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To the board of directors of

SCB Environmental Markets SA

Nyon

Limited Assurance Report on the CO₂ emissions abatement calculation in metric tons of CO₂ of SCB Group according to the SCB Group's guideline "Basis of Preparation" for the period from 01.01. to 31.12.2022

August 7, 2023
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NLE/ZBE/bfi

INDEPENDENT AUDITOR'S REPORT

To the board of directors of SCB Group, Nyon

Report on the CO₂ emissions abatement calculations

We were engaged by the board of directors of SCB Group to provide limited assurance for CO₂ emissions abatement calculations in accordance with the suitable Criteria and presented on the SCB Group websites.

The objective of the engagement is to provide a limited assurance on:

- CO₂ emission abatement calculation presented in metric tons of CO₂, based on all brokerage and Principal Carbon trading transactions executed by SCB Group and displayed on SCB Group's website <https://starcb.com/sustainability/carbon-impact/> for the period from 1 January 2022 to 31 December 2022.
- Climate Positive's (a brand of SCB Group) CO₂ emissions abatement calculation for passenger cars, pet cats & dogs as well as individuals & employees, including the carbon offsetting and disclosed on the Climate Positive's website <https://climatepositive.com/>

(together the "CO₂ abatement emission calculations").

The abatement calculations cover the SCB Group, which comprises SCB Environmental Markets SA (Switzerland), SCB Derivatives LLC (USA), SCB Brokers LLC (Puerto Rico), SCB & Associates Ltd. (UK) and SCB & Associates PTE. Ltd (Singapore).

Both subject matters will be marked with "✓ BDO CH" on the SCB Group's websites. The websites will contain a link to our report.

Management's Responsibility

The Management of SCB Environmental Markets SA is responsible for preparing the CO₂ abatement calculations in accordance with the "Basis of Preparation" document disclosed on the related SCB Group's websites. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation of the CO₂ emissions abatement calculations disclosed on the related SCB Group's websites that are free from material misstatement, whether due to fraud or error. The management is also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the CO₂ emissions abatement calculations and for ensuring that those criteria are publicly available to the users. The management is also responsible for the selection and application of the "Basis of Preparation" document and adequate record keeping.

Inherent limitations

The accuracy and completeness of the CO₂ emissions abatement calculations disclosed on the related SCB Group's websites are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the CO₂ emissions abatement calculations disclosed on the related SCB Group's websites is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the CO₂ emissions abatement calculations and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the suitable Criteria used by SCB Group, its definitions, and procedures in the document "Basis of Preparation".

Independence and Quality Control

We are independent of SCB Group as defined by the guidelines on independence issued by EXPERTsuisse and have observed the Code of Conduct and Professional Rules issued by EXPERTsuisse. These requirements are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies ISQC-CH 1 (Quality assurance for practices that perform audits and reviews of financial statements and other business audits and engagements for related services) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities

Our responsibility is to perform a limited assurance engagement and to express a conclusion on the CO₂ emissions abatement calculations for both subject matters disclosed on the related SCB Group's websites.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements (ISAE) 3410 "Assurance engagements on greenhouse gas statements", issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the CO₂ emissions abatement calculations disclosed on the related SCB Group's websites and marked with the label "✓ BDO CH" were not prepared, in all material respects, in accordance with the "Basis of Preparation" document.

Based on risk and materiality considerations, we perform our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected will depend on what we consider necessary applying our professional judgment. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures amongst others:

- Interview with management and key persons responsible for data collection and performing the CO₂ emissions abatement calculations in order to understand the application of the SCB Group's guideline "Basis of Preparation" used as a basis for the CO₂ emissions abatement calculations for both subject matters disclosed on the SCB Group's websites <https://starcb.com/impact/carbon-impact/> and <https://climatepositive.com/r>.
- Review the arithmetical accuracy of the calculation.
- Perform detailed testing over a sample of data used in the CO₂ emissions abatement calculations for all brokerage and Principal Carbon trading transactions that occurred during the year to ensure accuracy of data.
- Perform detailed testing over a sample of data used in the CO₂ emissions abatement calculations and carbon offsetting for passenger cars, pet cats & dogs and individuals & employees to ensure accuracy of data
- Perform procedures to ensure completeness of data used in the CO₂ emissions abatement calculations disclosed on the SCB Group's website and marked with the label "✓ BDO CH"
- Review the guidelines and external sources used for conversion factors and reduction rates in the CO₂ emissions abatement calculations resulting from brokerage and Principal Carbon trading transactions executed by SCB Group. Additionally, we tested the accuracy of the variables used for CO₂ emitted from passenger cars (regular and electric cars), pet cats & dogs, individuals & employees.

- Obtain the supporting evidence of the retired tons of CO₂ related to the carbon offsetting for passenger cars, pet cats & dogs and individuals & employees as disclosed on the ClimatePositive website.

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

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that:

- The CO₂ emission abatement calculation presented in metric tons of CO₂, based on all brokerage and Principal Carbon trading transactions executed by SCB Group and displayed on SCB Group's website <https://starcb.com/sustainability/carbon-impact/> for the period from 1 January 2022 to 31 December 2022 and
- The Climate Positive's (a brand of SCB Group) CO₂ emissions abatement calculation for passenger cars, pet cats & dogs as well as individuals & employees, including the carbon offsetting and disclosed on the Climate Positive's website <https://climatepositive.com/>



And marked with the label "✓ BDO CH" as per date of this report is not prepared, in all material respects, in accordance with SCB Group's guideline "Basis of Preparation".

Intended users and purpose of the report



This report is prepared for, and only for, the Board of Directors of SCB Environmental Markets SA, and solely for the purpose of reporting to them on CO₂ emissions abatement calculations and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion. We permit the disclosure of our report, in full only and in combination with the SCB Group's guideline "Basis of Preparation" (suitable Criteria), to enable the Management to demonstrate that they have evidenced their commitment to a low-carbon future by commissioning an independent assurance report over the CO₂ emissions abatement calculation as disclosed on the related SCB Group's websites, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of SCB Environmental Markets SA for our work or this report.

Geneva, August 7, 2023

BDO Ltd



Nigel Le Masurier
Licensed audit expert



pp Zoé Imhof
Licensed audit expert