

MKS (Switzerland) SA
Attn. Mr. Marwan Shakarchi
Prom. de Saint-Antoine 10,
1204 Genève

Geneva, 30 March 2021

Independent Limited Assurance Report on MKS(Switzerland) SA's Compliance Report 2020

General information

We were engaged by MKS (Switzerland) SA (“MKS”) to perform a limited assurance engagement on MKS’s Compliance Report dated 25 March 2021 for the reporting period from 1 January to 31 December 2020 (the “Compliance Report”).

The *LBMA Responsible Gold v8 11.12.2018, Silver v1 01.09.2017 and LPPM Responsible Platinum & Palladium Guidance v2 01.02.2020* (the “Guidance”) are designed for precious metal refiners. The MKS PAMP Group, which operates two refineries among its entities, voluntarily implement the LBMA Responsible Gold and Silver Guidance to other group companies around the world which are involved in the precious metals business in addition to its refineries. As a result MKS (Switzerland) SA which is the flagship entity of the MKS PAMP Group, has then decided to be voluntarily audited on its compliance with the Guidance to all precious metals sourced.

Management’s responsibilities

The management of MKS is responsible for the preparation and presentation of the Compliance Report in accordance with the Guidance. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived and includes conformance with Steps 1 to 5 of the Guidance. The criteria identified by the management as relevant for demonstrating compliance with the Guidance are the activities described within the Compliance Report.

Our responsibility

Our responsibility is to carry out a limited assurance engagement in order to express a conclusion based on the work performed. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements *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 Sourcing Programme - Third Party Audit Guidance for ISAE 3000 Auditors v1 11.12.2018 & LPPM Responsible Source Programme – Third Party Audit Guidance for ISAE 3000 Auditors v1 15.10.2018* (the “Audit Guidance”). This standard requires that we plan and perform this engagement to obtain a limited level of assurance.

The extent of evidence-gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

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

We refer to the fact that the Compliance Report subject to our assurance engagement comprises the Annex "Countries of origin of precious metals". In accordance with the Audit Guidance, the treatment of the Annex detailing the countries of origin of precious metals has to be submitted respectively to the LBMA & LPPM Executives only and does not need to be disclosed publicly.

Limited assurance procedures performed

We have planned and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. These procedures included:

- ▶ Enquiries of management to gain an understanding of MKS's processes and risk management protocols in place;
- ▶ Enquiries of staff responsible for the preparation of the Company's Compliance Report;
- ▶ Review of policies, procedures and internal controls that MKS has in place to conform to the Guidance;
- ▶ Review of a selection of the supporting documentation, including supplier counterparty due diligence file and transaction's documentation;
- ▶ Review of the Compliance Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Non-financial information, such as that included in the Refiner's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can impact comparability. The methods used by Refiners to comply with the Guidance may differ. It is important to read the MKS's Responsible Precious Metal Policy available on MKS's website (www.mks.ch).

Independence and competency statement

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the *Audit Guidance* to carry out the assurance engagement.

Opinion

Based on the limited assurance procedures performed, as described above, nothing has come to our attention that would lead us to believe that MKS's Compliance Report for the period from 1 January to 31 December 2020, does not in all material respects describe fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein, is not in accordance with the requirements of the LBMA and LPPM *Guidance* and *Audit Guidance*.

Ernst & Young Ltd

Partner

Senior Manager

Enclosure: Copy of the Compliance Report dated 25 March 2021



MKS (Switzerland) SA LBMA/LPPM Responsible Sourcing Guidances' Compliance Report

Introduction

MKS (Switzerland) SA is active in the sourcing of precious metals for the MKS PAMP GROUP. We source from recycled and mined precious metals supply chains in over 40 countries. Regarding the mined precious metals supply chain, we source mainly from large well-established industrial mines located in Europe, North America, South America, Africa, Asia and Oceania. We are proud to have extended this year our supply chain to source from responsible small-scale operations and support these local activities.

Supply chain due diligence has always been a key focus for the MKS PAMP GROUP. MKS (Switzerland) SA strives to continuously improve its own processes and practices as well as leading the industry to further enhance due diligence standards and practices.

The *LBMA Responsible Gold and Silver Guidances* as well as the *LPPM Responsible Platinum and Palladium Guidance* have been established for Good Delivery Refiners to adopt 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 and combating terrorist financing practice. In addition, the *LBMA Responsible Gold Guidance* has been further enhanced to recognise the increasing importance of having a strong corporate governance as well as addressing environmental and sustainability responsibilities.

The MKS PAMP GROUP, operates two refineries among its entities, and leads by example on Responsible Sourcing by

- making it a central tenet of its Group policies and operating Procedures.
- stringently applying those guidances to all Group companies around the world which are involved in the precious metal business in addition to its refineries.
- applying the requirements of the most stringent guidance, the *LBMA Responsible Gold Guidance*, to all precious metals sourced.

As a result, MKS (Switzerland) SA ("MKS" or "we"), which is the flagship entity of the MKS PAMP GROUP, has implemented the *LBMA Responsible Gold Guidance* in 2012. All precious metals feedstock sourced by MKS, which is sent for refining to the MKS PAMP GROUP refineries, PAMP SA and MMTC PAMP India Private Limited, comply fully with the *LBMA Responsible Gold and Silver Guidances* as well as the *LPPM Responsible Platinum and Palladium Guidance* requirements. MKS has voluntarily decided to be audited on its responsible sourcing practices since July 2012.

In addition, MKS is a Swiss financial intermediary subject to the Swiss AML regulation and supervised by a self-regulatory organisation approved by the Swiss Financial Market Supervisory Authority. As such, we are audited on a yearly basis by third parties to assess our compliance with the Swiss AML regulation; including processes, due diligence carried out as well as monitoring of relationships and transactions.

Table 1: Company's details

Dealer's name	MKS (Switzerland) SA
Location	Promenade St-Antoine 10, 1204 Geneva, Switzerland
Reporting period	January 1 st 2020 to 31 December 2020
Precious metals in the scope of the LBMA/LPPM Responsible Sourcing audit	Gold, Silver, PGM
Date of Report	25 March, 2021



Senior Management responsible for this report

Marwan Shakarchi, Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Marwan Shakarchi', positioned below the name of the Chief Executive Officer.

This report summarizes how MKS (Switzerland) SA has complied with the requirements of the LBMA Responsible Gold and Silver Guidances, of the LPPM Responsible Platinum and Palladium Guidance during the year 2020 for all types of precious metals sourced, as well as the extra steps MKS has completed.

MKS (Switzerland) SA's evaluation

The following table lists the minimum requirements that must be satisfied in order to be compliant with both the LBMA Responsible Gold and Silver Guidances and the LPPM Responsible Platinum and Palladium Guidance; as well as the extra steps MKS has completed.

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Compliance Statement with Requirement:

We have fully complied with Step 1 Established strong management systems.

1.1 MKS (Switzerland) SA has adopted a policy regarding due diligence for precious metals supply chains

Comments and Demonstration of Compliance:

Our Responsible Precious Metal Group Policy is fully compliant with the model set out in the Annex II of the OECD due diligence guidance. This sets out in particular our responsibility to establish strong company management systems to fight serious abuses of human rights, to avoid contributing to conflict over our supply chain and, to perform appropriate and risk based (a) due diligence over our counterparties and precious metal supply chain and (b) scrutiny and monitoring of transactions.

In addition to the OECD due diligence guidance, our Precious Metal Policy also includes requirements to:

- comply with the highest standards of anti-money laundering (AML)
- combat terrorist financing (CFT)
- address environmental and sustainability responsibilities

Our Responsible Precious Metal Group Policy is approved by Senior Management and reviewed annually. Changes are made to the Policy to reflect our commitment to regularly further strengthen our requirements. The Policy is communicated to all our employees and is available to the public on our website. This Policy is communicated to – and part of our commercial agreements with – all our precious metals counterparties. We also encourage our counterparties to further communicate our Policy to their employees and own supply chain actors.



1.2 MKS (Switzerland) SA has set up an internal management structure to support supply chain due diligence

Comments and Demonstration of Compliance:

Management Structure

Senior Management 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 Compliance Team composed of three persons has been assigned to manage the process and has a direct line of reporting to Senior Management.

Systems

MKS has an internal management system to support precious metals supply chain due diligence, which includes in particular the definition of role and responsibility, due diligence checklist and toolkit and a robust traceability system database recording each lot refined.

Our internal checklist and toolkit are continuously reviewed and amended when circumstances require. For instance, in 2019, we decided to improve the LBMA KYC questionnaire in order to cover more environmental topics. We also improved our process in order to better capture negative news screening during the due diligence assessment phase. Furthermore, we have developed a new due diligence checklist to better assess and document periodic review of due diligence files.

No relationship can be established, and no transaction can be accepted until the due diligence is finalized, any required clarification received, and the green light is given by the Compliance Team and by Senior Management. Due diligence issues identified over the course of a relationship are escalated to the Compliance Team and Senior Management.

Compliance

The Compliance Team is responsible for all matters regarding anti-money laundering, combating terrorism financing, avoiding contributions to conflict, fighting serious human rights abuses and addressing environmental responsibilities. In particular, the Compliance Team reviews the customer due diligence prepared by the Relationship Managers and their support teams and assesses if the due diligence is adequate. Additional documentations, information or clarification is required if necessary. The Compliance Team performs in addition periodic and event-driven reviews of counterparty's due diligence files. It also ensures the keeping and archiving of files of business relationships subject to AML and responsible sourcing.

The Compliance Team also supervises the internal training program on due diligence, AML and responsible supply chain. The program includes face to face or video conference training sessions. Our training program will be reinforced in 2021 with online training sessions.

The Compliance Team is responsible for preparing and updating the internal policies, for providing comprehensive information to Senior Management in order for them to perform their duties and support the business lines in all matters regarding AML-CTF and responsible sourcing. In addition, the Compliance Department decides in agreement with Senior Management of the reporting of suspicious transaction and the freezing of assets in compliance with local regulation. During 2020, no such reporting was made.

We have also fostered a Compliance culture within our company by establishing an extensive communication between the Relationship Managers, the Compliance Team and the Senior Management through trainings and regular pre-onboarding meetings where all actors share their respective expectations. MKS also relies on the broad expertise and knowledge of Relationship Managers to perform an initial assessment of prospects and eliminate those not meeting expectations at a very early stage of the onboarding process.

During 2020, no due diligence failures triggering an internal sanction were reported. Full due diligence in compliance with LBMA/LPPM responsible sourcing standards has been conducted on all our counterparties; no exception has been reported during 2020.



1.3 MKS (Switzerland) SA has established a strong internal system of due diligence, controls and transparency over precious metals supply chain, including traceability and identification of other supply chain actors

Comments and Demonstration of Compliance:

MKS has a robust traceability system database that records supply chain information and documents for each lot sent for refining to the MKS PAMP GROUP refineries with a unique identification number allocated. For each lot, the system captures data such as the country of origin, the type of material (i.e. mine / recycled), pictures taken, shipping information, purity and weight. Each step of the process from arrival to the refinery until the end of the processing is fully documented.

Specific and relevant transactional documentation as per our internal guidelines must be received and verified before the processing of any precious metals. Such documentation is attached to each lot in the system and properly archived. All transactions, irrespective of their risk classification are reviewed daily by the Compliance Team. In addition, shipments coming from countries considered as high risk as per our internal guidelines are flagged in the system. Furthermore, our internal system generates alerts depending on specific scenario defined, such as discrepancies in purity or country of origin. Alerts are reviewed and analysed by the respective teams in charge.

In order to strengthen our AML program, MKS does not accept to make or to receive third party payments. In addition, MKS bans cash transaction and therefore all currency and metal payments are made through international banking channels.

We are currently working on the review of our current systems and tools to further enhance the data collection in order to improve our reporting in line with the upcoming LBMA Disclosure Guidance.

Transparency extra step

In 2019, PAMP launched Provenance, a cutting-edge segregation and traceability solution that utilizes the blockchain technology to track & trace the global precious metal supply chain, from source to end-product, guaranteeing a full physical traceability throughout the refining process. In addition, VERISCAN an app that enables the authentication of products with a simple scan permits users to consult the blockchain based Provenance information directly from their phone.

1.4 MKS (Switzerland) SA has strengthened company engagement with precious metals supplying counterparties, and where possible, assists precious metals supplying counterparties in building due diligence capabilities

Comments and Demonstration of Compliance:

We only believe in long term relationships based on trust and mutual recognition. Therefore, we never accept one off transactions. For mined materials, our preferred approach is to onboard sources directly and avoid interacting with intermediaries; this allows us to have a more direct access to the key stakeholders to strengthen the due diligence made.

Our Refining Agreement specifically refers to and includes our Responsible Precious Metal Group Policy and the Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

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 chain. Therefore, they take advantage of each on site visit to explain the regulatory environment, our expectations, best practices seen in the market and provide them with help or guidance encouraging them to continuously improve their own practices and where applicable, obtain independent certification of their practices. For example, the Relationship Managers promote the International Cyanide Management Code to supply chains that are not yet compliant. During these visits and whenever relevant and possible, we meet with local mining and environmental agencies and local not-for profit associations. In addition, whenever possible, we introduce our counterparts or prospects to not-for profit associations aiming to improve social and environmental practices.



1.5 MKS (Switzerland) SA has established a company-wide communication mechanism to promote broad based employee participation and risk identification to management

Comments and Demonstration of Compliance:

Our Group has a mechanism allowing any employee, supply chain actor or stakeholder to voice any concerns over the precious metals supply chain or newly identified risk. The functional mailbox responsiblepm@mkspamp.com has been established and is reviewed by the Group Compliance Officer and by MKS (Switzerland) SA Compliance Officer. All relevant enquiries are treated directly by the Compliance Department.

During 2020, we have not received any direct grievance through our functional mailbox nor from the LBMA.

In June 2019, the LBMA invoked an Incident Review Process to our refining plant MMTC-PAMP in response to allegations reported by the media of personal injuries at the North Mara mine. For further details on the measures taken, please refer to step 3 below.

Step 2: Identify and assess risks in the supply chain

Compliance Statement with Requirement:

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

2.1 MKS (Switzerland) SA has a process to identify risks in the supply chain

Comments and Demonstration of Compliance:

MKS (Switzerland) SA identifies and assesses risks in the supply chain. We have established our criteria for high-risk categories and systematically apply them to all our precious metal supplying counterparties. In order to determine conflict-affected, human rights abuses and money laundering high-risk areas, we use several reliable external data sets as basis of this analysis. Such data comprise the Conflict Barometer issued by the Heidelberg Institute for International Conflict, the Human Freedom Index issued by the Cato Institute, Financial Action Task Force (FATF) lists, the covered countries as per Conflict Minerals Dodd Frank Act, the high-risk conflict transit zones identified by the UN and sanction lists. The list of high-risk countries is reviewed annually.

Supply chains could be assessed as high-risk due to their location in high-risk areas, due to the profile of the supply chain (such as use of mercury or artisanal mining) or counterparty type, such as Politically Exposed Persons (PEP) or counterparties active in higher risk businesses.

We conduct due diligence following a risk-based approach and allocate a risk profile according to our risk profile criteria. This process is a formal requirement conducted before entering into any business relationship with a precious metal supplying counterparty. Risk classification is determined by the Relationship Manager based on MKS PAMP GROUP high-risk criteria and reviewed, assessed, and validated by the Compliance Department. The Compliance Department has the power to override any risk classification and determine a relationship as high-risk even if no high-risk criteria are met.

2.2 MKS (Switzerland) SA assesses risks in light of the standards of their due diligence system

Comments and Demonstration of Compliance:

Due diligence

Supply chain due diligence following a risk-based approach is performed before entering into a business relationship and on an on-going basis with any precious metals supplying counterparty. All our counterparties and their ultimate beneficial owners are also screened at onboarding and during the course of the relationship against external databases. Based on the due diligence conducted, the following risks are assessed: human rights abuses, money laundering, terrorism financing, sanction violation, contribution to conflict, corruption, support to illegitimate non-state armed groups, public or private security forces, fraudulent misrepresentation of origin of materials, non-compliance with local tax regulation, and non-compliance with environmental local legislation.



Enhanced due diligence

We also perform enhanced due diligence for higher risk categories. Relationships considered as high risk are reviewed annually and submitted to Senior Management for validation. Non high-risks relationships are also reviewed on a periodic basis by the Compliance Department. In addition, every relationship is reviewed on an event trigger basis, such as a change of ownership, negative news identified, change in the supply chain.

In compliance with the LBMA responsible program, all our high-risk supply chains are visited. In addition, we aim to visit as well all our non high-risk mining sources. Despite COVID-19 pandemic, we managed to visit all our high-risk mining supply chains that should have been visited during 2020, with some delays compared to our initial plan. Such visits are fully integrated in our due diligence program and we use the LBMA on-site toolkit to document the visits.

Monitoring

In addition, we conduct appropriate and continuous scrutiny and monitoring of transactions undertaken through the course of the relationship following a risk-based approach. Any unusual or high-risk transaction is communicated to the Compliance team who will ensure that proper clarification is obtained. Each transaction is reviewed daily by the Compliance Team in addition to the operational checks conducted.

Supply chain (including ASM)

We source from recycled and mined precious metals supply chains. Regarding the mined precious metals supply chain, we source mainly from large well-established industrial mines located in Europe, North America, South America, Africa, Asia and Oceania.

During 2020, we were proud to extend our supply chain to two precious metals aggregators located in Latin America who source from small-scale operations and support these local activities. As part of our due diligence process, we visited the aggregators and each of the small-scale mines. On these projects, we engage with a not-for-profit organisation in order to help them to improve their mining practices. Where possible and when sanitary situation permitted, meetings were also organized with local authorities.

Two of our supply chains in Latin America are still using mercury. Although mercury is used in a contained manner and in compliance with local environmental regulations, our aim is to find alternative solutions to mercury. We therefore discuss, encourage, and support the plans taken by the mines to replace mercury. We visited the mines to have a full understanding of the process and assess properly the risk linked to the use of mercury. We also discussed with environmental agency about the use of mercury by small scale mines and alternative solutions. We introduced them to a not-for-profit organization to help them apply better CSR practices, including elimination of mercury. We are happy to notice encouraging improvements in the implementation of alternative solutions between the on-site visits carried out previously and January 2021.

Our Group continues to actively participate in a number of different initiatives aiming to source from artisanal mines, to provide them with technical assistance towards mining best practices as well as direct access to the international markets.

2.3 MKS (Switzerland) SA reports risk assessment to Senior Management

Comments and Demonstration of Compliance:

Senior Management approves all new counterparts. In addition, Senior Management revisits each year the decision as to whether continue with business relationships categorized as high risk. The Compliance Team prepares on a yearly basis a report on high-risk suppliers to Senior Management in order for them to perform their duties. Whenever required, the Compliance Team escalates concerns to Senior Management. Senior Management retains the ultimate control and responsibility for the precious metal supply chain.

Furthermore, the Compliance Team produces Key Performance Indicators used to review the effectiveness and performance of the supply chain due diligence procedure. These KPIs are submitted to the Board of Directors on a quarterly basis. The Compliance Team also prepares each year a reputational risk matrix and risk assessment which is approved by the Board of Directors.



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

Compliance Statement with Requirement:

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

3.1 MKS (Switzerland) SA has devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade; (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk

Comments and Demonstration of Compliance:

During the reporting period, we have sourced gold from the North Mara Gold Mine in Tanzania (NMGM). In June 2019 NMGM was subject to certain allegations relating to personal injury claims and environmental pollution. Gold produced by NMGM was refined during the reporting period by our sister company MMTC-PAMP. In 2020, due to issues surrounding the COVID-19 pandemic, MMTC-PAMP was not able to process all doré from NMGM, with some shipments of doré being processed by our subsidiary company PAMP. Therefore, during the reporting period, doré from NMGM was processed by the two refineries within the MKS PAMP Group.

After considering the alleged allegations with NMGM, MKS PAMP GROUP has taken the following steps:

- In June 2019, a public announcement relating to the allegations was issued detailing the actions the MKS PAMP Group has taken, [refer to statement](#);
- as an extra step, the independent environmental and social consultant Synergy Global was appointed to conduct a detailed independent assessment at the NMGM. Senior representatives from the Synergy Global undertook an on-site assessment at the NMGM in November 2019 with an executive summary of their findings being published on the MMTC-PAMP's website on July 2020, [refer to statement](#);
- complied with the recommendation of Synergy Global to continue trading with NMGM while engaging with Barrick Gold Corporation on the mitigation of certain risks identified by Synergy Global;
- undertake quarterly monitoring of the implementation by NMGM of the recommendations issued by Synergy Global;
- as an extra step, the MKS PAMP Group further mandated Synergy Global in December 2020 to conduct an independent review of the progress made at NMGM over the course of the reporting year and the management by NMGM of the risks previously identified by Synergy Global. The outcome of that separate independent review concluded that significant improvements have been made towards the management of the risks previously identified by Synergy Global. As a result of those improvements and on the recommendations of Synergy Global, MKS PAMP Group decided to continue trading with NMGM.

The LBMA has expressed its satisfaction with MKS PAMP GROUP's due diligence work at the NMGM and took note of Barrick Gold Corporation's work to continue to improve conditions at the NMGM in its 2020 Responsible Sourcing Report. The LBMA confirmed that appropriate measures had been put in place to prevent and mitigate potential and actual adverse impacts. The LBMA has in particular welcomed MKS PAMP Group's decision to appoint Synergy Global to act as an external expert to undertake an independent assessment at the NMGM, and the MKS PAMP Group's transparent reporting and collaboration with the LBMA with regards to this matter.

3.2 Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk, and regular reporting to designated senior management

Comments and Demonstration of Compliance:

We have engaged and will continue to engage with Barrick on the mitigation of the identified risks at NMGM, as well as regularly update Senior Management and take action if and when necessary.



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

Compliance Statement with Requirement:

MKS has decided on a voluntary basis to arrange for an independent third-party audit on all precious metal supply chains.

Comments and Demonstration of Compliance:

MKS has engaged on a voluntary basis the services of the assurance provider Ernst & Young Ltd, Geneva, and their independent reasonable assurance report will be available on MKS's website when issued.

Step 5: Report on supply chain due diligence

Compliance Statement with Requirement:

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

Comments and Demonstration of Compliance:

Our Responsible Precious Metals Group Policy is available on the MKS website. Our 2020 Compliance report with the audit report will be available on the MKS website when issued. Previous year Compliance report with audit report are as well available on our website.

In addition, we have:

- responded to queries from the LBMA, LPPM, RMI or other regulatory bodies as to information required by them or allegations made
 - 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
 - provided substantial public information on our work with North Mara Gold Mine as detailed in 3.1 above.
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MKS (Switzerland) SA's overall conclusion

Table 3: Management conclusion

Is MKS (Switzerland) SA in compliance with the requirements of the *LBMA Responsible Gold and Silver Guidance* as well as the *LPPM Responsible Platinum and Palladium Guidance* for the reporting period?

Yes	<p>In conclusion, MKS (Switzerland) SA strives to continuously improve its own processes and practices as well as leading the industry to further enhance due diligence standards and practices.</p> <p>MKS (Switzerland) SA has implemented effective management systems, procedures, processes and practices to conform to the requirements of the <i>LBMA Responsible Gold and Silver Guidances</i> as well as the <i>LPPM Responsible Platinum and Palladium Guidance</i> for all its precious metals supply chain, as explained above in Table 2, for the reporting year ended 31 December 2020.</p>
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Table 4: Other report comments

If users of this report wish to provide any feedback to MKS (Switzerland) SA with respect to this report, they can send an e-mail to our dedicated email address: responsiblepm@mkspamp.com
