

Aurubis AG: Growth strategy well underway, especially in recycling

- » CEO Roland Harings at Annual General Meeting: successful integration of Metallo “milestone for our multimetal strategy”
- » € 15 million synergy target of Metallo acquisition to be achieved in current fiscal year already
- » Aurubis increased its operating pre-tax result by 15 % despite coronavirus pandemic
- » Annual General Meeting participants pass resolution for dividend of € 1.30 per share

Hamburg, February 11, 2021 – At the Aurubis AG Annual General Meeting covering fiscal year 2019/20, CEO Roland Harings announced that the company wants to continue growing, particularly in the area of recycling. “The successful acquisition of the recycler Metallo in May 2020 was the missing puzzle piece in Europe to be able to extensively process secondary raw materials with low metal contents” and is therefore “a key milestone for implementing Aurubis’ multimetal and recycling strategy,” the CEO emphasized. The integration of the new sites Beerse (Belgium) and Berango (Spain) in the Aurubis smelter network is coming to fruition even faster than planned; the synergy target of € 15 million, which had originally been set for fiscal year 2022/23, will be achieved in the current fiscal year already. The multimetal company is therefore optimally equipped for further growth, especially in recycling – a key pillar of the company strategy. Harings announced that details about the next steps of the continued implementation of the strategy will come this summer.

“Aurubis is taking on an active role in the circular economy. Our products, our metals create the foundation for a sustainable society,” he underlined in his speech for the shareholders, who participated virtually. “Recycling is a megatrend. The global recycling volume is growing continuously.” The joint venture for cable recycling with TSR, which will include Aurubis subsidiary Cablo, contributes to this: “We are increasing the input volume and creating sustainable solutions for the plastic materials that accumulate, because these materials are currently one of the biggest challenges in recycling cable waste,” Harings explained.

Industry plays a key role in speeding up decarbonization

Due to the coronavirus pandemic, the Annual General Meeting had to take place virtually for the first time in the company’s history. Roland Harings took the shareholders on a virtual journey to the Aurubis sites.

The CEO placed an additional focus on reducing the company’s CO₂ emissions: “We have to continue to speed up decarbonization. Industry can and will play an important role in the process.” In this regard, Aurubis is currently working on a variety of projects. As an example, Harings mentioned the second phase of the Industrial Heat project, which the Group wants to implement by 2024: in the scope

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of this project, Aurubis extracts excess, nearly CO₂-free heat from its production to supply district heating to the Hamburg metropolitan area. Additional initiatives include a planned photovoltaic plant at the site in Pirdop, Bulgaria, and the upcoming trials to replace natural gas with hydrogen in one step of the production process.

Aurubis remains industry forerunner in environmental protection

Environmental protection and sustainability go hand in hand. Harings emphasized that Aurubis takes sustainability very seriously. It is part of the corporate strategy. This also includes protecting habitats in direct proximity to the sites: “We will continue to play a pioneering role in environmental protection – this is why we put forth our utmost efforts and continue investing.” The CEO referred to a project at the Hamburg site in which Aurubis will be investing € 100 million in the coming years. A new “ridge turret suctioning system” – a type of giant exhaust duct – will reduce fine particulates in the primary smelter by another approximately 70 %. The work is already well underway, Harings said.

Focus on efficiency continues

To continue enhancing efficiency in the company and to counteract rising costs in particular, Aurubis established the Performance Improvement Program during the past fiscal year. The company plans to sustainably reduce costs by € 100 million and to implement the measures necessary for this by fiscal year 2022/23. “Our efficiency improvement and cost reduction program doesn’t just make Aurubis leaner, but also more interconnected and digital,” the CEO summarized. In this context – in addition to various internal digitalization projects – Aurubis acquired the digital Berlin company azeti last summer. This company develops and markets an Internet-of-Things (IoT) platform that integrates, visualizes, and evaluates production data. According to Harings, this allows weak spots in the plants to be found early on and faster, for example, thus preventing production breakdowns.

Robust fiscal year 2019/20 despite coronavirus pandemic

Roland Harings also took stock of the past fiscal year during his speech: “We achieved a remarkably strong annual result under the exceptional conditions in 2020.” Aurubis increased its operating EBT by 15 % to € 221 million in the past fiscal year. Harings thanked the Aurubis employees who, he said, achieved a great deal during this unusual time: “It’s fantastic to see how our employees – at each and every site – are handling the new situation.”

Moreover, the CEO pointed to the company’s financial strength, saying that although Aurubis had issued a Schuldschein loan to finance the Metallo acquisition, the company is virtually debt-free. Harings put a number on the equity ratio at 49 %. “Together with the net cash flow, which was at € 459 million in the last fiscal year, these KPIs prove that we are financially stable with high financial strength. This gives us sufficient scope for future growth,” Roland Harings summed up the situation.

Dividend increased by 5 cents

The shareholders followed the recommendation of the Executive Board and Supervisory Board for a dividend payout of € 1.30 per share for fiscal year 2019/20. This is 5 cents per share higher than the previous year. The payout ratio is 35 % (previous year: 41 %) of the operating consolidated net result. In total, 65.05 % of the share capital with voting rights participated in the Annual General Meeting.

The full manuscript of the CEO's speech and additional information about the Annual General Meeting are available on the Aurubis website at www.aurubis.com/agm

Aurubis - Metals for Progress

Aurubis AG is a leading global provider of non-ferrous metals and one of the largest copper recyclers worldwide. The company processes complex metal concentrates, scrap metals, organic and inorganic metal-bearing recycling materials, and industrial residues into metals of the highest quality. Aurubis produces more than 1 million tons of copper cathodes annually, and from them a variety of products such as wire rod, continuous cast shapes, profiles, and flat rolled products made of copper and copper alloys. Aurubis produces a number of other metals as well, including precious metals, selenium, lead, nickel, tin, and zinc. The portfolio also includes additional products such as sulfuric acid and iron silicate.

Sustainability is a fundamental part of the Aurubis strategy. "Aurubis responsibly transforms raw materials into value" – following this maxim, the company integrates sustainable conduct and business activities into the corporate culture. This involves a careful approach to natural resources, responsible social and ecological conduct in everyday business, and sensible, healthy growth.

Aurubis has about 7,200 employees, production sites in Europe and the US, and an extensive service and distribution system in Europe, Asia, and North America.

Aurubis shares are part of the Prime Standard Segment of the German Stock Exchange and are listed in the MDAX and the Global Challenges Index (GCX).

Further information at www.aurubis.com