artisanal mines, including the one led by the LBMA, to provide them with technical assistance towards mining best practices as well as direct access to international markets. This effort has notably permitted to introduce continuous improvement in the LBMA toolkit applicable to ASMs in 2024. Such actions include the introduction of different actors of the chains through workshops and on-site visits.

### ***Disclosure of supply chains***

MKS PAMP SA disclosed on an annual and confidential basis all its high-risk supply chains located in high risk area to the LBMA and all mining supply chains to the RJC. In addition, we provide the Precious Metals Control Office, for the purpose of our regulatory audit, the list of all our precious metals counterparties on an annual basis.

Transparency and disclosure are continuously discussed. Based on recent interpretation of footnote 59 of the OECD guidance, our Annex 1 publicly discloses our supply chain where the gold is originated from an EU CAHRA area under Regulation EU 2017/821.

We continue to actively participate in industry working groups focused on enhancing supply chain origin transparency and monitor the development of interpretation of standards.

### **Step 3: Design and implement a management system to respond to identified risks**

We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

We have also declined a very significant number of proposed new relationships based on preliminary or full due diligence work. Please refer to Step 2 for further information on risk classification, categorization, assessment and strategy.

During the reporting period, we have suspended our relationship with a counterparty from which we received mined silver located in South America to strengthen alignment with our ESG criteria. Whilst the counterparty has been suspended, discussion is maintained with the counterparty to enhance their ESG practices and disclosures.

During the year, we have maintained the suspension of two relationships suspended in 2023 due to compliance risk (refer to 2023 compliance report). As reported above, we have terminated the relationship with a European collector following a reporting we made to the Money Laundering Reporting Office (MLRO) in Switzerland even if the case did not raise any follow up action from the MLRO.

During this reporting period, we have not sourced gold from the North Mara Gold Mine in Tanzania (NMGM). This mine was the subject of certain allegations related to personal injury claims and environmental pollution and a risk mitigation strategy plan was deployed since 2019 (refer to our 2023 compliance report for full detail of steps undertaken). As we have not received any precious metal since December 2023, we have decided to terminate the relationship in September 2024 due to operational reasons. Until the relationship was terminated, we have continued to monitor the relationship, including an on-site visit, despite not having received any shipment from the mine.

#### **Reporting to Executive Management Committee and Board of Directors**

In addition to the reporting detailed in Step 1, quarterly updates on our risk mitigation strategy are made to the Executive Management Committee and Board of Directors, who will take action if and when necessary.

### **Step 4: Arrange for an independent third-party audit of the supply chain due diligence**

We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

In 2024, the MKS PAMP SA Board of directors, after a competitive selection process, decided to appoint Mazars, a recognized independent and competent auditor accredited by the LBMA, as the new audit firm to perform the 2024 audit of our supply chain due diligence in compliance with LBMA/LPPM responsible sourcing programs and the OECD Due Diligence Guidance, including its Gold supplement. The independent assurance report will be available on MKS PAMP SA's website when issued and no non-conformance has

been identified by our auditors for the reporting period ended December 31, 2024. In addition, no non-conformance has been identified since the implementation of the guidance.

## Step 5: Report on supply chain due diligence

We have fully complied with Step 5 Report on supply chain due diligence.

Our Responsible Precious Metals Group Policy is available on the MKS PAMP SA's website. Our 2024 Compliance report with the audit report will be available on the MKS PAMP SA's website when issued. All previous years' Compliance reports and audit reports are also available on our website.

In addition, we have:

- Responded to queries from the LBMA, LPPM, RMI, RJC and other regulatory bodies regarding the information required by them or any allegations made, if any.
- To the extent allowed by confidentiality and competitive requirements, answered queries by the media, NGOs and Academia as to our sourcing activities, related business and compliance processes and counterparties.
- Complied with the reporting requirements of the DDTro.

## MKS PAMP SA's overall conclusion

**Is MKS PAMP SA in compliance with the requirements of the OECD Guidance (including its gold supplement), the *LBMA Responsible Gold and Silver Guidance* as well as the *LPPM Responsible Platinum and Palladium Guidance* for the reporting period?**

Yes	<p>MKS PAMP SA strives to continuously improve its own processes and practices as well as to play a leading role in the industry in further enhancing due diligence standards and practices.</p> <p>MKS PAMP SA has implemented effective management systems, procedures, processes and practices to conform to the requirements of the <i>LBMA Responsible Gold and Silver Guidance</i>, the <i>LPPM Responsible Platinum and Palladium Guidance</i> and the <i>OECD Guidance, including its gold supplement</i> for all its precious metals supply chain for the reporting year ended 31 December 2024.</p>
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If users of this report wish to provide any feedback to MKS PAMP SA with respect to this report, they can send an e-mail to our dedicated email address: [responsiblepm@mkspamp.com](mailto:responsiblepm@mkspamp.com)



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## MKS PAMP SA LBMA/LPPM/OECD Responsible Sourcing Compliance Report Annex I

### Disclosure of supply chain located in EU CAHRA area:

	Name of the counterparty	Information on supply chain
The gold is originated from an EU CAHRA area: <a href="https://www.cahraslist.net/">https://www.cahraslist.net/</a>	Société des Mines de Sanbrado SA, Burkina Faso	The mine, located in Burkina Faso, is a subsidiary of the Australian listed mining group West African Resources Limited.
	Grupo Altea SAS, Colombia	Aggregator of ASM gold supported by Swiss Better Gold, see disclosure under step 2 of this report.
	CI Eslop SAS, Colombia	Aggregator of ASM gold supported by Swiss Better Gold, see disclosure under step 2 of this report.