

Report of the Supervisory Board



**PROF. DR.
FRITZ
VAHRENHOLT**
Aurubis AG
Supervisory Board
Chairman

Dear Shareholders,

The Aurubis Group generated operating earnings before taxes (operating EBT [Q Glossary, page 209](#)) of € 221 million in fiscal year 2019/20. During the turbulent times of the coronavirus pandemic, the accomplishments of the Executive Board, the management, and our employees across all departments deserve our special acknowledgement.

Aurubis can attribute the good operating earnings of € 221 million to its stable business model. Despite significant revenue dips in the product sector, Aurubis was able to sell the surplus of cathodes in China during the lockdown. Furthermore, high metal prices, good availability of the primary and secondary smelters, and the initial effects of the Performance Improvement Program positively impacted the result.

COLLABORATION BETWEEN THE SUPERVISORY BOARD AND EXECUTIVE BOARD

The joint target of the Executive Board and Supervisory Board is to increase the enterprise value of Aurubis AG and its Group companies over the long term.

With respect to company management, the Supervisory Board and its committees also closely supervised, carefully monitored, and advised the Executive Board in 2019/20, and performed the functions incumbent upon it by law, the Articles of Association, and rules of procedure. The Supervisory Board is confident that the company was managed lawfully and appropriately. The Supervisory Board was included in all decisions of fundamental importance for the company, as explained in more detail below.

The chairman of the Supervisory Board was also in contact with the Executive Board, notably the Executive Board chairman, outside of the meetings and communicated with them about current developments.

The Supervisory Board was continuously informed in detail about the Group's earnings and employment developments, the individual segments, and the company's financial position. The Executive Board provided comprehensive explanations for any deviations from planned business performance and discussed the corresponding measures with the Supervisory Board.

In a written monthly report, the Executive Board informed the Supervisory Board about the corporate strategy, the planning process, important business transactions in the company and the Group, the associated opportunities and risks, and issues of compliance [Q Glossary, page 207](#).

The Supervisory Board discussed all the transactions that were of importance for the Group in detail on the basis of the Executive Board's reports.

The Supervisory Board passed the Executive Board's proposed resolutions after thorough review and consultation.

CONSULTATIONS IN THE SUPERVISORY BOARD

There were four scheduled Supervisory Board meetings and one extraordinary meeting in fiscal year 2019/20. Three resolutions were adopted by written consent in lieu of a meeting. The participation rate for the Supervisory Board members in Supervisory Board meetings was 98.3%. The Executive Board was not present for part of all five Supervisory Board meetings. Because of the contact restrictions due to the coronavirus pandemic, some meetings of the Supervisory Board or its committees took place virtually as video conferences.

Prof. Dr.-Ing. Heinz Jörg Fuhrmann had an excused absence from one scheduled Supervisory Board meeting due to his participation in a meeting of the National Hydrogen Council in Essen. The following tables show the members' participation rate for Supervisory Board meetings and for the respective committee meetings.

Individual disclosure for meeting participation

	Number of meetings attended	Percentage of meetings attended
Supervisory Board members	4 scheduled meetings and 1 extraordinary meeting	
Prof. Dr. Fritz Vahrenholt (Chairman)	5/5	100 %
Stefan Schmidt (Deputy Chairman)	5/5	100 %
Deniz Filiz Acar	5/5	100 %
Andrea Bauer	5/5	100 %
Christian Ehrentraut	5/5	100 %
Prof. Dr.-Ing. Heinz Jörg Fuhrmann	4/5	80 %
Prof. Dr. Karl Friedrich Jakob	5/5	100 %
Jan Koltze	5/5	100 %
Dr. Stephan Krümmer	5/5	100 %
Dr. Elke Lossin	5/5	100 %
Dr. Sandra Reich	5/5	100 %
Melf Singer	5/5	100 %
Personnel Committee	3 meetings	
Prof. Dr. Fritz Vahrenholt (Chairman)	3/3	100 %
Deniz Filiz Acar	3/3	100 %
Andrea Bauer	3/3	100 %
Prof. Dr.-Ing. Heinz Jörg Fuhrmann	3/3	100 %
Jan Koltze	3/3	100 %
Stefan Schmidt	3/3	100 %

	Number of meetings attended	Percentage of meetings attended
Audit Committee	4 meetings	
Dr. Stephan Krümmer (Chairman)	4/4	100 %
Prof. Dr.-Ing. Heinz Jörg Fuhrmann	4/4	100 %
Jan Koltze	4/4	100 %
Dr. Elke Lossin	4/4	100 %
Dr. Sandra Reich	4/4	100 %
Melf Singer	4/4	100 %
Nomination Committee	Did not meet during the fiscal year	
Technology Committee	4 meetings	
Prof. Dr. Karl Friedrich Jakob (Chairman)	4/4	100 %
Christian Ehrentraut	4/4	100 %
Dr. Stephan Krümmer	4/4	100 %
Stefan Schmidt	4/4	100 %
Conciliation Committee	Did not meet during the fiscal year	

The topics regularly covered in Supervisory Board meetings included the business performance, human resources in the Group, as well as the development of the results, the raw material markets, and the foreign exchange markets. The Supervisory Board also dealt with the financial situation and the status of capital expenditure. In particular, the Supervisory Board monitored the impact of the coronavirus pandemic on current business, the integration of the Metallo Group, and the Performance Improvement Program. During the meetings, the chairmen of the Personnel, Audit, and Technology Committees reported on their work, the suggestions made, and the results achieved.

In the meeting on December 10, 2019, the Supervisory Board determined the compensation for the Executive Board members for fiscal year 2018/19 contingent on the established objectives. In the same meeting, consultations focused on the approval of the consolidated financial statements and the separate financial statements for Aurubis AG for 2018/19, including the Corporate

Governance Report, and the preparations for the 2020 Annual General Meeting. The Supervisory Board addressed the status of the merger control proceedings and the European Commission's concerns regarding the acquisition of the Metallo Group.

In the meeting on February 26, 2020, the Executive Board reported on the current business and the Performance Improvement Program. Moreover, the Supervisory Board dealt with site-specific topics. The Supervisory Board approved the project to reduce emissions in the area of the primary smelter (RWO) at the Hamburg plant, as well as the second part of the investment in the maintenance shutdown at the Pirdop site in 2021.

In the meeting on June 10, 2020, the Executive Board reported the status of the share buyback program to the Supervisory Board. The Supervisory Board appointed Mr. Rainer Verhoeven to the Executive Board for another five years starting January 1, 2021.

In the extraordinary meeting on July 29, 2020, the Supervisory Board appointed Dr. Heiko Arnold to the Executive Board and approved the change to the distribution of responsibilities in the Executive Board. Likewise, the adjusted Executive Board compensation system was passed, effective October 1, 2020. The new system is presented on [Q page 38](#) and onward of the Annual Report and will be presented at the Annual General Meeting for approval.

In the meeting on September 24, 2020, the Executive Board reported on the integration of the Metallo Group and on the Performance Improvement Program. The Supervisory Board approved the budget and investment plans for 2020/21, as well as the modernization of the tankhouse [Q Glossary, page 209](#) in Lünen. The Executive Board presented a slightly adjusted plan for the distribution of their responsibilities, which the Supervisory Board approved. The Supervisory Board established the individual targets for the Executive Board for fiscal year 2020/21 and the target values for the performance cash plan. Moreover, a concept regarding the composition of the Supervisory Board was passed. This is outlined in the declaration on corporate governance and is available online at www.aurubis.com/en/about-aurubis/distribution-page-corporate-governance.

In a circulation procedure, the Supervisory Board approved the declaration of conformity, the hiring of a high-level manager, and the restructuring of Aurubis Stolberg GmbH & Co. KG.

COMMITTEES

The Supervisory Board has formed a total of five committees to fulfill its duties and effectively support the Supervisory Board's work in the meetings. The committees prepared the Supervisory Board's resolutions and topics to be considered in the meetings. Neither the Conciliation Committee formed in accordance with Section 27 (3) of the German Codetermination Act (MitbestG) nor the Nomination Committee met during the reporting year.

Statements on the composition and working procedures of the Supervisory Board and its committees can also be found in this year's declaration on corporate governance.

WORK WITHIN THE PERSONNEL COMMITTEE

The Personnel Committee met three times during the reporting period. In addition to developing a recommendation for establishing the individual Executive Board compensation criteria, the committee also handled the search for a chief operating officer (COO). In the meeting on July 10, 2020, the Personnel Committee passed a resolution to recommend the appointment of Dr. Heiko Arnold to the Supervisory Board, as well as to present an adjusted compensation system.

WORK ON THE TECHNOLOGY COMMITTEE

The Technology Committee met four times during the reporting period. Apart from overseeing various optimization and development projects, such as increasing plant availability, the committee was involved in the project to modernize the tankhouse at the Lünen site, and in the preparations for planning the shutdowns at the Pirdop site in 2021 and the Hamburg site in 2022. Furthermore, the Executive Board reported on the status of the project to reduce emissions in the area of the primary smelter (RWO) at the Hamburg plant.

WORK ON THE AUDIT COMMITTEE

The Audit Committee met four times during the reporting period. In all of its meetings, the Audit Committee reviewed the quarterly reports, the separate financial statements, and the consolidated financial statements for the past fiscal year and discussed them with the Executive Board. The Audit Committee also addressed the accounting audit, the monitoring of the accounting process, and the effectiveness of the internal control system, risk management system, and internal auditing system. Furthermore, topics related to sustainability and compliance in the Group were also addressed.

The discussion also focused on supporting the Performance Improvement Program.

The Audit Committee recommended the auditing firm Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to the Supervisory Board as auditor for fiscal year 2019/20.

The Audit Committee chairman, Dr. Stephan Krümmer, has special expertise and experience in the application of accounting principles and internal control procedures. He is independent and not a former member of the company's Executive Board.

Apart from the appointment of the auditors and the agreement of the fee with the auditors, the committee established focal areas of the annual 2019/20 audit, specifically:

- » Reviewing the balance sheet presentation of the discontinued operations of Segment Flat Rolled Products
- » Accounting for inventories
- » Implementing the hedging and fixation SimpliPHY sprints

Furthermore, the Supervisory Board obtained a declaration from the auditing firm on its independence prior to submitting the nomination.

The auditors' representatives attended two Audit Committee meetings and reported on the audit of the consolidated and separate annual financial statements.

CORPORATE GOVERNANCE AND DECLARATION OF CONFORMITY

A regular self-assessment was performed by the Supervisory Board at its meeting on September 24, 2020. Following a detailed discussion among members within the context of an official meeting and in open discourse, the Supervisory Board declared its efficiency.

The Executive Board and the Supervisory Board reported on corporate governance at Aurubis AG in accordance with Principle 22 of the December 16, 2019 version of the German Corporate Governance Code, in the declaration and report on corporate governance, which are both part of the Management Report.

On November 3, 2020, the Executive Board and Supervisory Board of Aurubis AG issued the updated Declaration of Conformity to the German Corporate Governance Code (DCGK) in accordance with Section 161 of the German Stock Corporation Act (AktG) and made it permanently accessible to the public at www.aurubis.com. Aurubis AG complies with the Code recommendations with two exceptions. Additional information can be found in the Declaration of Conformity.

When taking office, the members of the Supervisory Board are trained by the Legal department and informed by the Executive Board about the special features of the company's business model, among other topics. Plant tours are planned as well. As needed, for example due to new regulatory requirements, the Supervisory Board members will be informed in more detail.

CONFLICTS OF INTEREST

There were no conflicts of interest among Executive Board or Supervisory Board members that should have been disclosed to the Supervisory Board or announced at the Annual General Meeting. There were no significant transactions with an Executive Board member or parties related to an Executive Board member.

AUDIT OF THE SEPARATE FINANCIAL STATEMENTS OF AURUBIS AG AND THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The company's financial statements prepared by the Executive Board in accordance with the German Commercial Code (HGB), the consolidated financial statements prepared in accordance with IFRS (International Financial Reporting Standards) for the fiscal year from October 1, 2019 to September 30, 2020, and the Combined Management Report for the company and the Group have been audited in accordance with the resolution passed at the company's Annual General Meeting on February 27, 2020 and the subsequent appointment of Deloitte GmbH Wirtschaftsprüfungsgesellschaft as auditors by the Supervisory Board. Auditor Ms. Annika Deutsch oversaw the audit of the Group and the company. The auditors have issued an unqualified auditors' report. Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, has been the appointed auditor since fiscal year 2018/19 and audited Aurubis for the second time.

The meeting of the Supervisory Board to approve the financial statements was held on December 8, 2020. All members of the Supervisory Board received copies of the financial statements, the audit reports, and the Executive Board's recommendation on the appropriation of the net earnings and all other documents in good time before this meeting. These documents were discussed in detail at the Supervisory Board meeting to approve the financial statements. The auditors participated in this meeting, reported in detail on how the audit had been performed and what their main audit findings were, and were available to provide the Supervisory Board with further information, discuss the documents, and make additional comments.

The Supervisory Board concurred with the results of the audit. This agreement was reached following a detailed discussion on the auditors' findings, and thorough consideration of the auditors' report and of the Executive Board's recommendation regarding the appropriation of the net income. It was also based on the Supervisory Board's own review of the separate financial statements of Aurubis AG, the consolidated financial statements, and the Combined Management Report for the company and the Group. The Supervisory Board concluded that no objections needed to be raised and, in accordance with the recommendations

of the Audit Committee, approved the separate financial statements of Aurubis AG, which were thus adopted, as well as the consolidated financial statements and the Combined Management Report at the meeting on the financial statements. The Supervisory Board concurred with the Executive Board's recommendation on the utilization of the unappropriated earnings.

AUDIT OF THE SEPARATE NON-FINANCIAL REPORT

On the basis of their audit, the auditors did not raise any objections to the reporting and the satisfaction of the relevant statutory requirements, and provided an unqualified audit opinion with limited assurance that the separate Non-Financial Report is in accordance with Sections 315b and 315c in connection with Sections 289b to 289e of the German Commercial Code (HGB).

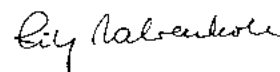
On behalf of the Supervisory Board, KPMG AG conducted a substantive audit of the separate Non-Financial Report for Aurubis AG.

CHANGES IN THE SUPERVISORY BOARD AND EXECUTIVE BOARD

Dr. Heiko Arnold was appointed to the Executive Board effective August 15, 2020. As COO, he is responsible for production. Former COO Dr. Thomas Bünger has been chief technology officer (CTO) since August 15, 2020 and is responsible for the ongoing development of innovative metallurgical processes and important, forward-looking projects to expand the multi-metal business.

Hamburg, December 2020

The Supervisory Board



Prof. Dr. Fritz Vahrenholt
Chairman

Supervisory Board

Prof. Dr. Fritz Vahrenholt, Hamburg

Chairman of the Supervisory Board
 Chairman of the Deutsche Wildtier Stiftung, Hamburg,
 until December 19, 2019
 Currently no professional occupation

- » Encavis AG, Hamburg¹
 Member of the Supervisory Board

Stefan Schmidt, Lüdinghausen²

Deputy Chairman of the Supervisory Board
 Head of Operations at the Aurubis AG Recycling Center, Lünen

- » No further offices

Deniz Filiz Acar, Hamburg²

Instructor for Commercial Trainees
 Deputy Head of Training in the HR Training department, Hamburg

- » No further offices

Andrea Bauer, Dortmund

Currently no professional occupation

- » technotrans SE, Sassenberg¹
 Member of the Supervisory Board
- » noventi SE, Munich
 Member of the Supervisory Board
- » IFA Holding GmbH, Haldensleben
 Member of the Advisory Board

Christian Ehrentraut, Lünen²

Deputy Shift Leader in Smelting Operations, KRS/MZO
 Works Council member in Lünen, relieved of duty
 Chairman of the General Works Council

- » No further offices

Prof. Dr.-Ing. Heinz Jörg Fuhrmann, Salzgitter

Chairman of the Executive Board of Salzgitter AG, Salzgitter¹

- » Hüttenwerke Krupp Mannesmann GmbH, Duisburg³
 Chairman of the Supervisory Board
- » Ilseburger Grobblech GmbH, Ilseburg³
 Chairman of the Supervisory Board
- » Ilseburger Grobblech GmbH, Ilseburg, and Salzgitter
 Mannesmann Grobblech GmbH, Mülheim/Ruhr³
 Chairman of the Joint Advisory Committee
- » KHS GmbH, Dortmund³
 Chairman of the Supervisory Board
- » Mannesmann Precision Tubes GmbH, Mülheim/Ruhr³
 Chairman of the Supervisory Board
- » Peiner Träger GmbH, Peine³
 Chairman of the Supervisory Board
- » Salzgitter Flachstahl GmbH, Salzgitter³
 Chairman of the Supervisory Board
- » Salzgitter Mannesmann Grobblech GmbH, Mülheim/Ruhr³
 Chairman of the Supervisory Board
- » Salzgitter Mannesmann Handel GmbH, Düsseldorf³
 Chairman of the Supervisory Board
- » Öffentliche Lebensversicherung Braunschweig, Braunschweig
 Member of the Supervisory Board
- » Öffentliche Sachversicherung Braunschweig, Braunschweig
 Member of the Supervisory Board
- » TÜV Nord AG, Hanover
 Member of the Supervisory Board

Prof. Dr. Karl Friedrich Jakob, Dinslaken

Chairman of the Executive Board of RWTÜV e.V., Essen,
 until January 31, 2020
 Currently no professional occupation

- » Albert-Schweitzer-Einrichtungen für Behinderte gGmbH,
 Dinslaken
 Member of the Supervisory Board

¹ Stock exchange-listed company.

² Elected by the employees.

³ Group companies of Salzgitter AG.

- » RWTÜV GmbH, Essen
Member of the Supervisory Board
- » TÜV Nord AG, Hanover
Chairman of the Supervisory Board
- » Van Ameyde International BV, Rijswijk, Netherlands
Member of the Board of Supervisory Directors
- » Universitätsklinikum Essen, Essen
Member of the Supervisory Board
- » Knappschaft Kliniken GmbH, Bochum
Chairman of the Supervisory Board until December 31, 2020

Jan Koltze, Hamburg²

District Manager of the Mining, Chemical, and Energy Industrial Union Hamburg/Harburg

- » Beiersdorf AG, Hamburg¹
Member of the Supervisory Board
- » ExxonMobil Central Europe Holding GmbH, Hamburg
Member of the Supervisory Board
- » Maxingvest AG, Hamburg
Member of the Supervisory Board

Dr. Stephan Krümmer, Hamburg

Currently no professional occupation

- » No further offices

Dr. Elke Lossin, Buchholz in der Nordheide²

Manager of the Analytical Laboratory at Aurubis AG, Hamburg

- » No further offices

Dr. Sandra Reich, Gräfelting

Independent business consultant

- » Chancen eG, Berlin
Member of the Supervisory Board

Melf Singer, Schwarzenbek²

Day Shift Foreman of the Acid Plant at Aurubis AG, Hamburg

- » No further offices

Supervisory Board committees

Conciliation Committee in accordance with Section 27 (3) of the German Codetermination Act

Prof. Dr. Fritz Vahrenholt (Chairman)

Stefan Schmidt (Deputy Chairman)

Andrea Bauer

Christian Ehrentraut

Audit Committee

Dr. Stephan Krümmer (Chairman)

Prof. Dr.-Ing. Heinz Jörg Fuhrmann

Jan Koltze

Dr. Elke Lossin

Dr. Sandra Reich

Melf Singer

Personnel Committee

Prof. Dr. Fritz Vahrenholt (Chairman)

Deniz Filiz Acar

Andrea Bauer

Prof. Dr.-Ing. Heinz Jörg Fuhrmann

Jan Koltze

Stefan Schmidt

Nomination Committee

Prof. Dr. Fritz Vahrenholt (Chairman)

Prof. Dr.-Ing. Heinz Jörg Fuhrmann

Prof. Dr. Karl Friedrich Jakob

Dr. Stephan Krümmer

Technology Committee

Prof. Dr. Karl Friedrich Jakob (Chairman)

Christian Ehrentraut

Dr. Stephan Krümmer

Stefan Schmidt

¹ Stock exchange-listed company.

² Elected by the employees.