

**TRANSAMINE GROUP  
ESG & SUSTAINABILITY POLICY**

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## 1. Introduction

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Originally founded in 1953, Transamine is a privately owned company within the non-ferrous metals trading industry with a successful track record spanning over 70 years. Transamine is dedicated to worldwide physical trading of copper, zinc, lead and nickel concentrates and minerals, as well as precious metals, refined and semi-refined copper. The company provides worldwide sourcing of raw materials, marketing, finance, maintaining the highest standard of conduct to promote sustainability, social and environmental responsibility.

Transamine believes topics related to Environment, Social and Governance (“ESG”) are critical to consider with regards to our business and in the wider global context of development. Especially as metals play a particular role in the transition towards a greener economy, it is key that the benefits this will bring are not mitigated by poor ESG management and practices. Companies engaged in this sector must ensure that they are responsible actors with regards to their environmental and social impacts. This policy therefore sets out the standards that are upheld by our company with regards to ESG related topics and expectations regarding our counterparties.

## 2. ESG within Transamine

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### 2.1. Application of the Policy

This Policy has been enacted by Transamine’s senior management and is applicable across all entities within the Transamine Group. This policy is subject to regular review to ensure it accounts for latest developments concerning ESG in the metals mining, shipping, and international trading sectors.

ESG related decision-making is led by Transamine’s senior management within the company’s headquarters in Geneva, Switzerland and is supported by employees from various backgrounds and departments within the company to ensure that such are made in consideration of a variety of fields and can then be implemented efficiently and effectively.

Transamine Management	Transamine Legal & Compliance Team and ESG Committee	Transamine Group
<ul style="list-style-type: none"><li>Review of proposals made by the Sustainability Steering Committee</li><li>Policy approval</li></ul>	<ul style="list-style-type: none"><li>Research and impact assessment for external impacts (sustainability) and internal influences (ESG)</li></ul>	<ul style="list-style-type: none"><li>Application of Transamine’s ESG &amp; sustainability policy</li><li>Reporting of any concerns that are noted regarding counterparties</li></ul>

<ul style="list-style-type: none"> <li>• Determining business strategies related to sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Policy drafting and updating</li> <li>• Implementation, guidance and trainings</li> </ul>	<ul style="list-style-type: none"> <li>• or operations, including sustainability-linked concerns</li> </ul>
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## 2.2. Cross-Industry Engagement

Regulations and best practices related to ESG are ever-changing and companies today must anticipate the expectations and regulations that will impact them in the future. To this end, Transamine is a member of the SUISSÉNÉGOCE. This ensures that latest developments with regards to ESG and the expectations of counterparties, governments and NGOs are well understood and considered within the most relevant context.

## 3. Environmental Vision and Strategy

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### 3.1. Sustainability Overview

Sustainability is a key concern for Transamine and the company fully supports the Paris Agreement’s objective of limiting global warming to 1.5°C by 2050. Accordingly, Transamine also considers its own role in global emissions and negative environmental impacts and continuously strives to reduce the same within its sphere of control.

As Transamine is not an asset owner (e.g., mines, smelters, shipping terminals, port facilities) it is important to note that most of the company’s emissions are Scope 3, instead of Scope 1 and 2. Therefore, the company’s main reduction methods are to effect physical shipments in the most efficient manner and sourcing materials from more energy efficient mines and refineries.

### 3.2. Future ESG Developments in Transamine

To facilitate such emissions-related decision making, Transamine will implement the following sustainability related goals by the end of 2024:

- Development of consultation process and task-flow for key employees involved in ESG decision making and implementation;
- Calculation of Scope 3 emissions in line with the GHG Protocol Corporate Standard;

- Completion of a group-wide activity review to be presented to senior management to allow the company to determine its own goals and corresponding decisions to achieve the same.

### 3.3. Business Strategy & the Environment

Transamine has also adopted a decision-making philosophy that favours business opportunities which promote sustainability and development of sectors which will play a critical role in the green-transition currently taking place. For example, in October 2022, Transamine entered into a joint-venture agreement with Rock Tech Inc. to create RTT Lithium SA ([source](#)).

The purpose of this company will be to source the necessary materials for the converter that is being developed by Rock Tech Lithium Inc. in Guben, Germany. This major project will lead to the opening of a pioneering lithium hydroxide production facility which will provide one of the key materials that is needed in the production of lithium-based batteries which are essential for electric-vehicles. Currently, there are no lithium hydroxide conversion plants in continental Europe, meaning that this material needs to be imported, mainly from Asia. This greatly increases the built-in carbon emissions for such batteries and hinders the effectiveness of sustainable solutions such as electric vehicles.

Whilst Transamine does not have fixed objectives and KPIs from an environmental business management standpoint, RTT Lithium SA is a strong example of the company's consideration of sustainability in decision making.

## 4. Counterparty Management

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### 4.1. Activities in Protected Areas

Transamine recognises that mining can have a material impact on protected areas and accordingly expects suppliers and counterparties to have in place policies and practices that do not harm such sites. Protected areas are understood to UNESCO World Heritage sites and areas listed under the following categories of the International Union for Conservation of Nature (IUCN):

- Ia : Strict Nature Reserve
- Ib : Wilderness Area
- II : National Park
- III : Natural Monument and Nature Feature
- IV : Habitat Management Area and Species Management Area
- V : Protected Landscape and Protected Seascape

Attention is also given to whether companies adhere the International Council on Mining and Metals' Position Statement on Mining and Protected Areas, as well as the UNESCO World

Heritage “No-Go” commitment. Should it be noted that a counterparty is operating in such an area or is not complying with such principles, Transamine considers the same in order to determine whether an action plan is being implemented and whether to proceed with that counterparty for business dealings.

#### **4.2. Water Contamination**

Mining can have significant impacts on the water in the areas surrounding mines. This can stem from improperly performed processes such as heap leaching, or through natural processes, such as acid mine drainage, which are accelerated or caused by improperly managed mining operations.

Bearing this in mind, Transamine’s counterparties are expected to manage their operations in a way that does not harm local water sources and should harm have occurred from past operations then the same must be remedied appropriately.

Transamine considers any methodologies business partners, suppliers and customers may have to avoid water contamination and whether they adhere to initiatives or guidelines such as the International Council on Mining and Metals’ Water Stewardship Framework.

### **5. Social Well-Being and Standards**

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Mining, processing, refining and logistics can present significant social, legal and environmental risks if not managed appropriately. The following sets out the company’s expectations and policies with regards to the following topics:

1. Human Rights
2. Child Labour
3. Conflict Minerals
4. Health, Safety and Working Conditions

#### **5.1. Human Rights**

Transamine will not accept any dealings or involvement with parties that do not uphold and respect Human Rights. All employees must act in a way that always upholds and comply with the following rules:

1. The Universal Declaration of Human Rights
2. The UN Guiding Principles on Business and Human Rights
3. The OECD Due Diligence Guidance for Responsible Business Conduct

Transamine engages in dialogue with stakeholders to ensure transparency along the supply chain, to identify, mitigate and prevent any risk of adverse impacts that could be linked to its operations and could contribute to human rights abuses.

## **5.2. Child Labour**

Transamine will not tolerate any instances of child labour and upholds the standards set out in the ILO Conventions Nos 138 and 182 and the ILO-IOE Child Labour Guidance. Additionally, it is expected that our business partners respect the ten key principles of the United Nations Convention on the Rights of the Child.

Ensuring that such labour is not used, is done through our due diligence processes and risk assessments and is further verified with on-site visits where any such instances of child labour must imperatively be reported to Senior Management.

Furthermore, the fact that Transamine does not engage with artisanal or small-scale mines drastically reduces the potential of child labour being present as counterparties are established, and their activities can be better verified.

## **5.3. Conflict Minerals**

Conflict minerals are a key concern within the mining and metals trading sector. Transamine therefore expects all suppliers to source their materials in observance of the applicable principles of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Noting that Transamine is subject to the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour which focuses on due diligence within the supply chain with respect to minerals and metals from conflict-affected and high-risk areas and risk assessment obligations on child labour.

Regarding the specific risks associated with tin, Transamine has joined the ITSCI Programme for Responsible Mineral Supply Chains and requires that when applicable, tin suppliers adhere to the requirements of this initiative. Geographically, this initiative focuses on Burundi, the Democratic Republic of the Congo, Rwanda and Uganda which are not only important suppliers of tin on a global level but are also areas where the convergence of negative impacts caused by tin mining has been the highest.

## **5.4. Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (“DDTrO”)**

In 2022, Switzerland implemented the DDTrO which imposes mandatory reporting requirements for the risk of conflict minerals and child labour for companies which are active

in the import of certain minerals, metals and their derivatives from conflict-affected and high-risk areas or for companies trading products where a risk of child labour cannot be excluded.

Transamine is not subject to the reporting requirements with respect to import or processing in Switzerland of minerals containing tin, tantalum, tungsten or gold and metals from conflict-affected high-risk areas set out in the DDTro. To date, Transamine has not imported quantities as specified in Annex 1 of the DDTro which would require mandatory reporting to be performed.

However, Transamine is subject to the risk assessment and reporting on child labour and annually publicly reports its due diligence processes information on child labour' risk assessment as per the DDTro requirements.

### **5.5. Health, Safety & Working Conditions**

Transamine also expects that counterparties comply with applicable health and safety regulations to ensure the protection and adequate working conditions for their employees. The work which is performed in mines, smelters and in transportation is challenging and standards must ensure that worker safety and ensured.

Counterparties are expected to ensure safe working conditions for their employees and to allow for the free and fair formation of trade unions as guided by Art. 23 of the Universal Declaration of Human Rights and of the Declaration on Fundamental Principles and Rights at Work published by the International Labour Organisation.

Forced or compulsory labour and any inhuman treatment of employees or local community members will not be tolerated under any circumstances. Should such concerns be noted or brought to our attention, Transamine will review the business relationship and accordingly determine next steps to be taken in line with this policy.

### **5.6. Non-State Armed Actors**

Transamine does not support directly or indirectly non-state armed actors and does not tolerate any counterparties engaging in such activities considering the serious negative impacts caused by such groups.

In addition to this being an expectation placed on counterparties, Transamine benefits from having a global network of employees and representatives which can visits sites regularly to ensure that such groups are not present.

Generally, Transamine's global network of employees and representatives allows for local verifications and due diligence to be performed. The same regularly visit business partners on site and are to report back their findings to senior management in case any activities or



practices are noted which are contrary to Transamine’s Business Partners’ Code of Conduct or the standards set out in this policy.

### **5.7. Artisanal Small Mines (“ASMs”)**

ASMs are one of the key concerns within the mining sector. Whilst these do provide income and work for millions of people (an estimated 60 million globally), there have been instances of dangerous working conditions which are of concern.

Due to the scale and nature of Transamine’s business, the company does not engage with ASMs. Furthermore, suppliers would also ensure adequate working conditions and would comply with the standards and guidelines set out by the Extractive Industries Transparency Initiative (EITI).

In addition, the volumes which are produced by ASMs do not match Transamine’s business strategies.

## **6. Transamine Supply Chain Custody and Counterparty KYC**

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### **6.1. KYC & Risk Mitigation**

As a trading company, the main risks that Transamine faces with regards to the points mentioned above in this policy are those of our counterparties that we engage with. In order to uncover and mitigate such risks, having a thorough and effective due diligence and KYC process is essential. This means having complete visibility on parties involved in our supply chains, from origination to final receivers of materials.

As a standard, the following risk-assessment and KYC process is undertaken:

- Counterparties are to complete a KYC questionnaire which requests information regarding their ownership, types of operations, key personnel, and whether they are subject to legal claims which include those which are linked to ESG and Human Rights issues.
- Transamine’s legal team also performs additional research and due diligence to ensure that no answers provided omit or diminish the importance of such claims or issues. Should additional points of concern be noted, then Transamine reserves the right to further enquire with counterparties to ensure a thorough understanding of their ESG profile.
- On-site visits performed by Transamine’s senior management, employees and representatives based in key countries which can highlight issues relating to working

conditions, child labour, environmental pollution or inadequate logistical facilities which may have a negative impact on ESG considerations.

The process described above ensures that Transamine receives adequate information regarding the structure, activities, ownership and potential ESG issues of counterparties.

Transamine does not tolerate any activities or counterparties in its supply chain that do not fully comply with the relevant principles and expectations set out in this policy.

## **6.2. Stakeholder Review & Verifications**

It is important to note that Transamine adapts to the ever-changing requirements of our business partners and counterparts. Such requirements and expectations also include standards with regards to ESG and sustainability which match the highest levels of standards set.

For example, transactions which are financed are reviewed by our banks who in turn have their own rules which Transamine must adhere to. The same is true of mines and smelters who often have proprietary codes of conduct and policies which require detailed explanations to be provided regarding Transamine's activities. The same can grant auditing rights in case of any doubts or concerns which may arise related to ESG topics.

Such a dual verification ensures the expectations set out in this policy are complied with, as are the various standards imposed throughout the industry and by financial institutions.

## **6.3. Contractual Requirements**

As a way of ensuring compliance with the points and expectations set out in this policy, Transamine regularly includes the same as a contractual requirement, a breach of which may lead to the suspension or termination of a business relationship.

Geneva, 25 April 2024