Combined Management Report

Foundations of the Group

Business model of the Group

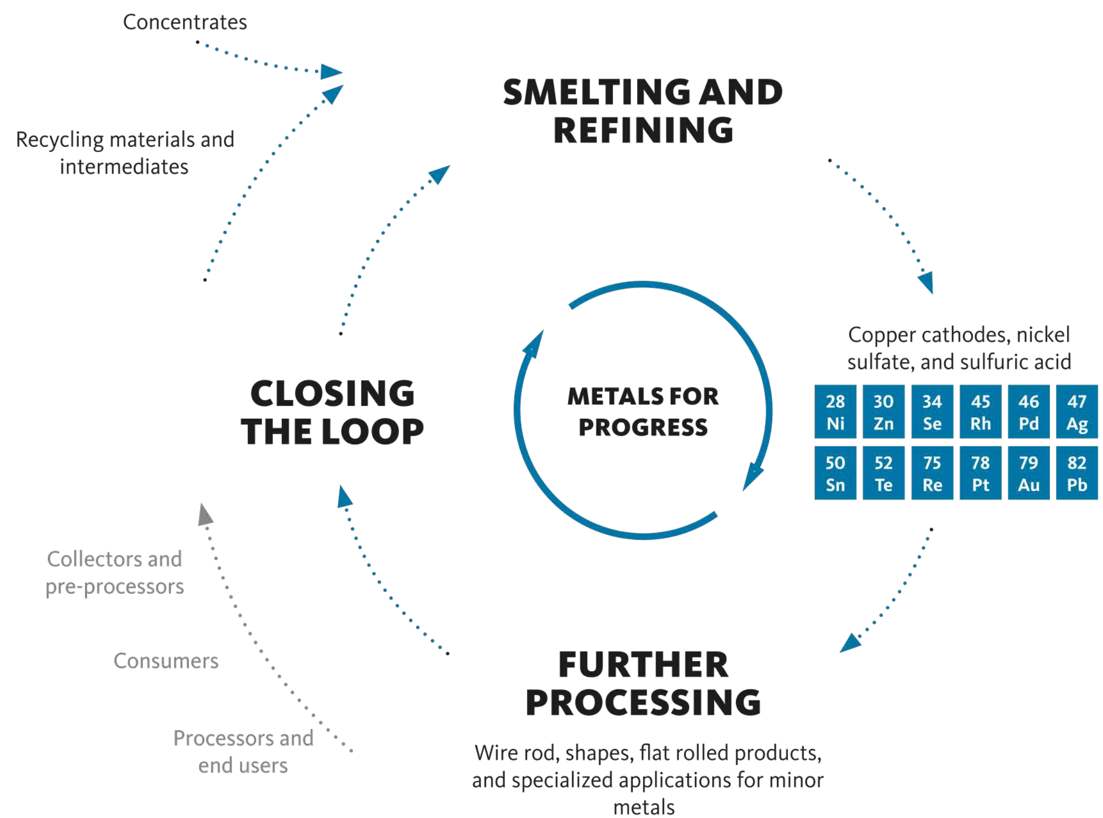
Business activities

Aurubis AG is a company in the basic materials industry that operates worldwide. As an integrated group, we process complex metal concentrates, scrap metals, organic and inorganic metal-bearing recycling raw materials, and industrial residues into metals of the highest purity. Our starting product for fabricating copper products is copper cathodes, which are primarily used to produce standard and specialty products made of copper and copper alloys.

In addition to our main metal, copper, our metal portfolio also includes gold, silver, lead, nickel, tin and zinc, minor metals such as tellurium and selenium, and platinum group metals. Sulfuric acid, iron silicate, and synthetic minerals round off the Aurubis Group's extensive product portfolio.

The company's headquarters, which is also home to one of our two primary smelters, is located in Hamburg, Germany. Our sites are mainly located in Europe, with larger production centers in Germany, Belgium, Bulgaria, and Spain, as well as cold rolling mills for flat rolled products and rod plants in Germany and other European countries. Outside Europe, Aurubis began construction on the first secondary smelter for multimetal recycling in the US in Augusta (Richmond County, Georgia, US) in June 2022. The ribbon cutting of the Aurubis Richmond site took place in September 2024. The first stage of the Aurubis Richmond site will be gradually commissioned in fiscal year 2024/25. In the course of further optimizing the production portfolio, a production site in Buffalo, US, was sold with effect from August 30, 2024. The Aurubis Group also has a global sales and service network.

Business model in fiscal year 2023/24



Sites and employees

Consolidated sites

Europe				
DE	Hamburg	Aurubis AG (headquarters)	2,799	
		Peute Baustoff GmbH	10	
	Lünen	Aurubis AG	683	
	Stolberg	Aurubis Stolberg GmbH & Co. KG	454	
	Emmerich	Deutsche Giessdraht GmbH	118	
	Röthenbach	RETORTE GmbH Selenium Chemicals & Metals	47	
BG	Pirdop	Aurubis Bulgaria AD	989	
BE	Olen	Aurubis Olen NV/SA	709	
	Beerse	Aurubis Beerse NV	496	
FI	Pori	Aurubis Finland Oy	320	
IT	Avellino	Aurubis Italia Srl	90	
ES	Berango	Aurubis Berango S. L. U.	102	
UK	Edinburgh	Aurubis Beerse NV	1	
FR	Metz	Aurubis Beerse NV	1	
Employees in Europe			**6,819**	
US				
	Augusta	Aurubis Richmond LLP	160	
Employees in the US			**160**	
Total employees			**6,979**	

The KPIs relate to permanent and temporary employment arrangements as at the reporting date of September 30, 2024.
Excluding companies consolidated using the equity method.
Sites without employees are not listed.
Group representative offices are not listed separately.

Non-consolidated sites and independent sales employees

Europe				
DE	Berlin	azeti GmbH, Berlin	37	
SE	Västerås	Aurubis Holding Sweden AB	1	
TR	Istanbul	Aurubis Turkey Kimya Anonim Sirketi	1	
Employees in Europe			**39**	
Asia				
CN	Beijing[1]		1	
	Shanghai	Aurubis Metal Products (Shanghai) Co., Ltd.	4	
JP	Tokyo[1]		1	
KR	Seoul[1]		1	
UAE	Dubai	Aurubis Middle East DMCC	1	
Employees in Asia			**8**	
Total employees			**47**	

[1] Agency/independent sales employees.

Raw materials	Concentrates and recycling materials are the raw materials from which copper is produced.	Concentrates Recycling materials
Sales and distribution network	An international sales and distribution network markets our products.	
Products	The copper is processed into products. Some products are already the result of copper production.	Cathodes Wire rod Shapes Specialty profiles Precious metals Minor metals Sulfuric acid Iron silicate Strip/foil Specialty wire Synthetic minerals

Business model

Metals play a pivotal role in a great number of forward-looking applications. Following industrialization, automation, and digitalization, the transformation to a more sustainable, carbon-neutral economy and society is currently posing significant challenges. Many of the solutions in this area — such as electric vehicles and wind turbines — are based on the use of metals. With the approximately 20 metals we currently produce, we are an important part of the transformation to a more sustainable global economy.

The Aurubis Group's business model is built on our decentralized smelter network and its three fundamental pillars: the processing of raw materials from the mining industry, the processing of recycling materials, and product business. Within the smelter network, the sites leverage their specific processing capabilities and are continuously optimizing their material flows to enhance the recovery of marketable metals and to transform all input materials into valuable products. This helps the entities reduce waste streams and take advantage of scalability, for instance in the large tankhouses and in precious metal processing in Hamburg. This provides Aurubis with a great deal of efficiency and flexibility in managing raw material procurement, production and sales. Different market cycles influence each of the three fundamental pillars as well.

We process copper concentrates that are obtained from ores and are offered on the global market by mining and trading companies. The necessary input materials for our two primary smelters (Hamburg and Pirdop) are purchased worldwide. The production entities don't hold any stakes in mines, and each has a globally diversified supplier portfolio instead.

A significant portion of our copper concentrates is sourced from South American countries such as Chile, Peru and Brazil. Raw materials are also purchased from other countries such as Bulgaria and Turkey. As a buyer of copper concentrates, the Aurubis Group competes with other international primary smelters, particularly in China and Japan. Copper concentrates for the Hamburg site are transported primarily by waterway and are transshipped via the port terminal in Brunsbüttel. There, the different copper concentrates are pre-mixed in accordance with the requirements of our production process. Concentrates reach the site in Pirdop, Bulgaria, directly by land as well as by sea via the port of Burgas.

In addition to copper concentrates, we also use copper scrap and various types of organic and inorganic metal-bearing recycling raw materials, industrial residues, and bought-in metallurgical intermediates as feed material. The four secondary smelters in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain) buy most of the copper scrap and metal-bearing recycling raw material input on the European and North American markets. Furthermore, we use copper scrap with high copper content to control the processes in both of our primary smelters in Hamburg and Pirdop. Small quantities of precious metal-bearing recycling materials are processed at the primary site in Hamburg as well. Recycling materials are supplied predominantly by metal trading companies. Some recycling materials reach the production cycle directly from industry through our closing-the-loop approach Glossary.

On the demand side, the Aurubis Group's main competitors for these input materials are other copper and metal smelters, as well as metal processors that also utilize recycling materials. Most copper scrap reaches us by land.

In the course of our production processes, copper concentrates and recycling materials are converted into copper cathodes. This is the standardized product format that is traded on international metal exchanges. Copper cathodes are the starting product for fabricating additional copper products, though they can also be sold directly.

The Aurubis Group's product portfolio mainly comprises standard and specialty products made of copper and copper alloys. In terms of processing capabilities, we have manufacturing capacities for continuous cast copper wire rod, continuous cast shapes, rolled products, strip, specialty wire, and profiles.

Additional products result from processing the non-copper elements in the feed materials. Targeted purchases of some of these elements are made in the Group's production entities. In particular, these include various metals such as gold, silver, lead, nickel, tin and zinc, minor metals like tellurium and selenium, and platinum group metals. Iron silicate and synthetic minerals are also produced.

Sulfuric acid forms as a byproduct of copper concentrate processing. Sulfuric acid customers are very diverse and include international companies from the chemical, fertilizer and metal processing industries.

The sales markets for our products are varied and international. The production entities' customers include companies from the banking industry, the copper semis industry, the cable and wire industry, the electrical and electronics sector, and the chemical industry, as well as suppliers from the renewable energy, construction and automotive sectors.

We place a high priority on the closing-the-loop approach with a view to closing the value chain for copper and other metals. The focus of this approach is on materials such as production waste and residues that accumulate along the copper value chain in production, for example at the customers of the production entities. The materials range from copper scrap with very high copper content, which we can feed directly into the copper fabrication process, to stamping waste containing precious metals and high levels of copper, alloyed scrap, slags from foundries, and other industrial residues.

Our strategy defines sustainable action and management as a central consideration across all areas of the company. We continue to anchor sustainability throughout the entire company and in all of our workflows, processes and strategic projects in particular, based on binding targets and appropriate measures. We have also acknowledged the importance of sustainability in our organizational structure. The Sustainability function is positioned at the highest level, directly in the CEO's business division.

For the most part we hedge fluctuations in metal and energy prices and the US dollar exchange rate in accordance with our hedging strategy.

Group structure

In fiscal year 2023/24, the Aurubis Group's organizational framework was based on the underlying business model. Since fiscal year 2021/22, the two segments Multimetal Recycling and Custom Smelting & Products have made up the fundamental organizational structure and provided the basis for segment reporting in accordance with IFRS 8.

	Multimetal Recycling (MMR)	Custom Smelting & Products (CSP)
Feed materials	Scrap/blister, E-scrap, Slags/residues, Other recycling materials	Concentrates, E-scrap, Scrap/blister, Other recycling materials
Products	Cu cathodes Other minor metals	Cu cathodes Wire rod Sulfuric acid Shapes Precious metals Rolled products, other Minor metals
Sites	**Recycling plants:** Beerse (BE), Berango (ES), Lünen (DE), Olen (BE), Richmond (US)	**Primary smelters:** Hamburg (DE), Pirdop (BG) **Additional sites:** Avellino (IT), Buffalo (US) until August 30, 2024, Olen (BE), Pori (FI), Emmerich (DE), Röthenbach (DE), Stolberg (DE)
Earnings drivers	Refining charges (RCs) for recycling materials, cathode premium, metal result	Treatment and refining charges (TC/RCs) for concentrate processing, RCs for scrap and blister, metal result, sulfuric acid revenues, cathode premium, shape surcharges for products

- The **Multimetal Recycling (MMR)** segment comprises the recycling activities in the Group and as such the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment mainly includes the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain). The Aurubis Richmond secondary smelter, currently under construction in the US state of Georgia, is also included in this segment.

- The **Custom Smelting & Products (CSP)** segment comprises the production facilities for processing copper concentrates and for manufacturing and marketing standard and specialty products such as cathodes, wire rod, continuous cast shapes, strip products, sulfuric acid, and iron silicate. The CSP segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes. Together with the copper cathodes produced in the MMR segment, they are further processed into wire rod and continuous cast shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US, until August 30, 2024), Stolberg (Germany), and Pori (Finland) plants produce flat rolled products and specialty wire products.

A list of shareholdings pursuant to Section 313 (2) of the German Commercial Code (HGB) as at September 30, 2024 is provided in the notes to the financial statements. Notes to the Consolidated Financial Statements

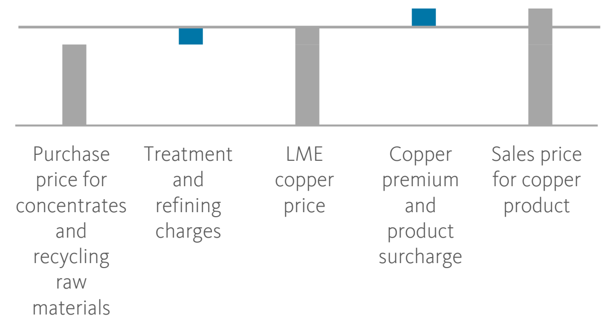
Significant influencing factors relevant to the business

The main drivers of earnings are treatment and refining charges for copper concentrates, refining charges for recycling materials, metal prices, the Aurubis copper premium and shape surcharges for copper products, as well as sales revenues for sulfuric acid. Furthermore, efficient metal gains in our plants lead to effects on earnings, taking metal prices into account. We hedge some of the metal gains against metal price fluctuations.

Copper, silver, gold, and other key precious and industrial metals are priced on the metal exchanges, first and foremost the London Metal Exchange (LME) www.lme.com, which facilitate physical transactions, hedging, and investment business. These prices are not just benchmarks for exchange trading but serve as the basis for pricing in the raw material and product business.

Pricing along the value chain

Schematic illustration



Treatment and refining charges are negotiated with suppliers when purchasing copper-bearing raw materials. The TC/RC trend depends on the prevailing supply and demand structure on the global markets. These charges are essentially discounts on the purchase price given for turning raw materials into copper cathodes (the commodity exchange product) and other metals and metal compounds.

The metal exchange and market quotation for copper serves as the price basis for copper product sales. The premium and product surcharges imposed for converting cathodes into copper products are also part of the sales price of copper products.

As an energy-intensive company, the Aurubis Group fundamentally experiences impacts on its energy costs from price fluctuations for electricity, natural gas, and CO_2 certificates. The production entities can to some extent hedge against abrupt market price fluctuations for electricity and natural gas by purchasing them well in advance. For the energy suppliers' CO_2 costs that are included in the electricity price (referred to as indirect emissions), we have received partial compensation on the basis of the state aid guidelines.

The Aurubis Group's business development is also influenced by external factors. These include the economic performance in key countries and activities on the international financial markets; political, legal, and social conditions; changes in the exchange rate and interest rate level; and the situation on our relevant markets.

Strategic direction

The Aurubis Group is strategically guided by three pillars: securing and strengthening the core business, pursuing growth options, and expanding its industrial leadership in sustainability. The necessary success factors for implementing the established strategy are: digitalization and automation in production, strategic resource planning, and strategic personnel management, which includes the recruitment and development of employees. Our strategic goal is to continue solidifying and expanding our position as one of the most efficient and sustainable multimetal producers worldwide.

Updated in fiscal year 2020/21, the Aurubis Metals for Progress: Driving Sustainable Growth strategy includes a precisely defined roadmap for continued sustainable, profitable growth. Over the past fiscal year, we have made significant further progress on implementing the strategy in line with this roadmap. We continue to drive implementation forward steadily and cautiously while taking the geopolitical and global economic environment into account.

All new investment projects are subjected to a thorough sustainability review as a matter of course. Every new investment is designed to positively impact aspects of sustainability. Projects will primarily be financed from current cash flow, available funds, and additional borrowings with a term of generally between three and five years. There is no need for a capital increase to fund the current investment package in the foreseeable future.

Investment in the future: Significant projects for the further strategic development of the smelter network in implementation

In the 2023/24 fiscal year, we achieved key milestones in realizing our strategic projects. From the €1.7 billion total investment approved for strategic projects, around €900 million had been invested in our strategic projects by the end of the fiscal year. These projects are expected to generate an additional EBITDA contribution of around €260 million in the future.

The projects currently underway address all three key elements of the strategy and are distributed across sites and segments. The specific investment decisions and progress made in the reporting period are set out below.

Securing and strengthening the core business

The Aurubis Group's core business is processing raw materials containing metals, both concentrates and recycling materials. Aurubis will continue to invest in our current production sites to expand processing capacities and further boost multimetal recovery within the Group-wide smelter network. The aim is additional optimizations to material flows among the plants so as to make even greater use of synergies.

The Complex Recycling Hamburg (CRH) project is a significant building block in advancing the smelter network. CRH will give Aurubis the capacity to process around 30,000 t of additional recycling material and internal, complex smelter intermediary products on a larger scale in the future. This will close both internal and external value chains and reduce the valuable materials discharged or lost. The investment in the Hamburg site of around €190 million will keep significantly more added value in the company in the future. Construction of the facility is progressing and we anticipate commissioning in the 2025/26 fiscal year.

Investment in an innovative precious metal processing facility in Hamburg

In December 2023, an investment was approved of around €300 million in the construction of a new facility at the Hamburg site for processing precious metals, the Precious Metals Refinery (PMR). The new precious metal refinery is expected to go online in fiscal year 2026/27, and the precious metals processing chain will then be housed in one closed security area. In addition to upgrading plant and precious metals security and occupational safety, we are raising the bar with the innovative process technology and systems engineering involved in the project. The advanced metallurgical process leads to higher efficiency, which is expected to considerably reduce throughput times for materials containing precious metals, and to lower operating costs by around 15 %. With this new plant, we are significantly expanding production capacity in precious metals and laying the groundwork for additional growth strategy projects.

Aurubis kicks off expansion of the tankhouse at the Bulgarian site

On April 25, 2024, Aurubis began the expansion of the tankhouse for copper production at the Pirdop site in Bulgaria. By expanding the tankhouse, Aurubis will increase the site's capacity by around 50 % to 340,000 t of refined copper. The Bulgarian site will be able to process all the anode copper it produces in the future, curtailing transport needs, and thus further lowering its CO_2 footprint through indirect Scope 3 emissions. Aurubis is investing around €120 million in this production capacity expansion that will allow Aurubis to supply even more of this metal so crucially needed in Europe. The project is in implementation and commissioning is scheduled for fiscal year 2025/26.

Optimizing slag processing at the site in Bulgaria

Investment in another strategic project, for the more ecological processing of slag from the flash smelter in Pirdop, was approved in the reporting period, with an investment of around €46 million. In the future, cooling of slags will no longer take place in pits, but in over 200 slag pots instead. Although the current process is an approved method in the industry, we are again going well beyond the current ecological standards with the new slag processing method. Complete commissioning is scheduled for 2026/27.

Closing cycles and strengthening recycling with innovative recycling equipment in Belgium

The ongoing Advanced Sludge Processing by Aurubis (ASPA) and Bleed Treatment Olen Beerse (BOB) projects at our Belgian sites also made significant progress in the past fiscal year. The ASPA project in Beerse involves building a hydrometallurgical plant for the further processing of anode sludge. Aurubis invested around €33 million in the new recycling plant that came online on September 4, 2024. The new process extracts precious metals such as gold and silver, but also the tin contained in anode sludge, with lower losses and shorter throughput times.

With the BOB project, Aurubis has invested around €85 million in building a state-of-the art facility for processing electrolyte, known as bleed, at the Olen site. The new equipment is scheduled to be commissioned on December 10, 2024. With this hydrometallurgical process, valuable metals such as nickel and copper, from the electrolyte streams generated during electrolysis in metal production at the Aurubis Beerse and Olen sites, are now recovered in Olen, and the bleed, a metallurgical intermediate product, is no longer sold.

Realizing growth options

During our strategy process, we defined the recycling business as a central growth area for us, especially in North America. The rising importance of resource independence in Europe and the US will lead to higher recycling rates and thus a growing regional supply of complex recycling materials and electronic scrap. The Aurubis Modular Recycling System is a scalable system we developed for new recycling plants that enables us to build new capacities using a modular — and therefore flexible and needs-based — approach and integrate them into the expanded Aurubis smelter network.

Ribbon-Cutting Ceremony for the new Aurubis Richmond recycling plant in the United States

September 21, 2024, marked the grand opening of the new Aurubis Richmond recycling plant in Georgia, US, in which Aurubis will invest a total of around €740 million. After around two years of construction, Aurubis Richmond will be the first secondary smelter for multimetal recycling in the US. Once the second module announced in December 2022 is complete, Aurubis Richmond will process around 180,000 t of complex recycling materials into blister copper annually. The technology and processing capabilities of our recycling system position us as a pioneer in sustainable multimetal recycling in the US. The plant also opens up prospects for further growth along the metallurgical value chain in the US. The growing recycling material market offers attractive opportunities, particularly for the diversification of our business and project portfolio beyond Europe.

Battery recycling: Demonstration plant ramps up

Using resources responsibly is a key element in what we do. This is also true for a trend of the future — electric mobility. We expect an increase in batteries from electrical and hybrid vehicles to drive an additional growth market in recycling over the long term. Aurubis developed and tested a patented process for responsibly recovering the key valuable elements from black mass. We were able to achieve a very high degree of efficiency with this innovative process and recover around 95 % of the metals on average in a pilot plant at the Hamburg site. Aurubis is now taking the next step and building a demonstration plant. The plant is in operation and test series for extracting metals like lithium, nickel, cobalt and manganese on a larger scale have begun. The main unit in the demonstration plant is 50 times larger than the pilot plant and will continue to provide findings and empirical evidence about operating on an industrial scale.

At the same time, we are intensifying our marketing and competitor analyses and expanding our network of potential business and cooperation partners along the entire battery recycling value chain. We have extensive experience with the circular economy for critical metals through our core business, and we see attractive opportunities for expanding this expertise to include metals such as lithium, nickel, cobalt and other valuable raw materials. We have signed an agreement with Talga Group Ltd, an Australian battery material and technology company, to develop a recycled graphite product from lithium-ion batteries, for example. Aurubis successfully extracted raw materials from lithium-ion batteries in initial test series, which delivered very promising results. This is how we are developing the building blocks for a flexible market entry strategy tailored to the technical and economic requirements of this future market.

Expanding industrial leadership in sustainability

Our strategy defines sustainable action and management as a central consideration across all areas of the company. We continue to anchor sustainability throughout the entire company and in all of our workflows, processes and strategic projects in particular, based on binding targets and appropriate measures. We have also acknowledged the importance of sustainability in our organizational structure: The Sustainability function is positioned at the highest level directly in the CEO's business division. We have set binding sustainability targets, which we regularly evaluate and back up with concrete measures.

To reduce emissions, for example, we have defined targeted measures for cutting Scope 1 and 2 CO_2 emissions by 50 % by 2030. In the future we will rely on technical approaches, such as decarbonizing plant facilities through the use of green hydrogen when it can be sourced at competitive conditions, reducing the consumption of fossil fuels. The further electrification of our production, the use of waste heat and expanding the electricity purchased from renewable energies round out the portfolio of possible projects and measures.

In the 2023 calendar year, we successfully reduced Scope 1 and 2 CO_2 emissions by 24 % compared to the 2018 baseline. The increased purchase of electricity derived from renewable energies, such as at our site in Olen, and the use of electricity from the captive solar park at our Bulgarian site in particular contributed to reducing our Scope 2 emissions. Aurubis continues to invest in its production sites with the aim of further reducing CO_2 emissions.

More climate-friendly production with hydrogen-ready anode furnaces

In summer 2024, during the routine maintenance shutdown, the Hamburg plant became one of the first copper smelters in the world to install hydrogen-ready anode furnaces. These offer potential savings of about 5,000 t of CO_2 per year once only hydrogen is used. Even before they are connected to pipelines in a hydrogen grid to start operating with hydrogen, the new anode furnaces are already contributing to decarbonizing Aurubis' production: The new equipment, representing an investment of around €40 million, is more efficient and consumes up to 30 % less natural gas, avoiding just under 1,200 t CO_2 per year.

Industrial Heat expansion

We have been supplying the HafenCity East district with our heat since 2018. An expansion of the project has been in planning since the beginning of 2022 www.aurubis.com/en/industrialheat. As part of this year's routine maintenance shutdown, we invested around €100 million in converting a sub-process of copper production. This will allow us to heat up to 28,000 additional households each year in cooperation with the Hamburg city energy utility, reducing CO_2 emissions in the city by up to 120,000 metric tons starting in the 2024/25 heating period. The Industrial Heat project, a joint project with the Hamburg Energiewerke utility company, received funding from the German Ministry for Economic Affairs and Climate Action (BMWK).

Extensive expansion of the solar park at the Aurubis plant in Bulgaria

We are currently expanding the existing solar park at the Aurubis Bulgaria plant. The output of the existing plant will be increased with a total investment volume of around €12 million for stages 2 & 3. Groundbreaking for stages 2 & 3 took place on April 25, 2024. Stage 4 has already been approved and will boost plant output by 18 MWp (megawatt peak) once it is in operation. Production capacity will total around 40 MWp in the future. Once complete, the four solar plants will generate roughly 55,000 MWh of electricity per year, covering around 15 % of the Bulgarian plant's consumption. When all stages of the solar park are operational, they will generate enough electricity to power a city of 25,000 four-person households. Aurubis will prevent around 25,000 t of CO_2 emissions per year once the four stages are completed. The final expansion stage is anticipated to come online in fiscal year 2025/26.

Another sustainability target included in the Aurubis Metals for Progress: Driving Sustainable Growth strategy is further increasing the recycling rate, which refers to the ratio of recycling materials in our copper cathodes. The proportion of recycled copper in our copper cathodes was 44 % on average across the Group for fiscal year 2023/24 (previous 2022/23 year: 44 %). We are currently targeting a Group-wide recycling rate of up to 50 % by 2030, a target the expansion of recycling capacities in the US will help us reach once the two modules are commissioned. Aurubis is actively contributing to the circular economy by expanding its recycling activities. However, it is important to remember that sustainable global growth goes hand-in-hand with rising demand for copper that cannot be met solely through recycling and that also requires primary copper production. Aurubis' sustainability aspirations explicitly extend to the entirety of our metal production from a wide variety of raw materials and is of overriding importance.

Alongside our products, our production techniques are already making a pivotal contribution to responsibly handling resources and thus play a role in the energy transition. Aurubis already produces copper cathodes with considerably fewer CO_2 emissions than the global average, according to the International Copper Association (ICA). 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 by 2030 as well. Approaches for reducing Scope 3 emissions include cooperation in our supply chain and increased recycling activities, for example. The targets were validated by the Science Based Targets initiative (SBTi) in June 2021. This means that our targets contribute to limiting global warming to 1.5°C pursuant to the Paris Agreement on Climate Change. We will continue implementing and developing our detailed roadmap to achieve our climate targets.

Successfully realizing the strategic projects in progress is the highest priority at Aurubis. At the same time, we regularly assess possible changes in the future market and competitor environment and evaluate any need to adjust our strategic initiatives and project pipeline. We strengthen our flexibility and competitiveness for the future by practically expanding our expertise and capacities.

Corporate management

Management system

The corporate management system's main objective is to increase the Aurubis Group's corporate value. To achieve this, the Group aims to generate a positive overall value contribution that exceeds the costs of capital. Sustainability is an important element of the Group strategy. Sustainability criteria also fundamentally guide our investment projects.

Group control parameters

Aurubis uses the following central control parameters to measure medium- and long-term financial success within the scope of value-oriented corporate management processes:

- Operating consolidated earnings before taxes = operating EBT
- Operating return on capital employed = operating ROCE of the Group

These parameters are regularly reported to the Executive Board and are utilized for internal management control purposes. The variable compensation of the Executive Board and the management is also based on these parameters.

The internal reporting and management of the Group are carried out on the basis of the operating result in order to present the Aurubis Group's success independently of the measurement effects, listed below, for internal management purposes.

The operating result is derived from the IFRS-based financial performance by:

- Adjusting for measurement results deriving from the application of IAS 2 (Inventories). In this context, metal price fluctuations resulting from the application of the average cost method are eliminated. Likewise, non-permanent write-downs or write-ups of metal inventory values as at the reporting date are eliminated
- Adjusting for reporting date-related effects deriving from market valuations of metal derivatives that have not been realized, which concern the main metal inventories
- Adjusting for reporting date-related effects of market valuations of energy derivative transactions that have not been realized
- Eliminating any non-cash effects deriving from purchase price allocations
- Adjusting for effects deriving from the application of IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations).

The Aurubis Group reports in accordance with International Financial Reporting Standards (IFRS). For internal management purposes, the Aurubis Group will not adopt the amendment to IAS 2, which requires the application of the "first in, first out" (FIFO) or average cost method. This decision was made to avoid earnings volatility due to metal price fluctuations resulting from measurement according to the average cost method. Our opinion is that such associated measurement effects need to be eliminated to gain an understanding of the Aurubis Group's business activities and results from an operational perspective. In addition, reporting date-related effects concerning the main metal inventories, which derive from the measurement at market of metal derivatives and have not been realized, are also not taken into account. In contrast, measurement effects that have already been realized from an operational perspective are taken into account. Reporting date-related effects of market valuations of energy derivative transactions that have not been realized will not be accounted for, either. Furthermore, one-time effects deriving from purchase price allocations are eliminated, as these would otherwise lead to a distortion in the Aurubis Group's presentation of its assets, liabilities, financial position, and financial performance. The accounting impacts of IFRS 5 are also reversed.

Operating ROCE defines the operating earnings before interest and taxes together with the operating result from investments measured using the equity method, in each case from the last four quarters, in relation to the operating capital employed as at the reporting date and represents the yield on the capital employed.

In a manner corresponding to the calculation of the operating result, operating capital employed is derived by adjusting the IFRS-based items in the statement of financial position for the effects as previously mentioned.

Operating return on capital employed (ROCE)

in € million	**9/30/2024**	9/30/2023
Fixed assets, excluding financial fixed assets	3,011	2,422
Inventories	2,087	2,061
Trade accounts receivable	628	563
Other receivables and assets	289	300
» Trade accounts payable	-1,584	-1,566
» Provisions and other liabilities	-691	-597
Capital employed as at the reporting date – operating	**3,741**	**3,182**
Earnings before taxes (EBT)	413	349
Financial result	-3	-7
Earnings before interest and taxes (EBIT)	**411**	**342**
Investments accounted for using the equity method	20	19
Earnings before interest and taxes (EBIT) – adjusted	**430**	**361**
Return on capital employed (operating ROCE)	**11.5 %**	**11.3 %**

A reconciliation of the IFRS-based statement of financial position and income statement to the respective "operating" figures is provided in the Economic Report section of the Combined Management Report.
Economic Report

Research and development

Research & Development (R&D) at Aurubis significantly drives metallurgical innovations. This includes developing new metallurgical processes and products, advancing existing metallurgical processes in the Aurubis smelter network, and optimizing Aurubis products. Development projects during the reporting year targeted even more sustainable and efficient production to extract more metals from complex raw materials.

Advancing the hydrometallurgical processes for recycling lithium-ion batteries was again a major focus of our work in this fiscal year. Additional experimental campaigns were successfully conducted in the pilot plant in Hamburg to validate the robustness of the recycling process using different compositions of black mass and to further optimize the recovery rate of the battery metals. Excellent recycling rates of around 95 % for nickel. cobalt and lithium were achieved in testing. This will allow us to easily meet the very ambitious metal recycling targets stipulated in the EU Battery Regulation.

Going beyond the targets of the battery regulation, we also intensively engaged with processing the graphite that comprises up to around 40 % of black mass. Our patented hydrometallurgical recycling process offers the option of separating out qualitatively very clean graphite. In cooperation with the Australian-based Talga company, the graphite we produce will be processed into battery-ready anode material. This joint project's strategic aim is to keep graphite in the loop and establish a closed loop battery supply chain in Europe.

Together with the Aurubis Engineering team, we planned and built a demonstration plant for the technical advancement of our black mass recycling process. The plant will be used to test the innovative process steps at technical scale and in a suitable environment. This will mitigate the technical and investment risk of a future large-scale plant. The demonstration plant is currently ramping up.

In addition to focusing on the crucial field of battery recycling, Aurubis is also working on increasing our involvement in recycling cars, both ICEs and EVs. We are a cooperation partner in an end-of-life vehicle recycling project coordinated by BMW, for example. Aurubis is responsible for the copper-bearing material streams from disassembly, testing their quality and readiness for use in the Aurubis smelter network. The objective of the joint project is to improve the recycling rates of cars and to increasingly close material cycles.

Recycling non-ferrous metals frequently involves processing accompanying composite materials of metal and plastic. Aurubis' KRS process specializes in recycling this kind of electronic scrap. In this fiscal year, we commissioned an ultra high temperature hydrolysis (UHTH) pilot plant at our Lünen site. The pilot plant can extract a hydrogen-rich gas from plastics. This process will allow us to improve carbon management and internal materials streams at the site. The first trials have proven very promising and we anticipate final results in the coming year.

Along with developing new projects, optimizing our existing processes is also central to our R&D work. R&D has developed a metallurgical model of the Aurubis smelter network to facilitate our understanding of and optimally leverage existing equipment at all our sites. These models help us optimize material streams at all six smelters as well as to more efficiently extract and more sustainably produce valuable metals, and they have already yielded interesting optimization approaches that are being tested in production. Metallurgical restrictions, such as antimony in copper anodes and its effect on copper electrolysis, were observed. Experiments identified a practical solution. Through the interplay of modeling, practical testing and metallurgical theory we refine our models and ensure their feasibility.

On our path to carbon-neutral production, R&D is exploring the use of CO_2-free energy sources. After earlier successful hydrogen testing, ammonia was tested as a partial replacement for natural gas in the copper rod production facility. The target of replacing 20 % of the natural gas could not be achieved, so Aurubis will continue to focus on the direct use of hydrogen as an energy source. The test series nonetheless provided important findings for our future path towards carbon-neutral production.

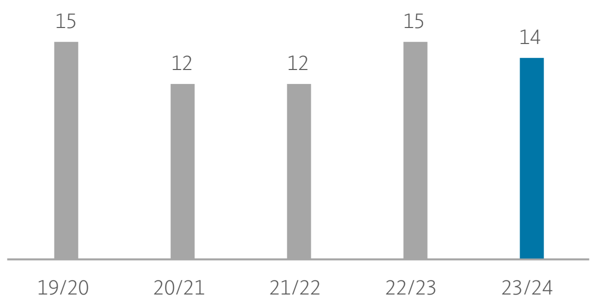
Aurubis generates mineral byproducts (slags) during metal production from primary raw materials and during metallurgical recycling at our Beerse, Berango, Hamburg, Lünen and Pirdop sites. We transform these so they have specific product qualities (grain size, crystal structure, composition) to meet the requirements of local sales markets. R&D offers support in the form of quality inspections, production optimization, and digital advisor tools developed by R&D. R&D also coordinates with Sales to develop new qualities with the aim of opening up new markets. Experiments with various cement manufacturers to see whether our minerals can be used as high-quality, carbon-free substitution material in cement were successfully completed in the 2023/24 fiscal year. Our minerals do technically work as SCM (supplementary cementitious material) in concrete, however some technical requirements would need to be expanded in the design specifications.

Electric mobility and sustainability were two important focal points of product development. Different types of wires from various copper materials were developed for applications in electric cars. The Aurubis Blue Brass portfolio of lead-free brass material was consistently expanded. Increasing the proportion of recycled materials improved the sustainability of these products, which now meet the specifications of the jewelry and watch industry. Various special products, for instance with improved surface properties or adapted microstructures, were developed for applications in electronics.

2023/24 research and development costs of €13,526 thousand were recognized in profit or loss for the Aurubis Group in the fiscal year (previous year: €11,848 thousand). Moreover, development costs of €358 thousand (previous year: €2,771 thousand) were capitalized in the fiscal year. The Aurubis Group employs a total of 79 people in this area (previous year: 76) at our sites in Beerse, Hamburg, Lünen, Olen, Pirdop, Pori and Stolberg.

R&D expenditure[1]

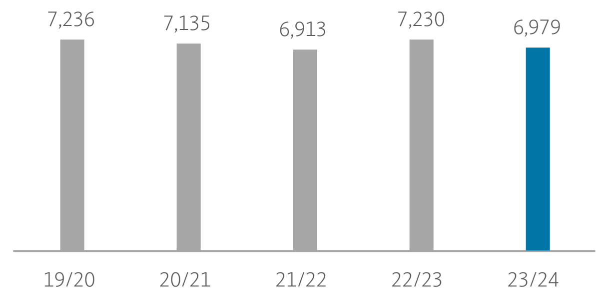
in € million



[1] Includes operating expenses and capitalized development costs.

Aurubis Group employees

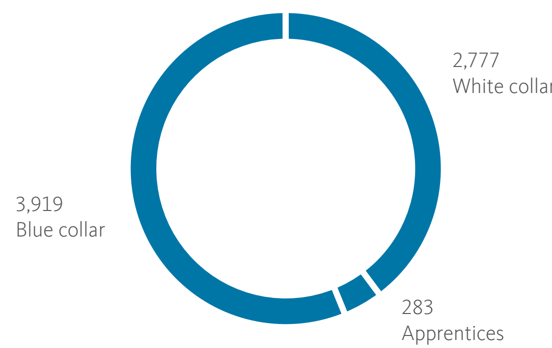
As at 9/30/2024



Excluding companies consolidated using the equity method

Aurubis Group personnel structure

As at 9/30/2024



Human resources

A total of 6,979 people were employed by the Aurubis Group as at September 30, 2024 (previous year: 7,230). Of these, 41 % were employed outside Germany and 59 % at the German sites. The number of employees decreased when the plant in Buffalo was sold; this effect was countered by the further expansion of core business at the Hamburg, Pirdop, Olen and Beerse sites, as well as the development of the new plant in Georgia. The employees are mainly distributed among the sites as follows: Germany (4,111), Belgium (1,205), Bulgaria (989), Finland (320), US (160), Spain (102) and Italy (90), Sites and employees.

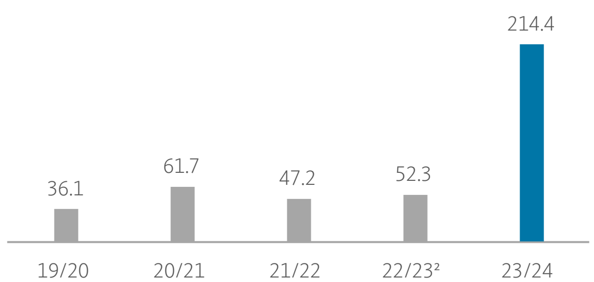
Environmental protection and occupational health

Environmental protection in the Group

We take responsibility for protecting our environment and our climate. That is why our production facilities use modern and energy-efficient plant technology that complies with very high environmental standards. This allows us to conserve natural resources as we strive to maintain a clean environment for future generations. We have set targets for environmental protection, defined corresponding KPIs, and established measures to achieve the targets across the Group. The effectiveness of these targets and measures is reviewed continuously.

Capital expenditure for environmental protection in the Aurubis Group[1]

in € million



[1] Environmental investments of all production sites that are majority-owned by Aurubis (>50 %).
[2] Prior-year figures have been adjusted.

The continuous improvement of water pollution control, soil conservation, climate protection, and emission prevention is key to achieving sustainable environmental protection. This is only possible through continuous investment: Group-wide, Aurubis has invested around €1 billion in environmental protection measures since 2000. These include projects such as the use of process heat to provide industrial heat to Hamburg households and a project to reduce diffuse emissions (RDE). The increase in investment in the past fiscal year was mainly related to investments in the Industrial Heat project in Hamburg, the project to optimize slag processing in Pirdop, and environmental protection equipment at the new Aurubis Richmond site.

Occupational health and safety in the Group

Group Health and Safety is responsible for preventing workplace accidents, injuries, and illnesses. Technical, organizational and personal framework conditions to promote health and safety are designed and consistently advanced. We were all deeply saddened when, despite all our preventative measures, an industrial accident in Hamburg took the life of a contractor's employee working on scaffolding in July 2024.

The accident frequency is expressed using the LTIFR (lost time injury frequency rate, including fatalities). This KPI describes the number of workplace accidents involving at least one missed day per 1 million working hours (based on Aurubis employees).

We have been successful in continuously lowering the accident frequency over a longer period of time and it is currently stable. The LTIFR has been consistently low for three years and was 3.2 in fiscal years 2021/22 and 2022/23 and 3.1 in the current reporting period. The absolute number of accidents was 34 (previous year: 33).

Occupational health and safety

	2023/24	2022/23	2021/22	2020/21	2019/20
Absolute number of accidents (LTI)	34	33	34	55	51
LTIFR	3.1	3.2	3.2	5.1	5.4

Occupational health and safety take top priority at Aurubis. Accordingly, responsibility for these issues rests with management and the supervisors, but also with every individual in the company.

In the long term, we are clearly committed to our Vision Zero, meaning zero work-related accidents, injuries, and illnesses. Precautions to prevent accidents are in place to contribute to making the vision a reality. The 10 Golden Rules of occupational health and safety are in effect. Detailed risk assessments are also carried out to derive appropriate precautions and instructions, training measures, and regular audits. We closely monitor our occupational safety performance and translate the results into appropriate measures.

All production sites are certified in accordance with ISO 45001. Certification of the Richmond site is scheduled for Q1 of 2025/26 and preparations are underway. We continuously develop occupational safety management at the sites to conform to the standard's requirements.

Occupational safety processes such as risk assessments, the allocation of legal obligations, accident and near-miss disclosure and review, and site-specific and Group-wide reporting are steadily being rolled out in the Group and supported by software.

A fatal industrial accident involving a contractor occurred at the Aurubis plant in Hamburg in July 2024. A scaffolding company employee was hit on the head by a falling scaffolding pole and died the same day. Aurubis was not the subject of the subsequent investigation by the Public Prosecutor's Office. We have thoroughly reviewed the incident so we can further improve our occupational safety. With a call for action, all sites were immediately informed about the cause of the accident and instructed to critically examine local organizational processes. This included assessing crane system use by external parties, subcontractor registration, and markings in areas under cranes. Local occupational safety teams assist the sites in implementing safety measures in the facilities.

An analysis of our occupational safety management by an independent external occupational safety consulting firm was completed in the reporting period. The multistage process encompasses the site organizations and relevant corporate functions. The results are being incorporated into the TOGETHER project that is improving occupational safety Group-wide.

Separate Non-Financial Report

The Sustainability section of the Annual Report provides additional information on sustainability, environmental protection, energy, the climate, and occupational health, which is also published on our website www.aurubis.com in accordance with the statutory deadlines. Aurubis AG reports on both the Aurubis Group and Aurubis AG in the form of a consolidated, separate non-financial report, the content of which is available in the Sustainability section of this report and on the website.

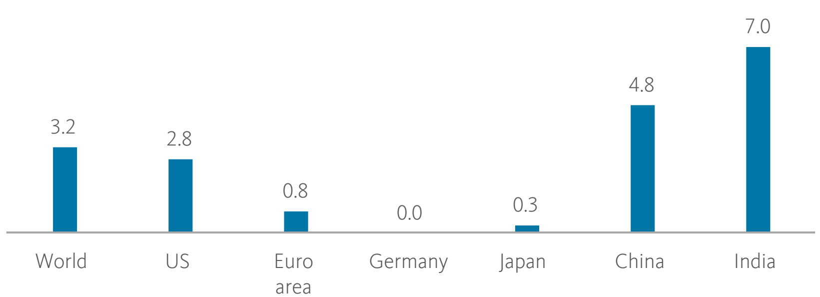
Economic Report

General economic conditions

Over the course of the year to date, the global economy recovered slowly from numerous negative influences, including high financing costs, the impact of the Russian invasion of Ukraine and the Middle East conflict. The International Monetary Fund (IMF, www.imf.org) is forecasting global gross domestic product (GDP) growth of 3.2 % in 2024, following a growth rate of 3.3 % in the previous year. As such, global economic growth is likely to remain stable. While the IMF raised the outlook for the US in its October forecast compared to July 2024, it downgraded other advanced economies, particularly in Europe. Disruptions to production, conflicts, social unrest, and extreme weather events are weighing on growth forecasts for emerging and developing countries. More robust growth in Asia driven by investments in artificial intelligence somewhat offset these losses.

Expected GDP growth in 2024

in %



For the euro area, the IMF anticipates only slight growth of 0.8 % for 2024 (previous year: 0.4 %), a downgrade of 0.1 percentage points from the July 2024 forecast. The expectation of year-on-year GDP growth is primarily based on more stable energy prices and rising real wages, which are boosting consumption, as well as the tightening of monetary policy, which has helped tamp down inflation.

In 2024, gross domestic product (GDP) is expected to remain stable in Germany after a slight decline of 0.3 % in 2023. This upward trend will remain limited, due in particular to ongoing weakness in the manufacturing sector. The economy is recovering considerably slower in Germany than in Spain, France and Italy. GDP is predicted to rise by 2.9 % in Spain, 1.1 % in France and 0.7 % in Italy in 2024.

In 2024, the IMF foresees 2.8 % growth for the US economy (previous year: 2.9 %). This 0.2-percentage-point increase in projected growth from the July 2023 forecast reflects an increase in consumer spending and investments outside the residential sector in particular. Consumption has proven more resilient than expected, which is partly due to robust real wage increases and wealth effects.

The IMF expects China's economy to grow by 4.8 % in 2024, which reflects a slowdown compared to the previous year (5.2 %). This development is the result of ongoing structural challenges, such as the aging population and declining productivity growth, as well as falling demand for Chinese exports.

Global central banks stayed their restrictive course over large segments of the 2023/24 fiscal year to further curb inflation. The US Federal Reserve (Fed) lowered the key interest rate by 50 basis points, to 4.75 % to 5.00 % in September. The European Central Bank (ECB) however lowered its key interest rate by 25 basis points to 4.25 % in June 2024 after a hike to 4.5 % in September 2023.

The IMF is forecasting a further decline in global inflation to around 3.5 % by the end of 2025. This rate falls below the historical average of 3.6 % from 2000 to 2019. The decline in inflation is primarily due to the easing of global supply chains and the tightening of monetary policy, which have contributed to a normalization of labor markets worldwide. Nevertheless, there are still risks that could fuel inflation again — particularly as a result of ongoing inflation in the services sector and geopolitical and economic uncertainties in emerging markets.

Conditions specific to the industry

Aurubis AG is active on the international metal and copper markets and in the corresponding sub-markets, which showed varied development over the past 2023/24 fiscal year. The following section details developments in the key procurement and sales markets of the Aurubis Group.

The global copper concentrate market continues to grow. For 2024, research firm Wood Mackenzie expects copper concentrate supply to grow by around 2.6 %. In the reporting period, market increases in copper concentrate were due mainly to the expansion of existing mine production. According to the Wood

Mackenzie research group, the global rate of mine production downtimes due to weather conditions, the slow ramp-up of production activities, strikes or other reasons remained slightly below the previous year. The majority of capacity growth in the mining industry took place in integrated mining companies that also own smelting operations as part of a group of companies, meaning these new capacities were largely not available on the free market. In the reporting period, production was also halted at a mine in Panama, which further reduced the supply of concentrates on the free market.

Like the mining industry, the global smelter industry continued to grow in the reporting period. This capacity increase took place primarily outside of China, in particular in Indonesia and India as well as at integrated mining companies. This capacity growth drove up demand for concentrates, resulting in lower treatment and refining charges for concentrates on the spot market. Wood Mackenzie anticipates around 4.5 % capacity expansion on the smelter side in 2024. In total, the global concentrate market is expected to record a slight deficit of around 203,000 t of concentrate in 2024. Planned and unplanned maintenance shutdowns again occurred in the global smelter industry during the fiscal year.

The European market, the most relevant market for Aurubis, showed a slight drop in the supply of recycling materials during the reporting period. Lower treatment and refining charges for concentrates tightened competition for recycling materials as a substitute for concentrates in Europe in the 2023/24 fiscal year. Exports from Europe and the US to Asia and China in particular increased, resulting in a dip in the supply of blister copper and copper scrap in Europe. Reduced industrial activity resulting from a subdued economy also lowered the volume of complex recycling materials such as industrial residues. The supply volume of electronic waste also decreased slightly compared to the previous year. At times high metal prices ensured a very positive supply volume from the recycling industry in Q3. Overall, however, the market environment for recycling materials remained in slight decline.

Global production of refined copper was mainly shaped by the following factors in fiscal year 2023/24: continued lower demand from the construction sector; planned and unplanned downtimes on the smelter side; and the capacity increase on the mine and smelter side due to the expansion of existing operations and the ramp-up of new mining projects including in Indonesia. According to Wood Mackenzie, capacity utilization in the international smelting industry was 75.7 % in the 2024 calendar year, below the prior-year level of 78.0 %. Overall, CRU www.crugroup.com forecasts that global output of refined copper for 2024 will reach around 26.7 million t, around 3.6 % above that of the previous year.

In calendar year 2024, global demand for refined copper defied the deteriorating macroeconomic situation and CRU anticipates demand will grow again in 2025. In the core markets of North America and Europe, the demand for refined copper moved sideways in calendar year 2024. For the 2025 calendar year, research provider CRU expects demand for refined copper to increase slightly in Europe and North America due in part to the anticipated lowering of the key interest rate by the ECB and the Fed. CRU predicts total global demand for refined copper at 26.6 million t in calendar year 2024 (previous year: 25.6 million t).

Over the course of the 2023/24 fiscal year, global holdings of copper cathodes continued to grow starting in March 2024. Growth differed greatly from region to region. In Europe and the US, inventories in both the LME and COMEX warehouses dropped and remained below the prior-year level. At 47,000 t in Europe and 64,000 t in the US, they also remained at a low level in a historical context at the end of the 2023/24 fiscal year. The opposite trend has been apparent in Asia since the start of the 2024 calendar year, where LME and SHFE warehouse inventories increased considerably and accounted for global growth in warehouse inventories. By the end of the 2023/24 fiscal year, around 393,000 t was stored in Asia compared to around 62,000 t at the start of the fiscal year. Overall growth in global inventories was therefore exclusively due to the stockpiling in the Asian warehouses.

CRU expects a slight production surplus of about 115,000 t on the global refined copper market in 2024.

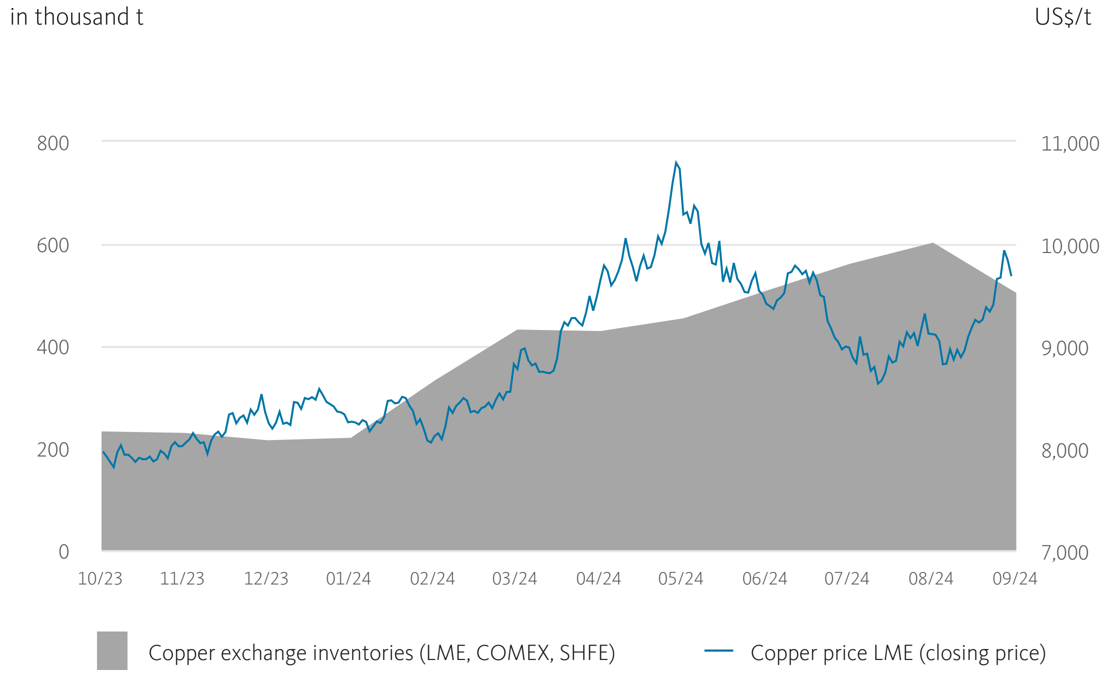
The international wire rod market is the significant outlet for refined copper in Europe and worldwide. Research provider CRU estimates that approximately 73 % of global cathode output will go to this market worldwide in calendar year 2024. In calendar year 2024, CRU estimates that the global market will grow by around 3 % with just around 1 % growth in the European market. Aurubis primarily supplies wire rod to the European market. The 2023/24 fiscal year showed high demand for wire rod. High demand from the energy and infrastructure sectors compensated for a drop in demand from the construction and automobile industries during significant periods of the fiscal year.

The global sulfuric acid market was impacted by improved demand with sporadic reduced supply and increasing price levels in fiscal year 2023/24. High input costs for the sulfur burner industry and an increased number of maintenance shutdowns in the European-based metallurgical industry led to a reduced supply of sulfuric acid in Europe over the course of the fiscal year. With largely stable demand from the chemical and fertilizer industries in Europe and the return of fertilizer manufacturers in North Africa, prices for sulfuric acid developed positively in the sales markets relevant for Aurubis over the course of the fiscal year. The situation on the global markets for sulfuric acid was similar to that in Europe for significant periods of the year. In line with rises in global demand for sulfuric acid and a reduced supply from the smelter and sulfur burner industries for large segments of the fiscal year, global prices rose over the course of the fiscal year to above the high level of the past fiscal year. Because of its customer and contract structure, Aurubis is not completely exposed to developments on the spot market Glossary, and any impacts occur with a time lag.

Over the course of the fiscal year, the LME copper price experienced volatile fluctuations in a range of around US$7,800–10,800/t and showed a wide trading margin in the past fiscal year. In the first half of 2023/24, the copper price developed largely positively from around US$8,000/t at the beginning of the fiscal year to US$8,800/t at the end of the first half of the fiscal year. In Q3 of the fiscal year, the copper price reached an all-time high on May 20, 2024 of over US$10,800/t. High demand from financial investors and temporary bottlenecks on the physical markets created a short-term, very positive copper price reaction. Weakening demand from China, ongoing high inflation data and a weaker economic outlook caused the copper price to fall following the all-time high. The fiscal year closed with an LME copper price of US$9,692/t (settlement) on 9/30/2024. The average price for the fiscal year was US$8,893/t (previous year: US$8,449/t). Other metal prices relevant for the Aurubis Group showed varied movement in the reporting period. Precious metals such as gold and silver were increasingly in demand from investors, in part as a hedge against inflation, and over the fiscal year were on average at a high level that exceeded the previous year. Gold rose to an all-time high of US$85,641.49/kg on September 26, 2024, just before the reporting period closed. Because of its customer and contract structure, Aurubis isn't completely exposed to developments on the spot market, and any impacts occur with a time lag.

Copper price and metal exchange copper inventories

from 10/1/2023 to 9/30/2024



Economic development within the Aurubis Group

Current developments and additional action taken by company management in the reporting year relating to the criminal acts against Aurubis in fiscal year 2022/23

Aurubis AG was the target of criminal activities at the Hamburg plant in fiscal year 2022/23. Various facts of the case impacted the financial statements as at September 30, 2023. In the following we describe current developments in the case and provide a detailed overview of additional action taken by company management in the past fiscal year.

1) Suspected theft ring involving precious metal-bearing intermediates

The Hamburg Public Prosecutor's Office brought charges against six defendants, including one former employee, on the grounds of aggravated gang theft or commercial handling of stolen goods as member of a gang and/or aiding these crimes in the period from 2020 to 2021. The crimes came to light in June 2023. Five of the accused received prison sentences of between three years to five years and ten months for aggravated gang theft or commercial handling of stolen goods. One of the accused was sentenced to two years' probation.

2) Manipulation of internal samples to verify metal content of certain input materials in the recycling area and additional metal shortfalls

The internal investigation into the 2022/23 criminal activities directed against Aurubis are complete and findings were passed on to the State Office of Criminal Investigation (LKA).
We do not anticipate a quick conclusion to the investigation.

Over the past year, we made important strides in plant security and employee protection. Our project to promote process and plant security, which has heightened overall safety standards and control culture, is particularly noteworthy.

Important safeguards were successfully rolled out in the past fiscal year. These targeted immediate measures and investments include a number of improvements in the technical surveillance of processes, a comprehensive employee protection program, intensified supplier screenings, an optimized inventory process, and the tightening of entry restrictions. They helped us considerably heighten plant security at the Hamburg site and in the Group and raise awareness for security-relevant issues among our employees. Staffing levels were also increased at critical points and more than 50 jobs were added to further improve process security.

The project to promote process and plant security will continue in the future as a program that focuses on designing process improvements, anchoring and continuing to advance a very high security level in the organization over the long term. The Executive Board will also be kept up-to-date on progress made in the program and in the various working groups. The responsibilities of the Safety and Security Committee created in the Supervisory Board in September 2023 were transferred to the Technology Committee over the course of the 2023/24 fiscal year.

We remain determined to keep systematically driving plant security and asset protection forward and to set new standards. Future projects and initiatives will focus on early warning for potential threats, and targeted measures and concepts to mitigate risks to ensure a safe, secure working environment for all employees. Protecting our assets and the health and safety of our workforce remain our top priorities.

The financial impacts of the criminal activities directed against Aurubis in the previous year

Aurubis AG was the target of criminal activities at the Hamburg plant in fiscal year 2022/23. The various facts of the case described above impacted the financial statements as at September 30, 2023.

As at the reporting date on September 30, 2023, the effects were as follows:

in € million	**9/30/2023**
Inventories	-169
Current receivables and other assets	30
	-139
Cost of materials/changes in inventories	-169
Other operating income	30
	-139

In contrast to the measurement regulations applied to determine the operating result, inventory measurement in accordance with IFRS follows the average cost measurement principle. The total measurement difference for the metal content of the inventories as at September 30, 2023 amounted to €-145 million, instead of €-169 million.

In contrast to the measurement regulations applied to determine the operating result, inventory measurement in the separate financial statements of Aurubis AG in accordance with the German Commercial Code (HGB) follows the layer LIFO measurement method. The respective measurement effect for the metal inventories as at September 30, 2023 amounted to €-180 million instead of €-169 million.

From today's perspective there have been no significant new findings. The financial performance, assets, liabilities and financial position of the previous year are therefore still valid. The financial performance, assets, liabilities and financial position are therefore only comparable to the previous year to a limited extent.

Financial performance, assets, liabilities and financial position of the Aurubis Group

The internal reporting and management of the Group are carried out on the basis of the operating result in order to present the Aurubis Group's success independently of the measurement effects listed below for internal management purposes. Accordingly, the following presentation of the financial performance, assets, liabilities and financial position is explained on the basis of operating values.

The operating result is derived from the IFRS-based financial performance by:

» Adjusting for measurement effects deriving from the application of IAS 2. In this context, the metal price fluctuations resulting from the application of the average cost method are eliminated. Likewise, non-permanent write-downs or write-ups in the value of metal inventories as at the reporting date are eliminated
» Adjusting for reporting date-related unrealized effects deriving from market valuations of metal derivatives, which concern the main metal inventories
» Adjusting for reporting date-related unrealized effects of market valuations of energy derivative transactions
» Eliminating any non-cash effects deriving from purchase price allocations
» Adjusting for effects deriving from the application of IFRS 5.

The business performance of the Aurubis Group was influenced by criminal activities at the Hamburg plant in the previous year. In the explanation of the items in the statement of financial position and income statement, in which comparisons with prior-year figures are only possible to a limited extent due to these activities, reference is made to the additional remarks in the previous Economic development within the Aurubis Group section.

Financial performance

The Aurubis Group generated operating earnings before taxes (EBT) of €413 million in the past fiscal year, a significant increase over the previous year (€349 million). Operating return on capital employed (ROCE) amounted to 11.5 % (previous year: 11.3 %). This puts operating EBT and ROCE within the forecast range of €380 to €480 million operating EBT and 10 to 14 % for ROCE, which Aurubis published on December 20, 2023. IFRS earnings before taxes (EBT) amounted to €523 million (previous year: €165 million).

The following table shows how the operating results for the 2023/24 fiscal year and for the comparative prior-year period have been derived from the IFRS results.

Reconciliation of the consolidated income statement

in € million	12M 2023/24 IFRS	12M 2023/24 Adjustment effects	12M 2023/24 Operating	12M 2022/23 IFRS	12M 2022/23 Adjustment effects	12M 2022/23 Operating
Revenues	**17,138**	**0**	**17,138**	**17,064**	**0**	**17,064**
Changes in inventories of finished goods and work in process	125	-133	-8	85	-68	17
Own work capitalized	45	0	45	45	0	45
Other operating income	121	32	152	206	0	206
Cost of materials	-15,634	-7	-15,641	-16,107	246	-15,861
Gross profit	**1,795**	**-109**	**1,686**	**1,292**	**178**	**1,470**
Personnel expenses	-633	0	-633	-558	0	-558
Depreciation of property, plant, and equipment and amortization of intangible assets	-212	0	-211	-219	4	-215
Other operating expenses	-431	0	-431	-355	0	-355
Operational result (EBIT)	**519**	**-108**	**411**	**160**	**182**	**342**
Result from investments measured using the equity method	21	-1	20	17	3	20
Interest income	19	0	19	11	0	11
Interest expense	-36	0	-36	-24	0	-24
Earnings before taxes (EBT)	**523**	**-109**	**413**	**165**	**185**	**349**
Income taxes	-107	28	-79	-24	-57	-81
Consolidated net income	**416**	**-82**	**335**	**141**	**128**	**268**

Operating EBT in fiscal year 2023/24 was €413 million (previous year: €349 million) and was positively influenced by the following factors compared to the previous year:

- Slightly increased treatment and refining charges with concentrate throughput nearly at the prior-year level,
- A significant rise in the metal result compared to the previous year, which had been impacted by negative one-time effects,
- Higher revenues deriving from the Aurubis copper premium,
- Higher revenues deriving from increased product surcharges for wire rod with sales volumes again at the high level achieved in the previous year,
- Lower energy costs, particularly for electricity and gas, and
- Income from the sale of the Aurubis Buffalo site.

A counteracting effect derived from:

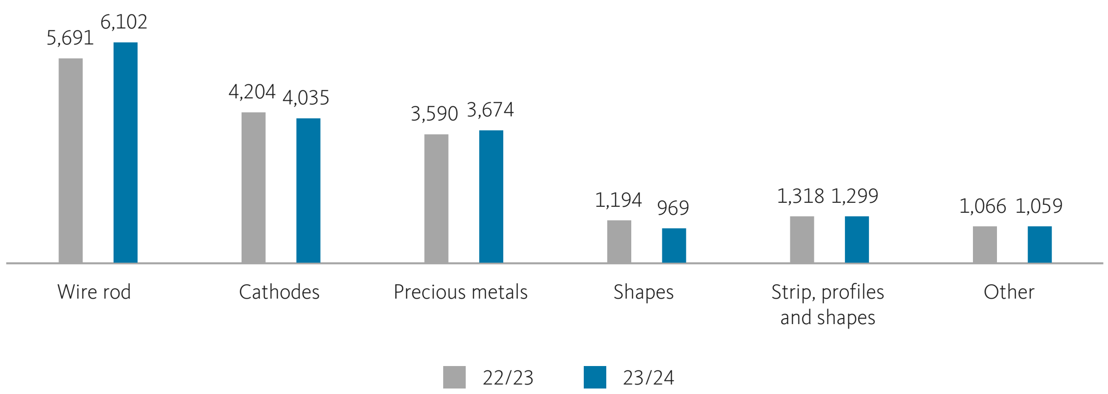
- Significantly lower sulfuric acid revenues due to reduced sales prices and a drop in sales volumes,
- Considerably lower income from refining charges for the processing of recycling materials,
- Launching costs for the strategic projects currently in implementation,
- Increased legal and consulting costs as well as higher costs for implementing enhanced plant security measures, and
- Expenses for the severance packages of former Executive Board members.

In fiscal year 2023/24, the sale of the Aurubis Buffalo site was completed effective August 30, 2024. The fiscal year's financial performance figures thus only include the former Group company for eleven months.

The Aurubis Group generated revenues of €17,138 million during fiscal year 2023/24, nearly at the prior-year level (€17,064 million). The slightly positive overall development was mainly due to significant increases in copper and precious metal prices in the second half of the fiscal year. Lower year-on-year sales of shapes products among other factors had a countereffect. In the regional breakdown, there was a partial shift of revenues deriving from some precious metal sales from Germany and other EU countries to the United Kingdom, where a bank is located.

Development of revenues by products

in € million



Prior-year figures have been adjusted (reclassification between wire rod and copper cathode product groups

Breakdown of revenues by sales markets

in %	**2023/24**	2022/23
Germany	27	34
European Union	34	37
Rest of Europe	17	9
Other	22	20
Group total	**100**	**100**

There was a minimal change in inventories of finished goods and work in process in the amount of €-8 million in the fiscal year (previous year: €17 million). Following the conclusion of the maintenance shutdown in Hamburg, there were technical problems in the subsequent ramp-up phase. This led to reduced utilization of the smelter and other downstream units. This and other factors led to a decrease in precious metal-bearing intermediate products compared to the previous year.

The cost of materials ratio improved from 92.9 % in the previous year to 91.3 %. For one, the previous year was significantly influenced by the financial impacts of the criminal activities at the Hamburg site, which are described at the start of this section. Furthermore, the cost of materials includes gross energy costs amounting to €346 million in the reporting period (previous year: €419 million), and were thus considerably lower than the prior-year level due to a reduction in electricity and gas prices.

Own work capitalized recognized in the fiscal year amounted to €45 million (previous year: €45 million) and resulted mainly from activities in connection with the routine maintenance shutdown at the Hamburg site completed in July of the fiscal year, as well as the Industrial Heat project, also at the Hamburg site.

Other operating income decreased by €53 million to €152 million and included, among other items, income of €34 million deriving from cost reimbursements (previous year: €50 million). This decrease is mainly due to lower prices for energy sources that were passed on. At a level of €19 million, income from the sale of emissions certificates was lower than in the previous year (€57 million); this was also connected to lower energy costs. Moreover, other operating income in the previous year included insurance claims totaling €55 million. Income deriving from the sale of Aurubis Buffalo, Inc. had a counteracting effect in the fiscal year.

Overall, the operating gross profit generated amounted to €1,686 million and was notably higher than the prior-year level (€1,470 million). The negative financial effects of the previously described criminal activities had an impact totaling €-139 million on gross profit in the previous year. Overall, this severely limits the comparability of the gross profit to that of the previous year.

Personnel expenses increased considerably, from €558 million in the previous year to €633 million. On the one hand, this increase resulted from staff number increases, for instance in connection with our new Aurubis Richmond recycling plant and at our Hamburg site. In addition, wage and salary increases linked to wage tariff agreements at European production sites had an impact, as did higher severance payments. Higher expenses from allocations to provisions/current liabilities for performance-based bonuses need also be taken into consideration.

At a level of €211 million, depreciation and amortization of fixed assets was slightly below the prior-year amount (€215 million). The figure includes a total of €10 million in impairment losses recognized against property, plant and equipment of the cash-generating units (CGUs) Aurubis Olen MMR and CSP. The figure for the previous year included reversals of impairment losses recognized against property, plant and equipment belonging to the CGU Aurubis Buffalo (€16 million). Scheduled depreciation and amortization thus amounted to €201 million, only slightly exceeding the already high prior-year level (€199 million) despite the expanded capital investment activities.

The increase in other operating expenses by €76 million to a new level of €431 million (previous year: €355 million) resulted from significantly higher administrative costs, mainly consulting costs, which rose by €23 million compared to the previous year. Higher allowances recognized against outstanding receivables (€16 million) and higher freight costs connected with the delivery of input materials (€13 million) also had an impact.

Operating earnings before interest and taxes (EBIT) Glossary therefore amounted to €411 million (previous year: €342 million).

At a level of €3 million, the net financial result was below that of the previous year (€7 million). Higher interest expenses deriving from factoring arrangements in particular had a negative effect.

Operating earnings before taxes (EBT) increased significantly to €413 million compared with the previous year (€349 million). Operating consolidated net income of €335 million remained after tax (previous year: €268 million). Operating earnings per share amounted to €7.66 (previous year: €6.13).

At a level of €523 million, IFRS EBT increased significantly compared to the previous year (€165 million). In addition to the effects on earnings described in the explanation of the operating results of operations, the change was also due to developments in metal and energy prices. On the one hand, the use of the required average cost method in accordance with IAS 2 leads to metal price valuations that are close to market prices. Metal price volatility therefore has direct effects on changes in inventories/the cost of materials and hence on the IFRS gross profit. On the other hand, valuations applied to energy-related derivatives are also subject to market-price-related fluctuations. The IFRS gross profit in fiscal year 2023/24 includes inventory measurement effects of €200 million (previous year: €-19 million) and, in the prior year, was significantly negatively impacted by effects at the reporting date deriving from the measurement of energy-related derivatives at market prices in accordance with IFRS, which amounted to €-169 million. In the year reported, this effect was only €-6 million. Furthermore, the reconciliation to the operating result in the fiscal year included an adjustment for unrealized effects at the reporting date deriving from the measurement of metal derivatives at market prices, amounting to €-54 million (previous year: €11 million). There was also a positive effect of €32 million included in the reconciliation to the operating result, which derived from the deconsolidation of the Aurubis Buffalo site, mainly due to the reversal of impairment losses recognized against operating inventory values in previous years.

The depiction of the volatility described above is not relevant to the cash flow and does not reflect Aurubis' operating performance.

As explained earlier in this section, the criminal activities directed against Aurubis influenced the IFRS results of operations to a considerable extent. This means that comparability to the previous year is in some cases partially restricted. In this regard, we refer to the additional remarks in the previous Economic development within the Aurubis Group section.

IFRS consolidated net income amounted to €416 million (previous year: €141 million). This equates to IFRS earnings per share of €9.53 (previous year: €3.23).

Assets and liabilities

The table Reconciliation of the consolidated statement of financial position shows the derivation of the operating statement of financial position as at 9/30/2024 and as at 9/30/2023.

Total assets (operating) increased from €5,859 million as at 9/30/2023 to €6,349 million as at 9/30/2024.

A €580 million increase in fixed assets, to a level of €3,022 million as at 9/30/2024, resulting from high Group-wide capital expenditure investment activities had a material influence on the statement of financial position in this fiscal year. Such investment activity includes capital expenditure totaling €230 million (previous year: €213 million) for the construction of the Aurubis Richmond recycling plant in this fiscal year.

Compared to 9/30/2024, there was also a slight increase in raw material inventories, due in part to the delayed recommencement of operations after the maintenance shutdown at the Hamburg plant. Finished precious metals product inventories were also built up as at the reporting date.

Trade accounts receivable, especially those in connection with the sale of wire rod and shapes, were also built up, accompanied by a continued high level of factoring financing. Furthermore, receivables deriving from €20 million in private grants were recognized as at the reporting date in connection with stage 2 of the Industrial Heat project. The overall balance at the end of the fiscal year was €628 million (previous year: €563 million).

In contrast, cash and cash equivalents declined by €171 million to a level of €322 million. Please refer to the following Financial position section for the derivation of these figures.

On the liabilities side, current liabilities increased by a total of €206 million, from €1,927 million to €2,133 million. The increase in liabilities primarily resulted from the reclassification of a bonded loan (Schuldscheindarlehen) to current financial liabilities as well as from higher trade accounts payable (€36 million) and open measurement items relating to metal and foreign exchange transactions (€33 million).

The Group's operating equity increased by €233 million, from €3,319 million as at the end of the previous fiscal year to €3,552 million as at 9/30/2024. The increase resulted from operating consolidated total comprehensive income of €294 million. The dividend payment of €61 million had a counteracting effect.

At a level of €383 million as at 9/30/2024, borrowings were considerably higher than those of the previous fiscal year-end (€262 million) due to the take up of bank loans totaling €134 million. In addition, a bonded loan (Schuldscheindarlehen) of €103 million will become due as scheduled in June 2025, so this is now disclosed under current financial liabilities as at the reporting date.

The following table shows the breakdown of borrowings:

Breakdown of borrowings

in € million	9/30/2024	9/30/2023
Non-current bank borrowings	199	167
Non-current liabilities under finance leases	36	37
Non-current borrowings	**235**	**204**
Current bank borrowings	135	46
Current liabilities under finance leases	12	12
Current borrowings	**148**	**58**
Total borrowings	**383**	**262**

Overall, the operating equity ratio (the ratio of equity to total assets) 55.9 %, compared to 56.6 % as at the end of the previous fiscal year.

IFRS structure of the statement of financial position of the Group

in %	30.09.2024	30.09.2023
Fixed assets	39	34
Inventories	45	47
Receivables, etc.	12	12
Cash and cash equivalents	4	7
Assets	**100**	**100**
Equity	58	58
Provisions	11	11
Liabilities	31	31
Equity and liabilities	**100**	**100**

IFRS total assets increased from €7,259 million as at 9/30/2023 to €7,846 million as at 9/30/2024. The more significant increase in total assets compared to the operating statement of financial position was due primarily to positive measurement effects deriving from the significantly higher metal prices in the second half of the fiscal year. The Group's IFRS equity increased significantly by €311 million, from €4,245 million as at the end of the last fiscal year to €4,556 million as at 9/30/2024 also due to effects deriving from metal price fluctuations. The figure for equity includes the consolidated total comprehensive income of €372 million, which exceeded that of the previous year, less dividends paid. Overall, the IFRS equity ratio was 58.1 % as at 9/30/2024, compared to 58.5 % as at the end of the previous fiscal year.

Reconciliation to the consolidated statement of financial position

	9/30/2024			9/30/2023		
in € million	**IFRS**	**Adjustment effects**	**Operating**	IFRS	Adjustment effects	Operating
Assets						
Fixed assets	3,051	-29	3,022	2,470	-29	2,442
Deferred tax assets	18	2	20	18	2	19
Non-current receivables and other assets	37	-1	36	40	-1	39
Inventories	3,546	-1,458	2,087	3,399	-1,339	2,061
Current receivables and other assets	872	-11	861	838	-34	804
Cash and cash equivalents	322	0	322	494	0	494
Total assets	**7,846**	**-1,497**	**6,349**	**7,259**	**-1,400**	**5,859**
Equity and liabilities						
Equity	4,556	-1,004	3,552	4,245	-926	3,319
Deferred tax liabilities	571	-410	160	544	-374	170
Non-current provisions	189	0	189	169	0	169
Non-current liabilities	323	-81	242	309	-98	211
Current provisions	73	0	73	63	0	63
Current liabilities	2,135	-2	2,133	1,929	-2	1,927
Total equity and liabilities	**7,846**	**-1,497**	**6,349**	**7,259**	**-1,400**	**5,859**

Explanation of the presentation and the adjustment effects in Financial performance, assets, liabilities and financial position of the Aurubis Group.

Return on capital employed (operating)

Return on capital employed (ROCE) shows the yield on capital employed in the operating business or for an investment. It was determined taking the operating EBIT plus the operating result from investments measured using the equity method of the last four quarters into consideration.

Operating ROCE improved slightly compared to the previous year, reaching a level of 11.5 % compared to 11.3 % in the comparative prior-year period. The projects for growth currently being implemented are strongly reflected in capital employed, although the corresponding impact on the results will not unfold until after completion of the projects. The previous year's financial performance was negatively impacted by the financial impacts of the criminal activities directed against Aurubis.

Operating return on capital employed (ROCE)

in € million	9/30/2024	9/30/2023
Fixed assets, excluding financial fixed assets	3,011	2,422
Inventories	2,087	2,061
Trade accounts receivable	628	563
Other receivables and assets	289	300
Trade accounts payable	-1,584	-1,566
Provisions and other liabilities	-691	-597
Capital employed as at the reporting date – operating	**3,741**	**3,182**
Earnings before taxes (EBT)	413	349
Financial result	-3	-7
Earnings before interest and taxes (EBIT)	**411**	**342**
Investments accounted for using the equity method	20	19
Earnings before interest and taxes (EBIT) – adjusted	**430**	**361**
Return on capital employed (operating ROCE)	**11.5 %**	**11.3 %**

Financial position of the Aurubis Group

The Group's liquidity sourcing is secured through a combination of the Group's cash flow, short-term and long-term borrowings, as well as lines of credit available from our banks. Fluctuations in cash flow development can be compensated for at any time due to available credit funding and credit lines. Such fluctuations result in particular from operating business activities and primarily serve to finance net working capital.

We regularly monitor the development of the Aurubis Group's liquidity position on a timely basis. Control and monitoring are carried out on the basis of defined key ratios.

The main key financial ratio for controlling debt is debt coverage, which calculates the ratio of net financial position (cash and cash equivalents less borrowings) to earnings before interest, taxes, depreciation, and amortization (EBITDA Glossary) and shows the number of periods required to redeem the existing borrowings from the Group's earnings — based on the assumption that financial performance levels remain unchanged.

The "interest coverage" ratio expresses how the net interest expense is covered by EBITDA. Our long-term objective is to achieve a well-balanced debt structure. In this context, we consider debt coverage <3 and interest coverage >5 to be well balanced.

Group financial ratios (operating)

	9/30/2024	9/30/2023
Debt coverage = net financial position[1]/EBITDA	0.1	-0.4
Interest coverage = EBITDA/net interest	36.9	45.4

[1] (-) assets/(+) debt

Additional control measures related to liquidity risks are outlined in the Risk and Opportunity Report in the Combined Management Report.

Analysis of liquidity and funding

The **cash flow statement** shows the cash flows within the Group. It highlights how funds were generated and used.

Due to the good financial performance in the past fiscal year, the net cash flow Glossary remained at a high level, also benefiting from the further reduction in net working capital. The **net cash flow** as at 9/30/2024 was €537 million (previous year: €573 million). The cash outflow from investment activities, which increased significantly year-on-year, could thus be financed from the operating business to a great extent.

The cash flow from investment activities totaled €726 million (previous year: €610 million) and primarily includes payments for investments in property, plant and equipment totaling €829 million (previous year: €601 million). The high level of investment activity extended across the entire Group. In the fiscal year, a total of €230 million in invested funds flowed into the construction of the recycling plant of Aurubis Richmond (US) (previous year: €213 million). At the European sites, capital expenditure investment included the new bleed treatment facility (BOB) in Olen, Belgium (€55 million) and the Industrial Heat project at the Hamburg site (€74 million).

Counteracting the payments made for property, plant and equipment, the cash flow from investment activity includes the cash inflow from the sale of the Aurubis Buffalo site in the amount of €97 million.

After taking interest payments totaling €30 million and a dividend payment totaling €61 million into account, the free cash flow Glossary amounted to €-280 million (previous year: €-138 million), mainly resulting from the strategic investments.

in € million	12M 2023/24	12M 2022/23
Cash inflow from operating activities (net cash flow)	537	573
Cash outflow from investment activities	-726	-610
Interest paid	-30	-22
Dividends paid	-61	-79
Free cash flow	**-280**	**-138**
Payments/proceeds deriving from financial liabilities (net)	109	-74
Net change in cash and cash equivalents	**-171**	**-212**
Cash and cash equivalents as at the reporting date	**322**	**494**

[1] Prior-year figures have been restated.

Cash and cash equivalents of €322 million were available to the Group as at 9/30/2024 (previous year: €494 million). The net financial position as at 9/30/2024 amounted to €-61 million (previous year: €232 million).

Net financial position of the Group

in € million	9/30/2024	9/30/2023
Cash and cash equivalents	322	494
Borrowings	383	262
Net financial position	**-61**	**232**

In addition to cash and cash equivalents, the Aurubis Group has unutilized credit line facilities and thus has adequate liquidity reserves. Parallel to this, within the context of factoring agreements, the Group makes use of the sale of receivables without recourse as an off-balance-sheet financing instrument.

Business performance in the segments

Since fiscal year 2021/22, the two segments Multimetal Recycling and Custom Smelting & Products have made up the fundamental organization structure and provided the basis for segment reporting in accordance with IFRS 8 Foundations of the Group.

Multimetal Recycling segment

Key figures

in € million	2023/24 operating	2022/23 operating
Total revenues	5,834	5,435
Operating EBITDA	146	232
Depreciation and amortization	-65	-55
Operating EBIT	81	177
Operating EBT	79	174
Capital expenditure	388	333
Operating ROCE	5.6 %	15.4 %
Capital employed	1,419	1,120
Number of employees (average)	1,873	1,731

The **Multimetal Recycling (MMR)** segment comprises the recycling activities in the Group and thus the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment includes the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain). The Aurubis Richmond secondary smelter, currently under construction in the US state of Georgia, is also included in this segment.

Business performance and earnings trend

The main factors driving earnings in the MMR segment are refining charges (RCs) for recycling materials that are negotiated as deductions from the purchase price of the metals for converting various recycling materials into the exchange product copper cathodes and other metals. Additional significant earnings components of the segment include metal gain. We hedge some of these metal gains against metal price fluctuations. The Aurubis copper premium also contributes to segment results.

The MMR segment generated total revenues of €5,834 million during the reporting period (previous year: €5,435 million). This slightly positive development was mainly due to increases in copper and precious metal prices in the second half of the fiscal year.

Lower year-on-year refining charges for copper scrap, blister copper and other recycling materials weighed on the operating result. Market-related, lower recycling material throughput compared to the previous year also had an impact. Moreover, there was a metal- and price-related drop in metal gain in the MMR segment, though it remains a significant earnings driver in the MMR segment. Along with lower earnings components, increased costs due to inflation and launching costs for Aurubis Richmond negatively impacted operating earnings the MMR segment.

Overall, at €79 million, the MMR segment's operating EBT was significantly below the prior-year level (€174 million). The segment's operating ROCE was 5.6 % (previous year: 15.4 %). A better earnings situation impacted the ROCE in the previous year. Additionally, capital employed increased due in part to high investment in growth, especially in Aurubis Richmond in the US.

Raw material markets

Refining charges for copper scrap and other recycling materials below prior-year level

The European market, the most relevant market for Aurubis, showed a slight drop in the supply of recycling materials during the reporting period. Lower treatment and refining charges for concentrates tightened competition for recycling materials as a substitute for concentrates in Europe in the 2023/24 fiscal year. Exports from Europe and the US to Asia and China in particular increased, resulting in a dip in the supply of blister copper and copper scrap in Europe. Reduced industrial activity resulting from a subdued economy also reduced the volume of complex recycling materials such as industrial residues. The supply volume of electronic waste also decreased slightly compared to the previous year. At times high metal prices ensured a very positive supply volume from the recycling industry in Q3. This development continued in Q4. Overall, the market environment for recycling materials was more challenging than the year before.

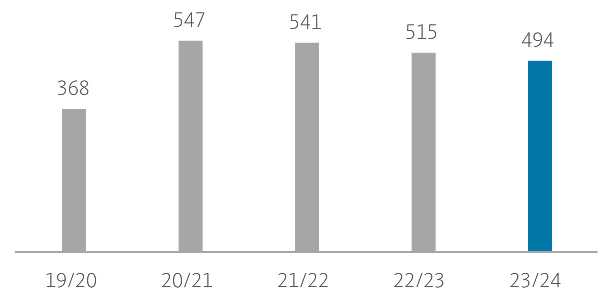
Production

Copper scrap/blister copper input in the Group slightly down from prior-year level

During the reporting year, our production sites were sufficiently supplied with copper scrap, blister copper, and other recycling materials. Overall, the Group-wide input of copper scrap and blister copper in fiscal year 2023/24 was 494,000 t, slightly below the prior-year level (515,000 t). The MMR segment accounted for 307,000 t (previous year: 322,000 t) and the CSP segment accounted for 188,000 t (previous year: 193,000 t). This decline is in part attributable to the drop in throughput at the Hamburg site, the sale of the Aurubis Buffalo site and a slight contraction of the market environment.

Copper scrap and blister copper input in the Group

in thousand t

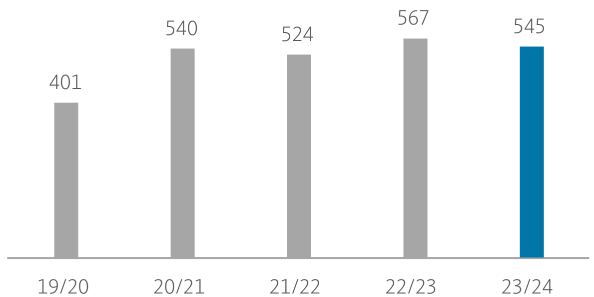


Aurubis Beerse and Berango included for four months in 2019/20.

The input of other recycling materials, such as industrial residues, slimes, shredder materials, and electrical and electronic scrap in the Group declined slightly to 545,000 t in the reporting period compared to the previous year (567,000 t). The MMR segment accounted for 514,000 t (previous year: 527,000 t) and the CSP segment accounted for 29,000 t (previous year: 38,000 t).

Input of other recycling materials in the Group

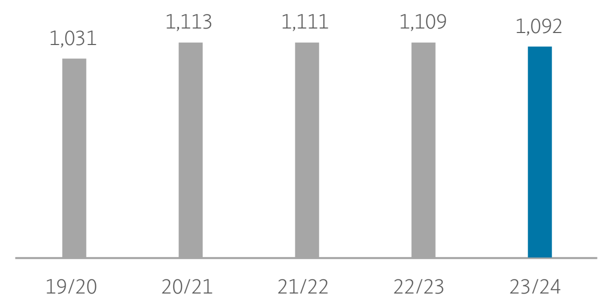
in thousand t



Aurubis Beerse and Berango included for four months in 2019/20.

Cathode output in the Group

in thousand t



Aurubis Beerse and Berango included for four months in 2019/20.

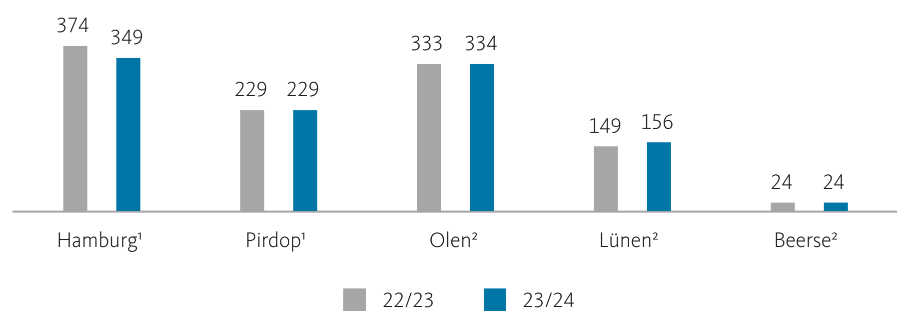
Cathode output at a high level

In 2023/24, cathode output in the MMR segment was 514,000 t, slightly above the prior-year level (506,000 t). Since modernization, the tankhouse at our Lünen site is running at higher production capacity.

The international cathode markets registered volatile development in fiscal year 2023/24. Cathode premium quotations in Shanghai indicated a very volatile trend as in the previous year. Until the middle of the fiscal year, the premiums fell considerably from the approximately US$80–100/t recorded at the start of the reporting period to the historical new low of US$0/t. Recovering demand raised premiums again to around US$70/t at the end of the fiscal year. In Europe, spot premiums remained higher than Asian premiums throughout the fiscal year, partly as a result of lower European tankhouse capacities. For large parts of the fiscal year, they ranged between US$140 and US$190/t. At US$228/t, the Aurubis copper premium for calendar year 2024 remained at the prior-year level (US$228/t) due to high ongoing demand for refined copper.

Cathode output in the Group by sites

in thousand t



[1] Custom Smelting & Products segment.
[2] Multimetal Recycling segment.

Capital expenditure

In fiscal year 2023/24 , investment in the MMR segment totaled €388 million (previous year: €333 million). The increase resulted from investment in growth for the new Aurubis Richmond recycling plant in the US, the new bleed treatment facility (BOB) in Olen, Belgium, the ASPA project in Beerse, Belgium, and the completed refurbishment of the tankhouse in Lünen, Germany.

Custom Smelting & Products segment

Key figures

in € million	2023/24 operating	2022/23 operating
Total revenues	17,278	17,320
Operating EBITDA	584	397
Depreciation and amortization	-141	-156
Operating EBIT	443	241
Operating EBT	446	253
Capital expenditure	467	291
Operating ROCE	19.6 %	13.0 %
Capital employed	2,358	2,038
Number of employees (average)	4,933	4,938

The **Custom Smelting & Products (CSP)** segment comprises the production facilities for processing copper concentrates and for manufacturing and marketing standard and specialty products such as cathodes, wire rod, continuous cast shapes, strip products, sulfuric acid, and iron silicate. The CSP segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes. Together with the copper cathodes produced in the MMR segment, they are processed further into wire rod and continuous cast shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US), Stolberg (Germany), and Pori (Finland) plants produce flat rolled products and specialty wire products. The Buffalo (US) site was included in segment results until it was sold on August 30, 2024.

Business performance and earnings trend

The main drivers of earnings in the CSP segment are treatment and refining charges for copper concentrates, refining charges for recycling materials, metal prices, the Aurubis copper premium, and product surcharges for copper products, as well as sales revenues for sulfuric acid. Furthermore, efficient metal gains in our plants lead to effects on earnings. We hedge some of the metal gains against metal price fluctuations.

The CSP segment generated total revenues of €17,278 million during the reporting period (previous year: €17,320 million). The stable overall development was mainly due to significant increases in copper and precious metal prices in the second half of the fiscal year. Lower sales of shapes products year-over-year had a countereffect, among other factors.

The CSP segment generated operating earnings before taxes (EBT) of €446 million (previous year: €253 million). The financial impacts of the metal shortfalls resulting from the criminal activities that targeted Aurubis particularly negatively affected operating EBT in the CSP segment in the previous year.

Compared to the year before, operating EBT for the CSP segment was positively influenced by increased treatment and refining charges for concentrates in the Aurubis Group, higher earnings from the Aurubis copper premium, increased revenues through the sale of wire rod at higher shape surcharges, and a significant rise in income from additional metal gain. Income from the sale of the Aurubis Buffalo site also had a positive effect.

Reduced refining charges for other recycling materials, lower revenues from sulfuric acid sales due to reduced sales prices, and a drop in flat rolled product sales negatively impacted operating EBT year-over-year.

In line with the significant rise in earnings, at 19.6 % the segment's operating ROCE developed positively compared to the previous year (13.0 %), despite the increase in capital employed for investments. The financial impact of the criminal activities negatively affected the segment's earnings situation in the previous year.

Raw material markets

Treatment and refining charges for copper concentrates under pressure on the spot market

The global copper concentrate market continues to grow. For 2024, research firm Wood Mackenzie expects copper concentrate supply to grow by around 2.6 %. In the reporting period, market increases in copper concentrate were due mainly to the expansion of existing mine production. According to the Wood Mackenzie research group, the global rate of mine production downtimes due to weather conditions, the slow ramp-up of production activities, strikes or other reasons remained slightly below the previous year. The majority of capacity growth in the mining industry took place in integrated mining companies that also own smelting operations, meaning these new capacities were largely not available on the free market. In the reporting period, production was also halted at a mine in Panama, which further reduced the supply of concentrates on the free market.

The global smelter industry continued to grow. This capacity increase took place primarily outside of China and at integrated mining companies in particular. This capacity growth drove up demand for concentrates, resulting in lower treatment and refining charges for concentrates on the spot market.

For annual contracts, the benchmark treatment and refining charges (TC/RCs) for processing standard copper concentrates were US$80.0/t and 8.0 cents/lb in calendar year 2024. Spot prices still hovered around the benchmark in Q1 of the fiscal year, then fell steeply at the start of the 2024 calendar year. Growth in smelter capacity compared to concentrate supply ensured consistently low treatment and refining changes on the spot market, well below the 2024 benchmark, over the course of the fiscal year.

Aurubis has a diversified mine supplier portfolio with long-term supply contracts. Through active raw material management, we were thus able to secure a continuous supply for our production facilities at good conditions during the entire fiscal year and were only active on the spot market to a limited extent.

For information on developments in refining charges for recycling materials as well as the international cathode markets, please refer to our explanations in the MMR segment.

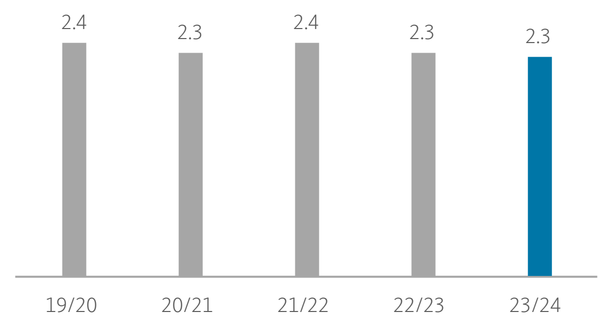
Production

Concentrate throughput slightly below prior-year level

Production at our smelter sites was largely constant in the fiscal year. Because of the scheduled maintenance shutdown at the Hamburg site and subsequent ramping-up problems, concentrate throughput decreased slightly compared to the prior year. In addition to routine maintenance work, Industrial Heat was expanded and investments in hydrogen-ready smelter furnaces realized during the shutdown at the site. In total, concentrate throughput declined by roughly 2 % in fiscal year 2023/24, to 2,266,000 t (previous year: 2,319,000 t). Shutdowns impacted throughput in the previous year as well.

Concentrate throughput

in million t



Copper scrap/blister copper input below prior-year level

The copper scrap/blister copper input in the CSP segment was 188,000 t during the reporting period, slightly below the prior-year level (193,000 t), corresponding to the reduced concentrate throughput.

Cathode output at a reduced level

In 2023/24, cathode output in the CSP segment was 578,000 t, below the prior-year level (603,000 t) primarily influenced by the delayed ramp-up following the maintenance shutdown in Hamburg.

Metal sales volumes

The sales volumes of the metals Aurubis produces are shown in the following table for fiscal year 2023/24:

Sales volumes of other metals

		2023/24	2022/23
Gold	t	46	49
Silver	t	921	921
Lead	t	39,680	38,088
Nickel	t	3,527	3,488
Tin	t	8,874	7,858
Zinc	t	12,306	13,791
Minor metals	t	766	875
Platinum group metals (PGMs)	kg	6,478	9,858

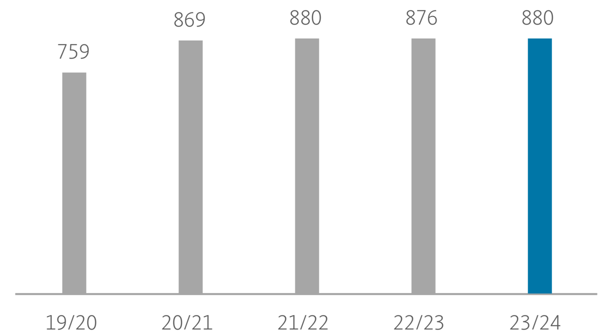
The recovery of our metals depends on the metal content of the processed concentrates and recycling materials. Concentrate and recycling throughputs and the performance of individual production units therefore significantly impact the volumes of the different metals that are recovered. A portion of the metals is sold as intermediate products.

Wire rod output remained high owing to demand

Continuous cast wire rod is used as a preliminary product for processing, especially in the cable and wire industry, as well as for special semifinished products. Demand for wire rod was at a high level again in fiscal year 2023/24. Demand from the energy and infrastructure sectors was good over the entire fiscal year, while demand from the construction sector remained decreased.

Wire rod output

in thousand t

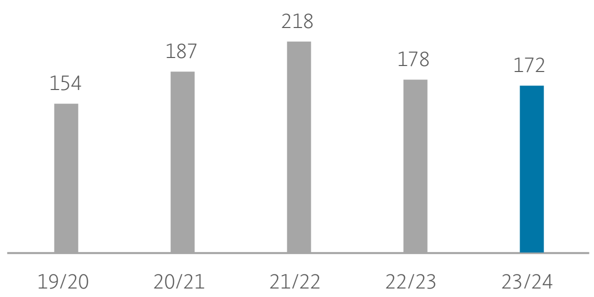


Slight dip in shapes output compared to prior year

Demand for high-purity shapes fell slightly year-over-year due to market conditions and was around 3 % lower than in the previous year. This is mainly attributable to a drop in demand from the construction sector and the automobile industry.

Shapes output

in thousand t



Sulfuric acid output below prior-year level due to reduced concentrate throughput

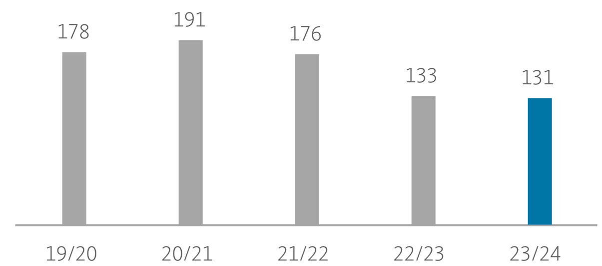
Sulfuric acid output was 2,094,000 t, about 3 % lower than the prior-year level (2,158,000 t). The global sulfuric acid market was impacted by improved demand with sporadically reduced supply and increasing price levels in fiscal year 2023/24. High input costs for the sulfur burner industry and an increased number of maintenance shutdowns in the European-based metallurgical industry led to a reduced supply of sulfuric acid in Europe over the course of the fiscal year. With largely stable demand from the chemical and fertilizer industries in Europe and the return of fertilizer manufacturers in North Africa, prices for sulfuric acid developed positively in the sales markets relevant for Aurubis over the course of the fiscal year. The situation on the global markets for sulfuric acid was similar to that in Europe for significant periods of the year. In line with rises in global demand for sulfuric acid and a reduced supply from the smelter and sulfur burner industries for large segments of the fiscal year, global prices rose over the course of the fiscal year to above the high level of the prior year. Because of its customer and contract structure, Aurubis isn't completely exposed to developments on the spot market, and any impacts occur with a time lag.

Slight drop in flat rolled product output year-on-year

The market for flat rolled products experienced generally stable demand during the reporting period. Output of flat rolled products and specialty wire decreased slightly to 131,000 t compared to the previous year (133,000 t). The Buffalo site was sold with effect on August 30, 2024 and the site's production volumes have correspondingly been included for 11 months.

Flat rolled products and specialty wire output

in thousand t



Capital expenditure

Capital expenditure in the CSP segment amounted to €467 million (previous year: €291 million) in the 2023/24 fiscal year, mainly due to the Industrial Heat expansion stage, hydrogen-ready anode furnaces, the completed maintenance shutdown in Hamburg as well as construction on the Complex Recycling Hamburg (CRH) project and construction of the new precious metals processing plant, both in Hamburg. At the site in Pirdop, investments were made in expanding the tankhouse and in preparations for the maintenance shutdown in 2025.

Executive Board assessment of the Aurubis Group's 2023/24 fiscal year

The Aurubis Group can look back on an overall successful fiscal year. We significantly heightened our occupational safety and plant security levels and reached key milestones in realizing our Metals for Progress: Driving Sustainable Growth strategy. Our highly motivated employees were a key factor in our success. The advancement of our positioning in our procurement and sales markets along with Aurubis' rock-solid business model with a range of earnings drivers, some complementary, also contributed to our success.

Our vision for occupational safety is clear: zero work-related accidents, a target we did not achieve in 2023/24. As part of the TOGETHER program, we rolled out a number of measures in the past fiscal year. Along with technical and organizational measures, aspects of company culture also play a considerable role in behavior-based work safety. In the past fiscal year, a comprehensive analysis with external support highlighted where our sites have individual potential. We will systematically tackle and successively realize this in 2024/25.

We already implemented wide-ranging measures to consistently raise safety standards at our plants in the past fiscal year. We are continuing with disciplined and sustainable implementation in order of importance and influence, and have already made significant strides in this area.

The Aurubis Group generated operating EBT of €413 million in fiscal year 2023/24 (previous year: €349 million). The prior-year result was significantly influenced by the financial impacts of the metals shortfall stemming from the criminal activities directed against Aurubis. As such, the result is within the €380 to 480 million operating EBT forecast range Aurubis released on December 20, 2023. At the end of the reporting year, operating ROCE reached 11.5 % (previous year: 11.3 %) and was thus within the forecast interval of 10 % to 14 %, though below our 15 % target due to high investment activity.

Performance and as such concentrate throughput at our primary smelter sites was mostly constant in the fiscal year. Aurubis completed the largest planned maintenance shutdown in the history of the Hamburg site with a budget of €95 million. The ramping-up phase following the shutdown was influenced by a number of challenges. In additional to routine maintenance work, Industrial Heat was expanded and investments in hydrogen-ready smelter furnaces realized during the shutdown.

Treatment and refining charges for concentrates were at a good level for Aurubis in fiscal year 2023/24, while refining charges for copper concentrates on the spot market dropped considerably. While spot prices were still at 2023 benchmark levels in Q1 of the 2023/24 fiscal year, growth in global smelter capacity compared to concentrate supply ensured consistently low treatment and refining charges on the spot market, well below the 2024 benchmark at US$80.0/t and 8.0 cents/lb starting with the 2024 calendar year. Through our diversified mine supplier portfolio with long-term supply contracts and our active raw material management, we were able to secure a continuous supply for our production facilities during the entire fiscal year and were only active on the spot market to a limited extent.

In fiscal year 2023/24, Aurubis again processed more than 1 million t of recycling materials, thus making a key contribution to the circular economy of metals. Market-related, considerably lower income from refining charges for the processing of recycling materials year-on-year still weighed on the operating result. For recycling raw materials, there was a slight drop in the supply of recycling materials on the European market, the most relevant market for Aurubis, during the reporting period. Lower treatment and refining charges for concentrates tightened competition for recycling materials as a substitute for concentrates in Europe in the 2023/24 fiscal year. Exports from Europe and the US to Asia and China in particular increased, resulting in a dip in the supply of blister copper and copper scrap in Europe. Reduced industrial activity resulting from a subdued economy also reduced the volume of complex recycling materials such as industrial residues. The supply volume of electronic waste also decreased slightly compared to the previous year. Metal prices were high at times, which resulted in positive supply volume from the recycling industry in Q3. This development continued in Q4. Overall, the market environment for recycling materials was more challenging than the year before.

The metal result was a key earnings component for the Aurubis Group in the 2023/24 fiscal year as well. Increased metal prices coupled with good performance and good recovery rates led to a significant year-on-year rise in the metal result. In the previous year, the metal result was influenced by the financial impacts of the criminal activities directed against Aurubis.

The contribution of sulfuric acid to the operating result was high in the past fiscal year, though it remained below the very good level of the previous year. Lower sulfuric acid revenues resulted from reduced sales prices and a drop in sales volumes compared to the previous year. The global sulfuric acid market was impacted by improved demand with sporadically reduced supply and increasing price levels in fiscal year 2023/24. High input costs for the sulfur burner industry and an increased number of maintenance shutdowns in the European-based metallurgical industry led to a reduced supply of sulfuric acid in Europe. With largely stable demand from the chemical and fertilizer industries in Europe and the return of fertilizer manufacturers in North Africa, prices for sulfuric acid developed positively in the sales markets relevant for Aurubis over the course of the fiscal year.

On the product side, demand for wire rod remained high, buoyed by ongoing good demand from the energy and infrastructure sectors. Demand from the construction sector, on the other hand, continued to be weak during the reporting period. Demand for high-purity shapes was also dampened by the construction sector along with the automobile industry, as was demand for flat-rolled products.

On the cost side, in addition to increased costs resulting from inflation, launching costs for the strategic projects currently in implementation weighed on the fiscal year. Moreover, increased personnel costs, especially the expenses caused by severance payments to former Executive Board members, higher legal and consulting costs, and higher costs for implementing heightened plant safety measures impacted the operating result. This cost increase was only partially balanced out by lower energy costs, especially for electricity and gas.

In fiscal year 2023/24, the sale of the Aurubis Buffalo site was completed effective August 30, 2024. Revenue from the sale of the subsidiary had a positive effect on the financial performance of the Group.

The CSP segment significantly increased its operating earnings before taxes (EBT) to €446 million (previous year: €253 million). The financial impacts of the metal shortfalls resulting from the criminal activities that targeted Aurubis particularly negatively affected operating EBT in the CSP segment in the previous year. In line with the significant rise in earnings, the segment's operating ROCE rose to 19.6 % (previous year: 13.0 %).

Operating EBT in the reporting year for the MMR segment amounted to €79 million, considerably below the prior-year level (€174 million). The segment's operating ROCE was 5.6 % (previous year: 15.4 %). A better earnings situation impacted the ROCE in the previous year. Additionally, capital employed increased due in part to high investment in growth, especially in Aurubis Richmond in the US.

As part of the good results of operations in the past fiscal year, the net cash flow Glossary also remained at a high level due to the further reduction in net working capital. The **net cash flow** as at 9/30/2024 was €537 million (previous year: €573 million). The cash outflow from investment activities, which again increased considerably year-on-year, could thus primarily be financed from the operating business.

In the past fiscal year, we made progress on important strategic projects to strengthen our smelter network in line with our Metals for Progress: Driving Sustainable Growth Group strategy and made additional investment decisions. Over 50 % of the €1.7 billion investment volume approved for strategic projects has already been invested. These projects are expected to generate an additional EBITDA contribution of around €260 million per year in the coming three to four years. We are strengthening our core business, growing in recycling and investing in more climate-friendly production with the strategic projects currently in implementation.

Strengthening our core business

The **Complex Recycling Hamburg (CRH)** project is a significant building block in advancing the smelter network. CRH will give Aurubis the capacity to process around 30,000 t of additional recycling material and internal, complex smelter intermediary products on a larger scale in the future. This will close both internal and external value chains and reduce the valuable materials discharged or lost. The investment in the Hamburg site will keep significantly more added value in the company in the future. Construction of the facility is progressing and we anticipate commissioning in the 2025/26 fiscal year.

In December 2023, the construction of a new facility was approved, the **Precious Metals Refinery** (PMR) for processing precious metals at the Hamburg site. The new refinery is expected to go online in fiscal year 2026/27. Then the entire precious metals processing chain will be contained in one closed security area. In addition to upgrading plant and precious metals security and occupational safety, Aurubis is raising the bar with the innovative process technology and systems engineering involved in the project. The advanced process leads to higher efficiency, which is expected to considerably reduce throughput times for materials containing precious metals and lower operating costs by around 15 %. With this new plant, we are significantly expanding production capacity in precious metals and laying the groundwork for additional growth strategy projects.

On April 25, 2024, Aurubis began the **expansion of the tankhouse** for copper production at the Pirdop site in Bulgaria. By expanding the tankhouse, Aurubis will increase the site's capacity by around 50 % to

340,000 t of refined copper. This expansion will allow Aurubis to supply even more of this metal so crucially needed in Europe. Tankhouse commissioning is scheduled for fiscal year 2026/27.

We are also strengthening our core business by further expanding our recycling options with two projects, **Advanced Sludge Processing by Aurubis (ASPA)** and **Bleed Treatment Olen Beerse (BOB)**, at our Belgian sites. The ASPA project in Beerse involves building a hydrometallurgical plant for the further processing of anode sludge. Aurubis invested around €33 million in the new recycling plant that came online on September 4, 2024. The new process allows the extraction of the precious metals, such as gold and silver, but also the tin contained in anode sludge, with lower losses and shorter throughput times. With the BOB project, Aurubis invested around €85 million in building a state-of-the art facility for processing electrolyte, known as bleed, at the Olen site. The new equipment is scheduled to be commissioned on December 10, 2024. With this hydrometallurgical process, valuable metals such as nickel and copper from the electrolyte streams generated during electrolysis in metal production at the Aurubis Beerse and Olen sites is now recovered in Olen and the bleed is no longer sold.

Realizing growth options

September 21, 2024, marked the ribbon cutting of the new **Aurubis Richmond recycling plant in Georgia, US,** in which Aurubis will invest a total of around €740 million. After around two years of construction, Aurubis Richmond is now the first secondary smelter for multimetal recycling in the US. Once both modules are complete, Aurubis Richmond will process around 180,000 t of complex recycling materials into blister copper annually. The technology and processing capabilities of our recycling system position us as a pioneer in sustainable multimetal recycling in the US. The plant also opens up prospects for further growth along the metallurgical value chain. The growing local recycling material market offers attractive opportunities, particularly for the diversification of our business and project portfolio beyond Europe.

Using resources responsibly is a key element in what we do. This also applies to the future trend of electric mobility. We expect an increase in batteries from electric and hybrid vehicles to drive an additional growth market in recycling over the long term. Aurubis developed and tested a patented process for responsibly recovering the significant valuable elements from black mass. We were able to achieve a very high degree of efficiency with this innovative process and recover around 95 % of the metals on average in a **battery recycling** pilot plant at the Hamburg site. Aurubis is now taking the next step and building a demo plant. The plant is in operation and test series have begun for the extraction of metals such as lithium, nickel, cobalt and manganese on a larger scale. At the same time, we are intensifying our marketing and competitor analyses and expanding our network of potential business and cooperation partners along the entire battery recycling value chain. This is how we are developing the building blocks for a flexible market entry strategy tailored to the technical and economic requirements of this future market.

Expanding industrial leadership in sustainability

When it comes to sustainability, yet another pillar of our Group strategy, we have adopted and moved forward with important measures and projects to achieve our sustainability KPIs.

In spring 2024, the Hamburg plant was one of the first copper smelters in the world to install **hydrogen-ready anode furnaces**, which was completed during the routine maintenance shutdown. They hold potential savings of about 5,000 t of CO_2 per year when only hydrogen is used. Even before they are connected to pipelines in a hydrogen grid to start operating with hydrogen, the new anode furnaces are already contributing to decarbonizing Aurubis' production: The new equipment, an investment of around €40 million, is more efficient and consumes up to 30 % less natural gas, avoiding just under 1,200 t CO_2 per year.

We have been supplying HafenCity East with our heat since 2018, and the **expansion of the Industrial Heat project** has been in planning since the beginning of 2022. As part of this year's routine maintenance shutdown, we invested around €100 million in converting a sub-process of copper production. This will allow us to heat up to 28,000 additional households each year in cooperation with the Hamburg city energy utility, reducing CO_2 emissions in the city by up to 120,000 t starting in the 2024/25 heating period.

We are currently expanding the existing **solar park** at the Aurubis Bulgaria plant. With a total investment volume of around €12 million for stages 2 & 3, the output of the existing plant will be increased by an additional 18 MWp (megawatt peak). Groundbreaking for stages 2 & 3 took place on April 25, 2024. Stage 4 has already been approved. Production capacity will total around 40 MWp in the future. Once complete, the four solar plants will generate roughly 55,000 MWh of electricity per year, covering around 15 % of the Bulgarian plant's consumption. Aurubis will prevent around 25,000 t of CO_2 emissions per year once the four stages are in operation. The final expansion stage is anticipated to go online in fiscal year 2025/26.

Copper Mark certification

We assume responsibility within our supply chains, so we support the Copper Mark, the gold standard for sustainable processing in the copper value chain. We completed the certification of all our major smelter sites in the past fiscal year and the majority of our smelter network is now certified. As such, more than 95 % of Aurubis cathode production complies with the Copper Mark standards, which draw on the 33 internationally recognized sustainability criteria of the Risk Readiness Assessment of the Responsible Minerals Initiative (RMI). In the coming year, Copper Mark certification of Aurubis subsidiary Deutsche Giessdraht GmbH is planned along with a number of recertifications.

Our progress in all areas of sustainability is confirmed by rating agencies. We have published our ESG ranking results on our website. www.aurubis.com/en/responsibility/reporting-kpis-and-esg-ratings.

In addition to working on occupational safety issues and revising our process and plant security systems, we continued to pursue our growth strategy in the 2023/24 fiscal year. We considerably heightened and continue to strengthen our safety and security levels with measures from the TOGETHER and SAFE projects. Aspects of company culture also play a considerable role in behavior-based work safety. We will identify potential based on a comprehensive evaluation and tackle it in 2024/25.

We made very good progress in realizing our growth strategy during the past fiscal year, and we plan to commission the first projects in fiscal year 2024/25 in keeping with our clearly defined roadmap. In the coming months, we will thoroughly reassess the long-term assumptions of our strategy and adjust the strategic targets where needed. We are strengthening our smelter network with our growth strategy backed by our robust business model and extremely solid financing, and are setting important priorities for the profitable and sustainable success of the Group.

Financial performance, assets, liabilities and financial position of Aurubis AG

General information

In order to supplement our Aurubis Group reporting, we explain Aurubis AG's development in the following section. Aurubis AG is the parent company of the Aurubis Group and is based in Hamburg. It operates production sites in Hamburg and Lünen and is the largest company in the Group. Apart from managing the Aurubis Group, the business activities of Aurubis AG also particularly include primary copper production and recycling, as well as copper product and precious metal production. The separate financial statements of Aurubis AG have been prepared in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch, HGB) and the German Stock Corporation Act (Aktiengesetz, AktG). The significant differences from the Group financial statements prepared in accordance with IFRS principles are in the accounting treatment of fixed assets, the measurement of inventories, the measurement of financial instruments, as well as in the accounting treatment of pension provisions.
The Aurubis Group is managed across all companies at the Group level through segments, using operating EBT and operating ROCE as the financial performance indicators. These indicators are also used for Aurubis AG's operating activities, which are a significant component of the Group. In this sense, the development of and forecasts for the financial performance indicators at the segment and Group levels at the same time represent the development and forecast for Aurubis AG as an individual company.

The analysis of the development for the financial performance indicators outlined above during the fiscal year and the related forecasts for the following year are provided in the Economic Report and the Forecast Report for the entire Group. Statements regarding the risk situation and opportunities can be found in the Group's Risk and Opportunity Report.

The business performance of the Aurubis Group in the previous year was influenced by criminal activities at the Hamburg plant. In the explanation of the items in balance sheet and income statement, in which comparisons with prior-year figures are only possible to a limited extent due to these activities, reference is made to the additional remarks in the previous Economic development within the Aurubis Group section.

Financial performance

Income statement

in € million	2023/24	2022/23
Revenues	**12,520**	**12,327**
Changes in inventories/ own work capitalized	41	-11
Other operating income	129	152
Cost of materials	-11,984	-11,869
Gross profit	**706**	**599**
Personnel expenses	-326	-305
Depreciation of property, plant and equipment and amortization of intangible assets	-75	-71
Other operating expenses	-267	-251
Operational result (EBIT)	**38**	**-28**
Financial result	100	193
Result from normal business activities (EBT)	**138**	**165**
Taxes	-1	-24
Net income for the year	**137**	**141**

A significantly higher metal result, after taking the negative effects of the prior year into account, as well as higher revenues from the Aurubis copper premium coupled with ongoing high demand for wire rod, positively impacted Aurubis AG's business performance in the 2023/24 fiscal year compared to the previous year. Moreover, Aurubis continued to benefit from lower energy costs due in particular to decreases in gas and electricity prices. In contrast, reduced sulfuric acid revenues due to lower sales volumes despite higher sales prices, accompanied by lower revenues deriving from refining charges for recycling materials, negatively affected the result compared to the prior-year period. Following the conclusion of the maintenance shutdown activities at the Hamburg site, there were also technical problems in the subsequent ramp-up phase. The resulting decrease in the utilization of smelter capacities led to considerably lower treatment and refining charge revenues being realized, as compared to the previous year.

Revenues increased by €193 million to €12,520 million during the reporting year (previous year: €12,327 million). This was particularly due to higher metal prices for copper and precious metals. Lower sales volumes for shapes and sulfuric acid had a counteracting effect.

The cost of materials ratios (cost of materials/(revenues + changes in inventories)) decreased to 95.5 % compared to the previous year (96.4 %). The previous year's ratio had been significantly negatively influenced by the financial impacts of the criminal activities. Higher revenues deriving from cathode premiums and further decreases in energy costs had additional positive impacts. Moreover, expenses connected to the large-scale shutdown at the Hamburg site negatively impacted the cost-of-materials ratio in the fiscal year.

Other operating income decreased by €23 million to €129 million (previous year: €152 million). It includes foreign exchange gains of €69 million in the fiscal year (previous year: €97 million). The lower foreign exchange gains amounting to €70.7 million (previous year: €104.3 million), which derived from the measurement and realization of foreign currency receivables and payables (in US$ especially), are counterbalanced by foreign exchange losses recorded in other operating expenses. Furthermore, other operating income includes €57 million (previous year: €25 million) of income relating to prior periods. Of this amount, €15 million (previous year: €7.4 million) relates to electricity price compensation payments and €41 million to income deriving from the reversal of provisions and accruals. These particularly relate to a long-term electricity supply agreement Furthermore, income from an insurance compensation claim, amounting to €30 million, was recognized in the previous year in connection with the criminal activities. After taking own work capitalized into account, the gross profit increased by a total of €107 million to €706 million (previous year: €599 million).

Personnel expenses increased in the fiscal year reported by €21 million to €326 million. This is particularly due to higher provisions for success-based bonus payments, wage and salary increases due to collective wage agreements, higher severance payments, and an increase in the number of employees. On the other hand, pension expenses decreased due to the development of actuarial parameters in the calculation of pension provisions.

Depreciation and amortization of fixed assets increased by €4 million to €75 million (previous year: €71 million). This increase particularly concerned technical equipment and machinery, as well as buildings.

The increase in other operating expenses by €16 million mainly resulted from higher costs compared to the previous year for consulting services in the amount of €21 million, expenses for IT services and security surveillance of €7 million, and allowances recognized against outstanding receivables of €11 million. The lower foreign exchange losses deriving from the measurement and realization of foreign currency receivables and payables in the amount of €71 million (previous year: €104 million) are counterbalanced by foreign exchange gains recorded in other operating income.

After taking personnel expenses, depreciation and amortization, and other operating expenses into account, the operational result (EBIT) amounted to €38 million (previous year: €-28 million).

The financial result for the fiscal year was €100 million (previous year: €193 million). In addition to dividends of €133 million from subsidiaries (previous year: €203 million), this included €3 million for impairment losses recognized against the carrying amount for Aurubis Italia Srl, as well as write-downs made in the context of the liquidation of Metallo Group Holding NV and the related asset distribution of Aurubis Beerse NV to Aurubis AG in the amount of €4 million.

After taking a tax expense (income taxes and other taxes) of €1 million (previous year: €24 million) into account, the net income for the year amounted to €137 million (previous year: €141 million). The significant reduction in the tax expense is mainly due to the difference between the profit disclosed in the financial statements prepared for commercial law purposes and the profit for tax-based purposes, which results from the respective provisions for pensions.

Assets and liabilities

Fixed assets increased in the fiscal year by €223 million to a level of €2,855 million (previous year: €2,632 million).

Additions to intangible assets and property, plant and equipment amounted to €309 million in the fiscal year reported. They include capital expenditure primarily connected to stage 2 of the Industrial Heat project, Complex Recycling Hamburg, the construction of a new precious metals processing facility, the completed maintenance shutdown projects in primary copper production in Hamburg in 2024, as well as the modernization of the tankhouse at the Lünen site.

Under the terms of a resolution dated September 30, 2024, the Metallo Group Holding NV, Beerse, Belgium was fully liquidated during the past fiscal year, effective September 30, 2024. In this context, an impairment loss of €3.9 million was recognized against the carrying amount of the investment in Aurubis Beerse NV, Beerse, Belgium (€258.6 million) to write it down to its fair value of €254.7 million. This was followed by a distribution of assets to Aurubis AG in the amount of the fair value of the shares interest in Aurubis Beerse NV, Beerse, Belgium held by Metallo Group Holding NV, Beerse, Belgium, amounting to €254.7 million. The transaction is shown in the Aurubis AG assets analysis ("Changes in fixed assets") as a disposal of the investment carrying amount of Metallo Group Holding NV, Beerse, Belgium and as an addition to the investment carrying amount of Aurubis Beerse NV, Beerse, Belgium. The impairment loss of €3.9 million to write-down to the fair value of the investment is recognized in the reporting line "Write-downs of financial assets and securities classified as current assets". We also refer to our corresponding explanations about the financial result in the section on financial performance.

Furthermore, a capital increase was carried out at LIBREC AG, Biberist, Switzerland with a volume of €4 million. An impairment test of the financial assets during the fiscal year also resulted in the recognition of €3 million in impairment losses against the investment carrying amount of Aurubis Italia SrL, Avellino, Italy, which is disclosed under the share interests in affiliated companies.

Inventories increased in the past fiscal year by €143 million to a level of €1,249 million (previous year: €1,105 million). The increase in raw materials by €159 million resulted from technical problems restarting production after the conclusion of the large-scale shutdown at the Hamburg site and the lower consumption of copper concentrate volumes that had been previously built up in advance, as planned. In contrast, work in process decreased by €94 million, due mainly to lower anode production. Finished goods and merchandise increased by €117 million particularly due to higher precious metal inventories. The valuation of the metal inventories resulted in write-downs of €14 million to their lower value at the reporting date.

Trade accounts receivable increased by €40 million compared to the previous year, to €424 million (previous year: €384 million). Receivables for wire rod and shapes products increased, while receivables for precious metals decreased. Furthermore, receivables deriving from €20 million in private subsidies were recognized as at the reporting date in connection with stage 2 of the Industrial Heat project. The total amount of receivables sold within the scope of factoring agreements decreased slightly by €9 million to €288 million (previous year: €297 million).

Of the receivables from affiliated companies and companies in which investments are held, receivables from financial transactions decreased by €96 million, while trade accounts receivable decreased by €5 million.

Other assets decreased predominantly due to allowances recognized against outstanding receivables in the amount of €15 million, lower security deposits for brokers in the amount of €16 million, and lower tax receivables in the amount of €12 million.

Prepaid expenses and deferred charges included payments on account of €15 million made in respect of a contract for the delivery of oxygen to the site in Lünen.

Overall, total assets increased by €114 million, as compared to the previous year, to a level of €5,149 million. The share of total assets attributable to fixed assets was 56 % (previous year: 52 %). While the share attributable to inventories rose slightly from 22 % in the previous year to 24 % in the year reported, the share for receivables and other assets decreased to 14 % (previous year: 17 %). The share of total assets attributable to cash and cash equivalents decreased to 6 % (previous year: 9 %).

Equity amounted to €1,995 million as at September 30, 2024 (previous year: €1,919 million). The change is due to the net income of €137 million for the fiscal year reported and to the distribution of a dividend, amounting to €61 million. The equity ratio was 39 % (previous year: 38 %).

Provisions and accrued liabilities decreased by a total of €24 million, to €474 million. This was due to lower provisions in connection with a long-term electricity supply agreement in particular, in the amount of €41 million. In contrast, accruals for outstanding invoices increased by €30 million, primarily in connection with the current investment measures for the Industrial Heat stage 2 and Anode Furnace 2.0 projects at the Hamburg site, as well due to personnel provisions recognized in respect of success-based compensation, which were €6 million higher.

Bank borrowings increased by €121 million to €335 million in comparison to the previous year. Loans with favorable interest rates were taken up to finance investment projects covering the construction of new equipment to process precious metals and for the extension of our facility to reduce diffuse emissions at the Hamburg site.

Trade accounts payable decreased by €64 million to €932 million (previous year: €996 million). The reason for the decrease was lower liabilities for concentrate deliveries made close to the balance sheet date in the primary smelter (RWO) sector.

In addition to trade accounts payable of €286 million (previous year: €211 million), payables to affiliated companies and to companies in which investments are held totaling €1,330 million (previous year: €1,363 million) included liabilities of €1,044 million deriving from financial transactions with subsidiaries (previous year: €1,152 million).

Other liabilities increased from €19 million to €36 million, particularly due to participation in a supplier finance arrangement amounting to €19 million. This led to derecognition of the original trade accounts payable, as a payment by the contract partner eliminating the liability was made to settle the corresponding trade accounts payable.

In the fiscal year reported, the figure for deferred income included €40 million in subsidies that were recognized in connection with the Industrial Heat stage 2 project in Hamburg. These will be recognized in profit and loss over the term of the energy supply contract of 28 years.

Balance sheet structure of Aurubis AG

in %	9/30/2024	9/30/2023
Fixed assets	56	52
Inventories	24	22
Receivables, etc.	14	17
Cash and cash equivalents	6	9
	100	**100**
Equity	39	38
Provisions	9	10
Liabilities	52	52
	100	**100**

Aurubis uses assets under the terms of lease agreements that are not recognized as assets in the balance sheet. Future financial commitments deriving from such rental and lease agreements amount to €19 million.

Financial position

Net financial liabilities Glossary amounted to €875 million as at September 30, 2024 (previous year: €614 million). They are made up of bank borrowings of €335 million (previous year: €215 million), the net balance of receivables due from and payables due to subsidiaries deriving from refinancing arrangements, amounting to €850 million (previous year: €862 million), after deduction of cash and cash equivalents of €310 million (previous year: €463 million).

Cash pooling arrangements exist between Aurubis AG and its subsidiaries. For a further analysis of Aurubis AG’s liquidity situation, refer to the explanations concerning the Aurubis Group’s financial position. Aurubis AG's financing was secured at all times during the reporting period.

In addition to cash and cash equivalents, Aurubis AG had access to unutilized credit line facilities during the reporting period and thus has adequate liquidity reserves. Furthermore, within the context of factoring agreements, Aurubis AG sold receivables without recourse as a financing instrument.

Capital expenditure

In the fiscal year reported, capital expenditure investment of €309 million was made in intangible assets and property, plant and equipment at the Hamburg and Lünen sites (previous year: €185 million). Capital expenditure is primarily connected with stage 2 of the Industrial Heat project, Complex Recycling Hamburg, the construction of a new precious metals processing facility in Hamburg, the completed maintenance shutdown projects in primary copper production in Hamburg in 2024, as well as the modernization of the tankhouse at the Lünen site. Furthermore, investments were made in various infrastructure and improvement measures at the Hamburg and Lünen plants.

Risk and Opportunity Report

Integrated risk and opportunity management

Risks and opportunities are elements of our business activities and are essential to the company's success. This is even more critical in times of new criminal threats, ongoing geopolitical crises and unstable global economic development. As part of our operating business and strategic management, we weigh opportunities and risks against one another and ensure that they remain balanced. We particularly strive to identify and evaluate risks and opportunities as early as possible. We continued to use and advance this approach over the past fiscal year as well.

Aurubis AG's risk and opportunity situation is strongly influenced by the Aurubis Group's risk and opportunity situation. In this respect, the statements of the company's management on the overall assessment of risks and opportunities also serve as a summary of Aurubis AG's risks and opportunities.

Risk management system

Our objective in risk management is to manage and monitor the risks associated with our business with the help of a risk management system (RMS) tailored for our activities. Identifying and observing risk development early on is of major importance. Furthermore, we strive to limit negative effects on earnings caused by risks by implementing appropriate and economically sound measures.

Risk management is an integral component of the centralized and decentralized planning, management, and monitoring processes and covers all of the Aurubis Group's main sites, business sectors, and central functions. The planning and management system, risk reporting, open communication culture, and risk reviews at the sites create risk awareness and transparency with regard to our risk situation and promote our risk culture.

Risk management officers have been appointed for all sites, business sectors, and central functions, and they form a network within the Group. Group headquarters manages the network. In addition to the risk management officers, a Group Risk Management function was established in the Aurubis Group and reports directly to the CFO. The RMS is documented in a corporate policy.

Standard risk reporting takes place bottom-up each quarter using a uniform, Group-wide reporting format. The identified risks and risks that exceed a defined threshold are explained within this format. The likelihood of their occurrence and the extent of the damage they could cause are evaluated, and instruments and measures used to manage them are outlined. The risks registered with Group headquarters are assessed, qualitatively aggregated into significant risk clusters by Corporate Risk Management, and reported to the entire Executive Board. The report also establishes the basis for the report to the Audit Committee as well as external risk reporting.

Potential effect on earnings

in € million	**>1**	**>5**	**>20**	**>50**
Likelihood				
high	medium	medium	high	high
medium	low	medium	medium	high
low	low	low	medium	medium
unlikely	low	low	low	medium

In the quarterly reports to the Executive Board and the Audit Committee, the qualitatively aggregated risk clusters are assessed with due regard for risk management measures (net perspective) based on their probability of occurrence and the potential effect on earnings pursuant to the spreads included in the table, and are classified as low, medium, or high.

Independent monitoring

The RMS is subject to routine monitoring and review. Internal Audit monitors risk management using systematic audits. As a process-independent authority, it contributes to the correctness and improvement of the business processes, and to the effectiveness of the installed systems and controls.

In addition, auditors review our early risk detection system to ensure that it adheres to legal requirements. They report the audit results to the Executive Board and the Supervisory Board (Audit Committee).

Furthermore, the Audit Committee deals intensively with risk management issues. Corporate Risk Management regularly informs the committee and the Executive Board about current developments.

Explanation of relevant risks

In the following, we outline the risks associated with our business, grouped into dedicated risk clusters. The main measures and instruments we use to counter these risks are also described here. We have separately indicated risks and risk-relevant issues that we currently classify as potentially medium to high.

Supply and production

The ability to keep the production facilities supplied with raw materials and equipment availability are of central importance for the Aurubis Group. We limit the associated risks by implementing the following measures:

To ensure the supply of copper concentrates for our facilities, we have entered into long-term agreements with a number of concentrate suppliers from various countries. This enables us to reduce the risk of production interruptions caused by possible supply shortfalls. We were able to fully supply our primary smelters with concentrates during the past fiscal year. The long-term orientation of our supply agreements also limits the risk of volatile treatment and refining charges on the spot market. Despite our extensive international supplier network, we consider the market to be subject to volatility regarding the availability of raw materials for our recycling plants, including industrial production and metal prices in particular. We are especially seeing the negative impact of the difficult economic situation in Europe and in our main market Germany, in particular on scrap collection and as such on scrap availability. Added to this are the purchasing activities of Asian smelters especially, which buy up scrap from the EU. Overall, the ability to predict the availability of recycling materials from short-term agreements on these markets remains limited. We are countering this development by increasing market share, which will result in geographical diversification, though at the same time we are aware that this could further increase volatility in refining charges for copper scrap and other recycling materials.

The material for the plants producing copper products mainly comes in the form of copper cathodes manufactured within the Group. This allows us to simultaneously generate higher added value and control the quality of copper products throughout the entire process.

We address production risks with asset life cycle management and forward-looking maintenance which reduces unplanned production shutdowns. We are also addressing the risk of malfunctions by regularly servicing equipment and keeping critical replacement parts on hand.

Additionally, we have introduced organizational measures to handle potential incidents that could result from events such as flooding or fire. As the catastrophic flooding at our site in Stolberg in July 2021 and Hurricane Helene at our site under construction in Augusta (Georgia) in the US in September 2024 have shown, flooding and hurricanes poses significant physical climate risks. We therefore use global warming scenarios to regularly assess the long-term effects of physical climate risks on our main production sites with the aim of incorporating the resulting adaptation measures into our (investment) planning. Here our focus is on those physical climate risks relevant to us, such as flooding, heavy rainfall, water shortages/droughts and all risks related to storms (including hurricanes, tornados, lightning strikes).. Our parent plant in Hamburg, for instance, is located near the Hamburg harbor and is protected from high water levels by extensive flood control measures (referred to as polders). Furthermore, we have alarm plans in place and train our employees by means of periodic drills. To reduce the risk of potential production stops due to temporary interruptions of the gas supply caused by lower delivery quantities from Russia, a significant portion of our facilities have been upgraded and can now be operated using alternative energy sources. Please refer to the “Energy and climate” section for more details. The risk of potential power outages caused by grid instability remains generally elevated due to the shutdown of baseload power plants. We have rolled out various measures designed to minimize the impact of possible blackouts on our production facilities and that would enable us to quickly bring equipment back online as soon as the power grid is stable again.

We also monitor the supply situation outside Germany very closely. Due the diversified natural gas sources in our other production countries such as Belgium, Spain, Bulgaria and the US, we currently see no need to switch production to alternative energy sources there.

Taking into account the measures described above, we regard the risk of an insufficient raw material supply as “medium.” We also still classify the risk of the severely limited availability of our production facilities as “medium.”

We deal with logistics risks by implementing a thorough, multi-step selection and evaluation process for service providers, by avoiding single sourcing as far as possible, and by preventively developing backup solutions. The global supply chain and transport bottlenecks continue to have a noticeable impact. We consistently work to provide alternative scenarios, each of which enables optimized supply, by accelerating information processing in the supply chain. We continuously monitor the movements of bulk carriers and container ships to ensure we are aware of delayed arrivals early on and can minimize their effects. We also have an international network of qualified service providers at our disposal. This helps us to prevent weather-related or capacity-related risks in the transport chain, such as by contractually arranging a selection of appropriate transport alternatives. We continuously monitor the at times limited passability of the Panama and Suez canals, and any longer transit times are considered in planning.

Criminal activities

Our business model means we continue to be a possible target for (organized) crime and have to counter the threat posed by criminal intent in order to prevent possibly significant financial losses for Aurubis.

The ever-developing steps established by the Executive Board to promote process, plant and Group security have strengthened our security architecture over the long term and contributed to resilience against future threats.

Taking into account the comprehensive measures to improve plant security, we regard the risk of criminal activities as "medium."

Sales

In addition to supply and production risks, the Aurubis Group also faces sales risks, which we classify as "medium."

Generally speaking, risks can arise from negative deviations from our predictions of the markets' economic development, which we outline in the Forecast Report. The order situation for rod is currently at a moderate level weighed down by weaknesses in the construction sector and the automotive industry. The order situation for shapes and flat rolled products is at a stable, though lower, level, driven by weaknesses in the construction sector and the German automotive industry.

The marketing risk for sulfuric acid has decreased significantly. We are currently well positioned with our diverse customer portfolio and can react flexibly to fluctuations on the sulfuric acid markets. There is currently no marketing risk.

Thanks to economic analyses and estimates regarding economic trends, we are in a position to adjust our individual sales strategies to changing conditions as needed, thus countering any risks that arise.

We sell cathodes that are not further processed internally by Aurubis on international cathode markets.

Sustainability

Supply chain risks (e.g., environmental pollution or human rights violations by suppliers) can damage Aurubis' image and reputation, possibly negatively impact our product sales, and could result in fines based on the German Supply Chain Due Diligence Act (LkSG). To fulfill our due diligence obligations set out in our Responsible Sourcing Policy (RSP) for the supply chain area, we work with a Business Partner Screening system based on OECD guidelines. In the reporting period, a cross-departmental project team revamped the existing business partner screening process and rolled out an additional tool for environmental and human rights risk analysis in 2024. The RSP was updated at the end of the 2023/24 fiscal year. The Business Partner Screening will be further expanded in the coming fiscal year.

Due to the high ongoing significance of responsibility in the supply chain as part of our sustainability approach, we classify the risk related to sustainability aspects in the supply chain as "medium."

Sustainability is a fixed component of our company strategy. We adopted ambitious sustainability targets for 2030 when the Group strategy was revised in 2021, and initial strategic projects have been developed for increasing our recycling rate and reducing our carbon footprint, for example. We mitigate the risk that we might be unable to achieve these targets with concrete measures and corresponding key figures for managing these sustainability targets Group-wide. In addition, we are involved in initiatives related to sustainability issues such as climate and environmental protection and responsible supply chains. This includes Aurubis' commitment to the Copper Mark. This initiative audits the environmental, occupational and social standards at copper production sites, including mines, smelters, refineries and processing plants, and is based on the United Nations' Sustainable Development Goals (SDGs). For a list of the Aurubis sites certified by the Copper Mark, please see Certifications by site in non-financial reporting.

Energy and climate

Aurubis takes protecting the climate very seriously. We highlight the importance of this issue by releasing our CO_2 emissions by publishing Scope 1, Scope 2, and Scope 3 emissions (CO_2) as part of the separate non-financial report. Aurubis counters the risks posed by climate change with an energy management system and by consistently realizing energy efficiency and CO_2 reduction potential at all sites. Sustainability targets for 2030 were defined when the corporate strategy was refined. These include our CO_2-reduction targets that were validated by the Science Based Targets Initiative (SBTi) and contribute to limiting global warming to 1.5°C pursuant to the Paris Agreement on climate change. Accordingly, we want to reduce our absolute Scope 1 and Scope 2 emissions by 50 % and our Scope 3 emissions (CO_2) by 24 % per ton of copper cathode by 2030 compared to 2018. We also aspire to be carbon-neutral well before 2050. To help us reach these targets, we drafted a decarbonization roadmap that we continually update. In October 2023, the Group Decarbonization department was established in the Corporate Sustainability & External Affairs division. It is responsible for developing and steering the Group-wide decarbonization strategy, targets and roadmap. Group Decarbonization coordinates and steers the implementation of site-specific decarbonization roadmaps and assists the sites with advancement and realization.

We report in accordance with the TCFD (Task Force on Climate-Related Financial Disclosures) framework and categorize climate risks in keeping the with definition of physical and transitory risks. The physical risks include those risks arising from extreme weather events, both in our plants and in the transport chain, that are described in the "Supply and production" section. We counter the risks in the transport chain through geographic diversification in the supply chain, by storing emergency reserves to maintain production, and by ensuring alternative logistics service providers are available, among other things. Furthermore, we observe water levels (flooding/low water) in the key waterways so that we can promptly initiate countermeasures to maintain our transport routes and our cooling processes, or deploy flood protection measures. As shown by the the catastrophic flooding at our site in Stolberg in July 2021 and Hurricane Helene at our site under construction in Augusta (Georgia) in the US in September 2024, flooding and hurricanes pose significant physical climate risks. We therefore use global warming scenarios to regularly assess the long-term effects of physical climate risks on our main production sites, with the aim of incorporating the resulting adaptation measures into our (investment) planning. Transition risks include technological and political risks. While we welcome the accelerated expansion of renewable energies, it must be synchronized with grid expansion and the development of storage technologies so that the security of supply is always fully guaranteed and system costs remain affordable (technology risks). We have now fundamentally implemented suitable measures for increasing the basic security of supply at the respective sites. These include alternative energy-source options. such as LPG or heating oil so that, in the event of a gas shortage leading to a shutdown of the gas supply, our German sites in Hamburg, Lünen, Emmerich and Stolberg are not affected, or only affected to a limited extent. We see these restructuring measures as a helpful step towards ensuring we can maintain production in the event of a crisis. No natural gas is currently used for production at our European sites in Pirdop and Pori. Pirdop is scheduled to be connected to the gas network in 2025, providing an additional supply source. Our Belgian sites in Beerse and Olen along with the Berango site benefit from a more diversified supply concept than is available in Germany. We are preparing to switch from natural gas to hydrogen to further advance our decarbonization targets. In 2021, we successfully carried out a test series on the use of hydrogen in the anode furnace as part of the Northern German Living Lab and in cooperation with the Hamburg College of Applied Sciences (HAW). In 2024, around €40 million was invested in switching out the anode furnaces to enable the use of hydrogen. Measures for boosting flexibility include control energy supplied by the tankhouse (already realized), subsidized partial shutdowns for electricity bottlenecks, and the use of our power-to-heat facility to generate steam with electricity when there is excess electricity. Furthermore, we have had an energy supply contract in place since 2010 that secures most of the electricity our main German sites need in the long term.

Constantly changing overall political conditions means political risks have a significant influence on our business:

- Mounting burdens resulting from changes in potential cost drivers such as German and European emissions trading, grid charges, and the eco-tax are generally difficult to quantify reliably.
- The consultation procedure started by the Federal Network Agency (BNetzA) at the end of July to reform the individual grid fees in keeping with Section 19 II StromNEV presents a significant risk. According to the model outlined by the BnetzA, the baseload model will be discontinued as early as the start of 2026 and only flexible consumption behavior that is beneficial to the grid will be incentivized. Since production restrictions only allow for this to a very limited extent, the sites in Hamburg and Lünen face an increased risk of rising grid fees.
- From 2021 and 2030, the copper manufacturing and processing sector will continue to receive free allocations for direct CO_2 emissions and the electricity price compensation due to its carbon leakage status. For all sites taking part in emissions trading, free allocations of CO_2 certificates have been approved in the amount applied for since 2021. The level will remain constant until 2025. However, from 2026 we will start to see significant cuts in these free allocations, since the factors involved in the calculation have dropped significantly. We still do not anticipate any additional costs from the possible need to purchase CO_2 certificates for the company as a whole through 2030. The price for CO_2 certificates has fallen sharply in recent years, though we expect prices to rise again as allowances decrease. The electricity price compensation for indirect CO_2 costs still amounts to at least 50 % of the cost burden. The decarbonization targets described above include different projects at the individual production sites, such as the test series for the direct use of hydrogen in the copper production process

and the conversion of the anode furnaces in Hamburg. We further expanded our PV capacity at the Pirdop site in fiscal year 2023/24. Generated solar power will increase to 38,900 MWh in the 2025 calendar year with the next expansion stage. We have also been feeding CO_2-free industrial heat from our Hamburg site into enercity's district heating system to power the eastern part of the HafenCity for a number of years now. During the major shutdown in Hamburg, additional sections of the contact acid plant, Plant East (KAWO) were successfully retrofitted and will come online to deliver our CO_2-free industrial heat to the Hamburg Energiewerke utility company starting in fall of 2024. This expansion means up to an additional 28,000 households can be supplied with CO_2-free industrial heat. We are also moving forward in converting our power supply contracts to focus on CO_2-free electricity. Since January 2023, our Olen site has been powered by 12 MW from the SeaMade Offshore Wind Farm with a ten-year green power purchase agreement (PPA). We are reducing the site's CO_2 emissions by 42,000 t of Scope 2 emissions per year with this contract.

» In the 2023 calendar year, total emissions for all production sites amounted to around 5.8 million t CO_2 (Scope 1 + 2: 1.2 million t CO_2; Scope 3: 4.6 million t CO_2). In copper production, we also extract gold, silver, platinum, palladium, additional precious metals, and building materials such as iron silicate stone along with copper. If produced by other companies using alternative processes, the additional metals and by-products would generate significantly higher CO_2 emissions. Based on an external study referencing published emission factors, the conventional production of the above-mentioned metals and by-products extracted at Aurubis would lead to an additional 3.5 million t of CO_2 emissions each year. Aurubis' energy-efficient processes avoid these additional emissions, due in part to the advantages of the smelter network, which means that the metals we produce, including copper, have a very small CO_2 footprint.

We face market risks primarily from price developments for electricity, natural gas, and CO_2, which are difficult to predict. While early purchases help us fundamentally hedge our exposure to market price fluctuations to a certain extent, the effectiveness of these hedging activities against continually rising prices is limited. We have been compensated for CO_2 costs to energy companies that are included in the electricity price (indirect emissions), including the super cap for up to 90 %, in Germany and Belgium, though no compensation has yet been received in Bulgaria. The remaining portion is still exposed to the risk of rising CO_2 prices. Customer are also increasingly demanding transparent targets and strategies related to effective production processes and energy and CO_2 efficiency. This customer demand could influence future copper product sales, particularly when it comes to customer acquisition and retention. We respond to these calls for transparency by annually participating in a variety of climate reporting systems that are independently assessed, such as the CDP (formerly the Carbon Disclosure Project) where we currently have an A- score, and through our commitment to realizing the SBTi targets, as described above.
We continue to classify the energy and climate category and the associated risks as "high".

Environmental protection

Our production comes with an ecological footprint that we try to keep as small as possible using suitable measures. Our goal is to continue shrinking our footprint. There is the fundamental risk that environmental laws and regulatory provisions could be further tightened, which would necessitate additional environmental protection measures with the accompanying additional expenditure. The production and marketing of products could also be restricted. The European Air Quality Framework Directive is one of the regulatory measures currently being revised with the risk of possible disproportionately stricter limits. We regularly raise our concerns with national and European policy makers.

Furthermore, environmental risks resulting from the possible failure to comply with threshold limits and from non-fulfillment of requirements could have legal implications. We counter this risk by ensuring our production facilities operate in compliance with the law and as environmentally soundly as possible. Our investment in reducing diffuse emissions at the Hamburg site is an excellent example of this. We are a global frontrunner in environmental protection, as confirmed by annual certifications in accordance with ISO 14001 and EMAS in addition to another uptick in the number of points on the EcoVadis rating. We consider ourselves to be well positioned for the future here as well. Nevertheless, operational incidents with an adverse impact on the environment can never be completely ruled out. We are lowering our environmental risk from "high" to "medium" in part because we predict that our measures will allow us to absorb the impact of the European Air Quality Framework Directive well.

Finance and financing

Metal price and exchange rate fluctuations represent a potential risk in the buying and selling of metals. We mainly reduce this risk by means of foreign exchange and metal price hedging. We hedge metal surpluses daily using financial instruments such as spot and forward contracts. Similarly, spot and forward exchange contracts are used to hedge foreign currency risks. We minimize such foreign currency risks, deriving from exchange rate fluctuations for metal transactions concluded in foreign currencies, in this manner. We only select firms with a good credit standing as counterparties for hedging transactions to minimize the default risk.

We hedge expected cash inflows transacted in foreign currencies, especially the US dollar, partly by using options and forward exchange transactions. We will also continue this practice in the future and expect to reduce the risks deriving from metal price and exchange rate fluctuations to a reasonable level by taking such measures. Furthermore, our Aurubis Richmond project in the US has a counteracting effect with regard to our US dollar exposure.

Default risks deriving from trade accounts receivable are covered to a great extent through use of commercial credit insurance. We only permit internal risks to a very limited extent and after undertaking a review. We closely monitor the development of any outstanding receivables. During the reporting period, there were no significant cases of default concerning receivables. We also do not foresee any increased risks for the future.

Risks that could arise from a resurgence of the sovereign debt crisis in the euro area could potentially have a cumulative impact on the individual risks described in this section, for example those related to default on receivables or liquidity. For this reason in particular, we classify the risks deriving from finance and financing as “medium.”

Information technology

At Aurubis, IT risks exist in relation to the three protective goals of confidentiality, availability and integrity of information and data. These can impact areas such as supply, production, and sales, as well as communication and collaboration between departments and sites as well as with customers and partners. These risks were taken into consideration in the company’s risk assessment.

We counter IT availability risks for our systems with measures like continuous monitoring, redundant infrastructure, and ongoing optimization to incorporate the latest developments in IT architecture. We counter the risks of possible incidents or disasters with the redundant design of particularly critical IT infrastructure, as well as data recovery and continuity plans and the related tests and drills. We limit the risks that can result from unauthorized access to company data, as well as cybercrime, by restrictively issuing access rights, carrying out security reviews, and using modern security technologies.

To fulfill the heightened protection requirements stemming from the elevated threat potential worldwide and experience drawn from the cyberattack on Aurubis in October 2022, we have invested in additional security technologies and have analyzed the associated processes, making changes in some cases. Moreover, we have third parties regularly review and evaluate the cybersecurity measures, and we use their findings to improve these measures. Aurubis AG was also successfully certified in accordance with ISO 27001 in the past fiscal year. We continue to classify the IT cybersecurity risk as “high”.

As the Group prepares for new EU legislation (e.g., NIS 2, among others), Corporate IT is assisting the sites with numerous initiatives in production IT (OT). These include the drafting of the Corporate OT Security Policy and support with implementation, such as with OT risk management workshops at all sites. Furthermore, Corporate IT is coordinating the implementation of the NIS 2 directive via the information security management system.

Personnel

In light of demographic change, the intensifying shortage of skilled specialists and workers in general, and ongoing crises, we recognize the rising uncertainty on the labor market and the sharp tightening of competition for the best talent. We have set the target of developing an attractive employer brand and reinforcing our recruiting and talent management excellence. Our targeted focus here is on consistently realizing our appealing employer brand, personnel marketing campaigns tailored to specific target groups and with an emphasis on diversity, further advancing our university marketing activities, and interdisciplinary, international talent management. This includes launching our ambassador program, in which a selection of employees talks about what defines us as an employer, on LinkedIn. Furthermore, our expansive student network for student workers and interns provides a pool of interesting potential candidates for entry-level positions and for our trainee program.

Our ongoing investment in training and continuing education tailored to company need remains a central element for countering the lack of skilled workers and securing the necessary personnel. Hamburg and Lünen are home to state-of-the-art training workshops that establish the foundation for forward-looking, high-quality education (industrial and business-related vocational education as well as dual study programs) that has received multiple awards. We use modern and innovative recruiting and personnel marketing methods to reach and recruit these target groups and enable our target groups to conveniently contact us through social media as well.

To proactively address current developments, we focus on not only hiring new talent but also on developing and supporting in-house talent on their individual paths, and sustainably safeguarding and fostering key expertise and skills for the future. We see it as our responsibility to establish systematic talent development that not only provides measures for individual career advancement but also includes a comprehensive talent mentoring program. To secure Group-wide knowledge management, we successfully established knowledge transfer using a structured knowledge management method as part of succession planning at Aurubis AG. We promote diversity and a clear zero-tolerance approach towards any form of discrimination, hate or prejudice, to advance our organization and foster an inclusive work environment. We implement this with routine training and our binding, Group-wide Diversity Commitment in addition to a newly drafted anti-discrimination policy and appointing anti-discrimination officers at every site.

We continue to classify personnel risks as “medium.”

Other

Occupational safety and health protection are high-priority areas for us. Responsibility for these issues rests with the management, the supervisors, and each individual in the company. All production sites are certified in accordance with ISO 45001. Detailed risk assessments, audits, training and campaigns to enhance employees’ safety and health awareness support our goal: Vision Zero, meaning zero work-related accidents, injuries and illnesses. Stringently monitoring our occupational safety performance and deriving the corresponding measures continue to be additional steps to achieving our vision.

The occupational safety management systems at all Group sites were reviewed by independent external advisors starting at the beginning of the fiscal year. The analyses were completed in July 2024 and action areas for improvement identified. Implementation of appropriate measures has begun at the Hamburg plant as a pilot site and will be rolled out to additional sites over the course of the coming fiscal year.
In July 2024, an employee from a contractor was involved in a fatal industrial accident while preparing to set up scaffolding. A comprehensive investigation was immediately launched. Based on the findings, we are currently revising our management processes for external companies.

A number of factors are relevant for the successful implementation of our strategic growth projects. There are also risks, such as high energy, material and operating costs and the availability of suitable personnel, that could indicate the need for routine revisions of priorities, the respective project scope, and the schedule. We counter these by closely managing our projects, for instance with a clearly defined stage-gate process for project approval and project organization and management specification that include monitoring critical KPIs, in addition to active staff and talent management. We also introduced a corresponding strategic early warning system to predict possible strategically relevant changes and market developments. Overall, we consider the strategic project pipeline very robust because the respective projects can be implemented individually and, for the most part, independently of one another, and we can respond to possible changes at an early stage. Nevertheless, the possibility of timeframe or financial changes to project results cannot be completely ruled out. We classify the remaining risk as “medium.”

The violation of laws can have serious consequences for both Aurubis as a group and for its employees and business partners. Compliance management or the corporate function responsible for the respective legal area (for example the Environmental Protection department) identifies, analyzes and addresses significant compliance risks. We counter legal and tax risks with organizational procedures and clear management structures. In response to any criminal activities, we promptly enact labor law measures and claim damages under civil law. For a detailed explanation of the compliance management system, please see the Corporate Governance section Control and risk management system and Compliance.

We largely cover selected risks with insurance as well. We rely on the expertise of an external insurance broker for this purpose.

Non-financial risks within the scope of the separate non-financial report

We assessed non-financial risks in accordance with Section 289c (3) of the German Commercial Code (HGB).

Overall, 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.

Nevertheless, it is important to us to handle non-financial risks even if they are classified as non-material according to the strict definition of the HGB. We have therefore developed and implemented management approaches for this purpose.

Internal control system

Objective

Our internal control system (ICS) comprises all the principles, guidelines, procedures and measures geared toward implementing the decisions made by the Executive Board:

- to safeguard the effectiveness and profitability of our business activities (this includes asset protection, along with preventing and detecting financial losses);
- for the correctness and reliability of our accounting (internal control and risk management systems related to the Group accounting process) and;
- to comply with the legal provisions applicable to the Aurubis Group.

The ICS has been established as a fixed component of our central and decentral internal control and monitoring processes. It also includes a compliance management system, which reflects the company's risk situation.

The ICS is documented in a corporate policy.

Responsibility

The Aurubis AG Executive Board bears overall responsibility for the ICS. The Compliance and Risk Management corporate functions support the Executive Board in systematic development, among other things, and are responsible for organizing reporting to the Executive Board and the Supervisory Board's Audit Committee.

The respective Group levels detailed in the organizational structure are responsible for implementation. Corporate guidelines also define responsibilities along with decentralized rules of conduct and regulations.

Monitoring

The ICS is subject to regular process-integrated and process-independent monitoring.

Process-integrated monitoring includes the safety measures and controls integrated into the operational and organizational structure. This includes authorization concepts, access and entry restrictions, the separation of functions, completeness and validity checks, and monitoring limits. Measures and controls are regularly audited within the organization.

As a process-independent entity, Internal Audit monitors the ICS and compliance with it using systematic audits, contributing to the correctness and improvement of the business processes, and to the effectiveness of the installed measures and controls.

The Audit Committee also regularly assesses the effectiveness of the ICS. Together with the Executive Board, Internal Audit and the Group Compliance and Risk Management corporate functions regularly inform the committee about current developments.

Internal control and risk management system relating to the Group accounting process

(Report pursuant to Section 289 (4) and Section 315 (4) of the German Commercial Code (HGB))

The objective of the internal control system (ICS) for the accounting process is to ensure that

- Financial statements are prepared in compliance with regulations
- Accounting procedures are reliable and performed correctly
- Business transactions are thoroughly recorded in a timely manner as prescribed by law and the Articles of Association
- Legal norms and internal guidelines on accounting are observed

Process and responsibility

As the parent company, Aurubis AG prepares the Aurubis Group's consolidated financial statements. The financial reporting of the consolidated Group companies that are included in the consolidated financial statements takes place prior to this process. These Group companies prepare their financial statements locally and transfer them to the Corporate Accounting department via a defined uniform Group-wide data model. The Group companies are responsible for compliance with applicable Group-wide guidelines and procedures, as well as for the correct and timely execution of accounting processes and systems.

Main principles

The internal control system based on the Group accounting process includes the following main principles:

- Ensuring standardized accounting procedures in the preparation of the separate financial statements of Aurubis AG by means of systematically implemented controls, which are supported by manual accounting controls and other authorization and approval procedures (separation of functions, access regulations and limitations, the use of the dual control principle, guidelines on payment transactions)
- Ensuring uniform Group accounting procedures in accordance with IFRS through the application of uniform accounting regulations and policies, central audit of reporting packages, analysis of deviations from the budget, and quarterly reporting as part of centralized discussions on earnings
- Compiling external accounting and internal reporting by all Group companies in a uniform consolidation and reporting system
- Overall consolidation of the Group financial statements by Corporate Accounting, which is responsible for the centralized consolidation, coordination and monitoring of the standards related to the schedule and the process
- Giving the Group companies support in accounting issues by having a central contact person in Corporate Accounting
- Clarifying special technical questions and complex issues related to specific cases with an external consultant

Opportunity management system

In addition to risk management, assessing opportunities is an important element of the Aurubis Group's planning, management and control processes. The objective in doing so is to identify early on the internal and external opportunities that could positively impact our economic success. These opportunities are assessed and weighed against the risks associated with them. We align the results of this assessment with our company strategy and our portfolio of strategic projects and project ideas in order to close any possible gaps or uncover any further potential. The next step is for us to define adjustments or new initiatives and measures to address the new opportunities. In this regard, the process of identifying and assessing opportunities is part of our annual integrated strategy and planning process.

In order to promptly recognize opportunities that arise, we continually monitor and analyze the supply and demand aspects of our markets, the competitive landscape, and relevant regional and global trends. Furthermore, identifying potential opportunities is a daily management responsibility as well – at the level of both the operational areas and the Group.

Explanation of relevant opportunities

Rising global demand for copper and metals for technology

Copper is one of the most important industrial metals for sustainable economic and technical progress. This applies to safeguarding and improving infrastructure and key industrial areas alike. Demand for copper follows global economic growth, especially in the electrical, electronics, energy, construction and automotive industries. While worldwide trends such as urbanization and the growing middle class worldwide continue their impacts unchanged, the international expansion of digitalization, electric vehicles, and renewable energies in particular demand growing volumes of copper and other metals, such as nickel, platinum, palladium, selenium and tellurium. This is even more important as ongoing geopolitical developments continue to increase the relevance of the expansion of renewable energies and the decentralized supply of energy, as well as the related infrastructure. In digitalization the importance of artificial intelligence and the expansion of data centers is increasing. More favorable than expected development of the economy and the demand for our products in the markets relevant to us could have a positive influence on the Aurubis Group's earnings.

Changes in treatment and refining charges and market prices for our products

The Aurubis Group's earnings situation is largely determined by the development of treatment and refining charges for copper concentrates, copper scrap, and other recycling materials, as well as by the market prices for our products, such as wire rod, copper cathodes, sulfuric acid, and precious and minor metals. If treatment and refining charges and market prices for our products develop more positively than currently forecast, this could positively impact the Aurubis Group's earnings. Correspondingly the currently low treatment charges for copper concentrate currently represent a risk factor, though they could also offer an opportunity in the future.

Increasing significance of sustainability and resource efficiency

Aurubis is one of the world's leading recyclers of copper and complex recycling raw materials. It is also a pioneer in sustainability with a focus on ecological, social and ethical criteria. In light of the rising importance of resource efficiency, we expect demand for recycling solutions and low-loss metal production and recovery to continue growing. This is also supported and promoted by increasingly strict national and international legislation and initiatives such as the European Green Deal. More and more, customers and suppliers are making higher sustainability demands at the same time, which can also benefit Aurubis.

Thanks to our multimetal recycling activities and proximity to our copper product customers, we consider ourselves to be in a position to offer enhanced closing-the-loop solutions. Aurubis' smelter network now spans two primary sites and four recycling sites whose process strengths we use to optimize material flows and metal recovery. With our new recycling plant in the US, we are now significantly expanding our regional service offering in North America as well, and the second module is already under construction. The expansion of national and international recycling regulations and stronger than anticipated growth in our markets' demand for recycling solutions, either generally or with increasing sustainability requirements, could also positively affect the Aurubis Group's procurement situation and therefore its earnings.

Further development of expertise in complex raw material processing

Both primary and secondary raw materials are becoming increasingly complex as their copper content falls and the concentrations of accompanying elements and impurities in them rise. One of Aurubis' particular strengths lies in processing complex primary and secondary raw materials within the Group's own smelter network. Aurubis invests in targeted internal projects to continue expanding its processing capabilities and capacities in this area, further enhancing the efficiency of its production processes and thus recovering valuable metals even better and faster. The projects to expand and optimize electrolyte and anode slime processing at our Belgian sites have already been completed or are nearly finished. The Complex Recycling Hamburg (CRH) project for improving recycling capabilities at the central plant in Hamburg is also already under construction. We are broadening this expertise in a new region and building on existing supply relationships with our modular recycling concept that will be used in our new plant in the US. In December 2023, we made the decision to invest in a new precious metals processing plant in Hamburg. If additional synergy potential develops from this expansion of expertise, or if we establish additional capabilities, this could positively influence the Aurubis Group's purchasing and earnings situation.

Digitalization, continuously improving processes and cost position, and achieving synergies

Our markets are globally competitive. Operating excellence is therefore exceedingly important for us. We continuously work on optimizing our processes and improving our cost position. In doing so, we are increasingly leveraging the opportunities that digitalization provides in production and service and consistently bolster these kinds of initiatives and projects within the scope of our digital strategy. In the Digital Factory program we focus on the ongoing improvement of our production processes. In the past fiscal year, for example, an AI system was developed that autonomously forecasts and decides whether it is more economical to use electrical energy or gas to generate steam. Furthermore, we are always identifying and implementing means for increasing synergy potential within the network of Aurubis plants. Going beyond the targets connected to the improvement measures initiated could have a positive impact on the Aurubis Group's earnings.

Capacity expansion linked with internationalization

In light of growing global demand for sustainable metal production and sustainable metal recycling, we see growth potential through the expansion of our processing capacities in regions with attractive markets and favorable overall conditions. In concrete terms, we are seizing these opportunities in North America. Our new recycling plant for complex secondary raw materials in the US will start production in the 2024/25 fiscal year and the second stage is already under construction. Additionally, we are investing in capacity expansions at existing sites, for example enlarging the tankhouse in Pirdop, and are striving to further develop our supplier network to secure a sustainable supply for our broader production network. Additional opportunities could arise for the Aurubis Group due to regulatory amendments and the accompanying increase in the regionalization of recycling markets owing to geopolitical developments. If we are in a position to utilize synergies in our continued investment activities through our modular recycling system, Aurubis could benefit from these regulatory trends, such as prescribed recycling quotas, and this modular recycling system even more, further expanding capacities.

Development of solutions for industrial customers and suppliers

We work closely with our suppliers and customers at all levels of our value chain. This includes developing products for individual customers, providing additional services, processing specific raw materials, and offering additional "closing-the-loop" solutions as well as particularly sustainable or certified products. We operate uniformly on the market with our "Tomorrow Metals" product commitment backed by annual life cycle assessments that verifiably document the CO_2 emissions associated with our products compared to the global average. We are also working on digitalizing business relationships and processes to boost efficiency, added value, and customer loyalty. If the demand of our customers and suppliers for our solutions is stronger than forecast, this could have a positive effect on the Aurubis Group's earnings.

Innovations from future research and development activities

Within the scope of our research and development activities, we are working on innovations to further set ourselves apart from the competition in the future and to heighten competitive advantages. For example, we are working on the more resource-efficient processing of complex feed materials in our smelters and plants. We are also actively working on developing new processes and improving existing processes to allow us to process future material streams. One example is our new patented process for processing black mass from batteries. Technical and economic advantages of this black mass recycling process compared to other metallurgical processes for battery recycling could open up additional significant growth opportunities for the Group, which we would want to use on the market.

Assessment of the Aurubis Group's risk and opportunity situation

No risks threatening the company's continued existence arose in the reporting year. There were no particular structural changes in the Group's risks. According to our current assessment, there are no risks that endanger the company's continued existence.

Both the Audit Committee (Supervisory Board) and the auditors ascertained that the Executive Board has taken the measures prescribed by Section 91 (2) of the German Stock Corporation Act (AktG) in an appropriate manner and that the legally required early risk detection system fulfills all requirements.

For a complete overview of company activities, the opportunities of the Group have to be considered in addition to the risks. We are confident that we will be able to realize the opportunities presented by our business portfolio, our expertise, and our ability to innovate.

Part of the management report not subject to mandatory auditing

In fiscal year 2023/24 the operating ICS was improved as part of the project to heighten process and plant security started in Q4 of the previous fiscal year (for detailed information please see the Economic Report. Along with this project, additional measures were introduced and implemented to improve the ICS. These measures include:

- Fundamentally revising the existing risk control matrices (RCM)
- Mapping the RCM of selected key reporting units using IT-supported quarterly reporting
- Executing a quality inspection including control tests and subsequently mandating a large auditing firm to draft a catalogue of improvements for the concept and design of controls
- Refining the responsibilities of risk and control owners at different places in the Group, especially in those reporting units in which vulnerabilities were identified the year before

In summary, this catalogue of measures has led to improvements in the risk culture of the Aurubis Group and in Hamburg (plant and headquarters) in particular.

The Executive Board and Audit Committee of the Supervisory Board regularly and comprehensively review the results of this catalogue of measures.

Overall, the Executive Board has come to the conclusion — especially in light of the project to heighten process and plant security and the catalogue of measures detailed above — that there are no signs indicating that the RMS and the ICS were not adequate or not effective at the end of the fiscal year on September 30, 2024.

Forecast Report

The statements made in the Forecast Report are based on our assessments of overall economic conditions, of global copper market trends, and of Aurubis' raw material and product markets. These assessments are based on analyses by economic research institutes, organizations and industry associations, as well as internal market analyses. The forecasts for future business performance shown here take into account the segment targets, as well as the opportunities and risks posed by the expected market conditions and competitive situations in the forecast period of October 1, 2024 to September 30, 2025. The opportunities and risks affecting the Aurubis Group are explained in detail in the Risk and Opportunity Report. Our forecasts are regularly adjusted. The following statements are based on our knowledge as of early December 2024.

From the current perspective, there are multiple factors with the potential to influence the Aurubis Group's markets. These include, in particular, central banks' monetary policy reactions to the economy's dampening growth prospects, which could influence future financing conditions and — closely related to this — the investment and consumption behavior of the various market participants. Furthermore, geopolitical conflicts and the associated unstable supply chains and high energy prices in Europe are impacting the Group's costs. The breakdown of the "traffic light" government coalition in Germany and the subsequent new elections in 2025 could also impact the German economy. Furthermore, the results of the 2024 US elections could have effects on the US and global economy and lead to changes to national and international legislation and trade routes, which could influence the Aurubis Group's business as well.

Overall economic development

For 2025 as a whole, the International Monetary Fund (IMF) expects steady but subdued global economic growth according to its October 2024 forecast. 3.2 % global growth is anticipated with a slight drop in inflation from 5.8 % in 2024 to 4.3 % in 2025. Inflation in the advanced economies is expected to recede faster than in emerging markets. Geopolitical tensions, commodity price fluctuations, and financial uncertainties will, however, remain risks for overall economic development. External financing requirements could trigger capital outflows and debt problems in emerging countries in particular.

The IMF is projecting 4.2 % growth for emerging and developing countries in 2025, with individual national economies expected to develop differently. Strong growth is expected to continue in Asia, driven by the economic momentum in China and India, the region's two largest economies. The IMF expects China's economy to grow by 4.5 % and projects India will continue playing a central role in global economic growth with a growth rate of 6.5 %.

Despite continued growth, China, a major player on the copper market, is experiencing a slight slowdown compared to previous years. The IMF ascribes this primarily to demographic change and declining productivity growth that are limiting long-term growth potential.

The IMF anticipates moderate economic growth of 1.8 % for advanced economies in 2025. Growth is projected at 2.2 % in the US and at 1.2 % in the euro area. GDP growth of 0.8 % is expected in Germany, which marks a slight recovery from the previous year.

Various sectors such as the electrotechnical industry, the automotive industry, and the construction sector number among the important consumers of copper products. The following developments are expected for the economy in these, the three most important sectors for Aurubis:

In its current September 2024 forecast for the global electrical market, the German Electrical and Electronic Manufacturers' Association (ZVEI) anticipates 3 % growth in 2025 and 1 % in 2024. According to the ZVEI, the projected development for 2025 remains below average compared to previous years. Experts, however, feel the global market could benefit from falling interest rates over time and see an uptick in the propensity to invest in the coming year.

For Europe, which accounts for around 17 % of the global market, the ZVEI anticipates growth of 1 % in 2024 and 2 % in 2025. The volume of the German electrical market is expected to fall by 4 % in 2024 and expand by 2 % in 2025. The study conducted by the association included data from 53 countries, which together comprise approximately 95 % of the global market.

According to the industry experts at Dataforce, the European automotive market continued its recovery in 2023 with a 13.6 % increase in new registrations. Due to the challenging market environment, however, growth in 2024 and 2025 will slow significantly to 2.2 % and 4.1 % respectively. After around 12.9 million passenger car registrations in 2023, Dataforce experts now anticipate around 13.1 million units in 2024 and around 13.7 million passenger car registrations in 2025 for Europe. These volumes are still well below the pre-pandemic level of 15.9 million registrations in 2019.

In addition to stricter CO_2 guidelines, the experts at Dataforce believe that the withdrawal of government support, rising financing costs, and falling real incomes are causing the weakening growth rates. Added to this are the price increases due to EU tariffs on electric vehicles (BEVs) manufactured in China.

According to estimates by the German Institute for Economic Research (DIW), the construction sector will remain under pressure in 2024, primarily due to high construction costs and more difficult financial conditions. Housing construction will be particularly impacted. For 2024, the DIW predicts nominal construction volume will drop for the first time since the financial crisis, though heavy construction continues to have a stabilizing effect. Nominal construction volume is forecast to contract by 3.5 % in 2024; stabilization (+0.5 %) is anticipated in 2025.

Based on these forecasts, in fiscal year 2024/25, the Aurubis Group expects slightly declining development in the sectors mentioned above, following the good development from the previous year. Political and economic developments may nonetheless considerably influence the respective market situation.

Sector development

During the reporting period, the copper price showed volatile movement between US$7,800–10,800/t and was strongly influenced by macroeconomic developments and the financial markets. Additional industry metals like lead, nickel, tin and zinc also demonstrated volatile market development, while precious metals like gold and silver, “safe havens” for financial investors, showed positive development. Industry experts from banks and research firms, known as the S&P Poll, anticipate a copper price of around US$10,100/t on average for the 2025 calendar year.

Aurubis and well-known research institutes also expect continued demand for refined copper and the metals produced by Aurubis in the coming 2025 calendar year. Copper and non-ferrous metals remain essential basic materials for economic development in core industries such as the electrical and automobile industries, for renewable energy applications such as photovoltaics and electrolyzers, and for the construction industry. Additionally, the EU is tightening regulations with regard to the climate, and the EU, the US and China continue to promote climate-friendly technologies. Since these technologies represent great potential and will raise demand for copper and non-ferrous metals, Aurubis anticipates further high demand for the metals produced by Aurubis in the future as well.

Wood Mackenzie predicts that global demand for refined copper will increase by around 2.1 % a year into 2035. For the 2025 calendar year, the research institute is projecting global demand of around 27.4 million t, which represents a 3.5 % increase compared to the previous year. The development of global copper smelters remains an important factor in analyzing the copper market. China continues to hold the largest percentage of global refining capacity and will considerably influence the growth of the smelter industry in 2025.

According to CRU, following a slight surplus in 2024, the global refined copper market will have a total production surplus of around 224,000 t in 2025. This contrasts with the assessment by research provider Wood Mackenzie, which anticipates a slight deficit of around 22,000 t for 2025 after a deficit of 217,000 t in 2024.

Following stable demand in 2024, Wood Mackenzie predicts demand for refined copper in Europe will be higher in 2025 than in the previous year, at around 3.8 million t, and with European production of refined copper at around 3.0 million t. Cathode imports will be needed to cover the resulting copper deficit of 0.8 million t on the European domestic market. In 2025, demand for refined copper is expected to grow slightly in China compared to the previous year. The policies adopted by the Chinese Central Bank in September 2024 might have a positive effect on Chinese demand for refined copper. Although China continues to account for more than half of global copper demand, it remains a net copper importer.

The continued high demand anticipated for refined copper and the expected price level on the metal exchanges create satisfactory overall conditions for Aurubis in the coming fiscal year.

Raw material markets

The global copper concentrate market continues to grow on both the demand and supply sides. Expansion projects in existing mines and the ramp-up of new projects are contributing to production increases in different countries in South America and worldwide compared to the previous year. Wood Mackenzie anticipates that global mine production (based on copper content before accounting for disruptions and adjustments) will rise by 2.6 % and 4.1 % in 2024 and 2025 respectively. The majority of the growth is attributable to integrated mine producers, i.e., mining companies that also have their own smelting operations as part of a corporate group.

For annual contracts, the benchmark treatment and refining charges (TC/RCs) for processing standard copper concentrates were US$80.0/t and 8.0 cents/lb in calendar year 2024. In the first quarter of the fiscal year, spot prices were still hovering around the benchmark level; they were subjected to significant pressure in the second quarter of the fiscal year, and fell in the third quarter, driven by production cuts in the mining industry and growing smelter demand. In the final quarter of fiscal year 2023/24, smelting and refining charges stabilized at a low level well below the benchmark.

At the time of this report, benchmark negotiations for 2025 annual contracts on the copper concentrate market were still underway. The benchmark only partially impacts Aurubis' purchase prices. Despite the dip in prices anticipated on the concentrate market, we continue to expect a stable supply situation in 2025.

Due to our position on the market, our long-term contract structure, and our supplier diversification, we are confident that we will once again secure a good copper concentrate supply. We are already supplied with concentrates well into Q2 of the 2024/25 fiscal year.

Recycling

The market for recycling materials, which is of primary relevance for Aurubis, remained largely stable over the course of the fiscal year. Market conditions and better processing of imports to China, taking the import regulations in effect since 2021 into account, resulted in a slight increase of imports of copper recycling materials to China in the reporting period. This resulted in a lower supply volume in Europe at times during the reporting period.

Based on adapted and simplified import regulations for recycled copper materials, CRU anticipates better import conditions on the Chinese market. The Chinese government is also expanding the types of copper recycling materials that can be imported in hopes of attracting more materials to cover its copper deficit. The impact of the new regulations remains to be seen. In the short and medium term, the global supply of recycling material is projected to grow, though regional differences will remain. As major countries of origin for recycling materials, Europe and the US remain the most relevant markets. The present development of the global economy and the current copper level may lead to fluctuations in the collection activities of the recycling industry in the short term.

Business in this area, particularly for copper scrap, is conducted with short timelines and therefore depends on a variety of influencing factors, such as metal prices, new import guidelines in China, and recycling industry collection activities, which are difficult to predict. In contrast, the availability of complex recycling materials is subject to less volatility. This market environment is expected to be largely stable.

Overall, Aurubis expects a largely stable supply situation for recycling raw materials with good refining charges. We are already largely supplied with recycling material at good refining charges for Q2 of fiscal year 2024/25. Our broad market position absorbs possible supply risks.

Product markets

Markets for copper products

As at the reporting date, demand for wire rod from the infrastructure sector (medium- and high-voltage cable) is again positive in Q1 2024/25. Demand from the construction and automotive sector is still subdued. In the negotiation season for 2025 annual sales contracts, which is still underway, we have already largely set the sales budget at good contractual terms.

Due to ongoing strong demand for copper in Europe, Aurubis anticipates a stable Aurubis copper premium for European wire rod and shapes customers in 2025. The stable copper premium level underscores the good and increasing market demand projected in Europe as European production capacity continues to drop in 2025. Furthermore, the Aurubis copper premium reflects the consistent availability of refined copper and Aurubis' sustainability initiatives.

We foresee positive development and demand for copper products in 2025 due to fiscal policy and interest rate cuts by the ECB and the Fed. Also, in light of increasing investments in infrastructure for renewable energies and grid expansion, we expect to conclude the negotiation season for copper products at a stable level. This is supported by good customer relationships and a strong position in our key markets.

Cathodes

Sales of free cathode volumes on the market are based on the planned processing of our cathode output in the Group.

Copper wire rod

Demand for copper wire rod will depend on the ongoing economic trend in the key customer industries, among other factors. We expect strong demand for use in cable transmission infrastructure for the further expansion of renewable energies in the coming fiscal year as well. Like CRU, Aurubis anticipates that demand in the construction sector as a customer industry will bounce back thanks to the central banks easing interest rate policy. Overall, CRU predicts demand for wire rod will grow by 2.5 % in Europe and by 3.0 % worldwide in calendar year 2025.

Despite the bleak outlook for the automotive industry, a customer industry, Aurubis expects demand and sales for copper wire rod to develop at a very high level.

Copper shapes

Demand for copper shapes was lower throughout the past fiscal year. We anticipate stable demand for continuous cast shapes in the coming fiscal year.

Flat rolled products

Developments in Europe are key factors affecting sales of flat rolled products. Following stable demand in 2024, CRU anticipates higher demand for flat rolled products in Western Europe in 2025. Modest annual growth is expected in Europe in the medium term. Lower production volumes of flat rolled products are anticipated for the 2024/25 fiscal year due to the sale of the US site for flat rolled products in Buffalo.

Sulfuric acid

Sulfuric acid sales are dependent on short-term developments, a fact that is reflected in the duration of the contracts. In addition, sales opportunities are very different from region to region, and conditions vary accordingly. Aurubis supplies the global sulfuric acid market with a focus on Europe, North America, and Turkey. The relationship between local sales and exports fluctuates depending on regional market conditions.

Due to continued stable demand from the European-based chemical and fertilizer industries, a slightly positive price trend is expected for the 2024/25 fiscal year. As the fiscal year goes on, the price level could nevertheless change as a result of smelter capacity growth, among other factors. CRU predicts that free capacity volumes from Asia will flow into the export markets, possibly lowering prices for sulfuric acid in Europe. The Chinese markets continue to be characterized by significant regional differences and are difficult to anticipate.

Based on stable demand on the sulfuric acid market and the developments in sales prices, we anticipate a slight upward trend in the earnings situation on these markets.

Business and earnings expectations for the Aurubis Group

The nature of our business model means that our earnings are subject to quarterly fluctuations. These are due to seasonal and market factors, but may also be caused by disruptions in facilities or operating processes. Risks associated with achieving the full-year forecast could arise from challenges linked to global economic developments.

The future development and forecast of Aurubis AG overlap with the general statement on the Aurubis Group.

The outlook for fiscal year 2024/25 is based on market estimates and the following premises:

- Based on industry forecasts, we expect global copper demand to continue growing.
- At the time of the report, benchmark negotiations were still underway. Nonetheless, we anticipate a dip in prices on the concentrate market. Furthermore, we expect throughput at our primary smelter sites to be at prior-year level.
- The market trend for copper scrap is difficult to forecast for the 2024/25 fiscal year due to the short-term nature of the business. We generally expect a stable market environment.
- We expect demand for the metals Aurubis produces to remain strong overall. In particular, we expect strong demand for our wire rod to continue. Demand for shapes will remain at a similar level to the previous year. For flat rolled products, we anticipate a decline in sales attributable to consolidation.
- In light of the current market situation for sulfuric acid, we expect a slight rise in earnings contribution from sulfuric acid revenues compared to the previous year.
- Due to high metal prices for copper, gold and silver on the LME, we have already hedged prices for substantial parts of the expected metal gain.
- The Aurubis copper premium is expected to remain stable at the prior-year level.

- In view of current energy price developments, we expect energy costs at slightly above the 2023/24 fiscal year level for the 2024/25 fiscal year. Our hedging activities enable us to absorb price risks to a limited extent. Furthermore, the CO_2 electricity price compensation takes effect with a time lag.
- A considerable share of our revenues is based on the US dollar. We have already hedged a significant proportion of the US dollar results for the 2024/25 fiscal year in the context of our hedging strategy.
- Overall, we expect stable plant availability at the level of the previous year for fiscal year 2024/25.
- The following maintenance shutdowns are planned for fiscal year 2024/25:
  - At the Pirdop site from mid-May to mid-July 2025, with an expected negative impact on operating EBT of about €34 million
  - At the Lünen site in November and December 2024, and in May 2025, with a negative effect on operating EBT totaling around €17 million

Overall, we expect an operating EBT between €300 million and €400 million, and an operating ROCE between 7 % and 11 % for the Aurubis Group in the 2024/25 fiscal year.
In the Multimetal Recycling segment, we expect an operating EBT between €50 million and €110 million, and an operating ROCE between 4 % and 8 % for the Aurubis Group in the 2024/25 fiscal year. The continued low ROCE for the segments results from the anticipated financial performance with ongoing high investment activities.

For the Custom Smelting & Products segment, we expect an operating EBT between €310 million and €370 million and an operating ROCE between 14 % and 18 % for the 2024/25 fiscal year. The lower ROCE compared to the previous year results from the anticipated financial performance with ongoing high investment activities.

Forward-looking statements
This document contains forward-looking statements about our current forecasts of future events. Words such as “anticipate,” “assume,” “believe,” “predict,” “expect,” “intend,” “can/could,” “plan,” “project,” “should,” and similar terms indicate such forward-looking statements. These statements are subject to a number of risks and uncertainties. Some examples include unfavorable developments in the global economic situation, political developments in the US, Europe, and China; a tightening of the raw material supply; and a decline in demand in the main copper sales markets. Further risks include a deterioration of our refinancing options on the credit and finance markets; unavoidable events beyond our control such as natural disasters, acts of terror, political unrest, and industrial accidents, and their effects on our sales, purchasing, production, and financing activities; changes in exchange rates; a drop in acceptance for our products, resulting in impacts on the establishment of prices and the utilization of processing and production capacities; price increases for energy and raw materials; production interruptions due to material bottlenecks, employee strikes, or supplier bankruptcies; the successful implementation of measures to reduce costs and enhance efficiency; the business outlook for our significant holdings; the successful implementation of strategic cooperation and joint ventures; amendments to laws, ordinances, and official regulations; and the outcomes of legal proceedings and other risks and uncertainties, some of which are described in the Risk and Opportunity Report in this Annual Report. If one of these uncertainties or difficulties occurs, or if the assumptions underlying the forward-looking statements prove to be wrong, the actual results could deviate considerably from the results mentioned or implicitly expressed in these statements. We do not intend, nor do we assume the obligation, to update forward-looking statements continuously, as these statements are based solely on the circumstances on the day of publication.

Expected financial situation

At the end of fiscal year 2023/24, Aurubis had €322 million in available cash (September 30, 2023: €494 million). The company has additional liquidity through unused lines of credit amounting to over €500 million from a syndicated loan agreement running until 2029. The contract term was extended by an additional year in fiscal year 2023/24. Aurubis therefore has a very good liquidity position.

Despite the difficult economic situation in Europe, we expect a positive net cash flow from operating business in the mid-triple-digit-million range for the coming fiscal year, as in the past fiscal year. Cash outflow for the extensive strategic investment program and the scheduled repayment of bonded loans (Schuldscheindarlehen) amounting to €102.5 million will be financed from the expected net cash flow and through additional borrowings in the low- to mid-triple-digit-million range with a term of generally between three and five years. The Group's liquidity position is therefore expected to remain good and sufficient overall.

General statement on the future development of the Aurubis Group

At Aurubis, we have set clear priorities for the future: the continuous and systematic implementation of our Metals for Progress: Driving Sustainable Growth strategy and further heightening occupational safety and plant security.

Our vision for occupational safety is clear: zero work-related accidents. As part of the TOGETHER program, we rolled out a number of measures in the 2023/24 fiscal year. Along with technical and organizational measures, aspects of company culture also play a considerable role in behavior-based work safety. In the past fiscal year, a comprehensive analysis with external support highlighted where our sites have individual potential for improvement. We will systematically tackle and successively realize these in 2024/25.

We have already implemented wide-ranging measures to consistently raise safety standards at our plants in the past fiscal year. We are continuing with disciplined and sustainable implementation in order of importance and influence, and have already made significant strides in this area. We will continue along this path in fiscal year 2024/25 as well.

In fiscal year 2024/25, we will continue advancing the investment projects in our growth strategy. This includes commissioning the Bleed treatment Olen Beerse (BOB) project in Olen and phases 3 and 4 of the solar park in Pirdop along with the first stage of our Aurubis Richmond site. Aurubis plans to finance strategic projects primarily from current cash flow, available funds, and additional borrowings with a term of generally between three and five years.

As an energy-intensive company, our focus remains on safeguarding our international competitiveness by further lowering our energy costs through active energy management. The sites will continue to operate agilely on our procurement and product markets. We anticipate that the Aurubis business model, with its various drivers of earnings, will prove robust and well diversified in a challenging market environment in fiscal year 2024/25 as well.

Despite the deteriorating price outlook, particularly on the concentrate market, and the ramping-up costs for strategic projects, we expect good operating EBT again between €300 million and €400 million and ROCE between 7 % and 11 % in the new 2024/25 fiscal year

Legal Disclosures

Declaration on corporate governance pursuant to Section 289f and Section 315d of the German Commercial Code (HGB)

The declaration is printed at the beginning of this Annual Report and is available on the company's website in the Investor Relations section under Annual Reports.

www.aurubis.com/en/investor-relations/publications/annual-reports

Takeover-related disclosures and explanations

Explanatory report by the Executive Board of Aurubis AG, Hamburg, in accordance with Section 176 (1) sentence 1 of the German Stock Corporation Act (AktG) on disclosures of takeover provisions pursuant to Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB) as at the balance sheet date of September 30, 2024.

The following disclosures as at September 30, 2024 are presented in accordance with Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB).

Composition of the subscribed capital

The subscribed capital (share capital) of Aurubis AG amounted to €115,089,210.88 as at the balance sheet date and was divided into 44,956,723 no-par-value bearer shares, each with a notional value of €2.56 of the subscribed capital.

Each share grants the same rights and one vote at the Annual General Meeting. There are no different categories of shares.

The profit entitlement for any new shares that are issued can deviate from Section 60 of the German Stock Corporation Act (AktG).

Treasury shares

Please refer to the Aurubis AG notes to the financial statements for information pursuant to Section 160 (1) no. 2 of the German Stock Corporation Act (AktG) Financial Statement of Aurubis AG.

Limitations related to voting rights or the transfer of shares

According to the Executive Board's knowledge, shareholders' voting rights are not subject to any limitations, with the exception of possible legal prohibitions on voting (particularly in an isolated case pursuant to Section 136 of the German Stock Corporation Act (AktG). Pursuant to Section 71b of the AktG, the company is not entitled to voting rights from any treasury shares that it holds.

Shareholdings exceeding 10 % of the voting rights

One indirect shareholding and two direct shareholdings in Aurubis AG exceed 10 % of the voting rights as at the balance sheet date (September 30, 2024):

Salzgitter AG, Salzgitter, notified the company in accordance with Section 33 (1) of the German Securities Trading Act (WpHG) on December 12, 2018 that its voting interest in Aurubis AG had exceeded the threshold of 25 % of the voting rights on December 12, 2018 and amounted to 25.0000006 % of the voting rights (representing 11,239,181 votes). Of this total, 25.0000006 % of the voting rights (representing 11,239,181 votes) are attributed to Salzgitter AG via Salzgitter Mannesmann GmbH, Salzgitter. Accordingly, one direct shareholding held by Salzgitter Mannesmann GmbH exceeds 10 % of the voting rights as at the balance sheet date (September 30, 2024): According to the notification of Salzgitter AG, Salzgitter, dated December 12, 2018, Salzgitter Mannesmann GmbH, Salzgitter, held 25.0000006 % of the voting rights (representing 11,239,181 votes) on December 12, 2018. The Salzgitter AG company presentation (from November 2022) states that it holds a 29.99 % stake in Aurubis AG.

Rossmann Beteiligungs GmbH, Burgwedel, notified the company in accordance with Section 40 (1) of the German Securities Trading Act (WpHG) on September 27, 2024 that its total shareholdings in Aurubis AG had exceeded the threshold of 10 % of the voting rights on September 25, 2024 and amounted to 13.73 % of the voting rights on that date (representing 6,172,048 votes). Rossmann Beteiligungs GmbH, Burgwedel, held 7.34 % of the voting rights on September 25, 2024 (representing 3,298,148 votes) in accordance with Section 33 of the German Securities Trading Act (WpHG) and 6.39 % of the instruments within the meaning of Section 38 (1) no. 1 of the WpHG (representing 2,873,900 votes).

Shareholders with special rights

There were no shareholders with special rights conferring supervisory powers as at the balance sheet date (September 30, 2024).

Participating employees

There were no employees that held an interest in share capital and did not directly exercise their supervisory rights as at the balance sheet date (September 30, 2024).

Appointment and removal of Executive Board members and amendments to the Articles of Association

The appointment and removal of members of the Executive Board of Aurubis AG by the Supervisory Board are covered by Sections 84 and 85 of the German Stock Corporation Act (AktG) and Section 31 of the German Codetermination Act (MitbestG) in conjunction with Section 6 (1) of the Articles of Association. Amendments to the Articles of Association are subject to the approval of the shareholders at the Annual General Meeting. The resolution to amend the Articles of Association at the Annual General Meeting requires, in addition to a simple majority of votes, a majority that must comprise at least three-quarters of the subscribed capital represented in the vote; Section 119 (1) no. 6, Section 133 (1), and Section 179 et seq. of the German Stock Corporation Act (AktG) apply. In accordance with Section 11 (9) of the Articles of Association, the Supervisory Board is authorized to pass amendments to the Articles of Association that only relate to their wording. Furthermore, the Supervisory Board is authorized to adjust Section 4 of the Articles of Association after the complete or partial execution of a subscribed capital increase in accordance with the respective claim to the authorized capital and after the authorization expires. It is also authorized to amend the version of Section 4 (1) and (3) of the Articles of Association in accordance with the respective issuance of new no-par-value bearer shares within the context of the 2022 conditional capital and to make all other related amendments to the Articles of Association that only relate to the wording. The same applies if the authorization to issue bonds with warrants or convertible bonds is not exercised after the authorization period expires or if the conditional capital is not utilized after the deadlines for exercising option or conversion rights or for fulfilling conversion or option obligations have expired.

Power of the Executive Board to issue shares

In accordance with Section 4 (2) of the Articles of Association, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the company's subscribed capital in the period until February 16, 2027 by issuing up to 8,991,344 new no-par-value shares in exchange for a cash contribution and/or a contribution in kind, once or in several installments, by up to €23,017,840.64. The shareholders shall always be granted a subscription right. The new shares can also be acquired by one or more credit institutions with the obligation of offering them to shareholders for subscription. However, the Executive Board is authorized, subject to the approval of the Supervisory Board, to exclude shareholder subscription rights once or on several occasions. Such exclusion is only possible

a) inasmuch as it is necessary to exclude subscription rights for possible fractional amounts.

b) up to an arithmetical face value totaling €11,508,920.32 if the new shares are issued for a contribution in kind.

c) for capital increases against cash contributions up to an arithmetical nominal value totaling €11,508,920.32 or, if this amount is lower, by a total of 10 % of the subscribed capital (the "maximum amount") existing when this power was exercised for the first time (in each case taking into account the possible use of other authorizations to exclude the subscription right in accordance with or in the corresponding application of Section 186 (3) sentence 4 of the German Stock Corporation Act), if the issuing price for the new shares is not significantly lower than the price of company shares in the same category on the stock exchange at the time when the issuing price is finally fixed.

d) up to an arithmetical face value totaling €11,508,920.32, inasmuch as it is necessary to grant holders or creditors of bonds issued by the company or companies dependent on or directly or indirectly majority-held by the company a subscription right for new shares to the same extent as they would be entitled after exercising the option or conversion right and/or fulfilling option or conversion obligations as a shareholder.

The total shares issued without a subscription right against a cash contribution and/or a contribution in kind in the case of capital increases due to the authorizations to exclude the subscription right pursuant to items a) to d) may not exceed 10 % of the subscribed capital, neither at the time the authorization goes into effect nor — if this value is lower — at the time it is exercised. Shares of the company (i) that are issued during the period of this authorization excluding the shareholder subscription right from other authorizations and (ii) that are or will be issued from conditional capital to service bonds should be counted towards the aforementioned 10 % limit, provided that the bonds were issued during the period of this authorization excluding the shareholder subscription rights. The upper limit reduced pursuant to the previous sentences of this paragraph will be increased again when a new authorization to exclude shareholder subscription rights passed by the Annual General Meeting following the reduction goes into effect, provided that the new authorization is sufficient, but up to 10 % of the subscribed capital.

For details, refer to the text of the authorization laid out in Section 4 (2) of the Articles of Association.

Power of the Executive Board to repurchase shares

With a resolution of the Annual General Meeting on February 16, 2023, the company was authorized until February 15, 2026 to repurchase treasury shares up to a total of 10 % of the current subscribed capital. Together with other treasury shares held by the company or attributable to it in accordance with Section 71a et seq. of the German Stock Corporation Act (AktG), the shares acquired by the company based on this authorization shall at no time exceed 10 % of the company's current subscribed capital. The acquisition of shares for the purpose of trading with treasury shares is excluded. The Executive Board is empowered to use shares in the company that are purchased on account of this power for all legally permitted purposes, and in particular for the following purposes:

a) Own shares that have been acquired can also be sold in a way other than a sale via the stock exchange or by means of an offer to all of the shareholders, if the shares are sold in return for a cash payment at a price that is not materially lower than the stock market price of the company's shares with the same terms at the time of the sale. The definitive trading price for the purpose of the arrangement previously mentioned shall be the average closing price of the company's shares with the same terms in Xetra trading (or a comparable successor system) over the last five trading days of the Frankfurt Stock Exchange before the commitment to sell the shares was entered into. The shareholders' subscription right is excluded. This authorization shall, however, only apply on the condition that the shares sold excluding the subscription right may not, in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), exceed 10 % of the subscribed capital, either at the time this becomes effective or at the time of exercise of this authorization (the "upper limit"). Shares that are issued during the term of this authorization from authorized capital pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), excluding subscription rights, are to be credited towards this upper limit. Furthermore, this upper limit shall take into account those shares that are issued or are to be issued in order to service convertible bonds and/or bonds with warrants (or profit participation rights, or participating bonds with a conversion right, option right, or conversion obligation, or the company's right to offer), which were issued during the term of this authorization due to an authorization to issue convertible bonds and/or bonds with warrants (or profit participation rights, or participating bonds with a conversion right, option right, or conversion obligation, or the company's right to offer) in commensurate application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), excluding subscription rights. An inclusion that has been carried out is canceled if authorizations to issue new shares from authorized capital in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) or to issue convertible bonds and/or bonds with warrants (or profit participation rights, or participating bonds with a conversion right, option right, or conversion obligation, or the company's right to offer) in commensurate application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) are granted again at the Annual General Meeting after exercising such authorizations that have led to inclusion.

b) Treasury shares that have been acquired can also be sold in a way other than a sale via the stock exchange or by means of an offer to all of the shareholders. This is provided that such sale is carried out in return for a contribution in kind by a third party, especially in conjunction with the acquisition of business entities, parts of business entities, or participating interests in business entities by the company itself or by a business entity dependent on it or majority-owned by it, and in conjunction with business combinations, or to fulfill conversion rights or obligations of holders and/or creditors relating to conversion or option rights issued by the company or Group entities of the company (or profit participation rights, or participating bonds with a conversion right, option right, or conversion obligation, or the company's right to offer), especially – but not exclusively – due to the authorization to issue convertible bonds and/or bonds with warrants, profit participation rights, and/or participating bonds (or combinations of these instruments) decided under item 6 of the agenda for the Annual General Meeting on February 17, 2022. The shareholders' subscription right is excluded in each case.

c) Treasury shares that have been acquired can be withdrawn entirely or in part without a further resolution at the Annual General Meeting. They can also be withdrawn in a simplified procedure without a reduction in capital by adjusting the proportionate notional share of the remaining no-par-value shares in the subscribed capital of the company. The withdrawal can be limited to a portion of the acquired shares. If the withdrawal takes place using the simplified procedure, the Executive Board is authorized to adjust the number of no-par-value shares in the Articles of Association.

The treasury shares collectively sold under the authorization mentioned previously, pursuant to items a) and b) and excluding the subscription right, may not exceed 10 % of the share capital, neither at the time the authorization becomes effective nor at the time it is exercised. The 10 % limit must include (i) new shares that are issued, excluding the subscription right, during the term of this authorization up to the sale of the treasury shares from other authorizations, without subscription rights, and (ii) those shares that are issued in order to service convertible bonds and/or bonds with warrants (or profit participation rights, or participating bonds with a conversion right, option right, or conversion obligation, or the company's right to offer), if the bonds were issued during the term of this authorization up to the sale of the treasury shares, excluding shareholder subscription rights. If and to the extent that the shareholders at the Annual General Meeting reissue the relevant authorization to exclude subscription rights after the authorization leading to inclusion in the 10 % limit previously mentioned has been exercised, the inclusion that has already been carried out is eliminated.

The complete text of the resolution dated February 16, 2023, which can be referred to for additional details, was included under agenda item 10 in the invitation to the Annual General Meeting 2023 published in the German Federal Gazette on January 5, 2023.

Power of the Executive Board to issue convertible bonds and shares from conditional capital

With the resolution passed by the shareholders at the Annual General Meeting on February 17, 2022, the Executive Board was authorized, subject to the approval of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants, profit participation rights, and/or participating bonds (or combinations of these instruments) — referred to collectively as "bonds" — until February 16, 2027, once or several times, with or without a maturity limit, in the total nominal amount of up to €500,000,000.00, and to grant conversion or option rights to the holders or creditors of such bonds for no-par-value bearer shares in the company representing a proportionate amount of the subscribed capital totaling €11,508,920.32 as further specified in the terms and conditions of the bonds.

The shareholders are fundamentally entitled to a subscription right for the bonds. The bonds can also be acquired by one or more credit institutions or one or more companies working in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act with the obligation of directly offering them to shareholders for subscription within the meaning of Section 186 (5) of the German Stock Corporation Act (AktG) (referred to as a direct subscription right). However, the Executive Board is authorized to exclude shareholder subscription rights to the bonds with Supervisory Board approval in the following cases (outlined in condensed form):

1) If bonds with conversion or option rights and/or conversion or option obligations are to be issued in return for a cash payment, the Executive Board is authorized, subject to the approval of the Supervisory Board, to issue the bonds, in commensurate application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), with the exclusion of subscription rights, provided the issue price is not significantly lower than the theoretical market value determined using accepted finance mathematical methods for bonds.

2) Moreover, the Executive Board is authorized, subject to the approval of the Supervisory Board, to exclude the shareholders' subscription rights if the bonds are issued against contributions in kind or non-cash benefits, especially in the course of company mergers or for the acquisition (even indirect) of companies, plants, business units, stakes, or other assets or claims to the acquisition of assets, including receivables against the company or its affiliates, provided the value of the asset in kind is reasonably proportionate to the value of the bonds.

3) Furthermore, the Executive Board will be authorized, subject to the approval of the Supervisory Board, to exclude the subscription right of the shareholders for bonds for fractional amounts and also to exclude the subscription right, subject to the approval of the Supervisory Board, inasmuch as it is necessary in order to be able to grant the holders or creditors of conversion and/or option rights on shares in the company, or corresponding conversion/option obligations, or shares offered by the company to compensate for dilutions, subscription rights to the extent to which they would be entitled to the subscription rights after exercising these conversion and/or option rights or fulfilling these conversion/ option obligations.

All of the bonds to be issued under the authorizations outlined above and excluding subscription rights are limited to the number of bonds with an option or conversion right or an option or conversion obligation on shares with a proportional amount of the share capital, which may not exceed a total of 10 % of the subscribed capital, neither at the time the existing authorization goes into effect nor — if this value is lower — at the time the existing authorization is exercised. Shares of the company (i) that are issued during the period of this authorization excluding the shareholder subscription right from other authorizations and (ii) that are or will be issued to service bonds with conversion or option rights and/or conversion or option obligations should be counted towards the aforementioned 10 % limit, provided that these bonds were issued during the period of this authorization excluding the subscription rights. The reduced upper limit will be increased again when a new authorization to exclude shareholder subscription rights passed by the Annual General Meeting following the reduction goes into effect, provided that the new authorization is sufficient, but up to 10 % of the subscribed capital.

The complete text of the authorization of the Executive Board to issue bonds, which can be referred to for additional details, corresponds to the resolution proposed by the Executive Board and Supervisory Board regarding agenda item 6 of the ordinary Annual General Meeting on February 17, 2022, which was published in the German Federal Gazette on December 20, 2021.

Conditional capital

The subscribed capital shall be conditionally increased by up to €11,508,920.32 through the issuing of up to 4,495,672 new bearer shares without a nominal amount (no-par-value shares), each with notional interest in the subscribed capital of €2.56 (2022 conditional capital). The conditional capital increase will only be carried out to the extent that the holders or creditors of conversion and/or option rights from convertible bonds, bonds with warrants, profit participation rights, and/or participating bonds (or combinations of these instruments) that are issued or guaranteed by the company or by dependent companies or companies directly or indirectly majority-held by the company based on the authorization resolution by the Annual General Meeting on February 17, 2022 utilize their conversion or option rights and/or fulfill conversion or option obligations from such bonds or, to the extent that the company grants company shares instead of paying the cash amount due, and to the extent that conversion or option rights and/or conversion or option obligations are not serviced by own shares, shares from authorized capital, or other payments. The new no-par-value bearer shares shall be entitled to participate in the profits from the beginning of the fiscal year in which they come into existence through the exercise of conversion or option rights, through the fulfillment of conversion or option obligations, or through their granting instead of the payment of the cash amount due, and for all subsequent fiscal years. To the extent legally permitted, the Executive Board can establish, subject to the approval of the Supervisory Board, that the new shares are entitled to participate in the profits from the beginning of the fiscal year for which there is no resolution adopted about the use of unappropriated earnings yet at the time conversion or option rights are exercised, conversion or option obligations are fulfilled, or the shares are granted instead of the cash amount due.

The complete text of the resolution dated February 17, 2022, which can be referred to for additional details, was included under agenda item 6 in the invitation to the Annual General Meeting 2022 published in the German Federal Gazette on December 20, 2021.

Significant conditional agreements concluded by the company

In the event that a single person or a group of persons acting together should acquire more than 50 % of the shares or the voting rights in Aurubis AG, every syndicate lender from the agreement with a banking syndicate (“the Syndicated Loan”) on a credit line totaling €500 million, which primarily serves to finance the working capital of the Group, shall be entitled to cancel their participation in the Syndicated Loan and to demand immediate repayment of the amounts owed to them. Within the scope of various bonded loans (Schuldscheindarlehen) totaling €168 million, every lender has an extraordinary right of cancellation if control over the borrower changes.

Company compensation agreements in the case of takeover bids

No company compensation agreements were made with the members of the Executive Board or with employees for the case of a takeover bid.