

ENVIRONMENT POLICY

ArrowResources AG (“**ArrowResources**”) and its affiliated companies (collectively the “**Group**”) is committed to protecting the world’s natural capital. We understand the importance of diligently managing the environmental performance of our supply chain to anticipate and mitigate the potential risks associated with our business and we continually work to identify opportunities and partner with our supply chain to continually improve environmental performance.

The Group is committed to transparently undertaking its business activities responsibly and strives to further its overall sustainable performance as aligned with its ESG Policy and by working with its suppliers, whose environmental impacts are more significant than the Group’s office-based activities.

Scope

The Group’s operations are uniquely office-based. The Group does not own or possess shareholdings in industrial assets. The Group is an international trading house that effectively finances, stores and transports products purchased from suppliers and sells them to its customers. This Environmental Policy covers the environmental performance of the physical offices from where the Group conducts its trading activities and highlights the requirements for the environmental management of its suppliers.

Guiding principles

Environmental goals are achieved through the adoption of recognised international standards and implementing elements of these standards where appropriate, such as:

- The UN Guiding Principles on Business & Human Rights (environmental-related aspects);
- The Greenhouse Gas Protocol;
- The Equator Principles (environmental assessment and management);
- IFC Performance Standards;
- Towards Sustainable Mining (TSM) protocols; and
- Initiative for Responsible Mining Assurance (IRMA).

Environmental compliance & standards

The Group conducts its business in full compliance with the applicable environmental laws and ordinances in the jurisdictions where the Group operates. This includes the disclosure and transparent reporting of environmental aspects as per regulatory requirements.

The Group also requires its suppliers to conduct business in full compliance with the applicable environmental laws and regulations in the countries in which they operate. The Group expects its suppliers to integrate environmental standards and adopt international best practices for their activities, which includes the guiding principles listed above, and:

- ISO 14001:2015
- ISO 26000

Environmental objectives & targets

Our offices

We are committed to improving the environmental performance of our office-based activities by seeking ways to reduce:

- Scope 1 GHG emissions through office energy (electricity consumption).
 - Goal: Improve electricity consumption of our offices annually.
- Scope 2 GHG emissions through the procurement of commercially available renewable energy (electricity from the grid to the office) to the extent possible from electricity grid supply companies.
 - Goal: Maximise the buying of available renewable electricity production sources from energy providers.
- Scope 3 GHG by rationalising energy consumption.
 - Goal: Reduce or offset carbon emissions from employee commuting and business-related travel.
- Water consumption at offices.
 - Goal: Reduce water consumption to the extent practicable.
- Waste - Recycling & the circular economy
 - Goal: Maximise the recycling of office waste where external services are available.

The Group integrates the results of its environmental performance into its annual Sustainability Report.

Our suppliers

We collaborate and partner with our principal suppliers to seek ways to reduce the environmental impacts associated with the production of the commodities we trade. The environmental performance of our principal suppliers is expressly linked to our ESG Policy and Responsible Sourcing & Supply Chain Standard and includes:

- Preferably sourcing from suppliers whose operations are certified ISO 14001:2015.
- Where relevant, companies must have a government-endorsed Environmental Impact Assessment and comply with a government-approved Environmental Management Plan.
- Collaborating with suppliers to leverage the reduction in Greenhouse Gases (GHGs), notably CO₂.

Periodic review

This Environmental Policy is subject to a compulsory periodic evaluation and review for its suitability and effectiveness.

Version History

<u>Date:</u>	<u>Version:</u>	<u>Issued by:</u>	<u>Description:</u>
05/05/2021	1.0	Compliance Manager	Initial version
23/11/2022	1.1	ESG & Sustainability Manager	Modified version

This Environment Policy has been approved by ArrowResources AG's Board of Directors