# Invesco Physical Markets plc

## Annual report and audited financial statements

**For the financial year ended 31 December 2022**

**Registered number 471344**

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# Directors and other information
## Annual Report and audited Financial Statements for the year ended 31 December 2022

**Directors**
Eimir McGrath (Irish)
Bronagh Hardiman (Irish) (Resigned 25 November 2022)
Janina Luciano (Philippine)
(Appointed 25 November 2022)

**Registered Office**
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George's Quay
Dublin 2
Ireland

**Administrator & Company Secretary**
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**Banker**
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**Portfolio Administrator, Registrar & Principal Paying Agent**
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**Arranger and Portfolio Advisor**
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Perpetual Park Drive
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RG9 1HH

**Independent Auditors**
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Statutory Audit Firm
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**Solicitors & Irish Listing Agent**
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United Kingdom

**Trustee**
Intertrust Trustees Limited
1 Bartholomew Lane
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United Kingdom

**Metal Counterparty & Custodian**
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London E14 5JP
United Kingdom

**Currency Hedged Certificates Counterparty**
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60310 Frankfurt
Germany

**ICSD Paying Agent**
Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

# Directors' Report
## Annual Report and audited Financial Statements for the year ended 31 December 2022

The directors (the "Directors") present their annual report and the audited financial statements of Invesco Physical Markets plc (the "Company") for the financial year ended 31 December 2022.

**Principal activities**

The Company is a public limited liability company, incorporated on 26 May 2009 in Ireland under the Companies Act 2014, as amended (the "Act"), and has established the Secured Commodities-Linked Certificates Programme (the "Programme") pursuant to which the Company may, from time to time, issue collaterised limited recourse Certificates (the "Certificates") on the terms set out in the Base Prospectus (the "Base Prospectus") and final terms in respect of the relevant Certificates. The aggregate number of Certificates outstanding under the Programme will not at any time exceed 1,000,000,000 provided that the Company may increase such limit from time to time (subject to compliance with the relevant transaction documents). The Company meets the criteria for a Section 110 company under the Taxes Consolidation Act 1997 (as amended).

The principal activity of the Company, under the Programme, is issuance of several series (each a "Series") of ring-fenced certificates listed on one or more of the following stock exchanges detailed below.

Certificates may be sold to any one or more of Morgan Stanley & Co. International Plc, Bank of America, Merrill Lynch, J.P. Morgan Securities Limited, Virtu Financial Ireland Limited, Flow Traders B.V., Jane Street Financial Limited, Optiver VOF, HSBC Bank Plc and Citibank Global Markets Limited (each an 'Authorised Participant' under the terms of authorised participant agreements). An Authorised Participant may subscribe for Certificates in accordance with the terms of the relevant authorised participant agreement by either (i) transferring the relevant amount of Commodities (the "Commodities") via the books and records of the custodian's unallocated accounts or (ii) making a cash payment in US Dollars of the relevant amount to the cash account, which shall be used to access Commodities.

The Certificates are securities which on redemption entitle the holder to receive (a) a cash payment which is linked to the value of an amount of the Underlying Commodity reflecting the Per Certificate Entitlement (the "Per Certificate Entitlement") to such Underlying Commodity at the relevant time or (b) a transfer of the relevant amount of Underlying Commodity if the conditions for Physical Settlement are satisfied. In order to effect any redemption where cash settlement applies, the relevant amount of Commodities will be sold in order to realise the relevant cash amount(s).

Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates are currency hedged certificates (the "Currency Hedged Certificates").The Currency Hedged Certificates are certificates where the specified currency is a currency other than the currency in which the Commodity is typically quoted (the "Commodity Currency"). The Currency Hedged Series incorporate a foreign exchange hedging mechanism to hedge Certificate holders' exposure to fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. JP Morgan AG will act as counterparty to the Company (the "Currency Hedged Certificates Counterparty") under a hedging arrangement pursuant to which the Company will agree to transfer underlying Commodities to and from the Currency Hedged Certificates Counterparty to reflect foreign exchange rate hedging gains and losses. On each business day, there will be transfers of metal ounces in the respective unallocated accounts of the Currency Hedged Series between the Company and the Currency Hedged Certificates Counterparty to reflect the foreign exchange rate hedging gains and losses.

Series 1 - Secured Gold-Linked Certificates are listed on Euronext Dublin, Swiss Stock Exchange (SIX), main market of the London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra). Series 2 - Secured Silver-Linked Certificates, Series 3 - Secured Platinum-Linked Certificates, Series 4 - Secured Palladium-Linked Certificates are listed on the main market of the London Stock Exchange and the main securities market of Euronext Dublin. Series 5 - Secured Gold-Linked EUR Hedged Certificates are listed on Xetra and Borsa Italiana and Series 6 - Secured Gold-Linked GBP Hedged Certificates are listed on the main market of the London Stock Exchange.

The arranger fees relate to the fees paid to Invesco UK Services Limited (the "Arranger" and the "Portfolio Advisor") in consideration for its services and also its agreement to pay the fees and expenses due to the other service providers in connection with the Programme. The fees are calculated using a reduction percentage applied to the Commodities over the year. The arranger fees are paid on a monthly basis in cash through the disposal of Commodities. The reduction percentage for each Series are detailed below:

**Principal activities (continued)**

| Series | | Financial year ended 31 December 2022 | Financial year ended 31 December 2021 |
|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates (Effective from 7 August 2020 until 19 November 2021) | - | 0.15% |
| Series 1 | Secured Gold-Linked Certificates (Effective from 19 November 2021) | 0.12% | 0.12% |
| Series 2 | Secured Silver-Linked Certificates (Effective until 3 March 2021) | - | 0.39% |
| Series 2 | Secured Silver-Linked Certificates (Effective from 3 March 2021) | 0.19% | 0.19% |
| Series 3 | Secured Platinum-Linked Certificates (Effective until 3 March 2021) | - | 0.39% |
| Series 3 | Secured Platinum-Linked Certificates (Effective from 3 March 2021) | 0.19% | 0.19% |
| Series 4 | Secured Palladium-Linked Certificates (Effective until 3 March 2021) | - | 0.39% |
| Series 4 | Secured Palladium-Linked Certificates (Effective from 3 March 2021) | 0.19% | 0.19% |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates (Effective until 3 March 2021) | - | 0.44% |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates (Effective from 3 March 2021) | 0.34% | 0.34% |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates (Effective until 3 March 2021) | - | 0.44% |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates (Effective from 3 March 2021) | 0.34% | 0.34% |

The following Series were outstanding as at 31 December 2022. The Series are priced daily based on the metal reference price source from the London Bullion Market Association in the table below:

| Series | | Underlying Commodities |
|---|---|---|
| Series 1 | Secured Gold-Linked Certificates | Gold |
| Series 2 | Secured Silver-Linked Certificates | Silver |
| Series 3 | Secured Platinum-Linked Certificates | Platinum |
| Series 4 | Secured Palladium-Linked Certificates | Palladium |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates | Gold |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates | Gold |

**Business review and key performance indicators**

The Company is a Special Purpose Vehicle (the "SPV") whose sole business is the issue of asset-backed securities. The Company has established a programme for the issue of secured Certificates whose return is linked to the performance of a specified Commodity: either gold, silver, platinum or palladium. Each series of Certificates will be separate (or 'ring-fenced') from each other series of Certificates. In relation to the Currency Hedged Certificates, the Company uses a hedging mechanism which is designed to reduce exposure of the underlying Commodity to exchange rate fluctuations between US dollars and the currency in which the Certificate is denominated.

The Directors confirm that the key performance indicators as disclosed in the next pages of the financial statements are those that are used to assess the performance of the Company.

During the financial year:

- No new Series were issued;
- the Company made a profit of USD 276 (31 December 2021: profit of USD 375);
- the net changes in fair value of Commodities at fair value through profit or loss amounted to a loss of USD 301,570,712 (31 December 2021: loss of USD 647,384,627);
- the net changes in fair value of financial liabilities designated at fair value through profit or loss amounted to a gain of USD 353,579,790 (31 December 2021: gain of USD 684,747,565);
- the net changes in fair value of foreign exchange derivatives amounted to a loss of USD 32,430,287 (31 December 2021: loss of USD 16,532,040);
- the Company issued USD 7,397,906,756 (31 December 2021: USD 5,266,189,511) and repaid USD 6,116,101,157 (31 December 2021: USD 4,196,991,028) of Certificates in kind;
- the Company's accounts linked to a portfolio of underlying Commodities increased due to additions of gold, silver, platinum and palladium amounting to USD 7,576,027,175 (31 December 2021: USD 5,322,763,404);
- the Company's accounts linked to a portfolio of underlying Commodities reduced due to sale of gold, silver, platinum and palladium amounting to USD 6,336,794,424 (31 December 2021: USD 4,290,806,274);
- the Commodities at fair value through profit or loss increased by 6% (31 December 2021: increased by 3%);
- the financial liabilities designated at fair value through profit or loss increased by 6% (31 December 2021: increased by 3%);
- the Base Prospectus dated 24 June 2022 is available on the Invesco ETF website: eft.invesco.com; there were new subscriptions in the following Series of Certificates:

| Series | Description | Maturity date | CCY | Nominal |
|---|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates | 31-Dec-2100 | USD | 35,737,772 |
| Series 2 | Secured Silver-Linked Certificates | 31-Dec-2100 | USD | 6,155,991 |
| Series 3 | Secured Platinum-Linked Certificates | 31-Dec-2100 | USD | 363,300 |
| Series 4 | Secured Palladium-Linked Certificates | 31-Dec-2100 | USD | 269,493 |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates | 31-Dec-2100 | EUR | 12,606,900 |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates | 31-Dec-2100 | GBP | 1,350,000 |

- the following Series of Certificates were partially redeemed:

| Series | Description | Maturity date | CCY | Nominal |
|---|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates | 31-Dec-2100 | USD | 32,665,646 |
| Series 2 | Secured Silver-Linked Certificates | 31-Dec-2100 | USD | 4,870,250 |
| Series 3 | Secured Platinum-Linked Certificates | 31-Dec-2100 | USD | 503,200 |
| Series 4 | Secured Palladium-Linked Certificates | 31-Dec-2100 | USD | 435,112 |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates | 31-Dec-2100 | EUR | 2,939,200 |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates | 31-Dec-2100 | GBP | 749,000 |

- On 7 March 2022, the London Bullion Market Association (the "LBMA") announced sanctions in respect to 6 Russian gold/silver refiners. Following the sanction, the 6 refiners are no longer accepted as Good Delivery by LBMA. For precious metals, sanctions are applied from the date of the sanction to bars refined from that point onwards. Anything refined prior to the sanctions date is still considered "Good Delivery" and as such, can still be held by the Company. There has been no substantial impact on the Company's activities arising from the suspension of the refiners and there is no impact on the ability of investors to redeem due to the sanctions.

**Business review and key performance indicators (continued)**

- the below table highlights the movement in price during the financial year. Please see below table for further details:

| Underlying Commodities | Price per ounce 31 December 2022 | Price per ounce 31 December 2021 | Increase (Decrease) in price 31 December 2022 | Price per ounce 31 December 2020 | Decrease in price 31 December 2021 |
|---|---|---|---|---|---|
| Gold | 1,812.35 | 1,820.10 | -0.43% | 1,891.10 | -3.75% |
| Silver | 23.95 | 23.09 | 3.72% | 26.49 | -12.84% |
| Platinum | 1,065.00 | 962.00 | 10.71% | 1,075.00 | -10.51% |
| Palladium | 1,788.00 | 1,928.00 | -7.26% | 2,370.00 | -18.65% |

Although their performance for the calendar year was different, gold, silver and platinum broadly followed a similar pattern during the course of 2022. The risk off tone caused by heightened geopolitical tensions and the start of the Russia-Ukraine conflict drove prices of prices higher early in the year, however, as the Federal Reserve became increasingly hawkish in response to rising inflation, a combination of US Dollar strength and higher yields on fixed income caused prices to reverse course during the middle of the year before rebounding in the fourth quarter with the US Dollar also weakening. Palladium followed a different path, rallying aggressively early in the year as demand, primarily from car manufacturers, outstripped supply. But after the spike, prices drifted lower for the rest of the year as traditional combustion engine automakers switched to using cheaper platinum while electric vehicles, which do not need palladium, gained market share.

- the below table highlights the movement in foreign exchange during the year. Please see below table for further details:

| Fx Rate | 31 December 2022 | 31 December 2021 | Movement (%) 31 December 2022 | 31 December 2020 | Movement (%) 31 December 2021 |
|---|---|---|---|---|---|
| EUR - USD | 1.0705 | 1.1370 | -5.85% | 1.2216 | -6.93% |
| GBP - USD | 1.2083 | 1.3532 | -10.71% | 1.3670 | -1.01% |

As at 31 December 2022:

- the Company's total Certificates' indebtedness was USD 15,620,210,630 (31 December 2021: USD 14,691,984,821);
- the Company has invested in Commodities at fair value through profit or loss of USD 15,631,219,419 (31 December 2021: USD 14,693,557,380);
- the net assets were USD 60,663 (31 December 2021: USD 60,387);
- The Company has valued its commodities at fair value through profit or loss using the price as at 30 December 2022 since 31 December 2022 was a non-business day;
- the Company had the following Certificates in issue:

| Series | Description | Maturity date | CCY | Nominal (in units) |
|---|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates | 31-Dec-2100 | USD | 83,838,775 |
| Series 2 | Secured Silver-Linked Certificates | 31-Dec-2100 | USD | 11,830,262 |
| Series 3 | Secured Platinum-Linked Certificates | 31-Dec-2100 | USD | 408,675 |
| Series 4 | Secured Palladium-Linked Certificates | 31-Dec-2100 | USD | 119,888 |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates | 31-Dec-2100 | EUR | 11,327,958 |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates | 31-Dec-2100 | GBP | 1,246,700 |

**Future developments**

The Directors expect the present level of activity to be sustained for the foreseeable future.

**Results and dividends for the financial year and state of affairs at 31 December 2022**

The results for the financial year are set out on page 17. No dividends are recommended by the Directors for the financial year under review (31 December 2021: USD Nil).

**Changes in Directors, secretary and registered office**

On 25 November 2022, Janina Luciano was appointed as director and on the same date, Bronagh Hardiman resigned as director.

There have been no other changes in Directors, registered office or secretary during the financial year.

**Business review and key performance indicators (continued)**

**Directors, secretary and their interests**

None of the Directors and secretary who held office on 31 December 2022 held any shares in the Company at that date, or during the financial year. The transactions in relation to the Directors have been disclosed under note 21 to the financial statements.

**Going concern**

The liabilities under the ETC security are repayable on demand but are limited recourse to the underlying commodity fair value and therefore any losses in the FV of the assets the company holds will result in a reduction in those liabilities. In addition, under the terms of the ETC security, an allocation of the commodity is made to the company to pay all its expenses.

The liabilities under the ETC security and derivative financial instruments are settled by the transfer/allocation of the commodity and does not require any settlement in cash.

The only liabilities the company is required to settle in cash is the settlement of fees/expenses and that whenever those fees/expenses are due for settlement the company has the right to sell commodities in order to make those payments and those commodities are sufficiently liquid to allow them to be converted to cash within the timeframe required to settle those fees/expenses.

The Company's financial statements for the financial year ended 31 December 2022 have been prepared on a going concern basis.

**Covid-19 Global Pandemic**

The Directors continue to assess the impact of COVID-19 on the going concern assumption of the Company. The limited recourse nature of the Certificates issued by the Company limit the investors' recourse to the value of the underlying Commodities of the particular Certificates issued. The Certificates issued are sold to Authorised Participants only who in return transfer the corresponding amount of the relevant Commodities. COVID-19 had no major impact on the Company and prices of Commodities during the financial year.

**Russia-Ukraine Conflict**

On 7 March 2022, the London Bullion Market Association (the "LBMA") announced sanctions in respect to 6 Russian gold/silver refiners. Following the sanction, the 6 refiners are no longer accepted as Good Delivery by LBMA. For precious metals, sanctions are applied from the date of the sanction to bars refined from that point onwards. Anything refined prior to the sanctions date is still considered "Good Delivery" and as such, can still be held by the Company. There has been no substantial impact on the Company's activities arising from the suspension of the refiners and there is no impact on the ability of investors to redeem due to the sanctions.

A high-level analysis was made on the liquidity and performance of the Company, following the financial year end 31 December 2022. Based on this, the Directors note that there has not been any negative change in the value of the Commodities even though there has been a slight decrease in the prices of gold and palladium as compared to the financial year end 31 December 2021 and that the level of activity has remained stable post the financial year end indicating that the Company continues to generate substantial cash flows to meet its contractual obligations in relation to the payment of management fees as they fall due. Post the financial year end, as at 31 March 2023, the price of Gold has increased while there has been a slight decrease in the prices of the other Commodities and the level of activity has remained stable. The Administrator has taken measures to ensure business continuity.

**Risk and uncertainties**

The Company is subject to various risks.

**Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Commodities-linked assets. Refer to note 22 for further details.

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has entered into a foreign exchange hedging agreement to mitigate its exposure to currency. The Company is exposed to movement in exchange rates between the USD, its functional currency, and certain foreign currencies namely Euro (EUR) and British Pound (GBP). Refer to note 22 for further details.

**Price risk**

Price risk is the risk that the value of Commodities will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or other factors affecting all instruments traded in the market. Refer to note 22 for further details.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. Refer to note 22 for further details.

**Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All management and administration functions are outsourced to Vistra Alternative Investments (Ireland) Limited ("VAIIL" or the "Administrator"). J.P. Morgan Administration Services (Ireland) Limited acts as the Company's principal paying agent for the period ended 31 December 2022. J.P. Morgan Administration Services (Ireland) Limited acts as the portfolio administrator for the year ended 31 December 2022.

**Climate risk**

Climate change risks may pose significant risks for many businesses. The principal activity of the Company, under the Programme, is issuance of several series of ring-fenced certificates listed on one or more stock exchanges. The value of the Certificates of a particular Series may fluctuate widely and may be affected by factors beyond the Company's control including global or regional political conditions, economic, financial, regulatory or judicial events that affect markets generally and also climate risk which may affect the market price of the precious metal relating to such Series.

Each Series of Certificates carries risks linked to the value of the underlying precious metal relating to that Series in the same way that a direct investment in such precious metal would. JP Morgan Chase Bank N.A. as Custodian (the "Custodian") are members of the LBMA (Gold and Silver) and LPPM (Platinum and Palladium) and ensure all metal held for the accounts of the Company follow London Good Delivery rules, which includes the LBMA and LPPM Responsible Sourcing Guidelines.

It is the opinion of the directors that climate risk is factored into the price of the underlying precious metal and therefore is included in the price risk disclosure in the financial statements. The directors do not consider climate risk to be a separate significant risk to the Company as any fluctuation in the value of the underlying precious metal held as Commodities at fair value through profit or loss by the Company will be borne by the Certificate holders.

The principal risks facing the Company are outlined in note 22 to the financial statements.

**Subsequent events**

All subsequent events are disclosed in note 26 to the financial statements.

**Credit events**

There were no credit events noted during the financial year (31 December 2021: Nil).

**Corporate Governance Statement**

**Introduction**

The Company is subject to and complies with the Act and the listing rules of Euronext Dublin, Swiss Stock Exchange (SIX), London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra).

The Act requires the inclusion of a corporate governance statement in the Directors' report. The Company meets the criteria for a Section 110 Company under the Taxes Consolidation Act 1997 (as amended). Each of the service providers engaged by the Company is subject to their own corporate governance requirements. By virtue of the listing on Euronext Dublin, certain Series are admitted to trading on the London Stock Exchange on a "cross listing" basis. In the context, however, of corporate governance, the Series are not subject to the listing requirements of the London Stock Exchange but instead comply with those of Euronext Dublin. In respect of Series admitted to trading on Xetra, SIX, Borsa Italiana and Euronext Amsterdam, the Series are listed directly with the exchanges and are required to comply with the listing requirements of the local jurisdiction. Please refer to listing details on page 3.

**Financial Reporting Process**

The Board of Directors (the "Board") is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing VAIIL to maintain the accounting records of the Company independently of Invesco UK Services Limited (the "Arranger") and JP Morgan Chase Bank, N.A., London Branch (the "Custodian"). The Administrator is contractually obliged to maintain proper books and records as required by the corporate services agreement. To that end the Administrator performs reconciliations of its records to those of the Arranger and the Custodian. The Administrator is also contractually obliged to prepare for review and approval by the Board the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditor's performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process.

**Risk assessment**

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements. More specifically:

- the Administrator has a review procedure in place to ensure errors and omissions in the financial statements are identified and corrected; and
- regular training on accounting rules and recommendations is provided to the accountants, employed by the Administrator.

**Control activities**

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report.

**Monitoring**

The Board has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditor.

Given the contractual obligations on the Administrator, the Board has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

**Capital Structure**

The 40,000 issued shares are held by Vistra Trust Services (Ireland) Limited (formerly Vistra Capital Markets (Ireland) Limited) in trust for charitable purposes under the terms of declaration of trust. Refer to note 19 for further details.

**European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006**
The Company is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 and therefore not required to include information relating to voting rights and other matters required by those Regulations and specified by the Companies Act 2014 for our consideration.

**Powers of Directors**

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the third parties, subject to the supervision and direction by the Directors. The Directors have delegated the day to day administration of the Company to the Administrator.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association and the Act. The Articles of Association may be amended by special resolution of the shareholders.

**Internal Control and Risk Management Systems in Relation to Financial Reporting**

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives. The Board has put in place procedures to ensure that relevant accounting records for the Company are properly maintained and are readily available and includes the procedure for the production of half yearly unaudited and yearly audited financial statements for the Company.

The half yearly unaudited and yearly audited financial statements of the Company are produced by the Administrator, reviewed by the Programme Administrator, then presented to the Board for consideration and approval and are filed with the Companies Registration Office in accordance with the provisions of the Transparency Directive (2004/109/EC Regulations 2007 (as amended)).

**Audit committee**

Under Section 1551(1) of the Act, all public-interest entities are required to establish an audit committee, subject to certain exemptions. Section 167 of the Act also requires the Directors of PLC's or large companies (as such term is defined in the Act) to establish an audit committee or to state the reasons for not establishing such a committee.

As set out in Section 1551(11)(c) of the Act, a company issuing asset backed securities may avail of an exemption from the requirements to establish an audit committee. The sole business of the Company relates to the issuing of asset-backed securities and as such, the Company has availed itself of the exemption under Section 1551(11)(c) of the Act.

**Accounting records**

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Act with regards to keeping adequate accounting records by employing accounting personnel with appropriate experience and expertise and by providing services to the financial function. The accounting records of the Company are maintained at Block A, George's Quay Plaza, George's Quay Dublin 2, Ireland.

**Political donations**

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over EUR 200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 December 2022 (31 December 2021: USD Nil).

**Independent auditors**

In accordance with Section 383(2) of the Act, KPMG, Chartered Accountants and Statutory Audit firm have expressed their willingness to continue in office.

# Directors' Report
## Annual Report and audited Financial Statements for the year ended 31 December 2022

**Relevant audit information**

Each Director at the date of approval of this report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of this information.

**Directors' compliance statement**

The Directors confirm that:

- they acknowledge that they are responsible for securing the Company's compliance with its relevant obligations;
- they have drawn up a compliance policy statement setting out the Company's compliance with the relevant obligations;
- they have, to the best of their knowledge, complied with its relevant obligations as defined in section 225 of the Act;
- relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations, which arrangements and structures may, if the Directors so decide, include reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the Directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations; and
- the arrangements and structures in place, are reviewed on an annual basis.

The financial statements are published on the etf.invesco.com website. The Arranger is responsible for the financial statements included on the etf.invesco.com website. Legislation in Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Eimir McGrath
Director

Janina Luciano
Director

Date: 25 April 2023

# Directors' responsibilities statement
## Annual Report and audited Financial Statements for the year ended 31 December 2022

The Directors are responsible for preparing the Directors' report and financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Under the Act, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the financial statements. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Act. The Arranger is responsible for the corporate and financial information included on the etf.invesco.com website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Responsibility statement as required by the UK Corporate Covernance Code**

Each of the Directors, whose names and functions are listed on page 1 of this annual report, confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position of the Company at 31 December 2022 and of the profit of the Company for the year then ended;
- the Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Company's performance, business model and strategy and is fair, balanced and understandable.

**On behalf of the board**

| | |
|---|---|
| **Eimir McGrath** | **Janina Luciano** |
| **Director** | **Director** |
| **Date:** 25 April 2023 | **Date:** 25 April 2023 |

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Invesco Physical Markets plc ('the Company') for the year ended 31 December 2022, set out in pages 17 to 43, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 3.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on 3 June 2020. The period of total uninterrupted engagement is the three years ended 31 December 2022. We have fulfilled our ethical responsibilities under, and we remained independent of the Company in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included using our knowledge of the Company and the asset management industry to identify the inherent risks to the Company's business model and analysing how those risks might affect the Company's financial resources or ability to continue as a going concern over twelve months from the date of when the financial statements are authorised for issue. As part of our evaluation we note that the Company held, and continues to hold, a large number of notes, through different series of certificates. The Company also has a diversified portfolio of several different metals. Post the financial year end, the prices of the Commodities and the level of activity have remained stable indicating that the Company continues to generate substantial cash flows to meet its contractual obligations in relation to the payment of arranger fees as they fall due.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors and other management as to the Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims;
- Inquiring of directors and other management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Inquiring of directors regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud;
- Inspecting the Company's regulatory and legal correspondence;
- Reading Board minutes; and
- Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risks, we also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation;
- Evaluating the business purpose of significant unusual transactions;
- Assessing significant accounting estimates for bias; and
- Assessing the disclosures in the financial statements.

As the Company is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Company operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**Key audit matters: our assessment of risks of material misstatement**

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2021):

Accuracy of the calculation of the commodities at fair value through proit or loss $15,631,219,419 (2021: $14,693,557,380)

*Refer to note 3 (accounting policy) and note 15 (Commodities at fair value through profit or loss) to the financial statements*

| The key audit matter | How the matter was addressed in our audit |
|---|---|
| The Company's investment in commodities make up the majority of the total asset value of the Company and are considered to be the key driver of the Company's results.<br><br>While the valuation of the commodities held do not require a significant level of judgement as they comprise of precious metals which have observable quoted prices on actively traded markets, due to their significance in the context of the financial statements as a whole, the accuracy of the calculation of the commodities was identified as a matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit. | Our audit procedures over the accuracy of the calculation of the Company's commodities included but were not limited to:<br><br>– Obtaining and documenting our understanding of the process in place to calculate the value the commodities; and<br><br>– With the assistance of our valuation specialists, we independently calculated the value of the commodities held by the Company and determined that the value was within a reasonable range.<br><br>Based on the audit procedures performed, we found the accuracy of the calculation of the commodities to be reasonable. |

Existence of commodities at fair value through profit or loss $15,631,219,419 (2021: $14,693,557,380)

*Refer to Note 3 (accounting policy) and note 15 (Commodities at fair value through profit or loss) to the financial statements*

| The key audit matter | How the matter was addressed in our audit |
|---|---|
| Due to the size of the portfolio and the fact that the commodities are the main asset owned by the Company, the existence of the commodities at fair value through profit or loss was identified as a key audit matter which had a significant effect on our overall audit strategy and allocation of resources in planning and completing our audit. | Our procedures over the existence of the Company's commodities included, but were not limited to:<br>– Obtaining an independent third-party confirmation directly from the custodian, JP Morgan Chase Bank, N.A. and agreed the confirmation to the quantity of commodities held at year end.<br>Based on the audit procedures performed, we found that the existence of commodities at fair value through profit or loss was not materially misstated. |

**Our application of materiality and an overview of the scope of our audit**

Materiality for the financial statements as a whole was set at $156m (2021: $147m), determined with reference to a benchmark of Company's total assets (of which it represents 100 basis points as at 31 December 2022 (2021: 100 basis points).

In applying our judgement in determining the most appropriate benchmark, the factors, which had the most significant impact were:

- our understanding/view that one of the principal considerations for investors in assessing the financial performance is Company's assets; and
- the stability of the Company, resulting from its nature, where the Company is in its life cycle and the industry and economic activity in which the Company operates.

In applying our judgement in determining the percentage to be applied to the benchmark, the following qualitative factors, had the most significant impact, increasing our assessment of materiality:

- the Company's ownership structure and the way in which the entity is financed;
- the limited amount of external debt on the Company's balance sheet; and
- the stability of the business environment in which it operates.

We applied Company materiality to assist us determine the overall audit strategy.

Performance materiality was set at 75% (2021: 75%) of materiality for the financial statements as a whole, which equates to $117m (2021: $110m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

In applying our judgement in determining performance materiality, the following factors were considered to have the most significant impact on our assessment of performance materiality:

- entity level control deficiencies, such as in the control environment;
- the number and severity of deficiencies in control activities, including those that may be pervasive;
- turnover of senior management or key financial reporting personnel;
- the number and/or value of detected misstatements;
- the value of uncorrected misstatements, including the cumulative current period effect of immaterial prior period uncorrected misstatements; and
- management's attitude towards correcting misstatements.

We applied Company performance materiality to assist us determine what risks were significant risks for the Company.

We reported to the Board of Directors any corrected or uncorrected identified misstatements exceeding 5 (2021: 5) basis points of the Company's total asset value, in addition to other identified misstatements that warranted reporting on qualitative grounds.

In planning the audit, we applied materiality and performance materiality to assist in determining what risks were significant risks, including those set out above, and to determine the nature, timing and extent of our audit response. Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Dublin.

**Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and directors' responsibilities statement. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

**Corporate governance statement**

As required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 7 to 9, that:

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process is consistent with the financial statements and has been prepared in accordance with the Act;
- the Company is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 and therefore is not required to include information relating to voting rights and other matters required by those Regulations and specified by the Companies Act 2014 for our consideration in the Corporate Governance Statement; and
- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information.

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

**Our opinions on other matters prescribed by the Companies Act 2014 are unmodified**

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

**We have nothing to report on other matters on which we are required to report by exception**

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**Respective responsibilities and restrictions on use**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at

https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

**The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

25 April 2023

Maria Flannery
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

# Financial Statements of the Company
## Annual Report and audited Financial Statements for the year ended 31 December 2022

### Statement of comprehensive income

| For the financial year ended 31 December 2022 | Notes | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|---|
| Net changes in fair value of Commodities at fair value through profit or loss | 4 | (301,570,712) | (647,384,627) |
| Net changes in fair value of financial liabilities designated at fair value through profit or loss | 5 | 353,579,790 | 684,747,565 |
| Net changes in fair value of foreign exchange derivatives | 6 | (32,430,287) | (16,532,040) |
| Other expenses | 7 | (19,585,758) | (20,836,871) |
| Other income | 8 | 7,467 | 6,473 |
| **Profit before taxation** | | **500** | **500** |
| Tax on profit | 9 | (224) | (125) |
| **Profit for the financial year** | | **276** | **375** |

All items dealt with in arriving at the profit for the financial year ended 31 December 2022 related to continuing operations.

The Company had no recognised gains or losses in the financial year other than those dealt with in the Statement of comprehensive income.

The financial statements on pages 17 to 43 were approved on behalf of the board by:

**Eimir McGrath**
**Director**

**Janina Luciano**
**Director**

**Date:** 25 April 2023

The accompanying notes to the financial statements on pages 21 to 43 form an integral part of these financial statements.

## Statement of financial position

| As at 31 December 2022 | Notes | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 10 | 228,792 | 227,863 |
| Amounts receivable on ETC securities awaiting settlement | 12 | 2,978,866 | - |
| Other receivables | 11 | 54,863 | 55,181 |
| Derivative financial instruments | 14 | - | 87,851 |
| Commodities at fair value through profit or loss | 15 | 15,631,219,419 | 14,693,557,380 |
| **Total assets** | | **15,634,481,940** | **14,693,928,275** |
| | | | |
| **Liabilities and equity** | | | |
| **Current liabilities** | | | |
| Amounts payable on ETC securities awaiting settlement | 18 | 10,948,404 | - |
| Other payables | 17 | 1,719,039 | 1,741,187 |
| Derivative financial instruments | 14 | 1,543,204 | 141,880 |
| Financial liabilities designated at fair value through profit or loss | 16 | 15,620,210,630 | 14,691,984,821 |
| **Total liabilities** | | **15,634,421,277** | **14,693,867,888** |
| | | | |
| **Shareholder's Funds - Equity** | | | |
| Called up share capital presented as equity | 19 | 55,512 | 55,512 |
| Revenue reserves | | 5,151 | 4,875 |
| **Total equity** | | **60,663** | **60,387** |
| **Total liabilities and equity** | | **15,634,481,940** | **14,693,928,275** |

The financial statements on pages 17 to 43 were approved on behalf of the board by:

**Eimir McGrath**
**Director**

**Date:** 25 April 2023

**Janina Luciano**
**Director**

**Date:** 25 April 2023

The accompanying notes to the financial statements on pages 21 to 43 form an integral part of these financial statements.

# Annual Report and audited Financial Statements for the year ended 31 December 2022

**Statement of changes in equity**

| For the financial year ended 31 December 2022 | Share capital USD | Revenue reserves USD | Total equity USD |
|---|---|---|---|
| **Balance as at 1 January 2021** | **55,512** | **4,500** | **60,012** |
| *Profit for the financial year* | - | 375 | 375 |
| **Balance as at 31 December 2021** | **55,512** | **4,875** | **60,387** |
| | | | |
| **Balance as at 1 January 2022** | **55,512** | **4,875** | **60,387** |
| *Profit for the financial year* | - | 276 | 276 |
| **Balance as at 31 December 2022** | **55,512** | **5,151** | **60,663** |

The accompanying notes to the financial statements on pages 21 to 43 form an integral part of these financial statements.

# Annual Report and audited Financial Statements for the year ended 31 December 2022

### Statement of cash flows

| For the financial year ended 31 December 2022 | Notes | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before taxation | | 500 | 500 |
| *Adjustments for:* | | | |
| Decrease/(Increase) in other receivables | | 318 | (5,628) |
| Decrease in other payables | | (22,372) | (320,076) |
| Foreign exchange loss | 7 | 441 | 426 |
| Net changes in fair value of commodities at fair value through profit or loss | 4 | 301,570,712 | 647,384,627 |
| Net changes in fair value of financial liabilities designated at fair value through profit or loss | 5 | (353,579,790) | (684,747,565) |
| Net changes in fair value of foreign exchange derivatives | 6 | 32,430,287 | 16,532,040 |
| Proceeds from disposal of commodities at fair value through profit or loss | 15 | 19,601,274 | 21,150,743 |
| **Net cash generated from/(used in) operating activities** | | **1,370** | **(4,933)** |
| **Net increase/(decrease) in cash and cash equivalents** | | **1,370** | **(4,933)** |
| Cash and cash equivalents at start of the financial year | | 227,863 | 233,222 |
| Effect of movements in exchange rates on cash held | 7 | (441) | (426) |
| **Cash and cash equivalents at end of the financial year** | **10** | **228,792** | **227,863** |

Below are the non-cash transactions in relation to foreign exchange derivatives, Commodities and financial liabilities which are disclosed in notes 14, 15 and 16 respectively.

| | | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|---|
| *Non-cash transactions during the year include:* | | | |
| Issuance of financial liabilities designated at fair value through profit or loss | 16 | 7,397,906,756 | 5,266,189,511 |
| Redemption of financial liabilities designated at fair value through profit or loss | 16 | (6,116,101,157) | (4,196,991,028) |
| Purchase of Commodities at fair value through profit or loss | 15 | (7,576,027,175) | (5,322,763,404) |
| Disposal of Commodities at fair value through profit or loss | 15 | 6,317,193,150 | 4,269,655,531 |
| Settlement of foreign exchange derivatives | 14 | (30,941,112) | (16,090,610) |
| Amounts receivable on ETC securities awaiting settlement | 12 | (2,978,866) | - |
| Amounts payable on ETC securities awaiting settlement | 18 | 10,948,404 | - |
| | | - | - |

The accompanying notes to the financial statements on pages 21 to 43 form an integral part of these financial statements.

## Notes to the financial statements

### 1. General information

The Company is a public limited company, incorporated on 26 May 2009 in Ireland under the Act and has established the Programme pursuant to which the Company may, from time to time, issue Certificates on the terms set out in the prospectus and final terms in respect of the relevant Certificates. The aggregate number of Certificates outstanding under the Programme will not at any time exceed 1,000,000,000 provided that the Company may increase such limit from time to time (subject to compliance with the relevant transaction documents). The Certificates of each series issued under the Programme will be in registered form and will be represented by a global certificate deposited with a common depositary for, and registered in the name of a common nominee of Euroclear and/or Clearstream, Luxembourg.

The Company has invested in Gold, Silver, Platinum and Palladium (the "Commodities").

Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates are currency hedged certificates (the "Currency Hedged Certificates"). The Currency Hedged Certificates are certificates where the specified currency is a currency other than the Commodity Currency. The Currency Hedged Series incorporate a foreign exchange hedging mechanism to hedge Certificate holders' exposure to fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. The Series 5 - Secured Gold-Linked EUR Hedged Certificates and the Series 6 - Secured Gold-Linked GPB Hedged Certificates are subject to a foreign exchange hedge. The foreign exchange hedge is effected by reflecting the effect of a notional forward sale of the Commodity Currency and purchase of the currency in which the Currency Hedged Certificates are denominated.

The Company has no employees.

Series 1 - Secured Gold-Linked Certificates are listed on Euronext Dublin, Swiss Stock Exchange (SIX), main market of the London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra). Series 2 - Secured Silver-Linked Certificates, Series 3 - Secured Platinum-Linked Certificates, Series 4 - Secured Palladium-Linked Certificates are listed on the main market of the London Stock Exchange and Euronext Dublin and Series 5 - Secured Gold-Linked EUR Hedged Certificates are listed on Xetra and Series 6 - Secured Gold-Linked GBP Hedged Certificates are listed on the main market of the London Stock Exchange.

### 2. Basis of preparation

#### (a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and its interpretations as adopted by the EU and in accordance with the Act.

The accounting policies set out below have been applied in preparing the financial statements for the financial year ended 31 December 2022; the comparative information for the financial year ended 31 December 2021 presented in these financial statements has been prepared on a consistent basis.

These financial statements have been prepared on a going concern basis as defined in the Directors' report.

The Directors have taken into consideration all the available relevant information in relation to the Company's ability to continue as going concern. The response to the impact of COVID-19 is set out in the Directors' report. Post the financial year end, the prices of the Commodities and the level of activity have increased. The Administrator has taken measures to ensure business continuity. As a consequence, the Directors have a reasonable expectation that the Company has sufficient viability to continue in operational existence for the foreseeable future, being at least 12 months subsequent to the approval of the financial statements for the year ended 31 December 2022. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### (b) Changes in accounting policies

***Standards and amendments to existing standards effective 1 January 2022***

The Directors have considered the below new standards effective 1 January 2022:

| Standards/interpretations | Effective date |
|---|---|
| Amendments to IFRS 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021 | 1 April 2021 |
| Annual Improvements to IFRS Standards 2018–2020 (subsidiary as a first-time adopter) | 1 January 2022 |
| Amendments to IFRS 3 Business Combinations | 1 January 2022 |
| Amendments to IAS 16 Property, Plant and Equipment: Proceeds before intended use | 1 January 2022 |
| IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Amendments regarding the costs to include when assessing whether a contract is onerous | 1 January 2022 |

None of the above standards, amendments and interpretations had a significant impact on the Company's financial statements.

## 2. Basis of preparation (continued)

**(b) Changes in accounting policies (continued)**
***New standards, amendments and interpretations effective after 1 January 2022 and have not been early adopted***

| Description | Effective date * |
|---|---|
| IFRS 17: Insurance contracts | 1 January 2023* |
| Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies | 1 January 2023* |
| Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date | 1 January 2023* |
| Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates | 1 January 2023* |
| Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023* |
| Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information | 1 January 2023* |
| Amendments to IFRS 16 Leases: Lease liability in a Sale and Leaseback (issued 22 September 2022) | 1 January 2024** |
| Amendments to IAS 1 Presentation of Financial Statements: Non-current liabilities with Convenants (issued on 31 October 2022) | 1 January 2024** |

*Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the requirements are applicable to the Company, it will apply them from their EU effective date.
** Not endorsed.

The Company has not adopted any other new standards or interpretations that are not mandatory. The Directors anticipate that the adoption of those standards or interpretations will have no material impact on the financial statements of the Company in the period of initial application.

**(c) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following:

- Commodities at fair value through profit or loss are measured at fair value;
- Financial liabilities designated at fair value through profit or loss are measured at fair value; and
- Derivative financial instruments are measured at fair value.

The methods used to measure fair values are discussed further in note 3(b) and 3(c).

**(d) Functional and presentation currency**

The financial statements are presented in US Dollars ("USD") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The financial liabilities designated at fair value through profit or loss are primarily denominated in USD. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying transactions, events and conditions.

**(e) Use of estimates and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies which are detailed under note 3 and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

*Critical judgements in applying the Company's accounting policies*
The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

## 2. Basis of preparation (continued)

### (e) Use of estimates and judgements (continued)

*Determination of Commodities at fair value through profit or loss*
Under IFRS there is no standard treatment for the classification of commodities. The Commodities are held to provide the Certificate holders with the exposure to changes in the fair value of Commodities and therefore the Directors consider that carrying the Commodities at fair value through profit or loss, consistent with the treatment that would be applicable to a financial instrument, reflects the objectives and the purpose of holding this asset.

The Directors believe that the most appropriate basis for accounting of Commodities is at fair value using the prices quoted by the London Bullion Market Association.

*Determining fair values*

The determination of fair value for financial assets and liabilities is described in accounting policy note 3(b) "Commodities" and 3(c) "Financial Instruments". For Commodities that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific commodity.

*Determination of derivative financial instruments*
The Directors believe that the most appropriate basis for accounting for derivative financial instruments are at fair value based on the below valuation technique.

*Determination of fair value of financial liabilities issued at fair value through profit or loss*
The financial liabilities designated at fair value through profit or loss are measured using the price of the Certificates determined by reference to the quoted prices on the relevant stock exchange. Please refer to note 3(c) "Financial instruments" for further details.

### *Key sources of estimation uncertainty*
The Company's financial instruments and Commodities are classified as Level 1 and Level 2 and hence there are no significant key sources of estimation uncertainty.

### *Fair value measurements and valuation processes*
*Commodities at fair value through profit or loss*
The fair value of the Commodities are calculated by multiplying the Commodities balance at year end with the prices quoted by the London Bullion Market Association at year end. Further details have been described in accounting policy in notes 3(b) and 22.

*Derivative financial instruments*
The fair value of open foreign exchange derivatives is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the valuation date. The unrealised gain or loss on open foreign exchange derivatives is calculated by reference to the difference between the contracted rate and the rate to close out the contract as at the year-end date.

Realised gains or losses, which are recognised on the maturity of a contract, include net gains on contracts which have been settled or offset by other contracts and is settled in the relevant Commodities. Realised gains or losses and changes in unrealised gains or losses are recognised in the Statement of Comprehensive Income. Unrealised gains and losses are included in the Statement of Financial Position.

*Financial liabilities at fair value through profit or loss*
The best approach to value the Certificates is the prices quoted on the relevant stock exchange market. Please refer to note 3(c) "Financial instruments" for further details.

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### (a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the Statement of comprehensive income.

## 3. Significant accounting policies (continued)

### (b) Commodities

The Company holds Commodities at least equal to the amount due to holders of Certificates solely for the purpose of meeting its obligations under the Certificates subject to the limited recourse nature of the Certificates.

The Commodities are measured at fair value and changes in fair value are recognised in the Statement of Comprehensive Income. Any costs in connection with the sale of Commodities that arise in the course of settling the Company's obligations under the Certificates are borne by the holders of the Certificates.

*Initial recognition*
Commodities at fair value through profit or loss are recognised initially at the trade date when the Company becomes a party to its contractual provisions.

*Derecognition*
The Company derecognises Commodities at fair value through profit or loss when the contractual rights from the asset have expired, or the Company has transferred the rights in a transaction in which substantially all the risks and rewards of ownership are transferred.

*Valuation of Commodities at fair value through profit or loss*
Gold is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Gold price AM on 30 December 2022 was used to value the gold as this was the last fix price available from the London Bullion Market Association for the year.

Silver is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Silver price AM on 30 December 2022 was used to value the silver as this was the last fix price available from the London Bullion Market Association for the year.

Platinum is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Platinum price AM on 30 December 2022 was used to value the platinum as this was the last available fix price available from the London Bullion Market Association for the year.

Palladium is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Palladium price AM on 30 December 2022 was used to value the palladium as this was the last available fix price available from the London Bullion Market Association for the year.

### (c) Financial instruments

*Initial recognition*
All financial assets and all financial liabilities (including financial liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company issues Certificates to provide investors with exposure to the performance of the various Commodities. The Certificates are backed by fully allocated physical holdings of the relevant Commodity. A certificate is issued or redeemed when a corresponding amount of Commodity has transferred into or from the allocated accounts maintained by the Custodian.

*Classification*
The Company has classified financial assets and financial liabilities into the following categories:
Financial assets and liabilities at fair value through profit or loss:
- Financial liabilities designated at fair value through profit or loss
- Derivative financial instruments

Financial assets at amortised cost:
- Cash and cash equivalents and other receivables

Financial liabilities at amortised cost:
- Other payables

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method or any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

*Classification and measurement of Certificates*
The Company designates the Certificates issued as financial liabilities at fair value through profit or loss both on initial recognition and on an ongoing basis as a result of the embedded derivatives on the commodities and the foreign exchange derivatives.

*Derecognition*
The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

*Offsetting*
Financial assets and liabilities are offset and the net amount presented in the Statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

*Subsequent measurement*
After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial instruments designated at fair value through profit or loss are recognised directly in the profit or loss in the Statement of comprehensive income. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 3. Significant accounting policies (continued)

#### (c) Financial instruments (continued)

The price of the Certificates is determined by the prices quoted on the relevant stock exchange market. Changes in the fair value of the Certificates are recognised in the Statement of comprehensive income. The Certificates have been designated as at fair value through profit or loss with gains or losses being recognised in the Statement of comprehensive income.

*Derivative financial instruments*
The Currency Hedged Certificates incorporate a foreign exchange hedging mechanism to hedge fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. This is achieved by reflecting the effect of a notional forward sale of the currency the Commodities are traded and purchase of the currency in which the Currency Hedged Certificates are denominated.

The hedging mechanism may result in gains or losses. Such gains or losses will be reflected in the Per Certificate Entitlement and will therefore impact the value per Currency Hedged Certificate. The Company and the Currency Hedged Certificates Counterparty entered into a hedging arrangement pursuant to which the Company will agree to transfer underlying Commodities to and from the Currency Hedged Certificates Counterparty to reflect foreign exchange rate hedging gains and losses.

Derivative financial instruments include all derivative assets and liabilities that are used to economically hedge or create an appropriate risk exposure. Derivatives are not formally designated into a qualifying hedge relationship and therefore all changes in their fair value are recognised immediately in the Statement of comprehensive income. The only derivatives the Company has entered into is the foreign exchange hedging on the Currency Hedged Series. The Company will also be exposed to some risks by entering into foreign exchange hedging.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in the Statement of comprehensive income immediately. A derivative financial instrument with a positive fair value is recognised as a derivative financial asset and a derivative with a negative fair value is recognised as a derivative financial liability.

Under IFRS 9, the derivative financial assets and liabilities are measured at fair value through profit or loss.

*Amounts receivable/(payable) on ETC Securities awaiting settlement*
Amounts receivable/(payable) on ETC Securities awaiting settlement are the ETC Securities that settle post year end in metal and are held at amortised cost.

#### (d) Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments. The cash and cash equivalents are held in segregated accounts with the respective banks.

Cash and cash equivalents are carried at amortised cost in the Statement of financial position.

#### (e) Share capital

Share capital is issued in Euro ("EUR").

#### (f) Net changes in fair value of Commodities at fair value through profit or loss

Net changes in fair value of Commodities at fair value through profit or loss relates to movement in prices of Commodities and includes all realised and unrealised fair value changes. The realised gain or loss arising from the disposal of the Commodities during the financial year are calculated by subtracting the proceeds from the disposal of the Commodities with the original cost of the Commodities.

#### (g) Net changes in fair value of financial liabilities designated at fair value through profit or loss

Net changes in fair value of financial liabilities designated at fair value through profit or loss relates to Certificates issued and includes all realised and unrealised fair value changes and foreign exchange differences arising on the Currency Hedged Series.

#### (h) Net changes in fair value of foreign exchange derivatives

Net change in fair value of foreign exchange derivatives relates to the net transfer of Commodities to or from the Currency Hedged Certificates Counterparty as a result of foreign exchange rate hedging gains or losses on the Currency Hedged Series during the financial year.

#### (i) Other income and expenses

All income and expenses are accounted for on an accrual basis.

The arranger fees relate to the fees paid to the Arranger in consideration for its services and also its agreement to pay the fees and expenses due to the other service providers in connection with the Programme. The fees are calculated using a reduction percentage applied to the Commodities over the period. The arranger fees are paid on a monthly basis in cash through the disposal of Commodities. The reduction percentage for each Series are detailed in note 7.

#### (j) Tax on profit

Tax on profit is recognised in the Statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity consistent with the accounting for the item to which it is related.

## 3. Significant accounting policies (continued)

### (j) Tax on profit (continued)

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted at the reporting date, and adjustment to tax payable in respect of previous years.

### (k) Segmental reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Chief Operating Decision Maker (CODM) of the operating segment is the Board. The CODM is responsible for all the Company's activities. The Company is a special purpose vehicle whose principal activities are the issuance of Certificates and has invested in Commodities. The Board believes that each Series can be treated as a segment as the return on each Series is linked to a different Commodity. Refer to note 13 for further details.

## 4. Net changes in fair value of Commodities at fair value through profit or loss

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| Net fair value loss on Commodities at fair value through profit or loss | (301,570,712) | (647,384,627) |
| | **(301,570,712)** | **(647,384,627)** |

## 5. Net changes in fair value of financial liabilities designated at fair value through profit or loss

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| Net fair value gain on financial liabilities designated at fair value through profit or loss | 353,579,790 | 684,747,565 |
| | **353,579,790** | **684,747,565** |

## 6. Net changes in fair value of foreign exchange derivatives

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| Net loss on foreign exchange derivatives | (32,430,287) | (16,532,040) |
| | **(32,430,287)** | **(16,532,040)** |

## 7. Other expenses

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| Arranger fees* | (19,578,791) | (20,830,898) |
| Bank charges | (6,526) | (5,547) |
| Foreign exchange loss on cash | (441) | (426) |
| | **(19,585,758)** | **(20,836,871)** |

*The arranger fees relate to the fees paid to the Arranger in consideration for its services and also its agreement to pay the fees and expenses due to the other service providers in connection with the Programme. The fees are calculated using a reduction percentage applied to the Commodities over the period. The arranger fees are paid on a monthly basis in cash through the disposal of Commodities. The reduction percentage for each Series are detailed below:

| Series | Commodity | Financial year ended 31 December 2022 | Financial year ended 31 December 2021 | Financial year ended 31 December 2022 | Financial year ended 31 December 2021 |
|---|---|---|---|---|---|
| Series 1 | Gold (Effective from 7 August 2020 until 19 November 2021) | | | - | 0.15% |
| Series 1 | Gold (Effective from 19 November 2021) | 17,948,517 | 19,421,966 | 0.12% | 0.12% |
| Series 2 | Silver (Effective until 3 March 2021) | | | - | 0.39% |
| Series 2 | Silver (Effective from 3 March 2021) | 457,317 | 487,933 | 0.19% | 0.19% |
| Series 3 | Platinum (Effective until 3 March 2021) | | | - | 0.39% |
| Series 3 | Platinum (Effective from 3 March 2021 | 83,814 | 72,349 | 0.19% | 0.19% |

## 7. Other expenses (continued)

| Series | Commodity | Financial year ended 31 December 2022 | Financial year ended 31 December 2021 | Financial year ended 31 December 2022 | Financial year ended 31 December 2021 |
|---|---|---|---|---|---|
| Series 4 | Palladium (Effective until 3 March 2021) | | | - | 0.39% |
| Series 4 | Palladium (Effective from 3 March 2021) | 77,376 | 143,651 | 0.19% | 0.19% |
| Series 5 | Gold EUR Hedged (Effective until 3 March 2021) | | | - | 0.44% |
| Series 5 | Gold EUR Hedged (Effective from 3 March 2021) | 830,043 | 571,339 | 0.34% | 0.34% |
| Series 6 | Gold GBP Hedged (Effective until 3 March 2021) | | | - | 0.44% |
| Series 6 | Gold GBP Hedged (Effective from 3 March 2021) | 181,724 | 133,660 | 0.34% | 0.34% |
| | | **19,578,791** | **20,830,898** | | |

## 8. Other income

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| Other income | 6,967 | 5,973 |
| Corporate benefit | 500 | 500 |
| | **7,467** | **6,473** |

## 9. Tax on profit

| | Financial year ended 31 December 2022 USD | Financial year ended 31 December 2021 USD |
|---|---|---|
| **Profit before tax** | **500** | **500** |
| Current tax at standard rate of 25% | (125) | (125) |
| Close Company Surcharge | (99) | - |
| **Current tax charge** | **(224)** | **(125)** |

The Company is charged to corporation tax at a rate of 25% (31 December 2021: 25%). The Company will continue to be taxed at 25% in accordance with Section 110 of the Taxes Consolidation Act 1997 (as amended).

The close company surcharge applies to certain undistributed income of close companies and surcharges may apply where income is not distributed within 18 months from the end of the accounting period in which the income arose. As at 31 December 2022, the Company is charged to close company surcharge tax USD 99 (31 December 2021:Nil).

## 10. Cash and cash equivalents

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| J.P. Morgan Chase Bank, N.A., London Branch | 228,792 | 227,863 |
| Cash at bank | 228,792 | 227,863 |
| **Total cash and cash equivalents** | **228,792** | **227,863** |

As at 31 December 2022 and 31 December 2021, cash at bank balances are held with JP Morgan.

## 11. Other receivables

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| Other income receivable | 53,363 | 54,181 |
| Corporate benefit receivable | 1,500 | 1,000 |
| | **54,863** | **55,181** |

## 12. Amounts receivable on ETC securities awaiting settlement

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| Amounts receivable on ETC securities awaiting settlement | 2,978,866 | - |
| | **2,978,866** | **-** |

## 13. Segmental reporting

The split of Commodities at fair value through profit or loss and financial liabilities designated at fair value through profit or loss by Series is shown in notes 15 and 16 to the financial statements respectively. All of the Commodities at fair value through profit or loss consist of physical Commodity holdings. Details of the fair value movement by Series and the year end unit price by Series are included in note 16 which are the key measures of performance for each Series. Cash and cash equivalents, other receivables and other payables at the reporting dates have not been split by Series.

Each Series is structured to generate fair value gains on the Certificates which are linked to the return on the respective underlying metals in accordance with the Base Prospectus. The listing details of the Company's Series are available in the principal activities section of the Directors' report. The Company has no assets classified as non-current assets.

There were no changes to the reportable segments during the financial year. There were no transactions between reportable segments during the financial year.

The Company does not have any customers that represent more than 10% of the holdings.

The below table provide the breakdown of the profit and loss figures per Certificate and Company for the year ended 31 December 2022 related to the Series:

| Series | Other Income | Net changes in fair value of Commodities at fair value through profit or loss | Net changes in fair value of financial liabilities designated at fair value through profit or loss | Net changes in fair value of foreign exchange derivatives | Other Expenses | Total |
|---|---|---|---|---|---|---|
| Series 1 | 1,244 | (304,013,616) | 321,962,136 | - | (17,949,679) | 85 |
| Series 2 | 1,244 | 6,918,505 | (6,461,191) | - | (458,478) | 80 |
| Series 3 | 1,244 | 3,763,481 | (3,679,664) | - | (84,975) | 86 |
| Series 4 | 1,245 | (5,835,925) | 5,913,295 | - | (78,537) | 78 |
| Series 5 | 1,245 | (340,628) | 25,866,008 | (24,695,335) | (831,204) | 86 |
| Series 6 | 1,245 | (2,062,529) | 9,979,206 | (7,734,952) | (182,885) | 85 |
| | **7,467** | **(301,570,712)** | **353,579,790** | **(32,430,287)** | **(19,585,758)** | **500** |

The below table provide the breakdown of the profit and loss figures per Certificate and Company for the year ended 31 December 2021 related to the Series:

| Series | Other Income | Net changes in fair value of Commodities at fair value through profit or loss | Net changes in fair value of financial liabilities designated at fair value through profit or loss | Net changes in fair value of foreign exchange derivatives | Other Expenses | Total |
|---|---|---|---|---|---|---|
| Series 1 | 1,079 | (578,696,175) | 598,118,141 | - | (19,422,962) | 83 |
| Series 2 | 1,079 | (31,310,655) | 31,798,590 | - | (488,929) | 85 |
| Series 3 | 1,079 | (7,642,223) | 7,714,572 | - | (73,345) | 83 |
| Series 4 | 1,079 | (16,524,928) | 16,668,577 | - | (144,646) | 82 |
| Series 5 | 1,079 | (11,362,116) | 27,993,339 | (16,059,884) | (572,334) | 84 |
| Series 6 | 1,078 | (1,848,530) | 2,454,346 | (472,156) | (134,655) | 83 |
| | **6,473** | **(647,384,627)** | **684,747,565** | **(16,532,040)** | **(20,836,871)** | **500** |

## 14. Derivative financial instruments

Movement in derivative financial instruments

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| At start of financial year | (54,029) | 387,401 |
| Settlements during the financial year | 30,941,112 | 16,090,610 |
| Fair value changes on movement on foreign exchange hedge | (32,430,287) | (16,532,040) |
| **At end of financial year** | **(1,543,204)** | **(54,029)** |

The table above relates to the fair value of the derivative financial instruments as at the financial year end.

| Series | Buy | Currency Buy | Sell | Currency Sell | Fair Value 31 December 2022 USD | Fair Value 31 December 2021 USD |
|---|---|---|---|---|---|---|
| Series 5 | 513,477,489 | EUR | 547,289,981 | USD | (1,142,641) | (141,880) |
| Series 6 | 51,147,611 | GBP | 61,939,757 | USD | (400,563) | 87,851 |
| | | | | | **(1,543,204)** | **(54,029)** |

The Company has entered into a hedging agreement for the Currency Hedged Certificates pursuant to which the Company will hedge its exposure to fluctuations in the exchange rate between the currency in which that Series is denominated and the currency in which the relevant underlying Commodity is typically quoted. The rationale behind entering into these instruments is to provide an asset risk profile which is suited to the needs of the investors (Certificate holders) and mitigate its exposure to market risk (currency risk) within the Company. The Company has entered into foreign exchange hedging agreement to hedge its exposure to in respect of Series 5 and Series 6.

## 15. Commodities at fair value through profit or loss

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| **Commodities** | **15,631,219,419** | **14,693,557,380** |
| | | |
| At start of financial year | 14,693,557,380 | 14,308,984,877 |
| *Cash transactions* | | |
| Disposals during the financial year | (19,601,274) | (21,150,743) |
| *Non-cash transactions* | | |
| Additions during the financial year | 7,576,027,175 | 5,322,763,404 |
| Disposals during the financial year | (6,317,193,150) | (4,269,655,531) |
| Net change fair value movement during the financial year | (301,570,712) | (647,384,627) |
| At end of financial year | 15,631,219,419 | 14,693,557,380 |

## 15. Commodities at fair value through profit or loss (continued)

| Series | Commodity | Price per ounce 31 December 2022 | Ounce outstanding 31 December 2022 | Fair value 31 December 2022 USD |
|---|---|---|---|---|
| Series 1 | Gold | 1,812.35 | 8,102,224 | 14,684,065,436 |
| Series 2 | Silver | 23.95 | 11,343,888 | 271,629,409 |
| Series 3 | Platinum | 1,065.00 | 39,187 | 41,734,498 |
| Series 4 | Palladium | 1,788.00 | 11,496 | 20,554,554 |
| Series 5 | Gold EUR Hedged | 1,812.35 | 303,555 | 550,946,158 |
| Series 6 | Gold GBP Hedged | 1,812.35 | 34,357 | 62,289,364 |
| | | | **19,834,707** | **15,631,219,419** |

| Series | Commodity | Price per ounce 31 December 2021 | Ounce outstanding 31 December 2021 | Fair value 31 December 2021 USD |
|---|---|---|---|---|
| Series 1 | Gold | 1,820.10 | 7,816,410 | 14,226,648,594 |
| Series 2 | Silver | 23.09 | 10,130,205 | 233,855,774 |
| Series 3 | Platinum | 962.00 | 52,702 | 50,699,529 |
| Series 4 | Palladium | 1,928.00 | 27,430 | 52,884,136 |
| Series 5 | Gold EUR Hedged | 1,820.10 | 51,334 | 92,988,870 |
| Series 6 | Gold GBP Hedged | 1,820.10 | 20,174 | 36,480,477 |
| | | | **18,098,255** | **14,693,557,380** |

| Series Name | Description | Opening Balance Ounce | Metal contributed Ounce | Metal distributed Ounce | Metal at 31 December 2022 Ounce | Fair Value USD 31 December 2022 |
|---|---|---|---|---|---|---|
| Series 1 | Gold | 7,816,410 | 3,453,593 | (3,167,779) | 8,102,224 | 14,684,065,436 |
| Series 2 | Silver | 10,130,205 | 5,909,442 | (4,695,759) | 11,343,888 | 271,629,409 |
| Series 3 | Platinum | 52,702 | 34,874 | (48,389) | 39,187 | 41,734,498 |
| Series 4 | Palladium | 27,430 | 25,874 | (41,808) | 11,496 | 20,554,554 |
| Series 5 | Gold EUR Hedged | 51,334 | 424,006 | (171,785) | 303,555 | 550,946,158 |
| Series 6 | Gold GBP Hedged | 20,174 | 59,573 | (45,390) | 34,357 | 62,289,364 |
| | | **18,098,255** | **9,907,362** | **(8,170,910)** | **19,834,707** | **15,631,219,419** |

| Series Name | Description | Opening Balance Ounce | Metal contributed Ounce | Metal distributed Ounce | Metal at 31 December 2021 Ounce | Fair Value USD 31 December 2021 |
|---|---|---|---|---|---|---|
| Series 1 | Gold | 7,403,518 | 2,627,628 | (2,214,736) | 7,816,410 | 14,226,648,594 |
| Series 2 | Silver | 6,143,022 | 5,706,620 | (1,719,437) | 10,130,205 | 233,855,774 |
| Series 3 | Platinum | 15,956 | 62,335 | (25,589) | 52,702 | 50,699,529 |
| Series 4 | Palladium | 14,225 | 23,498 | (10,293) | 27,430 | 52,884,136 |
| Series 5 | Gold EUR Hedged | 31,087 | 151,541 | (131,294) | 51,334 | 92,988,870 |
| Series 6 | Gold GBP Hedged | 19,069 | 13,018 | (11,913) | 20,174 | 36,480,477 |
| | | **13,626,877** | **8,584,640** | **(4,113,262)** | **18,098,255** | **14,693,557,380** |

The Commodities are secured in favour of Intertrust Trustees Limited for the benefit of itself and the Certificate holders. The non-cash transactions relate to physical delivery of Commodities against delivery of Certificates.

The Commodities have upon initial recognition been measured at fair value through profit or loss. The Commodities are held as collateral for Certificates issued by the Company which are detailed under note 15.

The carrying value of the assets and the other financial assets of the Company represent their maximum exposure to the credit risk. Refer to note 22 for credit risk and currency risk disclosures relating to the holding of Commodities.

**16. Financial liabilities designated at fair value through profit or loss**

| | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| **Secured Commodities-Linked Certificates** | **15,620,210,630** | **14,691,984,821** |
| At start of financial year | 14,691,984,821 | 14,307,533,903 |
| *Non-cash transactions* | | |
| Issued during the financial year | 7,397,906,756 | 5,266,189,511 |
| Redemptions during the financial year | (6,116,101,157) | (4,196,991,028) |
| Net change fair value movement during the financial year | (353,579,790) | (684,747,565) |
| At end of the financial year | 15,620,210,630 | 14,691,984,821 |

The non-cash transactions relate to physical delivery of Commodities to meet the redemption requests on notes or as payment for subscriptions.

As at 31 December 2022, the outstanding units and the NAV for the Secured Commodities-Linked Certificates are as follows:

| Series name | Units Outstanding 31 December 2022 | NAV per unit Local CCY 31 December 2022 | NAV per unit USD 31 December 2022 | Fair value USD 31 December 2022 |
|---|---|---|---|---|
| Series 1 - Secured Gold-Linked Certificates due 2100 | 83,838,775 | 175.092 | 175.092 | 14,679,466,750 |
| Series 2 - Secured Silver-Linked Certificates due 2100 | 11,830,262 | 22.957 | 22.957 | 271,587,441 |
| Series 3 - Secured Platinum-Linked Certificates due 2100 | 408,675 | 102.106 | 102.106 | 41,728,061 |
| Series 4 - Secured Palladium-Linked Certificates due 2100 | 119,888 | 171.423 | 171.423 | 20,551,504 |
| Series 5 - Secured Gold-Linked EUR Hedged Certificates due 2100 | 11,327,958 | 44.942 | 48.110 | 544,988,072 |
| Series 6 - Secured Gold-Linked GBP Hedged Certificates due 2100 | 1,246,700 | 41.084 | 49.642 | 61,888,801 |
| | **108,772,258** | | | **15,620,210,630** |

As at 31 December 2021, the outstanding units and the NAV for the Secured Commodities-Linked Certificates are as follows:

| Series name | Units Outstanding 31 December 2021 | NAV per unit Local CCY 31 December 2021 | NAV per unit USD 31 December 2021 | Fair value USD 31 December 2021 |
|---|---|---|---|---|
| Series 1 - Secured Gold-Linked Certificates due 2100 | 80,801,649 | 176.051 | 176.051 | 14,225,211,870 |
| Series 2 - Secured Silver-Linked Certificates due 2100 | 10,544,521 | 22.175 | 22.175 | 233,819,738 |
| Series 3 - Secured Platinum-Linked Certificates due 2100 | 548,575 | 92.406 | 92.406 | 50,691,498 |
| Series 4 - Secured Palladium-Linked Certificates due 2100 | 285,507 | 185.196 | 185.196 | 52,874,692 |
| Series 5 - Secured Gold-Linked EUR Hedged Certificates due 2100 | 1,760,258 | 46.380 | 52.734 | 92,826,025 |
| Series 6 - Secured Gold-Linked GBP Hedged Certificates due 2100 | 645,700 | 41.843 | 56.622 | 36,560,998 |
| | **94,586,210** | | | **14,691,984,821** |

## 16. Financial liabilities designated at fair value through profit or loss (continued)

The below table relates to the Per Certificate Entitlement for each Series.

| | Per Certificate Entitlement | |
|---|---|---|
| **Series name** | **31 December 2022** | **31 December 2021** |
| Series 1 - Secured Gold-Linked Certificates due 2100 | 0.0966 | 0.0967 |
| Series 2 - Secured Silver-Linked Certificates due 2100 | 0.9589 | 0.9607 |
| Series 3 - Secured Platinum-Linked Certificates due 2100 | 0.0959 | 0.0961 |
| Series 4 - Secured Palladium-Linked Certificates due 2100 | 0.0959 | 0.0961 |
| Series 5 - Secured Gold-Linked EUR Hedged Certificates due 2100 | 0.0265 | 0.0291 |
| Series 6 - Secured Gold-Linked GBP Hedged Certificates due 2100 | 0.0274 | 0.0313 |

Movement in fair values by Series for the year ended 31 December 2022:

| **Series** | **Description** | **Opening balance 01 January 2022** | **Issuances** | **Redemptions** | **Net changes in fair values** | **Closing balance 31 December 2022** |
|---|---|---|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates due 2100 | 14,225,211,870 | 6,468,355,651 | (5,692,138,635) | (321,959,692) | 14,679,469,194 |
| Series 2 | Secured Silver-Linked Certificates due 2100 | 233,819,738 | 136,370,487 | (105,063,975) | 6,461,191 | 271,587,441 |
| Series 3 | Secured Platinum-Linked Certificates due 2100 | 50,691,498 | 34,821,161 | (47,464,262) | 3,677,220 | 41,725,617 |
| Series 4 | Secured Palladium-Linked Certificates due 2100 | 52,874,692 | 64,160,828 | (90,570,721) | (5,913,295) | 20,551,504 |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates due 2100 | 92,826,025 | 621,912,519 | (143,884,463) | (25,866,009) | 544,988,072 |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates due 2100 | 36,560,998 | 72,286,110 | (36,979,101) | (9,979,206) | 61,888,801 |
| | | **14,691,984,821** | **7,397,906,756** | **(6,116,101,157)** | **(353,579,790)** | **15,620,210,630** |

Movement in fair values by Series for the year ended 31 December 2021:

| **Series** | **Description** | **Opening balance 01 January 2021** | **Issuances** | **Redemptions** | **Net changes in fair values** | **Closing balance 31 December 2021** |
|---|---|---|---|---|---|---|
| Series 1 | Secured Gold-Linked Certificates due 2100 | 13,999,024,251 | 4,748,576,921 | (3,924,271,161) | (598,118,141) | 14,225,211,870 |
| Series 2 | Secured Silver-Linked Certificates due 2100 | 162,644,213 | 146,083,913 | (43,109,798) | (31,798,590) | 233,819,738 |
| Series 3 | Secured Platinum-Linked Certificates due 2100 | 17,146,401 | 66,961,532 | (25,701,863) | (7,714,572) | 50,691,498 |
| Series 4 | Secured Palladium-Linked Certificates due 2100 | 33,702,099 | 54,890,357 | (19,049,187) | (16,668,577) | 52,874,692 |
| Series 5 | Secured Gold-Linked EUR Hedged Certificates due 2100 | 58,667,870 | 239,490,823 | (177,339,329) | (27,993,339) | 92,826,025 |
| Series 6 | Secured Gold-Linked GBP Hedged Certificates due 2100 | 36,349,069 | 10,185,965 | (7,519,690) | (2,454,346) | 36,560,998 |
| | | **14,307,533,903** | **5,266,189,511** | **(4,196,991,028)** | **(684,747,565)** | **14,691,984,821** |

## 16. Financial liabilities designated at fair value through profit or loss (continued)

| Maturity Analysis | 31 December 2022 USD | 31 December 2021 USD |
|---|---|---|
| Less than 1 year | 15,620,210,630 | 14,691,984,821 |
| | **15,620,210,630** | **14,691,984,821** |

The financial liabilities have been classified as having a maturity of less than 1 year as the Secured Commodities-Linked Certificates can be redeemed at the option of the Certificate holders. The final maturity date of the Secured Commodities-Linked Certificates is 31 December 2100.

In the event that the accumulated losses, amongst others due to market price of the Commodities being below or not sufficiently above initial market price or in the event the Commodities are lost, damaged, stolen or destroyed, prove not to be recoverable during the life of the Certificates issued, this will reduce the obligation to the holders of the Certificates issued by the Company.

The listing details of the Company's Series are available in the principal activities section of the Directors' report.

## 17. Other payables

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| | USD | USD |
| Fees payable to Arranger | 1,496,047 | 1,518,530 |
| Other payables | 222,992 | 222,657 |
| | **1,719,039** | **1,741,187** |

## 18. Amounts payable on ETC securities awaiting settlement

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| | USD | USD |
| Amounts payable on ETC securities awaiting settlement | 10,948,404 | - |
| | **10,948,404** | **-** |

## 19. Called up share capital presented as equity

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| ***Authorised:*** | EUR | EUR |
| 40,000 ordinary shares of EUR 1 each | 40,000 | 40,000 |
| ***Issued and fully paid up:*** | USD | USD |
| 40,000 ordinary shares of EUR 1 each | 55,512 | 55,512 |
| ***Presented as follows:*** | USD | USD |
| Called up share capital presented as equity | 55,512 | 55,512 |
| | EUR | EUR |
| Vistra Capital Markets (Ireland) Limited (formerly Vistra Capital Markets (Ireland) Limited) | 40,000 | 40,000 |
| | **40,000** | **40,000** |

## 20. Ownership of Company

The 40,000 issued shares are held by Vistra Trust Services (Ireland) Limited (formerly Vistra Capital Markets (Ireland) Limited) in trust for charitable purposes under the terms of declaration of trust.

A Board has been appointed to manage the day to day affairs of the Company. The Board has considered the issue as to who is the ultimate Controlling Party. It has been determined that the control of the day to day activities of the Company rests with the Board. The Board consists of two Directors. The Board has concluded that no individual party involved in the structure as identified on page 1 has the power to alter, in any way, the strategic investment objective of the Company as set out in the Base Prospectus. Substantially all the risks and rewards of the Company are transferred to the Certificate holders.

## 21. Related party transactions

***Transactions with related parties***
Directors Janina Luciano (appointed 25 November 2022) and Eimir McGrath are employees of the Administrator. During the financial year, the Company incurred a fee of USD 24,086 (EUR 22,500) (31 December 2021: USD 25,583 (EUR 22,500)) relating to administration services provided by the Administrator paid through arranger fees. Bronagh Hardiman was director and an employee of the Administrator during the year until resignation date of 25 November 2022.

The principal shareholder of the Company is Vistra Trust Services (Ireland) Limited (formerly Vistra Capital Markets (Ireland) Limited) which holds 40,000 shares.

The Directors are of the view that there are no other related party transactions requiring disclosures. The Directors received no remuneration from the Company in the financial year ended 31 December 2022 (31 December 2021: Nil).

Section 305(1)(a) of the Act, requires disclosure that VAIIL received USD 1,071 (31 December 2021: USD 1,137) per Director included in administration fees as consideration for the making available of individuals to act as Directors of the Company.

The terms of the corporate services agreement in place between the Company and VAIIL provides for a single fee for the provision of corporate administration services (including the making available of individuals to act as Directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation.

***Transactions with other significant contracts***
The individuals acting as Directors do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as Directors of the Company. For the avoidance of doubt, notwithstanding that the Directors of the Company are employees of VAIIL, they each do not receive any specific remuneration for acting as Directors of the Company.

## 21. Related party transactions (continued)

***Transactions with other significant contracts (continued)***
Management fees to the Arranger amounted to USD 19,578,791 during the financial year (31 December 2021: USD 20,830,898). Refer to note 7 for further details.

Other receivables amounting to USD 54,863 during the financial year (31 December 2021: USD 55,181) are to be settled by the Arranger. Refer to note 11 for further details.

## 22. Financial risk management

*Risk management framework*
The Company has exposure to the following risks from its use of financial instruments:

- Operational risk;
- Credit risk;
- Market risk; and
- Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

While commodities are not financial instruments, certain IFRS 7 disclosures have been given as if they were. The disclosures are listed below:

- Information about the fair values of the commodities for each Series along with:
  - description of how fair value was determined
  - the level of inputs used in determining fair value
- Nature and extent of exposure to risks arising from financial instruments.

***Operational risk***

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All management and administration functions are outsourced to VAIIL. As at 31 December 2022, J.P. Morgan Administration Services (Ireland) Limited acts as the portfolio administrator and the Company's principal paying agent, JP Morgan Chase Bank, N.A. acts as the Custodian and JP Morgan AG acts as the Currency Hedged Certificates Counterparty.

***Credit risk***

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Commodities-linked assets. The credit risk of the Commodities-linked assets is linked to the Custodian's ability to allocate the Commodities as and when the Certificate holders seek redemption of their holdings. The Company's principal financial assets are cash and cash equivalents, other receivables and other financial assets, which represents the Company's maximum exposure to credit risk along with Commodities. The carrying amount of financial assets and Commodities represents the maximum credit exposure.

Information on how the Company limits its exposure to credit risk in respect to interest rate risk, currency risk and price risk has been disclosed below.

The maximum exposure to the credit risk at the reporting date was:

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| | **USD** | **USD** |
| Cash and cash equivalents | 228,792 | 227,863 |
| Other receivables | 54,863 | 55,181 |
| Derivative financial instruments | - | 87,851 |
| Commodities at fair value through profit or loss | 15,631,219,419 | 14,693,557,380 |
| | **15,631,503,074** | **14,693,928,275** |

*Concentration risk*

The financial instruments of the Company and concentration risk of each is outlined below:

- Collateral: Commodities held by the Company relates to Commodities.
- Liabilities: Financial liabilities of the Company represent Secured Limited Recourse Certificates.

At the reporting date, the Company's Commodities due from Series Counterparty were concentrated in the following asset types:

**By industry**

| Type of collateral | 31 December 2022 | 31 December 2021 |
|---|---|---|
| Gold | 97.86% | 97.6% |
| Silver | 1.74% | 1.6% |
| Palladium | 0.27% | 0.4% |
| Platinum | 0.13% | 0.4% |
| | **100%** | **100%** |

At the reporting date, the Company's Commodities at fair value through profit or loss were concentrated in the following geographical locations:

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| United Kingdom | 15,631,219,419 | 14,693,557,380 |

## 22. Financial risk management (continued)

***Credit risk (continued)***

As at 31 December 2022, J.P. Morgan Chase Bank, N.A., London Branch (the "Custodian") was the sole Custodian for the Commodities held by the Company. The Custodian is rated by Moody's as follows:

| *Rating* | 31 December 2022 | 31 December 2021 |
|---|---|---|
| J.P. Morgan Chase Bank, N.A., London Branch | A-1 | A-1 |

*Cash and cash equivalents*
The Company held cash and cash equivalents of USD 228,792 as at 31 December 2022 (31 December 2021: USD 227,863) which represents its maximum credit exposure on these assets. The cash and cash equivalents are held, on an unsecured basis, with bank and financial institution counterparties, key counterparties which are rated by Standard and Poor's and Moody's as follows:

| *Rating*<br>*Standard and Poor's:* | 31 December 2022 | 31 December 2021 |
|---|---|---|
| J.P. Morgan Chase Bank, N.A., London Branch | A-1 | A-1 |

JP Morgan AG will act as the Currency Hedged Certificates Counterparty to the Company under a hedging arrangement. The Currency Hedged Certificates Counterparty is rated by Moody's as follows:

| *Rating* | 31 December 2022 | 31 December 2021 |
|---|---|---|
| J.P. Morgan AG | A-1 | A-1 |

***Derivative financial instruments***

The Company has entered into a hedging agreement with the Currency Hedged Certificates Counterparty under the International Swaps and Derivatives Association ("ISDA") Master Agreement.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the hedging agreement as at 31 December 2022.

| | Counterparty | Gross financial instruments | Financial instruments available to offset | Net amount | Cash collateral received | Non-cash collateral received | Margin cash | Net amount |
|---|---|---|---|---|---|---|---|---|
| | USD | USD | USD | USD | USD | USD | USD | USD |
| **31 December 2022** | | | | | | | | |
| *Financial assets* | | | | | | | | |
| Derivative financial instruments | JP Morgan AG | (1,543,204) | - | (1,543,204) | - | - | - | (1,543,204) |
| | | **(1,543,204)** | **-** | **(1,543,204)** | **-** | **-** | **-** | **(1,543,204)** |

## 22. Financial risk management (continued)

***Derivative financial instruments (continued)***

The following table sets out the carrying amounts of recognised financial instruments that are subject to the hedging agreement as at 31 December 2021.

| | Counterparty | Gross financial instruments | Financial instruments available to offset | Net amount | Cash collateral received | Non-cash collateral received | Margin cash | Net amount |
|---|---|---|---|---|---|---|---|---|
| | USD | USD | USD | USD | USD | USD | USD | USD |
| **31 December 2021** | | | | | | | | |
| *Financial assets* | | | | | | | | |
| Derivative financial instruments | JP Morgan AG | 87,851 | (87,851) | - | - | - | - | - |
| | | **87,851** | **(87,851)** | **-** | **-** | **-** | **-** | **-** |
| *Financial liabilities* | | | | | | | | |
| Derivative financial instruments | JP Morgan AG | (141,880) | 87,851 | (54,029) | - | - | - | (54,029) |
| | | **(141,880)** | **87,851** | **(54,029)** | **-** | **-** | **-** | **(54,029)** |

The Company's exposure to the Custodian is mitigated by the directors and the Portfolio Advisor by monitoring the activities of the Custodian in line with risk policies, (daily credit rating reviews by the Portfolio Advisor, semi-annual vault visits and bar checks by Bureau Veritas), to ensure that the counterparty credit risk is acceptable to the Company. The Company only transacts with a custodian that is a regulated entity.

The Custodian, as per the Custodian agreement has agreed to maintain adequate insurance in support of its custodial obligations. The Custodian is responsible for all costs and fees in procuring this insurance and is the beneficiary of the insurance.

The Custodian holds the assets in a secure vault and although they have agreed to maintain adequate insurance, there is a risk that the underlying precious metals represented by any of the Certificates could be lost, stolen or damaged resulting in the Company being unable to satisfy its obligations in respect of the Certificates. In such an event the Company may, with the consent of the Trustee, the Arranger and the Portfolio Advisor, adjust the metal entitlement of each Certificate to the extent necessary to reflect such damage or loss.

***Market risk***

Market risk is the risk that changes in market prices of the Commodities will affect the Company's value of its holdings of Commodities. The Certificate holders are exposed to the market risk of the portfolio of Commodities. Market risk embodies the potential for both gains and losses and price risk.

*(i) Interest rate risk*
The Certificates issued, Commodities and derivative financial instruments do not bear any interest. There is some interest rate risk associated with cash held at bank. However, it is not considered significant.

*Sensitivity analysis*
Given the Company is not exposed to significant interest rate risk, no sensitivity analysis has been performed.

*(ii) Currency risk*
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has entered into a foreign exchange hedging agreement to mitigate its exposure to currency. Please refer to note 3(c) for more details. The Company is exposed to movement in exchange rates between the USD, its functional currency, and certain foreign currencies namely Series 5 - Euro (EUR) and Series 6 - British Pound (GBP).

The Company is not exposed to net currency risk. Any net foreign currency risk is borne by the Certificate holders. As at the reporting date, the Company's exposure to foreign currency risk is as follows:

## 22. Financial risk management (continued)

***Market risk (continued)***

*(ii) Currency risk (continued)*

**Series 5 - Secured Gold-Linked EUR Hedged Certificates**

| Currency | 31 December 2022 Financial liabilities designated at fair value through profit or loss | 31 December 2022 Hedging agreement | 31 December 2022 Net exposure |
|---|---|---|---|
| | USD | USD | USD |
| EUR | 544,988,072 | (544,988,072) | - |
| Total | **544,988,072** | **(544,988,072)** | - |

| Currency | 31 December 2021 Financial liabilities designated at fair value through profit or loss | 31 December 2021 Hedging agreement | 31 December 2021 Net exposure |
|---|---|---|---|
| | USD | USD | USD |
| EUR | 92,826,025 | (92,826,025) | - |
| **Total** | **92,826,025** | **(92,826,025)** | - |

In the event that the EUR moved by either +1% or -1% against the USD, the value of the Certificates would move by USD 5,449,925 (31 December 2021: USD 928,260) and USD (5,449,925) (31 December 2021: USD (928,260)) respectively. However, the hedging agreement would offset these movements by USD (5,449,925) (31 December 2021: USD (928,260)) and 5,449,925 (31 December 2021: USD 928,260) respectively, resulting in a zero net exposure to the Certificate holders.

**Series 6 - Secured Gold-Linked GBP Hedged Certificates**

| Currency | 31 December 2022 Financial liabilities designated at fair value through profit or loss | 31 December 2022 Hedging agreement | 31 December 2022 Net exposure |
|---|---|---|---|
| | USD | USD | USD |
| GBP | 61,888,801 | (61,888,801) | - |
| **Total** | **61,888,801** | **(61,888,801)** | - |

| Currency | 31 December 2021 Financial liabilities designated at fair value through profit or loss | 31 December 2021 Hedging agreement | 31 December 2021 Net exposure |
|---|---|---|---|
| | USD | USD | USD |
| GBP | 36,560,998 | (36,560,998) | - |
| **Total** | **36,560,998** | **(36,560,998)** | - |

In the event that the GBP moved by either +1% or -1% against the USD, the value of the Certificates would move by USD 618,888 (31 December 2021: USD 365,610) and USD (618,888) (31 December 2021: USD (365,610)) respectively. However, the hedging agreement would offset these movements by USD (618,888) (31 December 2021: USD (365,610)) and USD 618,888 (31 December 2021: USD 365,610) respectively, resulting in a zero net exposure to the Certificate holders.

As at 31 December 2022 and 31 December 2021, in relation to the cash and cash equivalent, the Company's exposure to currency risk is not significant and limited to cash and cash equivalents with J.P. Morgan Chase Bank, N.A., London Branch of EUR 19,821.63 (USD 21,219) (31 December 2021: EUR 12,160 (USD 13,826)) as stated in note 10.

All other financial assets, Commodities and financial liabilities are denominated in USD.

The following significant exchange rates have been applied at year end:

| | 31 December 2022 | 31 December 2021 |
|---|---|---|
| EUR - USD | 1.0705 | 1.1370 |
| GBP - USD | 1.2083 | 1.3532 |

*(iii) Price risk*

Price risk is the risk that the value of Commodities will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company does not consider price risk to be a significant risk to the Company as any fluctuation in the value of Commodities at fair value through profit or loss held by the Company will be borne by the Certificate holders.

## 22. Financial risk management (continued)

***Market risk (continued)***

*(iii) Price risk (continued)*

*Sensitivity analysis*

The following table assess the sensitivity of the fair value of the series of assets to an impact of a 1% movement in the price of Commodities.

| Series | Total for each series | 1% increase in the price of Commodities in USD | 1% decrease in the price of Commodities in USD |
|---|---|---|---|
| **31 December 2022** | | | |
| Series 1 | 14,684,065,436 | 146,840,654 | (146,840,654) |
| Series 2 | 271,629,409 | 2,716,294 | (2,716,294) |
| Series 3 | 41,734,498 | 417,345 | (417,345) |
| Series 4 | 20,554,554 | 205,546 | (205,546) |
| Series 5 | 550,946,158 | 5,509,462 | (5,509,462) |
| Series 6 | 62,289,364 | 622,894 | (622,894) |
| | | **156,312,194** | **(156,312,194)** |
| **31 December 2021** | | | |
| Series 1 | 14,226,648,594 | 142,266,486 | (142,266,486) |
| Series 2 | 233,855,774 | 2,338,558 | (2,338,558) |
| Series 3 | 50,699,529 | 506,995 | (506,995) |
| Series 4 | 52,884,136 | 528,841 | (528,841) |
| Series 5 | 92,988,870 | 929,889 | (929,889) |
| Series 6 | 36,480,477 | 364,805 | (364,805) |
| | | **146,935,574** | **(146,935,574)** |

*(iv) Climate risk*

As discussed in the directors' report, the directors do not consider climate risk to be a separate significant risk to the Company as any fluctuation in the value of the underlying precious metal held as Commodities at fair value through profit or loss by the Company will be borne by the Certificate holders.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company limits its exposure to liquidity risk given that all Certificates can be redeemed on demand and also taking into consideration the limited recourse nature of the Certificates along with the contractual terms for the payment where the Commodites can be delivered back to the Certificate holders at short notice. All substantial risks and rewards associated with the financial assets and Commodities are ultimately borne by the Certificate holders.

**Subscriptions**

An Authorised Participant may subscribe for Certificates in accordance with the terms of the relevant authorised participant agreement by either (i) transferring the relevant amount of Commodities via the books and records of the custodian's unallocated accounts or (ii) making a cash payment in US Dollars of the relevant amount to the cash account, which shall be used to access Commodities.

**Redemptions**

*Final Redemption*
All Certificates of a given Series that have not been previously redeemed or purchased or cancelled will be redeemed on the date specified in the Final Terms relating to that Series as the final maturity date by payment of the relevant cash amount in respect of such Certificates.

*Certificate holder optional redemption*
The Company shall, at the option of a Certificate holder, redeem some or all of the Certificates held by such Certificate holder in respect of any eligible redemption valuation date by payment of the relevant cash amount on the relevant settlement date or it is specified in the redemption notice that the Certificate holder is electing for settlement by the transfer of the delivery amount of the relevant Underlying Commodity.

## 22. Financial risk management (continued)

**Redemptions (continued)**

*Certificate holder optional redemption (continued)*

The contractual maturity profile of financial liabilities as at 31 December 2022 is as follows:

| | Carrying amount | Gross contractual cash flows | Less than 1 year |
|---|---|---|---|
| | USD | USD | USD |
| Financial liabilities designated at fair value through profit or loss | (15,620,210,630) | (15,620,210,630) | (15,620,210,630) |
| Derivative financial instruments | (1,543,204) | (1,543,204) | (1,543,204) |
| Other payables | (1,719,039) | (1,719,039) | (1,719,039) |
| | **(15,623,472,873)** | **(15,623,472,873)** | **(15,623,472,873)** |

The contractual maturity profile of financial liabilities as at 31 December 2021 is as follows:

| | Carrying amount | Gross contractual cash flows | Less than 1 year |
|---|---|---|---|
| | USD | USD | USD |
| Financial liabilities designated at fair value through profit or loss | (14,691,984,821) | (14,691,984,821) | (14,691,984,821) |
| Derivative financial instruments | (141,880) | (141,880) | (141,880) |
| Other payables | (1,741,187) | (1,741,187) | (1,741,187) |
| | **(14,693,867,888)** | **(14,693,867,888)** | **(14,693,867,888)** |

Due to the fact that the Certificate holders have the option to redeem the securities on demand, the financial liabilities designated at fair value through profit or loss have been classified as due in less than one year.

The carrying amount and the gross contractual cashflows are equal to the fair value of each liability as stated in the Statement of financial position. Derivative financial instruments are settled net.

***Accounting classifications and fair values***

*Fair values versus carrying amounts*
The fair values of financial assets, Commodities and financial liabilities, together with the carrying amounts shown in the Statement of financial position, are shown as follows:

| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total fair value |
|---|---|---|---|---|
| | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 |
| | USD | USD | USD | USD |
| **Assets** | | | | |
| Cash and cash equivalents | 228,792 | - | - | 228,792 |
| Other receivables | 54,863 | - | - | 54,863 |
| Derivative financial instruments | - | - | - | - |
| Commodities at fair value through profit or loss | - | 15,631,219,419 | - | 15,631,219,419 |
| | **283,655** | **15,631,219,419** | **-** | **15,631,503,074** |

| | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 |
|---|---|---|---|---|
| | USD | USD | USD | USD |
| **Liabilities** | | | | |
| Other payables | 1,719,039 | - | - | 1,719,039 |
| Derivative financial instruments | - | 1,543,204 | - | 1,543,204 |
| Financial liabilities designated at fair value through profit or loss | - | - | 15,620,210,630 | 15,620,210,630 |
| | **1,719,039** | **1,543,204** | **15,620,210,630** | **15,623,472,873** |

## 22. Financial risk management (continued)

*Accounting classifications and fair values (continued)*

| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total fair value |
|---|---|---|---|---|
| | **31 December 2021** | **31 December 2021** | **31 December 2021** | **31 December 2021** |
| | **USD** | **USD** | **USD** | **USD** |
| **Assets** | | | | |
| Cash and cash equivalents | 227,863 | - | - | 227,863 |
| Other receivables | 55,181 | - | - | 55,181 |
| Derivative financial instruments | - | 87,851 | - | 87,851 |
| Commodities at fair value through profit or loss | - | 14,693,557,380 | - | 14,693,557,380 |
| | **283,044** | **14,693,645,231** | - | **14,693,928,275** |

| | | | | |
|---|---|---|---|---|
| | **31 December 2021** | **31 December 2021** | **31 December 2021** | **31 December 2021** |
| | **USD** | **USD** | **USD** | **USD** |
| **Liabilities** | | | | |
| Other payables | 1,741,187 | - | - | 1,741,187 |
| Derivative financial instruments | - | 141,880 | - | 141,880 |
| Financial liabilities designated at fair value through profit or loss | - | - | 14,691,984,821 | 14,691,984,821 |
| | **1,741,187** | **141,880** | **14,691,984,821** | **14,693,867,888** |

The carrying amounts of all the Company's cash and cash equivalent, other receivables and other payables at the reporting date approximated their fair values.

***Fair values hierarchy***

The Company's Commodities, derivative financial instruments and financial liabilities issued are carried at fair value on the Statement of financial position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values of Commodities and financial liabilities that are traded in active markets, Level 1, are based on quoted market prices or dealer price quotations. The price of the Commodities is determined using the prices on the London Bullion Associated Market and the price of the Certificates is determined using the quoted prices on active markets.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Level 2 prices uses widely recognised valuation models for determining the fair value of common and more simple financial instruments such as interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives, e.g. interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The derivative financial instruments have been classified as level 2. The fair value of open foreign exchange derivatives is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the valuation date. The unrealised gain or loss on open foreign exchange derivatives is calculated by reference to the difference between the contracted rate and the rate to close out the contract as at the year-end date.

As at the financial year end, the Company does not have financial instruments under level 3.

## 22. Financial risk management (continued)

***Accounting classifications and fair values (continued)***

***Fair values hierarchy (continued)***

As at the financial year end, the carrying amounts of derivative financial instruments and financial liabilities issued by the Company which fair values were determined directly, in full or in part, by reference to published price quotations and determined using valuation techniques are as follows:

| | 31 December 2022 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| *Financial assets* | **USD** | **USD** | **USD** | **USD** |
| Commodities at fair value through profit or loss | 15,631,219,419 | - | - | 15,631,219,419.00 |
| *Financial liabilities* | | | | |
| Derivative financial liabilities | - | (1,543,204) | - | (1,543,204) |
| Financial liabilities designated at fair value through profit or loss | (15,620,210,630) | - | - | (15,620,210,630) |

| | 31 December 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| *Financial assets* | **USD** | **USD** | **USD** | **USD** |
| Derivative financial assets | - | 87,851 | - | 87,851 |
| Commodities at fair value through profit or loss | 14,693,557,380 | - | - | 14,693,557,380 |
| *Financial liabilities* | | | | |
| Derivative financial instruments | - | (141,880) | - | (141,880) |
| Financial liabilities designated at fair value through profit or loss | (14,691,984,821) | - | - | (14,691,984,821) |

The valuation inputs for the Commodities are based on quoted market prices in active markets and are classified as Level 1.

The Commodities-Linked Certificates are exchange traded and there is trading in the Certificates. The financial liabilities designated at fair value through profit or loss are classified as Level 1 in the fair value hierarchy.

The Directors believe that their estimates of fair value are appropriate.

## 23. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The Directors consider the cash and cash equivalent, other receivables and other payables recognised in the financial statements approximate their fair values. The fair value hierarchy of these financial assets and liabilities are as follows:

| | 31 December 2022 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | **USD** | **USD** | **USD** | **USD** |
| *Financial assets* | | | | |
| Cash and cash equivalents | 228,792 | - | - | 228,792 |
| Other receivables | - | 54,863 | - | 54,863 |
| | | | | |
| *Financial liabilities* | | | | |
| Other payables | - | 1,719,039 | - | 1,719,039 |

| | 31 December 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | **USD** | **USD** | **USD** | **USD** |
| *Financial assets* | | | | |
| Cash and cash equivalents | 227,863 | - | - | 227,863 |
| Other receivables | - | 55,181 | - | 55,181 |
| | | | | |
| *Financial liabilities* | | | | |
| Other payables | - | (1,741,187) | - | (1,741,187) |

## 24. Capital risk management

The Company is a special purpose vehicle set up to issue Certificates for the purpose of making investments as defined under the Base Prospectus.

Share capital of EUR 40,000 was issued in line with Irish Company Law and is not used for financing the investment activities of the Company.

The Company is not subject to any other externally imposed capital requirements.

## 25. Operating expenses

Certain costs associated with the Company are borne by Invesco UK Services Limited, including the corporate administration fee of USD 24,086 (31 December 2021: USD 25,583) and audit fees of USD 37,831 (31 December 2021: USD 36,532) respectively.

As at 31 December 2022, the amount payable to the Arranger is USD 1,496,047 (31 December 2021: USD 1,518,530).

| ***Auditor's remuneration (excluding VAT)*** | **Financial year ended** | **Financial year ended** |
|---|---|---|
| | **31 December 2022** | **31 December 2021** |
| Statutory audit | 37,831 | 36,532 |
| | 37,831 | 36,532 |

For the financial year ending 31 December 2022, there were no other assurance services or other non-audit services performed by KPMG as auditor of the Company.

Section 305(1)(a) of the Act, requires disclosure that VAIIL received USD 1,137 (31 December 2021: USD 1,137) per Director included in administration fees as consideration for the making available of individuals to act as Directors of the Company.

## 26. Subsequent events

***Movement in the price of Commodities***

The below table relates to the change in the price of Commodities as at 31 March 2023.

| Underlying Commodities | Price per ounce | Price per ounce | Change in price % |
|---|---|---|---|
| | 31 March 2023 | 31 December 2022 | |
| Gold | 1979.70 | 1,812.35 | 9.23% |
| Silver | 23.89 | 23.95 | -0.25% |
| Platinum | 981.00 | 1,065.00 | -7.89% |
| Palladium | 1490.00 | 1,788.00 | -16.67% |

## 27. Charges

The Certificates issued by the Company are secured in favour of Intertrust Trustees Limited (the "Trustee") for the benefit of the Certificate holders by security over the portfolio of Commodities held by the Company and other assets. The Company's total Certificates' indebtedness was USD 15,620,210,630 (31 December 2021: USD 14,691,984,821).

## 28. Approval of financial statements

The Board approved these financial statements on XXX

**Further information**

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