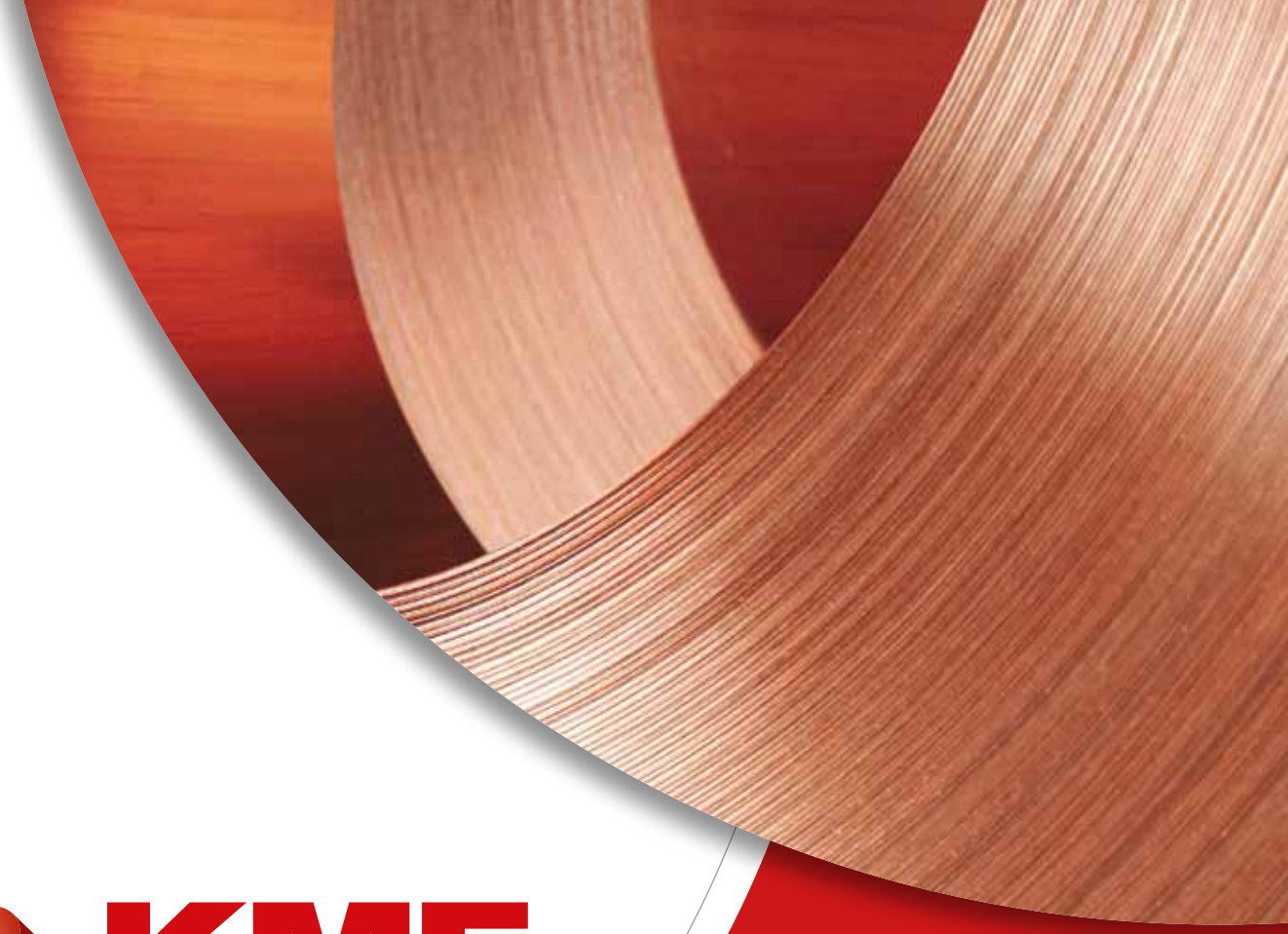


KME

SUSTAINABILITY **REPORT**

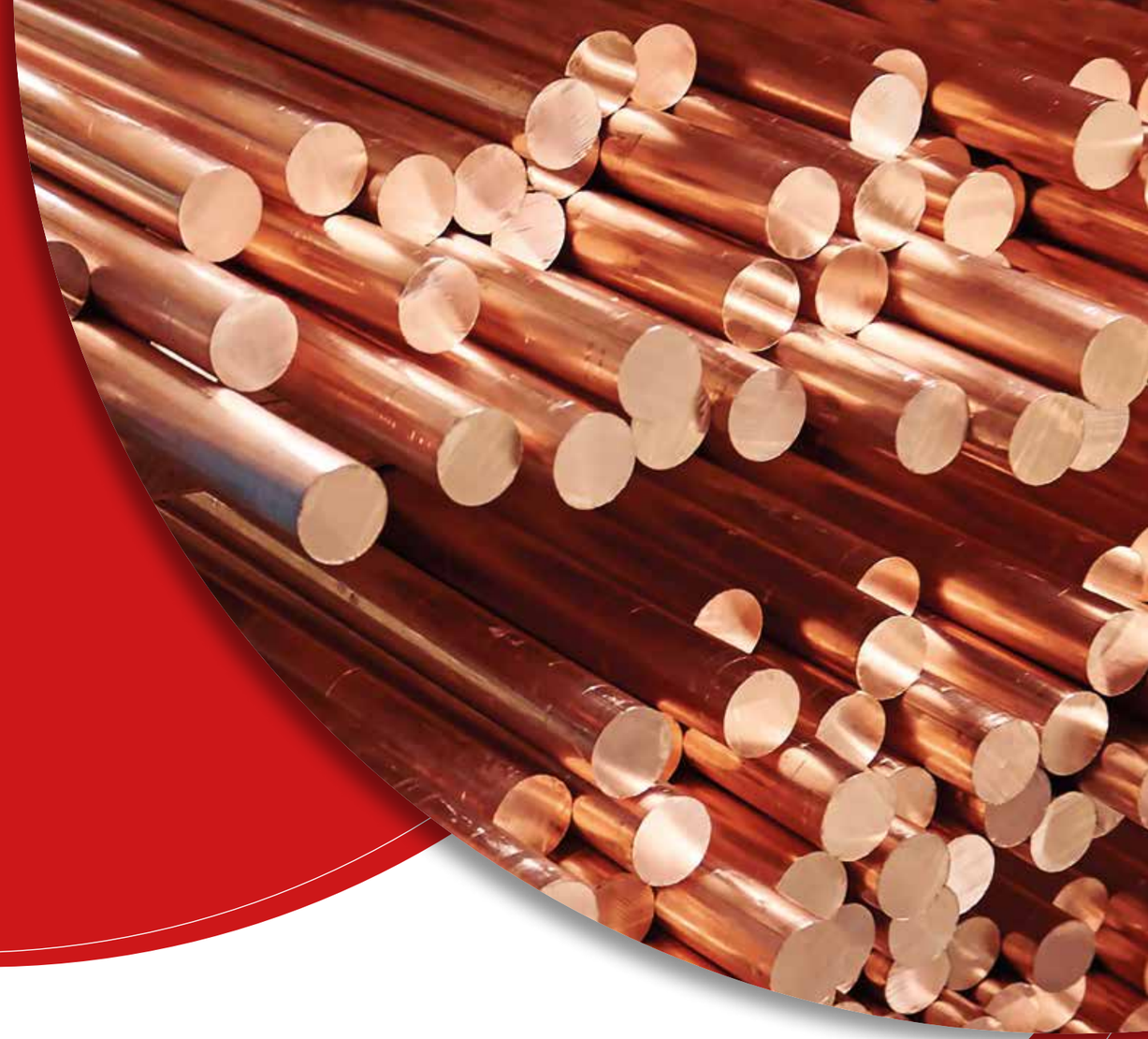
KME MANSFELD
KM COPPER BARS
KME Service Centre Slovakia

Year 2024

KME MANSFELD
KM COPPER BARS
KME SERVICE CENTRE SLOVAKIA

Year 2024

INDICE



KME

AMONG THE WORLD'S LARGEST PRODUCERS OF COPPER AND COPPER ALLOY PRODUCTS

AN INTEGRATED SYSTEM OF THE COPPER INDUSTRY IN EUROPE

LEADER IN ECOLOGICAL TRANSITION FOR SUSTAINABLE DEVELOPMENT

1 THE **REPORT**

The KME Group considers sustainability reporting to be an act of transparency and correct communication towards stakeholders, and at the same time an essential tool to support corporate strategies in the scenario of ecological transition and sustainable development. For this reason, the sustainability reporting submitted by the KME Group as a compulsory fulfilment of the EU Directive 2022/2464 is also flanked by sustainability reports that the individual industrial companies belonging to the KME Group, although exempt from the obligations deriving from that Directive and from national regulations, submit on a voluntary basis.
This sustainability report (hereinafter also referred to as 'sustainability statement') contains information about the companies KME Mansfeld, KM Copper Bars (hereinafter also referred to as 'KMCB') and KME Service Centre Slovakia (hereinafter also referred to as 'Service Centre'). The purpose of the report is to provide a fair and transparent view of the significant environmental, social and governance impacts, risks and opportunities for the financial year 2024.

The companies included in this report are fully consolidated by KME Group SpA, to whose Sustainability Report we refer you https://www.itkgroup.it/assets/files/tb/file/bilanci/2024/fascicolo_completo_bilancio_2024_kme_esef.pdf for further information with respect to what contained in this report.

1.1 KME Group

KME Mansfeld, KMCB and KME SC Slovakia are part of the KME Group. KME Group SpA is a holding company, based in Milan, which holds and manages industrial participations. The main shareholding controlled by the KME Group is KME SE, based in Germany and the parent company of the KME Group, a leading European industrial group in the production and marketing of copper and copper alloy products. The industrial grouping has ten production sites and seven service centres located in Europe, along with a network of trading companies present in Europe and other major industrialised areas of the world.

GLOBAL FOOTPRINT

10 production sites in Europe supported by service centres and a global sales network

ECONOMIC VALUE

over **1.5 billion turnover**

WORK

3,239 employees

SOCIAL RESPONSIBILITY

relations with affected communities and projects of social, environmental and cultural value through the Dynamo System

SHARED ETHICS

respect for human rights, fair competition, sustainability of supplies, environmental protection, health and safety at work

1.2 Sustainability reporting criteria

The report was prepared with reference to a selection of the European Sustainability Reporting Standards (ESRS) related to EU Directive 2022/2464, used here in a simplified version as this is a voluntary reporting activity. The information is reported taking into account both the interoperability between the ESRS and GRI standards used in the previous KME Mansfeld and KMCB reports, and the process currently underway to review and simplify the requirements of the CSRD Directive following the "Omnibus package" proposal presented by the European Commission on 26 February 2025.

Wherever possible, the figures for the financial year 2024 are compared with those of the previous year. In order to ensure the reliability of the reported information, the use of estimates has been limited as far as possible. Any estimates are based on the best information available, either internally or publicly.
In order to allow for an even more accurate assessment of environmental performance and a more complete monitoring of progress towards the set targets, intensity indicators (such as energy intensity and emissions intensity) are also calculated in relation to production, in addition to the ratio of net revenue as required by ESRS. This allows for a more accurate assessment of environmental performance, as it is not subject to the variability of economic and financial factors.
For this reason, much qualitative information that is also common to KMCB and KME SC Slovakia as it derives from policies concerning the entire KME Group is only included in Chapter 2 concerning KME Mansfeld, thus avoiding unnecessary repetition.

The activities and performance are also reported with reference to the sustainability goals of the UN 2030 Agenda.

SUSTAINABLE DEVELOPMENT GOALS

of the United Nations for sustainable development

In the Global Agenda for Sustainable Development, the United Nations sets out 17 goals (Sustainable Development Goals - SDGs) to be achieved by 2030. KME's sustainability activities and strategies have significant relevance especially with regard to the following goals:

Goal 3
Health and Well-being: ensuring health and well-being for all and all ages.

Goal 6
Clean Water and Sanitation: Ensure the availability and sustainable management of water and sanitation for all.

Goal 7
Clean and Accessible Energy: promote energy efficiency and the use of renewable energy in production processes.

Goal 8
Decent Work and Economic Growth: Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Goal 9
Industry, Innovation and Infrastructure: Invest in resilient infrastructure and promote sustainable technological innovation.

Goal 11
Sustainable Cities and Communities: Make cities and human settlements inclusive, safe, durable and sustainable.

Goal 12
Responsible Consumption and Production: adopt sustainable production practices and encourage the efficient use of resources.

Goal 13
Climate Action: Implement measures to reduce greenhouse gas emissions and tackle climate change.

1.3 Materiality analysis

The materiality analysis made it possible to identify the relevant sustainability topics for KME Manseld and KMCB. In addition to the assessments carried out specifically for these companies, it also takes into account, albeit in a simplified form, the materiality analysis carried out for the KME Group's sustainability reporting. The identification of impacts, risks and opportunities was carried out by assessing, on the one hand, what impacts the companies have on people and the environment and, on the other hand, what risks and opportunities may arise for the companies in connection with sustainability issues.
KME Mansfeld and KMCB undertake to periodically update the materiality analysis with the aim of incorporating any future methodological updates and assessing the consequent changes in the identification of material issues, also with reference to the evolution of the scenario in which it operates and the regulations on sustainability reporting.

Material impacts, risks and opportunities resulting from the materiality analysis
Copper and copper alloy production, and the associated supply chain, require significant amounts of energy and raw materials, contributing to greenhouse gas emissions with a negative impact on climate change. Volatile energy and raw material prices can pose financial risks for the companies operations; however, further initiatives to increase energy efficiency and self-generation of renewable energy create opportunities to reduce energy consumption and related costs. KME Mansfeld and KMCB mitigate their impacts by using recycled raw materials and working to reduce emissions and improve energy efficiency. The use of recycled raw materials has a positive impact as it reduces dependence on virgin raw materials, carbon emissions and other impacts caused by mining. In the event of rising carbon prices, problems with the availability of recycled raw materials and impacts related to decarbonisation strategies, financial risks could arise. At the same time, the essential role of copper in the energy transition and the efficient use of resources through the adoption of business models inspired by circular economy principles can create financial opportunities and increase KME's competitiveness.

Production processes and extraction operations in the supply chain can have a negative impact on the environment. These potential impacts are mainly caused by the release of emissions into the air and the generation of waste, if not appropriately mitigated. Any tightening of regulations and increased waste disposal costs can potentially increase the risks for the companies. However, the benefits associated with the durability and recyclability of copper can have a positive impact, ensuring sustainability and safety in downstream applications. Further financial opportunities arise from the recycling of raw materials and the recovery of by-products and production waste that are fed back into the production cycle.
Although the issue of water does not entail impacts and risks as far as marine resources are concerned, it is also relevant from the point of view of water withdrawals because it is related to both the risks of climate change and the opportunities for efficient and circular use of the resource.

In factories, employees may face potential health and safety risks. KME works to ensure high safety standards, as well as to ensure company welfare systems and implement training activities; this not only contributes to the protection of workers' rights, but also brings opportunities from a financial point of view as it helps to improve performance and professional skills.
The copper industry is a complex global value chain with suppliers that can also be located in countries where labour conditions may have negative impacts. Through criteria adopted for the protection of human rights in the supply chain, KME can have a positive impact on the sustainability of the supply chain and create financial opportunities through increased transparency towards its stakeholders and improved business resilience.

Failure to comply with laws or improper conduct would result in legal, financial and reputational consequences for KME Group companies. KME adopts an Ethics Charter and specific procedures for the correctness of its conduct, working to ensure that its business partners also maintain similar standards.

MATERIAL TOPICS

Environmental information

- Resource efficiency and circular economy
- Efficient energy use and energy transition
- Greenhouse gas emissions and climate action
- Waste
- Water
- Air quality

Social information

- Work
- Health and safety
- Equal opportunities
- Training
- Corporate Welfare
- Solidarity (social impact and third sector)

Corporate governance and sustainability strategies

- Corporate development
- Ethics and Business Conduct
- Sustainability strategies and goals
- Supply chain sustainability
- Human Rights
- Legality
- Relations with Stakeholders
- Relations with local communities

2 KME **Mansfeld**

KME

2.1 General disclosures

2.1.1 The company

KME Mansfeld GmbH has over a century of experience in copper processing. Since 2019 it has been part of the KME Group. It is based in the town of Hettstedt in the state of Saxony-Anhalt, Germany. It has customers in 60 countries worldwide.

KME Mansfeld produces primary and semi-finished products made of copper and copper alloys. Besides offering a wide range of products, the company also specialises in customised solutions for industry. With state-of-the-art technologies, it is a strong global partner in growth markets such as electric mobility, renewable energy and digital infrastructure. The plant in Hettstedt covers a total area of approximately 1.2 million m^2, including approximately 190,780 m^2 of buildings.

PRODUCTS

LAMINATES

KME supplies pre-rolled tapes, industrial tapes, transformer tapes, HF cable tapes and roofing tapes. We produce all our tapes using our in-house developed Conti-M® technology, which uses continuous casting technology to achieve a 24/7 process.

Main products
- Pre-rolled materials (Coils);
- Sheets of laminates;
- Finished laminated products:
- Industrial belts - Transformer belts;
- Roofing tapes (hooks) - Cable ties;
- High-frequency cable tapes - Solar cells;
- Alloy ribbons.

Customers / Markets / Applications
Sales in 59 countries with more than 600 customers from the electrical, cable, solar technology or construction industries.
The main markets are Europe, North America, East Asia and North Africa

Production of copper, brass, bronze, special alloys.
Main products:
Sheets
Plates
Other products

Customers / Markets / Applications:
- Sales in 41 countries.

The main markets are Europe, North America, Central and East Asia.

Industrial applications:
- Chemistry, electronics, energy technology, drinking water production;
- Construction, architecture and decoration

PRODUCTION	2024	2023
tonnes	50,715	71,884

2.1.2 Governance

KME Mansfeld is subject to the German Limited Liability Companies Act (GmbH). The powers and rules of operation of the corporate bodies are governed not only by current laws and regulations, but also by a series of principles and procedures that are periodically updated due to regulatory developments and corporate guidelines. In particular, the Board of Directors has the task of pursuing sustainability objectives understood as the ability to create value for shareholders in the long term, taking into account environmental and social impacts and benefits for stakeholders, while at an organisational level, the functions relating to issues included in the ESG sphere are responsible for coordinating and managing sustainability aspects. Any critical issues are reported to the highest governing body according to the established procedures.

The oversight that the company implements with respect to sustainability issues also translates into the careful mapping of non-financial risks - potential or current, direct or indirect - and the opportunities arising from effective and efficient management of each issue. As part of the internal control and risk management system, risk assessment activities are carried out to identify potential risks from internal and external sources. The Company adopts a system of proxies aimed at risk prevention and a functional organisation of work safety and environmental protection.

Board of Directors

Kakha Avaliani
Claudio Pinassi

Supervisory Board

Employers' representatives

Diva Moriani
Marco Miniati
Pierpaolo Di Fabio
Alessandra Pizzutti

Workers' representatives

Ronny Wehling
Christian Klopfer

The powers and operating rules of the corporate bodies are governed not only by the laws and regulations in force, but also by a set of principles and procedures that are periodically updated according to regulatory developments and corporate guidelines.

In order to ensure effective management of sustainability strategies, KME Group companies adopt a governance system that provides for responsibilities both at the level of corporate governance bodies and organisational structure. In particular, the Board of Directors has the task of pursuing sustainability objectives understood as the ability to create value for shareholders in the long term, taking into account environmental and social impacts and benefits for stakeholders, while at an organisational level, the functions relating to issues included in the ESG sphere are responsible for coordinating and managing sustainability aspects. Any critical issues are reported to the highest governing body according to established procedures.

The company adopts a system of proxies aimed at risk prevention and a functional organisation for safety at work and environmental protection. The company's management provides for permanent risk management activities by both the delegated persons and top management, based on reports received from the delegated persons and the supervisory body. Conflicts of interest are prevented through compliance with the provisions of the Civil Code concerning the adoption of corporate resolutions and corporate governance, as well as through the principles established by the Code of Conduct and the Organisational Model.

2.1.3 Business model and strategy

KME plays a leading role in the world market for the production of semi-finished copper and copper alloy products, mainly in the production of rolled products. The KME group's strategy is to focus on rolled products made of copper and its alloys, in which the group is the European leader and intends to focus and grow in the future, given the attractive growth rates expected in its main markets.

KME Mansfeld is committed to contributing to the ecological transition and sustainable development. To this end, it is committed to reducing greenhouse gas emissions in line with climate neutrality goals. Its activities are significantly based on the principles of the circular economy: its products are manufactured using a high percentage of recycled materials and are themselves recyclable and durable.

KME Mansfeld has integrated sustainability into its strategy. KME's values align with strategies to mitigate climate-related risks and seize opportunities associated with the transition to a low-carbon, circular and resilient economy, with particular reference to the European Union's Green Deal and Clean Industrial Deal. The impacts, risks and opportunities identified, and in particular those related to climate change and the circular economy, influence the business model of KME Mansfeld and the entire Group by stimulating product and process innovation and the adoption of clean technologies. In the value chain, sustainability factors are essential to promote resilience and improve supply chain practices. Efforts to promote circular economy principles mitigate risks in resource sourcing and strengthen environmental sustainability also in the value chain.

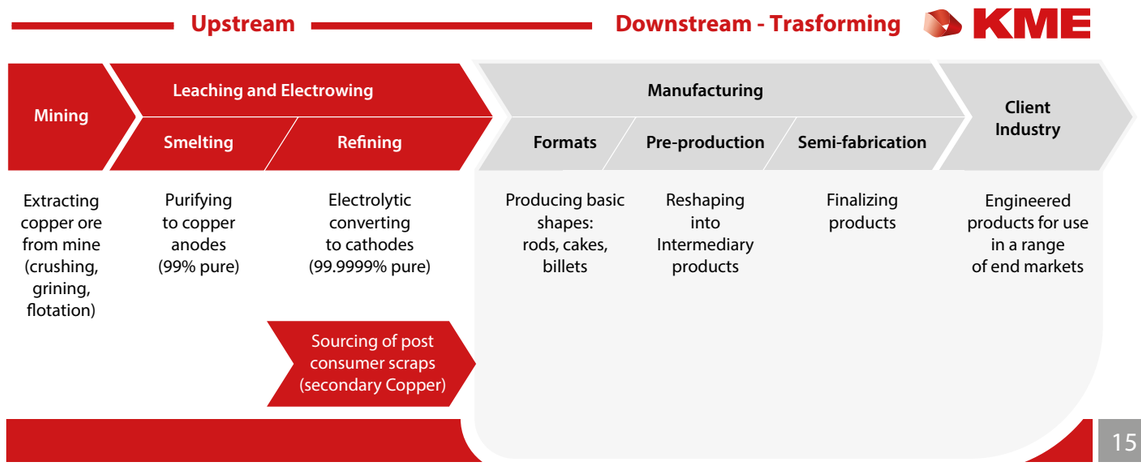
KME Mansfeld is also committed to protecting human rights, ensuring safety at work, strengthening social inclusion and cohesion, conducting business in an ethical and responsible manner, and promoting sustainability in the value chain.

Decision-making processes are guided by compliance criteria with laws and regulations. KME Mansfeld is committed to high ethical standards and to comply with the laws and regulations of the countries in which it operates, as well as the agreements and commitments it has made.

Value chain

KME operates in the copper production and processing value chain and specifically positions itself as a "processor" by placing itself in the "downstream" section of the chain, as illustrated by the figure below. The upstream section includes producers of virgin raw material from mining and also includes those who oversee the other refining steps following mining, necessary for the production of copper cathodes or other virgin metal (i.e. zinc ingots) in the form required to start the transformation process. In addition to virgin metal, we also take over downstream suppliers of scrap metal (i.e. copper, brass, other alloys) from which the so-called 'post consumer scraps' are originated, second raw material from the end-of-life of previous use. In addition to metal, KME buys energy (electricity, gas, fuel) and some categories of goods and services from upstream suppliers, including materials for product packaging and transport and logistics services.
KME, as a pure transformer, starting from casting and casting processes (continuous and not) of raw material is able to produce different forms of semi-finished products (pre-rolled materials), which are then used as input for the subsequent hot and/or cold rolling processes necessary to arrive at the definition of the rolled metal strips. declined in different technical specifications (alloy, thickness, width, length) to serve the Group's customers' requests. Pre-rolling is also the input for the tube production process. KME's productions find multiple applications in the end markets. KME's customers are distributors and/or manufacturers of industrial components, even large ones, which in turn serve other customers active in various industries such as the electrical and electronics industry, renewable energy, power transmission, automotive, mechanical engineering, telecommunications, construction, architecture and thermo-hydraulics as far as pipes are concerned.

Copper production and processing value chain



Research and Development
KME Research and development activities are of fundamental importance for KME Mansfeld and the entire KME Group in order to ensure innovation, efficiency and quality. Research is aimed in particular at developing innovative materials, but also at the innovation of production processes and applications of copper and copper alloy products. A special co-ordination unit allows these activities to be developed in the best possible way, avoiding the overlapping of projects between different research centres (Mansfeld, Fornaci di Barga, Osnabruck) and, at the same time, optimising the use of the company's skills.

At KME Mansfeld, research and development are essential elements to maintain the competitiveness of the company and to achieve competitive advantages based on the company strategy.

All development activities aim to further develop products and their properties according to the interests of our customers and to optimise our production processes, taking into account sustainability, environmental protection, resource conservation and energy efficiency.

KME Mansfeld's development projects, which are located in the production areas, mainly concern application-oriented research and engineering development and focus on the aspects of performance improvement and process optimisation, as well as on technology development focal points.

At the same time, the development department also supports, in an advisory capacity, the technological development of the various production processes, the transfer of know-how between divisions, the targeted selection of materials and the responsible preparation and implementation of investment projects

The development priorities are:
- Production of complex copper components with high thermal conductivity - CuAdd
- Implementation of high-pressure descaling on the Contirod casting wire ®
- Development of tools for special profiles
- Process concept for chemical grinding of special profiles
- Tube melting with additional multi-stage drawing of the melted tube
- Pressing of oxide-free copper rods.

2.1.4 Relations with stakeholders

KME Mansfeld considers very important to develop ongoing and transparent relationships with all stakeholders, working to create economic value for shareholders within strategies that aim to ensure social, environmental and economic sustainability. To this end, it develops an ongoing dialogue with its stakeholders and engagement activities. Stakeholders also include industry and sector associations that represent the interests of member companies.
The publication of the sustainability report constitutes for KME Mansfeld an essential element of transparent information on its activities from an environmental, social and governance perspective, also in order to strengthen the dialogue with stakeholders.
It should also be noted that in 2023 KME Group SpA approved a special policy for the management of dialogue with investors (Stakeholder Engagement Policy), published on the website, to which reference should be made for further information.

2.1.5 Sustainability policies, actions and targets

KME Mansfeld's sustainability policies, actions and objectives are defined and developed in accordance with the KME Group's 'Sustainability Policy', updated and approved by the Board of Directors on 14 April 2025, which determines strategies, guidelines and objectives for the entire group and, in particular, for the industrial companies in the copper sector. It is based on two fundamental pillars - environmental sustainability and social sustainability - and is supported by an appropriate governance system for sustainability issues. The Group's policy focuses on the sustainability of its production activities but, at the same time, works to promote sustainability also in the value chain.
For KME Mansfeld, environmental sustainability is both a value and a strategic driver within the framework of the ecological transition. It is indeed essential to contribute to the growth of an economy that does not damage environmental balances, but it is also a strategic choice since ensuring ever greater efficiency in the use of resources allows costs to be reduced, economic competitiveness to be increased, and long-term profitability to be promoted and stabilised. Moreover, sustainable innovation offers important growth opportunities, even more significant in a sector like copper, which is essential for the energy transition.
The commitment of KME Mansfeld, like that of the entire KME Group, is particularly directed towards the following goals:
- contribute to the transition to the circular economy by further developing the already high circularity performance of its production processes, increasing the use of secondary raw materials and recovering by-products and production waste, ensuring the durability and recyclability of products, and using material, energy and water resources efficiently;

- increase the share of energy from renewable sources, including through self-generation plants, and increase the energy efficiency of their production processes;
- reduce greenhouse gas emissions in line with EU strategies and goals towards climate neutrality by promoting the use of low-carbon technologies and production processes;
- using the best technologies to protect the environment and health, preventing pollution risks, minimising environmental impacts and managing waste properly;
- implement proper environmental management in compliance with the laws and regulations in force, aiming to ensure even higher standards than those required by the regulations also through voluntary certification systems, and ensuring continuous monitoring and improvement actions to achieve sustainability objectives.

KME Mansfeld is committed to social sustainability, starting with the relationship with employees and local communities. Actions are primarily aimed at ensuring respect for workers' rights, combating all forms of discrimination and promoting equal opportunities, and providing a safe and healthy working environment with a zero-accident objective. KME Group acts concretely to strengthen social inclusion and cohesion through the Dynamo System, and promotes relations with local communities also by supporting social and cultural initiatives.
By strictly adhering to the Code of Business Conduct, the companies belonging to the KME Group undertake to
- ensure fairness, transparency and ethicality in the conduct of its business, in relations with stakeholders and in relations with business partners;
- respect international human rights conventions;
- comply with regulations concerning the environment, health and safety, and corporate social responsibility;
- promote sustainability in the value chain by adopting sustainability criteria in the selection of suppliers.

Actions and objectives of the sustainability strategy
KME has set and updated its sustainability strategy, setting a series of targets (taking into account the starting conditions) to be achieved by 2032, with intermediate targets in 2027 and 2030. KME's strategy is based on four main guidelines and is developed through a series of actions that, although they may differ between the various production and geographical contexts (being centred, for reasons that are easy to understand, on the copper industrial sector), concern all Group companies and contribute to the achievement of the objectives set.
The sustainability strategy aims to involve, as far as possible, the supply chain through sustainability criteria, as well as stakeholders who can contribute to its implementation. The implementation of the strategy is supported by an assessment of impacts, risks and opportunities and is subject to regular monitoring.
The guidelines of the sustainability strategy are as follows:

1.Maximum use of raw materials from recycling and development of the circular economy
KME has always aimed at maximising the use of recycled metals, not only for the considerable environmental benefits but also for the obvious economic advantages. A choice that has had to face certain obstacles such as the availability of scrap on the market and the technological difficulties linked to its use in the production process. In recent years, the market difficulty has been significantly reduced thanks to a series of positive factors such as a growing sensitivity and attention to the recovery of raw materials, easier transport of goods (more organised logistics), industrial development in some areas of the world and the consequent greater availability of secondary raw materials.
KME, with regard to scrap refining and recovery technologies, has made further decisive steps in this direction since the 2000s. Copper is one of the few materials that can be recycled repeatedly without losing quality. There is no difference between recycled copper and mined copper, but using scrap to obtain raw materials with the same characteristics as those obtained by using virgin raw materials requires a strong commitment in terms of investment and above all specific know-how. All this translates for KME into: investments (made and to be made) of over 60 million euros; development of Research Centres (including the one in Mansfeld); over 100,000 hours of specific training. Thanks to this, KME is able to operate using high percentages of recycled material. Advanced know-how and technology are the basis of this competitive advantage that will be further increased over the next decade.
Investments are underway to build new foundries capable of operating with recycled material, expanding the range of scrap that can be used. However, it should be noted that it is not possible to reach the 100% recycled material quota, given the presence of a production mix made up of different families of alloys that have technical limits and maximum quotas for the percentage of scrap that can be used in the production process, as well as limits of an administrative nature dictated by the various bodies that regulate the characteristics of the products sold in the reference markets.
With the development of circular business models and the further increase in the use of raw materials from recycling - aiming to reach 66% by 2030 net of further in-plant recovery processes, and 80% considering also metals recycled through internal recovery processes - not only does this contribute to the development of the circular economy but also, to a significant extent, to the reduction of greenhouse gas emissions.
KME - in line with the European Commission's proposals to make products on the EU market increasingly sustainable and circular throughout their entire life cycle - is constantly pursuing actions to reduce the CO_2 emissions of its product portfolio, which already includes a number of products, e.g. in the automotive and telecommunications sectors, made almost entirely from recycled metals.

2. Optimisation of production processes and resource use
This is a series of complex and innovative activities that go through the digitisation of the company. Through a cloud platform, all data - process data, but also all data previously not taken into account due to a lack of adequate and suitable tools - are stored and managed through specific algorithms. The data management system allows - on a constant basis - the optimisation of all resources and the possibility of unifying processes at group level, with the obvious advantage of being able to make rapid and generalised use of any improvements achieved in one or more of the group's plants.
The results of these activities are full control and reduction:
- consumption of raw materials, process materials and packaging;
- of energy consumption;
- of water consumption;
- of waste production;
- greenhouse gas emissions;
- of pollutants.

These activities also lead to significant improvements in occupational safety and thus to a further improvement of the accident frequency (Frequency Rate) and accident severity (Gravity index) indicators, with the goal of 'zero accidents'.

3.Decarbonisation of processes and reduction of greenhouse gas emissions
In addition to the actions already described (development of circularity and digitisation), the achievement of this objective is notably achieved through three main actions:
- conversion, where possible, of part of the methane gas-fired melting furnaces to electric furnaces, while aiming to increase the use of renewable energy;
- construction of energy platforms for self-consumption powered by renewable energy;
- certification projects for electricity purchased from third-party suppliers and carbon offsetting.

4.Continued growth and evolution of social impact
KME is committed to carrying out solidarity projects and initiatives of significant social impact through a series of activities that go beyond the company's borders. Since its inception, it has taken care of employees' families, then of the community hosting the factories, and finally of children from all over the world, giving birth in 2007 to Dynamo Camp, the first recreational therapy camp in Italy, which hosts children and young people suffering from serious or chronic illnesses and their families, free of charge, for holiday periods with qualified assistance. Dynamo is at the centre of a social economy system - a 'new social enterprise' - as a further activity of KME that has created in 17 years a sustainable economic system, through continuous support in a variety of forms, investments, donations of resources and assets, support for current expenses, donations of expertise. Through Dynamo, which today is a solid and independent reality, KME has combined its commitment to sustainability with new social businesses: it concretely takes care of children and families with serious illnesses, the preservation of the community's natural heritage, and the training of thousands of people and professionals on issues of common good. The Dynamo system is therefore a fundamental pillar of the Group's sustainability strategy. KME will ensure its continuous development characterised by a constant focus on innovation and the creation of new models capable of maximising social impact.

The following table shows a series of targets that the KME Group intends **to achieve by 2032**, with intermediate targets to **2027** and **2030**, in relation to the industrial perimeter

Objectives

Use recycled Metals[1] %

2024	2027	2030	2032
53%	58%	66%	68%

Emissions CO_2 per unit of product[4] (t CO_2 /tprod)

2024	2027	2030	2032
2,03	-5%	-10%	-12%

Use recycled and recovered metals[2] (%)

2024	2027	2030	2032
64%	69%	80%	82%

Waste sent for recovery (%)

2024	2027	2030	2032
74,8%	80%	83%	87%

Use renewable energy[3] (%)

2024	2027	2030	2032
43%	55%	70%	85%

Safety
(rate of accidents at work - frequency rate)[5]

2024	2027	2030	2032
7,6	< 5	< 3	0

1-Percentage of recycled metals in relation to total metals used
2-Percentage of metals from internal recycling and recovery in relation to total metals processed
3-Percentage of renewable energy (purchased and self-produced) in relation to total electricity consumed
4-Emissions of CO_2 and (scope 1, scope 2 market based, scope 3) per unit of product (tonne)
5-Number of accidents with absence >1 day / total hours worked x 1,000,000

It should be noted that previous reports already contained a number of KPIs with related targets, but as the new ESRS reporting standards for KME Group sustainability reporting were introduced and some updates were made to the methodology used to calculate metal circularity rates, the year 2024 was taken as the new baseline.

Our commitment
In the early 1900s, the Mansfeld plant was one of the key players in the electrification of industry. Today, more than a century later, it is committed to the turn towards a sustainable economy characterised by renewable energy and the circular economy.
Copper products are manufactured with minimal CO_2 and contribute to reducing carbon emissions in other sectors. Our factory is a responsible actor and is committed to protecting the environment by reducing emissions and the overall environmental impact. The idea of copper recycling has had a fixed place in our business activities since the beginning of copper production. For this reason, we work closely with the European metal industry to establish copper cycles and save resources. Our activities have long focused on the circular economy as a pillar of sustainability in development. All waste containing copper is recycled. All other waste is recycled or returned to other uses.
KME contributes significantly to climate protection with sustainable business measures. The transformation of production methods and associated operational processes is at the heart of the targeted development towards climate neutrality.

Copper forms the basis of all KME's business activities. The handling of this sustainable material is a commitment to ecological action. Thanks to its outstanding technical and ecological properties, copper is indispensable for the energy transition and the generally expected transformation towards climate neutrality. Above all, its unlimited recyclability makes the material particularly climate-friendly. Several important measures in this direction have already been taken and their implementation continued in 2024. More are planned in the coming years.

Environment and energy policy
KME Mansfeld GmbH is a leading manufacturer of raw materials and pre-products made of copper and copper-based alloys. The manufacturing processes of our products require a high energy input. The processes of melting, casting, pressing, rolling and cutting have a high impact on protected natural resources such as air, water, soil, humans, fauna and flora. For this reason, environmental protection and energy efficiency are very important to us.

- Our environmental and energy policy is the framework for our annually defined targets, which are in turn broken down by individual departments. The targets are constantly monitored and controlled. The resulting measures, from planning to implementation, are fully aligned with environmental protection and energy efficiency.
- The use of resource-efficient raw materials, consumables and fuels and the use of technical equipment up to current standards in terms of economic sustainability are essential components of our actions. Our raw materials and intermediate goods can be almost completely recycled and reintroduced into the economic stream.
- Procurement focuses on high quality, environmentally friendly and energy efficient products and services. Contractors are informed and advised to adhere to our laws and regulations and are chosen accordingly.
- The sustainability of our processes and their continuous improvement are very important to us. The saving of drinking water, the use of resource-saving consumables, the reduction of waste and all energy-saving possibilities are therefore accelerated.
- We encourage the environmental and energy awareness of our employees at all levels. The possible effects on the environment and energy consumption are taken into account before new machines are acquired or process changes are implemented. The management of hazardous substances, waste, waste water and emissions is just as important as on-site energy use and consumption.
- We cooperate closely with authorities and organisations. We also inform the public and the community about the impact of our activities on the environment.

Management provides all necessary resources and information for our activiti
The management and all employees are obliged to comply with all laws and other duties in order to continuously improve environmental protection and our energy-saving performance, as well as the prevention of negative effects on the environment through the continuous improvement of our environmental and energy management system. This environmental and energy policy is confirmed by the management and mandatory for all employees.

High environmental standards

It is absolutely necessary for us to maintain high environmental standards. The efficient use of resources makes sense both ecologically and economically. We aim to use resources as efficiently as possible and to reduce emissions and waste produced. We reduce the use of raw materials by recycling our own copper waste and that of our business partners. We are working to minimise the use of fresh water by recycling and reusing waste water from different production areas. We reduce the use of natural gas by using waste heat from our smelters and production systems, with the aim of protecting natural resources.

Environmentally friendly operational supplies

We strive to purchase environmentally friendly operating supplies, so as to reduce the amount of hazardous waste we generate. We fully inform our customers about our products, enabling them to use them in an environmentally friendly manner.

Regular monitoring of KME Mansfeld and its suppliers

We work closely with local authorities when implementing new regulations and legal permits. We regularly assess and evaluate our environmental behaviour as part of our annual environmental report. We also expect our suppliers and contractors to show similarly positive environmental behaviour and to monitor this through appropriate certifications. In accordance with the new European Chemicals Regulation (REACH), we ensure that our products contain only registered substances (metals).

Energy efficiency to protect the climate

Copper is potentially climate-friendly. According to calculations published by the Eco Institute in Freiburg, its global warming potential per kilogram of primary metal is 2 kg CO_2equivalent. In comparison, one kilogram of gold has a global warming potential of 18,000 kg CO_2equivalent. The cumulative energy consumption of gold per kg of primary metal is also 8,700 times that of copper. However, the energy expenditure in copper production is still high.
Since the energy used to obtain copper from recycled materials is up to 90% less than that required to obtain copper from ore, KME Mansfeld uses recycled copper in addition to copper from ore. The company pays close attention to energy conservation, taking a wide range of measures to significantly increase its energy efficiency. KME Mansfeld has introduced an energy management system based on the international standard ISO 50001, which it applies consistently and successfully.

We have already significantly improved the energy efficiency of our production by increasing the percentage of recycled material and integrating heat recovery into continuous production processes. To achieve lasting savings throughout the company, our energy management team regularly identifies other areas of potential and develops proposals on how to capitalise on them. Other important elements of the system are the continuous training and information of our employees. We have an energy management system based on the international standard ISO 50001:2018.

ISO 50001
ENERGY MANAGEMENT

Supply chain sustainability
KME Mansfeld, like the other KME Group companies, adopts sustainability criteria in the organisation of its business processes. Corporate guidelines define binding standards for all companies operating within the Group. When selecting suppliers, criteria are adopted that qualify the potential partner on an organisational, environmental and social level. For the supply of products and services, certifications of the environmental management system (ISO 14001 or EMAS), certifications of the safety management system (ISO 45001), certifications of the quality system (ISO 9001) are preferred, although not binding.

The supply chain mainly concerns primary metals (copper, zinc, nickel, tin), scrap (copper, zinc, brass) and energy (electricity, gas, fuels). Other supplies of goods and services include packaging materials and transport. With regard to the supply of metals, given the special nature of raw materials, purchases are made according to market availability and making extensive use of secondary raw materials (scrap). For energy supplies, national suppliers are generally used, with preference given to those that declare a higher component of production from renewable sources. For the purchase of other goods and services, preference is given to local suppliers wherever possible, according to value-for-money criteria.

In the procurement of raw materials, KME does not use minerals from regions with armed conflicts. Due to the complex supply chain and multiple metal transformation processes, KME - aware that it is not possible in every case to fully trace the materials procured, especially with regard to recycled materials - considers participation in EICC-Gesi Conflict-Free (an initiative of the Electronic Industry Citizenship Coalition and Global e-Sustainability) a prerequisite when selecting new suppliers.

Social and environmental criteria in the selection of new suppliers
Human rights - and in particular labour practices, such as, but not limited to, the rejection of forced or child labour, respect for diversity, non-discrimination, freedom of association, fair and favourable working conditions, the protection of workers' privacy and community relations - are essential assessment aspects for the KME Group when selecting new suppliers. In light of the updated regulatory framework governing supply chain assessment, the group is in the process of updating its supplier assessment processes and procedures to formalise activities that are currently completed by virtue of established business practices but are not part of a formal, structured process.
No supplier is selected using exclusively environmental criteria, but in the process of selecting new suppliers, the KME Group works with them to define criteria, technical requirements and solutions to further strengthen the standards of circularity and environmental sustainability within the supply relationship. The profile of the potential supplier is also assessed from the point of view of climate-altering emissions.

KME wants to further consolidate the principle of sustainability throughout the entire value chain.

By 2030, 100% of relevant procurement expenditure is to be made with certified or sustainability audited suppliers.

Sustainable supplies
Target
100%

2.2 Environmental information

Environmental management
Environmental protection is a priority for KME Mansfeld. The plants are subject to the European Industrial Emissions Directive and are controlled by the German authorities. The results of inspections are made public. For years, these reports have confirmed that KME Mansfeld operates in compliance with European law. Due to the obligation to continuously improve the management system, KME Mansfeld decided to go for external certification according to ISO 14001:2015. Starting in 2019, employees were trained in the basics of the environmental management system and a management team was established to organise the transition to an integrated energy and environmental management system. The installation of a certified management system requires senior management to specify the energy and environmental policy and to have the necessary resources to implement procedures and processes that aim at continuous improvement of energy and environmental performance. To this end, energy and environmental performance is evaluated, deficits identified and measures generated. Internal and external audits are carried out. The results are communicated to the management.

2.2.1 Energy and climate change

Climate policies and actions

KME Group, aware of the role that the metal sector plays in the ecological transition, has adopted a climate policy that is based on clear commitments and concrete measures aimed at mitigating the environmental impacts of its activities and adapting to the effects of climate change. This policy is an integral part of the broader Sustainability Policy approved by the Board of Directors, which ensures its strategic oversight and regular updating. Operational responsibility for its implementation lies with the Sustainability Department, which acts in coordination with the various corporate functions and subsidiaries of the Group, including KME Mansfeld.

KME Group carried out an analysis of the impacts, risks and opportunities related to climate change, also in order to assess the resilience of the business model; for detailed information, please refer to the Sustainability Report published on its website.

KME is committed to reducing its greenhouse gas emissions by improving energy efficiency, adopting low-carbon technologies, using certified renewable sources and, self-producing green energy. In particular, the Group promotes, where possible, the revamping of plants in a green key, trying to reduce the use of natural gas. These actions are accompanied by the voluntary adoption of the ISO 50001 standard for energy management, testifying to a systemic and transparent commitment to decarbonisation.
The KME Group's climate policies also include measures to reduce emissions through efficient resource management and by promoting circular economy practices and the use of secondary raw materials. The monitoring of emissions, both direct and indirect, is an integral part of the climate strategy and is carried out with the aim of measuring and reducing the impact per unit of product, including through supplier involvement initiatives. In defining its climate policy, KME has taken into account the interests and expectations of key stakeholders - including customers, local communities, investors and public authorities - through structured stakeholder engagement activities and an annual dual materiality update process. The contents of the policy are made public through the Group's official channels, including the corporate website and reporting documents, thus promoting full transparency to all stakeholders.
The transformation of production methods and related operational processes is at the heart of KME's strategy towards climate neutrality. The KME Group develops actions to reduce emissions and decarbonise industrial processes, in line with the goals of the 2015 Paris Agreement and the European Union's Green Deal Industrial Plan. KME's commitment is multi-faceted:

- reduction of direct emissions generated by its industrial activities;
- reduction of indirect emissions related to purchased and consumed electricity;
- CO_2 compensation measures;
- innovative technologies and projects for decarbonisation;
- use of secondary raw materials from recycling and development of circularity;
- partnerships and shared initiatives.

Voluntary sustainable forest management initiatives and climate benefit estimation
KME Mansfeld, together with other Group companies (KME Germany and KME Italy), with the aim of contributing to the reduction of the Group's carbon footprint, has activated a voluntary (non-certified) CO_2 emission absorption initiative as of 2022 in collaboration with Natural Capital Italia S.p.A., an Italian holding company committed to the protection and enhancement of natural capital (water, air, soil, biodiversity) through sustainable forest management projects. On the basis of internal methodologies and recognised technical-scientific references (IPCC, FAO), it is estimated that this initiative will generate a climate benefit equivalent to approximately 11,000 tonnes of CO_2 absorbed over the expected life cycle of the vegetation by 2024. The activities take place at Oasi Dynamo, a WWF-affiliated nature reserve of about 1,000 hectares in Italy.

The area is subject to a sustainable forest management plan, which aims to maximise the CO_2 absorption capacity of the vegetation through active and responsible care of the woodland. The offsets described are not certified by third parties and, therefore, are not accounted for as emission reductions in the emissions reporting but reported solely for information and transparency purposes. These activities are an integral part of the KME Group's proactive approach towards the ecological transition and the enhancement of natural capital.

2.2.1.1 Energy

The plant mainly uses natural gas and electricity. It also uses limited quantities of extra light oil and fuel (petrol and diesel) for the vehicles*. Total energy consumption in 2024 was 401,380 GJ (-21.9% compared to 2023).
**Because the vehicles are used for mixed use, the figures given correspond to 70% of actual consumption.*

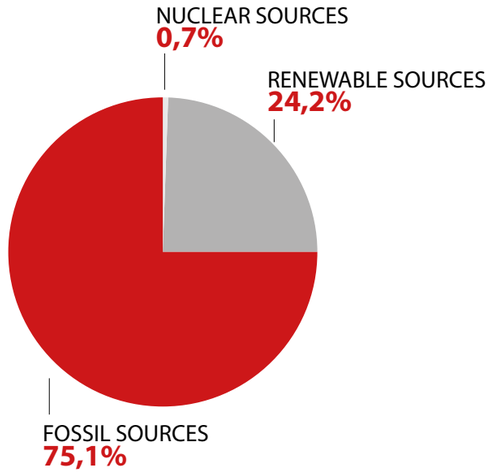
ENERGY CONSUMPTION (GJ)	2024	2023
Electricity	191,355	249,440
Natural gas	201,967	250,677
Diesel	6,928	8,579
Gasoline	795	677
Extra light oil	335	292
Biomass (charcoal)	-	4,327
TOTAL	**401,380**	**513,993**

Electricity purchased with emissions data declared by the supplier

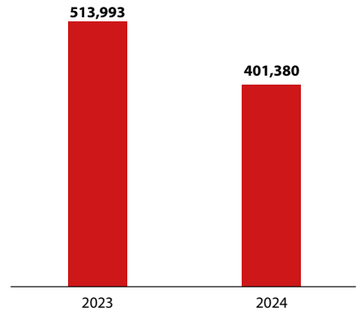
SOURCES	%	2024
Renewables	%	50.7%
Nuclear	%	1.6%
Fossil fuels	%	47.7%
CO_2e emissions	*g CO_2e/kWh*	*392*

ENERGY CONSUMPTION	UNITS OF MEASUREMENT	2024
Energy from fossil sources	GJ	301,303
Energy from nuclear sources	GJ	3,060
Energy from renewable sources	GJ	97,017
Total consumption	***GJ***	***401,380***

ENERGY CONSUMPTION - sources



ENERGY CONSUMPTION (GJ)



Energy intensity
Energy consumption per unit of product is 7.9 GJ/t, compared to 7.2 GJ/t in 2023. If calculated in relation to revenue, in 2024 is 682 GJ/mln euro.

ENERGY INTENSITY in relation to production	**2024**	**2023**
GJ/t	7.9	7.2

ENERGY INTENSITY in relation to revenues	**2024**
GJ/mln euro	682.0

Methodological note
For each production area, we operate a smelter that converts copper cathodes and scrap into primary material for subsequent production processes. Depending on the level and depth of production, these primary materials are refined in subsequent processes to produce saleable semi-finished copper products. As part of operational data acquisition and evaluations in the area of control and energy management, all tonnes processed in our production plants are recorded. These are simply added up for internal purposes. Since, as described above, primary materials may pass several times through different production plants and production areas, depending on the level and depth of production, tonne quantities are sometimes counted several times. The methodology used in this report, however, also for the sake of consistency with the other plants of the KME Group, calculates the specific energy consumption as the ratio of energy consumption to the plant's production in the year.

2.2.1.2 Greenhouse gas emissions

Between direct (scope 1) and indirect (scope 2 and scope 3) emissions, total emissions in 2024 are 145,443 t CO_2e if the 'location based' approach is used for scope 2 indirect emissions, while they are148,468 t according to the 'market based' approach.

For the reporting of scope 1 emissions, the emission figure calculated on the basis of the emission factors of the energy sources used was 12,522 t CO_2e, which is slightly higher than the emission figure calculated on the basis of the regulated ETS (12,306 t CO_2e). Scope 2 emissions are calculated according to both the 'market based' approach (with data declared by the electricity supplier) and the 'location based' approach.

Scope 3 emissions were calculated with reference to category 1 (purchased materials).

GREENHOUSE GAS EMISSIONS (tonnes CO_2eq)	**2024**	**2023**
Scope 1 emissions	12,522	15,367
Scope 2 emissions *(market based)*	20,836	21,549
Scope 2 emissions *(location based)*	17,811	25,360
Scope 3 emissions	115,110	*not calculated*
TOTAL EMISSIONS (scope 1 + scope 2 market based + scope 3)	**148,468**	***not calculated***
TOTAL EMISSIONS (scope 1 + scope 2 location based + scope 3)	**145,443**	***not calculated***

EMISSION INTENSITY in relation to production ($tCO_2/tprod$)	**2024**	**2023**
Scope 1 emissions	0.24	0.21
Scope 2 location-based emissions	0.35	0.35
Scope 2 market-based emissions	0.41	0.30
Scope 3 emissions	2.27	*not calculated*
TOTAL EMISSION INTENSITY (scope 1 + scope 2 market based + scope 3)	**2.92**	***not calculated***
TOTAL EMISSION INTENSITY (scope 1 + scope 2 location based + scope 3)	**2.86**	***not calculated***

EMISSION INTENSITY in relation to revenues (tCO_2/mln euro)	**2024**
Scope 1 emissions	21.3
Scope 2 emissions (location based)	30.3
Scope 2 emissions (market based)	35.4
Scope 3 emissions	195.6
TOTAL (scope 1+scope 2 location based + scope 3)	**247.2**
TOTAL (scope 1+scope 2 market based + scope 3)	**252.3**

2.2.2 Pollution

Protecting the quality of air and water by minimising the impact of pollutant emissions is essential to protect the environment; to this end, we adopt the best available techniques and operate in compliance with current regulations.
The following table contains data on emissions to air and water, measured as required by environmental permits.

Emissions	Unit of measurement	2024	2024
		Air	Water
Ammonia (NH3)	kg/y		
Non-methane volatile organic compounds (NMVOC)	kg/y		
Nitrogen oxides (NOx/NO2)	kg/y	7,449	
Perfluorocarbons (PFCs)	kg/y		
Sulphur hexafluoride (SF6)	kg/y		
Sulphur oxides (SOx/SO2)	kg/y	3.2	
Total nitrogen	kg/y		4,246
Total phosphorus	kg/y		27
Hydrochlorofluorocarbons (HCFCs)	kg/y		
Chlorofluorocarbons (CFCs)	kg/y		
Halons	kg/y		
Arsenic and compounds (as As)	kg/y	11.6	
Cadmium and compounds (as Cd)	kg/y	0.3	
Chromium and compounds (as Cr)	kg/y	0.5	
Copper and compounds (as Cu)	kg/y	19.7	60.6
Mercury and compounds (as Hg)	kg/y	0.1	
Nickel and compounds (as Ni)	kg/y	4.1	86.9
Lead and compounds (as Pb)	kg/y	13.6	0.8
Zinc and compounds (as Zn)	kg/y		59.7
Alachlor	kg/y		
Aldrin	kg/y		
Atrazine	kg/y		
Chlordane	kg/y		
Chlordecone	kg/y		
Chlorfenvinphos	kg/y		
Chloroalkanes, C10-C13	kg/y		
Chlorpyrifos	kg/y		
DDT	kg/y		
1,2-dichloroethane (EDC)	kg/y		
Dichloromethane (DCM)	kg/y		
Dieldrin	kg/y		
Diuron	kg/y		
Endosulphan	kg/y		
Endrin	kg/y		
Halogenated organic compounds (as AOX)	kg/y		16.4
Heptachlor	kg/y		
Hexachlorobenzene (HCB)	kg/y		
Hexachlorobutadiene (HCBD)	kg/y		
1,2,3,4,5,6-hexachlorocyclohexane(HCH)			
Lindane			
Mirex	kg/y		
PCDD + PCDF (dioxins + furans) (as Teq)	kg/y		
Pentachlorobenzene	kg/y		
Pentachlorophenol (PCP)	kg/y		
Polychlorinated biphenyls (PCBs)	kg/y		
Simazine	kg/y		
Tetrachloroethylene (PER)	kg/y		
Tetrachloromethane (TCM)	kg/y		
Trichlorobenzenes (TCBs) (all isomers)	kg/y		
1,1,1-trichloroethane	kg/y		
1,1,2,2-tetrachloroethane	kg/y		
Trichloroethylene	kg/y		
Trichloromethane	kg/y		
Toxaphene	kg/y		
Vinyl chloride	kg/y		
Anthracene	kg/y		
Benzene	kg/y		
Brominated diphenylethers (PBDE)	kg/y		
Nonylphenol and Nonylphenol ethoxylates (NP/NPEs)	kg/y		
Ethyl benzene	kg/y		
Ethylene oxide	kg/y		
Isoproturon	kg/y		
Naphthalene	kg/y		
Organotin compounds(as total Sn)	kg/y		
Di-(2-ethyl hexyl) phthalate (DEHP)	kg/y		
Phenols (as total C)	kg/y		
Polycyclic aromatic hydrocarbons (PAHs)	kg/y		
Toluene	kg/y		
Tributyltin and compounds	kg/y		
Triphenyltin and compounds	kg/y		
Total organic carbon (TOC) (as total C or COD/3)	kg/y	3,194	3,375
Trifluralin	kg/y		
Xylenes	kg/y		
Chlorides (as total Cl)	kg/y		
Chlorine and inorganic compounds (as HCl)	kg/y	620.8	
Asbestos	kg/y		
Cyanides (as total CN)	kg/y		
Fluorides (as total F)	kg/y		
Fluorine and inorganic compounds (as HF)	kg/y	8.1	
Hydrogen cyanide (HCN)	kg/y		
Particulate matter (PM10)	kg/y	3,864	
Octylphenols and Octylphenol ethoxylates	kg/y		
Fluoranthene	kg/y		
Isodrin	kg/y		
Hexabromobiphenyl	kg/y		
Benzo(g,h,i)perylene	kg/y		

Microplastics
No microplastics are used or produced.

2.2.3 Water

Water is a precious resource, which KME Mansfeld is committed to using efficiently, avoiding any possible waste and, in addition, recycling and reusing it in the production cycle. The company works to limit the amount of water withdrawn from different sources, also making use of rainwater harvesting. Moreover, thanks to a series of technological and plant solutions, water is to a significant extent recycled and reused in industrial processes. Waste water is treated in purification plants before being returned to the ecosystem. There is no interaction with marine resources.

KME Mansfeld pursues the goal of further increasing water use efficiency, which is all the more necessary in relation to climate change risks, as well as achieving even higher levels of water recycling and reuse.

WATER (m³)	2024	2023
Withdrawal	836,235	754,689
Discharges	399,771	473,038
WATER CONSUMPTION	**436,464**	**281,651**

WITHDRAWAL WATER (m³)	
SOURCES	**2024**
Surface water	334,531
Groundwater	-
Collected rainwater	300,000
From public or private organisation	201,704
TOTAL WITHDRAWAL	**836,235**

WATER CONSUMPTION INTENSITY (in relation to revenues)	2024
m³/t	8.6

Recycling and reuse
The water system of the plant is a large water circuit with only one outlet (discharge of clean waste water into the river Wipper). All incoming water (fresh water, third-party water, rainwater, groundwater) is collected and transported as a mixture through pipes. After use, it is treated in the central water treatment plant (the so-called ZBA). Here, the water is cleaned of copper, nickel and other metals, oil and dirt. Subsequently, the clean water is divided into two streams: one is discharged periodically into the Wipper river, the other flows continuously to the pumping station and back to the plant (process water pipes). Fresh water is added from outside via a separate pipeline. Thanks to this virtuous system, a considerable amount of water is recycled and reused in the industrial process. It was calculated that in 2024, the plant recycled 15,134,829 m³. This means that the total volume of water required, without these recirculation systems, would have been 15,971,064 m³. The predominant share of water used in the process comes from recycling: in 2024 this percentage was 94.8%. The recycling system therefore avoids the withdrawal of significant volumes of water.

Recycled and reused water 2024	Recycled and reused water	Total water used	% Recycled water on total water used
m³	15,134,829	15,971,064	94.8%

Purification and water discharges
The water used in the plant is discharged into the River Wipper, after being purified through chemical and physical treatments, and to third parties. Waste water is managed using the best available techniques. The values of pollutants in the waste water are within the limits specified in the permit.

** German Waste Water Regulation (AbwV), Appendix 39 Production of non-ferrous metals.*

THE AREA WHERE THE PLANT IS LOCATED IS CLASSIFIED AS 'HIGH' WATER STRESS

2.2.4 Resource use and circular economy

KME Mansfeld works to contribute to the transition to a more circular economy. Its production is already to a significant extent guided by the principles of circularity. The company makes extensive use of recycled materials: these are mainly copper scrap, classified as 'end-of-waste' according to European Regulation 715/2013. In addition, there are internal recovery processes within the production process, which minimise waste and increase efficiency in the use of materials. KME pursues objectives of continuous improvement of efficiency in the use of material, energy and water resources; this commitment is also developed through projects aimed at process and product innovations, as well as through training activities of professional skills necessary to develop circular business models.

KME Mansfeld works to reduce dependence on virgin raw materials. This also contributes to improving economic resilience, especially in times marked by geopolitical crises and trade uncertainties. Indeed, adopting circular models can reduce dependence on global supply chains and mitigate the risks associated with volatile commodity prices. Continuous improvement in the efficient use of materials is a priority objective for KME as part of its sustainability strategies and in the context of the transition to a circular economy. To this end, actions are developed and measures taken to reduce production waste and promote its recovery within production processes; to increase the use of recycled secondary raw materials instead of virgin raw materials; to develop process and product innovations according to business models consistent with the principles of the circular economy.

KME's products, which are used for multiple industrial applications, have very high durability and recyclability requirements, as copper, due to its characteristics, is a true 'permanent' material that can be recycled without losing its properties, and therefore highly consistent with the principles of the circular economy. This also offers significant opportunities in relation to the strategies of the European Union, with particular reference to the Circular Economy Action Plan adopted in 2020, the Ecodesign Regulation approved in 2024, the Clean Industrial Deal presented in February 2025 and the Steel and Metals Action Plan presented in March 2025.

The promotion of a circular economy requires investments in process and product eco-innovation, new business models, technological innovations, industrial symbiosis projects and research and development activities. As part of the KME Group's research and development activities, KME Mansfeld pays special attention to two topics closely related to the circular economy: material use efficiency and energy efficiency. The main focus is on the following activities: analysis and melt trials for the electrification of continuous melting processes, which are currently centred on the use of natural gas; the importance of replacing natural gas with hydrogen for the industrial plant park in the copper semi-finished products industry (this project focuses on the impact of the partial hydrogen mixture in natural gas and the effects on process stability and copper metallurgy).

2.2.4.1 Incoming resources

For the reporting of the materials used in 2024, a partially different methodology was adopted from that used in previous reports. The changes relate in particular to how the recycled content is calculated:

- Whereas in previous reports, copper cathodes were considered, in the absence of more specific data, as 100% primary materials even though it is known that a share of secondary material is generally included in their production, the 2024 reporting used data provided by the European Copper Institute, which reported an average recycled content of 24.9% in copper cathodes (European Copper Institute 2023: Copper the Pathway to net zero); for the other primary metals, a recycled content of zero was also assumed in the 2024 reporting;
- for semi-finished products declared as having a recycled content (mainly intercompany semi-finished products), a recycled content rate of 44% was conservatively assumed, which is equal only to the share of scraps in the total amount of scraps and metals used by KME; for semi-finished products declared as products with primary metals, a content rate of zero was conservatively assumed.

Materials used
In 2024, incoming materials amounted to 79,194 tonnes. To this must be added 26,053 tonnes of metals from internal recycling to calculate the materials actually processed.

INPUT MATERIALS (tonnes)	2024	
METALS	53,359	
metal scraps	16,098	
Semi-finished products	5,801	of which 2,502 tonnes produced from primary metals
		of which 3,299 t produced using scrap
Packaging	1,062	
Other process materials	2,974	
TOTAL	**79,294**	

MATERIALS PROCESSED (tonnes)	2024
Incoming materials	79,294
Metals from internal recovery	26,053
TOTAL	**105,347**

Recycled materials
KME Mansfeld uses recycled materials. These are mainly copper scrap, which is classified as 'end of waste' according to EU Regulation 715/2013. In addition to this, in-plant recovery processes are used to reuse production residues and waste, thus putting them back into the production cycle.

In 2024, the percentage of recycled materials out of the total materials used is 38.4%. If only metals are considered, this percentage rises to 40.4%.
In addition, a significant proportion of production residues and waste is reused through internal recycling processes. This further reduces the consumption of virgin raw materials and scrap, reducing waste and increasing efficiency in the use of materials. If we also consider the materials fed back into the production cycle through internal recycling processes, the percentage of metals resulting from external recycling and internal recovery is 55.7% of the total metals processed.

For the calculation of the recycling rate, the estimated recycled content is calculated for products with recycled content. For copper as "primary materials", consisting mainly of cathodes, it was assumed to have a recycled content of 24.9% (as reported in European Copper Institute 2023: Copper the Pathway to net zero). For semi-finished products declared as having a recycle content (mainly inter-company semi-finished products), a recycle content rate of 44.2% was conservatively assumed, which is equal only to the share of scraps in the total scraps and metal used by the KME Group.

Recycling content in purchased materials	2024
Materials purchased (t)	79,294
Recycling content in purchased materials (t)	30,424
Percentage of recycled content in purchased materials	**38.4%**

Recycling content in processed materials	Processed materials (t)	Recycled content (t)	Recycled content percentage
Packaging from primary material	1,062	-	*0%*
Process materials from primary material	2,974	-	*0%*
Recycled Packaging	-	-	*100%*
Recycled process materials	-	-	*100%*
Metal (primary copper cathode)	15,994	12,868	*24,9%*
Other primary metal	1,679	-	*0%*
Scrap	16,098	16,098	*100%*
Semi-finished products (without declared recycled content)	2,502	-	*0%*
Semi-finished products (with declared recycled content)	3,299	1,458	*44,2%*
Internal recycling	26,053	26,053	*100%*
Total	**105,347**	**56,477**	**53.6%**

Recycling content in processed materials	units of measurement	2024
Purchased metals	t	75,258
Recycling content in purchased metals (1)	t	30,424
Percentage recycled content in purchased metals	%	40.4%
Total metals processed (including internal recycling)	t	101,311
Recycling content in processed metals (2)	t	56,477
Recycling Content Percentage in Processed Metals	%	55.7%

(1) Recycling content in purchased metals, scrap and semi-finished products
(2) Recycling content in purchased metals + recycling content in semi-finished products + internal recycling

Renewable materials
Within the materials used, 988 tonnes are renewable materials, of organic origin (wood, paper and cardboard), used for packaging.

Renewable materials	units of measurement	2024
Renewable materials (packaging)	t	988
Total input materials	t	79,294
Renewable materials as a percentage of total materials	%	*1.2%*
Total packaging materials	t	1,062
Renewable materials as a percentage of total packaging	%	*93%*

Microplastics
No microplastics are used or produced.

2.2.4.2 Outgoing resources

Products
KME Mansfeld produces copper and copper alloy intermediates subject to further processing before the finished product is placed on the market. Durability and recyclability values refer to the material produced by KME and not to the final finished product (not determinable). Copper and copper alloys are permanent materials with long durability and almost complete recyclability. The expected durability of products placed on the market by the company is more than 100 years. The recyclable content rate is 100%.

PRODUCTION	2024
tonnes	50,715

Waste
Proper waste management is necessary not only for the protection of the environment, but also because it plays a key role in the transition to a circular economy. KME Mansfeld's overriding objective is to reduce the production of waste and to increase as much as possible its valorisation as a resource through recycling and other forms of recovery, while reducing landfill disposal.
The amount of waste generated in 2024 totalled 2,805 tonnes (-22% compared to 2023). 63.3% was sent for recovery. Waste per unit of product is 0.05 t (a similar value to the previous year).

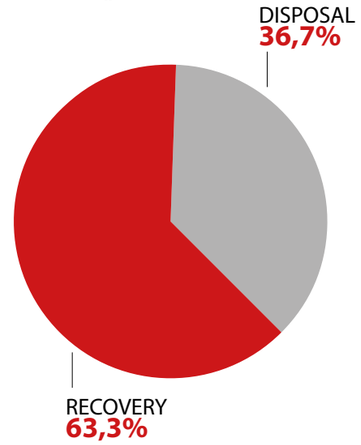
WASTE (t)	2024	%	2023	%
Non-hazardous	1,518	*54%*	1,693	*47%*
Hazardous	1,287	*46%*	1,898	*53%*
TOTAL	**2,805**	*100%*	**3,591**	*100%*

Waste generated - EWC chapter and denomination of group	Unit of measurment	Hazardous	Not hazardous	Total
01 - WASTES RESULTING FROM EXPLORATION, MINING, QUARRYING, AND PHYSICAL AND CHEMICAL TREATMENT OF MINERALS	t			-
02 - WASTES FROM AGRICULTURE, HORTICULTURE, AQUACULTURE, FORESTRY, HUNTING AND FISHING, FOOD PREPARATION AND PROCESSING	t			-
03 -WASTES FROM WOOD PROCESSING AND THE PRODUCTION OF PANELS AND FURNITURE, PULP, PAPER AND CARDBOARD	t		*235*	*235*
04 - WASTES FROM THE LEATHER, FUR AND TEXTILE INDUSTRIES	t			-
05 - WASTES FROM PETROLEUM REFINING, NATURAL GAS PURIFICATION AND PYROLYTIC TREATMENT OF COAL	t			-
06 - WASTES FROM INORGANIC CHEMICAL PROCESSES	t	0		-
07 -WASTES FROM ORGANIC CHEMICAL PROCESSES	t			-
08 - WASTES FROM THE MANUFACTURE, FORMULATION, SUPPLY AND USE (MFSU) OF COATINGS (PAINTS, VARNISHES AND VITREOUS ENAMELS), ADHESIVES, SEALANTS AND PRINTING INKS	t			-
09 - WASTES FROM THE PHOTOGRAPHIC INDUSTRY	t			-
10 - WASTES FROM THERMAL PROCESSES	t	205		*205*
11 - WASTES FROM CHEMICAL SURFACE TREATMENT AND COATING OF METALS AND OTHER MATERIALS; NON-FERROUS HYDRO-METALLURGY	t			-
12 -WASTES FROM SHAPING AND PHYSICAL AND MECHANICAL SURFACE TREATMENT OF METALS AND PLASTICS	t		215	215
13 - OIL WASTES AND WASTES OF LIQUID FUELS (except edible oils, and those in chapters 05, 12 and 19)	t	53		53
14 - WASTE ORGANIC SOLVENTS, REFRIGERANTS AND PROPELLANTS (except 07 and 08)	t			-
15 - WASTE PACKAGING; ABSORBENTS, WIPING CLOTHS, FILTER MATERIALS AND PROTECTIVE CLOTHING NOT OTHERWISE SPECIFIED	t	34		34
16 - WASTES NOT OTHERWISE SPECIFIED IN THE LIST	t	206	671	877
17 - CONSTRUCTION AND DEMOLITION WASTES (INCLUDING EXCAVATED SOIL FROM CONTAMINATED SITES)	t	471		471
18 - WASTES FROM HUMAN OR ANIMAL HEALTH CARE AND/OR RELATED RESEARCH (except kitchen and restaurant wastes not arising from immediate health care)	t			-
19 - WASTES FROM WASTE MANAGEMENT FACILITIES, OFF-SITE WASTE WATER TREATMENT PLANTS AND THE PREPARATION OF WATER INTENDED FOR HUMAN CONSUMPTION AND WATER FOR INDUSTRIAL USE	t	319	316	634
20 -MUNICIPAL WASTES (HOUSEHOLD WASTE AND SIMILAR COMMERCIAL, INDUSTRIAL AND INSTITUTIONAL WASTES) INCLUDING SEPARATELY COLLECTED FRACTIONS	t		82	82
Total	**t**	**1,287**	**1,518**	**2,805**
Percentage	**%**	**46%**	**54%**	**100%**

Waste sent for recovery	2024	
	tonnes	%
Hazardous waste	**566**	*20.2%*
Preparation for re-use	566	*20.2%*
Recycling (including composting and anaerobic digestion) (R4)	-	-
Other recovery operations (R12/R13)	-	-
Non-hazardous waste	1,211	*43.1%*
Preparation for re-use	1,211	*43.1*
Recycling (including composting and anaerobic digestion) (R4)	-	-
Other recovery operations (R12/R13)	-	-
Total	**1,777**	*63.3%*

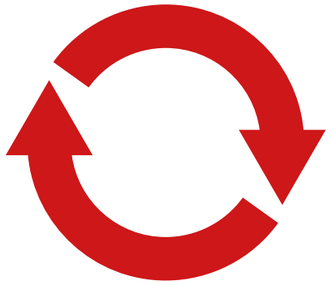
Waste sent for disposal	2024	
	tonnes	%
Hazardous waste	**721**	*25.7%*
Incineration (with energy recovery)	34	1.2%
Incineration (without energy recovery)	218	7.7%
Landfill	-	-
Other unclassified disposal operations	470	16.8%
Non-hazardous waste	307	*11.0%*
Incineration (with energy recovery)	307	*11.0%*
Incineration (without energy recovery)	-	-
Landfill	-	-
Other unclassified disposal operations	-	-
Total	**1.028**	*36.7%*

Waste management



2.2.4.3 Circularity performance

The circularity rate measures the percentage of secondary raw materials in relation to the total materials used. The higher this percentage, the more virtuous the production cycle. This indicator is particularly significant in the case of the KME Mansfeld plant, where the use of secondary raw materials (scrap and recycled materials used for packaging) contributes to a significant reduction in raw material consumption and environmental impacts.



CIRCULARITY RATE	2024
Materials	38.4%
Metals	40.4%
Metals (including internal recovery and compared to total metals processed)	55.7%

Reduction of **energy consumption** and **CO_2** emissions **as a result of recycling**

The transition to a circular economy is one of the pillars of the strategy to achieve climate neutrality, as the use of recycled materials instead of virgin raw materials significantly reduces energy consumption and *the carbon footprint**. It can be estimated that thanks to the use of scrap in 2024 by KME Mansfeld, energy consumption of 1,347,610 GJ was saved and emissions of 63,682 tonnes CO_2 were avoided.

KME MANSFELD

1,347,610 GJ

AVOIDED ENERGY CONSUMPTION

63,682 t

CO_2 EMISSIONS **AVOIDED**

**Impacts considered are global average impacts as calculated by the International Copper Association (Copper Enviromental Profile - Global 2023).*

Ecodesign and sustainable products

The new EU regulation and the copper industry

The transition to a circular economy is one of the European Union's main strategic challenges in the context of the Green Deal from an environmental point of view, because it entails a reduction in the consumption of raw materials and greenhouse gas emissions; from an economic point of view, because a circular economy is more efficient and competitive; and finally from a geopolitical point of view, because it reduces dependence on third countries and strengthens Europe's strategic autonomy in the supply of raw materials.

The European Union's Action Plan for the Circular Economy pays special attention to sustainable product design and circularity in production processes, as well as to certain resource-intensive sectors with a high environmental impact. Of particular relevance for industries such as KME, which are active in the copper and copper alloy production sector, will be measures concerning ecodesign and sustainable products. The EU regulation on ecodesign approved in 2024 will be complemented by specific measures for the main production chains by means of delegated acts, with the provision of: new requirements for sustainability, durability and reusability of products; minimum content of recycled materials; possibilities for recycling and recovery of materials; more product information (digital passport, labels, etc.). In addition to the environmental benefits, the European Commission estimates that these measures will produce a number of advantages for companies in terms of reduced material costs, increased competitiveness, and greater transparency in the supply chain. Benefits are also expected for the European economy in terms of decoupling economic activity from resource use, increased circular use of materials, and reduced dependence in the supply of raw materials.

2.2.5 Biodiversity

KME takes the necessary measures to prevent damage to natural habitats and minimise risks as part of proper management of environmental impacts.

There are no protected areas or areas of high biodiversity value within or adjacent to the KME Mansfeld operation site The only species classified as 'vulnerable', among those listed in the IUCN Red List and national lists that find their habitat in the plant's area of operation, is the *oedipod caerulescens*.

2.3 Social information

2.3.1 Employees

KME Mansfeld attaches a central role to the people who work there. In compliance with current legislation and its own Code of Conduct, it is committed to protecting health and safety at work, promoting training and professional development, ensuring equal opportunities between men and women, and opposing all forms of discrimination.

Workers' rights
KME Mansfeld guarantees the right of association and collective bargaining, respects the right of workers to join trade unions, works to promote positive industrial relations and the involvement of workers in strategies aimed at increasing economic competitiveness and maximum employment. The Group's Code of Conduct commits KME to ensure respect for the personal dignity, privacy and rights of each individual and not to force anyone to work against their will. There is provision for the involvement and participation of workers' representatives in the management of health and safety-related activities.

Management of policies and working conditions
The management of labour policies and conditions is governed by national regulations and the relevant collective agreements. The collective agreement applied is the 'Tarifverträge der Metall- und Elektroindustrie Sachsen-Anhalt'. 100% of the employees are covered by a collective labour agreement.
The Ethics Charter and Code of Conduct specify all aspects to be protected in relations with personnel and social partners. KME ensures compliance with the maximum number of working hours stipulated by applicable laws.

Other information
- In the context of labour relations, the minimum notice period for operational changes, relocations and job changes is guaranteed by legal and contractual regulations.
- Social security and pension matters are managed in accordance with national legislation.
- Wages are in line with the wage levels laid down in the relevant collective agreements.
- Workers may take parental leave under the terms provided by national law and collective labour agreements.
- Employees in blue-collar, administrative and managerial roles come predominantly from local communities; the same criterion is generally used for managers, except for a few cases of top positions for which specific skills are required.
- Employee performance is evaluated on the basis of company and individual objectives.
- KME's activities are not at risk of forced labour and child labour.
- KME invests in the continuous training of its employees.

KME Group
policies and actions

The KME Group has implemented a number of measures to ensure a safe, inclusive working environment that respects workers' rights. Among the main actions:
- ***Continuous training:*** recurring programmes designed to strengthen skills on health and safety, human rights, professional ethics and individual responsibility + internal dissemination activities;
- ***Safety Day:*** annual initiatives organised in all Group plants and service centres to strengthen the safety culture and raise awareness among workers through workshops, simulations and training sessions.
- ***10 Golden Rules:*** operational guidelines outlining key workplace safety behaviours, applicable daily by all workers.

KME promotes a working environment that enhances the professional growth, well-being and active participation of employees. Key initiatives include:
- ***Professional development:*** continuous training, on-the-job coaching and individual growth plans.
- ***Organisational well-being:*** actions aimed at improving the quality of working life, including psychological support, welfare initiatives and the promotion of work-life balance.
- ***Active involvement projects:*** periodic collection of feedback through company surveys, focus groups and structured moments of listening and discussion.
- ***Performance indicators:*** analysis of KPIs such as frequency and severity of accidents, absenteeism rate and internal satisfaction level, as well as periodic surveys to collect suggestions from employees.
- ***Confrontation with workers' representatives***, through scheduled meetings with RLS and company trade unions.
- ***Corrective action plans***, drawn up following incidents or evidence from internal audits or reports.

Within its sustainability strategy, the KME Group prioritises the setting of concrete and measurable targets for the prevention of negative impacts on its workforce, with a focus on occupational health and safety.
One of the central objectives is the progressive reduction of accidents at work, with the ambition of striving for 'zero harm'. This translates into the constant monitoring of accident indicators and the widespread dissemination of a prevention culture. In particular, it is planned to keep the accident frequency rate below annually defined thresholds, in line with internal and sector benchmarks. The achievement of these results is supported by systematic compulsory training activities, widespread awareness-raising events such as 'Safety Days' and the strict application of the '10 Golden Rules'.
Employees are involved not only in setting priorities, but also in monitoring progress. Periodic reporting, discussion sessions in individual plants and structured feedback systems enable continuous evaluation of progress against set targets. Likewise, any deviations become opportunities to rethink actions, making improvements and updating strategies.

As at 31 December 2024, the company had 718 employees (+38 compared to 2023), 13% of whom were women and 87% men. All employees have a permanent employment contract. 95% work full time, 5% part time.

The prevailing age group is between 30 and 50 (47%), followed by those over 50 (33%) and those under 30 (20%).

In terms of occupational classification, 71% were blue collars, 25% white collars, 3% middle management and 1% executives.

EMPLOYEES	2024	2023
TOTAL	718	680

Employees by gender As at 31 December 2024	Men	Women	Total
Number of employees	627	91	718
Percentage	*87%*	*13%*	*100%*

Employees by contract type As at 31 December 2024	Men	Women	Total
Permanent	627	91	718
Temporary	0	0	0
Total	**627**	**91**	**718**

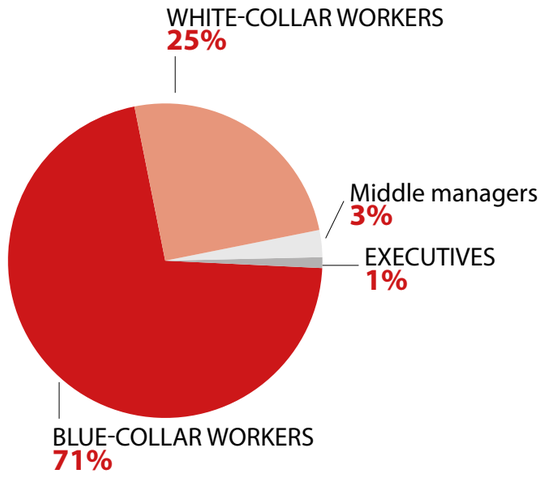
Employees by working time As at 31 December 2024	Men	Women	Total
Full time	608	71	679
Part time	19	20	39
Total	**627**	**91**	**718**

Turnover 2024	Men	Women	Total
Termination of employment	47	3	50
Turnover rate	**7.5%**	**3.3%**	**6.9%**

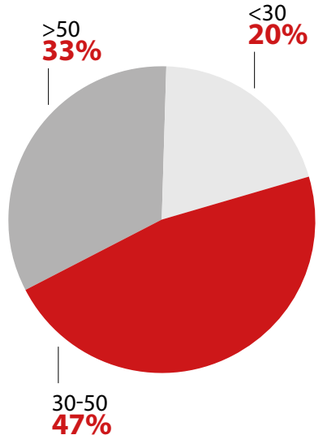
Professional categories and gender As at 31 December 2024	Uomini	Donne	Totale
Senior executives	5	-	5
Middle management	24	-	24
White collars	101	75	176
Blue collars	497	16	513
Total	**627**	**91**	**718**

Professional categories and age groups As at 31 December 2024	< 30	30-50	> 50	Total
Senior executives	-	2	3	5
Middle management	-	13	11	24
White collars	21	103	52	176
Blue collars	120	218	175	513
Total	**141**	**336**	**241**	**718**

PROFESSIONAL CATEGORIES



AGE GROUPS



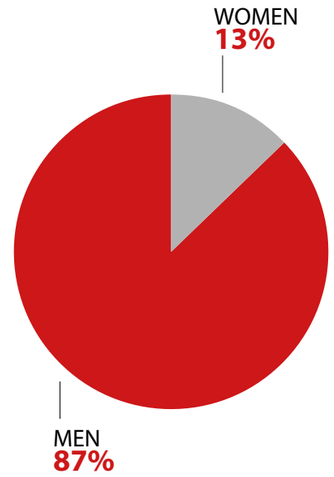
EMPLOYEES WITH DISABILITIES As at 31 December 2024	Men	Women	Total
Employees with disabilities	19	1	20
Total employees	627	91	718
Percentage	3%	1%	3%

2.3.2 Equal opportunities

KME Mansfeld is committed to ensuring that there is no form of discrimination in the working environment with regard to gender, ethnicity, nationality, sexual orientation, religious beliefs, political opinions and trade union membership. The Code of Conduct commits KME to promote equal opportunities in the work and treatment of its employees. Every employee is required to avoid any form of direct or indirect discrimination on the grounds of race, origin, colour, nationality, religion, ideology, sex, age, physical appearance and characteristics, sexual orientation or membership of protected categories. These principles apply both with regard to cooperation within companies and in conduct towards external partners.
No incidents of discrimination in the workplace in relation to gender, ethnicity, nationality, sexual orientation, religious beliefs, political opinions or trade union membership were detected or reported during the period examined. There is no substantial disparity between the basic salary of men and women. All employees are entitled to parental leave.

87% of employees are men, 13% women. In terms of professional roles, the highest proportion of women is in the white-collar category (43%), while it is 3% among blue-collar workers. There are no women among middle managers and managers.

EMPLOYEES



2.3.3 Health and safety

The health and safety of workers are key priorities. The main objective is to prevent accidents, work-related illnesses and inappropriate physical and mental strain. All employees are covered by occupational health and safety systems

Objectives and actions for safety

The companies of the KME Group operate in compliance with the laws and regulations on health and safety at work. The management of the company's occupational health and safety policies, which affect all workers, pursues the following objectives:

- reduce stress and workloads
- prevent work-related diseases and health risks
- permanently improve health and safety in the workplace;
- maintaining employee productivity
- increase employee motivation and satisfaction;
- ensure the long-term success of the company.

To achieve these objectives, in addition to occupational safety measures, medical services, flexible working models, in-company integration management and consultancy activities are provided. Fundamental to preventing health and safety risks is the training and information activity aimed at employees, particularly those who, working in industrial plants and service centres, are most exposed to risks. There is provision for the involvement and participation of workers' representatives in the management of health and safety activities. It is also emphasised that employees play an active role by reporting problems and potential dangerous situations to the company; in this way, action can be taken to further strengthen prevention and safety at work. Possible safety risks are identified and assessed with a view to their prevention and reduction.

KME Mansfeld is subject to the regulations of the German Occupational Health and Safety Act. Compliance with safety regulations is also required from partner companies and third parties. KME Mansfeld takes this into account when choosing to cooperate with other companies.
Occupational health and safety is an essential aspect of business management:

- The company monitors the achievement of objectives and is committed to ensuring that every member of staff is able to act with health and safety awareness.
- An occupational health and safety committee operates in the company with management,

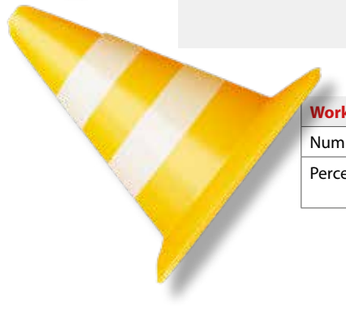
works council, production managers, employee representatives, company doctor and occupational safety officers.
- The company's occupational health and safety objectives are measurable and evaluated through audits, inspections and regular management reviews.
- A company medical service carries out weekly on-site consultations.
- Pre-employment examinations are provided for new employees, including a fitness-for-work check and regular occupational health examinations for employees.
- The company promotes safety training courses for staff.
- Local or general health and safety agreements have been signed with trade unions.

Health and safety are very important to us and our aim is to constantly improve. Before embarking on new projects and activities, we assess their effects on the health and safety of our employees. We have developed a number of tools to help us recognise and correct potential risks in the workplace. We minimise the risk of accidents and ensure compliance with legal requirements in order to improve overall safety.
This is confirmed by the ISO 45001 certification obtained by the Mansfeld plant. ISO 45001 is an internationally recognised standard for occupational health and safety management systems. It covers the following areas:

- The planning of hazard identification, risk assessment and risk control.
- Structure and responsibilities
- Training, awareness and competence
- Operational Management
- Emergency preparedness and response
- Performance measurement, monitoring and improvement

Safety Day

On 18 April 2024, Safety Day was organised simultaneously in all KME Group plants.
A day dedicated to raising awareness of safety in the workplace, involving all employees.



Workforce covered by health and safety management systems	2024
Number of persons covered by health and safety management systems	718
Percentage of people covered by health and safety management systems	100%

Accidents
In 2024 there were 3 accidents. Compared to the previous year, both the accident frequency rate and the gravity index improved. There are no cases of occupational diseases.

ACCIDENTS	Fatal accidents	Accidents	Frequency rate	Gravity index	ODR
2024	-	3	2.9	76.2	0
2023	-	4	3.7	100.7	0

OCCUPATIONAL HEALTH AND SAFETY	2024
Deaths due to occupational accidents	0
Deaths due to occupational diseases	0
Number of accidents (with absence >1 day)	3
Number of hours worked	1,036,997
Injury rate *(injury rate)*[1]	*2.9*
Days of absence for accidents at work	79
Accident Severity *Index (gravity index)*[2]	76.2
Cases of occupational diseases	0
Days of absence due to occupational diseases	0
ODR *(occupational disease rate)*[3]	0

1 Frequency Rate: number of accidents with an absence of more than 1 day/hours worked x 1,000,000
2 Gravity Index: days of absence due to injury/hours worked x 1,000,000)
3 ODR: cases of occupational disease/number of hours worked x 1,000,000

2.3.4 Training

Training is an important aspect of the company's activities. In addition to compulsory training on occupational safety, KME Mansfeld organises training activities aimed at refreshing personnel and developing professional skills, as well as on the principles and practices laid down in the Code of Conduct.

2.3.5 Corporate Welfare

Social benefits are the same for all employees, both full-time and part-time. Among other things, the company provides a company pension plan, an occupational health service, canteen meal support and preventive health measures.

2.3.6 Social responsibility and relations with the local community

KME Mansfeld, also thanks to the long history of the plant, has a strong relationship with the local community of the area in which it operates. The company's presence has generated economic and employment benefits over time; at the same time it is and integral part of the local system also from a social and cultural point of view. KME Mansfeld is aware of its social and environmental responsibility towards the region, its employees and the local community.

The company promotes social and cultural activities for the local community and other external initiatives. It maintains an open and cooperative relationship with public institutions in Saxony-Anhalt. It develops initiatives for the local area, from training to social support for people in need, and encourages employees to engage in voluntary work.

For centuries, the Mansfeld region has had a proud history of copper mining and processing. Our employees count on the economic success of KME Mansfeld GmbH, and the towns of Hettstedt and Mansfeld thrive with us. In the aftermath of the reunification of East and West Germany, most of the old industries were closed and many people in our region lost their jobs. During this phase, KME Mansfeld GmbH proved to be a reliable employer and today ranks among the top 5 largest companies in the state of Saxony-Anhalt.

Long-term mining and industrial activities have left their scars on the landscape. The environmental impact of our plant has been significantly reduced over the years. This effort will continue and we will prioritise future investments together with our neighbours and the authorities.

- Financial support for local organisations and youth structures
- Participation in public events (company parties, Girls & Boys Days, vocational training fairs...)
- Cooperation with local universities (scholarships, supervision of bachelor's and master's theses, practical training).
- Fundraising for local social projects
- Stem cell typing campaign
- Commissioning of a new biological treatment plant to improve the water quality of the local river Wipper
- Construction of a noise barrier to reduce noise emissions to direct residents.

2.4 Governance information

2.4.1 Mission, vision and values of the KME Group

Mission
KME Group SpA, a listed holding company, operates in various sectors and in particular, through its subsidiary KME SE, mainly in copper and copper alloy products. In this field it offers its customers products characterised by high quality, safety and durability. The Group operates with a focus on customer needs and responsibility towards the environment and people, with the aim of consolidating its growth by focusing on innovation, competitiveness and sustainable development.

Vision
KME intends to focus on the copper laminates business, presenting itself as the European leader in this sector, known for the quality of its products, the excellence of its service to customers and the sustainability of its business model.

Values
KME's activities are inspired by the following values, which are set out in more detail in the Group's Code of Ethics.

- Sustainable innovation
- Protection and respect for the person
- Social Responsibility
- Integrity, honesty and transparency

2.4.2 Organisational model and management system

The company adopts a system of proxies aimed at risk prevention and a functional organisation of work safety and environmental protection. The company's management involves permanent risk management by both the delegated persons and top management. Conflicts of interest are prevented through compliance with legal and corporate governance provisions, as well as through the principles laid down in the Code of Conduct.

Management system and certifications
Ensuring product quality and safety, together with environmental and social sustainability, is a key priority for KME. Strong and constant attention is paid to this objective at all stages, from research and development to production and marketing. Within the supply chain, suppliers are selected on the basis of quality requirements. In the production phase, constant and strict controls are carried out. With regard to product safety, KME operates in compliance with the European REACH and ROHS directives. KME's quality management is certified according to ISO 9001 and IATF 16949.

The technological processes used aim to ensure high environmental standards and constant improvement in the efficient use of material resources, energy efficiency and climate protection. KME's environmental and energy management is certified in accordance with ISO 14001 and ISO 50001. Occupational health and safety is certified according to ISO 45001.

KME is a member of MARS *(Metal Alliance for Responsible Sourcing)*, an initiative for sustainable design and certification of raw material sourcing.
The management system of KME Mansfeld is certified according to the following standards:

- DIN EN ISO 9001:2015 (Quality Management)
- IATF 16949:2016 (Additional certification for the automotive sector)
- DIN EN ISO 50001:2018 (Energy Management)
- ISO 14001:2015 (Environmental Management)
- DIN ISO 45001:2018 (Occupational Health and Safety Management)

2.4.3 Business conduct policies

The business conduct policies of KME Mansfeld are defined by the KME Group Ethics Charter and Code of Conduct.

Ethical charter
The Ethics Charter defines the values that inspire the KME Group, as well as the principles and rules of conduct to be adopted in relations with the main *stakeholders*. The rules apply, without exception, to all employees, members of corporate bodies and collaborators of the companies of the Group and to all those who, directly or indirectly, permanently or temporarily, establish relationships and relations with them, or work to pursue their objectives.
The Ethics Charter is inspired by the following national and international guidelines on human rights, corporate social responsibility and *corporate governance*:

- the United Nations Universal Declaration of Human Rights;
- the UN Convention on the Rights of the Child;
- the UN Convention on the Elimination of All Forms of Discrimination against Women;
- the UN Global Compact Principles;
- the 8 Core Conventions of the ILO (International Labour Organisation);
- the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises;
- the Charter of Fundamental Rights of the European Union;
- the Corporate Governance Code of Borsa Italiana;
- the Charter of Corporate Values of the European Institute for Social Reporting;
- Legislative Decree No. 231 of 8 June 2001 'Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality' and subsequent updates;
- the United Nations Convention against Corruption.

Code of Conduct
The Code of Conduct commits the KME Group companies and employees to strictly observe the applicable regulations and to comply with the rules and ethical principles established for corporate policy. The KME Code of Conduct covers the following topics in particular:

- Fair Competition and Antitrust
- Anticorruption
- Environment, health and safety
- Prohibition of child labour
- Respect for human rights
- Avoiding infringement of our property rights or those of third parties
- Avoiding conflicts of interest
- Information processing

The Code of Conduct that applies to KME Group companies defines the basic principles of cooperation with business partners, customers, colleagues, competitors and the public. Since KME's reputation is strongly influenced by the actions and behaviour of each employee, it is important that all employees - regardless of their function or assignment - comply with the Code of Conduct in the performance of their work. All employees are required to comply with applicable laws and company directives. Although the Code of Conduct is not an all-encompassing document and cannot cover all possible situations and circumstances, unethical conduct of any kind, even if not expressly regulated in this document, is not permitted under any circumstances. Violations of the law are obviously not permitted under any circumstances. KME employees

who violate the principles of the Code of Conduct expose themselves to severe sanctions, including termination of employment. No employee who violates these principles can find justification for his or her behaviour in having acted in the interest of KME, as any violation inevitably has a detrimental effect on the Company. The Code of Conduct aims to promote a culture of value creation by making employees aware of the current regulatory provisions and obliges them to respect the rules and ethical principles in the performance of their daily work. The Code of Conduct, moreover, encourages and sensitises employees to proactively seek clarification in cases of doubt because, in the event of violations of the law, ignorance of the rules is no defence against the possible consequences of violations of criminal, civil and labour law. In case of doubt, employees can and should contact their line manager or the Legal Department. In addition, every employee has the right to report any circumstances that may indicate a breach of internal rules. This possibility should be used in the best interests of KME and its employees. To this end, KME has appointed a trusted external lawyer (ombudsman) to whom employees can report such irregularities, if necessary also anonymously. Every employee, who makes a report in good faith, is protected. All reports will be followed up in a professional manner, respecting the rights of all persons involved.

- **Prohibition of child labour** KME guarantees the prohibition of child labour, with the exception expressly provided for in international conventions (ILO Convention 138) for emerging countries where the age limit is 14 years.
- **Respect for human rights**. KME guarantees respect for the personal dignity, privacy and rights of each employee and does not force any individual to work against his or her will. The Group guarantees compliance with the maximum number of working hours established by applicable laws and recognises the right of its employees to free association. The Group's companies, in the countries where they operate, carry out their activities in harmony with current legislation protecting working conditions, guaranteeing the prohibition of child or forced labour.
- **Equal opportunities and non-discrimination** KME promotes equal opportunities in the work and treatment of its employees. Relations between employees of the companies of the Group must be marked by the principles of civil coexistence and must be conducted with mutual respect for the rights and freedom of individuals. In particular, there must be no discrimination or retaliation on the grounds of nationality, religious belief, political and trade union membership, language and gender.
- **Internal control processes.** The Group considers it of fundamental importance that its human resources are aware of the existence of control procedures and conscious of the contribution they make to company efficiency and the achievement of business objectives. The responsibility for creating an effective internal control system is common to every operational level; consequently, all employees, within the scope of their functions, are responsible for the definition, implementation and proper functioning of the controls inherent to the operational areas entrusted to them.
- **Customers.** KME is committed to acting in compliance with the values of excellence and innovation, seeking to respond in the best possible way to the needs of its customers and guaranteeing them high quality standards of the products and services offered. Each Recipient must pursue maximum customer satisfaction, providing, inter alia, complete, accurate and transparent information on the products, services offered and the various aspects relating to commercial transactions, avoiding recourse to deceptive practices, so as to favour well-considered and conscious choices in a perspective of responsibility and mutual respect.
- **Investors and the financial world.** The KME Group pursues sustainable success by committing itself to the creation of long-term value for its investors and all its stakeholders, promoting the exchange of information and dialogue between the parties. KME is committed to establishing a relationship with current and potential investors and the financial world based on clear, complete and transparent information sharing, aimed at ensuring that investors can make informed decisions on whether to invest in the Group. The description of products and services, the Group's organisational structure and financial statistics and reports must always be based on criteria of completeness, correctness and transparency of information.
- **Information organs.** Relations between Group companies and the mass media are the responsibility of the specifically designated corporate functions and must be consistent with the communication policy defined by the Group and existing corporate procedures. Participation, in the name of KME Group or representing it, in committees and associations of any kind, whether scientific, cultural or trade, must be duly authorised and formalised in writing, in compliance with corporate rules
- **Local communities.** KME is committed to establishing open communication with its stakeholders, including local communities and local authorities, with a view to pursuing the sustainable development of its activities and having a positive impact on the communities and territories in which the Group operates.
- **Environment.** The KME Group is committed to promoting and spreading a culture of responsibility towards the environment among its stakeholders. The Group's commitments in terms of environmental sustainability include the development of preventive strategies aimed at avoiding environmental pollution, the efficient use, recovery and/or recyclability of materials and energy efficiency in the production and supply of its products and services. The Addressees, in the performance of their functions, undertake to comply with the regulations in force on environmental protection and safeguard and also promote the conduct of their activities centred on the correct and functional use of resources and respect for the environment.

Cases of breach of the Code of Conduct
During 2024, there were no significant violations of the Ethics Charter and Code of Conduct.

Compliance
During 2024, there were no cases of non-compliance with laws and regulations.

Actions for anti-competitive behaviour, antitrust and monopolistic practices
During the reporting period, no legal actions were taken against group companies relating to anti-competitive behaviour and/or violations of anti-trust and anti-monopoly laws, and no judgements were pending on these matters.

Prevention of corruption
KME Mansfeld is committed to fighting corruption in all its forms, basing its activities on the values of integrity, honesty and transparency and maintaining fair and loyal relations with its *stakeholders*. The possibility of obtaining higher profits or gains, of whatever amount, shall under no circumstances justify the establishment of illegal business practices. This principle applies without exception at all levels in the KME Group. Therefore, the Group asks its *stakeholders* to comply with the rules of conduct defined by its Code and, to the extent applicable, by the Organisational, Management and Control Model, ex Legislative Decree 231/01, adopted by the individual companies of the Group, and to act in accordance with ethical and legal standards, without resorting to unlawful means, such as attempts at corruption, favouritism and solicitation of personal advantages.
KME rejects all forms of corruption, in compliance with the 2003 United Nations Convention against Corruption, in force since 2005. Therefore, KME shall not engage in any business relationship that involves violations of applicable laws or violations of company regulations concerning the giving/acceptance of sums of money or other benefits, even in the knowledge that this may result in the loss of some business. The possibility of obtaining greater profits or gains, of whatever amount, may under no circumstances justify the establishment of illegal business practices. This principle applies without exception at all levels in the KME Group. In some foreign countries, local customs provide for the offering of gifts as a sign of courtesy and respect. In such cases, it is important to ensure that no dependence develops on either the donor's or the recipient's side, and that all applicable regulations - national and international - are respected. The responsible person must be informed about any gift received and the provisions of the Ethics Charter must be observed. KME complies with the anti-money laundering rules of international regulations and applicable national laws. Therefore, KME will not engage in any legitimate business relationship that may conceal the criminal origins of money or property found to be the proceeds of crime. In case of doubt, employees should contact their line manager or the Legal Department.
No cases of corruption were reported during the reporting period.

Political influence and lobbying

- **Public Administration, Public Institutions and Regulatory Bodies.** The undertaking of commitments with the Public Administration and Public Institutions is reserved exclusively to the appointed and authorised corporate functions. Addressees who, in the context of their functions, legitimately have relations with the Public Administration, Public Institutions and Regulatory Bodies, are responsible for verifying in advance, and with due diligence, that what they have declared and/or attested, in the interest of the Group, is true and correct.
- **Political and trade union organisations.** KME Mansfeld is open to discussions with trade union representatives in order to collaboratively address labour and industrial relations issues. As a matter of principle, KME Group companies do not make contributions to political parties, committees and organisations or trade unions. If a contribution is deemed appropriate in the public interest, the Group assesses whether it is permissible in light of applicable laws. All contributions must, however, be made in strict compliance with applicable laws and properly recorded.

Taxation
Legality and transparency are firm points of reference in the management of tax activities by KME Mansfeld, through behaviour oriented towards compliance with tax regulations and relations with the competent tax authorities marked by maximum cooperation. Consistent with these values - and with the awareness that taxes are important sources of public revenue and are essential for macroeconomic stability - the tax approach aims to ensure the correct determination and settlement of taxes due by law, preventing the risk of incurring in the violation of tax regulations or in the abuse of the principles and purposes of the tax system.

KME Mansfeld is committed to enforcing tax regulations, ensuring compliance with the spirit and purpose of the regulations, and adopting a reasonable and responsible interpretation of the regulations in force. It can benefit, in a legitimate and transparent way, from incentives and tax benefits provided by the legislation in force. KME Mansfeld is aware that through the development of its business it has the opportunity to contribute to the tax revenues of the State and also to support the economic and social development of the territories where the plants are located. KME Mansfeld is also aware of the importance that these financial flows have for the collective welfare and for the public welfare system; also for this reason it adopts a behaviour consistent with the principles of legality, fairness and transparency.

2.4.4 Relations with suppliers

KME Mansfeld pays special attention to the sustainability of the supply chain. For this reason, it acts, as far as possible, to ensure that suppliers comply with the principles set out in a Code of Conduct for Business Partners, with reference to globally established standards such as, in particular, the 'United Nations Global Compact', the 'United Nations Guiding Principles on Business and Human Rights' and the 'OECD Guidelines for Multinational Enterprises'. KME purchases materials only from approved and registered suppliers, and constantly inspects their work. KME is a member of MARS (Metal Alliance for Responsible Sourcing), an initiative for sustainable design and certification of raw material sourcing.
KME's business partners must make a binding commitment to:

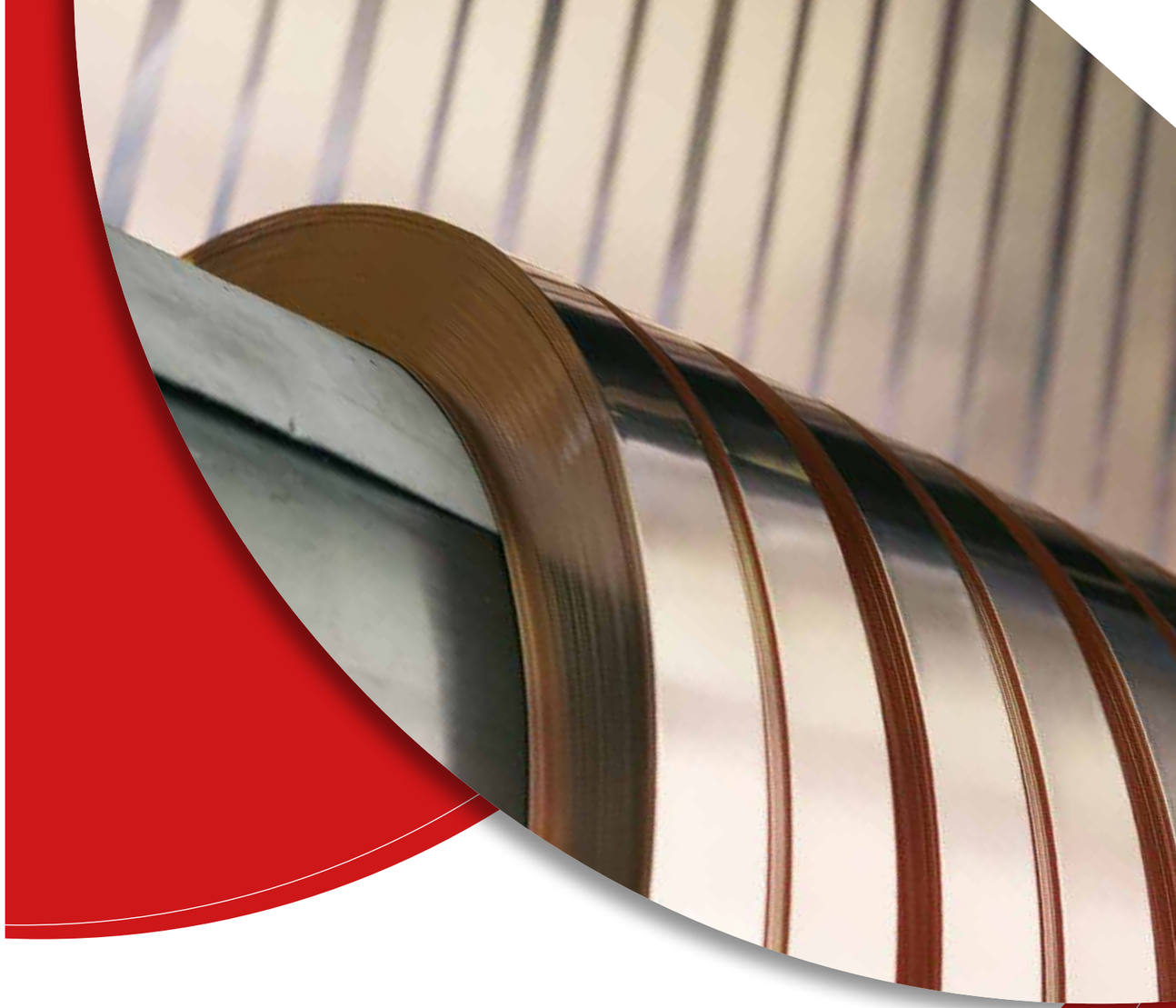
- comply with all legal regulations of the applicable legal system, in particular (but not exclusively) the provisions of the applicable legislation on competition, antitrust, trade restrictions, data protection, working hours, minimum wage and the environment;
- actively ensure respect for fundamental rights. This includes respecting and promoting equal opportunities and equal treatment of all employees (irrespective of skin colour, social ethical background, race, nationality, sexual orientation, political and religious beliefs or opinions, gender, age, disability, union membership, physical characteristics and/or appearance), as well as respecting the dignity, privacy and general right to privacy of each and every employee, the prohibition of forced labour, torture, sexual harassment, as well as the right to form an employee organisation;
- respect the prohibition of child labour, i.e. not to employ persons who have not reached the minimum age set by ILO Convention 138;
- take measures to ensure the health and safety of employees and consequently train them to reduce the risk of occupational diseases and accidents;
- comply with the applicable provisions of environmental legislation, as well as international standards relating to this matter;
- take appropriate measures to avoid the use of raw materials that directly or indirectly finance armed groups that violate human rights;
- not to advise, tolerate or participate (whether directly or indirectly, actively or passively) in any action that may involve bribery and/or corruption. This also includes not offering or granting illegal advantages to anyone, nor requesting or accepting them from any person, with the aim of obtaining a personal advantage or creating dependencies or conflicts of interest. The regulations applicable in the respective legal system must be complied with;
- comply with applicable anti-money laundering legislation, as well as international standards in this area;
- respect the property (including intellectual property) of third parties and take IT security measures;
- promote compliance in its supply chain with the principles set out in the 'Code of Conduct for Business Partners of the KME Group Companies'.

CF CONFLICT FREE

NO SUPPLY
FROM **WAR ZONES**

KME only buys materials from approved and registered suppliers, and constantly inspects their work. It does not purchase materials from mines located in regions with armed conflicts.

Payment policies
KME Mansfeld is committed to ensuring fair and responsible relations with its suppliers with regard to payments, respecting the terms set out in commercial agreements and at the same time the principles of financial integrity. To this end it works to avoid payment delays, with particular attention to small and medium-sized enterprises, establishing standardised payment terms for the main categories of suppliers and implementing a monitoring system to ensure compliance with these terms.



3 KM COPPER BARS

KME

3.1 General disclosures

KM Copper Bars GmbH is based in Hettstedt, in the same production area as KME Mansfeld. As of 2023, the production of Bars & Profiles has been transferred to the new company KM Copper Bars GmbH, a wholly owned subsidiary of KME Mansfeld GmbH. KM Copper Bars is subject to the German Limited Liability Company Act (GmbH).

General information - such as sustainability strategies, corporate conduct policies, etc - is similar to that already outlined for KME Mansfeld and is therefore not repeated here, merely providing some specific information.

Board of Directors

Claudio Pinassi
Kakha Avaliani

Productions
The product range of KM Copper Bars GmbH includes a wide selection of sizes in different copper grades. It offers flat bars, round bars, square bars and, according to technical drawings, copper and low-alloy copper profiles. As an experienced and reliable partner with fully integrated production, KM Copper Bars GmbH accompanies all market changes. The latest trends include additional alloys and low-oxygen (OF) and oxygen-free (OFE) copper - and the company is also involved in these aspects. KM Copper Bars manufactures in compliance with all major standards such as EN, ASTM, GOST and JIS, as well as meeting specific requirements. KM Copper Bars is able to produce full-section copper profiles in various shapes. This product family includes trapezoidal profiles for the production of collector profiles for DC motors and rotor bars for AC motors.

Typical areas of use are:
- Power engineering/electrical engineering (switchgear construction, buses, transformers);
- Wind energy (onshore/offshore);
- Mechanical engineering;
- Power equipment.

PRODUCTION	2024	2023
tonnes	14,502	13,364

3.2 Environmental information

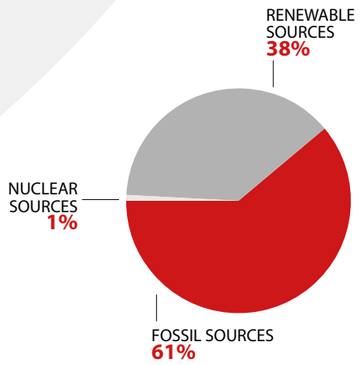
Energy
KMCB uses mainly electricity and natural gas. In 2024, total consumption was 95,661 GJ (+50% compared to 2023). The energy intensity in relation to production is 6.6 GJ/tonne.

Energy consumption (GJ)	2024	2023
Electricity	64,918	41,257
Natural gas	27,123	20,604
Diesel	588	-
Petrol	-	-
Extra light oil	-	-
Biomass (charcoal)	3,032	1,673
TOTAL	**95,661**	**63,534**

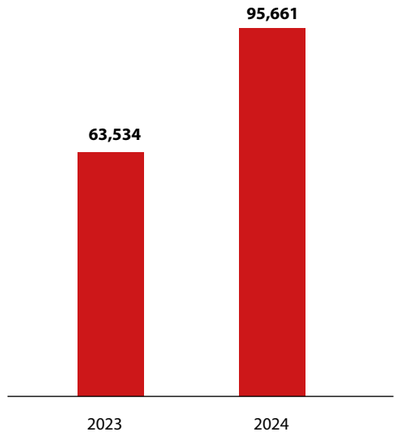
Electricity purchased with emissions data declared by the supplier		
Sources	**%**	**2024**
Renewables	%	50.7%
Nuclear	%	1.6%
Fossil fuels	%	47.7%
CO2e emissions	**g CO2e/kWh**	**392**

Energy consumption	Units of Measurement	2024
Energy from fossil sources	GJ	58,676
Energy from nuclear sources	GJ	1,039
Energy from renewable sources	GJ	35,946
Total consumption	**GJ**	**95,661**

ENERGY CONSUMPTION - SOURCES



TOTAL ENERGY CONSUMPTION (GJ)



Emission intensity in relation to production	2024	2023
GJ/t	6.6	4.7

Emission intensity in relation to revenues	2024
GJ/mln euro	778.4

Greenhouse gas emissions
By adding direct (scope 1) and indirect (scope 2 and scope 3) emissions, total emissions in 2024 amount to 12,043 t. CO_2eq. if the '*location based*' approach is used for indirect scope 2 emissions, while they are 13,069 t according to the '*market based*' approach.
There were also 339 tonnes of biogenic CO_2emissions (from the use of charcoal).
Scope 3 emissions were calculated with reference to category 1 (purchased materials), conservatively taking the highest emission factor declared by the different copper suppliers as a reference.

Greenhouse gas emissions (tonnes CO_2eq)	2024	2023
Scope 1 emissions	1,647	1,205
Scope 2 emissions *(market based)*	7,069	3,564
Scope 2 emissions *(location based)*	6,043	4,194
Scope 3 emissions	4,353	*not calculated*
TOTAL EMISSIONS (scope 1 + scope 2 market based + scope 3)	**13,069**	*not calculated*
TOTAL EMISSIONS (scope 1 + scope 2 location based + scope 3)	**12,043**	*not calculated*

Biogenic emissions	2024	2023
tonnes CO_2	339	187

Emission intensity in relation to production (tCO_2/tprod)	2024	2023
Scope 1 emissions	0.11	0.09
Scope 2 location-based emissions	0.41	0.31
Scope 2 market-based emissions	0.49	0.27
Scope 3 emissions	0.30	*not calculated*
Total emission intensity (scope 1 + scope 2 market based + scope 3)	**0.90**	*not calculated*
Total emission intensity (scope 1 + scope 2 location based + scope 3)	**0.82**	*not calculated*

Emission intensity in relation to revenues (tCO_2/mln euro)	2024
Scope 1 emissions	13.4
Scope 2 emissions (location based)	49.2
Scope 2 emissions (market based)	57.5
Scope 3 emissions	35.4
TOTAL (scope 1+scope 2 location based + scope 3)	**98.0**
TOTAL (scope 1+scope 2 market based + scope 3)	**106.3**

Pollution

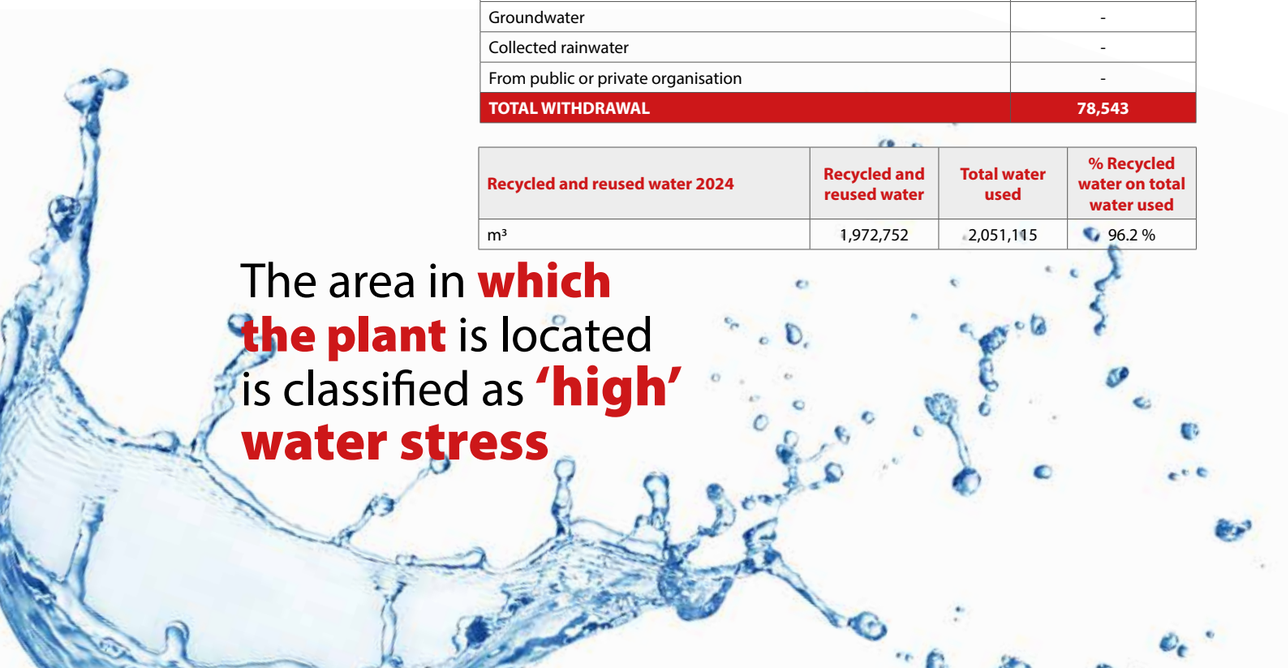
Air emissions	units of measurement	2024
Copper and compounds (as Cu)	kg/y	2.08
Tetrachloroethylene (PER)	kg/y	555
Particulate matter (PM10)	kg/y	6.5

Water

Water (m^3)	2024	2023
Withdrawal	78,543	83.303
Discharges	78,543	0
Water consumption	**0**	**83.303**

Withdrawal water (m^3)	
Sources	**2024**
Surface water	78,543
Groundwater	-
Collected rainwater	-
From public or private organisation	-
TOTAL WITHDRAWAL	**78,543**

Recycled and reused water 2024	Recycled and reused water	Total water used	% Recycled water on total water used
m^3	1,972,752	2,051,115	96.2 %



The area in **which the plant** is located is classified as **'high' water stress**

Resource use and circular economy

Incoming resources
For the reporting of materials used in 2024, a partially different methodology was adopted than that used in previous reports, as already described in section 2.3.4 above. For this reason, a comparison with 2023 is not possible.

In 2024, incoming materials amounted to 27,895 tonnes. To this must be added 6,502 tonnes of metals from internal recycling to calculate the materials actually processed.

Input materials (tonnes)	2024
Metals	21,264
Metal scraps	3,291
Semi-finished metal products *(products using scrap)*	2,104
Packaging	1,040
Other process materials	196
TOTAL	**27,895**

Materials processed (tonnes)	2024
Incoming materials	27,895
Metals from internal recovery	6,502
TOTAL	**34,397**

In 2024, the percentage of recycled materials out of the total materials used is 34.1%. If only metals are considered, this percentage rises to 35.7%.

A significant share of production residues and waste is also reused through internal recycling processes. If these materials reintroduced into the production cycle are also taken into account, the percentage of metals resulting from external and internal recycling is 46.6% of the total metals processed.

Recycling content in purchased materials	2024
Materials purchased (t)	27,895
Recycling content in purchased materials (t)	9,516
Percentage of recycled content in purchased materials	**34.1%**

Recycling content in processed materials	Processed materials (t)	Recycled content (t)	Recycled content percentage
packaging from primary material	1,040	-	*0%*
Process materials from primary material	196	-	*0%*
Recycled Packaging	-	-	*100%*
Recycled process materials	-	-	*100%*
Metal (primary copper cathode)	21,264	5,295	*24,9%*
Other primary metal	-	-	*0%*
Scrap	3,291	3,291	*100%*
Semi-finished products (without declared recycled content)	-	-	*0%*
Semi-finished products (with declared recycled content)	2,104	930	*44,2%*
Internal recycling	6,502	6,502	*100%*
Total	**34,397**	**16,018**	**46.6%**

Recycling content in processed metals	units of measurement	2024
Purchased metals	t	26,659
Recycling content in purchased metals [1]	t	9,516
Percentage recycled content in purchased metals	**%**	***35.7%***
Total metals processed (including internal recycling)	t	33,161
Recycling content in processed metals[2]	t	16,018
Recycling Content Percentage in Processed Metals	**%**	*48.3%*

(1) Recycling content in purchased metals, scrap and semi-finished products
(2) Recycling content in purchased metals + recycling content in semi-finished products + internal recycling

Within the materials used, 1,040 tonnes are renewable materials, i.e. of organic origin (wood, paper and cardboard), used for packaging.

Renewable materials	units of measurement	2024
Renewable materials (packaging)	t	1,040
Total input materials	t	*27,895*
Renewable materials as a percentage of total materials	%	*3.7%*
Total packaging materials	t	1,040
Renewable materials as a percentage of total packaging	%	*100%*

Microplastics
No primary microplastics are used

Outgoing resources

Products
The expected durability of products placed on the market by the company is more than 100 years. The recyclable content rate is 100%.

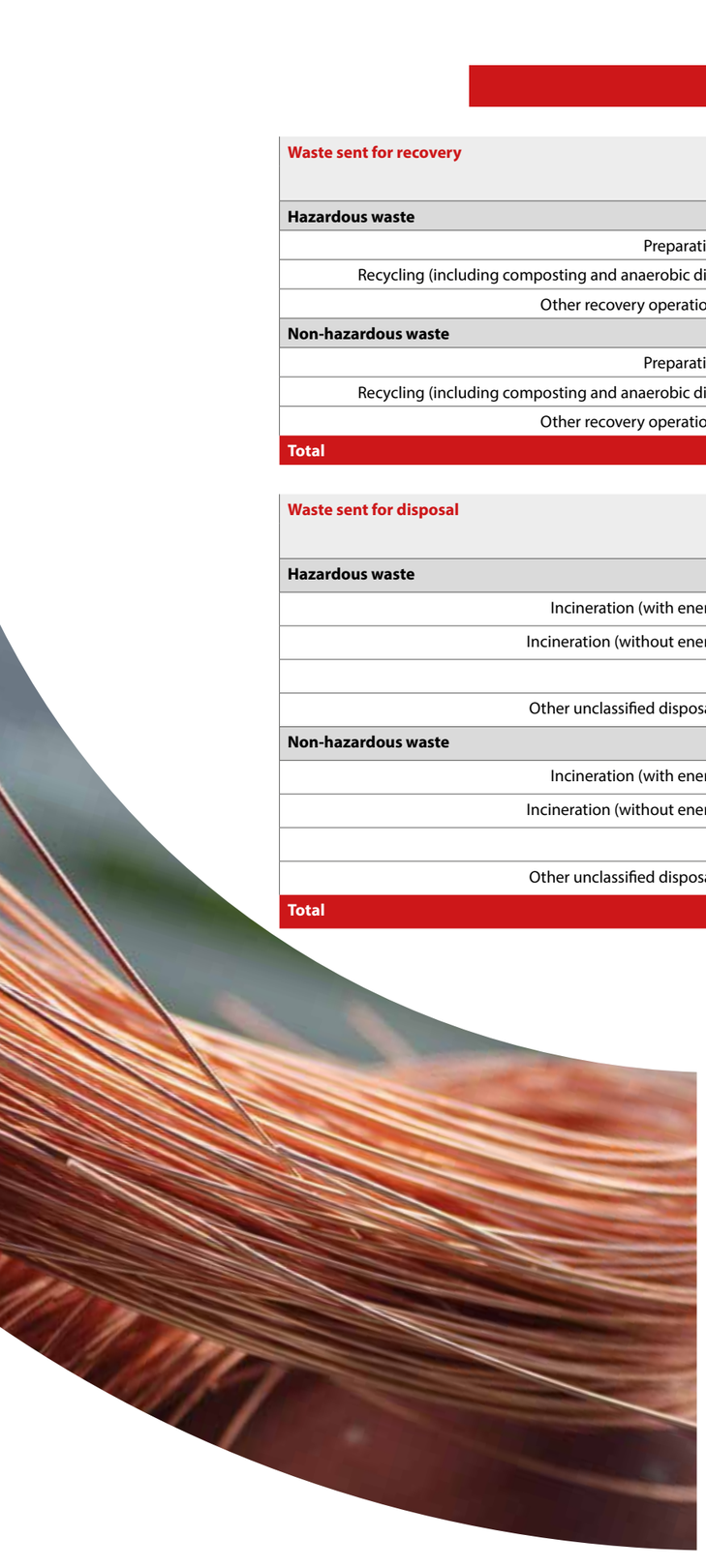
PRODUCTION	2024
tonnes	14,502

Waste

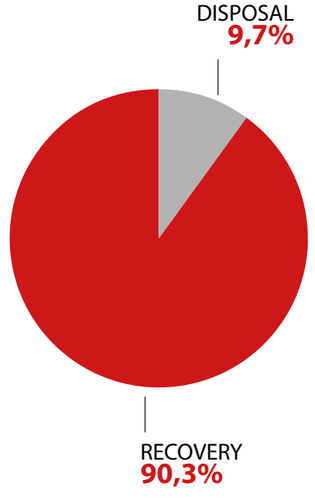
Waste generated - EWC chapter and denomination of group 2024	Unit of measurment	Hazardous	Not hazardous	Total
01 - wastes resulting from exploration, mining, quarrying, and physical and chemical treatment of minerals	t			-
02 - wastes from agriculture, horticulture, aquaculture, forestry, hunting and fishing, food preparation and processing	t			-
03 -wastes from wood processing and the production of panels and furniture, pulp, paper and cardboard	t			-
04 - wastes from the leather, fur and textile industries	t			-
05 - wastes from petroleum refining, natural gas purification and pyrolytic treatment of coal	t			-
06 - wastes from inorganic chemical processes	t			-
07 -wastes from organic chemical processes	t			-
08 - wastes from the manufacture, formulation, supply and use (mfsu) of coatings (paints, varnishes and vitreous enamels), adhesives, sealants and printing inks	t			-
09 - wastes from the photographic industry	t			-
10 - wastes from thermal processes	t			-
11 - wastes from chemical surface treatment and coating of metals and other materials; non-ferrous hydro-metallurgy	t	34	76	111
12 -wastes from shaping and physical and mechanical surface treatment of metals and plastics	t			-
13 - oil wastes and wastes of liquid fuels (except edible oils, and those in chapters 05, 12 and 19)	t	5		5
14 - waste organic solvents, refrigerants and propellants (except 07 and 08)	t	4		4
15 - waste packaging; absorbents, wiping cloths, filter materials and protective clothing not otherwise specified	t			-
16 - wastes not otherwise specified in the list	t		79	79
17 - construction and demolition wastes (including excavated soil from contaminated sites)	t		9	9
18 - wastes from human or animal health care and/or related research (except kitchen and restaurant wastes not arising from immediate health care)	t		4	4
19 - wastes from waste management facilities, off-site waste water treatment plants and the preparation of water intended for human consumption and water for industrial use	t			-
20 - municipal wastes (household waste and similar commercial, industrial and institutional wastes) including separately collected fractions	t			-
Total	**t**	**43**	**169**	**212**
Percentage	**%**	**20%**	**80%**	**100%**

Waste sent for recovery	2024	
	Tonnes	%
Hazardous waste	**39**	***18.3%***
Preparation for re-use	39	*18.3%*
Recycling (including composting and anaerobic digestion) (R4)	-	-
Other recovery operations (R12/R13)	-	-
Non-hazardous waste	**153**	***72.0%***
Preparation for re-use	153	*72.0*
Recycling (including composting and anaerobic digestion) (R4)	-	-
Other recovery operations (R12/R13)	-	-
Total	**192**	***90.3%***

Waste sent for disposal	2024	
	Tonnes	%
Hazardous waste	**4**	***1.9%***
Incineration (with energy recovery)	*4*	*1.9%*
Incineration (without energy recovery)	-	-
Landfill	-	-
Other unclassified disposal operations	-	-
Non-hazardous waste	**16**	***7.8%***
Incineration (with energy recovery)	*16*	*7.8%*
Incineration (without energy recovery)	-	-
Landfill	-	-
Other unclassified disposal operations	-	-
Total	**20**	***9.7%***



WASTE MANAGEMENT



3.3 Social information

Employees
As at 31 December 2024, the company had 118 employees (-3 compared to 2023), 11% of whom were women and 89% men. All employees are covered by the collective labour agreement. 100% have a permanent employment contract. 96% work full time, 4% part time.

The predominant age group is between 30 and 50 (48%), followed by those over 50 (43%) and those under 30 (9%).

In terms of professional classification, 81% were blue collars, 15% white collars, 2% middle management and 2% senior executives.

EMPLOYEES	2024	2023
TOTAL	**118**	**121**

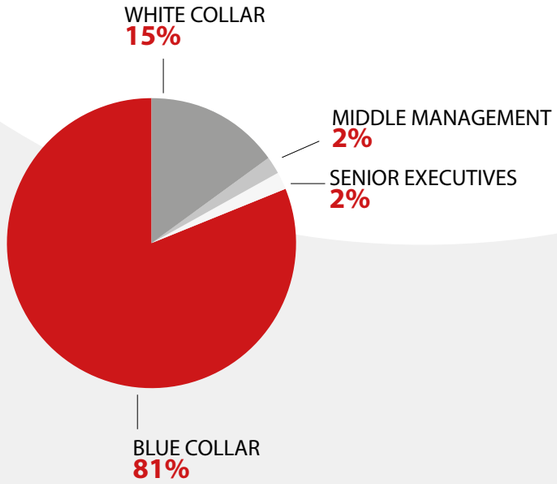
Employees by gender	As at 31 December 2024		
	Men	Women	Total
Number of employees	105	13	118
Percentage	*89%*	*11%*	*100%*

Employees by contract type	As at 31 December 2024		
	Men	Women	Total
Permanent	105	13	118
Temporary	-	-	-
Total	**105**	**13**	**118**

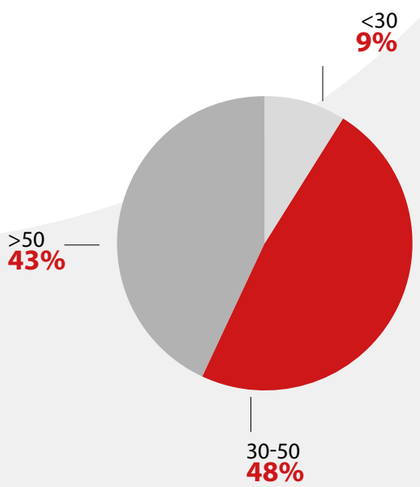
Employees by working time	As at 31 December 2024		
	Men	Women	Total
Full time	100	13	113
Part time	5	-	5
Total	**105**	**13**	**118**

Occupational categories and age groups	As at 31 December 2024			
	< 30	30-50	> 50	Total
Senior executives	-	1	1	2
Middle management	-	1	1	2
White collars	1	10	7	18
Blue collars	10	44	42	96
Total	**11**	**56**	**51**	**118**

PROFESSIONAL CATEGORIES



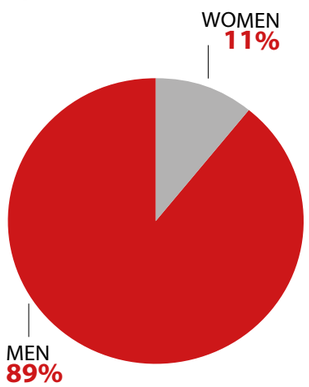
AGE GROUPS



Employees with disabilities	As at 31 December 2024		
	Men	Women	Total
Employees with disabilities	3	-	3
Total employees	105	13	118
Percentage	***2.8%***	***0%***	***2.5%***

Equal opportunities
No incidents of discrimination in the workplace in relation to gender, ethnicity, nationality, sexual orientation, religious beliefs, political opinions or trade union membership were detected or reported during the period examined. There is no substantial disparity between the basic salary of men and women. All employees are entitled to parental leave.

EMPLOYEES



Occupational health and safety
All employees are covered by the occupational health and safety management system. There were no accidents in 2024, as in the previous year. There are no cases of occupational diseases.

Workforce covered by health and safety management systems	2024
	Employees
Employees covered by health and safety management systems	118
Percentage of people covered by health and safety management systems	100%

OCCUPATIONAL HEALTH AND SAFETY	2024
Deaths due to occupational accidents	0
Deaths due to occupational diseases	0
Number of accidents (with absence >1 day)	0
Number of hours worked	161,677
Injury rate *(injury rate)*[1]	0
Days of absence for accidents at work	0
Accident Severity Index *(gravity index)*[2]	0
Cases of occupational diseases	0
Days of absence due to occupational diseases	0
ODR *(occupational disease rate)*[3]	0

1) Frequency Rate: number of accidents with an absence of more than 1 day/hours worked x 1,000,000
2) Gravity Index: days of absence due to injury/hours worked x 1,000,000)
3) ODR: cases of occupational disease/number of hours worked x 1,000,000

4.1 General disclosures

The KME Service Centre Slovakia S.R.O, acquired by the KME Group in 2022, is located in Dolny Kubin. Its legal form is that of a limited liability company. It performs cutting to length, packaging and shipping operations. Its activities mainly target the markets in Central Europe, Sweden and Turkey. The Service Centre is ISO 14001:2015 certified.

Other general information, such as sustainability strategies and corporate conduct policies, is similar to that already outlined for KME Mansfeld and is therefore not repeated here, merely providing some specific information.

Board of Directors

Tadeusz Kipiel
Kakha Avaliani
Michele Manfredi
Stefano Cultrera

PRODUCTION	2024	2023
Tonnes	2,116	1,795

4.2 Environmental information

Energy

Energy consumption (GJ)	2024	2023
Electricity	245*	203
Natural gas	270	280
Diesel	165	271
Petrol	82	143
Extra light oil	-	-
Biomass (charcoal)	-	-
TOTAL	**762**	**897**

**of which 223 GJ purchased and 22 self-generated from renewable sources (photovoltaic system)*

Energy consumption	Units of Measurement	2024
Energy from fossil sources	GJ	626
Energy from nuclear sources	GJ	104
Energy from renewable sources	GJ	32
Total consumption	**GJ**	**762**

Energy intensity in relation to production	2024	2023
GJ/t	0.36	0.50

Energy intensity in relation to revenues	2024
GJ/mln euro	27.9

Greenhouse gas emissions

Greenhouse gas emissions (tonnes CO_2eq)	2024	2023
Scope 1 emissions	34	47
Scope 2 emissions *(market based)*	22	11
Scope 2 emissions *(location based)*	8	7

Emissions intensity in relation to production (tCO_2/tprod)	2024
GJ/mln euro	27.9
Scope 1 emissions	0.016
Scope 2 location-based emissions	0.003
Scope 2 market-based emissions	0.010
TOTAL (scope 1+scope 2 location based)	**0.019**
TOTAL (scope 1+scope 2 market based)	**0.026**

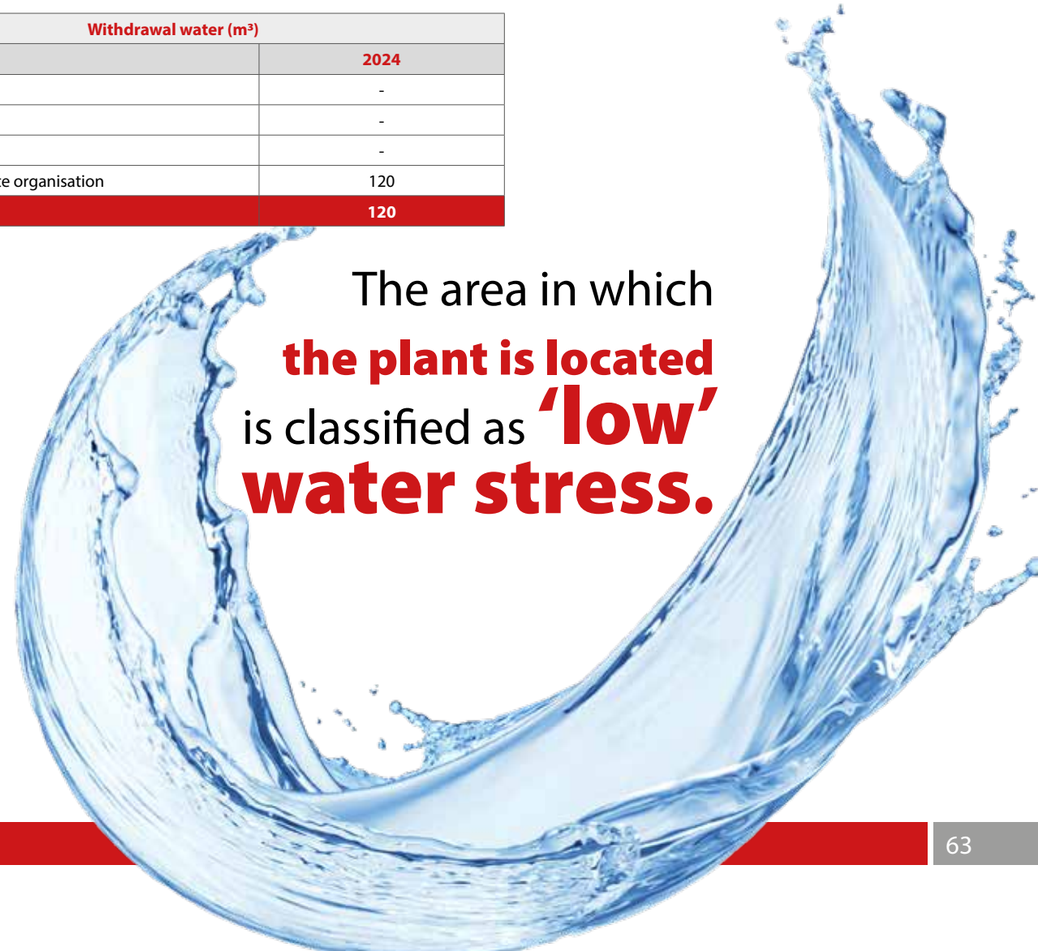
Pollution

The Service Centre generates no air and water pollutant emissions.
No microplastics are used or produced.

Water

Water (m^3)	2024
Withdrawal	120
Discharges	120
Water consumption	**0**

Withdrawal water (m^3)	
Sources	**2024**
Surface water	-
Groundwater	-
Collected rainwater	-
From public or private organisation	120
Total withdrawal	**120**



The area in which **the plant is located** is classified as **'low' water stress.**

Resource use and circular economy

Incoming resources

Input materials (tonnes)	2024
Metals	-
Metal scraps	-
Semi-finished products *(produced using scrap)*	2.127
Packaging	85
Other process materials	-
TOTAL	**2,212**

Recycling content in purchased materials	2024
Materials purchased (t)	2,212
Recycling content in purchased materials (t)	948
Percentage of recycled content in purchased materials	**42.9%**

Renewable materials	units of measurement	2024
Renewable materials (packaging)	t	82
Total input materials	t	2,212
Renewable materials as a percentage of total materials	%	*3.7%*
Total packaging materials	t	85
Renewable materials as a percentage of total packaging	%	*96.5%*

Outgoing resources

Products

The expected durability of products placed on the market by the company is more than 100 years. The recyclable content rate is 100%.

PRODUCTION	2024
tonnes	2,116

Waste

Waste generated - EWC chapter and denomination of group 2024	Unit of measurment	Hazardous	Not hazardous	Total
01 - wastes resulting from exploration, mining, quarrying, and physical and chemical treatment of minerals	t			-
02 - wastes from agriculture, horticulture, aquaculture, forestry, hunting and fishing, food preparation and processing	t			-
03 -wastes from wood processing and the production of panels and furniture, pulp, paper and cardboard	t			-
04 - wastes from the leather, fur and textile industries	t			-
05 - wastes from petroleum refining, natural gas purification and pyrolytic treatment of coal	t			-
06 - wastes from inorganic chemical processes	t			-
07 -wastes from organic chemical processes	t			-
08 - wastes from the manufacture, formulation, supply and use (mfsu) of coatings (paints, varnishes and vitreous enamels), adhesives, sealants and printing inks	t	0,01		0
09 - wastes from the photographic industry	t			-
10 - wastes from thermal processes	t			-
11 - wastes from chemical surface treatment and coating of metals and other materials; non-ferrous hydro-metallurgy	t			-
12 -wastes from shaping and physical and mechanical surface treatment of metals and plastics	t		285	285
13 - oil wastes and wastes of liquid fuels (except edible oils, and those in chapters 05, 12 and 19)	t	3,22		3
14 - waste organic solvents, refrigerants and propellants (except 07 and 08)	t			-
15 - waste packaging; absorbents, wiping cloths, filter materials and protective clothing not otherwise specified	t	0,20	8,06	8
16 - wastes not otherwise specified in the list	t			-
17 - construction and demolition wastes (including excavated soil from contaminated sites)	t			-
18 - wastes from human or animal health care and/or related research (except kitchen and restaurant wastes not arising from immediate health care)	t			-
19 - wastes from waste management facilities, off-site waste water treatment plants and the preparation of water intended for human consumption and water for industrial use	t			-
20 -municipal wastes (household waste and similar commercial, industrial and institutional wastes) including separately collected fractions	t		0,380	0
Total	**t**	**3**	**293**	**296**
Percentage	**%**	**1%**	**99%**	**100%**

WASTE MANAGEMENT	Non-hazardous	Dangerous	Total
recovery	-	-	0
disposal	293	3	296
total	**293**	**3**	**296**

4.3 Social information

Employees
As at 31 December 2024, the company had 17 employees (as in 2023), 35% of whom were women and 65% men. All employees have a permanent employment contract and work full-time. 41% are blue collars, 59% white collars. There are no employees with disabilities.

EMPLOYEES	2024	2023
TOTAL	17	17

Employees by gender			
	As at 31 December 2024		
	Men	Women	Total
Number of employees	11	6	17
Percentage	*65%*	*35%*	*100%*

Employees by contract type			
	As at 31 December 2024		
	Men	Women	Total
Permanent	11	6	17
Temporary	-	-	-
Total	**11**	**6**	**17**

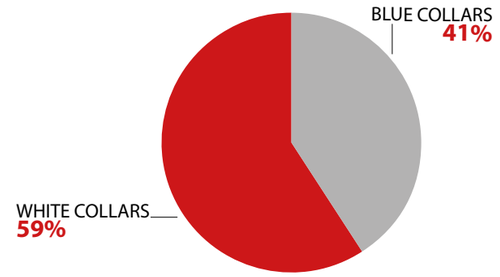
Employees by working time			
	As at 31 December 2024		
	Men	Women	Total
Full time	11	6	17
Part time	--	-	-
Total	**11**	**6**	**17**

TURNOVER			
	2024		
	Men	Women	Total
Termination of employment	-	1	1
Turnover rate	*0%*	*16%*	*6%*

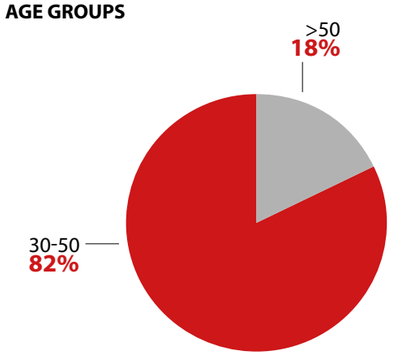
Professional categories and gender	As at 31 December 2024		
	Men	Women	Total
Senior executives	-	-	0
Middle management	-	-	0
White collars	4	6	10
Blue collars	7	-	7
Total	**11**	**6**	**17**

Occupational categories and age groups	As at 31 December 2024			
	< 30	30-50	> 50	Total
Senior executives	-	-	-	0
Middle management	-	-	-	0
White collars	-	9	1	10
Blue collars	-	5	2	7
Total	**0**	**14**	**3**	**17**

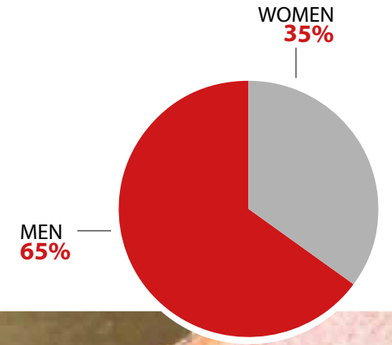
PROFESSIONAL CATEGORIES



AGE GROUPS



EMPLOYEES



Equal opportunities
During the period examined, no incidents of discrimination in the workplace in relation to gender, ethnicity, nationality, sexual orientation, religious beliefs, political opinions or trade union membership were detected or reported. 65% of employees are men, 35% women.

Occupational health and safety
All employees are covered by the occupational health and safety management system. There were no accidents or cases of occupational disease in 2024.

Workforce covered by health and safety management systems	2024
	Employees
Number of persons covered by health and safety management systems	17
Percentage of people covered by health and safety management systems	*100%*

OCCUPATIONAL HEALTH AND SAFETY	2024
Deaths due to occupational accidents	0
Deaths due to occupational diseases	0
Number of accidents (with absence >1 day)	0
Number of hours worked	29,768
Injury rate (injury rate)[1]	0
Days of absence for accidents at work	0
Accident Severity Index (gravity index)[2]	0
Cases of occupational diseases	0
Days of absence due to occupational diseases	0
ODR (occupational disease rate)[3]	0

1) *Frequency Rate: number of accidents with an absence of more than 1 day/hours worked x 1,000,000*
2) *Gravity Index: days of absence due to injury/hours worked x 1,000,000)*
3) *ODR: cases of occupational disease/number of hours worked x 1,000,000*

5 Appendix

5.1 Table of contents

The report, as already highlighted in section 1.1, was drafted with reference to a selection of European sustainability reporting standards (ESRS) related to the EU Directive 2022/2464, used here in a simplified version as this is a voluntary reporting activity. The information is reported taking into account the interoperability between the ESRS and GRI standards used in previous reports and the current transition phase related to the revision and simplification process of the requirements of the CSRD Directive following the "Omnibus package" proposal presented by the European Commission on 26 February 2025. The following table shows the chapters and paragraphs in which the main information reported with reference to the ESRS based on the above criteria is contained.

The index refers to information on KME Mansfeld, since it is the largest of the companies reporting in this report and, for this reason, much qualitative information (which in many cases is also common to KMCB and, to a lesser extent, to KME SC Slovakia) is included in Chapter 2 concerning KME Mansfeld.

DISCLOSURE AND DATAPOINT	Chapter / paragraph	Notes
ESRS 2 - GENERAL INFORMATION		
ESRS 2 BP-1 General criteria for drafting the sustainability statement	1.2	
ESRS 2 GOV -1 Role of administration, management and control bodies	2.1.2	
ESRS 2 GOV -2 Information provided to, and sustainability issues addressed by, administrative, management and supervisory bodies	2.1.2 - 2.4.2	
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting	2.1.2	
ESRS 2 SBM-1 Strategy, business model and value chain	2.1.3	
ESRS 2 SBM-2 Stakeholder interests and opinions	2.1.4	
ESRS 2 SBM-3 Relevant impacts, risks and opportunities and their interaction with the strategy and business model	1.3 - 2.1.3	
ESRS 2 IRO-1 Description of the process to identify and assess relevant impacts, risks and opportunities	1.3	
ESRS 2 MDR-P Policies adopted to manage relevant sustainability issues	2.1.5	
ESRS 2 MDR-A Actions on relevant sustainability issues	2.1.5	
ESRS 2 MDR-T Monitoring the effectiveness of policies and actions through targets	2.1.5	
ESRS E1 - CLIMATE CHANGE		
ESRS 2 IRO-1 SBM-3 Impacts, Risks and Opportunities	2.2.1	
E1-2 Climate change mitigation and adaptation policies	2.2.1	
E1-3 Climate Change Actions	2.2.1	
E1-4 Climate Change Targets	2.1.5 - 2.2.1	
E1-5 Energy consumption and energy intensity	2.2.1	
E1-6 Greenhouse Gas Scope 1,2,3 and Total Emissions - Emission Intensity	2.2.1	

DISCLOSURE AND DATAPOINT	Chapter / paragraph	Notes
ESRS E2 - POLLUTION		
E2-1 Pollution-related policies	2.2.2	
E2-2 Pollution-related actions	2.2.2	
E2-3 Pollution targets	2.2.2	
E2-4 Air, water and soil pollution	2.2.2	
ESRS E3 - WATER AND MARINE RESOURCES		
E3-1 Water policies	2.2.3	
E3-2 Water-related actions	2.2.3	
E3-3 Water-related objectives	2.2.3	
E3-4 Water consumption, recycled and reused water, intensity	2.2.3	
ESRS E4 - BIODIVERSITY AND ECOSYSTEMS		
E4-2 Biodiversity and Ecosystems Policies	2.2.5	
E4-3 Actions related to biodiversity and ecosystems	2.2.5	
ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY		
E5-1 Resource use and circular economy policies	2.2.4	
E5-2 Actions related to resource use and the circular economy	2.2.4	
E5-3 Targets related to resource use and the circular economy	2.1.5 - 2.2.4	
E5-4 Incoming Resources	2.2.4.1	
E5-5 Outgoing Resources	2.2.4.2	
ESRS S1 - OWN WORKFORCE		
S1-1 Policies related to own labour force	2.3.1	
S1-5 Objectives related to the management of impacts, risks and opportunities relevant to the own workforce	2.3.1	
S1-6 Employee characteristics	2.3.1	
S1-8 Coverage of collective bargaining and social dialogue	2.3.1	
S1-9 Diversity metrics	2.3.2	
S1-12 Persons with disabilities	2.3.1	
S1-13 Training	2.3.4	
S1-14 Health and safety	2.3.3	

DISCLOSURE AND DATAPOINT	Chapter / paragraph	Notes
ESRS S3 - COMMUNITIES CONCERNED		
S3-1 Policies on Affected Communities	2.3.6	
ESRS G1 - BUSINESS CONDUCT		
G1-1 Business Conduct Policies	2.4.3	
G1-2 Supplier Relationship Management	2.4.5	
G1-3 Prevention of corruption	2.4.3	
G1-4 Established cases of corruption		*No cases of corruption have been established*
G1-5 Political Influence and Lobbying	2.4.3	
G1-6 Payment Practices	2.4.5	

5.2 Methodological Notes

5.2.1 Greenhouse gas emissions and energy consumption

SCOPE 1 emission factors
For scope 1 emissions, the energy flows considered are:

- Natural gas
- O.C. extra light (heating oil)
- LPG (also referred to as Propane)
- Biomass (charcoal)
- Petrol (for the purposes of Scope 1, calculated on the basis of 100 per cent of the consumption for instrumental use and 70 per cent of the consumption for mixed use)
- Diesel (for the purposes of scope 1, calculated on the basis of 100 per cent of the consumption for instrumental use and 70 per cent of the consumption for mixed use)

The emission factors for fuels in scope 1, in continuity with previous years, were elaborated on the basis of National Inventory Report (Italy) 2024, CRT 2024 and ISPRA 2024: Combustion Emission Factors.
Ispra 2024: National Inventory Report 2024; https://www.isprambiente.gov.it/en/publications/reports/italian-greenhouse-gas-inventory-1990-2022-national-inventory-report-2024
Italy 2024 Common Reporting Tables; https://unfccc.int/documents/643764
ISPRA, 2024: Emission factors from combustion; https://emissioni.sina.isprambiente.it/wp-content/uploads/2024/07/EF-combustion-2022.xlsx

The energy value (GJ/Smc or GJ/l or GJ/kg) is generally not directly reported from the main source used for climate-altering emission factors, and the implied energy value was therefore calculated from data in tCO_2/TJ and data in tCO_2/t or 1000 Smc.
If the data collected - such as petrol and diesel (automotive or heating) - were expressed in litres, a conversion factor was applied based on the specific weight of the liquids. These data were taken from the updated FIRE (Italian Federation for the Rational Use of Energy) tables.
Details of the calculation can be found in the annex to the methodological note.

The GWP factors used for the CO_2e calculation where the source only reported values for CO_2, CH4 and N20 are those Sixth IPCC assessment: 1 for CO_2, 27 for CH4, 273 for N20. In particular, in accordance with IPCC instructions, the value for methane is the 'non-fossil' value to be referred to for all combustion emissions.

SCOPE 1 emission factors in CO_2 eq.

Kme Italy	kgCO_2/GJ	kgCH4/GJ	kgN2O/GJ	kgCO_2e/GJ	Source
Natural gas	58,918	0,001	0,0003	59,027	Ispra (industry sheet)
Heating oil	73,927	0,012	0,002	74,797	Ispra (non-industrial sheet)
Petrol	73,081	0,093	0,002	76,220	Ispra (non-industrial sheet)
Diesel	73,512	0,0006	0,003	74,319	ITA-CRT 2024, Table1.A(a)s3
LPG	65,980	0,0089	0,001	66,411	ITA-CRT 2024, Table1.A(a)s3
Wood charcoal (biomass)				112	ETS Report KME Mansfeld and EC, MRR Guidelines v.3 (3.3 tCO_2e/t)

Emission factors (and energy source composition) SCOPE 2
For scope 2 emissions, the energy flows considered are:

- **Purchased electricity, broken down by supplier**
  - *by contract with certified renewable energy supplier*
  - *by contract with a supplier with partial certified renewables and specific energy mix and emissions (other than the 'residual mix')*
  - *by contract with supplier based on residual mix*
- **Self-generated electricity from renewable sources**
  - *of which self-consumed*
  - *of which released to the network*

Emissions are considered according to the two approaches, market based and location based. The energy mixes used for ESRS 1 data are based on the market based approach

(a) Market based
Residual mix contracts apply for all suppliers, except in the cases mentioned below. Energy mix and CO_2 eq emission values are derived from AIB, 2024: European Residual mix 2023 (table 2 Residual mix), https://www.aib-net.org/facts/european-residual-mix
For China and Hong Kong, the data (mix and emissions 2023) are derived from the Ember database. https://ember-energy.org/data/electricity-data-explorer/

Supplier Contract with "Residual Mix": Energy Mix and CO_2e

	% fossil	% nuclear	% renewable	CO_2eq (g/kWh)
Germany	96,79%	3,21%	0,00%	719,90
Slovakia	48,60%	46,70%	4,69%	357,56

Supplier contract with energy mix and emissions other than Residual Mix

		% fossil	% nuclear	% renewable	CO_2eq (g/kWh)
KME Mansfeld	Enercity - Verbleibender ET MIX 2023	47,7	1,6	50,7	392
KMCB	Enercity - Verbleibender ET MIX 2023	47,7	1,6	50,7	392

(b) Location based
For the location-based calculation, production mix data provided by AIB for Europe and Ember for non-European countries were used.
Data from: AIB European Residual Mixes 2023 (table 5: Production mix): Data from Ember https://ember-energy.org/data/electricity-data-explorer/ for China and Hong Kong (data as of 2023)

Energy mix and CO_2-e emissions by Location Based approach

	% fossil	% nuclear	% renewable	CO_2 (g/kWh)
Germany	45,05%	1,49%	53,45%	335,09
Slovakia	15,03%	61,98%	22,99%	123,04

SCOPE 3 emissions

Scope 3 emissions were calculated in relation to Category 1 (Purchased goods and services), as it is most significant. The other categories were excluded because they have small impacts and are therefore insignificant, or because they are not applicable to the activities and production of KME Mansfeld and KMCB. The data are derived from the Resources used table (ES 5.4). The activities considered refer to metallurgical production.

Metallurgical production
It is important to point out that primary metals (this term is used even though these metals, primarily "copper cathode", have a secondary, recycled copper content) considered for Scope 3 purposes do not include metals processed (and accounted for in the data on resources used) in the context of "tolling manufacture", i.e. third party processing operations. In these operations a third party supplies the materials and handles the resulting processed product. These are therefore activities for which KME does not have operational control and, consistent with GHG Protocol procedures and guidelines for other similar sectors, KME considers consumption, emissions and waste generated for these processes, but does not consider metals supplied for processing in the calculation of scope 3 emissions.

It is emphasised that while for the KME Group report only semi-finished products purchased outside the KME perimeter were considered in scope 3, because the production impacts of semi-finished products within the perimeter were already taken into account, in the KME Mansfeld and KMCB report all semi-finished products (from other KME Group companies or from external companies) were considered, because from the point of view of the individual companies they are always and in any case external semi-finished products.

The following table shows the totals of metallurgical production materials considered for scope 3, highlighting specific emission factors and source.
- For packaging materials, the emission factors provided by Defra, 2024 were used.
- For process materials (chemicals, inorganics and other non-metals), the emission factors provided by BAFA 2024 were generally used.
- As far as metals are concerned, for some supplies of copper cathode there are primary carbon footprint data from the supplier.
- For the remaining copper cathode purchases, the global production figure provided by the International Copper Association (2023) was used.
- For copper semi-finished products - mainly billets - the value referring to the copper cathode was maintained. It should be noted that semi-finished products such as tubes or wire, not being made of copper alone, have a lower CO_2e emission associated with them than the cathode.
- For the other metals used, the emission factors reported by BAFA 2024 were used, with values typically referring to primary consumption. For silver, the value provided by Aurubis was used, which, although not the supplier, has processes and secondary use rates comparable to that of KME's supplier.
- For scrap, the transport of which is already taken into account in the calculation of scope 3 and any 'preparation for recycling' in the calculation of scope 1 (activities taking place within the plant), no other associated emissions were considered.

For scrap (waste resulting from a previous use, of high quality and generally classified as 'end-of-waste'), the 'cut-off approach' applies in accordance with the GHG Protocol, according to which the emissions of a recycled material do not include those of the original production (borne by the first user of the product that later became scrap), but only those associated with recycling and transport activities

KME Mansfeld - scope 3

Non Metals materials used	Unit	Quantity	Quantity ton equivalent	kgCO_2e / t	t CO_2e
Wood packaging	kg	886.358,5	886,358	269,5	238,874
Eco-Pallet, USED wood packaging	kg			38,54	-
Paper, cardboard, tissue paper VIRGIN	kg	101.918,5	101,918	1193,97	121,688
Paper, cardboard, tissue paper RECYCLED				1092,35	-
Iron straping	kg	57.786,0	57,786	2854,92	164,974
Plastic foils	kg	7.010,8	7,011	2910,47	20,405
Plastic strapping	kg	6.860,0	6,860	2568,59	17,621
Other packaging	kg	2.520,7	2,521	3165	7,978
Insulation and firebrick	t	85,8	85,758	873	74,867
Material into products (PVC,PE, tube production)	kg			2935,77	-
Azethylen	Stk	22,0	0,176	2000	0,352
Liq. Nitrogen 99.996%	kg	1.977.299,0	1.977,299	200	395,460
Stickstoff 50l 200 bar + Stickstoff 10l 200 bar	Stk	19,0	0,1	2000	0,245
Propane	Stk	1,0	0,0	352,67018	0,012
Oxygen, liquid	kg	46.921,0	46,9	500	23,461
Oxygen Typ 52 + medical	Stk	43,0	0,6	2000	1,207
Syntetic air	Stk	18,0	0,2	2000	0,433
Hydrogen 99.95%	m^3	67.401,0	5,7	2530	14,341
hydrogen typ 52	Stk	5,0	0,0	2000	0,007
Liq. Argon	kg	7.189,0	7,2	1250	8,986
Argon gas	Stk	19,0	0,9	2000	1,764
CO	Stk	2.688,0	24,5	2000	48,957
Corgon 18	Stk	3,0	0,1	2000	0,120
Corgon 5 S4	Stk	6,0	0,1	2000	0,218
CO_2	Stk	-		2000	-
BIOGON® C E290 (carbonic acid)	Stk	37,0	0,2	2000	0,364
Isopropyl alcohol	kg	5.060,0	5,1	2000	10,120
White spirit	kg	-	-	2000	-
Ethanol	l	31,9	0,0	2000	0,050
Dowper	kg	-	-	2000	-
Nutriox 45%	kg	37.904,0	37,9	2000	75,808
ferrous-III-chloridesulfat	Kg	-	-	2000	-
white lime hydrate	kg	19.940,0	19,9	2000	39,880
abrasiv garnet	kg	170.000,0	170,0	700	119,000
rocksalt	kg	48.000,0	48,0	270	12,960
Oil and Grease (Virgin)	kg	46.392,5	46,4	1540	71,444
Oil and Grease (Recycled)	kg				-
paints	kg	646,2	0,6	2000	1,292
Other Chemicals non renewable and not recycled	kg	393.655,3	393,7	2000	787,311
Other non-renewable and recycled chemicals	kg			2000	-
Other renewable (vegetable based) chemicals	kg			2000	-
Other non-renewable and non-metallic materials	kg			2000	-
Other renewable materials	kg			2000	-
Other	kg			2000	-
TOTAL					**2.260,199**

	Unit	Quantity	Ton	kgCO2e / t	t CO2e
Automotive Diesel Fuel	l		-		
Heating Oil	l		-		
Forged coal	kg	-	-		
Charcoal	kg	103.160,0	103,2	3304	340,8
TOTAL					**340,841**

Metals Materials used	Unit	Quantity ton equiva-lent	Quantity (net of tolling)	kgCO2e / t	t CO2e
Total Copper	t	51.679,9	31.826,0		
of which from Supplier 1	t		9.312	1.460	13.595,5
of which from Supplier 2	t		11.236	2.961	33.269,8
of which from Supplier 3	t		24	739	17,7
of which from other providers	t		11.254	3.965	44.622,1
Zinc	t	1.089,1	1.080,0	2.690	2.905,2
Pro-League	t				-
Other	t	590,3	214,0	11276	2.413,1
Scraps					-
Copper Scraps	t	15.994,1			-
Zinc Scraps	t				-
Brass Scraps	t	55,2			-
Other metallic Scraps	t	48,2			-
Semi-finished metallic products (*)		5.800,9			-
Semifinished (produced with new metal)	t	2.502,0	2.502,0	3.965	9.920,4
of which acquired from KME companies	t				-
of which acquired from other companies (not KME Group)	t	2.502,0			-
Semifinished (produced with metal scraps)	t	3.298,9	3.298,9	3.965	5.755,3
of which acquired from KME companies	t	3.298,9			-
of which acquired from other companies (not KME Group)	t				-
Internal Recycling					-
Copper recycling	t	23.831,1			-
Brass recycling	t				-
Zinc recycling	t				-
Other recycling	t	2.221,7			-
TOTAL					112.499,117

TOTAL CAT. 1 SCOPE 3 KME MANSFELD	115.100,156

For KM Copper Bars, emissions category 1 - scope 3 were calculated conservatively using the highest emission factor declared by the various copper suppliers as a reference.

KME COPPER BARS - scope 3

Non Metals materials used	Unit	Quantity	Quantity ton equiva-lent	kgCO2e / t	t CO2e
wood packaging	kg	1.040.351,5	1.040,4	269,5	280,375
Eco-Pallet, USED wood packaging	kg			38,54	-
Paper, cardboard, tissue paper VIRGIN	kg			1193,97	-
Paper, cardboard, tissue paper RECYCLED				1092,35	-
Iron straping	kg			2854,92	-
plastic foils	kg			2910,47	-
plastic strapping	kg			2568,59	-
other packaging	kg			3165	-
insulation and firebrick	ton	19,2	19,2	873	16,777
material into products (PVC,PE, tube production)	kg			2935,77	-
Azethylen	Stk	-	-	2000	-
Liq. Nitrogen 99.996%	kg	17.411,0	17,4	200	3,482
Stickstoff 50l 200 bar + Stickstoff 10l 200 bar	Stk	-	-	2000	-
Propane	Stk	-	-	352,67018	-
Oxygen, liquid	kg	46.921,0	46,9	500	23,461
Oxygen Typ 52 + medical	Stk	-	-	2000	-
Syntetic air	Stk	-	-	2000	-
Hydrogen 99.95%	m^3	-	-	2530	-
hydrogen typ 52	Stk	-	-	2000	-
Liq. Argon	kg	-	-	1250	-
Argon gas	Stk	15,0	3,2	2000	6,409
CO	Stk	-	-	2000	-
Corgon 18	Stk	-	-	2000	-
Corgon 5 S4	Stk	-	-	2000	-
CO_2	Stk	-		2000	-
BIOGON® C E290 (carbonic acid)	Stk	-	-	2000	-
Isopropyl alcohol	kg		-	2000	-
White spirit	kg	-	-	2000	-
Ethanol	l	-		2000	-
Dowper	kg	975,0	1,0	2000	1,950
Nutriox 45%	kg		-	2000	-
ferrous-III-chloridesulfat	Kg	-	-	2000	-
white lime hydrate	kg		-	2000	-
abrasiv garnet	kg		-	700	-
rocksalt	kg		-	270	-
Oil and Grease (Virgin)	kg	3.250,7	3,3	1540	5,006
Oil and Grease (Recycled)	kg				-
paints	kg	32,8	0,0	2000	0,066
other Chemicals non renewable and not recycled	kg	2.500,0	2,5	2000	5,000
other non-renewable and recycled chemicals	kg			2000	-
other renewable (vegetable based) chemicals	kg			2000	-
other non-renewable and non-metallic materials	kg			2000	-
other renewable materials	kg			2000	-
other	kg			2000	-
TOTAL					**342,525**

	Unit	Quantity	Ton	kgCO2e / t	t CO2e
Automotive Diesel Fuel	l		-		
Heating Oil	l		-		
Forged coal	kg	-	-		
Charcoal	kg	102.720,0	102,7	3304	339,4
TOTAL					**339,387**

Metals Materials used	Unit	Quantity ton equivalent	Quantity (net of tolling)	kgCO2e / t	t CO2e
Copper	t	21.264,0	-	3.965	-
Zinc	t			2.690	-
Pro-League	t				-
Other	t			2000	-
Scraps					-
Copper Scraps	t	3.291,0			-
Zinc Scraps	t				-
Brass Scraps	t				-
Other metallic Scraps	t				-
Semi-finished metallic products (*)					-
Semifinished (produced with new metal)	t	0,0	-	3.965	-
of which acquired from KME companies	t				-
of which acquired from other companies (not KME Group)	t				-
Semifinished (produced with metal scraps)	t	2.104,0	2.104,0	3.965	3.670,6
of which acquired from KME companies	t	2.104,0		3.965	-
of which acquired from other companies (not KME Group)	t				-
Internal Recycling					-
Copper recycling	t	6.205,2			
Brass recycling	t				-
Zinc recycling	t				-
Other recycling	t		-		-
TOTAL					3.670,638

TOTAL CAT. 1 SCOPE 3 KM COPPER BARS	t CO_2				4.352,551

5.2.2 Calculation of energy conversion factors

The energy value (GJ/Smc or GJ/l or GJ/kg) is generally not directly reported from the main source used for climate-altering emission factors, and the implied energy value was therefore calculated from data in tCO_2/TJ and data in tCO_2/t or 1000 Smc.
If the data collected - such as petrol and diesel (automotive or heating) - were expressed in litres, a conversion factor was applied based on the specific weight of the liquids. These data were taken from the updated FIRE (Italian Federation for the Rational Use of Energy) tables.

- The gas conversion factor (natural gas 2021) is derived from Ispra 2023: National Inventory Report 2023 (table A6.1). The value in GJ/Smc is obtained from 2006 (tCO_2/103 std cubic meters) / 58504 (tCO_2/TJ) = 0.0343 GJ/Smc. To the fourth decimal place, the value is also the same with the natural gas figure 2022 = 2020/58918 = 0.0343 GJ/Smc taken from the 2024 version of NIR.
- The conversion factor for petrol is derived from Ispra 2023: National Inventory Report 2023 (table A6.2; same values in NIR 2024). For petrol (petrol, experimental averages 2017-2020) the value in GJ/kg is given by: 3.152 (tCO_2/t) / 73.081 (tCO_2/tJ) = 0.0431 GJ/kg
- The conversion factor for diesel is derived from Ispra 2023: National Inventory Report 2023 (table A6.2; same values in NIR 2024). For diesel (gas oil engines, experimental averages 2017-2020) the value of GJ/kg is given by 3150 (tCO_2/t) / 73510 (tCO_2/TJ) = 0.0429 GJ/kg.
- The conversion factor for heating oil (extra light oil) is derived from Ispra 2023: National Inventory Report 2023 (table A6.2; same values in NIR 2024). For extra-light oil (Gas oil heating, experimental averages 2017-2020) the value of GJ/kg is given by 3169 (tCO_2/t) / 73927 (tCO_2/TJ) = 0.0429 GJ/kg
- The conversion factor for LPG, sometimes called (improperly) propane, is derived from Ispra 2023: National Inventory Report 2023 (table A6.2; same values in NIR 2024). For LPG (LPG experimental averages 2017-2020), the GJ/kg value is given by 3026 (tCO_2/t) / 65984 (tCO_2/TJ) = 0.0459.
- The value given in the 'national standard parameter table' is 45.858 GJ/t (=0.0459 GJ/kg) https://www.ets.minambiente.it/Download/225/Tabella_coefficienti_standard_nazionali_2020-2022_v1.pdf
- Data for petrol, diesel and extra light oil are collected using the litre unit. The energy factor (GJ/l) was derived from the conversion between litres and kg.
- For petrol and diesel the conversion factor of density from l to kg is respectively 0.74 kg/l and 0.84 kg/l, as reported in the 2023 conversion tables of FIRE Italia (see note 1 and note 4 of the table). https://fire-italia.org/wp-content/uploads/2023/04/2023-01-Tabelle-contabilita-vuote.xlsx With this update, compared to the previous year, the value for petrol changes (from 0.75 kg/l to 0.74 kg/l). For extra-light oil (equivalent to heating oil) the same conversion factor has been assumed as for diesel (Fire Italia does not distinguish between automotive and heating use and in other databases the density is also reported as the same).
- For charcoal (charcoal), which is also used in Germany for energy production, the energy content is taken from the table of 'national standard parameters', which shows a value of 0.705 tep/t, which converted to GJ (1 tep =41.868 GJ) is =0.705*41.868 = 29.51694, abbreviated to 29.52 GJ/t. A similar value (but given to one decimal place, 29.5) is on page 25 of the European Commission document "Guideline. Biomass issues in the EU.ETS. MRR Guideline No. 3".

On this basis, we have the conversion shown in the table:

	tCO2/TJ	tCO2/1000 Smc	GJ/Smc		
natural gas	58918	2020	0,0343		

	tCO2/TJ	tCO2/t	GJ/kg	kg/l	GJ/l
diesel	73510	3150	0,0429	0,84	0,0360
petrol	73081	3152	0,0431	0,74	0,0319
Extra light oil	73927	3169	0,0429	0,84	0,0360
LPG	65984	3026	0,0459		

			GJ/t		
charcoal			29,52		

5.2.3 Materials

For the reporting of materials used in 2024, a methodology at least partially different from that used in previous reports has been adopted. The changes relate in particular to how the recycled content is calculated:

- Whereas in previous reports, copper cathodes were considered as 100% primary materials in the absence of more specific data, although it was known that a share of secondary metals was generally included in their production, the 2024 reporting used data provided by the European Copper Institute, which reported an average recycled content of 24.9% in copper cathodes (European Copper Institute 2023: Copper the Pathway to net zero); for the other primary metals, a recycled content of zero was also assumed in the 2024 reporting;
- for semi-finished products declared as having a recycled content (mainly intercompany semi-finished products), a recycled content rate of 44% was conservatively assumed, which is equal only to the share of scraps in the total amount of scraps and metals used by KME; for semi-finished products declared as products with primary metals, a content rate of zero was conservatively assumed.

For this reason, the figures are not comparable with those of the previous year.

The report was produced with the support of
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