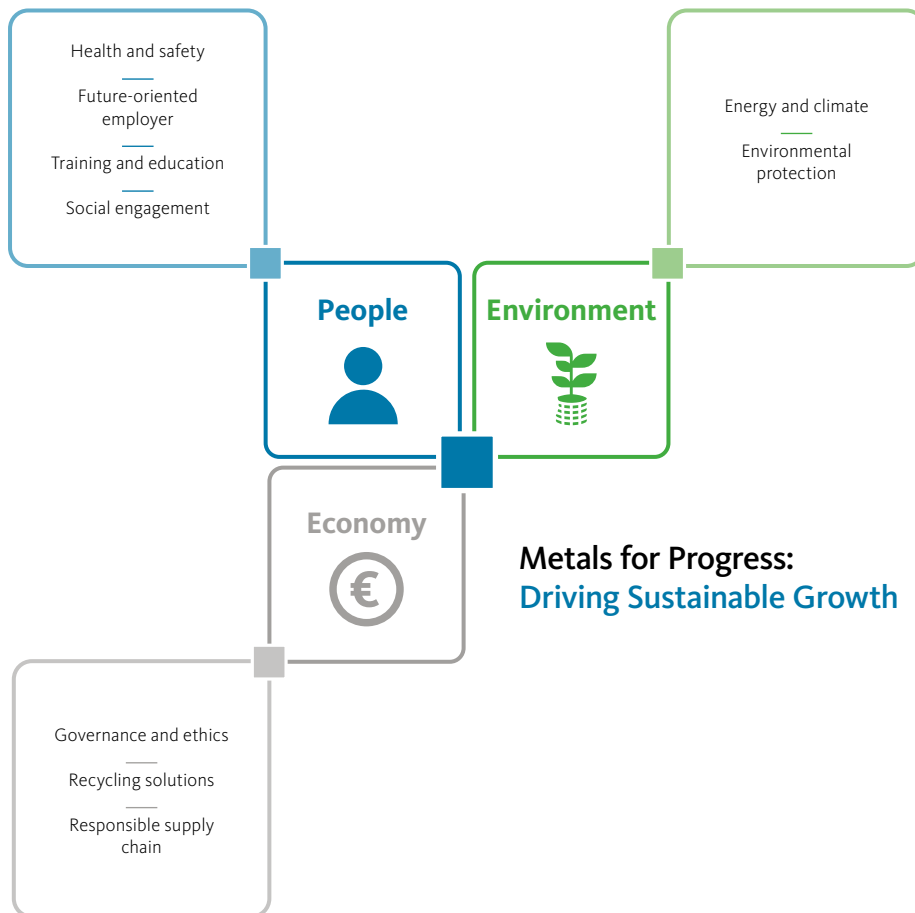


# Sustainability

## Non-Financial Report

Aurubis will expand its industry leadership in sustainability by implementing its 2030 sustainability targets.



## Introduction

Sustainability is a significant part of the Aurubis Group's conduct, enshrined in our company strategy, and therefore key to our business activities. We pursue the company's mission of responsibly transforming raw materials into value – to provide metals for an innovative world. A responsible approach to employees, suppliers, customers, and neighbors is a matter of course for us, whether in direct business operations or in the surrounding areas. The same applies to the environment, as we are aware of the limits of natural resources.

With this Non-Financial Report (NFR), Aurubis fulfills its obligation to disclose non-financial information for fiscal year 2020/21 pursuant to Sections 315b and 315c in conjunction with Sections 289b to 289e of the German Commercial Code (HGB). We use the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) [Q Glossary, page 212](#) as a guide in describing the concepts and selected KPIs.

The main external factors influencing business development are described in the [Q Risk and Opportunity Report of the Combined Management Report, pages 116–126](#). Risks related to non-financial aspects beyond the company boundaries are also mentioned there. Non-financial risks were assessed in accordance with Section 289c (3) of the German Commercial Code (HGB). In the process, no non-financial risks were identified that were very likely to cause a serious negative impact on employee and environmental matters, on respect for human rights, on the prevention of corruption and bribery, or on social matters.

## Aurubis Sustainability Strategy

The previous company strategy was updated in fiscal year 2020/21. "Metals for Progress: Driving Sustainable Growth" was adopted as a result. The key elements of the strategy are securing and strengthening the core business, pursuing growth options, and expanding industry leadership in sustainability. With the development of the company strategy, our sustainability aspirations will be integrated even more strongly in all areas and activities of the company.

The key element "expanding industry leadership in sustainability" includes the focus areas of people, the environment, and the economy, with our nine sustainability action areas [Q Aspects relevant for Aurubis, page 47](#). For each action area, new or continuing targets were defined for 2030. The existing Sustainability Strategy, with its 2018–2023 targets, is assimilated as a milestone into the new Group strategy for 2030 [Q Aurubis' 2030 sustainability targets, page 46](#). The results of the current materiality analysis [Q Glossary, page 214](#) were also incorporated in the strategy update [Q Aspects relevant for Aurubis, page 47](#). On this basis, we identified an additional action area: "Governance and ethics." This encompasses the topics of compliance and human rights, for example, which we consider material aspects. The action area "Growth and innovation" is no longer included, as this is represented in the company strategy's key element "pursuing growth options." The updated strategy, including the sustainability approach, was adopted by the Executive Board and Supervisory Board.

The individual measures and targets of the Sustainability Strategy 2018–2023 and the status of implementation are featured in this report at the end of the description of each action area.

**Aurubis' 2030 sustainability targets**

Action area	Ambition	2030 targets	2022/23 milestones
<b>€ Economy</b>			
<b>Governance and ethics</b>	We uphold the principles of responsible corporate governance.		
<b>Recycling solutions</b>	We offer comprehensive value chain solutions for the circular economy.	<b>50%</b> recycled content in copper cathodes	
<b>Responsible supply chain</b>	We minimize negative impacts on people and the environment in our supply chains.	No suppliers with a very high risk	<ul style="list-style-type: none"> <li>» Human rights, environmental protection, and safety clauses in 100% of long-term contracts for primary raw materials</li> <li>» Continued rollout of Aurubis Business Partner Screening</li> </ul>
<b>🌱 Environment</b>			
<b>Energy and climate</b>	We will be carbon-neutral well before 2050.	<b>-50%</b> absolute Scope 1 and Scope 2 emissions (base year 2018) <b>-24%</b> Scope 3 emissions per t of copper cathodes (base year 2018)	<ul style="list-style-type: none"> <li>» ISO 50001 at all production sites</li> </ul>
<b>Environmental protection</b>	We produce with the smallest environmental footprint in our sector.	<b>-15%</b> specific dust emissions in g/t of multimetal copper equivalent (base year 2018) <b>-25%</b> specific metal emissions to water in g/t of multimetal copper equivalent (base year 2018)	<ul style="list-style-type: none"> <li>» ISO 14001 at all production sites</li> <li>» Reducing specific metal emissions to water by 50% in g/t of copper output (Cu) (base year 2012)</li> <li>» Reducing specific dust emissions by 15% in g/t of Cu output (base year 2012)</li> </ul>
<b>👤 People</b>			
<b>Health and safety</b>	We prevent work-related accidents, injuries, and illnesses.	<b>Vision Zero:</b> LTIFR 0	<ul style="list-style-type: none"> <li>» LTIFR ≤ 1.0</li> <li>» ISO 45001 certifications at all production sites and slitting centers</li> </ul>
<b>Future-oriented employer</b>	We create a work environment for close collaboration and promote diversity and commitment. We passionately work for the progress of the company and society.	<b>100%</b> of the relevant employees are trained on unconscious bias <b>&gt;40%</b> <sup>1</sup> of employees take part in job rotation or job shadowing, with diversity being promoted at the same time At least <b>75%</b> <sup>1</sup> of the employees surveyed participate in pulse checks and feedback measures	
<b>Training and education</b>	We provide high-quality vocational training and invest in forward-looking qualifications for employees.	<b>100%</b> fulfillment of the continuing education allotment in hours (continuing education allotment: 18 hours per year for each employee)	<ul style="list-style-type: none"> <li>» 18 training hours per employee per year on average</li> </ul>
<b>Social engagement</b>	We are a reliable partner locally and internationally, one that makes a long-term contribution to a livable environment.	<b>90%</b> long-term partners (percentage of total budget) <b>0.8%</b> of operating EBT (five-year average) as annual budget for social engagement, but at least <b>€ 2 million</b>	<ul style="list-style-type: none"> <li>» Developing impact monitoring to evaluate projects supported</li> </ul>

<sup>1</sup> Over the period FY 2021/22 to 2029/30.

## Aspects relevant for Aurubis

When selecting the aspects for the Non-Financial Report, we were guided by both the main action areas of the company's Sustainability Strategy and the non-financial topics that are required to understand the business development, the business result, the company's position, and the impacts of our activities on these aspects.

To identify the relevant report content, we updated the materiality analysis [Q Glossary, page 214](#) in the reporting year with the assistance of internal and external experts. This was based on a revised list of potentially material topics that included new and increasingly relevant sustainability aspects in our industry. The list of results was expanded to include two material topics, "Work in associations and political lobbying" and "Data protection and IT security." The Executive Board confirmed the results. The topics identified as material in this process are assigned to the action areas of the Aurubis Sustainability Strategy in the Non-Financial Report. We present topics that have the same management approach in a consolidated format below. The new action area "Governance and ethics" is described in several chapters of the Non-Financial Report [Q table on the right](#) as well as in the Corporate Governance section [Q Corporate Governance Report, pages 18–43](#).

Interdisciplinary topics such as sustainable finance [Q Glossary, page 214](#), which can't be directly assigned to a specific action area, were also identified as material. Aurubis supports the work of the EU Action Plan on Sustainable Finance at European level and the corresponding approaches at national level in Germany. These deal with the implementation of increasing reporting requirements and political issues such as the assessment of the non-ferrous metals sector regarding a classification of sustainable products or possible liability regulations for risks in the supply chain, for example. Because it affects several of our sustainability activities, such as climate protection, respect for human rights, and the circular economy, sustainable finance extends across multiple action areas of the Sustainability Strategy and therefore cannot be classified under individual matters outlined in Section 289c (3) of the German Commercial Code (HGB).

The materiality analysis indicated once again that the topic of social engagement has no direct impact on our business development but is of considerable importance for us and our stakeholders. That is why it is part of this report and labeled as such under the topic "Social matters."

### Overview of material topics

	Sustainability action areas	Material according to German Commercial Code	Material for Aurubis	Page in NFR
<b>Employee-related matters</b>	Future-oriented employer	✓	✓	Q 49
	Training and education	✓	✓	Q 52
	Health and safety	✓	✓	Q 53
<b>Environmental matters</b>	Energy and climate	✓	✓	Q 56
	Environmental protection	✓	✓	Q 59
	Recycling solutions	✓	✓	Q 63
<b>Social matters</b>	Data protection and IT security <sup>1</sup>	✓	✓	Q 65
	Work in associations and political lobbying <sup>1</sup>	✓	✓	Q 65
	Social engagement		✓	Q 66
<b>Human rights</b>	Human rights and fair working conditions <sup>1</sup>	✓	✓	Q 68
	Responsible supply chain	✓	✓	Q 68
<b>Anti-corruption</b>	Anti-corruption <sup>1</sup>	✓	✓	Q 70

<sup>1</sup> Topics of the strategic action area "Governance and ethics."

## Sustainability management

From an organizational perspective, the Sustainability department is part of the Investor Relations, Corporate Communications & Sustainability division, the head of which reports directly to the Executive Board chairman, who in turn bears the overall responsibility for the issue of sustainability in the Aurubis Group.

The Sustainability department serves as the interface between the departments relevant to the topic of sustainability and coordinates all of the related processes in the Group, serving as a contact for the sites. At the same time, it is also responsible for continuously reviewing and developing the sustainability targets and supporting the operational implementation of the measures with the relevant divisions. It reports current developments to the Supervisory Board (Audit Committee). Yet another focus area is supplier screening based on sustainability criteria. The department represents Aurubis' interests in sustainability issues as well. Moreover, it manages sustainability reporting and communication. It is the point of contact for ESG rating agencies [Q Glossary, page 212](#).

To reflect the influence of sustainability on the company's success, the Aurubis Executive Board's variable compensation – in particular the annual bonus – takes various ESG performance criteria into account. [Q Compensation Report of the Corporate Governance Report, pages 28–43](#).

To be able to integrate the complex and dynamic sustainability developments into business activities even better in the future, initial concepts to realign the Aurubis sustainability organization were developed in the context of the strategy process. These are scheduled for implementation on January 1, 2022.

For many years, we have made our sustainability achievements transparent in a variety of ways. These include participation in sustainability rankings and ratings such as that of the CDP [Q Glossary, page 212](#) (a non-profit organization that advocates for climate reporting, among other things) as well as voluntary reporting. Our Sustainability Reports are guided by the GRI standards and are released every two years, with the next one covering fiscal year 2021/22. In the years without a Sustainability Report, the sustainability KPIs are updated and released separately in consolidated form in a KPI Update.

We communicate regularly with our key stakeholders about sustainability-related topics. We believe it is important to maintain an open and transparent dialogue with employees, customers, suppliers, politicians and society, capital market participants, the media, non-governmental organizations, and the scientific community.

## Description of the business model and presentation of the Group structure

As an integrated group, Aurubis processes complex metal concentrates, scrap metals, organic and inorganic metal-bearing recycling raw materials, and industrial residues into metals of the highest purity. In addition to our main metal, copper, our metal portfolio also includes gold, silver, lead, nickel, tin, zinc, minor metals such as tellurium and selenium, and platinum group metals. Sulfuric acid, iron silicate [Q Glossary, page 213](#), and synthetic minerals round off the product portfolio. The company purchases the necessary feed materials, as it doesn't own any mines or stakes in mines [Q Business model of the Group, pages 80–84](#).

Aurubis AG is the parent company of the Aurubis Group and is based in Hamburg, with production sites in Hamburg and Lünen. For us, sustainability and the related action areas and measures apply to all Group companies. The key indicators mentioned in this report are recorded at Aurubis in the individual departments, companies, and sites and consolidated at Group level. In addition to Aurubis AG, the scope of consolidation includes all of the fully consolidated subsidiaries (as at September 30, 2021). The Beerse (Belgium) and Berango (Spain) sites acquired in May 2020 and consolidated in their entirety starting in June 2020 were fully included in the environmental KPIs for 2020. The Fehrbellin site has belonged to the joint venture Cablo GmbH with the recycling company TSR Recycling GmbH & Co. KG since June 1, 2021. Aurubis holds a 40% stake. The site is still fully consolidated in the environmental KPIs. All environmental and energy KPIs are reported for calendar year 2020, not fiscal year 2020/21.<sup>1</sup> When the following report mentions copper production in the context of environmental KPIs, this refers to primary and secondary copper production at the Hamburg, Lünen, Olen, Pirdop, Beerse, and Berango sites. Significant differences between Aurubis AG KPIs and Group KPIs are explained.

<sup>1</sup> The KPIs are used first and foremost for internal management purposes and reporting for governmental authorities, for which the calendar year is the given period under review. Parallel reporting of both calendar year and fiscal year figures could lead to confusion and ambiguity.

## Employer-related matters

### FUTURE-ORIENTED EMPLOYER

Competent, productive, and enthusiastic employees form the basis of the Aurubis Group's commercial success and further development. We have set the target of creating a work environment for good, close cooperation and promoting diversity and involvement. We form a team that works toward the company's and society's progress.

All overarching activities related to our employees are managed at group level by Corporate Human Resources (HR), the head of which reports directly to the CEO, who is also the director of industrial relations. HR is particularly involved with the HR strategy of the entire Group, as well as the implementation and monitoring of the resulting HR instruments, especially those related to organizational and staff development, employer branding, compensation and fringe benefits, resource management, and supporting change initiatives. The work of the local HR departments is oriented first and foremost toward local requirements. In the case of issues that apply Group-wide, the local departments work in close coordination with the central HR division.

Our HR strategy is derived from the Group strategy and is based on the corporate values. It is developed continuously, taking labor market changes, societal transitions, and trends in HR work into consideration – in addition to the lack of skilled workers due to demographic change and the difficult search for young talents and apprentices.

During the reporting year, HR focused on digital transformation and developed an HR digitalization strategy to continue optimizing HR work and the employee experience, meaning the employee's perception of the company. This includes employees' experiences, impressions, and interactions during their workday.

This should ensure that our employees are able to act with a sense of responsibility. Current topics that are picking up momentum influenced HR strategy work, such as trials with different and more flexible ways of working that arose or sped up due to individual solutions during the course of the coronavirus pandemic.

To successfully implement future strategic projects, we established the internal initiative Fit4Projects, whose purpose is to provide our project managers with guidance in all HR-related topics such as resource planning and staffing. With this initiative, we strive to facilitate attractive development opportunities and careers in the project environment for our internal talents.

Furthermore, HR work also concentrated on supporting the organizational changes due to the integration of the Beerse (Belgium) and Berango (Spain) sites and due to the Performance Improvement Program (PIP), which focuses on cost reduction. During the course of this program, we will cut 300 full-time equivalent (FTE) positions in the corporate functions and the Hamburg plant by fiscal year 2022/23 compared to fiscal year 2018/19. We follow socially responsible principles and create measures to mitigate the consequences for employees who are dismissed. For example, we will prevent as many redundancies as possible by not filling certain open positions, offering an improved early retirement scheme, and facilitating internal job changes with related qualification offers as needed. The employee representatives were and are involved in the process.

Aurubis AG intends to sell the FRP plant in Zutphen (Netherlands) as well as the slitting centers in Birmingham (United Kingdom), Dolný Kubín (Slovakia), and Mortara (Italy) with a total of about 360 employees. The buyer, INTEK, is a holding that includes the KME Group. A term sheet was signed in August 2021. Approval from the merger control authorities is still pending. The FRP plants in Stolberg (Germany), Pori (Finland), and Buffalo (US) will remain in the Group.

In July 2021, the Aurubis site in Stolberg was flooded in connection with severe weather and had to declare force majeure. Due to the production stop, deliveries couldn't be accepted and products couldn't be delivered. No employees were injured due to the prudent and timely evacuation of the plant. The plant is being rebuilt with the plant's own employees, the support of employees from the Group, and external parties. Aurubis Stolberg has insurance for operational breakdowns and interruptions. The employees are provided for and continue to receive their pay during the operational interruption. Production gradually restarted beginning November 1, 2021.

Diversity in the personnel structure is important to us. The Code of Conduct and our corporate values serve as the basis for respectful cooperation.<sup>1</sup> Our view is that racist motives, ethnic or social background, gender or gender identity, religion or worldview, disability, age, family status, or sexual identity should not play a role in hiring, compensation, career trajectories, or personal interactions. We reject all forms of discrimination. For us, a diverse workforce is conducive to knowledge transfer, different viewpoints, and open collaboration. One of our goals is to increase the proportion of female managers – independently of legal stipulations, which we fulfill by defining concrete target parameters for the first and second management levels under the Executive Board. More information about the diversity concept is available in the [Q Corporate Governance Report, page 20](#).

We offer our employees an attractive work environment and support them by offering options allowing them to establish a good work-life balance, for example by making working time models more flexible and modern. In connection with the coronavirus pandemic, for instance, the start and end times of shifts were made more flexible and options for remote work were further expanded. The experience gained in the process will be used in the further development of a modern work organization.

We offer attractive compensation in line with the market. Compensation and fringe benefits are regulated in collective wage agreements. At our only production site outside of Europe, in Buffalo (US), where social security isn't comprehensively regulated by law, we assume 86% of the employees' health insurance contributions.

When it comes to commuting to and from work, mobility is unique for every employee and can contribute to personal satisfaction, health, and environmental protection. To promote environmentally friendly employee mobility, we revised the mobility and company vehicle fleet policy during the reporting year, adding measures to reduce CO<sub>2</sub> emissions in the company vehicle fleet and incentives for choosing low-emission vehicles. Furthermore, the mobility options for employees in Germany were expanded to include bike leasing and subsidies for public transport.

#### **Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21**

- » *Regularly identifying and continuously developing working time arrangements, taking employee interests into consideration*  
There are a number of solutions in both individual and collective agreements. In connection with the coronavirus pandemic, the start and end times for shift employees were made more flexible and the remote work option was increased considerably. The flextime program is reviewed and developed continuously.
- » *Promoting staff diversity and an unbiased company culture*  
During the course of the strategy update and implementation of the HR strategy, this target is being fleshed out in a framework for action. For this purpose, we're carrying out a needs assessment to derive suitable and effective measures.

<sup>1</sup> The current Code of Conduct of the Beerse (Belgium) and Berango (Spain) sites that were acquired in 2020 is fundamentally similar to Aurubis' Code of Conduct. Harmonization with Aurubis policies and commitments started at both sites during the reporting year.

### Future-oriented employer | 2030 targets

We create a work environment for close collaboration and promote diversity and commitment. We passionately work for the progress of the company and society.

- » 100 % of the relevant employees are trained on unconscious bias
- » An action framework for job rotation and job shadowing has been developed and implemented Group-wide. More than 40 %<sup>1</sup> of employees take part in job rotation or job shadowing, with diversity being promoted at the same time.
- » At least 75 %<sup>1</sup> of the employees surveyed participate in pulse checks and feedback measures

<sup>1</sup> Over the period FY 2021/22 to 2029/30.

## Key figures

### Aurubis Group personnel structure

as at the reporting date September 30

	Employees			Female			Male		
	2020/21	2019/20	2018/19	2020/21	2019/20	2018/19	2020/21	2019/20	2018/19
Aurubis Group	7,135	7,236	6,831	13 %	13 %	12 %	87 %	87 %	88 %
Blue collar	4,285	4,356	4,214	4 %	3 %	4 %	96 %	97 %	96 %
White collar	2,519	2,561	2,328	28 %	29 %	28 %	72 %	71 %	72 %
Apprentices	331	319	289	14 %	12 %	13 %	86 %	88 %	87 %

### Employee turnover in the Aurubis Group

as at the reporting date September 30

	2020/21	2019/20	2018/19
Turnover rate <sup>1</sup>	8.4 %	7.4 %	7.8 %
Average length of employment in the company (in years)	14.0	14.1	14.3

<sup>1</sup> Excluding apprentices.

### Age structure

as at the reporting date September 30<sup>1</sup>

	2020/21	2019/20	2018/19
< 20 years	4	11	15
20–29 years	944	990	997
30–39 years	1,865	1,806	1,642
40–49 years	1,548	1,583	1,467
50–59 years	1,840	1,912	1,824
60–69 years	596	602	584
>69 years	7	13	13

<sup>1</sup> Excluding apprentices.



## TRAINING AND EDUCATION

In order to achieve our company vision and advance our strategy, we rely on a learning organization. The ongoing individual development of our employees and sound training for young talents have high priority in this regard.

HR is responsible for staff development. It supports the other departments, in close coordination with the local HR managers, in building employees' skills in a directed way tailored to their needs in order to meet current and future requirements and challenges.

To secure qualified personnel in the long term, we regularly assess demand for specific skills and trades, and offer apprenticeships accordingly. We also identify the demand for employee qualifications and successors for different positions in annual performance appraisals and in the yearly personnel planning process in order to develop specialized skills and management expertise in a purposeful way.

We are continuing the training offerings in our leadership and qualification program according to the Group's needs. To optimally support the development of future and current supervisory staff, different programs are in place for supervisors to gain qualifications. Supervisors at foreman level in particular are offered a number of technical training sessions as well as options for personal development.

To fulfill our employees' needs in an even more targeted way, we continued expanding our digital learning options. Moreover, we're further enhancing self-guided learning and the use of innovative learning methods in the Group. On the Learning Academy digital platform, employees in Hamburg and Lünen have found internal and external courses on specialized, personal, and management skills, as well as educational films and presentations for independent study and digital learning, since mid-2020. Since mid-2021, the training offers of the Learning Academy have been available across the Group as the Corporate Learning Academy.

In addition to qualification and development programs geared to necessary skills, for example in the areas of the Aurubis Operating System (AOS) [Q Glossary, page 212](#) and in project management, we also rely on dialogue formats and learning platforms for networking and discussing best practices (e.g., expert panels and online learning groups). In our one- to two-hour micro-learning units, called "Learning Nuggets," participants learn and test new skills. In the short Aurubis Essentials seminars, colleagues educate one another about interdisciplinary topics, promoting a uniform, company-wide understanding of these issues. Many Aurubis Essentials and Learning Nuggets took place online during the coronavirus pandemic. The insights from using these digital learning formats are valuable for the ongoing development of our learning organization.

Aurubis is one of the large vocational training companies in the chemical industry in Germany. We are proud of our vocational training and retention rate, which makes an important contribution to securing a qualified workforce.

At the Hamburg and Lünen sites, we have had two new, modern vocational training centers since 2019 that have laid the foundation for increasing the number of apprenticeships. At these sites, we also provide cooperative apprenticeships with local companies whose collaborative apprentices complete basic training courses with us.

At our Bulgarian site in Pirdop, we are continuing our dual apprenticeship program with a local vocational school in Zlatitsa and in cooperation with two large neighboring mines and local subcontractors. The first dual students have been doing their practical training on site since 2020.

The Hamburg site has been participating in the internship model AV 10+ since 2007. This model supports young people from a range of occupational groups, helping them to gain the qualifications required to begin apprenticeships. Seven of the twelve participants were accepted as apprentices in 2020/21, while the remaining participants started external apprenticeships or have gone on to pursue higher education.

With digital learning supports and communication formats, vocational training continued during the coronavirus pandemic and the planned increase in apprenticeships took place, taking the necessary precautions into account. Where it made sense, remote work was made possible for apprentices.

During the reporting year, a new apprenticeship marketing concept was developed and implemented, in which the online presence of vocational training was extended in Germany. Aurubis was also present at digital fairs and school events, cooperating with partner universities, offering internships to students in Germany, and facilitating thesis projects.

#### Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21

- » *Securing current and forward-looking staff qualifications*  
During the reporting year, the skills matrix was rolled out in all of the plants to systematically record qualification needs and to facilitate qualification planning for technical and specialized training accordingly. Moreover, the establishment of Group-wide project management standards continued, with the introduction of a learning path to provide project managers with the appropriate qualifications, and additional company employees were introduced to the project management standards by participating in this learning path.
- » *Group-wide introduction of the AOS pillar “Education and Training”*  
The AOS pillar is integrated into the AOS Operations area. At the Hamburg plant, employees were qualified as AOS experts in a modular training program this fiscal year as well. The planning for equivalent AOS expert qualifications at the other plants will be carried out as needed.
- » *Establishing Group-wide knowledge management to identify, preserve, transfer, and enhance knowledge across functions*  
The knowledge transfer process is enshrined in Aurubis AG’s succession arrangements as a knowledge management method. A review is currently taking place to determine whether there is a need for knowledge transfer Group-wide. Furthermore, an internal company social network was introduced across the Group. Through the establishment of digital communities of practice, knowledge is now transferred across Group, departmental, and geographical borders.

#### Training and education | 2030 targets

We provide high-quality training and invest in forward-looking qualifications for employees.

- » 100 % fulfillment of the continuing education allotment in hours. The continuing education allotment is 18 hours per year for each employee

#### Key figures

##### Training and education

	2020/21	2019/20	2018/19
Apprenticeship rate in Germany	8.4 %	7.7 %	7.3 %
Apprentice retention rate in Germany	71.6 %	71.2 %	78.4 %
Average number of training hours per employee <sup>1,2</sup>			
Aurubis Group	13.9	12.0	15.2
Blue collar	13.7	10.2	13.6
White collar	14.2	15.2	18.3
Percentage of employees receiving training			
Aurubis Group	61.2 %	67.0 %	75.5 %
Blue collar	58.6 %	66.0 %	73.4 %
White collar	65.5 %	68.8 %	79.4 %

<sup>1</sup> Our KPI results [Q Glossary, page 213](#) are lower compared to FY 2018/19 due to the global coronavirus pandemic.

<sup>2</sup> For FY 2019/20, the numbers were estimated for the Buffalo site. The Beerse (Belgium) and Berango (Spain) sites have been included for the entire FY since FY 2019/20.

#### HEALTH AND SAFETY

As a responsible company, it is a matter of course for Aurubis to take measures to maintain the health and performance of people on the plant premises and to protect them from accidents and illness.

Health and Safety (H&S) in the Group creates the overall conditions to prevent work-related accidents and illness on behalf of and in the interests of the production units. In the long term, we want to achieve our Vision Zero. This means that we want to

have zero work-related injuries or illnesses. Our goal for the medium term is to reduce the number of work-related accidents with at least one lost shift per one million hours worked (lost time injury frequency rate, LTIFR [Q Glossary, page 213](#)) to  $\leq 1.0$ .

Group Health & Safety and Behavioral Management (G-OHS) manages H&S and establishes minimum occupational safety standards for the entire Group by issuing process instructions in addition to the Corporate Policy on Occupational Health and Safety. G-OHS is part of the corporate department Continuous Improvement | H&S, the head of which reports directly to the chief operating officer.

Occupational safety management at the sites is currently being developed further to conform to the requirements of ISO 45001 [Q Glossary, page 213](#), an international standard for occupational safety management systems. Most of the sites are already certified in accordance with ISO 45001.

The site managers play a key role because they are responsible for complying with applicable laws and ordinances on health and safety, the relevant corporate policy, and the current process instructions. They therefore identify and evaluate health risks and help implement suitable measures to protect everyone in our area of responsibility, for example the company's own employees, temporary workers, and contractors. The sites are in contact with each other via a network facilitated by G-OHS, which meets in the context of Group Health & Safety Days or in cross-functional teams. Moreover, employee representatives are included in the topic of H&S: through the reporting line to the Executive Board, G-OHS reports to the general Works Council committee and the European Works Council during committee meetings.

The risk assessments extend to both current and future work processes in the company, including maintenance and repair procedures in addition to operations. The risk assessments cover hazards in normal operations, special work assignments, and abnormal incidents. Health hazards and individual requirements in the work area are systematically collected, evaluated, and documented.

The local departments systematically investigate accidents to determine their technical, organizational, and conduct-based causes. The causes determined from accident investigations and the measures derived from them are communicated throughout the Group. Accidents and other relevant incidents are part of the monthly reporting to the entire Executive Board. Every accident with lost time is directly reported to G-OHS and the chief operating officer, including those involving temporary workers and contractors. Because of our preventive measures, the accidents typical of the smelting industry such as those involving molten metals, hazardous substances, and heavy loads are rare. Comparable to other industries, the main causes of injuries are stumbling, slipping, and falling.

In addition to technical and organizational precautions, the occupational safety conduct of every individual is essential. To raise further awareness for personal safety conduct, the Group-wide H&S campaign 10 Golden Rules (10forZero) was continued. The campaign calls for and promotes targeted dialogue between supervisors and employees. In addition, several of the sites have a program for Behavior-Based Safety (BBS) [Q Key measures of the Sustainability Strategy 2018–2023, pages 55–56](#). Legal compliance audits to ensure conformity with the law are carried out at the sites annually. Furthermore, the Health and Safety pillar was integrated into the AOS [Q Glossary, page 212](#) and [Q Key measures of the Sustainability Strategy 2018–2023, pages 55–56](#). On behalf of the production units, this will support the structuring, standardization, and implementation of Group-wide occupational safety processes with the tools of continuous improvement – a measure that contributes to our Vision Zero.

People in our area of responsibility, such as employees, temporary workers, and contractors, are informed about risks in the workplace and are instructed about necessary preventive and protective measures, enhancing their awareness. Current H&S topics are discussed in safety talks.

Internal company doctors are available at the Hamburg and Pirdop sites. At all of the other sites, freelance occupational physicians are commissioned with carrying out obligatory and

optional checkups. Health exams and routine occupational checkups are provided to the employees.

The additional offerings of the plant medical offices extend from flu vaccinations and medical checkups to addiction prevention, as well as supporting measures for the heart and circulatory system. There are a number of activities for health promotion, which a task force is currently transferring to a systematic, integrated concept for company health management for the Hamburg headquarters. The Hamburg, Pirdop, Olen, Beerse, and Berango sites executed different initiatives on the issues of healthy management and mental well-being to strengthen and maintain employee health.

Our occupational safety approach applies to our temporary workers and contractors as well. The H&S policies and process instructions apply to all individuals working at the site. Each person who enters our sites is registered. Temporary workers and contractors are instructed about risks, protective measures, rules of conduct, and conduct in case of emergency at the specific site before they start working. In addition, we offer them the option of taking part in biomonitoring. As required, we provide them with our industry-specific personal protective equipment (PPE). Accidents involving temporary workers and contractors are recorded and evaluated and are subject to reporting. We use this to derive Group-wide, site-specific targets relevant to contractors and temporary workers.

Since the start of the coronavirus pandemic, there has been a Group task force including the largest sites that meets online with the entire Executive Board depending on the current situation. In this way, specific plans and measures can be quickly established to protect employees' health while keeping operations up and running. The measures have been steadily adjusted to the ongoing circumstances of the pandemic and include testing and vaccination offers in in-house vaccination centers or at external organizations in cooperation with other companies.

As a company that processes lead, we regularly analyze the lead levels in the relevant employees' blood and, as a member of the ILA (International Lead Association), we have already taken part in voluntary commitments to limit blood lead levels in the past. In 2021, the new Technical Rules for Hazardous Substances "Lead" (TRGS 505) went into effect in Germany, establishing a new limit value for lead in the blood. To fulfill the new regulations, the existing risk assessments are being updated and, where necessary, technical, organizational, and/or personal protective measures are being derived and implemented.

#### **Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21**

##### » *Developing the Group-wide occupational health and safety management system*

The introduction of occupational safety management systems pursuant to ISO 45001 wasn't concluded at all production sites and slitting centers in fiscal year 2020/21. The Stolberg site had to interrupt its activities due to flooding impacts. At the FRP sites Buffalo, Zutphen, and Birmingham, priorities were rearranged due to the effects of the coronavirus pandemic and the ongoing negotiations regarding the partial sale of the FRP sites. Certification is planned for Buffalo by the end of fiscal year 2021/22. Certification at the Zutphen and Birmingham sites is no longer being pursued due to the pending sale

[Q Certifications by site, page 62.](#)

Legal compliance audits to ensure conformity with the law have been carried out at all sites at least once so far. The outstanding audits for fiscal year 2020/21 will follow until the end of March 2022. The plan is to repeat them annually. The Health & Safety pillar was integrated in the AOS. The execution of the first two of seven steps concluded at the Lünen and Olen sites in the reporting year. The Hamburg, Emmerich, Avellino, and Pirdop sites will follow by the end of 2021. The rollout in Beerse and Berango will start in fiscal year 2021/22.

- » *Implementing programs to promote occupational safety conduct*
- The Group-wide 10 Golden Rules for Health and Safety were further reinforced at nearly all of the sites within the context of a supporting communication campaign. The Beerse and Berango sites will finish introducing them in late 2021. To repeat and reinforce the 10 Golden Rules, another campaign started in June 2021.
- The Behavior-Based Safety (BBS) programs and measures at the Hamburg, Lünen, Avellino, Emmerich, Pori, and Stolberg sites continued, keeping contact to a minimum as required. The plan is to continue expanding BBS in the Group.

#### Health and safety | 2030 targets

We prevent work-related accidents, injuries, and illnesses.

- » Vision Zero: LTIFR 0

### Key figures

#### Occupational health and safety KPIs

	2020/21	2019/20	2018/19
Absolute number of accidents <sup>1</sup>	54	51	61
LTIFR <sup>2</sup>	5.0	5.4	6.0
Number of work-related fatalities	0	0	0
Number of work-related fatalities of third parties at our sites	0	0	0

<sup>1</sup> Absolute number of accidents including the Beerse (Belgium) and Berango (Spain) sites starting June 1, 2020. Excluding Cablo Metall-Recycling und Handel GmbH, Fehrbellin, starting June 1, 2021 (which, since June 1, 2021, has belonged to the joint venture Cablo GmbH together with the recycling company TSR Recycling GmbH & Co. KG; Aurubis holds a 40% stake in Cablo GmbH).

<sup>2</sup> LTIFR: Beerse (Belgium) and Berango (Spain) sites included for the entire FY starting FY 2019/20 so that KPIs can be compared.

## Environmental matters

### ENERGY AND CLIMATE

As an energy-intensive company, we assume responsibility for climate protection. The individual production steps in our value chain need a great deal of energy, which requires an efficient approach. The use of energy is the main source of direct and indirect CO<sub>2</sub> emissions (Scope 1 and 2) in the Group. Taking the entire value chain into consideration, over half of the CO<sub>2</sub> emissions are upstream and downstream, i.e., they originate from our suppliers, customers, and service providers (Scope 3 emissions). Most of the Scope 3 emissions originate from the activities of the mining companies from which we source copper concentrates [Q Glossary, page 212](#).

At the same time, however, the products we manufacture contribute to reducing CO<sub>2</sub> emissions in society because they play an important role in renewable energies, applications that boost energy efficiency, and electric vehicles. Electric cars contain nearly four times more copper than vehicles with conventional combustion engines, and building and connecting an offshore wind turbine to the energy grid requires up to 30 t of copper.

Our Group-wide Corporate Energy & Climate Policy outlines how Aurubis secures and optimizes the energy supply, energy consumption, and CO<sub>2</sub> avoidance. In this context, the policy also defines the roles and responsibilities of the sites and corporate departments. The management of Corporate Energy & Climate Affairs develops and implements the Group-wide energy strategy and reports directly to the Executive Board chairman. The corporate department also coordinates the development of the energy management and monitoring systems across the Group.

Identifying climate-related opportunities and risks and deriving related measures are two issues that link our risk management and our energy and environmental strategies under the Sustainability Strategy. When doing this, we consider (pending) legal requirements, technological developments, and compliance-related, reputational, and physical risks. More information is available in the Risk and Opportunity Report of the Annual Report 2020/21 under “Energy and climate,” as well as in our publicly available CDP report<sup>1</sup> at [www.aurubis.com/en/sustainabilityreporting](http://www.aurubis.com/en/sustainabilityreporting), which received an A- in the climate change program for 2020.

Energy management systems (EMS) contribute to efficiently steering energy consumption and identifying energy savings potential. Our largest production sites have an EMS [Q Certifications by site, page 62](#).

In June 2021, the Science Based Targets initiative (SBTi) [Q Glossary, page 214](#) validated Aurubis AG’s CO<sub>2</sub> reduction targets, thus confirming that our targets contribute to limiting global warming to 1.5°C pursuant to the Paris Agreement. We have set out to reduce the absolute Scope 1 and Scope 2 emissions, meaning CO<sub>2</sub> emissions generated by burning fuels in internal facilities and those related to purchased energy, by 50 % until 2030 compared to the base year 2018. We want to reduce Scope 3 emissions, which arise in the upstream and downstream stages of the value chain, by 24 % per ton of copper cathodes [Q Glossary, page 212](#) during the same period as well.

In late 2019, Aurubis joined the initiative Business Ambition for 1.5°C from the UN Global Compact, which requires the Group to develop science-based CO<sub>2</sub> reduction targets (Science Based Targets [Q Glossary, page 214](#)). Our involvement in the Stiftung 2° foundation, for which Aurubis has been a sponsor since 2021, underlines our commitment to climate protection.

A detailed roadmap is being further implemented to help us achieve our climate goals. Regarding Scope 1 and Scope 2 emissions, it includes technical measures such as decarbonizing plant facilities by using green hydrogen [Q Glossary, page 213](#) instead

of fossil fuels, electrifying our production, utilizing industrial waste heat from our production process, and expanding the purchase of green electricity. Approaches for Scope 3 emissions include cooperation in the supply chain and increased recycling activities, for example. We aspire to make our production carbon-neutral well before 2050.

Because many energy efficiency measures have already been implemented in the past, additional optimizations are more challenging. Moreover, because there are limits to reducing energy consumption and emissions, the improvements being achieved today within the plant boundaries are only marginal compared to previous years. This is despite the same or higher levels of investment, which were already high to begin with. For example, complex recycling raw materials with relatively low metal contents and complex copper concentrates require a higher specific energy input to be processed. As a result, we focus not only on further increasing efficiency but also on solutions that save energy and thus prevent CO<sub>2</sub> outside of our plant – such as the Industrial Heat project in Hamburg [www.aurubis.com/en/industrialheat](http://www.aurubis.com/en/industrialheat), whose expansion is scheduled to start in 2022.

Furthermore, we are considering measures to replace fossil fuels with alternatives, for example by commissioning the 10 MW power-to-steam plant, an electrode boiler. Assuming that 100 % of the power supply comes from renewable energies, this plant alone could cut up to 4,000 t of CO<sub>2</sub> annually. When making investment decisions, the influence on the reduction of greenhouse gas emissions is taken into consideration and evaluated as well.

Green hydrogen [Q Glossary, page 212](#) is considered a key technology for decarbonizing industry. Aurubis sees the greatest potential for using hydrogen efficiently and cost-effectively in the anode furnaces. In May 2021, a test series started in Hamburg whose technical results will lay the foundation for future hydrogen activities. In the process step involving the anode furnaces, hydrogen is used as a reducing agent in place of natural gas. In the process, oxygen in the anode copper is removed with

<sup>1</sup> CDP gathers and evaluates data and information about companies’ CO<sub>2</sub> emissions, climate risks, and reduction targets and strategies, assessing their responsibility in the supply chain in the process. We voluntarily report our CO<sub>2</sub> emissions annually as part of the CDP climate change program.

hydrogen, forming just water and no CO<sub>2</sub>, which is the case when using natural gas as a reducing agent. The savings potential for the Hamburg smelter alone amounts to 6,200 t of CO<sub>2</sub> annually. The pilot project was awarded first prize in the 2021 Responsible Care competition held by the German Chemical Industry Association (VCI) at national and state level.

The use of renewable energies on a large scale is a challenge for us since generating them is associated with energy supply fluctuations. However, our production processes require a constant energy supply. We are therefore working on measures to make our energy uptake more flexible so that we can react to fluctuating energy availability and thus use more renewable energies. One example is the world's largest arc plasma furnace, commissioned in Beerse (Belgium) in 2017. In the furnace's reactor, metals are evaporated from the slags of plant processes. A usable synthetic mineral and metals are formed. In contrast to other furnaces in the industry, this furnace is electrically operated, which makes the use of renewable energies possible.

We also cover a portion of our energy needs with electricity we generate internally using excess heat from our processes. We installed steam turbines for this purpose in Hamburg, Lünen (both in Germany), and Pirdop (Bulgaria). The calculated savings potential is 30,000 t of CO<sub>2</sub> per year. The savings during the reporting period were lower, mainly due to temporary outages or maintenance measures related to the steam turbines and their surrounding areas. On top of that, we use waste heat from the production processes to secure the heat and process steam supply at the Pirdop, Lünen, and Hamburg sites, where demand is already covered by waste heat for the most part.

At the Aurubis site in Pirdop (Bulgaria), the internal 10 MW solar plant Aurubis-1 was constructed and started trial operation at the end of fiscal year 2020/21. It is currently the largest solar plant for internal electricity production for a company in the country, comprising over 20,000 solar panels on a remediated and recultivated landfill of 100,000 m<sup>2</sup>. The site's goal is to cover 20% of its energy needs from renewable sources by 2030.

The Hamburg site would like to support the mobility shift in Germany and make the use of electric vehicles easier for its employees. For this purpose, in cooperation with Hamburg Energie, construction work kicked off for one of the largest continuous charging parks for electric vehicles in northern Germany in 2021. The plan is for a total of 150 charging points, each with 22 kW of power from green electricity, to go into operation in two plant parking lots by the end of 2021.

#### **Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21**

» *Investigating processes and electricity consumption in relation to the German government's Climate Action Plan 2050 and analyzing the requirements for new investments (since fiscal year 2018/19)*

We have committed to the Science Based Targets initiative (SBTi) [Q Glossary, page 214](#) and, in fiscal year 2020/21, set a science-based climate target to reduce our CO<sub>2</sub> emissions.

» *Implementing projects to enhance energy efficiency and reduce emissions, with a total project-related reduction of 100,000 t of CO<sub>2</sub> (target year 2022/23)*

As at this fiscal year-end, we had saved 102,486 t of CO<sub>2</sub>, thus reaching the target ahead of schedule.

» *Introducing the ISO 50001 standard for energy management [Q Glossary, page 213](#) at all sites*

A little over half of the production sites are certified in accordance with ISO 50001 [Q Certifications by site, page 62](#). The production sites that still aren't certified have started with the implementation of an EMS or its integration in existing environmental and/or quality management systems. Certification should be completed by the end of fiscal year 2021/22.

» *Increasing flexibility in electricity sourcing (target of 10% by fiscal year 2022/23)*

Flexible electricity output amounted to 19.2% in the reporting period.

### Energy and climate | 2030 targets

We will be carbon-neutral well before 2050.

- » -50% absolute Scope 1 and Scope 2 emissions (base year 2018)
- » -24% Scope 3 emissions per ton of copper cathodes (base year 2018)

### Key figures

#### Energy consumption

in million MWh	2020 <sup>1</sup>	2019	2018
Primary energy consumption <sup>2</sup>	1.72	1.69	1.75
Secondary energy consumption <sup>3</sup>	2.00	1.78	1.89 <sup>4</sup>
<b>Total energy consumption within the organization</b>	<b>3.72</b>	<b>3.47</b>	<b>3.64<sup>4</sup></b>

<sup>1</sup> The Beerse (Belgium) and Berango (Spain) sites have been included for the entire calendar year since 2020, which explains the increase in energy consumption.

<sup>2</sup> Including energy consumption for on-site vehicle traffic.

<sup>3</sup> Including electricity for oxygen generation.

<sup>4</sup> Figures corrected compared to the previous year.

#### CO<sub>2</sub> emissions<sup>1</sup>

in thousand t CO <sub>2</sub>	2020 <sup>2</sup>	2019	2018
Scope 1 (emissions produced as a direct result of burning fuels in internal facilities)	540	503	522
Scope 2 (emissions related to purchased energy, e.g., electricity) <sup>2</sup>	1,023	941	936
<b>Total (Scope 1 + 2)</b>	<b>1,563</b>	<b>1,444</b>	<b>1,459</b>
<b>Scope 3<sup>3</sup></b> (other indirect emissions)	<b>2,541</b>	<b>1,917</b>	<b>2,081</b>

<sup>1</sup> Aurubis reports its CO<sub>2</sub> emissions using the methods of the "EU Emissions Trading System (EU ETS): The Monitoring and Reporting Regulation (MRR) – General Guidance for Installations" and "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)." Emissions from diesel vehicles in accordance with the emissions trading system are not included. However, they make up a very small percentage compared to other sources. Scope 2 emissions are reported here according to the market-based method [Q Glossary, page 213](#). For the CDP, we report Scope 2 emissions according to both the market-based and the location-based methods [Q Glossary, page 213](#).

<sup>2</sup> The Beerse (Belgium) and Berango (Spain) sites have been included for the entire calendar year since 2020, which explains the increase in emissions.

<sup>3</sup> Some Scope 3 emissions have been extrapolated. The increase is due to the new sites, Beerse (Belgium) and Berango (Spain), as well as an adjustment to the methodology used. Scope 3 emissions were externally audited for the first time in 2019.

### ENVIRONMENTAL PROTECTION

Our goal is to minimize the environmental impact of our business activities. This includes maintaining air, water, and soil quality and biodiversity in our plants and the surrounding areas, as well as handling waste and hazardous substances responsibly. These environmental aspects are observed and managed with a holistic perspective in our environmental management system. The upstream and downstream risks of our business activities on the environment are analyzed in our Business Partner Screening

[Q Responsible supply chain, page 68.](#)

The head of Corporate Environmental Protection reports to the chief operating officer (COO) and, together with the COO, is responsible for the strategic positioning of environmental protection. Environmental officers oversee the environmental protection duties at the individual production sites. The principles of our Corporate Environmental Protection Guidelines provide a framework for safeguarding our uniform, Group-wide environmental standards. They are enshrined in the Corporate Policy on Environmental Protection [www.aurubis.com/en/environmentalstatement](http://www.aurubis.com/en/environmentalstatement). We have set Group-wide targets in environmental protection. The production sites implement local measures to achieve the targets. Environmental performance is monitored and controlled using key environmental parameters, which are regularly recorded at the production sites and verified by external inspectors.

The main standards for our production processes are outlined in the permits issued by the governmental authorities. The baseline includes European regulations on immissions, emissions, water, waste, and disruptions, as well as their implementation in national law, plus the European chemical regulation REACH [Q Glossary, page 214](#).

In addition to fulfilling legal requirements, we monitor and improve our environmental performance by means of the management systems pursuant to ISO 14001/EMAS [Q Glossary, pages 212-213](#) and [Q Certifications by site, page 62](#). They assist us in recognizing potential improvements and, in the case of deviations from specified targets, in initiating corrective actions. We therefore fulfill the principle of continuous improvement laid out in our environmental guidelines.



Extensive environmental risk assessments are conducted by an external auditor at every production site annually. In the context of Aurubis' risk management, the environmental risks for all Group sites are regularly analyzed and assessed. Measures are developed and stipulated to counter possible risks. In 2021, these risk analyses were expanded to include the areas of biodiversity, nature conservation, and water availability. Opportunities were systematically analyzed as well.

We continuously inform our employees about environmental and energy-related topics and train them according to the site-specific environmental issues. Moreover, emergency drills are carried out regularly, which we document and evaluate. At the individual sites, we have emergency, alarm, and hazard prevention plans in place to prevent environmental impacts and to protect our employees and the surrounding population. This facilitated prompt evacuation at the Stolberg plant, which was impacted by flooding in July 2021, and no employees were injured.

A milestone for environmentally friendly primary copper production [Q Glossary, page 212](#) at the Hamburg plant was our RDE project (Reducing Diffuse Emissions), which was commissioned in October 2021 – one of our biggest environmental protection projects since the 1980s. Aurubis invested about € 85 million in the project for measures to continue reducing emissions in the primary smelter. These measures include optimized source extraction, a newly installed procedure for processing intermediates, and the use of state-of-the-art suctioning and filter technology to trap residual dust emissions.

When it comes to processing recycling materials and other raw materials, waste management is one of the central pillars of industrial environmental protection. In this respect, processed raw materials and intermediate products should be brought into the economic cycle as completely as possible, and unavoidable waste recycled or properly disposed of. A special feature of our business model is the fact that process residues are used internally in metallurgical processes to the greatest extent possible and thus directly recycled [Q Recycling solutions, page 63](#).

The New York State Department of Environmental Conservation (NYSDEC) identified deficiencies in environmental protection measures at the Aurubis site in Buffalo (US) and initiated legal proceedings in 2018. The deficiencies were related to the handling of hazardous substances and wastewater treatment. To correct these issues, the site developed and implemented an action plan with about 20 individual measures. Overall, more than US\$ 1 million was invested in technical modernizations at the site. Furthermore, the number of employees in the environmental division was increased and the organizational structures were adjusted. Close monitoring was also established with the help of external consultants. This should contribute to additionally minimizing risks. The introduction of an environmental management system in accordance with ISO 14001 is scheduled, with implementation planned by the end of 2022. In March 2021, Aurubis Buffalo agreed to a settlement with the NYSDEC. This includes paying a fine of about US\$ 240,000 and undertaking additional improvements on the plant.

Within the context of our stakeholder dialogue, Aurubis is also involved in publicly funded projects. For example, since 2013, we have participated in the EU projects Organisation Environmental Footprint and Product Environmental Footprint for copper cathodes, projects that seek to achieve an environmental balance in organizations and products. In 2018, the two pilot projects we participated in were successfully concluded after the results were accepted by the official supervisory bodies. We are also actively involved in the further development of the Environmental Footprint. Furthermore, we carried out a life cycle analysis [Q Glossary, page 213](#) for copper cathodes. The results show that the footprint of the Aurubis cathodes in the environmental aspects considered, for example global warming and acidification, is in some cases substantially smaller than the worldwide industry average (i.e., in relation to the members of the International Copper Association, ICA, with data for reference year 2013). We updated this life cycle analysis for Aurubis with data from 2019 and determined that the footprint of Aurubis copper cathodes continued to decrease significantly. The improvements were based on the increased input of recycling material [Q Glossary, page 214](#), reduced emissions, higher energy efficiency, and a rise in the use of renewable energies in production, to name a few

examples. The ICA is also currently working on an update of its results, and Aurubis is once again providing active support. A life cycle assessment for our wire rod products, the step in the value chain that follows the copper cathode, is currently underway.

### Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21

- » *Introducing the ISO 14001 standard for environmental management at all production sites*

The existing certifications were confirmed during the reporting period through surveillance audits or recertification [Q Certifications by site, page 62](#). Gap analyses have been carried out at Peute Baustoff in Hamburg, RETORTE in Röthenbach, and Buffalo in the US.

- » *Reducing specific metal emissions to water by 50% until 2022 compared to 2012*

In 2020, metal emissions to water in copper production processes were reduced to 0.8 g/t of copper output, a decline of 63% (figures including the sites in Beerse, Belgium, and Berango, Spain). We therefore achieved our target in 2020.

We want to maintain the low level in the future and continue improving through technical measures.

At the site in Pirdop, Bulgaria, a new sand filter was commissioned in the existing treatment facility for industrial wastewater in 2020. This reduces the discharge of undissolved substances into bodies of water.

- » *Reducing specific dust emissions by 15% until 2022 compared to 2012*

In 2020, dust emissions to air in copper production processes were reduced to 56.7 g/t of copper output, a decline of 19% (figures including the sites in Beerse, Belgium, and Berango, Spain). We therefore achieved our goal in 2020 already. We want to maintain the low level in the future while continuing to improve with technical measures.

To reduce sulfur dioxide emissions and fugitive emissions from the smelting process, a new facility for cooling converter slag [Q Glossary, page 212](#) was built at the site in Pirdop, Bulgaria, and went into regular operation in early 2020. This project will be expanded in the coming years to optimize cooling of the slags from the flash smelting furnace as well.

The aforementioned RDE project at the Hamburg site should contribute to further reducing emissions in the primary smelter. The facility was commissioned in October 2021.

- » *Reducing specific SO<sub>2</sub> emissions to air with site-specific projects and individual measures*

SO<sub>2</sub> emissions per ton of copper output in copper production (Hamburg, Germany, and Pirdop, Bulgaria, sites) were reduced by 4% in 2020 compared to 2012 (target: 15%).

The facility in Pirdop for cooling converter slag also contributes to reducing SO<sub>2</sub> emissions. This project will be expanded in the coming years to optimize cooling of the slags from the flash smelting furnace as well.

### Environmental protection | 2030 targets

We produce with the smallest environmental footprint in our sector.

- » -25% specific metal emissions to water in g/t of multimetal copper equivalent (base year 2018)
- » -15% specific dust emissions in g/t of multimetal copper equivalent (base year 2018)

### Key figures

#### Specific emissions from copper production

in g/t copper output	2020 <sup>1</sup>	2019	2018
Dust emissions	57	60	63
Metal emissions to water <sup>2</sup>	0.8	1.0	1.1

<sup>1</sup> The new sites, Beerse (Belgium) and Berango (Spain), are included starting in calendar year 2020.

<sup>2</sup> In this table, we refer to the copper production sites that discharge directly into water. In Lünen (Germany) and Berango (Spain), wastewater is directed to the public sewer system after being treated on the plant premises and therefore isn't included.

## Certifications by site

Site	EMAS	ISO 14001	ISO 50001	ISO 9001	IATF 16949	EfbV	ISO 45001
<b>Production sites</b>							
Hamburg, headquarters (DE)	✓	✓	✓	✓			✓
Lünen (DE) <sup>1</sup>	✓	✓	✓	✓		✓	✓
Olen (BE)		✓	✓	✓			✓
Pirdop (BG)		✓		✓			✓
Avellino (IT)	✓	✓		✓			✓
Beerse, Metallo (BE)		✓	✓ <sup>2</sup>	✓			
Berango, Metallo (ES)		✓		✓			✓
Buffalo (US)				✓	✓		
Emmerich, Deutsche Giessdraht (DE)		✓	✓	✓			✓
Fehrbellin, Cablo GmbH (DE) <sup>3</sup>		✓	✓	✓		✓	
Hamburg, E.R.N. (DE)		✓	✓	✓		✓	✓
Hamburg, Peute Baustoff (DE)				✓ <sup>4</sup>			✓
Pori (FI)		✓	✓	✓			✓
Röthenbach, RETORTE (DE)				✓			✓
Stolberg (DE)			✓	✓	✓		
Stolberg, Schwermetall Halbzeugwerk (DE) <sup>5</sup>	✓	✓	✓	✓			✓
Zutphen (NL)		✓		✓	✓		
<b>Slitting centers</b>							
Dolný Kubín (SK)		✓		✓			✓
Mortara (IT)				✓			✓
Smethwick/Birmingham (UK)				✓			

<sup>1</sup> The plant is also certified through WEEELABEX in accordance with the European series of standards EN 50625. The certificate confirms that waste electrical and electronic devices are efficiently treated and disposed of while minimizing environmental impact.

<sup>2</sup> Since October 29, 2021.

<sup>3</sup> Not majority-owned by Aurubis (40 % stake).

<sup>4</sup> For the sale of iron silicate granules used to produce blasting abrasives

<sup>5</sup> Not majority-owned by Aurubis (50 % stake).

### Explanation:

EMAS: system of specifications for environmental management systems and environmental audits

ISO 14001: standard for environmental management systems

ISO 50001: standard for energy management systems

ISO 9001: standard for quality management systems

IATF 16949: standard for quality management systems in the automotive industry, based on ISO 9001

EfbV: Ordinance on Specialized Waste Management Companies (German certificate)

ISO 45001: standard for occupational safety management systems

## RECYCLING SOLUTIONS

Aurubis is a world leader in recycling copper, precious metals, and other non-ferrous metals in an efficient, environmentally sound manner. With our multimetal recycling, we actively take part in the modern circular economy, promote the efficient and environmentally friendly use of valuable resources, and contribute to raw material security. The proportion of recycled copper in our copper cathodes was 45% on average across the Group (fiscal year 2020/21).

In addition to the processing of copper concentrates, the recycling of copper scrap and complex recycling raw materials such as circuit boards is a key business area at Aurubis. Non-ferrous metals like copper can be recycled as often as desired without a loss of quality. Furthermore, complex recycling raw materials contain not only copper, but a number of other accompanying elements that can be recovered, such as gold, silver, nickel, tin, lead, and zinc. Thanks to our integrated smelter network, we are able to process a broad range of materials – from industrial waste that accumulates directly from our production or our customers' operations to complex materials from end-of-life products. From these materials, we produce metals that can be directly used in new products.

We consider industrial residues, slimes, and shredder materials, but also recycling materials and waste containing copper, precious metals, and lead, to be complex recycling raw materials. On the other hand, we consider end-of-life materials from electronic devices, vehicles, and other everyday items to be complex recycling raw materials. These consist of increasingly complex material combinations that include plastics, ceramic, or glass. Separating them into material and product streams by type in order to reuse them is a significant challenge for the entire recycling sector. For this purpose, we utilize highly developed mechanical and metallurgical separating and refining processes in different combinations as part of our multimetal expertise, work on new technologies for optimal metal recovery, and invest in state-of-the-art equipment.

The Commercial division is tasked with sourcing recycling materials for the individual plants, among other duties. This is divided into departments such as Recycling Raw Materials (which handles the supply of recycling raw materials for the smelters) and Metal Management (which supplies the production facilities with cathodes and “direct melt” raw materials) with the function Customer Scrap Solutions (which supplies the smelters and production facilities with production waste from our copper product customers). This organization aligns with our recycling approach: we use secondary materials from production and from end-of-life products as raw materials and view this as a closed loop.

In customer relationships and product marketing, the return of the metals is taken into consideration as well. For example, the production units provide individualized solutions for taking back recycling materials that accumulate in the processing of copper products and other metals in the different value-added stages that take place with product customers and their customers. This opens up options for customers to sell production residues or copper scrap to Aurubis and to receive refined copper in return, for instance. Thanks to our integrated smelter network, we find solutions, even for metallurgical challenges, and are thus able to serve customers from a variety of sectors. As part of “closing the loop” [Glossary, page 212](#) activities, partnerships are built up through which we not only sell our products, but also take back recycling raw materials that customers accumulate, in addition to other service offerings. The raw material cycle comes full circle.

Aurubis processes recycling materials at different sites. The managers of these sites report to the chief operating officer. Our sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain) specialize in processing recycling raw materials, which are nearly the only feedstock at our largest recycling plant, the recycling site in Lünen. The plant is certified as a specialized waste management company in accordance with the German EfbV ordinance and through WEEELABEX in accordance with the European series of standards EN 50625. The latter

certificate confirms that waste electrical and electronic devices are efficiently treated and disposed of while minimizing environmental impact and emissions of harmful substances at the same time. The Beerse and Berango sites process complex recycling materials to recover not only copper, but also tin, lead, and metal intermediates such as nickel sulfate solution and zinc oxide.

Our subsidiary E.R.N. specializes in recycling electrical and electronic devices of all kinds. Aurubis also holds a 40% stake in the cable dismantling specialist Cablo GmbH – a joint venture with the recycling company TSR Recycling GmbH & Co. KG that the former Aurubis subsidiary CABLO joined. The goal of the joint venture is to efficiently recover copper granules and plastics, reinforcing the circular economy.

The Hamburg and Pirdop sites also process recycling raw materials. Though the primary smelters utilize copper concentrates as their main feed material, they also use copper scrap to a certain extent because it's useful for process cooling and therefore enables particularly energy-efficient processing.

With the € 27 million investment in the construction of a new recycling facility at the Beerse (Belgium) site, announced in July 2021, Aurubis intends to recover metals such as gold, silver, and tin even more quickly, efficiently, and with a higher yield. This is made possible by a newly developed hydrometallurgical process that enhances the valorization of metals. The facility, referred to as ASPA (Advanced Sludge Processing by Aurubis), will process anode sludge, an intermediate product of the copper tankhouse [Q Glossary, page 214](#), from the recycling sites in Beerse and Lünen. The project highlights the synergies with the Beerse site acquired in 2020 while also strengthening it. The construction of the facility is scheduled to start in the second quarter of 2022, with commissioning in early 2024.

Our Research & Development division is investigating various ways to recover lithium, nickel, manganese, and cobalt from lithium-ion batteries that are used in electric vehicles. Over the past two years, Aurubis has been working on developing a new hydrometallurgical process to process black mass – the cathode and anode material put on foil in lithium-ion batteries – that will allow the metals to be recovered and returned to battery production. The plan is to recover the graphite contained in black mass as well. Preparations are currently being made to test the process on a pilot scale: at the Hamburg site, aspects such as the recovery of the metals, the influence of impurities, and cost efficiency will be investigated in an initial pilot plant.

In November 2021, Aurubis announced that it would build the first secondary smelter specializing in multimetal recycling in the US. Aurubis thus intends to expand its activities in recycling metal-bearing materials internationally. In the future secondary smelter, circuit boards, copper cable, and other recycling materials containing metals will be processed into blister copper [Q Glossary, page 212](#). Aurubis plans to further process the intermediate products into various industrial and precious metals at its European smelter sites to a great extent, as well as sell them on the US market. Construction is scheduled to start in summer 2022, with commissioning of the plant in the first half of 2024.

#### **Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21**

- » *Establishing and developing “closing the loop” systems as a result of new or intensified cooperation with original equipment manufacturers (OEMs), retailers, or copper product customers*  
Over the past several years, over 50 “closing the loop” arrangements have been established in which customers also became suppliers of secondary materials.

» *Analysis of market conditions and future opportunities of sustainable products*

A regular dialogue takes place on the issue of product sustainability with key customers, their own customers, and other market actors along the value chain, all the way to end consumers of intermediate products such as wire rod, shapes, or bars and profiles. A survey in fiscal year 2019/20 provided insights into participants' views on sustainability, procurement practices, and requirements for a sustainable product portfolio. The results indicated that customers are particularly interested in the carbon footprint and the percentage of recycling material in the products. In addition, it was clear that customers are not only interested in sustainable products, but also expect a company to conduct itself responsibly overall, including along the value chain. The result of the analyses was the development of the "Tomorrow Metals by Aurubis" label, which was presented to the industry during the London Metal Exchange Week [Q Glossary, page 213](#) in October 2021. The label combines the Group's measures to continue enhancing sustainability performance, particularly the environmental footprint, for metal customers.

**Recycling solutions | 2030 targets**

We offer comprehensive value chain solutions for the circular economy.

- » 50% recycled content in copper cathodes

## Social matters

### DATA PROTECTION AND IT SECURITY

In light of the increasing use of digital technologies in business, protecting personal data and IT systems has high priority at Aurubis.

From a fundamental perspective, data from employees, business partners, and other individuals is to be gathered, processed, and utilized for purposes related to business or labor law only to the extent legally permitted.

The Executive Board and the managing directors of the Group companies are responsible for the data processing that takes place in their area of responsibility and appoint a data protection officer or a data protection coordinator pursuant to the national regulations. The latter coordinates the data protection law activities of the respective Group company and supports the respective company management in implementing the data protection law measures. IT Operations, which reports to the CFO through the head of IT Services, is the division responsible for IT security.

Our Corporate Data Protection Policy establishes responsibilities and processes in the Group and consolidates the regulations under data protection law into a uniform regulatory framework. We overhauled our data protection management in 2018 and are in the process of harmonizing it across the Group.

The Aurubis policy "IT Security Fundamentals – General Guidelines for Using Information Systems" comprises responsibilities and regulations that relate to the use of information systems, passwords, the e-mail system, the internet, and mobile devices. Furthermore, we regularly carry out risk analyses and safety checks. In the case of unauthorized data leaks or third-party access, established reaction plans go into effect. In June 2021, for instance, a phishing test was executed whose results will be included in employee training related to IT security. Based on these insights, we want to continue developing our concepts to raise awareness of the topics of data protection and IT security within the company. As a result, the newly created position of IT security officer was filled on November 1, 2021, which includes the primary task of further developing a management system for information security in the interests of the individual company entities.

### WORK IN ASSOCIATIONS AND POLITICAL LOBBYING

The appropriate and transparent representation of Aurubis' interests toward political and social institutions is an important part of responsible corporate governance. We consider ourselves a reliable, fact-based, transparent discussion partner to governments, political parties, elected representatives, and non-governmental organizations.

Corporate External Affairs serves as the central interface for political and regulatory issues in the Aurubis Group, coordinates political measures at corporate level, and represents the company to policymakers. The head of Corporate External Affairs reports directly to the Executive Board chairman. The relevant experts in our specialized departments and production sites support the work in specific areas. The political work is based on the Corporate External Affairs Policy, which defines the responsibilities, duties, and processes in this area. The corporate policy is supplemented by the Corporate Policy on the Management of Associations.

In addition to independent lobbying, Aurubis is an active member of economic, industry, and specialist associations at national and international level. Our goal is to constructively and critically oversee political initiatives together with the other association members and to actively represent our positions in a back-and-forth dialogue with other stakeholders from the worlds of business, science, and civil society.

Our employees in the Group representative offices in Brussels (Belgium) and Berlin (Germany) serve as contacts for actors in the European Commission, the European Parliament, the German Bundestag, the German federal ministries, and German federal state offices. Moreover, Aurubis maintains a continuous dialogue with local officeholders and interest groups near our sites. It's crucial to us to convey what political conditions are required for Aurubis to grow sustainably and responsibly. We make our political communication transparent and open. Aurubis doesn't donate to any political parties or candidates.

One result of our transparent approach in political lobbying is our contributions to public consultations, which are accessible on the European Commission's website. Furthermore, our positions on individual topics are outlined in the factsheets available at [www.aurubis.com/en/](http://www.aurubis.com/en/) or in associations' position papers that are available online, for example.

Aurubis is included in the European Union's Transparency Register, which publishes expenditures for lobbying at European level <https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=11160169347-78&locale=en#en>.

At the national level in Germany, Aurubis advocated for the introduction of a lobbying transparency register several years ago, together with the German Chemical Industry Association (VCI), and welcomed its launch.

### **SOCIAL ENGAGEMENT<sup>1</sup>**

Social engagement is a fixed component of our company identity. We want to promote enthusiasm for our company and for our work and be a responsible, committed company. We have set the target of contributing to a livable world for current and future generations, focusing on areas of action that are linked with Aurubis' key areas of expertise.

With our social engagement strategy "together we care," we are concentrating our involvement on the areas of knowledge, the environment, and participation.

Projects and partners are selected according to established criteria outlined in our policy on social engagement, which also defines responsibilities in the Group. The Event Management & Social Engagement division is responsible for our social engagement and reports to the head of Investor Relations, Corporate Communications & Sustainability. Due to this department's direct reporting line to the Executive Board chairman, the chairman is included in our social activities and related budget decisions. A committee made up of appointed members from Event Management & Social Engagement, Communications, Sustainability, and Corporate Compliance makes decisions about project support that exceeds a certain level set internally.

Apart from projects sponsored at Group level, our sites also get involved at the local level using their own budgets. These projects also fall under our policy, which stipulates that projects can be supported if they concentrate on the three Group-wide focuses, as well as culture, sports, or our core business.

The ongoing coronavirus pandemic posed significant challenges for our project partners. One of our particular concerns was providing quick, pragmatic, and customized emergency assistance to support our existing projects because we want to be a good partner even in times of crisis.

<sup>1</sup> Not material within the meaning of the German Commercial Code (HGB).

### Project examples in the reporting period

We bundle our social engagement under the slogan “together we care” – on a national level in Germany, but also internationally in the areas surrounding our sites as well as in our supplier countries. The following examples provide an impression of our sponsoring projects.

Within Germany, Aurubis is a partner in the “Haus der kleinen Forscher” (Little Scientists’ House) network, which encourages children to take an interest in MINT subjects (math, IT, natural sciences, and technology).

The integration project and design label Bridge & Tunnel and the organization Hanseatic Help in Hamburg (Germany) enable integration and participation. The Wilhelmsburg Educational Fund to support educational projects in the Hamburg districts of Wilhelmsburg and Veddel and the Inclusion Days carried out at schools by the BG Baskets wheelchair basketball team are additional examples of projects sponsored in Hamburg. Under the name “Hamburg packt’s zusammen” (Hamburg Packs It Up), Aurubis and 14 other companies from northern Germany partnered together to initiate a joint assistance campaign to provide everyday items to individuals who fell on hard times due to the coronavirus pandemic. In Hamburg and Lünen (Germany), we work with our partner Joblinge to assist unemployed young people in integrating into the apprenticeship and job market. Together with partner companies from the region, the Aurubis site in Bulgaria is involved in a dual education program at the technical college in Zlatitsa and has supported the hospital in Pirdop for many years – with additional assistance in the reporting year during the coronavirus pandemic. The site in Olen (Belgium) is fighting hidden poverty (including poverty in old age) together with the organization Welzijnsschakels. The sponsored project Sociale Dienst Olen has the mission of improving the lives of disadvantaged individuals and families. Our site in Berango (Spain) is active in a sponsorship project for traffic education and fostering enthusiasm for cycling among children and young adults. During the reporting year, we worked together with our project partners to find solutions for the activities that required in-person participation. They were postponed or took place under coronavirus hygiene measures.

With the three international projects in South America, we want to contribute to society in our supplier countries. In Peru, we support a holistic educational program for elementary school students in the Urubamba region and a project for sustainable water use and biodiversity conservation in a national park near Arequipa. In Chile, we are involved in the development of dual occupational training (following the German model) for sustainable resource use in agriculture in the O’Higgins Region. In light of the coronavirus pandemic, we provided specific additional assistance in the South American projects, for instance by providing disinfectant, food, or technical equipment for the students. There are currently plans to expand international social engagement.

More information is available on our website:

[www.aurubis.com/en/togetherwecare](http://www.aurubis.com/en/togetherwecare)

[www.aurubis.com/en/corona](http://www.aurubis.com/en/corona)

### Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21

#### » *Developing impact monitoring to evaluate projects supported (by fiscal year 2022/23)*

The policy on social engagement calls for an evaluation of the projects, and data for individual projects is already available. A pilot project focused on monitoring has started in Chile. There are plans to continue developing these methods and to expand the related reporting in the future.

### Social engagement | 2030 targets

We are a reliable partner locally and internationally, one that makes a long-term contribution to a livable environment.

- » 90% long-term partners (percentage of total budget)
- » 0.8% of operating EBT [Glossary, page 215](#) (five-year average) as annual budget for social engagement, but at least € 2 million



## Human rights

### HUMAN RIGHTS AND DECENT WORKING CONDITIONS

We respect human rights and advocate for their protection. In the process, we follow the United Nations Guiding Principles on Business and Human Rights [Q Glossary, page 214](#) in accordance with the “Protect, Respect and Remedy” framework, and view human rights due diligence as a responsibility shared by all participants in the value chain in question, including nations and economic actors.

Respect for human rights is reflected in our company values and is included in our Code of Conduct, which every employee receives with his/her employment contract. The Aurubis Human Rights Commitment summarizes Aurubis' understanding of its due diligence obligation regarding human rights, as well as the key elements of this obligation. It is aimed at all employees, business partners, and other partners of the Aurubis Group. The Aurubis Business Partner Code of Conduct, on the other hand, specifically applies to business partners. [www.aurubis.com/en/humanrights](http://www.aurubis.com/en/humanrights)

We have participated in the United Nations Global Compact since 2014 and are therefore committed to implementing its Ten Principles related to human rights, labor, the environment, and anti-corruption.

The Executive Board and the local managing directors bear responsibility for the respect of human rights in our business activities. All Aurubis employees are obligated through the Code of Conduct to respect human rights in their daily work and in all business decisions under all conditions. Supervisors serve as role models in this regard. To increase sensitivity and empower people to take action when it comes to human rights due diligence, we will develop and implement a training concept on human rights issues tailored to current needs.

We call on all employees to report justified suspicion of discrimination or other human rights violations. We expect this from our business partners as well. Our Compliance Portal, the whistleblower hotline, can be used to report any such violations. [www.aurubis.com/en/whistleblower-hotline](http://www.aurubis.com/en/whistleblower-hotline)

We reject any form of discrimination, forced labor, or child labor and respect the rights of indigenous populations. Compliance with the internationally recognized core labor standards of the International Labour Organization (ILO) [Q Glossary, page 213](#) is of fundamental importance. We are committed to the principle of codetermination in the company and place a high priority on good communication between our employees and the company management.

### RESPONSIBLE SUPPLY CHAIN

We consider our responsibility for sustainability standards not only in our own production processes and in our own actions, but extending into our supply chain as well. This is all the more important because we source raw materials from around the world for our business. This includes regions that could pose risks regarding compliance with sustainability standards. In our Sustainability Strategy, we have set the target of managing our supply chain responsibly. In the process, we take impacts on the social environment, the natural environment, and economic aspects into account.

The Aurubis Business Partner Code of Conduct outlines our requirements regarding human rights and labor standards, occupational health and safety, environmental and climate protection, business integrity and responsible raw material sourcing, as well as reporting procedures and the monitoring of the business partner's due diligence obligation.

We have pledged to comply with the OECD Due Diligence Guidance, which serves as an important guideline for promoting responsible supply chains for minerals from conflict and high-risk areas. To fulfill our due diligence obligation, we have implemented a Business Partner Screening system based on the principles of the OECD. The Beerse (Belgium) and Berango (Spain) sites added in fiscal year 2019/20 have a comparable system as well. We are planning to introduce an updated and uniform Business Partner Screening system for fiscal year 2021/22. Our corporate policies on Business Partner Screening and the processing of conflict-free precious metal raw materials establish responsibilities and processes within the Group. The responsibility for carrying out this screening rests with the production entities, which have commissioned the Commercial division with the implementation.

The Compliance and Sustainability departments are included as well. The focus of the process is on the topics of compliance [Q Glossary, page 212](#), corruption, respect for human rights, occupational safety, and environmental and climate protection. In the process, we consider both regional risks and those related to the business partners' business activities. Our raw material suppliers, key suppliers of goods, services, and operating supplies, and our customers are all subject to review. The result includes a profile that, in the case of increased risk, leads to additional research. Based on the subsequent assessment, management makes decisions about contracts and possible related restrictions. For existing business partnerships, the analysis is repeated regularly depending on the development of the individual risk and the dialogue that takes place.

On January 1, 2021, the EU's Conflict Minerals [Q Glossary, page 212](#) Regulation went into effect, making extensive due diligence/audit obligations along the supply chain binding for EU importers of tin, tantalum, tungsten, their ores, and gold. The intention is – as previously addressed through the US Dodd-Frank Act from 2012 – to curb the financing of violence and human rights violations in conflict or high-risk areas. The regulation requires European importers of these metals to have implemented risk management in their raw material purchasing and to have this audited by third parties.

Since 2013, Aurubis' gold production has already been annually certified as conflict-free according to the standards of the London Bullion Market Association (LBMA) [Q Glossary, page 213](#). This certificate verifies that we carry out our due diligence processes in accordance with the OECD standards. This certification option has been available for silver since 2019, and Aurubis has been certified as conflict-free in this area since then as well. Tin production at our Beerse and Berango sites has been certified as conflict-free in accordance with the Responsible Minerals Assurance Process Standard (RMAP) since 2015. This standard is also based on the OECD standard for conflict minerals [Q Glossary, page 212](#).

We see the biggest opportunities for sustainable metal production when every actor in the value chain – from the mine

to the final consumer – takes responsibility and works on solutions together. This is one reason why we support appropriate industry solutions like The Copper Mark. The Copper Mark is an initiative that entails an audit of the sustainability standards of copper production sites including mines, smelters, and refineries. With this standard, we want to foster responsibility throughout the value chain, boosting and verifying our own sustainability performance with an external certification from an independent body. The Aurubis site in Bulgaria was awarded The Copper Mark in April 2021. The Hamburg and Lünen sites also committed to The Copper Mark in July and started the audit process. The plan is for additional sites to follow successively.

We expect our business partners to report substantiated suspicions of human rights violations, for example using our Compliance Portal, the whistleblower hotline [www.aurubis.com/en/whistleblower-hotline](http://www.aurubis.com/en/whistleblower-hotline). Complaints about sites that are taking part in the Copper Mark process can also be submitted through the Copper Mark's grievance mechanism. <https://secure.ethicspoint.eu/domain/media/en/gui/107757/index.html>

During the reporting year 2019/20, we identified serious cases of environmental pollution caused by one of our suppliers, which nevertheless wasn't directly connected to the products we supply. During fiscal year 2020/21, we continued our regular dialogue with suppliers about measures taken and progress achieved. In particular, there were successes related to the review and adjustment of management approaches as well as in the area of external assessments.

In August 2020, Aurubis signed a memorandum of understanding (MoU) with the Norwegian mine partner Nussir ASA with the goal of entering into a supply contract for copper concentrates at a later date. Nussir is planning to open the first completely carbon-neutral mine in the world, which will be fully electrified and operated with renewable energies. Complaints from interest groups representing the Sami people, which stated that social and environmental aspects weren't receiving enough consideration in the project, reached Aurubis in the reporting year. After the signing, Aurubis regularly reviewed the progress on site within the context of due diligence. In the process, we determined that, in

addition to commercial conditions, certain social aspects of the project also needed to be taken into stronger consideration. Together with Nussir ASA, we came to the decision to rescind the memorandum of understanding.

### Key measures of the Sustainability Strategy 2018–2023 and their status in fiscal year 2020/21

- » *Implementing Aurubis Business Partner Screening across the Group*  
Business Partner Screening is used at Aurubis AG and at the key sites Pirdop and Olen. The Beerse and Berango sites have their own screening system. We are planning to introduce an updated and uniform Business Partner Screening system for fiscal year 2021/22, bundling the requirements of the different regulations, standards, and initiatives.
- » *Including human rights, environmental protection, and safety clauses in supply contracts for primary raw materials*  
During fiscal year 2020/21, the percentage of contracts with primary raw material suppliers including the corresponding clause was 89 % (target: 100 % by FY 2022/23).
- » *Identifying a suitable sector solution*  
We have identified The Copper Mark as a suitable sector solution. The site in Bulgaria is the company's first primary smelter to complete the multistage audit process and receive The Copper Mark distinction. The Hamburg and Lünen sites undertook this commitment in July 2021 and started the assessment process as well.

#### Responsible supply chain | 2030 targets

We minimize negative impacts on people and the environment in our supply chains.

- » No suppliers with a very high risk

## Anti-corruption

### ANTI-CORRUPTION

Preventing anti-competitive behavior and corruption in our business dealings is a key aspect of corporate responsibility and one of the central topics of our compliance activities.

Anti-corruption measures are established in our compliance management. To us, compliance means that we follow laws and align our actions with ethical principles, our values, and company policies. In this context, compliance with all legal and company guidelines and policies is our objective. A potential violation of the law can have serious consequences – for our employees, for Aurubis as a group, and for business partners of Aurubis AG's entities.

The company's chief compliance officer is the central point of contact for all compliance-relevant issues and reports directly to the entire Executive Board. At the individual Group sites, local compliance officers are available as a point of contact for employees. Together with the Executive Board, our compliance employees promote a compliance culture and actively strive to strengthen awareness for following rules and laws in the Group.

Compliance management establishes the main targets, develops the corresponding organization, and identifies, analyzes, and communicates significant compliance risks. Our compliance program introduces principles and measures to limit risks and prevent violations. The chief compliance officer reports regularly (and as the circumstances may require) to the Executive Board and Audit Committee of the Supervisory Board with regard to the compliance management system, compliance violations, and compliance-related measures. He works closely with the employees responsible for Risk Management and Internal Audit. Within our internal control system, the chief compliance officer

reviews potential compliance risks together with the Executive Board, the plant managers, and the heads of corporate and central functions. As part of compliance management, the corruption risks at our sites are also identified and documented by Risk Management. The Internal Audit department reviews the fulfillment of the overarching legal conditions and internal policies (e.g., the Anti-Corruption Policy) in the company's business dealings.

The compliance measures include prevention, monitoring, and sanctions. Preventive measures at Aurubis comprise the risk analyses previously mentioned, internal policies, guidance, and particularly the training of employees. The Corporate Anti-Corruption Compliance Policy and the Code of Conduct for employees, which all employees receive along with their employment contracts, are at the core of our anti-corruption efforts.<sup>1</sup> Training on anti-corruption and antitrust law is carried out regularly throughout the Group for our full-time and part-time employees, supervisors, and Executive Board members. Training on money laundering also took place this fiscal year for the relevant employees.

Employees and business partners can make confidential and anonymous reports regarding legal violations and breaches of our codes and standards via our Compliance Portal, the whistleblower hotline [www.aurubis.com/en/whistleblower-hotline](https://www.aurubis.com/en/whistleblower-hotline). The Corporate Compliance Policy states that there are no disadvantages for a whistleblower who makes a report. The hotline is available in English, German, and Spanish and is open to all external stakeholders as well. It is operated by external, independent attorneys. Any tips they receive, for example regarding possible cases of corruption, discrimination, or incidents in the supply chain, are investigated. If any wrongful acts are actually proven, they can lead to warnings, dismissals, and/or damage claims.

#### **Key measure of the Sustainability Strategy 2018–2023 and its status in fiscal year 2020/21**

- » *Providing employees for whom the topics of anti-corruption and antitrust law are relevant due to their responsibilities with training on these topics about every three years, regardless of their level in the company hierarchy*

In the past three years, this applied to 1,330 employees for anti-corruption training and to 507 employees for antitrust law training.

<sup>1</sup>The current compliance approach of the Beerse (Belgium) and Berango (Spain) sites that were acquired in 2020 is fundamentally similar to that of Aurubis. Harmonization with Aurubis policies and commitments has started at these sites.

## Limited Assurance Report of the Independent Auditor regarding the Separate Non-financial Group Report<sup>1</sup>

To the Supervisory Board of Aurubis AG, Hamburg

We have performed an independent limited assurance engagement on the non-financial group report of Aurubis AG, Hamburg (further „Aurubis.“) as well as the by reference qualified parts "Foundations of the Group" and "Risk and Opportunity Report" of the Combined Management Report (further: „Report“) according to §§ 315b, 315c in conjunction with 289b to 289e German Commercial Code (HGB) for the business year from October 1, 2020 to September 30, 2021.

### MANAGEMENT'S RESPONSIBILITY

The legal representatives of Aurubis. are responsible for the preparation of the Report in accordance with §§ 315b, 315c in conjunction with 289b to 289e HGB.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Report in a way that is free of – intended or unintended – material misstatements.

### INDEPENDENCE AND QUALITY ASSURANCE ON THE PART OF THE AUDITING FIRM

We are independent from the entity in accordance with the requirements of independence and quality assurance set out in legal provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Our audit firm applies the national statutory provisions and professional pronouncements for quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

### PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a conclusion on the Report based on our work performed within our limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that cause us to believe that the Report of the entity for the business year October 1, 2020 to September 30, 2021 has not been prepared, in all material respects, in accordance with §§ 315b, 315c in conjunction with 289b to 289e HGB. We do not, however, provide a separate conclusion for each disclosure. In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement and therefore significantly less assurance is obtained than in a reasonable assurance engagement. The choice of audit procedures is subject to the auditor's own judgement.

<sup>1</sup> Our engagement applied to the German version of the Report. This text is a translation of the Independent Assurance Report issued in German language, whereas the German text is authoritative.

Within the scope of our engagement, we performed amongst others the following assurance procedures:

- » Inquiries of personnel on corporate level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting boundaries of Aurubis
- » A risk analysis, including a media search, to identify relevant information on Aurubis' sustainability performance in the reporting period.
- » Evaluation of the design and implementation of the systems and processes for determining, processing and monitoring disclosures relating to environmental, employee and social matters, respect for human rights, and combating corruption and bribery, including the consolidation of the data.
- » Inquiries of personnel on corporate level who are responsible for determining disclosures on concepts, due diligence processes, results and risks, for conducting internal controls and consolidation of the disclosures.
- » Evaluation of selected internal and external documentation.
- » Analytical evaluation of data and trends of quantitative information which are reported by all sites for consolidation on corporate level.
- » Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample of the site in Olen (Belgium).
- » Assessment of the overall presentation of the disclosures.

## CONCLUSION

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Report of Aurubis for the business year from October 1, 2020 to September 30, 2021 is not prepared, in all material respects, in accordance with §§ 315b, 315c in conjunction with 289b to 289e HGB.

## RESTRICTION OF USE / CLAUSE ON GENERAL ENGAGEMENT TERMS

This report is issued for purposes of the Supervisory Board of Aurubis AG, Hamburg, only. We assume no responsibility with regard to any third parties.

Our assignment for the Supervisory Board of Aurubis AG, Hamburg and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 [www.kpmg.de/bescheinigungen/lib/aab\\_english.pdf](http://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this report, each recipient confirms notice of provisions of the General Engagement Terms (including the limitation of our liability for negligence to EUR 4 million as stipulated in No. 9) and accepts the validity of the General Engagement Terms with respect to us.

Hamburg, December 1, 2021

KPMG AG  
Wirtschaftsprüfungsgesellschaft

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