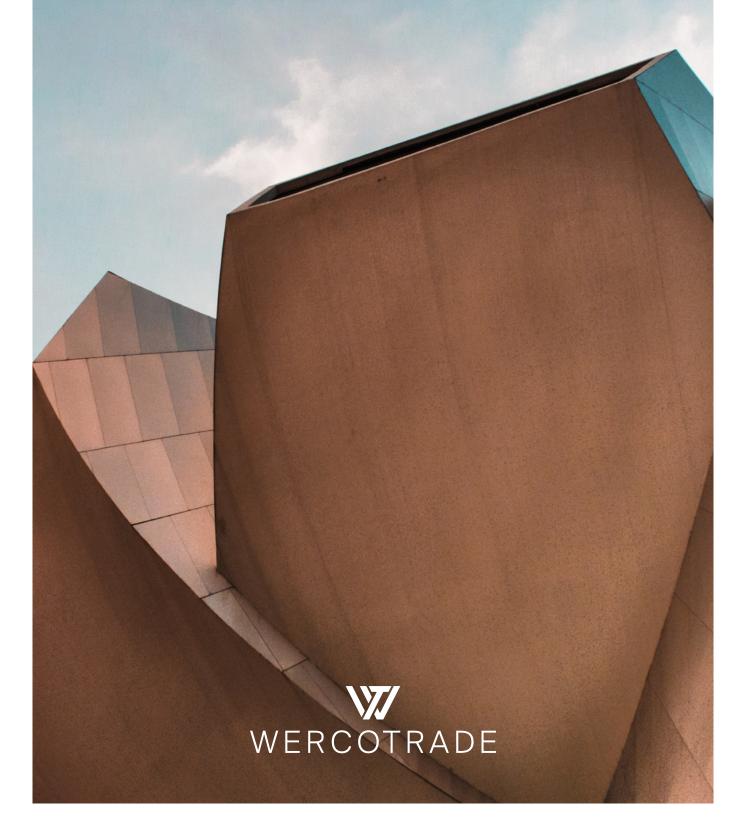
SUSTAINABILITY AND ESG POLICY





A. INTRODUCTION

This Sustainability and ESG Policy (this **Sustainability and ESG Policy**) defines the key topics and core principles of the corporate sustainability and environmental, social, and corporate governance **(ESG)** strategy of Werco Trade AG **(Werco Trade)** and its implementation. This Sustainability and ESG Policy builds on the Code of Business Conduct that sets out the standards of responsible and ethical behavior required for all employees within the company.

1. WERCO TRADE

Werco Trade trades in physical commodities, predominantly in copper, involving the purchase, sale, storage, and transportation of physical commodities. Werco Trade's headquarters are in Lucerne, Switzerland. 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. SUSTAINABILITY AND ESG COMMITMENT

Through this Sustainability and ESG Policy, Werco Trade commits to formalizing its allegiance to sustainability and to strengthening management actions to integrate ESG as well as ethical principles into its services, processes, and routine corporate activities. Werco Trade's Executive Management continues to assess steps to mitigate adverse effects related to its trading activities and to develop a sustainable long-term business model while maintaining the company's commercial viability and profitability. Beyond this, Werco Trade strives to effectively integrate environmental, social, and governance risks and opportunities into all corporate decisions, and to implement effective and consistent management of sustainability issues. Werco Trade complies with all applicable sustainability and ESG laws and regulations.

Werco Trade considers the environmental, social, and governance aspects of all its activities along its value chain. Partner companies are selected with a view to ensuring corporate standards and principles are adhered to and by the highest industry and ESG standards. Werco Trade's Executive Management is strongly involved with trading activities and thereby ensures that sustainability and ESG matters are considered in day-to-day operations. Employees are required to show responsible and ethical behavior at all times.



3. COMPLAINTS AND GRIEVANCES

It is Werco Trade's policy and practice to maintain the highest ethical standards. Werco Trade, therefore, takes all concerns seriously and handles them in a timely manner using an objective approach. Employees and contractors are encouraged to first report concerns to their manager or business contact since they are usually best equipped to resolve concerns quickly and effectively.

Any actual or suspected breach of Werco Trade's Code of Business Conduct, compliance policies, or applicable law can be addressed to compliance@wercotrade. com and will be handled confidentially and in a timely manner by Compliance. Complaints and grievances received will be reported to the Executive Management regularly on an anonymized basis.

B. ENVIRONMENTAL

1. SUSTAINABLE AND CIRCULAR ECONOMY

Werco Trade focuses predominantly on trading copper materials, which are a key component of renewables and electric vehicles. Nearly 70 percent of worldwide copper produced is used for electrical and conductivity applications and communications. Copper plays a crucial role in the megatrends decarbonization and transition to a sustainable economy and is, therefore, a so-called "commodity of the future".

Copper further has the advantage that it is 100 percent recyclable, can be recycled repeatedly, and can be reused without any loss of quality or performance. It is estimated that since 1900, two-thirds of the 550 million tonnes of copper produced are still in productive use.²

¹ Copper Recycling, International Copper Association, Copper Alliance, 2017.

² Copper Recycling, International Copper Association, Copper Alliance, 2017.

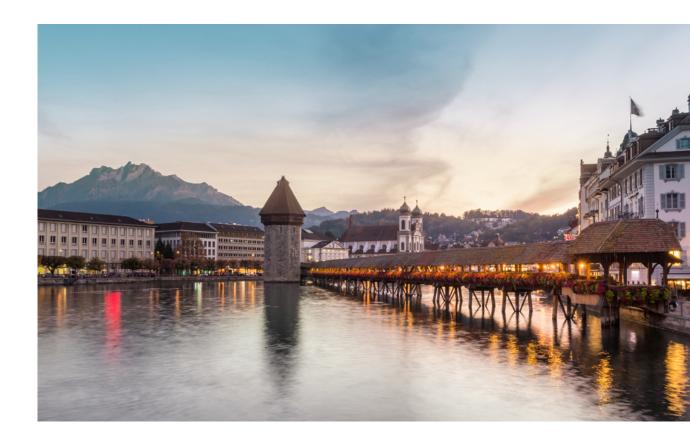


Buyers of future-facing commodities are increasingly demanding improved supply chain traceability and transparency. The legal landscape, governmental policies, and corporate goals continue to push the copper industry towards more sustainable practices and set new performance criteria for sustainability. Werco Trade will support the industry in improving traceability and transparency in the supply chain to help achieve these objectives.

With its commitment to copper materials, Werco Trade directly contributes to the global transition to sustainable energy systems, decarbonization, and a sustainable economy.

2. ENVIRONMENTAL IMPACT

Werco Trade is committed to ensuring good energy, water, and waste management is in place at its office site (e.g., by recycling materials such as paper, cardboard, glass, etc., and replacing plastic bottled water with a filtered tap water solution).





C. SOCIAL

In its commitment to promote socially sustainable growth and sound governance practices, Werco Trade is devoted to respecting human rights and labor rights, and actively supports its workforce and business partners to understand and meet this commitment.

1. HUMAN RIGHTS

Werco Trade conducts its business activities with respect for human rights and labor rights and complies with the applicable national and international laws and regulations (namely, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the Ten Principles of the UN Global Compact).

Werco Trade assesses, monitors, and manages continuously its human rights impact in corporate activities and supply chains and works to make sure that it does not contribute to any adverse human rights impacts.

2. CHILD LABOR AND FORCED LABOR

Werco Trade does not tolerate child labor³, any form of forced, compulsory, or bonded labor, human trafficking, or any other form of slavery, and actively seeks to identify and eliminate them from its supply chain.

Werco Trade adheres to the principles established in the UN Convention on the Rights of the Child, the International Labour Organisation (ILO) Minimum Age Convention, and the ILO Worst Forms of Child Labour Convention.

³ As defined in the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO; SR 221.433).



3. LABOR RIGHTS

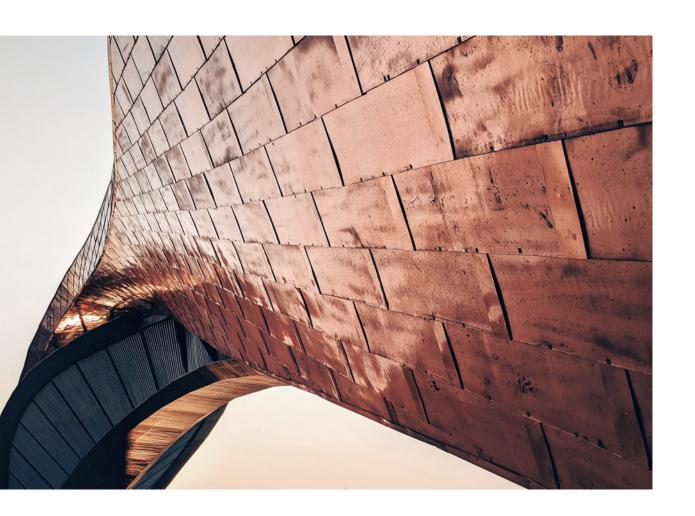
Werco Trade complies with the applicable labor laws, namely with the mandatory provisions on Employment Law outlined in articles 319 et seq. of the Swiss Code of Obligations relating to employee rights.

Werco Trade offers an employee share participation program that allows employees to acquire voting shares in Werco Trade and thereby shape the future of the company and participate in its financial success.

4. WERCO FOUNDATION

In 2020 Werco Trade founded Werco Foundation, which is a charitable foundation that supports talented athletes and promotes sporting events in Switzerland.

Through its commitment to fostering the development of individual young athletes and to promoting sporting events, Werco Foundation supports and promotes the sporting community in Switzerland.





D. GOVERNANCE

1. CORPORATE GOVERNANCE

Corporate governance encompasses all the principles aimed at safeguarding sustainable company interests. While maintaining its decision-making capability and efficiency at the highest level, Werco Trade aims to guarantee transparency and a healthy balance of management and control. Werco Trade complies with the statutory provisions on the Organization of a Company Limited by Shares outlined in articles 698 et seq. of the Swiss Code of Obligations. The Swiss Code of Best Practice for Corporate Governance is further used as a guideline. The Board of Directors ensures that an appropriate and proactive risk-based approach is implemented to establish compliance with laws and regulations at both global and national levels.

2. DEFINITION OF THE SUSTAINABILITY AND ESG STRATEGY

Werco Trade's Board of Directors defines the company's sustainability and ESG strategy and organization and supervises the Executive Management in this respect. Werco Trade's Executive Management assists the Board of Directors in developing the sustainability and ESG strategy and ensures that appropriate risk management frameworks are in place. The Executive Management manages and is responsible for the execution of the strategy, the oversight of the risk management framework, and for ensuring that this Sustainability and ESG Policy is adhered to in the day-to-day trading activities. The members of the Executive Management work as a team to ensure that decisions are in line with Werco Trade's sustainability and ESG risk appetite and are undertaken in a manner consistent with applicable laws and regulations and with this Sustainability and ESG Policy.



3. ORGANIZATION AND IMPLEMENTATION

Werco Trade has established the following organizational roles and measures to implement this Sustainability and ESG Policy:

Compliance: Compliance implements this Sustainability and ESG Policy operationally in collaboration with and under the supervision of the Executive Management. Compliance regularly reports to the Executive Management and the Chairman of the Board.

Training: The Board of Directors, the Executive Management, and employees attend regular sustainability and ESG compliance training sessions. Compliance is responsible for developing and implementing the training sessions, which cover key risks as well applicable laws and regulations.

Monitoring: The Executive Management and Compliance monitor, evaluate, and develop the sustainability and ESG 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.

Complaints and Grievance Mechanism: Any actual or suspected breach of Werco Trade's Code of Business Conduct, compliance policies, or applicable law can be addressed to compliance@wercotrade.com and will be handled confidentially and in a timely manner by Compliance. Complaints and grievances received will be reported to the Executive Management regularly on an anonymized basis.

Questions: Any questions in relation to this Sustainability and ESG Policy should be directed to Compliance at compliance@wercotrade.com.

WE TRADE WITH PASSION

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