

Speech by

**Roland Harings**  
Executive Board Chairman

on the occasion of the

**Annual General Meeting  
of Aurubis AG**

on February 16, 2023

– Check against delivery –

This is the Aurubis success story: We responsibly transform raw materials into metals – for an innovative and sustainable world. That is our mission.

Aurubis has made huge advances in recent years. We have significantly driven our transformation with comprehensive growth projects.

Today, Aurubis is more international, more sustainable, and more diverse. We are looking forward; we are highly profitable. We have great future potential. Sustainable growth is the secret to our success.

Dear shareholders,  
dear friends of Aurubis,

welcome to our Annual General Meeting today. It is my pleasure to be able to welcome you in person again this year.

A friendly “hello” as well to all the participants who have joined us online.

I am especially pleased to welcome the new member of our Executive Board, Inge Hofkens. I have come to know her as a highly professional recycling expert. And – everyone here at Aurubis values her as a team player.

Today, I’ll be sharing the next stage of the Aurubis success story. We responsibly transform raw materials into metals – for an innovative and sustainable world. That is our mission. Over the past few years, we have made substantial progress in line with this mission. We are growing. Quite significantly!

I joined Aurubis in 2019. A lot has changed since then. As a management team, we have defined a future-oriented strategy and initiated and implemented a number of measures. They have ensured that Aurubis is better positioned than ever today. We have a clear view of the future – and are highly profitable.

Our decisions and actions have launched Aurubis’ comprehensive transformation. We are growing considerably more international, sustainable, and diverse. We are on very solid financial footing. And – we see a great deal of very promising potential for the future.

At Aurubis, one of the key drivers of success is **our sustainable growth**.

Friends of the company,

“Metals for Progress: Driving Sustainable Growth.” – that is our strategy, that is our roadmap. Aurubis is heading in a new direction, and we are definitively moving the Group forward.

This strategy is based on three pillars:

- › We’re securing and strengthening our core business
- › We’re pursuing growth options – especially in recycling
- › We’re expanding our leadership in sustainability

Today, I plan to show you that we don’t just announce our intentions – we deliver!

Successfully – as the results from the past fiscal year show.

For the second time in a row, Aurubis ended the fiscal year with the best result in company history.

With € 532 million, we achieved strong earnings before taxes, around 40 % higher than the year before. Return on capital employed, ROCE, reached 19.0 % – 2.4 percentage points higher than the previous year.

This success is the result of the hard work of the entire Aurubis team. I want to take this opportunity to again thank all our employees for their dedication!

The conditions for such a record-breaking year were certainly not given.

Following the illegal attack on Ukraine, the economy faced an energy crisis in 2022. As an energy-intensive company, we felt the impact particularly strongly: Suddenly, natural gas and electricity were more expensive than they'd ever been. The COVID-19 pandemic had already strained global supply chains. Now the war made the situation worse. A difficult environment.

So, we are particularly proud of our smelters' strong operating performance. As an energy-intensive company, we were well prepared, of course: with our established risk management system, long-term supply contracts for electricity in Germany, and comprehensive hedging activities.

In the past fiscal year, Aurubis profited from a significantly higher metal result with increased metal prices. Especially for industrial metals like copper, tin and nickel. Moreover, sulfuric acid revenues were considerably higher than in the previous year. And over much of the reporting period. We achieved higher product surcharges due to substantially higher demand for copper products. Higher refining charges for other recycling materials also contributed to the impressive overall result.

Dear shareholders, we want you to participate appropriately in our success again this year. Which is why the Supervisory Board and Executive Board are recommending a dividend of € 1.80 per share for the past fiscal year. This would be the highest dividend payout ever at Aurubis.

We are proud of the 2021/22 results. A powerful tailwind for the current fiscal year – which we started out strong. We generated operating earnings before taxes of € 125 million in the first quarter of 2022/23.

A very respectable result – driven by our plants' solid production performance and strong demand for our copper products that led to higher product revenues.

We are optimistic about the rest of the fiscal year. For the year as a whole, we anticipate an operating EBT between € 400 and 500 million. Based on the first quarter, we expect a result at the upper end of the forecast range.

Sustainable growth is exactly the right path. Because the metals we produce are more relevant than ever. Aurubis is more relevant than ever.

Without our metals, there can be no energy and mobility transition, no digitalization, no innovations. Aurubis has a key role to play in supplying and securing raw materials for the industries of the future in Germany and Europe.

We have already set an important course for our sustainable growth. One number represents this like no other: € 1.1 billion. The amount that we will invest by 2026 – in growth projects that will move Aurubis forward. Decisively forward.

Our recycling business is the strongest driver. We are making an important and constantly growing contribution to the circular economy here.

Allow me to introduce the project at the heart of our future growth: Aurubis Richmond in Georgia.

We are serious about international growth. The construction of our new site in the USA is impressive proof. We are building a state-of-the-art plant on a newly opened industrial site. This will make us a pioneer on the US recycling market. We are investing all our expertise, our outstanding metallurgical processes, and our over 157 years of experience in metallurgy.

In November 2021, we initially informed you of our decision to build the first secondary smelter for multimetal recycling in the United States. Today construction is fully underway.

The North American market offers enormous potential for further growth. And for expanding our market position there. Recycling continues to boom in the USA, growing dynamically by over 5 % every year, resulting in a rapid increase in the availability of complex recycling materials. We want to leverage this potential. So, we decided to considerably expand the originally planned plant without delay.

We are investing a total of € 640 million in the new US site. As such, Aurubis is establishing another strong foothold – in addition to Europe – in the recycling business. We anticipate a contribution to earnings of around € 170 million per year starting in 2026/27.

We are confident: Investing in expanding the site is highly profitable.

And let's not forget: The attractive energy prices in the USA are a huge advantage of the plant's Richmond location. They also support the project's economic viability.

North America is a key growth market for us, and we will take full advantage of its potential. Though it is also clear that Europe – as the home market for our smelter network – will continue to be exceptionally important to us in the future.

That is why we are further investing in strengthening our core business and in growth at the existing sites.

Yesterday, the Supervisory Board approved a 50 % expansion of the capacity of the tankhouse at our Bulgarian plant in Pirdop. We will be able to process all the locally produced anodes directly on site in the future. This will reduce the complexity of our material flows within the Group and logistics costs as well. Furthermore, this expansion creates the conditions for additional strategic projects. The € 120 million investment is scheduled to go online in 2026, and will then contribute around € 30 million to earnings annually.

We completed the "Complex Recycling Hamburg" project in December. Thanks to an investment of around € 190 million, we will be able to process roughly 30,000 more tons of recycling material, plus complex smelter intermediate products on a larger scale, starting in 2025. "Complex Recycling Hamburg" is another important contribution to the circular economy and a clear sign of our commitment to our Hamburg site. With it, we are securing our core business and increasing the efficiency of our material cycles. We anticipate an additional contribution to earnings of € 40 million per year once it is complete in 2025.

Our growth plans extend beyond our existing business as well. As the number of electric vehicles increases, the demand for batteries is growing rapidly – we are developing innovative recycling solutions here.

Since March of last year, we have operated a pilot plant here in Hamburg to test our know-how for recycling complex, high-grade materials from old batteries. We are focused on what is known as the black mass. It contains all the valuable metals like lithium, nickel, cobalt, and manganese, along with graphite. These are key raw materials for meeting the booming demand for lithium-ion batteries for electric vehicles.

Here are the initial results from our pilot plant:

We completed a total of 60 test runs. We successfully achieved an over 95 % recovery rate – for lithium as well! An excellent result.

The numbers from the pilot plant show: We are globally competitive with our processes. We fulfil, no, we surpass the guidelines set out in the EU Battery Directive.

This short film offers more detailed insight into how we recycle black mass from old batteries:

*[battery recycling video]*

All scenarios indicate that the current-generation batteries are more durable with longer lifetimes. As such, they are approaching the useful life of an electric vehicle. So today, we expect that attractive volumes of black mass will not be available for large-scale industrial recycling until the end of this decade.

We will intensively drive our development work until then. It's true that we're not the only ones on this market. But: Our know-how and the processes we've developed put us ahead of many competitors. The next step planned is the construction of a demo plant. So we can focus on recovering lithium and scale up better down the road.

Battery recycling offers an attractive option for sensibly expanding our business model.

Investments of € 1.1 billion in our sites in the USA, Belgium, Bulgaria and Germany. And the possibility of entering the innovative battery recycling business in our sights as well. These are great perspectives, but also new challenges that need to be met.

Rest assured: We have not only planned the funding. Highly skilled people work at Aurubis. We intensively invest in their training and continuing education. Ultimately, we are very attractive worldwide as an employer with excellent career opportunities and an exceptional overall range. The Executive Board is confident – we have all the prerequisites and the sound plans for reliably achieving our ambitious goals.

These comprehensive skills and capacities form the backbone of Aurubis' transformation. We are taking a giant step forward in advancing our company. Aurubis is growing, Aurubis is increasingly international, Aurubis is increasingly diverse.

Cultural change goes hand in hand with this transformation. Today, we are working in better networks with more digital support. Across sites, internationally – and with our business partners too. This is how we harness the great potential of our network. Skilled teams are bundled and flexibly deployed to make optimal use of their skills. Our team of highly qualified engineers is one example. They work on a project-specific basis at various sites. An

innovative spirit and the best solutions arise from diversity – people from over 50 nationalities work together at Aurubis. This number will rise as we grow internationally.

Dear shareholders,

with all this growth, one aspect is especially important to us: strengthening our pioneering role in sustainability. And expanding it further. Sustainability is an integral part of our company strategy. Everything we do is always in line with our aim to responsibly transform raw materials into value.

We aspire to achieve carbon-neutral production well before 2050. So, we are taking responsibility and making targeted investments in sustainable projects – such as expanding our solar park at the Pirdop site in Bulgaria. With an investment of around € 20 million, we are expanding the output of the existing solar park. Starting in 2024, the park's output could cover the annual electricity required by around 9,000 households. Over the entire lifetime of the park, we will save more than 500,000 tons of CO<sub>2</sub> emissions compared to coal-fired power generation. As such, the investment is an important contribution to the further decarbonization of production in Bulgaria and to in-house energy generation. Our goal is to meet around 20 % of Pirdop's energy needs with renewable energy sources by 2030.

This is how we as a smelter network will continue to lead the world in efficiency and sustainability.

Sustainability and transparency go hand in hand for us. We regularly analyze our products' potential environmental impact and energy footprint over their entire lifecycle – in lifecycle assessments.

We recently updated these assessments for 2021. I am pleased to announce that we successfully reduced the CO<sub>2</sub> footprint of Aurubis copper cathodes by more than 35 % over the past eight years.

Concretely, this means: The CO<sub>2</sub> footprint of our copper cathodes is less than half the global average. The CO<sub>2</sub> footprint for Aurubis gold and silver achieved the same great result. Tin has even dropped an impressive 75 % below the global average. Our results are setting international standards.

Aurubis is on the right path. The results serve as both confirmation and motivation: We will continue to prioritize sustainability aspects in our growth strategy.

We can summarize our leadership role in sustainability in a clear promise to our customers and partners: Tomorrow Metals by Aurubis. We aim to deliver more value with a smaller CO<sub>2</sub> footprint – while applying the highest standards of energy efficiency and environmental protection. This is how we produce metals for progress.

Dear friends of Aurubis AG,

at Aurubis, we have set a course for sustainable growth. We are investing – in new and in established sites.

However: We need the right framework conditions. We need fair, international competition, a level playing field.

Global energy policy signs have changed considerably with the illegal attack on Ukraine. As an energy-intensive company, we have particularly felt the impact. For a long time, it was unclear how the supply situation in Germany might develop. Who would continue to be supplied with energy if shortages occurred.

Natural gas and electricity have never been cheap in Germany compared to other regions, but they are now more expensive than ever.

We are intensively working on making our energy supply more diverse and flexible. And focusing on conserving even more fossil fuels where technically possible. In general, Aurubis' production processes have already been electrified for the most part. We are implementing a comprehensive plan for all our sites to increase our energy security even further.

We are also experimenting with the use of alternative energy sources in our production. We were the first company in the industry to successfully demonstrate in a test series that it is possible to use hydrogen directly in copper production. In 2021, we tested the use of hydrogen in an anode furnace on an industrial level for the first time at our Hamburg site.

Yesterday, the Supervisory Board approved the first investment in preparing our anode oven in Hamburg for the use of hydrogen. Another important step towards climate-neutral production at Aurubis well before 2050.

Last year, Aurubis was the first company in Germany to receive a shipment of blue ammonia from the United Arab Emirates. We are currently in the testing phase and anticipate that this would save around 20 % of natural gas in the production of copper wire – and as such up to 4,000 tons of CO<sub>2</sub> per year in Hamburg alone. We are using our test findings to develop the technological capabilities to use green ammonia in the medium-term.

In this crisis, we also see an opportunity. To get there, we have to work full speed on accelerating the expansion of green and low-carbon energy production. And new supply chains of blue and green hydrogen derivatives in particular have to be established with the energy-rich regions of the world.

This would enable faster decarbonization. Policymakers have to recognize this opportunity and immediately create science-based and pragmatic competitive framework conditions for industry.

The keys: Speed, realism and the setting of clear priorities! Policymakers have a responsibility. They have to lay the groundwork so that industry can access raw materials and affordable energy. We can only continue on our path to success, secure good jobs, and economically successfully produce metals – more sustainably and in a more environmentally friendly way than any other smelter network worldwide – if energy and raw materials are secure. Because our metals are desperately needed for the green transformation.

It is also clear that the electricity and gas prices in Germany are still much too high for industry.

There are solutions: We worked with other companies and associations to develop the concept of a transformation energy price. Base load power stations would ensure an around-the-clock energy supply for energy-intensive industry via a separate market. Electricity for industry in Germany and Europe would then cost around € 40 to € 50 per megawatt hour – and without major subsidies. France has already adopted a similar price model of € 42 per megawatt hour.



Once again: We need secure base load power plants – especially now, when there is nowhere near enough renewable energy production in Germany yet. If we do not secure the base load today, there will be no more energy-intensive industry tomorrow.

Along with a stable energy supply at fair prices, a functioning and responsible supply chain is a key issue. The German Supply Chain Due Diligence Act went into force this year. It is the first to regulate corporate due diligence obligations in the supply chain.

Aurubis doesn't need these regulations! Strengthening human rights is a matter of course and an elementary part of our corporate responsibility. We've already established comprehensive measures to ensure due diligence in the supply chain. This includes a code of conduct that clearly states what we expect from our business partners. Our partners also undergo a comprehensive business partner screening. Part of this involves assessing their integrity when it comes to social and ecological criteria.

Three of our sites, Hamburg, Pirdop and Lünen, are also now certified by the internationally recognized Copper Mark seal of quality – and our Olen site will join them this year. Here too, all of our supply chains are externally audited – in the supply countries far beyond the boundaries of our plants and markets as well.

The following two examples show just how seriously we take our responsibility. Last year, we and the Anglo American mining company provided mutual assurances regarding the way copper is mined, processed, transported and brought to market. To foster responsible resource use, we want to use our technological expertise to help ensure greater sustainability and transparency along the supply chain.

And Aurubis recently signed a memorandum of understanding with Codelco, the largest copper producer in the world. We agreed to more intensive exchange directed at making the entire value chain in the copper industry more sustainable and responsible. This also includes possible technical cooperation in smelter operations and circular economy projects in Chile.

Projects like this take time, of course. But it is important – and of this I am absolutely sure – that stakeholders along the entire value-added chain work together, adhere to standards, and learn from one another. Step by step. Our motto is: "Stay, and improve." This is the only way we can ensure that our metals are truly produced responsibly.

Unfortunately, there are even more new regulations. There is a proposal for another comprehensive supply chain law at the European level. This proposal exceeds the scope of corporate options and overestimates the potential influence of individual companies on the global supply chain.

We see this as clear overregulation and excessive bureaucracy. What we do need though is more individual responsibility! We are calling for less detailed regulation, and instead for clear framework guidelines so industry can leverage its expertise.

Friends of the company,

at Aurubis, we are shifting into the next gear in the company's transformation. We are accelerating growth. Sustainable growth! And – we are delivering!

We have a clear strategy and a clear roadmap: "Metals for Progress: Driving Sustainable Growth."



Our mission provides the milestones for the path ahead: We responsibly transform raw materials into metals – for an innovative and sustainable world.

We are growing sustainably – in multimetal recycling in particular. We are further expanding on our strengths in Europe, while also taking advantage of the great potential in the USA.

Aurubis is the most efficient and sustainable smelter network in the world. Conserving resources and strengthening the circular economy is our responsibility. And that is exactly what we are doing!

Our objective is to create more value with less impact on the environment. We are growing more transparent, more energy efficient – and better. Every day.

We are investing a tremendous amount in growth. Just the projects that have already been approved will take Aurubis to a completely new level – as a company, as an employer, as an investment.

We can do it, thanks to our business experience, our metallurgical expertise, and our excellent financial position.

We have to do it, because society needs our metals. It needs our solutions to meet the challenges of tomorrow.

Our products are more in demand than ever. We play a key role in a digital, innovative, and sustainable world.

Dear ladies and gentlemen, we deliver. We are Aurubis. Who, if not us?

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