

Championing Circularity

Sustainability Report 2022



Nature is our greatest asset.

We know that our planet's
resources are not infinite –
which is why we reuse them, again and again.

We work hand-in-hand and
in harmony with nature –
thus laying the foundations for
the economy of tomorrow.

To us, sustainability is not a trend
but our responsibility –
and that responsibility is what drives us.

We do what we do and how we do it
because we know that it is right –
and that's how we produce the most
environmentally friendly copper in the world.

In the Tyrolean mountains. For the world.
For over 550 years. Forever.



Championing Circularity Sustainability Report 2022

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Dear Readers,

For Montanwerke Brixlegg, sustainable management means conducting business in our field of activity in a proactive, responsible way. The year 2021 posed a great challenge in this respect. Just as all of us were dealing with the effects and repercussions of the coronavirus pandemic, at the same time further crises were unfolding that have now become an acute concern. This means it is all the more important to make our company resilient and sustainable – through our latest corporate strategy ‚Upcycling 2026‘, which also includes aspects of sustainability, we are setting this transformation firmly on track. Step-by-step, we are striving to make our processes more efficient and further reduce our emissions.

It is no longer a question of *whether* we move towards climate neutrality as part of the ‚Green Deal‘ but *how*. Together - society, companies, and politics - we must find ways to achieve this.

At Montanwerke Brixlegg AG, we are pioneers. We supply copper for the climate-neutral society of tomorrow and make the necessary investments: in regenerative energy generation, increasing electric mobility, as well as household goods – from the indispensable smartphones to energy-efficient heating systems. With the world’s lowest carbon footprint, 100% recycled raw materials, and 100% renewable energy for our electricity requirements, we are demonstrating what is already achievable today.

Our customers already want more climate-friendly production today and do not want to wait for legal regulations. Anyone who values sustainability – and this is a no-compromise proposition, because we can only safeguard our livelihoods with sustainable economies – must build sustainability criteria into their purchasing processes. Even the public sector must make its contribution here by incorporating sustainability criteria such as recycled content into its procurement processes so that our economic growth is no longer dependent on the consumption of resources.

This Sustainability Report is an update of the 2021 report and primarily contains changes in relation to our sustainability targets as well as a new chapter on ‚Sustainable Development Goals‘ that demonstrate our contribution to specific targets. On behalf of the management board and our sustainability team I invite you to come and see for yourself.

Uwe Schmidt, CCO



1 Strategy and management



Products and quality

[GRI 102-1/2/3] Montanwerke Brixlegg AG, headquartered in the town of the same name, Brixlegg, is an Austrian company with a history steeped in tradition. Copper and silver have been produced here for more than 500 years. In Tyrol, copper and silver ore were mined until the 20th century and then refined into pure metals in Brixlegg. Beginning around 1890, due to the mines' depletion, ever-increasing quantities of copper-containing secondary materials started to replace the ores as the raw material for metal production.

The last primary copper production in Brixlegg was in 1977; today, Montanwerke Brixlegg is a 100% upcycled operation. → page 14 Montanwerke Brixlegg AG's primary activity is the processing of copper-containing secondary raw materials. The company uses metallurgic, chemical, and electrolytic processes to produce mainly high-purity copper cathodes and other forms of copper, as well as precious metals, nickel sulfate, and specialty products for various applications.

With 350 employees at its Brixlegg site, Montanwerke Brixlegg AG is one of the most important industrial firms in western Austria. → page 23 Its export share is over 80%.

[GRI 102-4] In addition, since 2002, the copper works Kovohuty, a.s. in Krompachy (Slovakia) has been part of Montanwerke Brixlegg AG. Employing 150 workers, Kovohuty a.s. is also a recycling company that produces copper anodes from secondary raw

materials. These are sent on to Brixlegg, where they are processed into cathodes.

[GRI 301-2] In 2020, Montanwerke Brixlegg processed 178,900 t of recycled raw materials and in 2021, this figure was 177,700 t. → page 33 Kovohuty, a.s. produced 59,800 t of copper anodes in 2021.

BRX – a globally renowned brand

Montanwerke Brixlegg AG is known for its excellent quality in copper production. Our products are distinguished by their strong brand recognition and wide range of applications. The 'BRX' brand is recognized worldwide.

To ensure that our quality will continue to meet the highest standards in the future, all of our procedures and products are certified in accordance with the international standard for quality management, ISO 9001. This also enables us to ensure that our services will be optimally aligned with our customers' requirements.

① Additional information on our company's profile, our values, and our vision is available online in our company brochure.

Sustainability management and organization

[GRI 102-18] At Montanwerke, sustainability is a traditional part of the business model's DNA and is therefore a general managerial responsibility. As many as 45 years ago, the Brixlegg site was already producing high-quality copper using only recycled raw materials. We have used hydropower to meet our energy requirements since 2013, and have supplemented our power supply since 2017 with the use of solar panels on our roofs. → [page 17](#)

To involve all of our stakeholders and provide them with the relevant information, we now issue a regular sustainability report, which is discussed and approved by a designated committee, the Sustainability Team.

The Sustainability Team consists of:

Uwe Schmidt
Management Board CCO and Team Spokesperson

Gabriele Punz-Praxmarer
Management Board CFO

Dietmar Leitlmeier
Management Board CTO

Christina Islitzer
Head of HR

Steffen Rieger
Head of Sales and Marketing

Harald Knapp
Head of Controlling

Anton Lederer
Head of Chemical Operations and Employee Works Council

Andreas Anzinger
Head of Occupational Health and Safety

Alexander Senn
Head of Occupational Safety

Christian Ehrenstrasser
Head of Environmental Protection

Lorenz Canaval
Head of Quality Management

Lorenz Auer
Project Management Environment and Energy

As a representative cross-section of all corporate divisions, the team thus maintains good visibility within the company and can ensure that the relevant issues find their way to all employees. The team convenes regularly for meetings.

Materiality analysis

[GRI 102-44/47] In 2021, as part of this voluntary reporting, we carried out a materiality analysis with a preceding employee survey. Of the 35 managers at management levels 1 and 2 who were invited to participate, 31 took part. The survey covered two areas: first, the significance and relevance of the respective sustainability aspects for the employees surveyed and second, the effects of the business activities of Montanwerke Brixlegg AG in relation to the respective aspects, namely the environment, society, and the economy.

We are using this materiality analysis as an opportunity to focus on issues that are highly relevant and/or have a strong impact, both in the context of this report and in our long-term sustainability strategy.

Based on this, we identified six key topics in six areas, which are reflected in the milestones and targets we have set:

SOCIETY

Protecting and creating jobs

SUPPLY CHAIN

Reliability of supply

EMPLOYEES

Occupational health and safety

MANAGEMENT AND PROCESSES

Compliance with legal requirements and regulations

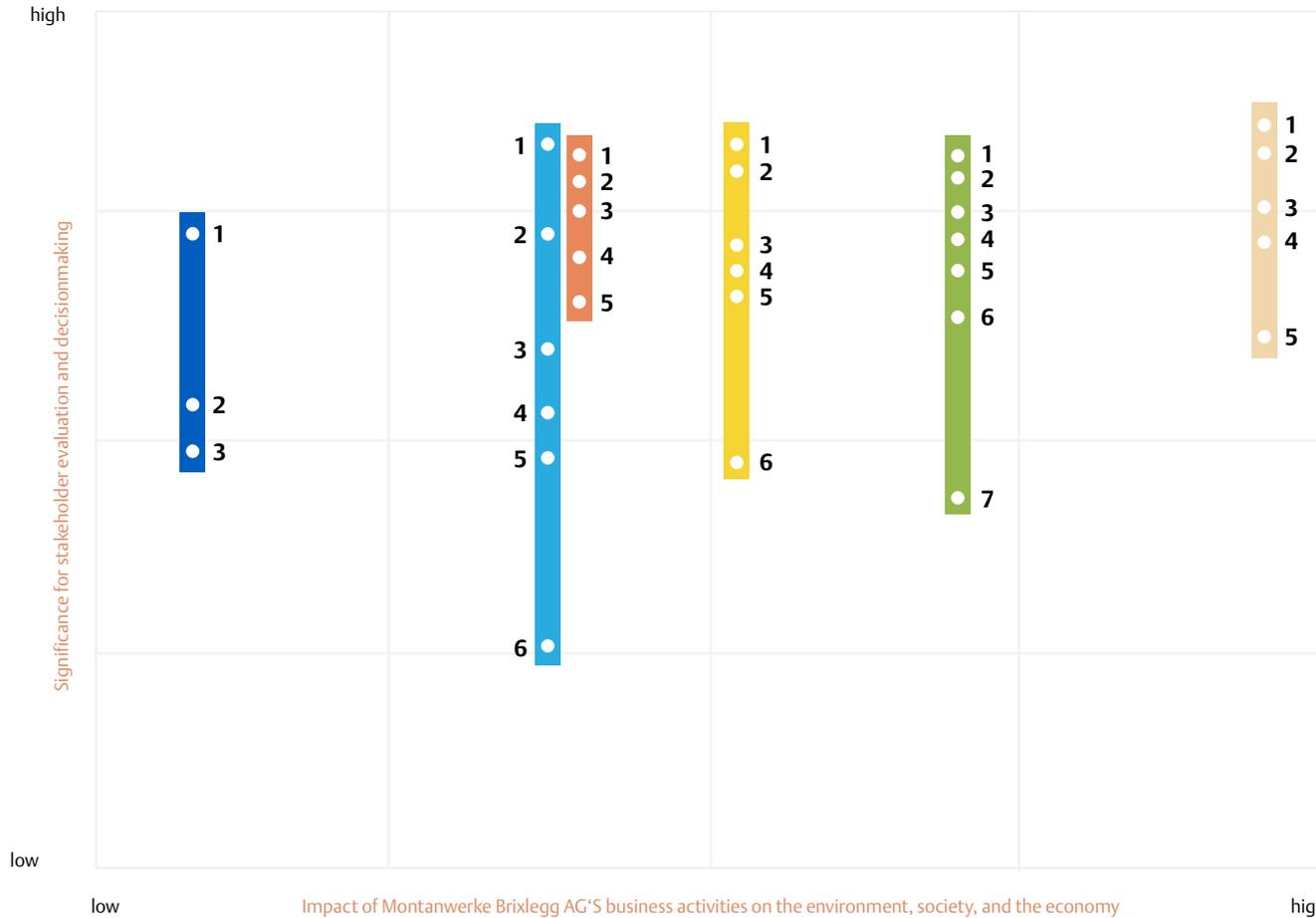
ENVIRONMENT

Environmental protection, particularly in relation to energy consumption and renewable energies

PRODUCTS AND PRODUCTION

Resource efficiency, particularly in respect of energy efficiency

We update our materiality analysis every two years; the next review will take place in 2023. This will be expanded to include additional stakeholders such as employees and customers. We naturally bear in mind any regulatory requirements for sustainability reporting and adapt our approach to materiality as needed – for example, as regards the planned reform of ‘EU-NFRD’, now ‘CSRD’.



Society

- 1 Support of regional economy
- 2 Support of regional economy
- 3 Contribution to the community

Management

- 1 Compliance with legal requirements and regulations
- 2 Data security
- 3 Inclusion and participation of stakeholders
- 4 Compliance with duty of care
- 5 Ethical business practices, Code of Conduct
- 6 Complaints mechanism

Employees

- 1 Occupational health and safety
- 2 Employee satisfaction
- 3 Fair working conditions
- 4 Training and development
- 5 Equal opportunity and diversity

Supply chain

- 1 Security of supply
- 2 Raw materials procurement
- 3 Sustainable logistics
- 4 Responsibility in the supply chain
- 5 Supplier management
- 6 Proportion of regional suppliers

Environment

- 1 Environmental protection
- 2 Energy consumption and renewable energies
- 3 Handling of materials hazardous to health and the environment
- 4 Climate-relevant emissions
- 5 Water and wastewater management
- 6 Waste management
- 7 Commitment to biodiversity and environmental protection

Product/Production

- 1 Resource efficiency
- 2 Energy efficiency
- 3 Recycling and circular economy
- 4 Sustainable innovation/research and development in production
- 5 Certifications

Sustainability targets

Montanwerke Brixlegg AG contributes actively to the achievement of European and national climate targets, including CO₂ neutrality by 2040. But that is not our only undertaking. We want to set ourselves challenging goals in all three areas – the environment, social affairs, and corporate governance.

Of the milestones targeted the last year, we were able to have the eco-balance of our copper production (‘Product Carbon Footprint’) tested and verified by TÜV SÜD in 2020. From the purchase of copper scrap to the completion of the copper cathode, the footprint of our bestselling product amounts to 739 kg CO₂e per ton. We are proud to say that this means we produce the copper with the lowest CO₂ footprint worldwide.

Environment

Our environmental targets are based on the continued development of our technology to further reduce our CO₂ footprint. To this end, all of our processes are critically reviewed, and projects with potential for improvement are planned for implementation. Our emissions are monitored in accordance with legal regulations and reduced further when necessary.

MILESTONES 2022/23

- 1 We want to strengthen our internal circular economy and reduce external recycling of process residues. Decreased shipments to external recycling services will also cut CO₂ emissions.
- 2 We also want to know the recycled content and/or CO₂ footprint of the capital and consumer goods we purchase, and improve these with our selected suppliers.
- 3 We want to use the extra roof space gained through increasing our use of electrolysis to expand our photovoltaic system. This means an extra 670 kWp will be installed by the end of 2022.

Social aspects

Our social goals focus on the internal issues of occupational safety and employee training and development, as well as active exchange with external stakeholders outside the company.

MILESTONES 2022/23

- 1 The 5-year-average accident rate is to be permanently lowered to below 20 (number of reportable accidents per 1 million working hours).
- 2 To promote health and safety in the workplace, in 2023 we want to launch an occupational health and safety management system to be ISO 45001-certified by the end of the fourth quarter.

Corporate management

Our company targets are embedded in our strategy. We want to consistently produce the most environmentally friendly copper in the world and continue to work on reducing our production footprint. Our customers should expect not only the lowest CO₂ footprint, but also the highest-quality products with well-known great service.

MILESTONES 2022/23

- 1 By 2023 at the latest we want to offer our copper cathodes on the market exclusively as ‘low-carbon copper’ and so position ourselves as a supplier and pioneer in climate-sensitive markets. This would result in opening up a new market segment and in giving-up the commodity status step-by-step.

SDGs

Montanwerke Brixlegg AG supports the achievement of the 17 Sustainable Development Goals (UN SDGs) adopted by the members of the United Nations in 2015. These targets are signposts for a more sustainable and globally equitable future and also provide companies with a framework for making a positive contribution to economic and social development.

We are committed to implementing this agenda within our business activities and accordingly work towards various SDGs within but also outside our company.

Internal

SDG 4

We regularly provide education and further training to our employees and train apprentices on an ongoing basis in order to gain skilled workers and fresh talent for the future.

SDG 7

We purchase our electricity from renewable energy sources and are constantly increasing our own production of cleaner energy.

SDG 8

We provide secure, well-paid jobs, encourage employee development, and have a code of conduct to ensure that employees treat each other fairly.

SDG 9

We invest in our site and the technologies used in production so that our infrastructure remains sustainable in the long term.

SDG 12

We work in line with the principles of resource-efficient production and responsible procurement management. We constantly work towards preventing and reducing waste, hazardous substances, and emissions of all kinds.

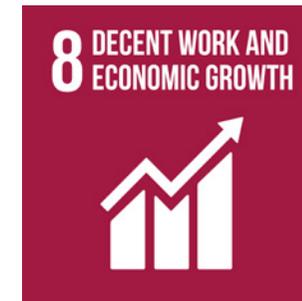
SDG 13

We contribute to climate protection by constantly optimizing our upstream and downstream processes in terms of energy and resource efficiency.

External

SDG 12

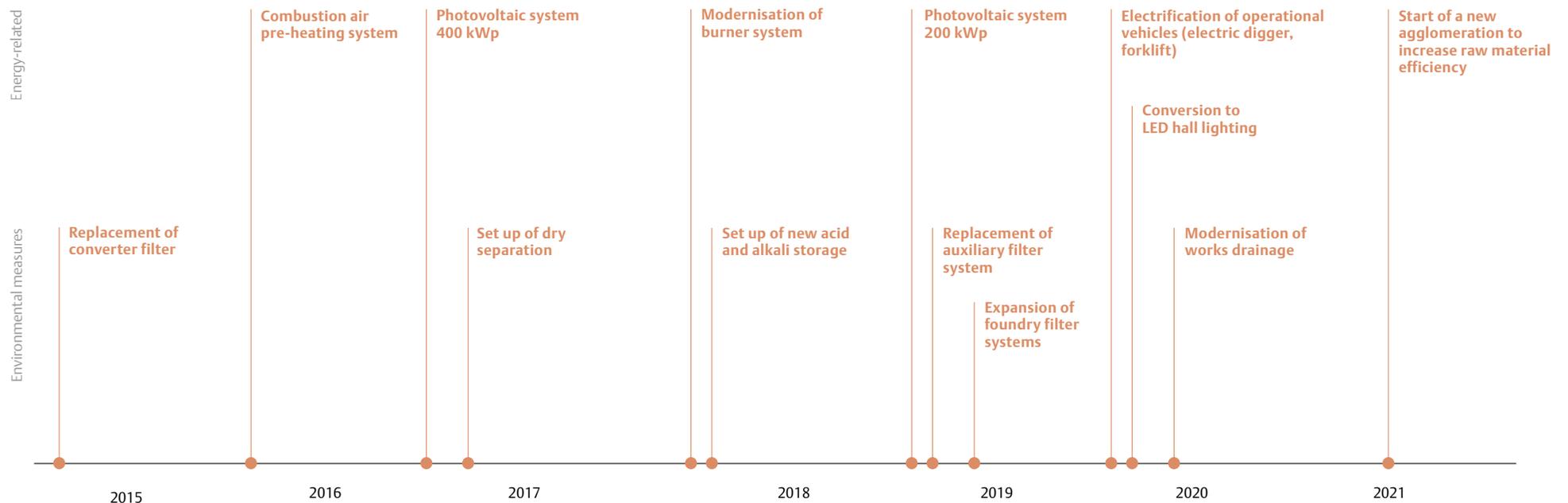
Through our upcycling process, we make a significant contribution to the circular economy and ensure that the volume of waste is reduced through recycling. We report on our sustainability activities transparently and thereby encourage other companies to do the same.



Timeline of our commitment to sustainability

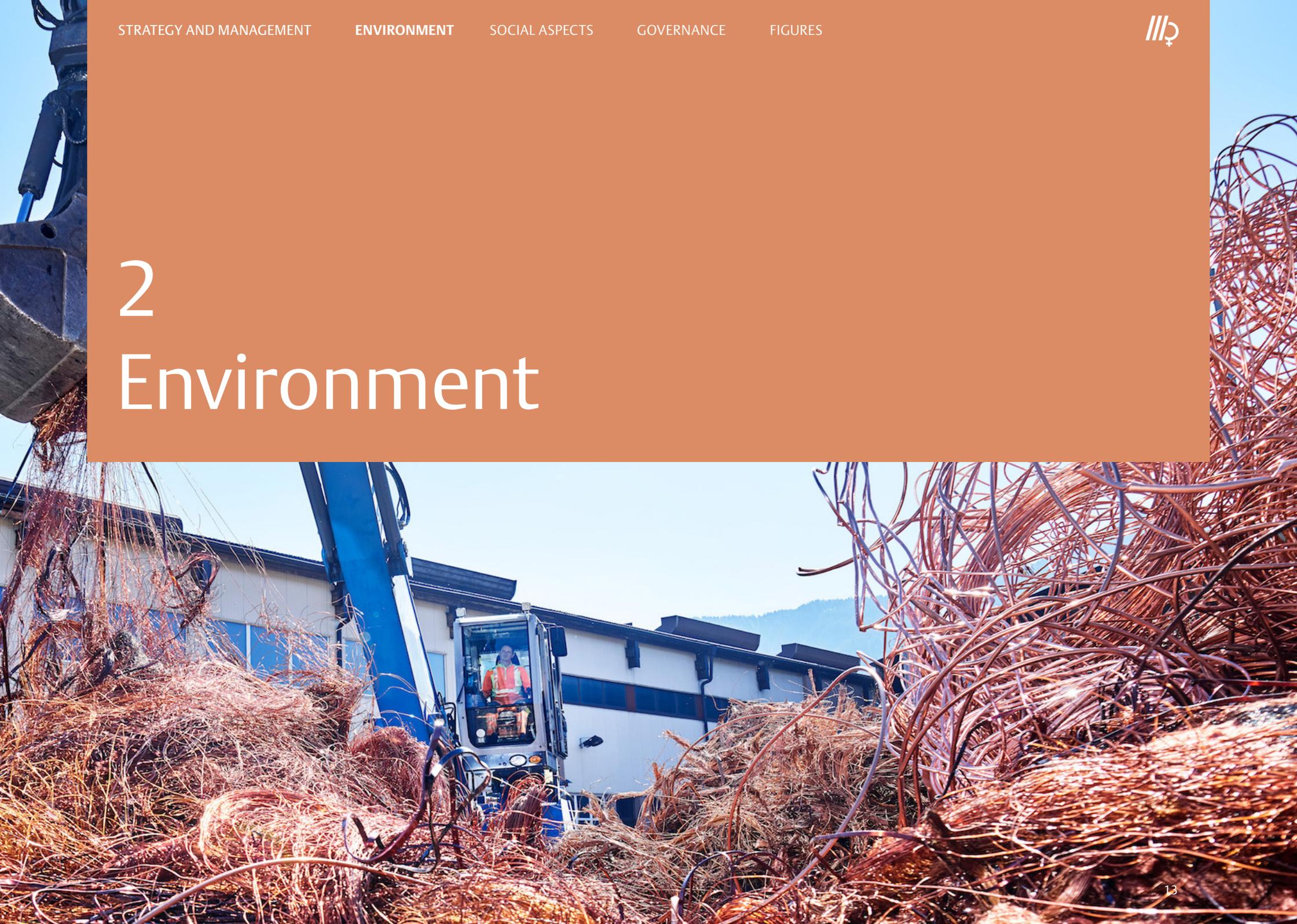
In addition to looking to the future, we also view this comprehensive, voluntary sustainability report as an opportunity to discuss our prior achievements in more detail.

The measures described below for the years 2015 to 2021 involve a total investment of €21.6 million.



Investments for energy efficiency or generation and environmental protection in the years 2015 to 2021

2 Environment



100% recycling

Championing Circularity Advocating for a circular economy

The transition to a circular economy, as outlined in the European Green Deal, is a challenge for many companies. Yet Montanwerke Brixlegg AG has already had a circular economy for over 100 years. Since 1977, 100% of our copper has been recycled from secondary materials, which is why our company is also described as a secondary copper works. Here, copper products are manufactured using scrap and other secondary materials that come from collected or processed recycled raw materials. This is in contrast to primary copper works that use primary raw materials (ores and concentrates) to produce copper. We call this 'Waste in – Product out' process 'upcycling'.

In our process, we are at both the end and the beginning of the value chain. Our upcycling closes the loop in the circular economy. Using recycled raw materials, we are able to produce high-purity copper which, after further processing in the value chain, finds its way into products such as copper pipes in water supply systems and copper wire in cables or electric engines. This means that our products also serve as the starting material in a number of forward-looking industrial sectors: copper enables the transition to e-mobility, the expansion of renewable energies, and the functioning of smart cities. At the end of the products' life cycle, they return to us as secondary raw materials, and the circular economy begins again. In this way, we

facilitate the sustainable use of resources an infinite number of times, without loss of quality.

We are confident that with our '100% Recycled Copper Content' seal, we help our customers and industrial end users (OEMs) make an important contribution to climate neutrality. Compared to primary copper, we improve our customers' Scope 3 emissions substantially.

i Copper has special qualities: it is not just highly conductive - it can also be recycled and upcycled forever. For example, if a scrapped cable is recycled after several years, the copper – once separated from the plastic cable sleeve – ends up back with us for upcycling. A circular economy, repeated over and over again.

i Our copper cathodes contain 100% recycled copper, certified by SCS Global Services on the basis of ISO 14021:1999.



Upcycling as an integral part of keeping copper in the loop

Production process

The production process consists of two main stages: pyrometallurgical refining, in which the copper is refined through smelting processes, and electrochemical refining. The plant also has its own on-site foundry, in which copper and copper alloys are produced by way of strand casting.

Metallurgical processing is divided into the following steps:

- // Reduction smelting in a shaft furnace
- // Refining (oxidation) of trace elements in the converter
- // Smelting and refining of the primary volume of copper in a flash furnace (anode furnace)
- // Production of copper cathodes through electrolysis
- // Production of copper/copper alloys in the foundry
- // Production of special products

“Special products” include abrasives and precious metals, among others.



RAW MATERIALS YARD



SHAFT FURNACE



CONVERTER



ANODE FURNACE WITH CASTING



COPPER ELECTROLYSIS



FOUNDRY

Environmental management

Commitment to active environmental protection

[GRI 102-11, 103-2] For Montanwerke Brixlegg AG, caring for the environment is a matter of course, which is why we are committed to active environmental protection. In our company policy, we advocate for the continuous, methodical improvement of corporate environmental performance and for compliance with the relevant environmental regulations.

In 2006, our company launched an environmental protection system pursuant to ISO 14001 in order to drive the continuous improvement of our corporate environmental commitment. Attaining a circular economy, using state-of-the-art environmentally friendly technologies, and increasing energy and resource efficiency all make a huge contribution to environmental protection and sustainable business management.

Our employees are involved in the issue of environmental protection on a regular basis through internal communication and company training.
→ [page 23](#) By preventing emissions and the release of pollutants, reducing and separating waste, using raw materials and auxiliary materials sparingly, and saving energy, our employees play a crucial role in our active environmental protection.

Energy management

[GRI 302-4] Because of the energy-intensive refining process, energy management and therefore efficiency are one of the most important issues in our company. In 2021, Montanwerke Brixlegg's total energy consumption amounted to 255,996,657 kWh. To evaluate this efficiency, extensive energy consumption data for the relevant equipment and energy sources (e.g. coke, natural gas and electricity) are collected and analyzed on a regular basis.

Regular energy audits are also carried out as a basis for continuous improvement. Montanwerke Brixlegg AG has implemented fundamental measures to reduce energy consumption, including:

- // Liquid charging to minimize smelting energy
- // Use of waste heat to produce steam
- // Regenerative post-combustion technology
- // Use of energy-efficient drivetrains,
- // Energy-efficient, oxygenated burner systems,
- // Process-orientated operating regulations,
- // Optimized cellular structure for electrochemical refining.

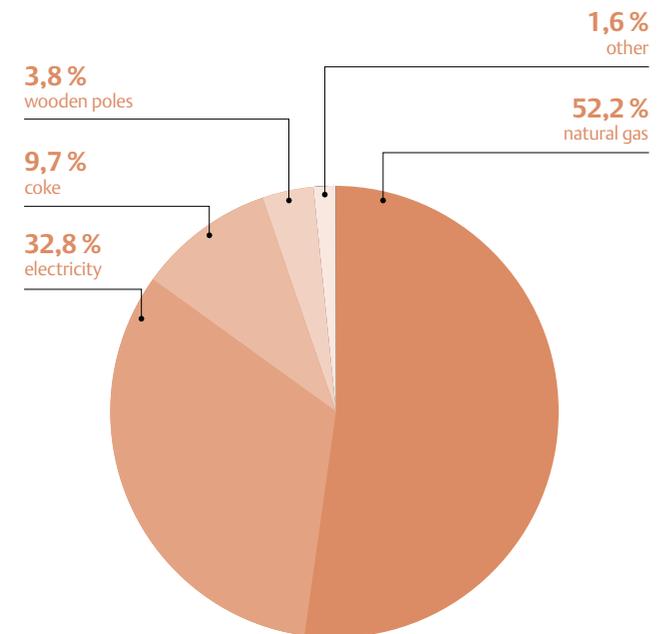
Project-based investments are also made to improve energy efficiency and increase the proportion of renewable energies. The following such measures were taken between 2016 and 2020, leading to a reduction in energy consumption of 17%:

- // Setting up a combustion air pre-heating system,
- // Modernising burner systems,
- // Setting up photovoltaic systems,
- // Switching to electric vehicles,
- // Switching to LED lighting.

All measures are geared towards achieving European and national climate targets. Montanwerke Brixlegg AG also takes part in the European Union Emissions Trading System. This means that greenhouse gas emissions (CO₂e) are recorded in accordance with an officially approved monitoring system and reported to the Austrian Emissions Trading Registry every year.

To secure a renewable energy supply using hydropower, Montanwerke Brixlegg AG operates three hydroelectric power plants, which were in fact installed very early on: the Lochham-1 power plant has been in operation since 1955, the Locham-2 power plant since 1986, and the Alpsteg power plant since 2009. The photovoltaic systems installed between 2016 and 2019 contribute even more to the sustainable generation of energy at Montanwerke Brixlegg AG. Additional photovoltaic systems were installed in 2022. In total, 17-18 GWh are thus produced annually using hydropower, together with a further 650 MWh from the photovoltaic systems. → page 33

100% of the sustainable energy produced by these hydropower generators is used by the plant, covering around 20% of the company's operating electricity requirements. The residual requirement is covered using external electricity purchased from local hydropower plants.



Waste management

[GRI 103-1/2] As an upcycling company, waste management is part of our daily routine. On one hand, it entails a responsible approach to the handling of scrap and other secondary raw materials for the production of recycled copper and other products; on the other, it involves managing the residue and waste generated in doing so. Montanwerke Brixlegg AG has been a certified waste management specialist (“Entsorgungsfachbetrieb”, EFB) since 2006, and can guarantee that its waste is managed properly and in compliance with the law.

In terms of the Austrian waste hierarchy, preventing waste is our top priority when it comes to waste management and is translated into reality through a sophisticated circular economy. Most production residue is reused internally in materials recycling and as a substitute for primary raw materials, and is thus not even considered waste. This significantly reduces the company’s volume of waste and directly saves resources. Residual materials that cannot be used internally are sent as waste for external material recycling, e.g. metal recycling. Waste that cannot be recycled for materials is used in other ways, e.g. for energy.

This concept forms the basis of operational waste management, and full records regarding origin and disposal of waste are kept in terms of a waste balance sheet. Waste material is only transferred to authorized waste collectors and processors.

Emissions

[GRI 103-1/2] As part of our environmental management system, we evaluate environmental aspects and continuously measure the environmental performance of all our processes. An extensive emissions monitoring system, which builds on officially approved measuring and monitoring concepts, has been set up for this purpose. Process-related emissions are quantified through self-monitoring and third-party monitoring and are then assessed by accredited organizations. This involves determining pollutants released into the air and water, as well as monitoring soil and groundwater quality.

To minimize emissions, we use state-of-the-art equipment such as

- // Cyclone separators
- // Fibrous filters
- // Scrubbers for absorption
- // Dry separators for absorption
- // Regenerative, thermal, and catalytic post-combustion technology
- // Sedimentation equipment
- // Precipitation reactors

In addition, we take structural, technical, and organizational measures to prevent noise emissions.

Through the organization of production processes at certain times of the day and night, the structural shielding of noise sources, and the use of low-noise machinery and equipment, these emissions are reduced in order to prevent unacceptable nuisance to the residents in nearby residential areas.

In cooperation with the residents and in accordance with municipal policy, a new noise protection wall was built in April 2021. This achieved a significant reduction in noise emissions with a decrease of up to 9.5 dB, depending on the location of the receiver. In the interest of maintaining a natural landscape, climbing plants and trees were planted along the noise protection wall.

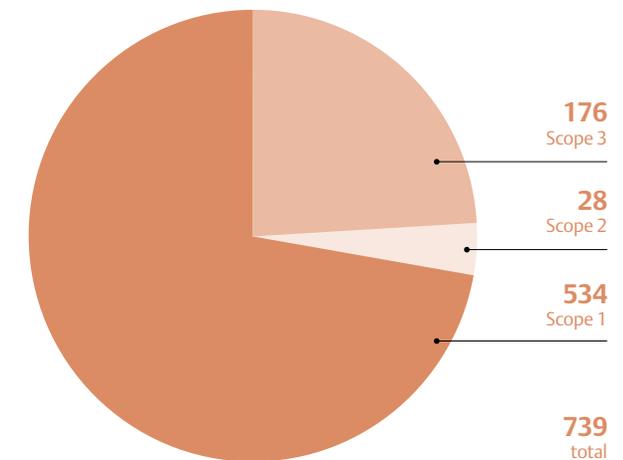
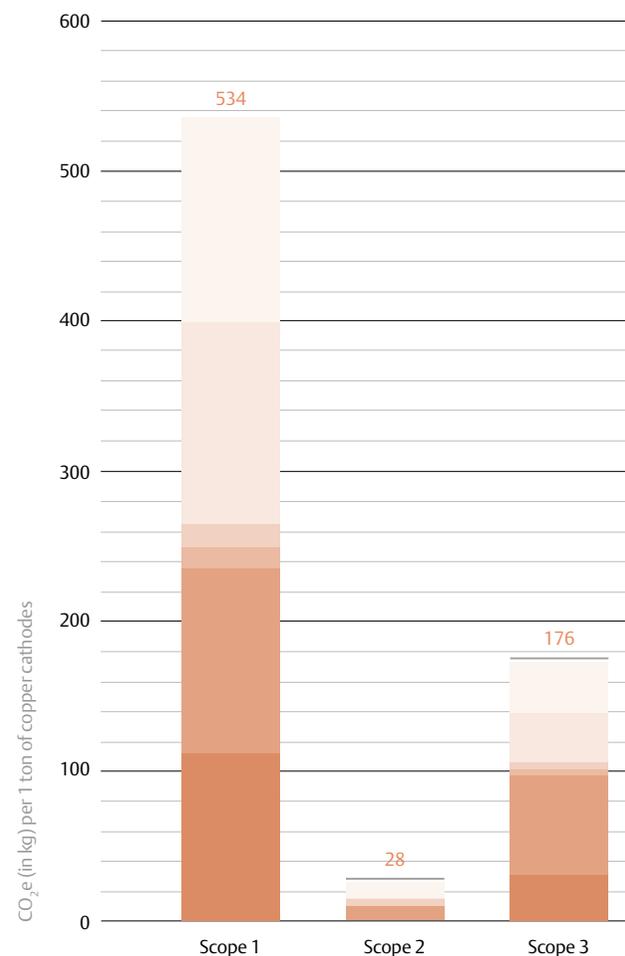
Product carbon footprint

Copper produced by Montanwerke Brixlegg AG through upcycling is made using 100% recycled materials and with significantly less CO₂ compared to primary copper works. Thanks to our copper production recycling process, our company is already making a large contribution to climate protection and to European and national climate targets.

Through our work with selected energy suppliers and the resulting purchase of more environmentally friendly and sustainable energy, we also remain mindful of optimizing our indirect climate impact. In addition, we keep our CO₂ footprint as low as possible when transporting our products, which we accomplish by shifting transport from road to rail and the factory connection track.

Demand for environmentally friendly products with a known carbon footprint is constantly increasing. By applying international environmental accounting standards, we can guarantee transparent communication of our products' environmental footprint.

Our environmental accounting, in accordance with ISO 14040/14044, results in a verified product carbon footprint pursuant to ISO 14067 of 0.723 tons of CO₂ per ton of copper cathode produced (scope 1 + 2 + 3). This value has now been verified by TÜV SÜD, confirming that we produce the copper with the lowest CO₂ footprint in the industry. Compared to other suppliers on the copper market, we therefore offer the greatest climate benefit for our customers.



Transport

Thanks to our collaboration with Rail Cargo Austria AG, we are able to carry out some of our logistics by rail. Due to inadequate connections to the railway network on the part of our customers, however, HGVs are still necessary. Nonetheless, we use railways and containers for transport as much as possible, only switching to transport by HGV for the last part of the journey to the customer. It is important for us that a comprehensive assessment approach is carried in advance, particularly for logistical tasks. Also as result, truck transport can be more environmentally friendly than transport by rail.

3 Social aspects



Employee needs

[GRI 103-1/2, 401-1] Montanwerke Brixlegg AG has 350 employees at its site in Austria. We are conscious of this responsibility. Our personnel strategy is based on forward-thinking, respectful cooperation on equal terms. This begins with intensive on-boarding and continues with the fostering of growth through training opportunities and the facilitation of family-friendly solutions. In 2021, we employed a total of 49 new employees with a turnover rate of 6.3 percent.

Collective agreement for performance-based remuneration

[GRI 102-41] All of our employees are remunerated in accordance with the collective agreement of the iron and metal producing and processing industry. This collective agreement ensures transparent, fair wages, taking into account length of service and number of years worked, and depending on the classification of individual professions and activities in the relevant occupation group.

Apprenticeship program

At Montanwerke Brixlegg AG, training apprentices is a matter close to our hearts. Since 2019 we have been recognized as an 'outstanding Tyrolean training company' by the Economic Chamber of Tyrol in acknowledgement of our special framework for training apprentices that exceeds our obligations. Key assessment criteria include offers of extra instruction and learning tools in the interest

of personal development and training, as well as implementation of motivational measures to reward excellent performance.

We took on a total of 9 apprentices in 2021. We train them in 5 different skilled occupations: office administrator, mechatronics technician, chemical laboratory technician, electrical engineering technician, and metal technician. It is important for us to be able to offer all of our apprentices permanent employment once they have successfully completed their apprenticeships. We remain true to this principle; in 2021, we were able to take on two apprentices after they had successfully passed their final apprenticeship examinations.

Professional training and qualifications

We are committed to helping our employees develop and reach their full potential. Every employee has the opportunity to take part in education, training, and development programs, which Montanwerke Brixlegg AG encourages by covering fees and granting paid leave. The prerequisite is that employees be able to apply the competencies gained in a professional and value-adding manner.

The development of our skilled professionals is also a key part of this commitment. For example, we help qualified skilled workers deepen their knowledge through specialist training, and we give



employees who would like in-depth training in the field of metallurgy the opportunity to attend courses at the specialist trade college in Leoben.

[GRI 404-1] In 2021, 376 employees invested 533 days in continued training, which is an average of 1.42 days per employee. This means that the volume per employee has more than doubled. The reason for this is the high demand for master classes which we facilitated for five employees in 2021.

Company suggestion scheme

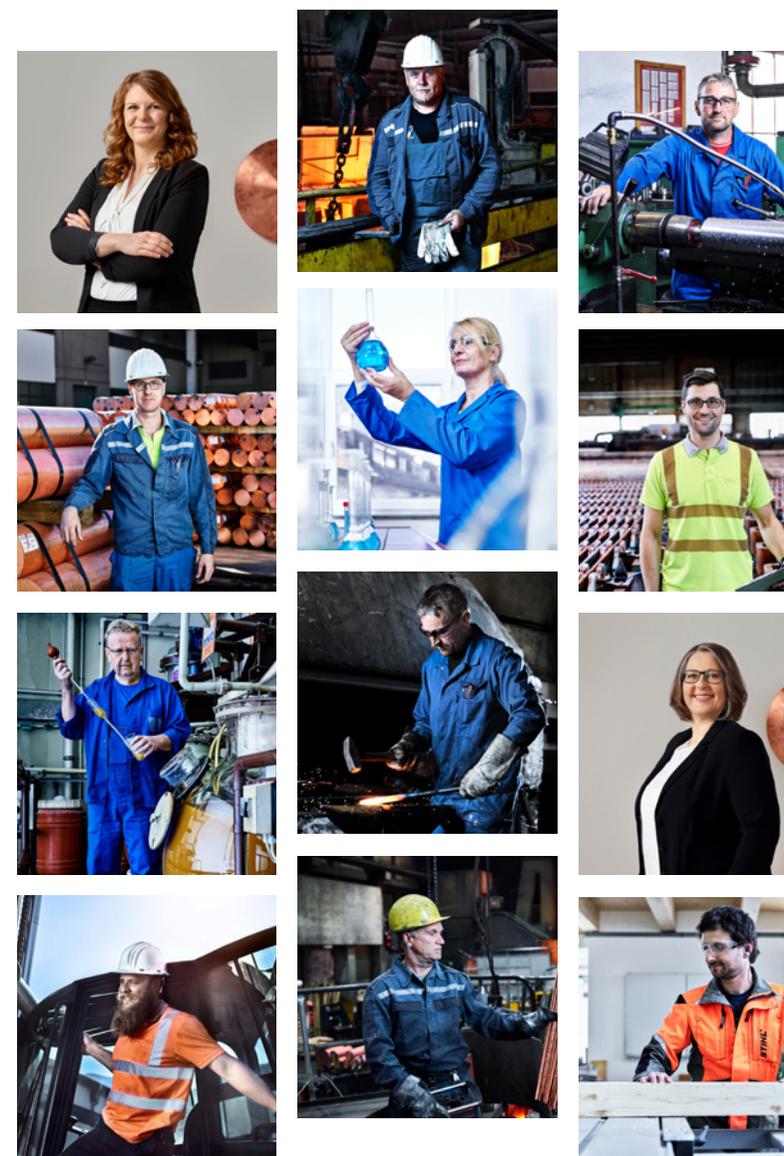
We have used a company suggestion scheme for improvements within our company for more than 20 years. Employees can submit suggestions for new processes and solutions. If the suggestion is accepted, those who submitted it are rewarded.

Staff canteen

One new measure we took to support our employees' wellbeing was the opening of our staff canteen in November 2021. This initiative arose from the challenge during the coronavirus pandemic when restaurants were closed and were no longer an option for lunch. Meals in the staff canteen are nutritious and are subsidized, which means that we can offer an affordable alternative for lunch. The canteen also takes into account our shift workers' needs by opening at convenient times.

Human rights

Social responsibility is of great importance to Montanwerke Brixlegg AG. We are not only committed to the employees at our main site in Brixlegg; we also strive for good working conditions throughout our supply chain. Our Code of Conduct for suppliers of Montanwerke Brixlegg AG defines clear rules with regard to human rights. The code contains a ban on child labor and any form of forced labor, and lays out a discrimination-free way of working with employees that respects the personal values, privacy, and rights of each and every individual. It also requires suppliers to act in the interests of employee health and safety, environmental protection, and anti-corruption at all times.



Occupational health and safety

[GRI 103-1/2] The health and safety of employees in the workplace is of the utmost importance to Montanwerke Brixlegg. Our approach is aimed at preventing accidents, dangerous incidents, and occupational illnesses, reducing risks, and continuously investing in employee training and safety technology.

Montanwerke Brixlegg AG is also classified as an upper-tier establishment in accordance with the Seveso III Directive. The risk of industrial accidents is reduced to a minimum through the safety management system, comprehensive safety assessments and emergency response plans, vigorous communication with blue-light organizations, and regular drills.

Organization of occupational health and safety

Responsibility for the organization of occupational health and safety is assigned to a specialist team that reports directly to the Management Board. This team ensures compliance with the applicable laws and our internal regulations, as well as implementation of strategic and operational measures. Its other duties include the recording, assessing, and documenting of hazards and risks. A safety representative is also appointed for every department to act as the first point of contact for employees.

Target: Minimize safety risks

[GRI 403-4] We are committed to protecting our employees against accidents. A close, trusting relationship with employees is crucial for the ongoing development of effective improvement and planning measures. Here, we co-operate closely with the Works Council, which is involved in all safety-related processes and decisions. The company suggestion scheme, through which employees can contribute ideas and suggestions at any time, also enables us to implement additional safety-related measures and therefore improve occupational health and safety. These measures are accompanied by regular internal safety audits in every department and investments in new, safe technologies.

In addition, on on-site visit by an occupational physician is guaranteed at least once a week to perform occupational health examinations, carry out measures to prevent work-related disorders, and identify health risks. Various institutes perform regular measurements and evaluations of factors such as dust pollution and heat exposure. Specialist external companies are enlisted for advice and technical safety inspections. Also, the occupational health and safety committee meets on a regular basis.

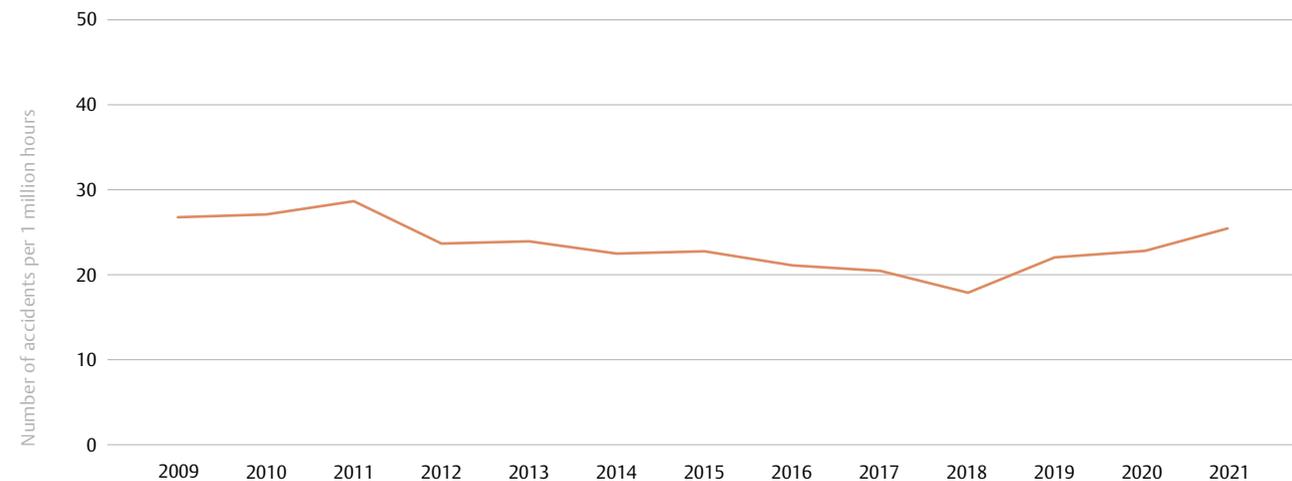
Prevention: Reporting and investigating incidents

[GRI 403-2] Our approach to occupational health and safety is guided by the principle of ‘avoiding accidents, injuries, and disease, and actively working on prevention’. If an accident or a near-accident (also referred to as a ‘dangerous incident’) occurs during working hours or on an employee’s commute, this is strictly documented and used as the basis for developing further preventative measures. The Occupational Health and Safety department, together with the Works Council, investigates all accidents and near-accidents to identify technical, procedural, and behavioral causes. The results of such investigations are included in the evaluation and development of further safety measures.

The number of hours lost and absences due to accidents decreased significantly in 2021 compared to 2020. As a percentage, moderately serious and serious accidents made up 21% of all accidents compared to 47% in the same period in 2020. Accident frequency and the accident rate increased slightly, however, particularly in relation to employees who had worked at the company for less than one year (38%). As part of the target of permanently reducing accident frequency to below 20 (number of reportable accidents per 1 million working hours), employees were given specific training.

Occupational medicine and psychology

All divisions of the company were re-evaluated in 2020. The results were presented in both the steering group and the smaller groups (department managers). Compared to previous evaluations, there was positive development as a result of the implementation of various measures. This concerns the investments in new break rooms and recreational areas with better lighting and better noise insulation. In this way, we were able to improve our employees’ general well-being.



TRIR Accident frequency (accidents per 1 million hours) in 5-year moving average

Other projects

Communication with residents

Montanwerke Brixlegg AG's business premises are nestled among local residential areas, resulting in interaction between us and the valued residents. Since it is impossible for a metal processing plant to have zero effect on its immediate environment, we maintain active, respectful communication and a transparent exchange of information with our neighbors. After all, their acceptance is essential for our continued existence.

The residents' concerns are important to us which is why these are recorded centrally and then communicated to all management levels up to the highest level and handled without exception. Such concerns can be expressed at any time via various channels and are used as a basis for the implementation of improvement measures.

The cornerstones of our resident management are:

- // Complete, centralized recording of concerns around the clock
- // Initiation of emergency measures and sustainable improvement measures
- // Internal communication at management level
- // Regular awareness-raising among staff
- // Cause analysis and impact minimization
- // Active external communication and a respectful approach

The constructive, objective participation of residents is an important part of a well-functioning local community. We value this communication highly and continue to work on friendly relations together.

Local engagement

Montanwerke Brixlegg AG supports various local activities and initiatives. By sponsoring local sports associations, holding factory tours for classes of schoolchildren, assisting with the organization of excursions for the University of Leoben, and supervising degree theses and dissertations, we maintain dialogue in particular with the young people of the region.

4 Governance



Responsible corporate governance

Montanwerke Brixlegg AG is proud of its more than 550-year history and conscious of the responsibility that this tradition means for the future. For us, responsible corporate governance means - in keeping with the spirit of „Tradition and Future“ - that we always align our actions to our fundamental company values and in doing so follow the principles of good corporate governance. This includes the fulfillment of legal obligations, inclusion of stakeholder interests in corporate decisions, and compliance with ethical requirements.

We have become aware that thanks to our record-low carbon footprint worldwide and 100% proven recycled raw materials we hold a special position on the market. We thus make an important contribution to our customers' efforts to become climate-neutral in accordance with the ‚Green Deal‘. In terms of the calculation of the CO₂ footprint of the copper-processing industry, we are improving the Scope 3 significantly. We therefore strive to be the first company in the copper production industry to offer our customers a ‚low-carbon premium‘. This premium shows customers who value environmentally friendly raw materials that they contain a corresponding added value.

Responsibility within the supply chain

For Montanwerke Brixlegg AG, long-term cooperative business relationships with our partners and suppliers are very important. Together, we can achieve more and operate more sustainably. Procurement at Montanwerke Brixlegg AG consists of two pillars – raw materials procurement and general procurement – which largely operate independently of each other. They share a tendering procedure for contracts and a Code of Conduct which lays down the values for all our business relationships with our suppliers. Of particular importance to us in this context is the protection of basic and human rights, as well as the ensured health and safety of our employees.

We have been working with our raw materials suppliers for many years. We enjoy longstanding relationships with our raw materials suppliers, maintained through regular supplier evaluations and contractual arrangements that ensure compliance with the supplier code of conduct and the standards pursuant to the applicable EU regulations on the environment and social affairs.

Together with our raw materials suppliers, we are aware of our special responsibility. Under EU legislation, recycled raw materials like the copper scrap that is so important to us are classed as waste. This waste status helps us to provide proof of the recycled proportion of 100% via legally required delivery documents.

We are rooted in the region and are shaping a global future.

Efficient, sustainable business is a matter of course for us.

In our system of values, our employees and our social responsibility are our greatest assets.

We encourage and challenge our employees in an active market environment.

We are the international supplier of flexible copper solutions. Our focus is on customer benefit.

In our market sectors, we excel through outstanding production and quality standards.

Compliance

[GRI 102-16] Moral corporate management is an important issue for Montanwerken Brixlegg. We believe that it is the cornerstone of successful, fair business. We place particular emphasis on integrity in our code of conduct.

We do not only conduct business at a national and international level in compliance with the law; we also adhere to the values of quality, efficiency, and flexibility. This is supported by defined principles for fair conduct in the workplace, which guide our interactions with employees, customers, suppliers, and competitors.

We have a zero-tolerance policy on corruption, and we prevent it through clear rules on the exchange of benefits. Generally, the only gifts employees of Montanwerke Brixlegg AG are allowed to give or accept are those of low value: pens and other promotional trinkets, or goods such as coffee and cake.

We remain mindful of transparent financial transactions and legally compliant procurement in the same way that we adhere to compliance regulations in accounting, and conduct tendering procedures transparently and lawfully. We also advocate responsible lobbying, which means representing all interests with particular care, integrity, reliability, and trust.

Binding principles for employees

Good corporate governance begins with us and our day-to-day decisions in the workplace. Together with the applicable laws, our code of conduct for employees forms the basis for what we consider to be responsible business management.

This code of conduct rests on five principles:

- // Appropriate behavior in the workplace
- // Diligence when accepting and giving benefits
- // Transparent financial transactions
- // Legally compliant procurement
- // Lobbying with responsibility

The code of conduct gives our employees clear guidance for their day-to-day work.

 Our code of conduct for employees can be downloaded in full from our website.

Data protection

Today, digitization, IT, and Industry 4.0 are the key components of successful business strategy. But in addition to providing new opportunities, information technologies pose risks to security and the protection of trade and business secrets, as well as to customer and employee data.

This is why we place particular emphasis on the topics of data protection and data security when training new employees. We all contribute to the responsible use of the IT infrastructure, which is why we urge employees to respect our rules on data security as well as our instructions for using computers and mobile devices and downloading software and apps.

5 Figures



2014

2018

2019

2020

2021

2020 > 2021

Economy

Consolidated sales (in EUR m)	518.7	705.9	794.7	829.7	1,193.0	+363.3
Cathode products (t)	83,189	107,210	128,207	132,019	133,481	+1,462
Use of raw materials (bulk t)	119,810	143,943	149,379	147,215	159,211	+11,996

Environment

Total energy consumption (kWh)		242,615,992	239,895,036	252,562,953	255,996,657	+3,433,704
of which electricity (kWh)		75,261,967	75,669,913	81,540,138	83,863,161	+2,323,023
of which natural gas (kWh)		131,059,707	126,724,235	129,985,991	133,527,080	+3,541,089
of which coke (kWh)		25,540,113	26,899,902	27,415,570	24,787,800	-2,627,770
of which wooden poles (kWh)		6,262,889	6,012,511	9,250,056	9,828,947	+578,891
of which other (kWh)		4,491,317	4,588,475	4,371,198	3,989,669	-381,529
CO ₂ emissions fossil (t)	39,689	36,228	36,151	36,870	36,335	-535
CO ₂ emissions biogenic (t)	5,380	4,518	4,101	4,753	5,180	+427
Total waste volume (kg)*	8,348,987	9,368,034	6,423,154	6,067,097	6,376,041	+308,944
of which hazardous (kg)*	4,149,411	3,351,612	4,539,309	4,289,126	2,836,956	-1,452,170
of which not hazardous (kg)*	4,199,576	6,016,422	1,883,845	1,777,971	3,539,085	+1,761,114
Total waste volume for recycling (kg)*		8,911,687	6,217,314	5,428,282	5,814,971	+386,689
of which hazardous (kg)*		3,021,375	4,333,469	3,652,423	2,290,131	-1,362,292
of which not hazardous (kg)*		5,890,312	1,883,845	1,775,859	3,524,840	+1,748,981
Recycling rate (%)*		95.1 %	96.8 %	89.5 %	91.20%	+1.7%

*without excavated material

2014

2018

2019

2020

2021

2020 > 2021

Social

Number of employees	290	310	330	350	+20
Women	37	40	47	46	-1
Men	253	270	283	304	+21
Number of temporary workers	37	34	33	29	-4
Number of apprentices	8	6	9	9	-
Women	1	1	2	2	-
Men	7	5	7	7	-
Persons on the Management Board	3	3	3	3	-
Women	1	1	1	1	-
Men	2	2	2	2	-
New hires	45	49	48	49	+1
Women	7	12	10	3	-7
Men	30	37	38	46	+8
Persons leaving	25	27	19	22	+3
Women	3	5	2	4	+2
Men	35	22	17	18	+1
Staff turnover rate	3.50 %	3.40 %	3.10 %	6.29 %	+3.19%
Accident rate (accidents per 100 employees)	3.85	9.12	4.13*	6.33	+2.20
Accident frequency (accidents per 1 million h)	22.5	48.3	26.3*	40.4	+14.1
Time lost due to accidents (time as % of working hours)	0.35 %	0.68 %	0.73%*	0.45 %	-0.28%
Time lost (per year and employee)	6	12.9	11.4*	7.0	-4.4

* Corrected figures from 2020 (previously only blue-collar workers were recorded, now blue-collar + white-collar workers).

About this report

[GRI 102-50/51/52] The report discusses the 2021 fiscal year, i.e. from 1 January 2021 to 31 December 2021, but also other relevant incidents prior to this period. Work on this report began in June 2022 and was completed in November 2022. Reporting is done on an annual basis. The next sustainability report will be published for the 2022 financial year.

[GRI 102-53] If you have any questions or feedback about this report, please contact
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Disclaimer

This sustainability report includes certain statements regarding the future that are based on current assessments of future developments and available assumptions and forecasts. Such statements are always subject to a degree of risk and uncertainty, which means that assumptions may turn out to be inaccurate and actual developments may differ from those described in this report.

Montanwerke Brixlegg AG is under no obligation to amend these statements regarding the future to reflect future events or developments, and does not intend to do so.

Note on the application of selected GRI Standards

This document refers to disclosures 102-1/2/3/4/11/14/16/18/41/44/47/50/51/52/53/55 from GRI 102: General Disclosures 2016, 301-2 from GRI 301: Materials 2016, 302-4 from GRI 302: Energy 2016, 401-1 from GRI 401: Employment 2016, 403-2/4 from GRI 403: Occupational Health and Safety 2018, 404-1 from GRI 404: Training and Education 2016 and disclosures 103-1/2 from GRI 103: Management Approach 2016.

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