

# ANTI-BRIBERY, ANTI-CORRUPTION AND ANTI-FRAUD POLICY



WERCOTRADE

## A. INTRODUCTION

This Anti-Bribery, Anti-Corruption and Anti-Fraud Policy (**ABCF Policy**) defines the framework and core principles through which Werco Trade AG (**Werco Trade**) ensures compliance with anti-bribery, anti-corruption and anti-fraud laws and regulations and the controls implemented to manage the associated risks within the organisation.

This ABCF Policy applies to all members of the Board of Directors, members of the Executive Management, employees and third parties performing services for or on behalf of Werco Trade (such as service providers), wherever located, with respect to their activities for or on behalf of Werco Trade or otherwise in connection with Werco Trade activities (**Relevant Persons**).

Werco Trade is committed to operating in an ethical manner and in compliance with applicable anti-bribery, anti-corruption and anti-fraud laws and regulations in Switzerland and other jurisdictions in which it operates. This ABCF Policy applies subject to mandatory local laws, regulations, regulatory guidance, etc. in Switzerland and other jurisdictions in which Werco Trade is active.

This ABCF Policy builds on the Code of Business Conduct that sets out the standards of responsible and ethical behaviour required for all persons within the company, which is made publicly available on Werco Trade's website at **wercotrade.com**.

### 1. WERCO TRADE

Werco Trade trades in physical commodities, predominantly in copper, involving the purchase, sale, storage and transportation of physical commodities. The company maintains an operation in South Korea, where copper is accumulated, blended and stockpiled for subsequent delivery to China. Werco Trade does not own any further overseas facilities or any direct or indirect stakes in any sourcing or processing facilities.



## **2. PROHIBITION OF BRIBERY, CORRUPTION AND FRAUD**

**Werco Trade has a zero-tolerance policy towards bribery, corruption and fraud. It is the responsibility of every Relevant Person to comply with Werco Trade's zero-tolerance approach.**

The actual or attempted use of any form of bribery, corruption or fraud, either directly or indirectly (through third parties) on Werco Trade's behalf to advance its business interests, is strictly prohibited.

Violations of this ABCF Policy can have serious legal and reputational consequences for Werco Trade and Relevant Persons. Any actual, potential or suspected violations or breaches of this ABCF Policy must be immediately reported to Compliance. Where evidence of bribery, corruption or fraud is discovered, Werco Trade may take disciplinary action, including termination of employment, and there may be further consequences under labour law and criminal law.

## **3. PUBLIC OFFICIALS**

A public official (**Public Official**) refers to any elected or appointed official, officer or employee at any level (including their associates and relatives), or other person acting in an official capacity for any (i) local, regional or national government, (ii) supranational body, (iii) government-owned or government-controlled entity or business venture that is controlled by a government entity, (iv) political party, (v) public international organisation (e.g. the United Nations), (vi) judicial body, or (vii) anyone who is entrusted with power and/or information.

Werco Trade does not distinguish between Public Officials and employees of private-sector organisations as far as bribery, corruption and fraud are concerned. However, Public Officials are often subject to specific rules and regulations that do not apply to persons who operate in the private sector. Any relationship with Public Officials must be in strict compliance with the rules and regulations to which they are subject. Before conveying any benefit to a Public Official, written permission from Compliance should be obtained.

## **B. ANTI-BRIBERY**

### **1. DEFINITION OF BRIBERY**

Bribery is defined as the unlawful act of offering or receiving any gift, loan, fee, reward or other advantage (taxes, services, donations, etc.) to or from any individual or corporation as an inducement to do something which is in breach of performance of official or fiduciary duties, or in breach of contractual or other obligations so that business can be obtained or retained, or any other improper advantage can be gained, or an opinion or decision can be swayed.

It is also bribery to make unofficial payments (known as “speed money” and “grease” or “facilitation” payments) to a Public Official to secure or speed up a routine governmental action that falls into the Public Official’s duty and to which the payer is entitled (such as issuing permits, licenses or other official documents).

Relevant Persons must be alert to the possibility that a benefit given or offered to an associate, such as a relative or business partner, or channelled through an agent or other intermediary, may be a bribe (known as an “indirect benefit”).

### **2. ANTI-BRIBERY POLICY**

In order to maintain high ethical standards of business conduct and to avoid the appearance of impropriety or conflict of interest, Relevant Persons are prohibited from directly or indirectly offering, promising, paying, soliciting, accepting, receiving and/or arranging for the payment of bribes of any form on behalf of Wercotrade or to use Wercotrade funds for such a purpose.

Wercotrade employs all legal and safe tactics to avoid and resist paying bribes to Public Officials, even if it results in denials, delays, inconvenience and increased cost to operations. Any actual, potential or suspected act of bribery must be immediately reported to Compliance.

Individuals are not expected to resist bribery to the point of putting themselves or others at real risk of personal harm or injury. A payment under such circumstances is considered extortion rather than bribery and should immediately be reported to Compliance.

## C. ANTI-CORRUPTION

### 1. DEFINITION OF CORRUPTION

Corruption is defined as misuse of entrusted power (such as public power) for private gain, or misuse of private power in relation to business outside the realm of government. Corruption usually involves Public Officials.

### 2. ANTI-CORRUPTION POLICY

Werco Trade does not tolerate any form of corruption.

Any actual, potential or suspected corruptive activities must be immediately reported to Compliance.



## **D. ANTI-FRAUD**

### **1. DEFINITION OF FRAUD**

Fraud is defined as the act of intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise). Deception is used with the intention of obtaining a financial or personal advantage, avoiding an obligation or causing loss to another party and may be conducted through acts such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

### **2. ANTI-FRAUD POLICY**

Werco Trade has implemented measures to prevent internal and external fraud.

Any actual, potential or suspected fraudulent activity must be immediately reported to Compliance.

## E. GIFTS AND ENTERTAINMENT

Gifts and entertainment should never be used or allowed to influence business decision-making. When offers of gifts and entertainment are made or accepted in situations where they are inappropriate, they can look like, or may be, bribes. This can expose Werco Trade and Relevant Persons to legal and reputational risks.

Sound business practices can include accepting and making offers of gifts and entertainment, which develop and maintain positive and strong business relationships. Relevant Persons should be able to accept and make offers of gifts and entertainment only when they are appropriate, i.e. when they are proportionate in the context and do not create any sense of expectation or obligation on the recipient or the giver.

In some circumstances, an element of judgment is required to decide whether a gift or entertainment is appropriate or not. If any Relevant Person is in any doubt, they should consult Compliance and obtain written permission before accepting or offering a gift or entertainment.

Cash and cash equivalents (e.g. shopping coupons) may never be offered or accepted and will always be deemed inappropriate.

Requesting a gift or entertainment is never allowed.

Inappropriate gifts received by Relevant Persons should be declined and returned and declared to Compliance. Inappropriate gifts received by Relevant Persons and subsequently declared should not be incorporated into company funds but returned in all cases.



## F. ORGANISATION AND IMPLEMENTATION

Werco Trade has established the following organisational measures to implement this ABCF Policy:

**Records management:** Relevant Persons must ensure that corporate books and records accurately and fairly reflect all transactions and dispositions of assets. No undisclosed or unrecorded fund or asset may be established or maintained for any purpose. Where approvals are required under this ABCF Policy, appropriate records of those approvals must also be retained.

**Training:** The Relevant Persons must attend regular anti-bribery, anti-corruption and anti-fraud compliance training sessions based on this ABCF Policy. Compliance is responsible for developing and implementing the training sessions, which cover key risks as well as applicable laws and regulations.

**Monitoring:** The Executive Management and the Compliance Officer monitor, evaluate and develop the anti-bribery, anti-corruption and anti-fraud compliance system on an ongoing basis. Monitoring aims to identify the effectiveness, regularity and frequency of controls and reduces the risk of breaches of laws, regulations or policies and procedures. If monitoring or audits detect a weakness, the appropriate corrective measures are taken immediately.

**Breaches:** Violations of this ABCF Policy can have serious legal and reputational consequences for Werco Trade and Relevant Persons. Any actual, potential or suspected violations or breaches of this ABCF Policy must be immediately reported to Compliance. Where evidence of bribery, corruption or fraud is discovered, Werco Trade may take disciplinary action, including termination of employment, and there may be further consequences under labour law and criminal law.

**Questions:** Any questions in relation to this ABCF Policy should be directed to Compliance.



# **WE TRADE WITH PASSION**

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