

## **Aurubis AG Policy Statement**

### **on Respecting Human Rights and Environmental Obligations**

in accordance with Section 6 (2) of the German Supply Chain Due Diligence Act

#### **Foreword**

Aurubis AG is a leading global provider of non-ferrous metals and one of the largest copper recyclers worldwide. As an integrated group, Aurubis processes complex metal concentrates, scrap metals, 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 and zinc, along with minor metals, such as tellurium and selenium, and platinum group metals. The portfolio also includes additional products such as sulfuric acid, iron silicate, and synthetic minerals.

Aurubis purchases the required materials for the primary smelters in Germany (Hamburg) and Bulgaria (Pirdop) on the international market and has a global, diversified supplier portfolio. The company sources a majority of its copper concentrates from South American countries such as Peru, Chile, and Brazil.

A large part of the scrap copper and metal-bearing recycling materials for the Aurubis secondary smelters in Germany (Hamburg and Lünen), Belgium (Olen and Beerse) and Spain (Berango) are procured in Germany, other EU countries and the US. In addition, Aurubis purchases goods and services worldwide that serve to maintain and further develop business operations (indirect procurement).

Human rights and environmental protection principles are firmly established in the United Nations 2030 Agenda for Sustainable Development.

Together with the other actors in the value chain, Aurubis' global business activities contribute to employment, training and advancement, as well as prosperity. They also, however, include risks for potentially negative impacts on human rights. Examples include potential environmental damage, high-risk working conditions, and social conflicts, such as in the mining of primary raw materials or in the subsequent processing stages.

We have participated in the United Nations Global Compact since 2014 and are committed to working towards implementing its ten principles related to human rights, labor standards, the environment, and anti-corruption. We have pledged to comply with the OECD Due Diligence Guidelines to promote responsible supply chains.

As part of the Copper Mark certification process at our sites in Hamburg, Lünen (both in Germany) and Pirdop (Bulgaria), we underwent audits in accordance with the Copper Mark criteria on human rights and labor and social standards. This audit verified our human rights approach to our business activities and in the supply chain. The audit feedback helps us continue to improve our approach. The certification of the Olen site is planned for summer 2023.

Since 2013, Aurubis' gold production has been annually certified as conflict-free according to the standards of the London Bullion Market Association (LBMA). 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' silver production has been certified as conflict-free 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) and the Responsible Minerals Initiative (RMI) since 2015. This standard is also based on the OECE standard for conflict minerals.

In implementing its human rights and environmental diligence, the Aurubis Group is subject to the requirements of the German Supply Chain Due Diligence Act (LkSG). Section 6 (2) of the LkSG requires that a company release a policy statement detailing the company strategy for protecting human rights and fulfilling its environment obligations. This policy statement must include a description of Aurubis' processes for complying with legal obligations along with a portrayal of the specific human rights and environment-related risks and expectations of our employees and suppliers identified by an annual risk analysis.

We see the risk analysis required by the LkSG as an important basis for continuous progress within the framework of our human rights and environmental due diligence. The results of our risk analysis from fiscal year 2022/2023 will be available at the end of September 2023. In keeping with the deadlines set out in the LkSG, we will comply with our public reporting commitment by the end of January 2024 at the latest. We will update our policy statement as necessary and based on the risk statement results.

This policy statement applies to Aurubis AG and all its affiliated, fully consolidated companies.

Hamburg, March 31, 2023

Aurubis AG  
Executive Board

## 1. Human rights and environmental strategy

### Human rights and decent working conditions

We respect human rights and advocate for their protection. Here we follow the United Nations' Guiding Principles on Business and Human Rights 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**. In it we commit to rejecting all forms of discrimination and handling individual and cultural diversity in our company with sensitivity. We do not tolerate forced labor or child labor, and we respect the rights of indigenous populations. 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. Complying with the internationally recognized International Labor Organization (ILO) core labor standards, labor law provisions, applicable labor standards and laws with respect to compensation, working hours, and the general rights of our employees is fundamentally important to us.

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** specifically applies to business partners.

The Executive Board and the local managing directors bear responsibility for upholding human rights in our business activities. The Code of Conduct requires that all Aurubis employees fundamentally respect human rights in their daily work and in all their business decisions. Supervisors serve as role models in this regard.

We call on all employees to report any justified suspicion of discrimination or other human rights violations via our **Compliance Portal**, the **whistleblower hotline**. We expect the same from our business partners. Every report is investigated.

### Responsibility in the supply chain

We take responsibility for sustainability standards, and not just in our own production processes and in our own actions, but in our supply chain as well. This is all the more important because we source raw materials from around the world for our business. The countries of origin include regions that could pose risks regarding compliance with sustainability standards.

We use natural resources whose extraction can have a direct or indirect impact on social and environmental aspects. The extraction processes used by our suppliers and their production activities can, for example, have an impact on biodiversity and the climate, and on maintaining air, water, and soil quality. Other environmental issues are also relevant, such as the handling of slag and the use of energy and water.

Social aspects, such as compliance with human rights and labor and social standards, and the issue of health and occupational safety at our suppliers, are also taken into consideration.

Aurubis does not operate its own industrial, mining or commercial enterprises in conflict-affected and high-risk areas (CAHRAs). However, Aurubis is aware that materials or other goods and services that Aurubis acquires in the course of its business activities may, in certain cases, originate from such areas.

Sustainable conduct and economic activities are central to Aurubis' **company strategy**. Aurubis has developed **sustainability targets** that focus on people, the environment, and the economy. The responsible procurement of materials, goods and services is one action area.

The Group **Responsible Sourcing Policy** summarizes the Group-wide procurement guidelines and ensures a uniform, risk-oriented process for verifying the identity/integrity of suppliers and the supply chain based, among others, on:

- the five-step framework of the OECD Due Diligence Guidance of Minerals from Conflict-Affected and High-Risk Areas;
- the Copper Mark's Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc;
- EU Regulation 2017/821 on Conflict Minerals;
- the LBMA Responsible Gold and Silver Guidance;
- the Responsible Minerals Assurance Process Standards (RMAP) for tin and tantalum;
- and the German Supply Chain Due Diligence Act.

Aurubis respects human rights, strives for sustainable conduct at its sites, and expects the same from its suppliers. Aurubis promotes risk awareness among its suppliers and calls on them to comply with Group policy principles when mining, procuring and transporting, trading, handling or exporting materials or delivering goods and services.

### Integrated environmental protection

Our objective is to produce in a way that minimizes the environmental impact of our business activities to allow for the most environmentally friendly and safe manufacture of our products. This means that we strive to continuously improve what is already the most efficient and consequently the **smallest environmental footprint in our sector**. This footprint includes maintaining air, water, and soil quality and biodiversity in our plants and the surrounding areas, as well as the responsible handling of waste, hazardous substances, and water use. We view and manage these environmental aspects holistically in our environmental management system. The upstream and downstream risks of our business activities on the environment are analyzed in our Business Partner Screening.

## 2. Process description

### Risk identification and risk management process

With the Group Responsible Sourcing Policy, Aurubis aims to avert or mitigate all human rights and ESG risks listed in the standards and legal provisions detailed above, among others.

The risk identification and risk management process for identifying, averting or mitigating the above-mentioned ESG impacts is a risk-based, partially automated end-to-end supplier and supply chain screening process that comprises the identification of a supplier, the materials supplied or the goods and services, the collection of relevant data from external sources and questionnaires, a risk analysis of the supplier and the respective supply chain, and risk management and reporting.

The due diligence described above is carried out before new business relationships are established. The corresponding due diligence audits and analyses are repeated during the business relationship at risk-appropriate intervals or when changes become known regarding the risk of human rights violations or ESG violations, for example.

If Aurubis detects any of the above risks, Aurubis will work with its suppliers, the relevant authorities, international organizations, civil society and affected third parties to improve and track performance in order to prevent or mitigate these risks within the supply chain. Aurubis will suspend or terminate cooperation with upstream suppliers if attempts to mitigate any of the risks defined above fail.

### Risk analysis

We consider it part of our duty of care to be aware of potential and actual adverse human rights risks and impacts of our business activities on people and the environment along the entire value chain. We therefore use an established management process to identify and evaluate the relevant human rights topics and the parties potentially affected by our business activities as well as our direct and indirect business relationships. This includes the analysis of both human rights and environmental risks.

To this end, we have systematically added human rights topics to our company-wide risk and supplier management. In our management process, we also take into account human rights criticism from third parties and reported incidents.

Aurubis pursues a risk-based approach to identify potential risks in our supply chain and our own business operations. The analysis of human rights risks and impacts is updated annually and on a case-by-case basis in the event of significant changes in the company's profile or business activities. Here we incorporate internal and external expert knowledge of human rights and involve business partners and selected stakeholders.

The results of the human rights risks and impacts analysis are incorporated into our corporate decision-making processes with regard to supplier selection, business partner management and our own business operations. The risk analysis creates the foundation for identifying appropriate measures.

The correspondingly established bodies regularly discuss human rights tradeoffs and relevant findings from our human rights due diligence processes. In addition, we use the results as a basis for creating and, where necessary, adapting internal regulations, processes and training measures to reflect the changing requirements for our due diligence processes.

## Preventative measures

If a risk is identified, appropriate preventive measures are developed and established and undergo risk-based monitoring in the company's **own business area** or purchasing practices. The measures must be suitable for averting or minimizing human rights and environmental risks.

If a risk is identified with regard to **direct suppliers**, appropriate preventive measures are established with respect to these direct suppliers and their implementation undergoes risk-based monitoring.

If we have substantiated knowledge of factual indications that an **indirect supplier** may have violated their obligations, we will also take appropriate preventive measures and thus also support our indirect suppliers in complying with human rights and environmental obligations.

Sustainability principles can only be effectively put into practice if they become voluntary commitments based on conviction. Continuous and target-group-specific skills development plays an essential role here. This includes appropriate training formats for employees as well as raising awareness among our suppliers and business partners through the Code of Conduct.

## Remedial actions

Should we become aware of an imminent violation or a violation that has occurred of the statutory provisions of the LkSG or our Code of Conduct for suppliers and our own business operations, we will immediately take remedial measures to prevent, stop or minimize such violations.

The remedial measures must prevent or stop the violation in our **own business operations**. In the event of (imminent) violations in the **direct supplier** business area, we work to ensure that the respective party responsible for purchasing work with the affected suppliers to immediately draw up a corrective action plan and corresponding schedule to eliminate or minimize (or avert) the violation and monitor its sustainable implementation if the business relationship is to be continued. In the case of substantiated knowledge of an (imminent) violation with **indirect** suppliers, we draft a concept for averting, eliminating or minimizing human rights or environmental violations and ensure its implementation.

Based on the "**stay and improve**" principle, we reserve the right to terminate the business relationship in accordance with the requirements of the LkSG in exceptional cases at least.

## Complaints procedure

Any interested party may raise concerns about a violation of the above principles for responsible sourcing with regard to the OECD Guidelines for Responsible Supply Chains of Minerals, the Copper Mark's Shared Due Diligence Standard for Copper, Lead, Nickel and Zinc, EU Regulation 2017/821 on Conflict Minerals, the LBMA Responsible Gold and Silver Guidance, the Responsible Minerals Assurance Process Standards (RMAP) for tin and tantalum, and the German Supply Chain Due Diligence Act via our **Compliance Portal**, the **whistleblower hotline**:

<https://www.aurubis.com/en/responsibility/whistleblower-hotline>

This hotline can be contacted around the clock by phone, online form, e-mail or fax to report indications of possible violations or other actions that could compromise the above responsible sourcing principles. The whistleblower will not suffer any disadvantages as the result of submitting a report if the allegation was made in good faith with regard to its validity.

## Reporting obligations

Respect for human rights and the environment is a top priority for Aurubis in its business activities. The Aurubis Executive Board is therefore responsible for effectively monitoring the implementation and continuous improvement of the supply chain due diligence program. To accomplish this task, the Board appoints a committee composed of executives from the following divisions: Commercial, Corporate Procurement, Sustainability, and Compliance. With regard to the supply chain, this **Supply Chain Committee** also performs the tasks of the **human rights officer** in keeping with the German Supply Chain Due Diligence Act. A corresponding committee accomplishes this for the company's own business area.

Aurubis pledges to report at least once a year on the duty of care for responsible sourcing in a way that allows the public to establish trust in the measures Aurubis takes in response to identified risks. The information is provided in a manner that is understandable and accessible to stakeholders and the public. Aurubis takes into account international reporting principles such as accuracy, clarity, comparability, reliability and timeliness.

This includes a description of our management systems in accordance with the obligations of this Policy, the results of the supply chain risk analysis (within the confines of trade secrets law and other competition concerns and laws) and the steps we have taken to manage risks and monitor and track performance.

The reports on the due diligence audits of our smelting and refining sites are made publicly available.

Aurubis' annual reports pursuant to Section 10 LkSG are published on the global Aurubis website. Aurubis' sustainability reports and the policies, commitments, etc. referenced in this policy statement are also available there.

## Regular review and continuous improvement

The Supply Chain Committee assesses the effectiveness of supply chain due diligence policies and procedures on a regular basis, and at least once a year, in order to ensure continuous improvement.

The review of the procedures takes findings from the investigation of information submitted via the complaints procedures into account.

For specific supply chains for materials containing gold, silver, tin and copper – and whenever deemed necessary based on the risk profile – Aurubis takes particular care to conduct third-party audits to ensure the appropriate implementation of Aurubis' due diligence practices for responsible supply chains from conflict-affected and high-risk areas.

These audits cover all activities, processes and systems used by Aurubis to implement due diligence for supply chains from conflict-affected and high-risk areas. This includes the relevant policies and procedures, Aurubis' audits of the respective supply chains, communication with actors in these supply chains, the information disclosed to downstream companies about suppliers, the supply chain and other traceability information, Aurubis' risk analyses including, where applicable, on-site investigations, and Aurubis' risk management strategies.

## 3. Risk analysis

For the 2022/2023 fiscal year, we will publish information on identified risks, their prioritization and defined preventive measures with the update of this policy statement.