

A M A G N I F I C E N T M A T E R I A L

STABLE. FLEXIBLE. INNOVATIVE. SUSTAINABLE.

KEY FIGURES FOR THE AMAG GROUP

KEY FIGURES FOR THE AMAG GROUP

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FINANCIALS	Unit	2023	2022	Change in %
Shipments in tonnes	tonnes	425,800	442,000	-3.7 %
External shipments in tonnes	tonnes	395,400	413,000	-4.3 %
Group revenue	EUR million	1,459.2	1,726.7	-15.5 %
EBITDA	EUR million	188.4	247.1	-23.7 %
EBITDA margin	%	12.9 %	14.3 %	-
Operating result (EBIT)	EUR million	102.4	159.7	-35.8 %
EBIT margin	%	7.0 %	9.2 %	-
Earnings before taxes (EBT)	EUR million	90.2	148.9	-39.4 %
Net income after taxes	EUR million	66.4	109.3	-39.2 %
Net income after taxes non-controlling interests	EUR million	0.0	0.0	-
Earnings per share	EUR/share	1.88	3.10	-39.2 %
Cash flow from operating activities	EUR million	180.9	86.1	110.2 %
Cash flow from investing activities	EUR million	-93.8	-74.9	-25.1 %
Total assets	EUR million	1,620.2	1,792.9	-9.6 %
Equity	EUR million	746.3	710.3	5.1 %
Equity ratio in %	%	46.1 %	39.6 %	-
Working capital employed	EUR million	508.6	555.8	-8.5 %
Capital employed	EUR million	1,167.9	1,116.6	4.6 %
ROCE in %	%	6.4 %	10.5 %	-
ROE in %	%	9.1 %	16.3 %	-
Net financial debt	EUR million	364.3	393.3	-7.4 %
Gearing ratio in %	%	48.8 %	55.4 %	-

* Figures refer to the AMAG site in Ranshofen.

** Figures refer to the AMAG site in Ranshofen and include AMAG components.

*** Average number of employees (full-time equivalents) including contract workers, excluding apprentices. Includes the 20 % personnel share of the interest in the Alouette smelter and the personnel of AMAG components.

ENVIRONMENT *	Unit	2023	2022	Change in %
Aluminium scrap processed	tonnes	295,500	320,800	-7.9 %
Scrap utilisation rate on average	%	76.1 %	76.5 %	-
Specific energy consumption	kWh/tonne	1,184	1,178	0.5 %
Specific CO ₂ emissions (scope 1 & 2)	tonnes CO ₂ /tonne	0.163	0.165	-1.1 %
Specific service water withdrawal	m ³ /tonne	5.7	6.1	-6.6 %
Specific waste volume	kg/tonne	17.9	15.9	12.7 %
SOCIAL & GOVERNANCE **				
TRIFR accident rate		2.1	1.0	105.9 %
AMAG Group employees ***	full-time equivalents	2,246	2,214	1.4 %
Proportion of women	%	16 %	15 %	-
Staff turnover rate	%	7.0 %	8.2 %	-
CIP suggestions submitted *	total	9,238	9,370	-1.4 %
Hours for training & development	h/employee	26	20	24.5 %
Donations and sponsoring expenses	EUR	253,700	136,700	85.6 %
Compliance violations	quantity	0	0	-
INNOVATION				
Share of specialty rolled products *	%	57 %	51 %	-
Research & development expenses	EUR million	22.1	19.2	15.2 %
Research & development staff	headcount as per December 31	169	164	3.0 %

FINANCIAL REPORT 2023



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THE FINANCIAL REPORT ONLY IN DIGITAL FORM
ON OUR WEBSITE.

<https://www.amag-al4u.com/en/publications>

In the interests of responsible resource utilisation and making use of the opportunities offered by digitalisation, the extensive Annual Report 2023 is not being printed in full this year.

The magazine accompanying the 2023 Annual Report, which contains the most important information concerning AMAG and its business trends and performance in 2023, is also available as a print version.

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Information

AMAG Austria Metall AG produces high-quality semi-finished aluminium products and components as well as primary aluminium. The company combines top product quality, efficient production, a broad product portfolio comprising a high specialty products component as well as leading-edge aluminium recycling expertise in a unique manner. (GRI 2-1)

AMAG Group headquarters are located in Ranshofen, Austria. At Ranshofen, AMAG produces, firstly, recycled cast alloys. These are delivered to the manufacturing industry in the form of ingots and sows, as well as liquid aluminium, and are used in die casting and other applications. Secondly, at the Ranshofen site, high-quality aluminium rolled products in the form of sheets, coils and plates are produced. The broad product range comprises high-strength materials, tread plates, bright products, brazing sheets, foil stock for the packaging industry, precision plates and cathode elements. These products are deployed in many different industrial sectors, such as aircraft, automotive, mechanical engineering, packaging, electrical, sports, consumer goods and architecture. (GRI 2-6, 2-1)

The rolling slabs required to manufacture rolled products are largely produced at the company's own wrought alloy casthouse. The primary material base for the two casthouses consists on average of around 75 to 80 % recycled aluminium scrap which derives especially from processing industries and products that have reached the end of their lifecycle, as well as from the internal Group materials cycle. As aluminium can be recycled endlessly without loss of quality, aluminium scrap can be reintroduced repeatedly into the value chain and utilised to manufacture high-quality aluminium products. The recycling of aluminium only requires around 5 % of the energy needed to produce primary aluminium.

AMAG also holds a 20 % interest in Canada's Alouette smelter, the largest smelter in North and South America. The smelter produces primary aluminium in the form of low-profile sows. Production is based on the efficient deployment of hydroelectric power, thereby operating with an excellent net environmental impact, especially in terms of carbon emissions. Alouette's alumina supplies are secured by its owners. Its raw material requirements are covered by large mining companies and raw materials traders.

At the AMAG components sites in Übersee am Chiemsee and Karlsruhe, special aluminium and hard metal (titanium, steel) components for the international aircraft industry are manufactured by mechanical processing (such as by milling and drilling). (GRI 2-6, 2-1)

COMPANY STRUCTURE (GRI 2-6)

AMAG Austria Metall AG, as the Group holding company, manages its business through its four operating divisions – Metal, Casting, Rolling and Service.

METAL DIVISION

The Metal Division includes the 20 % interest in the Alouette smelter and is responsible within AMAG Group for the control of metal flows, the hedging of AMAG's operating companies against aluminium price risk and the marketing of primary aluminium. Located in Canada, the Alouette aluminium smelter is one of the most efficient in the world, benefiting from a secure long-term hydroelectric renewable energy supply in a politically stable country.

CASTING DIVISION

AMAG Group's Casting Division recycles aluminium scrap to produce high-quality cast alloys. Its product portfolio covers aluminium materials tailored to customer requirements in the form of ingots, sows, and liquid aluminium.

ROLLING DIVISION

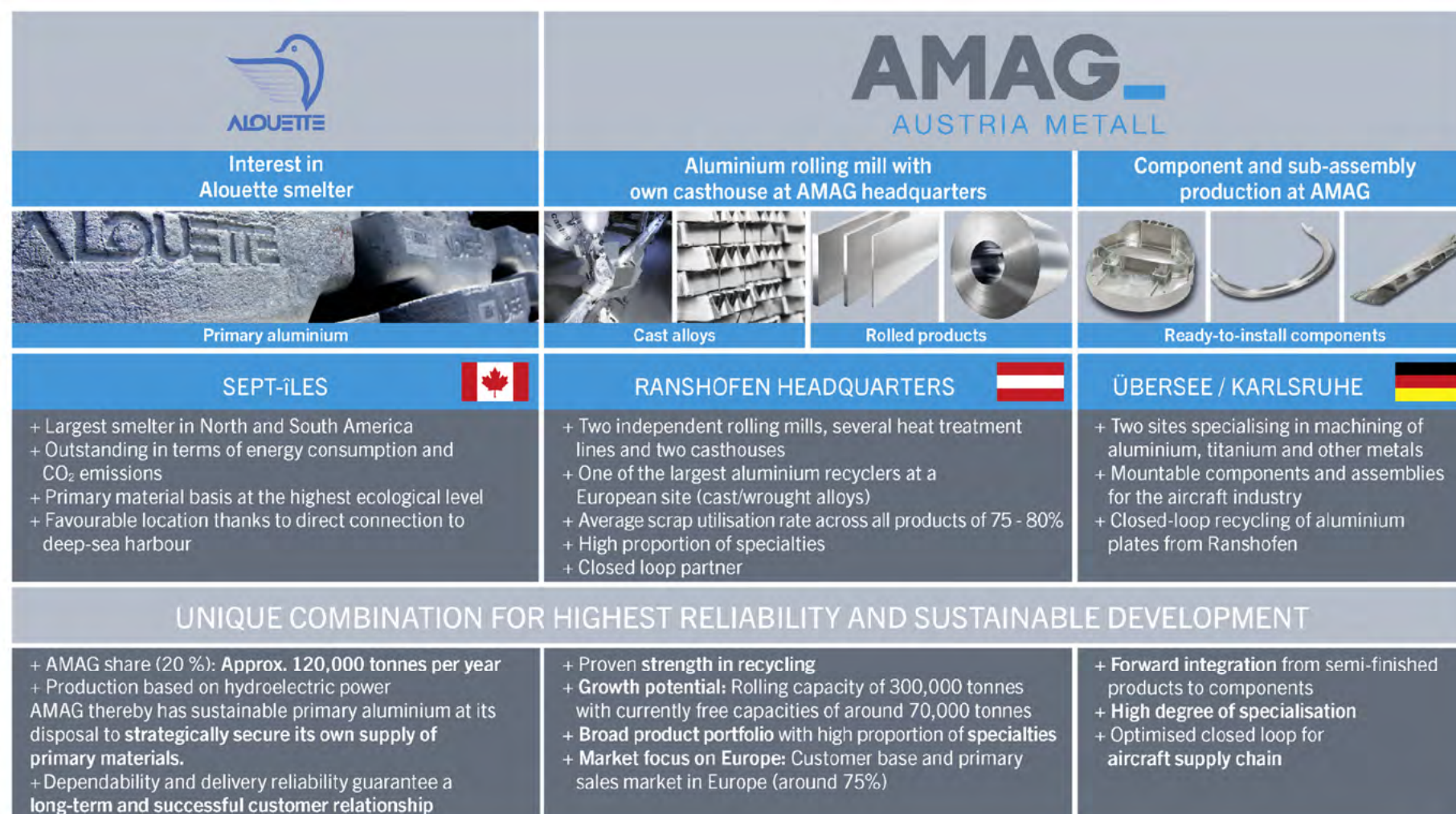
AMAG Group's Rolling Division is responsible for the production and sale of rolled products (sheets, coils and plates), as well as precision and rolled plates. The rolling mill specialises in premium products for selected markets. The company's rolling slab casthouse supplies the rolling mill with rolling slabs, predominantly comprising a very high scrap proportion and low carbon intensity. AMAG components is also included in the Rolling Division.

SERVICE DIVISION

Along with the Group management, the Service Division's portfolio includes facility management (building and area management), energy supplies, waste disposal, as well as purchasing and materials management. As a consequence, this division creates the preconditions for the operating divisions to focus on their respective core businesses. The division also comprises the innovative service provider for electronic data processing, coilDNA.

THE AMAG GROUP BUSINESS MODEL (GRI 2-6)

Diversity – whether in production or in terms of sustainability – lies at the heart of AMAG Group's business activities and is supported by a unique value chain. The list of sales companies and their locations is presented on page 251.



ABOUT THIS REPORT

In its 2023 non-financial statement, AMAG Group informs its most important stakeholder groups (see also *Stakeholder Management*) about its targets, measures and progress in terms of sustainable corporate development. This also complies with its obligation to prepare a non-financial statement in the management report (see Section 267a of the Austrian Commercial Code [UGB]). This non-financial statement, which has been published annually since 2017, also contains further information on sustainability activities in order to achieve a holistic presentation of the company's performance in ESG areas (Environment, Social, Governance). The statement relates to the 2023 financial year (January 1 to December 31, 2023), with the previous annual data from 2022 being utilised for comparative purposes. For a clear presentation of related developments, selected 2021 key figures are also shown in the diagrams. The previous non-financial statement was published on February 16, 2023. The annual report for the 2023 reporting year was published on February 15, 2024. (GRI 2-3)

CONTENT REQUIREMENTS AND COMPLIANCE WITH REPORTING CRITERIA

The non-financial statement for the January 1, 2023 to December 31, 2023 period has been prepared in accordance with the GRI Universal Standards 2021, the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) and the EU Taxonomy Regulation.

In order to improve reading flow and avoid redundancies, individual elements from this non-financial statement, which are required by the GRI Standards but not by the NaDiVeG, are presented outside the Group management report in the 2023 Annual Report. This relates, among other matters, to the GRI content index, the corporate governance report, the risk and opportunity report, the presentation and list of sales companies, and the disclosures relating to the management structure.

The report's contents and quality are determined on the basis of the principles of materiality, the impact of the company's activities and associated due diligence requirements. The fundamental principles of the reporting include accuracy, balance, clarity, comparability, completeness, topicality, and verifiability.

AMAG Group's stakeholders were involved in determining the report content as part of the materiality analysis. The report covers all those sustainability aspects that either reflect significant economic, environmental, or social impacts of the organisation on the environment (inside-out perspective) or impact the company's operations from the outside (outside-in perspective).

The completeness of the non-financial statement relates to the treatment of the material topics and how they are demarcated, as well as information concerning environmentally sustainable activities in accordance with the EU Taxonomy Regulation. The content of this report for the 2023 reporting year reflects AMAG's material issues in relation to sustainable development and is addressed to all stakeholders. Additional information about specific topics is provided on the AMAG website. The corresponding references are given in the respective text. (GRI 3-3)

EXTERNAL AUDIT (GRI 2-5)

The information published in the non-financial statement has been substantively reviewed by an independent third party, Ernst and Young Wirtschaftsprüfungsgesellschaft m.b.H., in order to obtain limited assurance on the basis of ISAE 3000 (Revised). For the TRIFR (Total Recordable Injury Frequency Rate) and the specific emission indicators, more comprehensive audit procedures were performed with the aim of achieving reasonable assurance. Ernst and Young Wirtschaftsprüfungsgesellschaft m.b.H. was also engaged as auditor of the 2023 consolidated financial statements and the Group management report. The Management Board instructed the relevant staff from the respective departments to provide complete, accurate documents and information required for the audit.

SCOPE OF REPORT

The disclosures in the non-financial statement relate to the operations at the headquarters in Ranshofen and to the two AMAG components production sites in Karlsruhe and Übersee, which were included for the first time in 2021. The report is limited to the group of fully consolidated entities. Apart from the presentation of key figures in the personnel area, for materiality reasons neither sales companies nor proportionally consolidated companies (Alouette) nor equity consolidated companies (SSR) have been included in the non-financial statement. The Group holds a 20 % interest in Alouette (joint activity on the basis of a joint agreement). For social and environmental aspects, please refer to the Sustainable Development Report published by Alouette.

The shareholdings as of December 31, 2023, as well as the companies included in the consolidated financial statements are presented in [section D Consolidation principles. \(GRI 2-2\)](#)

In order to differentiate between the Group and the (production) sites in the reporting, the following company designations are used:

AMAG Austria Metall AG: refers to the Austrian Group holding company which, as the ultimate parent company, is also responsible for the preparation of the consolidated financial statements.

AMAG Group / AMAG: comprises all Group companies of AMAG Austria Metall AG. This includes the four divisions – Metal, Casting, Rolling and Service – as well as all sales companies.

AMAG Ranshofen: refers to the production site at the headquarters in Ranshofen (Upper Austria) and consequently includes the Metal Division (excluding the Alouette interest in Canada), the Casting Division, the Rolling Division (excluding the wholly owned subsidiary AMAG components and excluding all sales companies) and the Service Division.

RESTATEMENTS OF INFORMATION (GRI 2-4)

The structure of the non-financial statement for the 2023 reporting year is based on the European Sustainability Reporting Standards (ESRS). The AMAG Sustainability Compass, as the previous framework for the reporting structure, was adapted by assigning the compass areas to the ESG areas of Environment, Social and Governance. The order in which material topics from the ESG areas are reported already complies with ESRS requirements. AMAG is thereby taking important preparatory steps towards the mandatory full implementation of ESRS from 2024 onwards.

With the focus on the benefits of submitted continuous improvement process (CIP) proposals, this report provides graphical presentations of both the reporting year's and the previous year's figures for net benefit per employee. The number of CIP proposals is still reported within the section.

CONTACT POINT (GRI 2-3)

If you have any questions relating to the content of this report, or if you wish to discuss AMAG and its sustainability management, please contact our communications and sustainability department:

Email: sustainability@amag.at

INTEGRATED CORPORATE AND SUSTAINABILITY STRATEGY

SUSTAINABILITY STRATEGY STATEMENT (GRI 2-22)

Environment – Social – Governance. These three terms form the framework of a holistic corporate understanding of sustainability. AMAG, too, has already internalised such an approach over the course of many years. AMAG Austria Metall AG published its first sustainability report in 2013 and in 2023 can thereby look back on ten successful years of reporting. Since then, statutory requirements and reporting standards have changed and AMAG's non-financial statement has been continuously expanded. A further major change is now on the horizon from 2024 onwards: implementation of the European Sustainability Reporting Standards is mandatory, and the sustainability statement will assume a completely new, standardised form. AMAG is working diligently to prepare for these extensive changes, and the first structural adjustments have already been implemented in this report.

AMAG's early step of integrating sustainability as a core value into its corporate strategy paved the way for a multi-year process in which ESG responsibilities were determined and assigned, and areas of action to promote sustainability within AMAG's sphere of influence were defined. The latter are mapped in the AMAG Sustainability Compass, which also serves as a navigator through the topics presented in this report. This process, the targets set, the measures taken and the experience gained position AMAG as a sustainability pioneer in the aluminium industry. This achievement is also confirmed by top rating results and prestigious awards, which are presented in greater detail in the [Compliance and transparency](#) section.

Thanks to a holistic approach to sustainability, which at AMAG is strategically anchored alongside the values of innovation, diversity and the human touch, the company is also able to navigate stably through periods of uncertainty and volatile prices, and to cope with change. The 2023 year continued to be characterised by geopolitical conflicts as well as interest rate and inflation trends, which led to a subdued market environment and influenced demand trends for aluminium products in certain industrial sectors. The company's broad positioning nevertheless ensured a good revenue and earnings performance in the reporting year 2023.

"AMAG's product and sector diversity, paired with a versatile range of facilities and broad fields of competence, enables us to respond flexibly to the market environment. Stability in terms of both strategy and management ensures sustainable success."

CEO and COO Dr. Helmut Kaufmann, on behalf of the entire AMAG Management Board

Innovative capability is also an indispensable cornerstone for sustainable corporate success. Thanks to application-oriented research and product development as well as sound scientific knowledge, it has for years been possible to achieve a consistently high scrap utilisation rate on average across all products. This has crucial ecological advantages: compared to primary aluminium production, over 90 % of energy output is saved and closed loop projects with customers boost the efficient utilisation of raw materials and reduce the carbon footprint along the value chain. The first trial and series orders from the new AL4[®]ever product portfolio, which is characterised by a very small carbon footprint, not only underpin AMAG's claim to provide sustainable products, but also confirm the growing demand from customers.

"Our clear goal is to implement customer-oriented product solutions and at the same time enable the technological change towards carbon-neutral production. As an experienced AMAG team, we will tackle future challenges as optimally as possible and further expand the importance of innovation and sustainability."

CEO and COO Dr. Helmut Kaufmann

For this reason, it is important to meet these challenges – which arise from political and economic factors, legally binding decisions, and the key issue of energy supplies – with vigilance and on a timely basis, and to set our course accordingly.

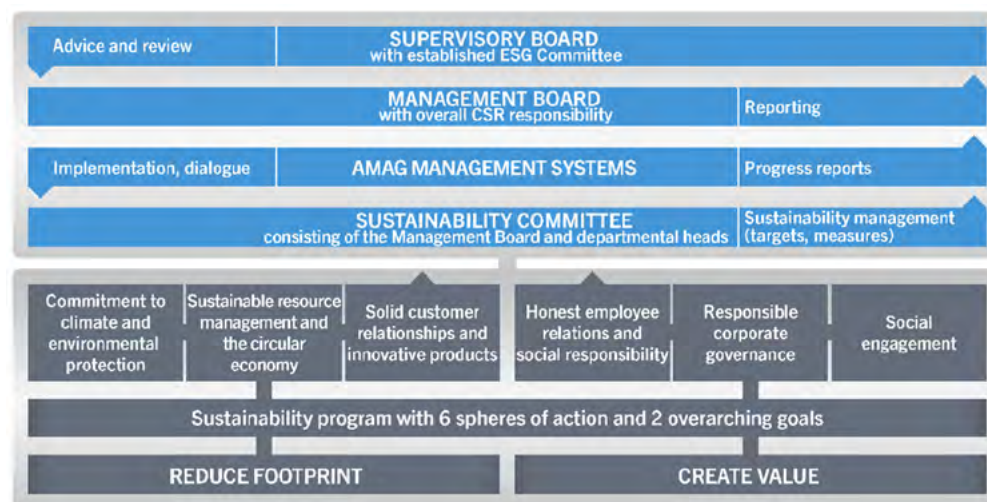
In addition to its ecological goals, AMAG also adopts a clear stance in the areas of social issues and responsible corporate policy. The signing of the *Diversity Charter* in 2023 underscores the corporate values of diversity and the human touch. The company's long-term success and performance is largely based on employees who are healthy, satisfied and motivated to make their contribution – AMAG ensures and continuously evaluates the overall conditions for maximum occupational safety and comprehensive health protection. Personnel development provides tailored training and development formats. The employees' creativity and proactive problem-solving abilities are rewarded through the annual CIP and innovation awards for outstanding ideas (more on this in the [Innovation](#) section).

AMAG fulfils its responsibility not only in the area of its own business, but also along the value chain: for example, sustainable procurement management, which was evaluated and expanded in 2023, ensures that (potential) negative impacts on both people and the environment are prevented.

The sustainability program and ESG activities in the current reporting year are presented in detail in the following sections of the non-financial statement. AMAG is thereby fulfilling its commitment to transparency to all stakeholders – the AMAG Management Board wishes you interesting reading!

ORGANISATIONAL ANCHORING OF SUSTAINABILITY

(GRI 2-9, 2-12, 2-13, 2-14, 2-16, 2-17)



Sustainability forms a basic part of AMAG's corporate identity. The transfer of strategic objectives into corporate processes is ensured by involving numerous specialist departments, and integrated with targets and metrics across all business units.

SUPERVISORY BOARD: As the uppermost supervisory body of Austria Metall AG, the Supervisory Board performs its duties in relation to the company's economic, ecological and social responsibility, and thereby all areas of ESG. The Supervisory Board is informed at its meetings about ongoing sustainability activities as well as about significant regulatory framework conditions and changes to these conditions. In special cases, the Supervisory Board is also informed directly. To ensure objectivity and independence, the Supervisory Board commissions an external third party to audit the non-financial statement.

ESG COMMITTEE: The Supervisory Board is supported by the ESG Committee, which was established for the first time in 2023. In particular, the ESG Committee is tasked with monitoring the establishment and effectiveness of processes for the implementation and assessment of sustainability reporting in accordance with the applicable EU Corporate Sustainability Reporting Directive (No.

2022/2464 – CSRD) and further applicable legislation (including Austrian implementing legislation) as well as related reporting to the Audit Committee and the plenary Supervisory Board. From the 2024 financial year onwards, AMAG's sustainability reporting is to be carried out in accordance with the CSRD. The ESG Committee then has the task of supporting the Audit Committee in its audit duties regarding sustainability reporting and in conducting the procedure to select the external auditor. It also supports and advises on ESG issues at the request of the full Supervisory Board or one of its committees, such as the Remuneration Committee in its preparation of ESG target setting for Management Board remuneration, or the Strategy Committee in its linking of ESG and corporate strategy. The ESG Committee is scheduled to meet twice a year. The Supervisory Board Chair and a member of the Audit Committee are also members of the ESG Committee as part of their coordinating duties. The ESG Committee may not be chaired by anyone who has been a member of the Management Board, an executive employee in the meaning of Section 80 of the Austrian Stock Corporation Act (AktG) or an external auditor of sustainability reporting in the last three years, or who has signed the audit certificate, or who is not impartial or independent for other reasons.

MANAGEMENT BOARD: The long-term orientation of AMAG's sustainability strategy is determined by the Management Board – which is thereby also responsible for implementing the sustainability targets which are set out in the sustainability program and transferred to the management structure with clearly defined areas of responsibility, and finally also reporting on the program and the defined targets. The Management Board is regularly informed by the internal departments about ESG topics, and external experts are also consulted (such via AMAG's Scientific and Technological Advisory Board) in order to be able to respond to future regulatory requirements in a well-founded and forward-looking manner. The members of the Management Board are in constant contact with stakeholders and participate in meetings of associations and ESG-relevant working groups. The principles of the remuneration policy were adjusted in 2022 and approved by the Annual General Meeting. In addition to the existing criteria for the long-term variable incentive bonus (LTI) for members of the Management Board, remuneration is linked to two to four sustainability targets from a predefined list of criteria. Further details are presented in the annual remuneration report, which is published with the information for the Annual General Meeting on the AMAG homepage.

MANAGEMENT SYSTEMS AND SUSTAINABILITY DEPARTMENT: Sustainability management is coordinated in the management systems department and reported directly to the Management Board, which in turn informs the Supervisory Board at regular intervals. The sustainability department is located within the management systems department. Here, data are collected in close cooperation with all AMAG departments, measures are defined and checked for compliance, and new targets are identified. The management systems department also reports on current developments and issues, prepares reports that track sustainability targets, and is responsible for participating in ESG ratings.

SUSTAINABILITY COMMITTEE: A sustainability committee, which meets once a year and consists of the Management Board, the management teams and divisional managers, evaluates the sustainability performance to date, reviews the extent to which measures from the AMAG sustainability program have achieved their targets, and adjusts them if necessary. In addition, measures from the AMAG sustainability program are reviewed for their level of target achievement and adjusted if necessary, and new targets are set for subsequent years. The relevant departments ensure that sustainability issues are continuously implemented as part of day-to-day business, projects and research initiatives.

Other teams and committees that deal with ESG requirements are described in the respective topic sections.

SUSTAINABILITY STRATEGY

AMAG Austria Metall AG pursues two long-term goals in terms of a holistic understanding of sustainability: **reducing the carbon footprint and creating ecological, economic and social value – both for employees and for society.** The AMAG Sustainability Compass is also oriented towards these two goals. The compass defines six spheres of action that lie within the company's scope of influence and thereby serve as a guide for the development and implementation of effective measures.

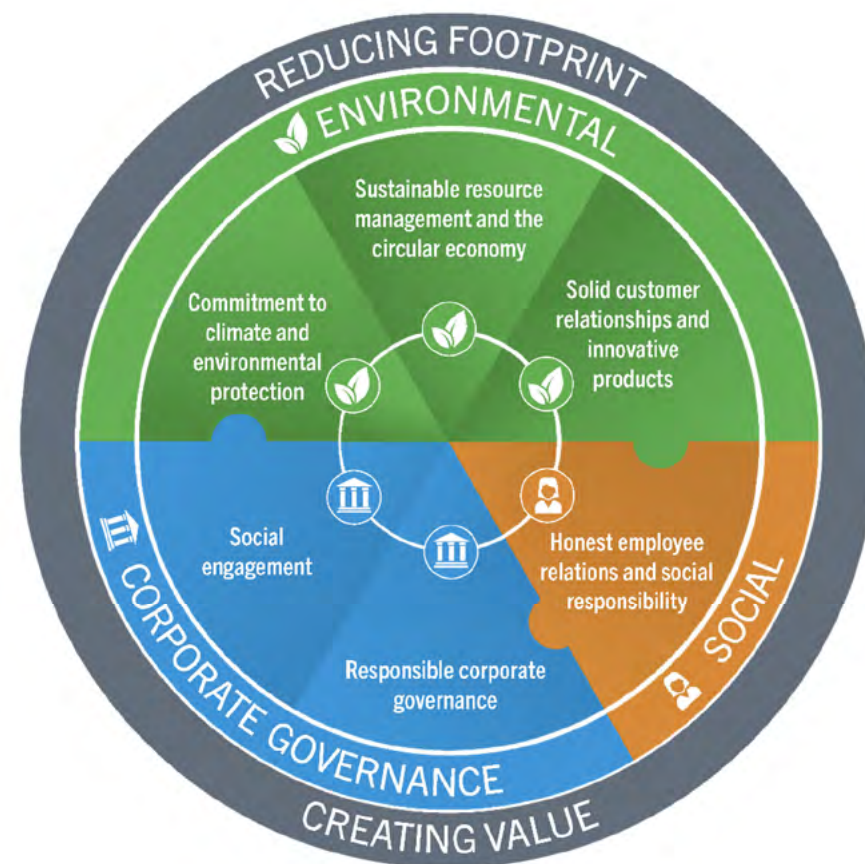
Sustainability management is based on the following corporate principles:

- › **Duty of care:** The processes implemented to fulfil human rights and environmental due diligence obligations are based on applicable laws, internationally recognised standards and voluntary commitments. AMAG has certified management systems focusing on occupational safety, quality, the environment and energy, as well as comprehensive risk management and an internal control system, in order to identify and assess the human rights and environmental impacts of its own business activities, or along the supply chain, as effectively as possible. AMAG is also in regular contact with both external and internal stakeholders and their representatives.
- › **Efficiency:** When developing our plants, processes and products, AMAG factors in resource and energy efficiency, as well as the minimisation of environmental impacts.
- › **Balance:** The broad positioning by sector and products, as well as in terms of the geographic markets AMAG supplies, ensures a high degree of balance and stability. Comprehensive sustainability activities in the various corporate divisions ensure that sustainability management functions systematically and is continuously improved.

- › **Materiality:** AMAG focuses on its operating activities' main economic, environmental and social effects, including along its supply chain, and engages in constant dialogue with its stakeholders in order to ascertain and determine significant topics.
- › **Completeness:** The communication principles of being transparent, up-to-date and complete enjoy top priority in both internal and external corporate communications. AMAG Group communicates promptly and comprehensively with relevant stakeholder groups about material topics relating to its business activities.
- › **Flexibility:** AMAG perceives changes to its economic and social environment, as well as new challenges posed by customers and markets, as an opportunity, and addresses them with a pronounced degree of flexibility.
- › **Innovative spirit:** Research into technologically challenging questions, the development of marketable applications and continuous process and product improvement reflect AMAG Group's innovative spirit. (GRI 3-3, 2-23)

AMAG SUSTAINABILITY COMPASS: The compass with its six spheres of action always navigates towards the two overarching objectives: **reducing the carbon footprint** and **creating added value** (see also the *Sustainability strategy* section) and reflects AMAG's long-term sustainability program. The annual sustainability topics and the associated targets and measures are assigned to the spheres of action, with the compass thereby also serving as the overarching framework for this reporting. The spheres of action are defined as follows:

- › **Commitment to climate and environmental protection:** This sphere of action comprises the processes, targets and measures relating to energy and emissions, water and biodiversity. Measures are implemented as part of certified management systems (ISO 14001, ISO 50001) and comprehensive voluntary commitments (including ASI).
- › **Sustainable resource management and the circular economy:** This sphere of action comprises the responsible management of raw materials along the value chain as well as AMAG's core competency: recycling. Waste management is a further important topic.
- › **Solid customer relationships and innovative products:** This sphere of action comprises long-term, partnership-based, fair customer relationships as well as new customer acquisition. The aim here is to achieve the highest product quality and innovations that meet the company's own requirements as well as rising customer demand for high-quality aluminium products with small carbon footprints. Dependability and delivery reliability are AMAG's top priorities and guarantee a long-term and successful customer relationship.
- › **Honest employee relations and social responsibility:** This sphere of action covers the topics of occupational health and safety, training and development, working conditions and employment development as well as equal opportunities and diversity.
- › **Responsible corporate governance:** This sphere of action comprises the responsible treatment of the people and organisations involved in the development of the company as well as the responsible, legally compliant and ethically correct conduct of business activities. This sphere of action also covers the implementation of our duty of care in terms of human rights both within the area of our own business as well as along the supply chain.
- › **Social engagement:** This sphere of action includes regional value creation, interaction with stakeholders and support for social engagement in the areas of education, culture, social affairs and sports.



CONTRIBUTION TO ACHIEVING SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The 17 Sustainable Development Goals mark a milestone on the global path to a sustainable future for ALL. AMAG Group is committed to implementing this agenda with innovative, forward-looking products, dedicated environmental management and a responsible value chain. The following targets lie within AMAG Group's sphere of influence:

SDG	DESCRIPTION	AMAG SUSTAINABILITY TOPICS	AMAG CONTRIBUTION
4	Quality education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Training and development	Comprehensive, targeted training and development programs to attract skilled and young talent for the future, promotion of educational projects in the region
5	Gender equality: Achieve gender equality and empower all women and girls	Equality and diversity, employment development	Promoting gender equality and diversity, raising awareness of respectful treatment, fair working conditions through compliance with legal and additional voluntary requirements
6	Clean water and sanitation: Ensure availability and sustainable management of water and sanitation for all	Water	Ensure availability and sustainable management of water at the Ranshofen site Procurement of electricity from renewable energy sources, use of heat recovery, improvement of the energy content of scrap for the smelting process, use of waste heat and optimisation of input materials as part of research and development (R&D) projects, Decarbonisation Roadmap, installation of a rooftop photovoltaic system
7	Affordable and clean energy: Ensure access to affordable, reliable, sustainable and modern energy for all	Energy and emissions, innovation	Employee development, continuous learning, Code of Conduct, Human Rights Code, ensuring employee rights and cooperation with trade unions and Works Council, Responsible Procurement Management, investments in the Ranshofen site, R&D and customer orientation, Continuous Improvement Process (CIP)
8	Decent work and economic growth: Promote sustained, inclusive and sustainable economic growth, productive, full employment and decent work for all	Human rights and responsibility in the supply chain, training and development, working conditions, employment development, equal opportunities and diversity, occupational health and safety	Investments in the Ranshofen site (including expansion of recycling expertise), product development, innovation in production (including digitalisation)
9	Industry, innovation and infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	Innovation, raw materials, recycling, regional value creation	Promote and advance the circular economy, maintain a high scrap utilisation rate, promote the use of aluminium products to achieve carbon savings (especially lightweight construction in the transport sector), Responsible Procurement Management
12	Responsible consumption and production: Ensure sustainable consumption and production patterns	Human rights and responsibility in the supply chain, customer relationships and orientation, waste, raw materials, recycling	Focus on recycling, harnessing of renewable energy sources, energy efficiency, energy savings through innovative technologies, Decarbonisation Roadmap
13	Climate action: Take urgent action to combat climate change and its impacts	Energy and emissions, waste, water, biodiversity, raw materials, recycling	Measures to promote biodiversity, (re)forestation, protection of rare animal and plant species, strengthening of the Ranshofen recreation area
15	Life on land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and avert diversity loss	Biodiversity	Measures to ensure unconditional compliance with legislation and agreements on, among other issues, human rights, corruption prevention and transparency, tax obligations, data protection, etc., promotion of legally compliant and ethically correct behaviour through training and open communication, as well as through the possibility of reporting misconduct anonymously (compliance line)
16	Peace, justice and strong institutions: Promote peaceful and inclusive societies for sustainable development, promote access to justice for all and build effective, accountable institutions at all levels	Compliance and transparency	

MEMBERSHIPS IN ASSOCIATIONS (GRI 2-28)

AMAG Group participates in numerous initiatives, associations and interest groups in order to share knowledge and contribute to the development of standards. AMAG cooperates with industry and aluminium associations in order to create a level playing field in aluminium production, among other objectives. It also supports the development of international framework legislation on climate change and greenhouse gas emissions, and actively participates in the debate on solutions to these challenges. Furthermore, the company is actively involved in initiatives aimed at promoting the recycling of aluminium and material responsibility. In 2023, AMAG Group was a member of the following associations and lobby groups, among others:

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- › AAI – Austrian Aeronautics Industries Group
 - › GDA – Aluminium Germany
 - › ASI – Aluminium Stewardship Initiative, an initiative to create a sustainable standard for the aluminium value chain – from responsible corporate governance through to meeting environmental standards as well as social standards
 - › ASMET – Austrian Society for Metallurgy and Materials
 - › Automobil Cluster – cross-sector network to support automotive sector companies
 - › BDLI – German Aerospace Industries Association
 - › BIR – Bureau of International Recycling
 - › C.I.R.A. – Cercle Investor Relations Austria
 - › Diversity Charter – Initiative of the Chambers of Commerce of Austria and Vienna
 - › Christian Doppler Research Association
 - › EA – European Aluminium
 - › GDMB – Society for Mining, Metallurgy, Resource and Environmental Technology
 - › ÖGfZP – Austrian Society for Non-destructive Testing
 - › Federation of Austrian Industries (IV) and Chamber of Commerce (WKO)
 - › ÖVFA – Austrian Association for Financial Analysis and Asset Management
 - › respACT – Austrian business council for sustainable development
 - › UNGC – UN Global Compact
 - › VNL – Association for Network Logistics
 - › WVMetalle – Wirtschaftsvereinigung Metalle e.V.
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In this context, it is particularly noteworthy that AMAG is a founding member of the Aluminium Stewardship Initiative (ASI), a non-profit organisation. The initiative was launched in 2012 to supplement activities designed to promote sustainability and material responsibility, which the aluminium industry's lobby groups have pursued for more than twenty years. The aim of the initiative is to demonstrate and step up the sustainable production of aluminium. To this end, globally applicable standards and a certification system for producers and processors of aluminium were developed. AMAG is certified in accordance with both standards issued by the initiative (ASI Performance and Chain of Custody Standard), thereby evidencing the company's responsible aluminium production and processing.

As a basic requirement for achieving the ASI CoC Standard, conformity with the ASI Performance Standard, which officially confirms the sustainable production and processing of aluminium in Ranshofen, must first be demonstrated. AMAG already achieved certification to this ASI standard in 2018. The ASI CoC Standard goes one step further and starts at AMAG's own factory gates by requiring suppliers of primary materials to comply with the same stringent standards and criteria to which AMAG is committed. All steps in the value chain are encompassed, from production based on bauxite and secondary aluminium through to processing and on to the finished product.

AMAG Austria Metall AG has also been a member of the UN Global Compact (UNGC) since 2022, and is thereby committed to promoting the UNGC's ten principles relating to sustainable and responsible economic management and development.

By signing the Diversity Charter, AMAG is underpinning its commitment to valuing diversity in general, and especially the diversity of all those who have a relationship with the company. The initiative of the Chambers of Commerce of Austria and Vienna promotes the exchange of information and experience to promote diversity within companies.

RISK MANAGEMENT (GRI 2-25)

Risk management has been implemented as an integral component in order to identify, assess and control all significant risks and opportunities within AMAG. It makes a significant contribution to the successful implementation of the corporate strategy and the objectives derived from it. Risks are to be identified at an early stage and, where possible, proactively managed in order to limit or completely avoid potential negative effects. In addition to mitigating risks, the aim is to leverage business opportunities in a targeted manner. Crucial tasks include identifying scarce resources in order to deploy them in a forward-looking, efficient and effective manner, as well as deciding on new investments and (business) activities in a timely and risk-oriented manner so as to minimise risks. For this purpose, a sufficiently high level of risk awareness is essential at all organisational levels of AMAG. AMAG risk management is based on the ISO 31000 Risk Management standard and the COSO ERM framework. Risk management guidelines govern the efficient and responsible handling of risks and opportunities in order to minimise legal and economic consequences.

As part of defining material topics for the non-financial statement, an analysis was conducted that covers the effects that emanate from the company or its value chain and that can exert a positive or negative impact on the corporate environment (inside-out view). The assessment of the impact led to the material topics for AMAG, as shown in the table *Material topics in 2023*. The handling of these effects, steered by management documents (such as codes, guidelines and procedural instructions), targets and measures, are explained in the relevant sections.

The *Risk and opportunity report* in the Group management report refers, in particular, to those strategic and operational risks and opportunities that have an external impact on the company and derive from the “outside-in view”. In addition, sustainability issues (ESG) and associated risks and opportunities that are assigned to the areas of employee issues, combating corruption and bribery, environmental concerns, social issues and respect for human rights, among other areas, are also becoming increasingly important and are explained accordingly in the *Risk and opportunity report*. Climate- and environment-related risks were also taken into consideration in a study on the avoidance of significant adverse effects according to the EU Taxonomy (Regulation (EU) 2021/2139).

Climate-related risks are divided into transitory and physical risks, with the latter in turn divided into acute and chronic risks. The acute and chronic physical risks are derived from data from GeoSphere (Austria's national meteorological and geophysical service) and data from the IPCC (Intergovernmental Panel on Climate Change). Acute physical events that can lead to risks for AMAG include storm damage, high water and flooding, heavy rain, heavy snow and hail. Chronic physical risks for AMAG include the effects of climate change on vegetation, soils and forests as well as the increase in heat and cold waves, including water shortages. In turn, long-term climatic changes or threats can increasingly lead to acute physical risks for the company. All types of physical events are monitored and

evaluated in AMAG's risk management system. The measures enacted are documented and regularly reviewed. In order to manage these risks, comprehensive measures are taken to counteract the advance of climate change. Decarbonisation is a key step in this context, for which AMAG has drawn up a roadmap. The decarbonisation measures and the target path are in line with AMAG's commitment to the Paris Agreement and are based on sound scientific data.

Transitory risks can arise for AMAG from regulatory, legal and technological changes, among other factors. In order to prevent regulatory risks, such as due to changes in climate and environmental protection requirements or energy policy, the legal situation and draft legislation are constantly monitored and discussions with stakeholders are intensified.

Social and human rights risks as well as corporate policy risks are also subject to close monitoring at AMAG – these are also recorded in the risk management area. In order to effectively prevent legal and compliance violations, among others, AMAG has a comprehensive compliance system in place, which is described in the *Compliance and transparency* section. Sustainable procurement management ensures that human rights are respected not only at AMAG locations, but also along the supply chain. AMAG counters all risks through responsible corporate governance, compliance with all laws and regulations, and transparent communication with all stakeholders.

Technology risks can impinge on various areas, including climate and environmental protection as well as decarbonisation. The milestones defined in the AMAG Decarbonisation Roadmap require significant technological progress. In order to develop technologies for climate-neutral aluminium production and ultimately deploy them on an industrial scale, specific scientific approaches, a stable political framework, investments in research and development and – if implemented – sufficient energy available at affordable prices are required at present. AMAG has already been working actively on solutions. Far-reaching investments are always assessed in terms of key conditions such as security of supply and competitiveness. The framework conditions and different factors are being continuously recorded and monitored in the risk management area. Measures to promote innovation and technology are presented primarily in the section on *Innovation*.

STAKEHOLDER MANAGEMENT (GRI 2-29)

All companies need to identify stakeholders and to understand their different concerns and needs in order to thereby derive optimisation potentials. This requires structured stakeholder management.

Stakeholders are in principle those persons or groups who have legitimate economic, environmental, social or societal concerns and claims in relation to the company in connection with its (in)direct business activities. For AMAG, responsibility towards a wide range of stakeholders arises not only from its core business – the production of semi-finished aluminium products as an important material for the processing industry – and from its position as a strong company within the Innviertel region, but also as a public stock corporation.

The stakeholders are listed and grouped in the table on the following page.

Stakeholder management is based on the following structural approach:

- › Stakeholder mapping
- › Communication and dialogue
- › Evaluation of feedback and derivation of relevant topics
- › Identification of impacts, opportunities and risks of the relevant topics
- › Assessment of impacts, risks and opportunities in the materiality analysis
- › Reporting and communication about material issues

In the context of stakeholder management, it is of great importance to the AMAG Group that interest groups are involved early enough in a transparent decision-making process and that satisfactory solutions are found for all parties involved.

Continuous and open communication must be conducted if the concerns and expectations of the various stakeholder groups are to be taken into consideration. In addition to the annual online stakeholder survey via the AMAG homepage, which is accessible to both internal stakeholders and external parties such as business partners and the public, a wide variety of dialogue formats are utilised. These include personal discussions and dialogue at local, national and international level about collaboration in bodies and associations, topically related stakeholder events at the Ranshofen site,

participation in trade fairs and conferences, as well as communication through social media. The AMAG AluReport magazine, the non-financial statement in the annual report, press releases and publications in regional media are used in order to publish ongoing reporting on AMAG Group activities. The AMAG Connect app is also available for employees.

The AMAG FORUM is held in Braunau's town square in order to offer the regional population around the Ranshofen site a further point of contact. This is regularly staffed by AMAG Group employees. Members of the public can ask questions, voice their concerns and obtain information. In addition, specialist presentations are held there on various topics, including biodiversity and aluminium recycling, as well as financial topics such as price hedging.

An annual development and target achievement meeting has been established to promote discussions with employees as an internal stakeholder group and to take individual perspectives and concerns into consideration. AMAG-internal contact points such as the Works Council, representatives, the AMAG Youth Council and the Women's Officer pass on relevant, anonymised information to those responsible, so that concerns can be dealt with effectively and, if necessary, measures can be initiated. The feedback from employee satisfaction surveys is also included.

The AMAG Compliance Line is a further information channel: a reporting system which is accessible to all stakeholders to communicate concerns about AMAG's business activities and related processes, or to contact a representative in the event of personal concerns. The persons responsible for the internal reporting office are trained accordingly, and a set of guidelines defines the related responsibilities and processes in detail. Further information and contact addresses are presented in the [Compliance and transparency](#) section.

The feedback from the stakeholder groups is systematically analysed and discussed with the Management Board and the heads of the specialist departments at the annual sustainability committee meeting. Stakeholder interests play a key role in the orientation and activities of sustainability management. They thereby also serve as a basis for selecting the topics to be prioritised for annual reporting. (GRI 2-12)

For AMAG Group, it is of great importance in the context of stakeholder management that interest groups be involved in a transparent decision-making process at an early stage, and that satisfactory solutions be found for all parties involved.

The table on the following page lists the stakeholders (grouped), communication formats and relevant topics.

Stakeholder groups	Stakeholders	Communication and collaboration formats (GRI 3-3)		Topics introduced in 2023
Shareholders and investors	<ul style="list-style-type: none"> › Main shareholders › Shareholders › Banks › Investors 	Frequency: Continuous/quarterly <ul style="list-style-type: none"> › One-on-one meetings with banks, investors and owners › Financial reporting (quarterly) › Ratings 	<ul style="list-style-type: none"> › Annual General Meeting › Investor conferences › Roadshows › Investor fairs › Plant visits 	Energy supplies (risk and mitigation measures) and energy cost price trends, decarbonisation, status of the AMAG components integration process, business model, ESG ratings, sustainability strategy, upcoming investments, market development, EU Taxonomy, innovation
Business partners	<ul style="list-style-type: none"> › Customers › Suppliers › Science and research 	Frequency: Continuous <ul style="list-style-type: none"> › Working groups › Audits › Reporting practice › Complaints management › Research projects › Communicating through social media › Partnerships with universities, talks 	<ul style="list-style-type: none"> › AMAG AluReport magazine › Customer satisfaction measurement › Trade fairs and specialist conferences › Training activities › Company website › Plant visits › Science and technology advisory board 	Energy supply (risk and mitigation measures) and energy cost price trends, decarbonisation, carbon footprint, aluminium price trends, raw material supplies, shortage of skilled workers, ESG responsibility. Sustainability strategy, responsibility in the supply chain, legal compliance, innovation, customer relationships, risk management, recycling, circular economy (closed loop customer relationships and life cycle assessment), Aluminium Stewardship Initiative (ASI), digital transformation
Internal stakeholders	<ul style="list-style-type: none"> › Employees › Works Council › Management › Management Board 	Frequency: Continuous <ul style="list-style-type: none"> › Intranet (newsletter) › AMAG Connect employee app › Continuous Improvement Process (CIP) › Apprentice coach; Youth Consultative Council 	<ul style="list-style-type: none"> › Women's Officer › Employee surveys and meetings › Employee discussions › Dialogue with employees and management › Works Council meetings 	AMAG as an employer (remuneration, dividend, work-life balance, working hours), job security, energy supplies, products, occupational safety, respectful interaction
Public	<ul style="list-style-type: none"> › Science and research › Society › Regional and local communities and municipalities › Media › Competitors › Associations and organisations (interest groups, NGOs) 	Frequency: Continuous <ul style="list-style-type: none"> › Active collaboration in associations, bodies and working groups › Reporting of non-financial information › Communicating through social media › Stakeholder surveys 	<ul style="list-style-type: none"> › Press relations, conferences, interviews, one-on-one meetings › Events and dialogues › Factory tours and visits › Complaints management 	Energy supplies (risk and mitigation measures) and energy cost price trends, decarbonisation, innovation, emissions, biodiversity, raw material supplies, supply chain responsibility (including human rights), shortage of skilled workers, sustainability strategy, recycling, occupational safety, waste and water management, equal opportunities and diversity
Social partners and state bodies	<ul style="list-style-type: none"> › Social partners › Public authorities › Legislators (EU, federal, state) 	Frequency: Continuous <ul style="list-style-type: none"> › Authorisation procedures › Dialogue, specialist discussions and talks 	<ul style="list-style-type: none"> › Opinions › Plant visits › Stakeholder surveys 	Energy supplies (risk and mitigation measures) and energy cost price trends, shortage of skilled workers, legal requirements (German Supply Chain Act, draft EU Supply Chain Act (Corporate Sustainability Due Diligence Directive)), Carbon Border Adjustment Mechanism (CBAM), EU Taxonomy, ETS trading, EU Renewables Directive, Industrial Emissions Directive, EIA-G amendment, REACH chemicals legislation, Federal Waste Management Plan
ESG trendsetters	<ul style="list-style-type: none"> › Politics, political trends › Market trends › Rating agencies 	Frequency: Continuous <ul style="list-style-type: none"> › Ratings › Active collaboration in associations, bodies and working groups 	<ul style="list-style-type: none"> › Opinions › Stakeholder surveys 	ESG responsibility, business model, sustainability strategy, decarbonisation, (upcoming) investments, market development, human rights, supply chain management (due diligence), resource planning, recycling, occupational safety, waste and water management, equal opportunities and diversity

MATERIALITY ANALYSIS (GRI 3-1)

In order to develop a systematic sustainability program and pursue it in a targeted manner, relevant focus areas must be identified and selected. A materiality analysis is used for this purpose. The materiality analysis was conducted in accordance with the requirements of the GRI Universal Standard 2021 and on the basis of the European Sustainability Reporting Standards (ESRS), and is divided into the following four steps:

1. UNDERSTAND THE ORGANISATION'S CONTEXT

The start of this process requires the creation of an overview of AMAG's activities and business relationships. The preparation of this overview entails, firstly, the use of regulatory requirements and sector standards (see box) and, secondly, the involvement of external and internal stakeholders in order to identify relevant sustainability topics for AMAG Group. The previously defined stakeholders and their involvement are critically evaluated in this phase and expanded if necessary. Communications with stakeholders occur in various forms (see the *Stakeholder management* section). All internal and external stakeholders can use an online questionnaire, which is available all year round on the website, to identify important issues and their material impacts or to bring their concerns to the company's attention.

REGULATORY REQUIREMENTS:

- Austrian Sustainability and Diversity Improvement Act (NaDiVeG)
- EU Taxonomy
- OECD Guidelines for Multinational Enterprises
- UN Global Compact (10 principles) and UN Sustainable Development Goals (SDGs)
- GRI Universal Standards 2021
- German Supply Chain Act (LkSG)
- European Sustainability Reporting Standards (ESRS)

SECTOR STANDARDS:

- Aluminium Stewardship Initiative
 - ASI Performance Standard
 - ASI Chain of Custody
- Ratings
 - Sustainalytics
 - EcoVadis
 - CDP
 - Völnix

2. IDENTIFICATION OF ACTUAL AND POTENTIAL IMPACTS AS WELL AS RISKS AND OPPORTUNITIES

A longlist of potential sustainability topics is compiled based on regulatory and sectoral standards, internal risk and opportunity management, evaluations as part of due diligence processes and feedback from stakeholder groups. Impacts emanating from within the company (impacts; inside-out), as

well as risks and opportunities (outside-in) that influence AMAG from outside, are identified for new topics by means of a top-down process. In other words, new topics are analysed and included in the longlist if they have relevant impacts, risks or opportunities (abbreviated: **IRO**). Existing material topics are evaluated with regard to the topicality and relevance of the impacts, risks and opportunities, and adapted if necessary. The impacts can be both positive and negative, short-term and long-term, already occurred, as well as relevant for the future. The longlist of topics consists solely of the designation of impacts, risks and opportunities – an evaluation only takes place in the next step.

3. EVALUATION OF THE IMPACTS, RISKS AND OPPORTUNITIES

In this step, a qualitative evaluation of the significance of the impact is conducted by the specialist departments, which are in close contact with various stakeholders. Their feedback on the topics and impacts is also taken into consideration in the evaluation. Furthermore, depending on the nature of the impact (positive/negative; actual/potential), factors such as extent, severity, probability of occurrence and time horizon are included in the evaluation.

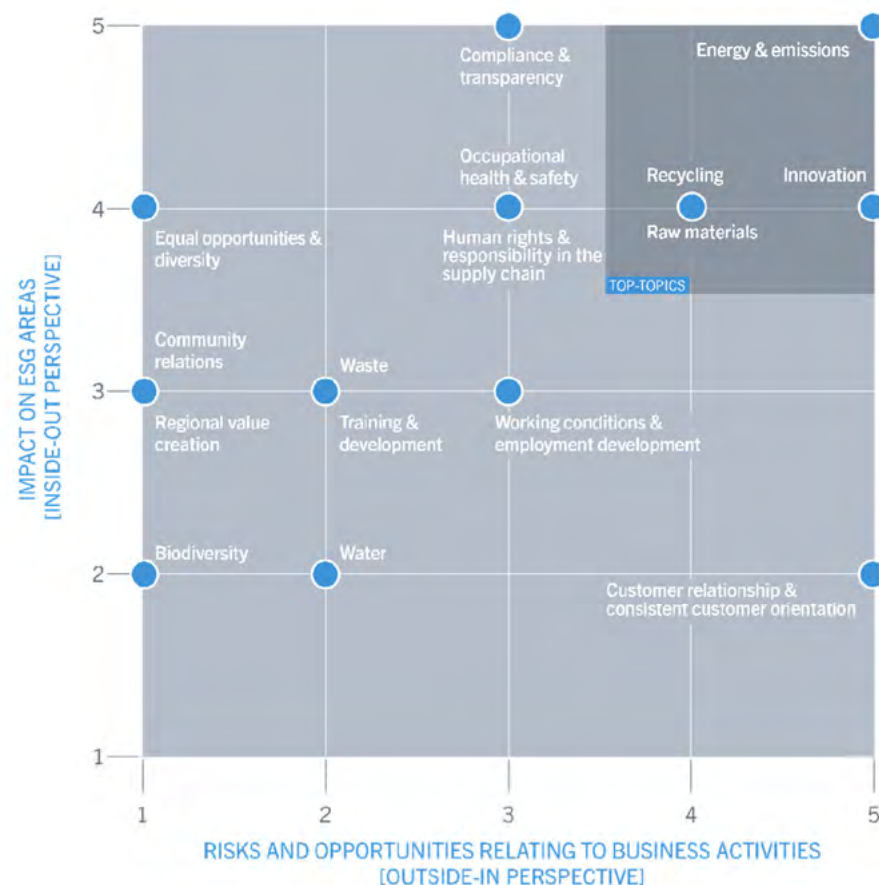
Secondly, the risks and opportunities are evaluated in close coordination with the risk and opportunity management function and are determined on the basis of their probability of occurrence and potential financial impact. A scale of 1 (low) to 5 (high) is used to present the assessment of impacts, risks and opportunities.

4. PRIORITISATION OF MATERIAL TOPICS AND REPORTING

In the final step of the materiality analysis, a shortlist is derived from the previous evaluation of those topics whose impacts, risks and opportunities are the most significant. In principle, all topics included in this shortlist are considered "material". Topics that have a high significant impact on the company (inside-out) and a high level of financial materiality (outside-in) are classified as TOP topics.

The selection of topics is presented to the Management Board as part of an annual sustainability committee meeting and approved by the Management Board for reporting. (GRI 2-12)

PRESENTATION OF THE EVALUATION OF IMPACTS, RISKS AND OPPORTUNITIES



MATERIAL TOPICS IN THE 2023 REPORTING YEAR

The evaluation of material topics is presented in the chart (left).

The materiality analysis was already comprehensively updated for the 2022 reporting year. As part of this year's materiality analysis, the first preparatory steps were taken to implement the European Sustainability Reporting Standards (ESRS) that will apply in future. In the first step of the context analysis, the ESRS topic list was consulted and stakeholder feedback was gathered. Where ESRS topics or their impacts, risks or opportunities were classified as relevant, they were included in the shortlist, and their materiality for AMAG was evaluated.

In the 2022 report, the material topics were divided into TOP, BASIC and SUPPLEMENTARY. In the materiality analysis updated for 2023, of all the material topics, only those with highly rated impacts, risks and opportunities from both an inside-out and an outside-in perspective are highlighted as TOP topics.

The TOP topics for 2023 are [energy and emissions](#), [recycling](#), [raw materials](#) and [innovation](#). The raw materials topic was still classified as a BASIC topic in the previous financial year. For 2023, the associated impacts, risks and opportunities were evaluated higher, leading to its categorisation as a TOP topic.

Further material topics for 2023 are:

From the **environment area**:

- > Water
- > Biodiversity
- > Customer relationships and consistent customer orientation

From the **social area**:

- > Occupational health and safety
- > Training and development
- > Working conditions and employment development
- > Equal opportunities and diversity

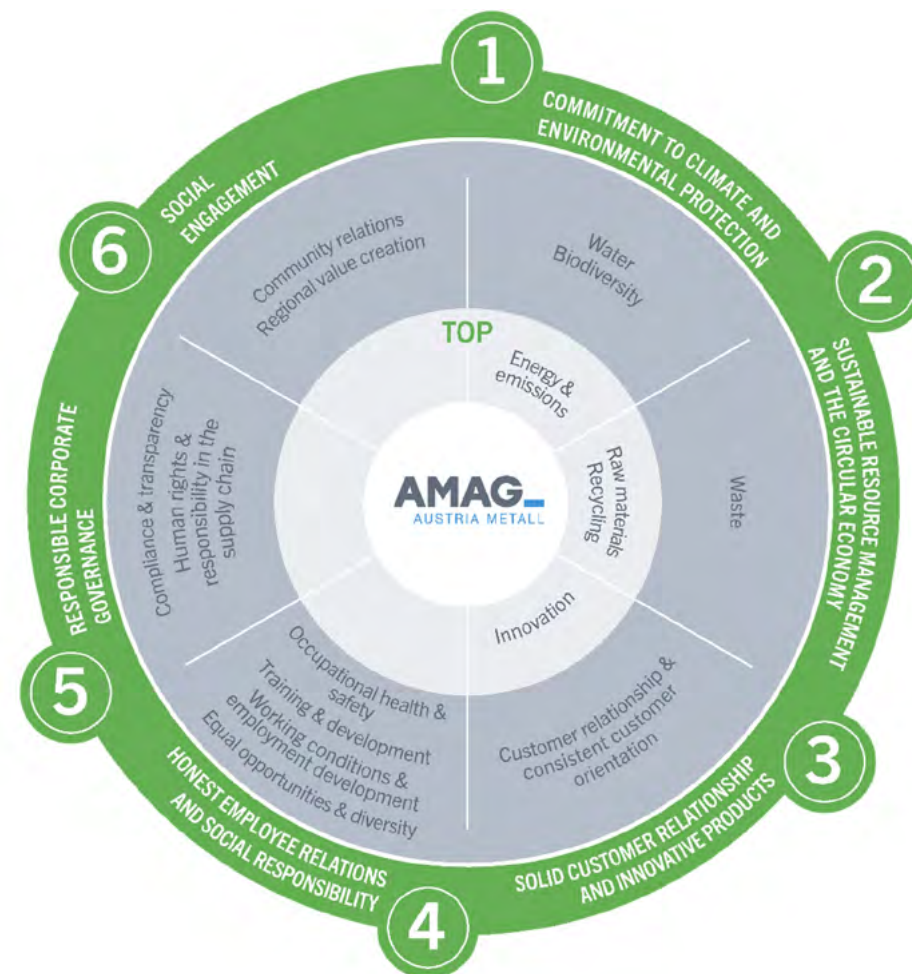
From the **governance area**:

- > Compliance and transparency
- > Human rights and responsibility in the supply chain
- > Community relations
- > Regional value creation

In principle, no new material issues have arisen in 2023 compared with the previous year. Due to the evaluations of the impacts, risks and opportunities of the individual topics, slight shifts arise in the presentation of the evaluation. These have no effects on the general materiality of the topics.

The topics assessed as material for 2023 were assigned to the spheres of action from the Sustainability Compass, which serves as an overarching framework for both sustainability management and this reporting. This assignment and the order of the topic areas in this report is presented in the adjacent diagram.






AMAG's handling of the impacts, risks and opportunities of the material topics forms part of the respective management approach in the topic-specific chapters, but is presented collectively for each material topic in the following tables.









MATERIAL TOPICS IN 2023 (GRI 3-2)


 ... TOP topics

 ESG issues: Environment (E)  Social (S)  Governance (G) 

Topic and ESG allocation	Key stakeholder groups	Actual and potential negative and positive impacts (originating from AMAG) and risks and opportunities (for AMAG) (GRI 3-3)	AMAG handling (GRI 2-25)	NaDiVeG issues
 Sphere of action “Commitment to climate and environmental protection”				
 Energy and emissions	Shareholders and investors Business partners Public Social partners and state bodies ESG trendsetters	+ Reduction of environmental impacts through efficient use of energy and renewable energy sources at AMAG sites +/- (Lack of) energy supply security +/- Reduction/increase in environmental impacts from greenhouse gases - Gas and dust emissions and associated deterioration of air quality, damage to health, impairment of local flora and fauna at AMAG sites - Tightening of the legislative situation (e.g. CBAM)	Environmental and energy management system, certifications (ISO 14001, ISO 9001, ISO 50001), environmental legal register, internal procedural instructions and audits, compliance with official requirements, increased use of renewable energies, promotion and implementation of ASI standards, high scrap utilisation rate, communication and awareness raising about energy and environmental issues, Decarbonisation Roadmap	Employee issues, social issues, environmental issues
Water	Public Social partners and state bodies	+ Water conservation at AMAG sites - Pollution, scarcity, and availability of water, as well as resource conflicts at AMAG sites	Environmental management system, wastewater treatment, efficient water utilisation (recirculation), wastewater measurements, cooperation with authorities	Social issues, environmental issues
Biodiversity	Public ESG trendsetters	+/- Positive or negative impacts on the ecosystem of woodland and water at AMAG sites + Reinforcement of Ranshofen as a local recreation area + Promotion of biodiversity at AMAG sites	Biodiversity action plan, environmental legal register, environmental management system, environmental management team and environmental planning meeting, internal audits, compliance with notification requirements, ASI certifications	Environmental issues
 Sphere of action “Sustainable resource management and the circular economy” (1/2)				
 Raw materials	Shareholders and investors Business partners Public Social partners and state bodies ESG trendsetters	- Raw material shortages and conflicts along the supply chain - Greater customer requirements + Establishment of binding supply chain standards - Tightening of the legislative environment (such as more stringent chemicals legislation) + Promotion of sustainable and environmentally compatible working practices in the supply chain +/- No or negative ESG impacts along the supply chain	Code of Conduct, Human Rights Code, ESG requirements for suppliers, Responsible Procurement Management, assessments and audits, supplier evaluation, certifications and memberships (ASI Performance Standard, CoC; EA), master agreements with long-standing regular suppliers, communication and awareness raising about energy and environmental issues	Environmental issues
 Recycling	Shareholders and investors Business partners Public Social partners and state bodies ESG trendsetters	+/- Improved/deteriorated net carbon footprint + Resource conservation through recycling management at AMAG sites + Establishment of binding supply chain standards + Promotion of the circular economy	Code of Conduct, ESG requirements for suppliers, assessments and audits, supplier evaluation, memberships (such as ASI, EA), promotion and implementation of ASI standards, investments in sorting technologies, closed loop concepts, partnerships with customers, communication and awareness raising about, energy and environmental issues	Environmental issues

Topic and ESG allocation	Key stakeholder groups	Actual and potential negative and positive impacts (originating from AMAG) and risks and opportunities (for AMAG) (GRI 3-3)	AMAG handling (GRI 2-25)	NaDiVeG issues
 Sphere of action “Sustainable resource management and the circular economy” (2/2)				
Waste	Public Social partners and state bodies ESG trendsetters	+ Resource conservation at AMAG sites - Environmental damage at AMAG sites (such as soil contamination in Ranshofen due to contaminated sites) - Reputational risk, damage to business relations for AMAG Group - Violation of legal compliance and associated penalties for individual AMAG Group companies - Tightening of the legislative environment for AMAG Group	Waste officers, environmental management system, internal audits, proper disposal and interim storage, interim waste storage, waste reduction, recycling	Social issues, environmental issues
 Sphere of action “Solid customer relationships and innovative products”				
 Innovation	Shareholders and investors Business partners ESG trendsetters	+ Driving innovation +/- Sustainable products with less environmental impact (such as recycling-compatible alloys) and products with high environmental impact +/- Good/inadequate quality and delivery performance +/- New patents and infringement of patents + R&D activities to implement the decarbonisation strategy at AMAG sites + Market gains through innovative products +/- Revenue and profit growth due to innovative products, or loss of revenues and profits due to lack of innovation	R&D partnerships, R&D investments, market monitoring, development partnerships with customers, R&D steering committee, science and technology advisory board, failure mode and effects analysis, CIP (Continuous Improvement Process)	Environmental issues
Customer relationships and consistent customer orientation	Shareholders and investors Business partners	+ Establishment of new sustainable customer relationships +/- Establishment/loss of long-term customer loyalty + Positive contribution to climate protection through customer demand for products with a small carbon footprint +/- Growth or reductions in revenue and earnings +/- (Un)fair competition	Training, certifications, R&D, complaint handling, scrap analysis, setting specific targets, customer qualifications, use of the SMILE (Shared Material Inventory and Logistics Execution) customer portal, use of customer relationship management, Net Promoter Score, products with a small carbon footprint	Anti-corruption and bribery, environmental issues
 Sphere of action “Honest employee relations and social responsibility” (1/2)				
Occupational health and safety	Internal stakeholders Social partners and state bodies	+ Health checks at AMAG sites +/- Less/more sick leave, or employee health problems + Reduction of employee accidents at work +/- Cost (savings) for social security + Good employee work-life balance	Policies, safety instructions, ad hoc training sessions, Safety Steering Committee (SILAS), safety representatives, contractor safety training, certifications, audits, “zero accidents strategy”, occupational medicine, prevention concepts, seal of approval for workplace health promotion	Employee issues

Topic and ESG allocation	Key stakeholder groups	Actual and potential negative and positive impacts (originating from AMAG) and risks and opportunities (for AMAG) (GRI 3-3)	AMAG handling (GRI 2-25)	NaDiVeG issues
 Sphere of action “Honest employee relations and social responsibility” (2/2)				
Training and development	Internal stakeholders	+ Adding value through acquiring expertise + Strengthening employee retention through attractive training opportunities +/- High/low employee turnover rate + Positioning as an attractive employer	Qualification programs, training and development programs, employee goal setting and development meetings, “dual” vocational training, AMAG training courses, Competence System	Employee issues
Working conditions & employment development	Internal stakeholders Public Social partners and state bodies	+/- Job gains or losses + Regional value creation with AMAG Group as a stable employer +/- Reduction or increase in recruiting (cost per hire) or employee turnover costs due to (lack of) long-term employee relationships - Lack of utilisation of production capacities due to shortage of skilled workers	Company agreements (such as on wage and salary regulations, working hours, home office), Code of Conduct, Human Rights Code, information about respectful interaction, employee retention measures, recruiting, partnerships, organisation of information days and guided tours, employee target-setting and development meetings	Employee issues, diversity, social issues
Equal opportunities and diversity	Internal stakeholders Public Social partners and state bodies	+/- (No) promotion of gender equality and diversity +/- (No) discrimination based on gender, age, religion, ethnicity, sexual orientation (Equal Treatment Act) and disability	Code of Conduct, Human Rights Code, information about respectful interaction, HR development measures, participation in initiatives for the advancement of women and diversity, partnerships with universities and schools, conducting information days and guided tours, assignment of project work	Employee issues, diversity, social issues
 Sphere of action “Responsible corporate governance”				
Compliance and transparency	Shareholders and investors Business partners Internal stakeholders Public Social partners and state bodies ESG trendsetters	+/- (Un)fair competition +/- Integrity/corruption +/- (Non-)compliance with environmental regulations at the sites +/- (Non-)compliance with human rights at the sites +/- (Non-)disclosure of confidential information +/- (No) transparent reporting on (non-)financial aspects +/- Gain/loss of trust in the event of (non-)compliance with the compliance rules or ESG requirements in relation to stakeholders	Compliance: Compliance system, training and instruction sessions, guidelines, Code of Conduct, ESG requirements for suppliers, compliance committee and Internal Control System (ICS), compliance line, data protection agreements, data security, data protection team, tax control system, EU Taxonomy working group, risk assessment, internal audits Transparency: Issuer Compliance Directive, AMAG Connect, non-financial statement, reporting via various media, AluReport	Anti-corruption and bribery, employee issues, diversity, Human rights, social issues, environmental issues
Human rights and responsibility in the supply chain	Shareholders and investors Business partners Internal stakeholders Public Social partners and state bodies ESG trendsetters	+/- (Non-)compliance with human rights at the sites and along the supply chain +/- (No) discrimination at the sites and along the supply chain +/- (Un)fair competition + Establishment of binding supply chain standards (ASI) - Tightening of the legal situation + Promotion of sustainable and environmentally compatible working practices in the supply chain +/- No or negative environmental impacts along the supply chain +/- (Non-)compliance with legal requirements in the area of supply chain responsibility	Code of Conduct, Human Rights Code and training, ESG requirements for suppliers, Responsible Procurement Management (due diligence processes), assessments and audits, supplier evaluation, certifications and memberships (ASI Performance Standard, CoC; EA), cooperation with customers, communication and awareness raising about energy and environmental issues	Anti-corruption and bribery, employee issues, diversity, Human rights, social issues, environmental issues

Topic and ESG allocation	Key stakeholder groups	Actual and potential negative and positive impacts (originating from AMAG) and risks and opportunities (for AMAG) (GRI 3-3)	AMAG handling (GRI 2-25)	NaDiVeG issues
 Sphere of action "Social engagement"				
Community relations	Internal stakeholders Public Social partners and state bodies	+ Strengthening the regional environment through donations and sponsorship +/- (In)sufficient information about works activities in relation to regional public and state bodies	Code of Conduct, Human Rights Code, AMAG Forum, compliance line, donations and sponsorship, AMAG Social Award, activities and events (including children's holiday activities)	Employee issues, social issues
Regional value creation	Internal stakeholders Public	+ Creating value in the region by awarding contracts to local suppliers - Weakening of local suppliers due to lack of inclusion in the awarding of contracts	Purchasing guidelines for raw materials and supplies, capital goods, services, overhead materials and energy, tax guidelines	Social issues











The targets and measures for each material topic are described in detail in the relevant section.















ASSIGNMENT OF THE AMAG COMPASS AREAS TO THEMATIC ESRS SUSTAINABILITY ASPECTS










The thematic ESRS sustainability aspects form part of the European Sustainability Reporting Standards (ESRS), listed in chapter ESRS 1 – General Requirements (Appendix A) and are to be used for AMAG in the applicable version from the 2024 financial year to assess the materiality of topics. As part of the materiality analysis for the 2023 financial year, the main topics of the ESRS were included in the stakeholder survey as a first step, and selected sub-topics and sub-sub-topics were assigned to the material AMAG sustainability topics, where directly attributable.

ESG	Compass areas	AMAG sustainability topics	ESRS-addressed sustainability aspects	
			Climate change	Adaptation to climate change Climate protection Energy
		Energy and emissions	Environmental pollution	Air pollution Water and soil pollution Substances of concern (SoC) and substances of very high concern (SVHC)
		Water	Water and marine resources	Water
	Commitment to climate and environmental protection	Biodiversity	Biological diversity and ecosystems	Direct causes of biodiversity loss
	Sustainable resource management and the circular economy	Raw materials		Resource inflows including resource utilisation
		Recycling		Resource outflows in connection with products and services
	Solid customer relationships and innovative products	Waste	Circular economy	Waste
		Innovation		
		Customer relationships and orientation	<i>No direct ESRS-addressed topics</i>	
	Honest employee relations and social responsibility	Occupational health and safety		Working conditions
		Working conditions and employment development		Equal treatment and equal opportunities for all
		Training and development		Other work-related rights
		Equal opportunities and diversity	Company workforce	Corporate culture
				Protection of whistleblowers
				Political commitment
				Management of suppliers, including payment practices
		Compliance and transparency	Corporate policy	
			Workforce in the value chain	Working conditions Equal treatment and equal opportunities for all Other work-related rights
	Responsible corporate governance	Human rights and responsibility in the supply chain	Communities affected	Economic, social and cultural rights of communities Civil rights and political communities Rights of indigenous peoples
	Social engagement	Community relations		
		Regional value creation	<i>No direct ESRS-addressed topics</i>	

SUSTAINABILITY PROGRAM (GRI 3-2)

Topic and SDG allocation	Target 2023	Performance 2023	Target 2024/medium term
 Sphere of action "Commitment to climate and environmental protection"			
 Energy and emissions 	Continuous improvement of energy-related performance as well as reduction of specific carbon emissions taking into consideration the Energy Efficiency Act and national and European carbon reduction targets by implementing the AMAG Decarbonisation Roadmap: <ul style="list-style-type: none"> Scopes 1 + 2: Reduction in emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production in the 2040 to 2050 period. Scope 3: Reduce average specific carbon emissions from the primary aluminium upstream supply chain by 20 % by 2030 (compared with 2018-2020) 	Specific energy consumption: 1,184 kWh/t (2022: 1,178 kWh/t) Scopes 1 + 2: Specific CO₂ emissions: 0.163 t CO ₂ /t (2022: 0.165 t CO ₂ /t) Scope 3: CO₂ emissions: 1,261,000 t CO ₂ eq (2022: 1,459,600 t CO ₂ eq)	Continuous improvement of energy-related performance as well as reduction of specific carbon emissions taking into consideration the Energy Efficiency Act and national and European carbon reduction targets by implementing the AMAG Decarbonisation Roadmap: <ul style="list-style-type: none"> Scopes 1 + 2: Reduction in emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production in the 2040 to 2050 period. Scope 3: Reduction in average specific carbon emissions from the primary aluminium upstream supply chain by 20 % by 2030 inclusive (compared with 2018-2020) 100 % procurement of renewable electricity at all AMAG production sites
Water 	Efficient and economical usage of water; limiting specific water withdrawal to 6 m ³ /t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill	Specific service water withdrawal: 5.7 m ³ /t (2022: 6.1 m ³ /t) Evaluation and quantification of potential to reduce utilisation of service water Environmental violations recorded: 0 (2022:0) Implementation of the existing action plan in the area of biodiversity: ongoing	Efficient and economical usage of water; limiting specific water withdrawal to 6 m ³ /t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill
Biodiversity 	Promotion of biodiversity at the Ranshofen site	Promotion of biodiversity at the Ranshofen site	Promotion of biodiversity at the Ranshofen site
 Sphere of action "Sustainable resource management and the circular economy" (1/2)			
 Raw materials 	Procurement of certified and sustainable raw materials to meet customer demand through: <ul style="list-style-type: none"> Procurement of at least 45,000 t of ASI-certified aluminium in the form of rolling slabs and primary aluminium in 2023 Maintain the share of ASI-certified scrap at or increase it to more than 35 % in 2023 	Procurement of ASI-certified rolling slabs/primary aluminium: 48,700 t (2022: 46,600 t) Procurement of ASI-certified scrap: 46,200 t (2022: 53,100 t)	Procurement of certified and sustainable raw materials to meet customer demand through: <ul style="list-style-type: none"> Procurement of at least 45,000 t of ASI-certified aluminium in the form of rolling slabs and primary aluminium in 2024 Maintain the share of ASI-certified scrap at or increase it to more than 35 % in 2023 External verification of Alouette material as low-carbon aluminium (<4 CO₂ for Scopes 1-3) to secure future demand for low-carbon metal for Ranshofen
 Recycling 	Production growth while retaining a scrap utilisation rate of around 75 to 80 %	Scrap utilisation rate on average across all products: 76.1 % (2022: 76.5 %)	Production growth while retaining an average scrap utilisation rate of around 75 to 80 % across all products

Topic and SDG allocation	Target 2023	Performance 2023	Target 2024/medium term
 Sphere of action “Sustainable resource management and the circular economy” (2/2)			
Waste  	Avoidance or reduction of waste Production-specific waste volume < 16 kg/t at the Ranshofen site	Specific waste volume: 17.9 kg/t (2022: 15.9 kg/t)	Avoidance or reduction of waste Production-specific waste volume < 16 kg/t at the Ranshofen site
 Sphere of action “Solid customer relationships and innovative products”			
 Innovation    	Increase in AMAG's share of specialties by 1.5 % per year to over 50 % (shipments in tonnes) by 2027 Research transfer and greater depth of scientific research through annual number of at least three new dissertations and at least twelve ongoing dissertations	Specialty share of rolled products: 57 % (2022: 51 %) Number of dissertations started: 3 (2022: 4) Number of dissertations ongoing: 15 (2022: 13) Employees with R&D & innovation tasks: 169 (2022: 164) Net benefit per employee: EUR 9,427 (2022: EUR 9,999)	Profitable increase in AMAG's share of specialties by 1.5 % annually to over 50 % (shipments in tonnes) in 2027 on the basis of the current definition of the share of specialties Research transfer and greater depth of scientific research through annual number of at least three new dissertations as well as twelve ongoing dissertations at all times
Customer relationships and consistent customer orientation 	Long-term retention of existing customers by deepening understanding of customers and attracting new customers, as well as by providing high-quality, sustainably produced aluminium products, including through: <ul style="list-style-type: none"> Establishment and market communication of the AMAG AL4®ever and AL4®ever star products Completion of trial orders and at least one series order in 2023 	Shipments at the Ranshofen site: 299,300 t (2022: 316,100 t) Establishment and market communication of AMAG AL4®ever products and conclusion of trial and series orders Certifications: Excellent quality of the management system certified (IATF 16949, AS/EN 9100, ISO 14001, ISO 50001, ISO 45001, ISO 9001, etc.)	Long-term retention of existing customers by deepening understanding of customers and attracting new customers, as well as by providing high-quality, sustainably produced aluminium products, including through: <ul style="list-style-type: none"> Establishment and market communication of AMAG AL4®ever products in the context of customer visits, trade fair appearances and other marketing initiatives Conclusion of AMAG AL4®ever series orders in the automotive sector, conclusion of orders for industrial applications and special products as well as clarification of requirements for AMAG AL4®ever for selected target customers in 2024
 Sphere of action “Honest employee relations and social responsibility” (1/2)			
Occupational health and safety 	Reduction of the TRIFR accident rate as part of the “zero accidents” strategy to a target level of < 1.1 in 2023 given a long-term TRIFR target level of 1.0 by 2024	TRIFR accident rate: 2.1 (2022: 1.0)	Reduction of the TRIFR accident rate as part of the “zero accidents” strategy to a target level of < 1.0 by 2024
Training and development  	Qualification and development of all employees: Increase the number of training and development courses to an average of two days per employee in 2023	Total hours for training and development: 55,190 (2022: 43,853) Number of hours for training and development per employee: 26 (2022: 20)	Qualification and development of all employees: <ul style="list-style-type: none"> Reach an average of two days of training and development courses per employee in 2024 Utilisation of the new training centre (Learning Quarter) at the Ranshofen site of at least 60 %

Topic and SDG allocation	Target 2023	Performance 2023	Target 2024/medium term
 Sphere of action “Honest employee relations and social responsibility” (2/2)			
Working conditions & employment development 	Demand-oriented recruitment of employees for AMAG's growth course and strengthening of the AMAG employer brand while maintaining the employee turnover rate at or reducing it to < 6 % in 2023	Employees (reference date/heads): 2,164 (2022: 2,140) Employee turnover rate: 7.0 % (2022: 8.2 %) Number of nations: 38	Increasing the quality of job placements through target-group-oriented, national and international searches and maintaining the employee turnover rate at or reducing it to < 8 % in 2024
Equal opportunities and diversity 	Open approach to diversity and promotion of equal opportunities through: <ul style="list-style-type: none"> ▪ Making technical professions more attractive for women ▪ Increasing the percentage of female apprentices in the industrial area to a share of 20 % by 2024 Increasing the proportion of women in management positions (senior management) to the average proportion of women in the company by 2024	Proportion of women: 16 % (2022: 15 %) Female apprenticeship rate: 22 % (2022: 23 %) Percentage of women in senior management roles: 13 % (2022: 13 %) Discrimination cases reported: None	Open approach to diversity and promotion of equal opportunities through: <ul style="list-style-type: none"> ▪ Making technical professions more attractive for women ▪ Increasing the number of female apprentices to a share of 25 % by 2027 inclusive ▪ Increasing the proportion of women in management positions (senior management) in relation to the average proportion of women in the company by 2027 inclusive
 Sphere of action “Responsible corporate governance”			
Compliance & transparency 	Continuous further development of the compliance system: No violations	Compliance violations recorded: None	Continuous further development of the compliance system: No violations
Human rights and responsibility in the supply chain 	Adherence to principles of human rights at AMAG and at suppliers through: Involvement of AMAG components in Responsible Procurement Management	Human rights violations recorded: None	Adherence to principles of human rights at AMAG and at its suppliers, including through: <ul style="list-style-type: none"> ▪ Involvement of AMAG components in Responsible Procurement Management Training and awareness raising of sales employees and managers about Responsible Procurement Management, sustainability communication and ESG requirements for AMAG suppliers
 Sphere of action “Social engagement”			
Community relations 	Developing the region through community and social investment: Balanced scope of donations and sponsoring expenditures in the areas of education, science and research, social affairs, sports and culture in the vicinity of the company's headquarters	Donations and sponsoring expenses: EUR 253,700 (2022, Ranshofen site: EUR 122,700)	Developing the region through community and social investment: Balanced scope of donations and sponsoring expenditures in the areas of education, science and research, social affairs, sports and culture in the vicinity of the company's headquarters
Regional value creation 	Promotion of local value creation	Orders: EUR 118.6 million in Upper Austria, of which EUR 55.7 million in the Innviertel region (2022: EUR 162.4 million in Upper Austria, of which EUR 84.3 million in the Innviertel region)	Promotion of local value creation

A INFORMATION ABOUT THE ENVIRONMENT AREA

KEY PERFORMANCE

COMMITMENT TO CLIMATE AND ENVIRONMENTAL PROTECTION

- › Continuous development towards a climate-neutral AMAG
- › Preparation and regular updating of the Decarbonisation Roadmap
- › Electricity from renewable energies at all production sites
- › Promotion and preservation of biodiversity at the Ranshofen site

SUSTAINABLE RESOURCE MANAGEMENT AND THE CIRCULAR ECONOMY

- › A total of 132,300 tonnes of aluminium scrap, 84,800 tonnes of primary aluminium and 56,400 tonnes of external rolling slabs were purchased in the financial year under review
- › Consistently high scrap utilisation rate despite challenging product mix
- › Further development of Responsible Procurement Management, including through the creation of new ESG requirements for suppliers
- › Continued certification according to the “ASI Performance and Chain of Custody Standard” at the Ranshofen site

SOLID CUSTOMER RELATIONSHIPS AND INNOVATIVE PRODUCTS

- › A total of 169 employees working in the research and development (R&D) and innovation area
- › Recertifications of the management system (occupational health and safety, energy, quality, environment): Excellent quality of the management system externally certified
- › First place in the Green Business Data Award for the efficient utilisation of environmental and sustainability data to achieve ecological goals
- › AMAG components recognised by Airbus as a D2P Challenger (Detail Parts Partner)
- › AMAG rolling has once again received the “Accredited Supplier” award from Airbus, the program’s highest award

KEY POLICIES AND DOCUMENTS

IMPORTANT DOCUMENTS:

- › Corporate policy and environmental guidelines
- › AMAG management handbook
- › AMAG Decarbonisation Roadmap
- › ESG requirements for AMAG suppliers
- › Green electricity certificates for the locations

IMPORTANT GUIDELINES:

- › Procurement
- › Foreign trade and export control
- › Metals management

IMPORTANT PROCEDURAL INSTRUCTIONS:

- › Non-financial statement – EU Taxonomy
- › Operational environmental protection and monitoring of environmental aspects
- › Responsible procurement management
- › Implementation of the REACH Regulation, the CLP Regulation, and the Austrian Chemicals Act
- › Implementation of the ASI Performance and Chain of Custody standard
- › Product-related CO₂ emissions
- › Waste management

OTHER:

- › Technical and safety data sheets

KEY CERTIFICATIONS

- › QUALITY, ENERGY AND ENVIRONMENTAL MANAGEMENT: ISO 9001, ISO 50001 and ISO 14001
- › ISO 14067: Greenhouse gases – products’ carbon footprints
- › ISO 17025: General requirements for the competency of testing and calibration laboratories
- › ASI Performance and Chain of Custody standard
- › Nadcap MTL, Nadcap HT, Nadcap NDT, JIS Mark Scheme, etc.

COMMITMENT TO CLIMATE AND ENVIRONMENTAL PROTECTION

As a sustainable company, AMAG Austria Metall AG is committed to climate and environmental protection and to continuously improving its environmental and energy performance. Its environmental management system includes compliance with all legal regulations and official requirements as well as the systematic evaluation of relevant environmental aspects and effects. As part of the energy management system, energy-related performance is recorded and energy efficiency measures are derived from these data.

AMAG fulfils its statutory obligations as part of its duty to provide information about environmentally sustainable activities pursuant to the EU Taxonomy Regulation.

INFORMATION ABOUT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES ACCORDING TO THE EU TAXONOMY REGULATION

The motivation of the EU Taxonomy Regulation (EU) 2020/852 is to channel investments into sustainable activities in order to achieve the EU's energy and climate targets. As a consequence, it plays a key role in the reorientation of capital flows towards sustainable investments.

NEW ELEMENTS IN 2023: Compared to the previous year, Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 does not modify the defined criteria for the activity "3.8 Production of aluminium" relevant to AMAG. The addition to Delegated Regulation (EU) 2023/2486 of the EU Taxonomy Regulation (EU) 2020/852 establishing technical screening criteria for the further environmental objectives (3. Sustainable use and protection of water and marine resources, 4. Transition to a circular economy, 5. Pollution prevention and control, and 6. Protection and restoration of biodiversity and ecosystems) does not result in any changes either. In addition, the documents (Commission Notice C/2023/267 and C/2023/305) with frequently asked questions on the interpretation and implementation of the EU Taxonomy Regulation (Regulation (EU) 2020/852) were taken into account.

AMAG ensures legally compliant implementation of the disclosure obligation and makes a significant contribution to achieving the environmental goal of "climate protection".

Management approach

The AMAG procedural instructions "Non-Financial Statement – EU Taxonomy" set out responsibilities in connection with the implementation of the EU Taxonomy Regulation and its applicable regulations.

The AMAG financial accounting department is responsible for tracking and communicating the relevant legislative changes, defining and allocating them to sustainable economic activity, selecting the applicable environmental target(s), reviewing the assessment criteria and analysing whether taxonomy-relevant activities exist, in cooperation with AMAG management systems.

The taxonomy-relevant figures are gathered by the controlling departments of the AMAG companies and by the Group controlling area. The accuracy of the data is ensured within the company applying the dual control principle.

AMAG management systems prepares the "Do No Significant Harm" (DNSH) analysis report, including the analysis of compliance with the minimum social safeguards, and prepares the relevant information for the preparation of the contents of the non-financial statement.

Disclosure pursuant to the requirements of the EU Taxonomy Regulation (EU) 2020/852

Production of aluminium by the primary aluminium process from bauxite or of secondary aluminium from scrap aluminium is classified under NACE Code 24.42 according to the classification of economic activities. The economic activities in this category are defined as transitional activities in accordance with Article 10 (2) of Regulation (EU) 2020/852.

Due to production from secondary aluminium, AMAG's activities at the Ranshofen site meet the requirements of Delegated Regulation (EU) 2021/2139 Chapter 3.8, and thereby make a significant contribution to climate protection (Environmental Goal 1).

The Alouette smelter in Canada also makes a significant contribution to climate protection through the production of primary aluminium by complying with the following requirements of Delegated Regulation (EU) 2021/2139 Chapter 3.8:

- › The average carbon intensity of indirect greenhouse gas emissions should not exceed 100 g CO₂ eq/kWh
- › Electricity consumption for the manufacturing process should not exceed 15.5 MWh/t Al

In the course of a Do No Significant Harm (DNSH) study and analysis (already compiled in 2022), including robust climate and vulnerability analysis, Environmental Goals 2 to 6 (Climate change adaptation; Sustainable use and protection of water and marine resources; Transition to a circular economy; Pollution prevention, control and protection; Restoration of biodiversity and ecosystems) were considered in detail in terms of compliance with the defined criteria. The analysis was critically reviewed based on the legal acts published in June 2023 (Environmental Delegated Regulation, Disclosure Delegated Regulation (EU) 2021/2178 and Climate Delegated Regulation (EU) 2021/2139).

The analysis for compliance with the minimum social safeguards mainly covers the areas of human and labour rights, corruption prevention, taxation and fair competition. The company's due diligence processes implemented for these areas must comply with the requirements of the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and ILO Fundamental Principles. AMAG Group fully covers the requirements for compliance with the minimum social safeguards.

Pursuant to the EU Taxonomy Regulation (EU) 2020/852, AMAG Group is required to disclose three key performance indicators – turnover (revenue), capital expenditure (CapEx) and operating expenditure (OpEx) – in connection with the economic activities within AMAG Group that are eligible for EU Taxonomy.

The survey of related revenue, CapEx and OpEx was carried out on the basis of the information available in the IT systems in close coordination with the respective production areas.

TURNOVER: According to the definition in Delegated Regulation (EU) 2021/2178 on Article 8 of the EU Taxonomy Regulation (EU) 2020/852, total revenue refers to the consolidated revenue presented in the IFRS' consolidated financial statements as of December 31, 2023. For the breakdown of revenue, please refer to the notes to the consolidated financial statements, section I Notes to the consolidated income statement. The taxonomy-eligible revenues relate exclusively to the sale of aluminium (primary aluminium, rolled aluminium products, aluminium cast alloys). Revenues from rolled products resulting from the further processing of externally purchased rolling slabs as well as the sale of structural components are not to be subsumed under the heading of production of secondary aluminium. The calculation of revenue contributions from externally purchased rolling slabs is based on the ratio of rolling slabs used in the rolling mill. Revenues from the sale of structural components are generated in AMAG components and are fully eliminated from the numerator.

CAPEX: Total CapEx includes the additions to property, plant and equipment and intangible assets presented in the consolidated statement of changes in non-current assets in 2023 as well as additions to assets under construction, excluding advance payments of EUR 13,642 thousand and right-of-use assets in accordance with IFRS 16 of EUR 96,857 thousand.

The changes in additions are presented in the notes to the consolidated financial statements under *H Notes to the consolidated balance sheet*. As with revenue, the additions of AMAG components and the proportional additions relating to externally purchased rolling slabs, in allocation to the numerator, were not taken into consideration. The remaining additions were allocated to the numerator if they were attributable to the aluminium production activity. No additions were identified as part of a CapEx plan. No CapEx exists in relation to other activities.

OPEX: OpEx in accordance with the EU Taxonomy relates to expenses for building renovations, maintenance and repairs, research and development, leasing, and training/retraining measures, plus directly attributable HR costs. As with revenues, the OpEx of AMAG components and the proportional additions related to externally purchased rolling slabs, in allocation to the numerator, is not taken into consideration. The remaining OpEx was allocated to the numerator if it could be allocated to the aluminium production activity. All OpEx classified as taxonomy-eligible is included in EBIT.

For the changes in the aforementioned figures, please see the *Business performance* section of the Group management report below.

Double assignment to economic activities is avoided, with each activity being considered separately.

Future legislative changes may modify the scope of activities eligible for the taxonomy.

Compliance in the production of primary aluminium is subject to strict technical regulations (staggered for 2022 up to and including 2025 or from 2026). This may lead to a classification as a non-taxonomy-compliant activity.

Legend according to Annex V of Regulation (EU) 2023/2486: CCM = Climate Change Mitigation; CCA = Climate Change Adaptation; Y = Yes, taxonomy eligible and taxonomy compliant; N = No, taxonomy eligible but not taxonomy compliant; EL = Eligible or taxonomy eligible; N/EL = Not eligible or not taxonomy eligible; E = Enabling; T = Transitional or transitional activity.

FINANCIAL YEAR 2023

FINANCIAL YEAR 2023				Year		Substantial contribution criteria					DNSH criteria (“Does Not Significantly Harm”)									
Economic Activities (1)	Code (2)	Turnover (3) (4)		Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
		EUR k	%																	
		Y; N; N/EL	Y; N; N/EL																	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of aluminium through primary alumina (bauxite) process	CCM 3.8.	308,279	21%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	21%		T	
Secondary aluminium recycling	CCM 3.8.	909,673	62%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	65%		T	
TURNOVER OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1.)		1,217,953	83%	100%													86%			
Of which enabling		0	0%														0%			
Of which transitional		1,217,953	100%	100%													100%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Secondary aluminium recycling	CCM 3.8. CCA 3.8.	1,034	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		T	
TURNOVER OF TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES) (A.2.)		1,034	0%														0%			
A. TURNOVER OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1. + A.2.)		1,218,987	84%														86%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		240,186	16%														14%			
TOTAL		1,459,172	100%														100%			

FINANCIAL YEAR 2023

FINANCIAL YEAR 2023				Year		Substantial contribution criteria					DNSH criteria (“Does Not Significantly Harm”)														
Economic Activities (1)		Code (2)	CapEx (3) Proportion of CapEx 2023 (4)		Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)					
					Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																									
A.1. Environmentally sustainable activities (Taxonomy-aligned)																									
Manufacture of aluminium through primary alumina (bauxite) process		CCM 3.8.	30,640	28%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	35%		T					
Secondary aluminium recycling		CCM 3.8.	57,499	52%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	50%		T					
CAPEX OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1.)				88,138 80%		100%																84%			
Of which enabling			0	0%																	0%				
Of which transitional			88,138	100%	100%																100%				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																									
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL															
Secondary aluminium recycling		CCM 3.8. CCA 3.8.	69	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		T					
CAPEX OF TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES) (A.2.)				69 0%																		0%			
A. CAPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1. + A.2.)				88,207 80%																		84%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																									
CapEx of Taxonomy-non-eligible activities			22,291	20%																	16%				
TOTAL				110,499 100%																		100%			

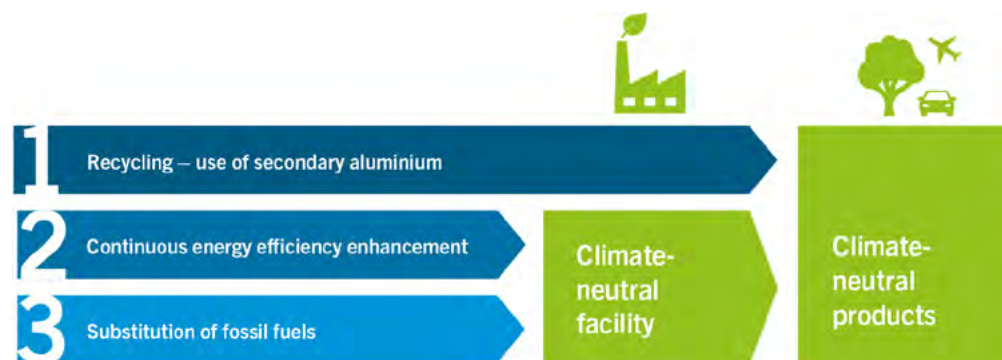
In accordance with the EU Taxonomy Regulation (EU) 2020/852, the change in advance payments made in the financial year 2023 amounting to EUR -13,642 thousand may not be included in total CapEx from the additions according to the consolidated statement of changes in non-current assets under the item "Advance payments and assets under construction".

FINANCIAL YEAR 2023

FINANCIAL YEAR 2023				Year		Substantial contribution criteria				DNSH criteria (“Does Not Significantly Harm”)													
Economic Activities (1)	Code (2)	Proportion of OpEx 2023 (4)		Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)				
		OpEx (3)																					
		EUR k	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
Manufacture of aluminium through primary alumina (bauxite) process	CCM 3.8.	17,402	15%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	16%		T				
Secondary aluminium recycling	CCM 3.8.	79,047	69%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	70%		T				
OPEX OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1.)		96,449	84%	100%														87%					
Of which enabling		0	0%																	0%			
Of which transitional		96,449	100%	100%																100%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL														
Secondary aluminium recycling	CCM 3.8. CCA 3.8.	91	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		T				
OPEX OF TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES) (A.2.)		91	0%																	0%			
A. OPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1. + A.2.)		96,540	84%																	87%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
OpEx of Taxonomy-non-eligible activities		17,979	16%																	13%			
TOTAL		114,520	100%																	100%			

T ENERGY AND EMISSIONS (GRI 3-3)

AMAG is clearly committed to climate protection and the goals of the Paris Agreement. Among other goals, this agreement stipulates that global warming is to be limited to below 2°C compared to pre-industrial levels and that efforts should also be made to limit the increase to 1.5°C. The European Union has set itself the goal of becoming climate neutral by 2050. In Austria, this target is to be reached as early as 2040. AMAG's decarbonisation strategy is based on the three interrelated pillars of recycling, energy efficiency enhancement and fossil fuel substitution.



Fossil fuel substitution is described in the AMAG Decarbonisation Roadmap. This includes a technical analysis at plant level for the Ranshofen site and, on a sound scientific basis, takes into consideration the latest technology as well as technological developments. The target path is compatible with the “International Aluminium” scenario for limiting global warming to 1.5°C. The reduction path depends on external factors such as the availability of energy and technology, approval times, market developments and regulatory requirements. Emissions from the upstream chain are taken into consideration in separate sustainability targets for Scope 3.

The ISO 14001 and ISO 50001 certifications of the environmental and energy management system at the Ranshofen site form key pillars of the company's commitment to environmental protection. Through constant technological adaptations, AMAG endeavours to reduce and minimise air and water emissions arising from the production and processing of aluminium as well as water consumption (see also the [Water](#) section). AMAG components at the Übersee and Karlsruhe sites makes a small contribution to AMAG's overall consumption with its core machining process, but also makes a

significant contribution to sustainable environmental and resource management through its ISO 14001 certification.

When transporting products and materials, the company has set itself the aim of reducing negative impacts on the environment by optimising logistics processes.

In order to categorise the carbon emissions, the division of emissions into three so-called “scopes” is relevant:

SCOPE 1 EMISSIONS: These emissions particularly arise from the energy-based utilisation of natural gas for the smelting, holding and heat treating of aluminium, and for heating buildings, as well as from the use of diesel for the vehicle fleet.

SCOPE 2 EMISSIONS: Generally, these include indirect emissions from purchased energy such as electricity, steam, district heating or cooling that is generated outside the company's own system boundaries but consumed by the company. Electrical energy from renewable sources is already purchased at the sites in Ranshofen, Karlsruhe and Übersee and AMAG is committed to continue obtaining 100 % electricity from renewable sources at all production sites. Steam, district heating and cooling can be excluded in pre-process “energy” due to the process.

SCOPE 3 EMISSIONS: These include all other greenhouse gas emissions caused by the company's upstream operating activities. The materiality analysis shows that AMAG's main Scope 3 emissions arise primarily in the upstream value chain in the production of purchased metals (primary aluminium, rolling slabs, metal alloys). The greatest leverage in Scope 3 emissions derives from reducing the volume of primary metals required. Further information is presented in the [Raw materials and Recycling](#) sections.

AMAG is committed to the circular economy and closed loop recycling, and has for many years occupied a leading position in the recycling of aluminium scrap, which is being steadily expanded in terms of capacity and expertise. Further information is presented in the [Recycling](#) section.

Target 2023

Continuous improvement of energy-related performance as well as reduction of specific carbon emissions taking into consideration the Energy Efficiency Act as well as national and European carbon reduction targets by implementing the AMAG Decarbonisation Roadmap:

- › Scopes 1 + 2: Reduction in carbon dioxide emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production in the 2040 to 2050 period.
- › Scope 3: Reduction in average specific carbon dioxide emissions from the primary aluminium upstream supply chain by 20 % by 2030 inclusive (compared with 2018-2020)

Management approach

The energy and resource efficiency enhancement, the avoidance and reduction of environmental pollution and the taking into consideration of energy and emissions in the procurement area are defined in the corporate policy, which is given specific form by the environmental guidelines. AMAG employees make valuable contributions to environmental protection and efficient energy utilisation as part of the Continuous Improvement Process (CIP).

The environmental and energy management system is presented in the management handbook defining the structural and process organisation, as well as responsibilities. Periodic audits of defined company areas as well as the training of employees ensure the effectiveness of the management systems. The related responsibility lies with the management systems department, whose head reports to the Chief Operating Officer. An energy and environmental program aggregates targets and actions to reduce air emissions, wastewater, waste, and energy and resource consumption. The program is continuously monitored and new measures are added annually. The environmental management system also includes compliance with all legal regulations and official requirements, as well as the systematic evaluation of relevant environmental aspects and effects. This system is integrated within all business processes.

The "Operational environmental protection and monitoring of environmental aspects" procedural instructions describe the tasks for ensuring sustainable environmental protection and continuous improvement of environmental performance. Implementation is ensured by AMAG management systems.

ENVIRONMENTAL OFFICERS: The environmental officers at the Ranshofen, Karlsruhe and Übersee sites are the first point of contact for environmental matters and are responsible for maintaining the environmental management systems at the sites.

ENERGY AND ENVIRONMENTAL PLANNING TEAM: The energy and environmental planning team consists of the Management Board, the senior management teams, the environmental officer(s), the plant managers and designated employees of the companies. Once a year, energy and environmental issues from the previous year are discussed, the energy and environmental program for the current year is approved, target achievement is reviewed and measures are defined. At the AMAG components sites, this coordination occurs in the annual management review between the environmental officer and the senior management team.

ENVIRONMENTAL MANAGEMENT TEAM: The environmental management team is the central body of the environmental and energy management system at the Ranshofen site. It consists of the registered managing director, operational managers, designated employees from the companies and the environmental officer. At the quarterly meetings, specific environmental issues are discussed and evaluated, and necessary measures are identified. The minutes of these meetings are submitted to the Management Board and to the senior management teams for information and documentation purposes. At the Karlsruhe and Übersee locations, these matters are coordinated directly with the respective senior management teams.

NET ENERGY FOOTPRINT: The AMAG net energy footprint is the central document of energy management and has been updated annually since 1957. It summarises all energy data and process media consumption (compressed air, water and process gases) relating to the AMAG companies at the Ranshofen site.

ENERGY DISCUSSIONS AND ANALYSES: On the basis of the net energy footprint, detailed energy analyses are performed every six months at plant level in consultation with the operational managers and measures are defined where necessary. Measures are tracked regularly in the energy meetings.

COMPLIANCE WITH LIMITS: Responsibility for compliance with the limits is anchored with the respective management. Monitoring by continuous measurement systems and/or individual measurements is delegated to the respective operations of the casthouse, rolling mill and AMAG service in coordination with the environmental measurement department or external monitor. Emission reports are submitted to the regulator every year.

EU EMISSIONS TRADING SYSTEM: In terms of carbon emissions, AMAG casting GmbH and AMAG rolling GmbH are subject to the EU Emissions Trading System. Overall responsibility for the management of greenhouse gas emissions lies with the respective senior management team. The management team appoints the emissions officer and provides the necessary personnel as well as the required technical and financial resources. Third parties verify the annual emission reports.

CARBON BORDER ADJUSTMENT MECHANISM (CBAM): The Carbon Border Adjustment Mechanism (CBAM) is a new climate protection instrument of the European Union. Alongside the European Emissions Trading System (EU ETS), it forms a key element of the EU's "Fit for 55" package. The CBAM came into force on October 1, 2023 and provides for the first reporting obligations for primary aluminium purchasing. Implementation is ensured by those responsible in the AMAG companies. Professional support is provided by the Customs and Foreign Trade department.

REQUIREMENTS PURSUANT TO THE ASI PERFORMANCE AND ASI CHAIN OF CUSTODY (COC) STANDARDS: The responsibilities and requirements for implementing and complying with this voluntary commitment are set out in the procedural instructions "Implementation of the ASI Performance Standard", "Implementation of the ASI Chain of Custody Standard" as well as "ASI-related communication". Fixed, regular meetings and internal audits ensure interdisciplinary dialogue between the specialist departments as well as compliance with obligations.

PROCUREMENT: Prior to the procurement of energy services or investments that have a significant impact on energy consumption, all energy-related criteria are reviewed at the Ranshofen site by the AMAG purchasing department or, in the case of investment projects, by the Energy Officer. AMAG purchasing guidelines set out requirements for the purchasing of energy and energy-relevant purchasing criteria for facilities and products. Suppliers are informed of AMAG's commitment to sustainability and environmental protection. Suppliers of energy services, products and equipment that have a bearing on significant energy utilisation are informed that the procurement evaluation is based in part on energy-related performance. Service providers are made aware of environmental protection requirements as part of external company training.

SUSTAINABLE MOBILITY: In the area of mobility, for pedestrians and cyclists, the Ranshofen site is constantly investing in the expansion of infrastructure in the form of pedestrian and cycle paths, covered bicycle parking and charging facilities for e-bikes. The construction of a bicycle and pedestrian bridge over the B156 highway in 2022, for example, significantly increased the safety of employees crossing the highway in front of the main entrance to the works site. Employee e-mobility is promoted by the commissioning of e-charging stations. The trial operation of a company bus, which employees could use to commute to work, was cancelled due to insufficient demand.

RENEWABLE DIRECTIVE RED III: The amendment to the EU directive aims to increase the share of renewable energies in final consumption to 42.5 % within the EU by 2030. AMAG is closely monitoring developments, as the expansion of renewable energy in sufficient quantities, e.g. hydrogen, is a key factor in decarbonisation at the Ranshofen site.

Central measures in 2023

- › Planning the further expansion of the photovoltaic system
- › Update of the Decarbonisation Roadmap
- › Update of the energy and environmental program, continuous tracking and definition of new measures relating to energy and environmental protection
- › Employee training and awareness raising

ENERGY EFFICIENCY: The plants' energy efficiency was increased by implementing measures from the Energy and Environmental Program 2023. Conventional lighting types in the production halls were replaced with more efficient LED lamps as part of conversions in order to further reduce electricity consumption in buildings. As in previous years, a further focus was on enhancing energy efficiency in the area of the plants. Measures included the optimisation of heating in casting furnaces and the optimisation of waste gas routing in smelting furnaces.

DECARBONISATION ROADMAP: The Decarbonisation Roadmap that was drawn up in 2021 was updated in the 2023 financial year. The update takes changes in technical and statutory requirements into consideration. The assumption that the required quantities of green electricity and green fuels such as hydrogen will be provided by external suppliers at the times when they are required, in sufficient volumes and at internationally competitive prices, forms an essential component of the roadmap. Maintaining the high scrap utilisation rate on average across all products forms the basis for manufacturing products with small carbon footprints. More detailed information and data are presented in the section about the material topic *Sustainable resource management and the circular economy*.

GREEN ELECTRICITY: The photovoltaic system at the Ranshofen site is one of the largest **rooftop photovoltaic systems** in Austria, covering an area of 60,000 m² and generating around 7.3 GWh of solar power per year. The green electricity generated is used exclusively by AMAG and supplements the electricity mix, which has already been 100 % renewable since 2017. A further expansion of the photovoltaic system is currently being planned.

SCOPE 3 EMISSIONS: Emissions from primary production account for the largest share of the carbon footprint and are highly dependent on the type of electricity used in the smelter. The interest in the Alouette smelter provides a strategic safeguard for access to climate-compatible primary aluminium, as the electricity for the smelter is generated from hydroelectric power. However, further development in the primary metal sector and consequently in Scope 3 emissions is very much dependent on external factors such as regulatory and trade measures (such as tariffs and the Carbon Border Adjustment Mechanism).

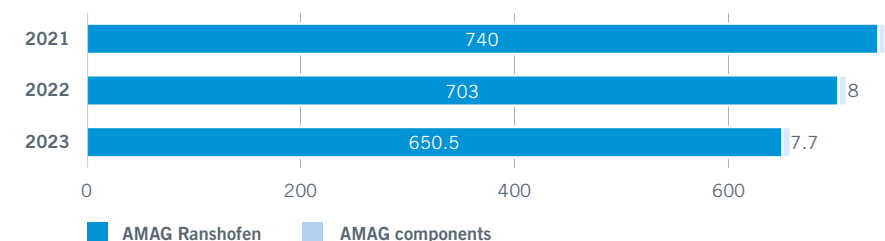
Results (GRI 3-3)

The casthouses and rolling mills are the main energy consumers at the Ranshofen site. Natural gas is utilised in the casthouses to melt and temper aluminium. Significant energy savings have been achieved over the past years thanks to the utilisation of heat from the furnaces to preheat combustion air using regenerative burners. Optimum energy recovery from organic residues on scrap, such as coatings, paints and impurities, reduces energy consumption. In the rolling mill, most of the electricity consumed is harnessed to drive the rolling mills, and electricity and natural gas are utilised in the heat treatment of aluminium coils and plates.

For selected key figures, the respective share for the Ranshofen site and for AMAG components is presented separately where possible. Specific key performance indicators per tonne refer solely to the Ranshofen site for reasons of materiality as well as informative value. Among other factors, this is because production volume in tonnes does not represent an informative performance indicator for the AMAG components sites. The annual production volumes for the calculations comprise the annual production volumes of the cast alloy foundry, the rolling slab casthouse and the rolling mill in tonnes.

Total energy consumption amounted to around 658,200 MWh in 2023, of which around 650,500 MWh (2022: 703,400 MWh) was required at the Ranshofen site and around 7,700 MWh (2022: 7,500 MWh) at the Karlsruhe and Übersee sites. Energy consumption at AMAG components is not considered significant in relation to the total energy consumption of the Ranshofen site.

Energy consumption in GWh



AMAG's energy consumption is calculated as the consumption of fuel from non-renewable sources (natural gas, diesel, heating oil and propane) and electrical energy. The respective energy volumes are calculated from the actual measured fuel volumes multiplied by the respective conversion factors.¹

Energy in the form of renewable fuels (wood chips, biodiesel) and cooling or steam energy is not purchased. AMAG generates heating partly through heat recovery plants from process heat, with the remaining requisite heating being covered by electrical energy and fuel combustion.

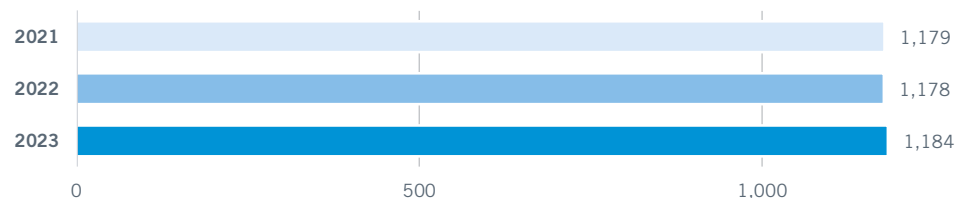
In 2023, fuel consumption from non-renewable sources amounted to around 428,200 MWh, and electricity consumption stood at around 230,000 MWh.

Most of the energy consumed at the two AMAG components sites is purchased electrical energy (around 7,100 MWh; 2022: 6,800 MWh). (GRI 302-1)

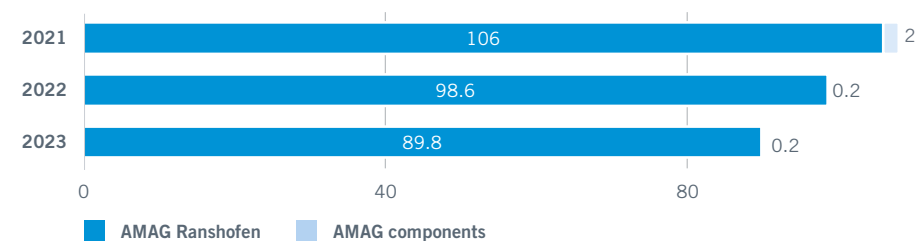
¹ Standards, methods and assumptions applied: lower combustion heat natural gas: 10.19 kWh/Nm³ (valid 2022 to 2024), 10.22 kWh/Nm³ (until 2021); lower heating value diesel: 9.90 kWh/l; lower combustion heat fuel oil extra light: 10.20 kWh/l;

lower combustion heat propane gas: 12.78 kWh/kg (source: standard factors for fuels from the national greenhouse gas inventory to apply Level 2A in Austria).

Specific energy consumption in kWh/t at the Ranshofen site



Specific energy consumption at the Ranshofen site, based on production volume, amounted to 1,184 kWh/t in 2023 (2022: 1,178 kWh/t). In deriving the indicator of specific energy consumption, the total energy consumption at the Ranshofen site was divided by the annual production volume. The energy volume includes all energy products (electricity, natural gas, diesel, extra-light heating oil, propane). The specific energy consumption relating to the production volume amounted to 1,178 kWh/t in the 2017 year defined as the basis. (GRI 302-3)

CO₂ emissions in thousands of tonnes (Scopes 1 and 2)

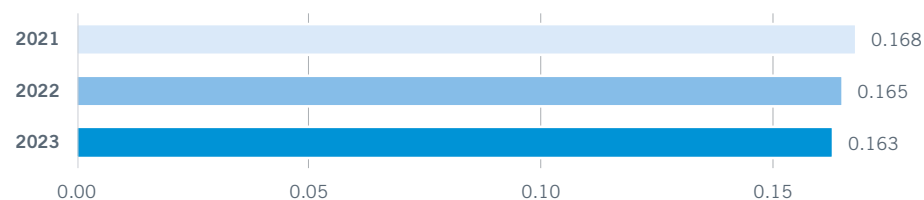
The CO₂ emissions are calculated from the actually measured fuel volumes applying the standard factors from the national greenhouse gas inventory.²

Greenhouse gas emissions (Scopes 1 + 2) amounted to around 90,000 tonnes in the 2023 reporting year. Of this volume, the Ranshofen site accounted for around 89,800 tonnes (2022: 98,600 tonnes). Two thirds of emissions are generated in the casthouses during the production of cast alloys and rolling slabs by way of natural gas combustion (over 90 %). At the two AMAG components sites in Übersee and Karlsruhe, greenhouse gas emissions (Scope 1 + 2) in 2023 amounted to around 200 tonnes (2022: 200 tonnes). Owing to the purchase of electricity from hydroelectric power and other renewable sources, no Scope 2 emissions have been generated at the production sites since the 2018 reporting year at Ranshofen, and from the 2023 reporting year onwards at Karlsruhe and Übersee. The electricity mix does not include any nuclear power. (GRI 305-1, 305-2)

² The location-based Scope 2 emission factor for total electricity generation in Austria amounted to 0.226 kg CO₂/kWh in 2021, and in Germany 0.410 kg CO₂/kWh (sources of emission factors: Federal Environment Agency Austria, German Federal Environment Agency).

The market-based Scope 2 emission factor for all production sites amounted to 0 kg CO₂/kWh for 2023 (source: electricity suppliers). The location-based Scope 2 emissions amounted to 53,300 t CO₂ in 2023.

Specific CO₂ emissions in t CO₂/t at the Ranshofen site (Scopes 1 and 2)



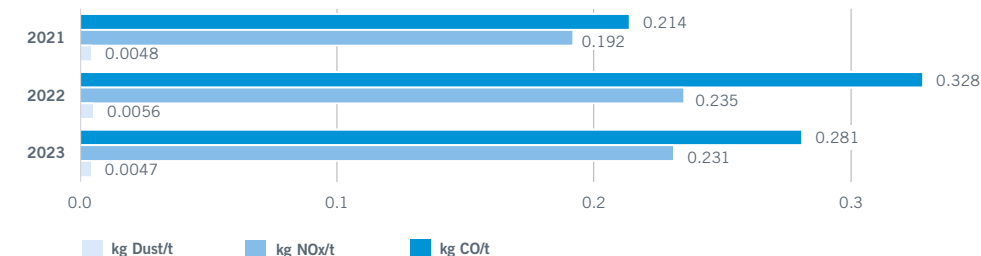
In relation to the production volume in Ranshofen, specific CO₂ emissions (Scopes 1 and 2) amounted to 0.163 tonnes CO₂/t in 2023 (2022: 0.165 tonnes CO₂/t). (GRI 305-4)

Emissions from the upstream chain (Scope 3)

On the basis of a materiality analysis in accordance with the Greenhouse Gas Protocol (GHG Protocol), in 2023 emissions from the purchase of primary aluminium, rolling slabs and metal alloys were included in the calculation of Scope 3 emissions. The factor of 8.6 t CO₂ eq/t of aluminium consumed in Europe, as cited in the European Aluminium's "Environmental Profile Report", was applied for the calculation.³ This covers direct processes and auxiliary processes, thermal energy, electricity and transport. Primary aluminium with a guaranteed low carbon footprint is included in the calculation with the confirmed figure. For the calculation of Scope 3 emissions at AMAG components, the upstream emissions from the purchase of aluminium rolled parts were taken into consideration and the estimated factor of 9.3 t of CO₂eq/t of aluminium used was applied for this purpose. For AMAG components' raw materials titanium and steel, the emission factors according to the "CO₂ Factors Information Sheet" of the German Federal Office for Economic Affairs and Export Control are applied from the 2023 financial year onwards. In the year under review, Scope 3 emissions amounted to 1,261,000 tonnes of CO₂eq, of which 1,243,800 tonnes of CO₂eq were generated by AMAG Ranshofen and 17,200 tonnes of CO₂eq by AMAG components (2022, total: 1,459,600 tonnes of CO₂eq). (GRI 305-3)

³ European Aluminium (2018), *Environmental Profile Report 2018. Executive Summary* at: <https://europeanaluminium.eu/wp-content/uploads/2022/10/european-aluminium-environmental-profile-report-2018-executive-summary.pdf>, p. 6, accessed November 29, 2023.

Specific air pollutant emissions in kg/t at the Ranshofen site



AIR POLLUTANTS: Air emissions such as carbon monoxide (CO), nitrogen oxides (NO_x) and dust are caused by the processes and raw materials used in the production of secondary aluminium. For reasons of materiality, air pollutant emissions are only listed for the Ranshofen site. The annual volume of emitted pollutants is calculated by multiplying the results of individual measurements by the gas consumption or the operating hours of the respective plant. AMAG demonstrably complies with the statutory limits. No significant cases of a limit being exceeded were registered in the year under review. The determined emission data is reported to the authorities as part of the annual reports.

In 2023, 126.8 tonnes of nitrogen oxides were emitted, with the specific emission figures amounting to 0.231 kg NO_x/t nitrogen oxides (2022: 0.235 kg NO_x/t).

Absolute carbon monoxide emissions amounted to 154 tonnes (2022: 196 tonnes), with the specific CO emission figure totalling 0.281 kg CO/t (2022: 0.328 kg CO/t).

Absolute dust emissions amounted to 2.6 tonnes in 2023 (2022: 3.3 tonnes), and specific dust emissions were recorded at 0.0047 kg dust/t (2022: 0.0056 kg dust/t). (GRI 305-7)

Further targets and next steps

Targets:

Continuous improvement of energy-related performance as well as reduction of specific carbon emissions taking into consideration the Energy Efficiency Act as well as national and European carbon reduction targets by implementing the AMAG Decarbonisation Roadmap:

- › Scopes 1 + 2: Reduction in emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production in the 2040 to 2050 period.
- › Scope 3: Reduction in average specific carbon emissions from the primary aluminium upstream supply chain by 20 % by 2030 inclusive (compared with 2018-2020)
- › 100 % procurement of renewable electricity at all AMAG production sites

Next steps:

- › Inclusion of efficiency improvement measures in the energy and environmental program and tracking of the implementation of measures
- › Step-by-step implementation of the Decarbonisation Roadmap
- › Employee training and awareness raising

WATER (GRI 3-3)

AMAG is committed to the sustainable and careful use of water.

The Ranshofen site is located over a groundwater body whose water drains into the River Inn at a rate of approximately 20 to 40 l/sec (in relation to a width of 100 m) below the plant premises in the direction of Enknach and Inn. The water supply at the Ranshofen site is provided by three waterworks. Waterworks 1 and 3 are used for the supply of service water and Waterworks 2 for the supply of drinking water together with the municipality of Braunau. Water is disposed of through different sewer systems (rainwater sewer, operational wastewater sewer and domestic wastewater sewer) and leachate basins on the factory premises. The cooling water is recirculated as far as technically possible. Optimisations to the recirculation systems have kept specific service water consumption at an almost constant level over the years, resulting in only a moderate increase in service water withdrawal despite higher production levels.

The Übersee and Karlsruhe sites account for only a small proportion of the total water consumption.

Target 2023

- › Efficient and economical usage of water; limiting specific water withdrawal to 6 m³/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill

Management approach

The reduction of water emissions and of water utilisation forms a central aspect of AMAG's environmental guidelines and is addressed as part of the environmental management system. Further information about the management approach is presented in the *Energy and emissions* section.

The service and drinking water supply at the Ranshofen site is based on a water law permit issued by the authorities. Permitted service water utilisation and permitted volumes that can be discharged into the sewer are limited in accordance with the volumes specified for AMAG, and are monitored accordingly. Groundwater levels are also measured.

Water is withdrawn in accordance with the following principles (GRI 303-2):

- › In principle, the water can be utilised directly at AMAG's Ranshofen site without chemical treatment and without transportation over long distances.
- › **Drinking water** is withdrawn solely for the purpose of drinking water supply and sanitary use. The wastewater is fed to the Braunau wastewater treatment plant via a domestic wastewater sewer. In addition, extinguishing water supplies, such as hydrants, are connected to the drinking water network.
- › For **hygiene** reasons, drinking water pipes with a low flow rate are flushed regularly. Furthermore, parts of the system are cleaned and it is ensured that water in the water tower for drinking water is exchanged regularly. This water is fed into the AMAG processes as service water where technically feasible.
- › A large part of the extracted service water is used for cooling in casting, rolling and heat treatment processes and can be discharged unpolluted into the rainwater sewer together with part of the rainwater according to defined parameters. A large proportion of the facilities are already equipped with cooling water circuits for service water reduction, and new facilities will only be designed in this way.
- › Seepage troughs return **rainwater** filtered through the soil layer directly to the groundwater body. They thereby make a significant contribution to maintaining a natural water cycle. For this purpose, numerous seepage basins and troughs have been constructed on the works site, which are maintained on an ongoing basis. The controlled retention of precipitation in the infiltration basins also reduces flooding risk and makes a positive contribution to groundwater formation at the site. This also relieves local sewer systems. Soil samples are taken at regular intervals and examined by a certified external service provider for a large number of parameters so that the proper functioning of the basins and troughs can be verified, and soil contamination ruled out.
- › A very small proportion of the water used is chemically contaminated in accordance with process engineering requirements. This **operational wastewater** is treated in wastewater treatment plants. The wastewater is discharged into the company's wastewater sewer and is continuously monitored by measuring the key parameters (quantity, conductivity, pH value, etc.). If the measured value is exceeded, the water is automatically directed into a separate basin, from where it is disposed of. In addition to ongoing measurement via probes, effluent samples are examined for a large number of parameters as part of regular certified monitoring by internal and external laboratories. (GRI 303-2)

Water supply and disposal, as well as monitoring of water withdrawal at the Ranshofen site, are handled by AMAG service. Responsibility for compliance with the limits lies with the senior management team and with the discharging companies as part of indirect discharge contracts.

At the Karlsruhe and Übersee sites, water is supplied via the municipal water supply system and at the Übersee site additionally via its own well, and water is disposed of via municipal wastewater treatment plants. Water is disposed of via municipal sewage treatment plants. (GRI 303-1)

Central measures in 2023

- › Evaluation and quantification of potentials in the rolling mill and potential to reduce process water utilisation
- › Rainwater management at the Ranshofen site

DRINKING WATER: In the 2023 financial year, drinking water pipes with a low flow rate were flushed regularly as part of preventative hygiene measures. During the summer, high temperatures and lower consumption necessitated the draining of some of the water from the AMAG water tower for drinking water, which was re-utilised as service water.

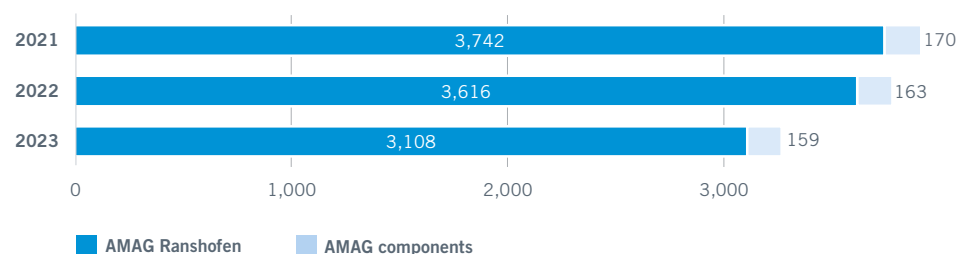
RAINWATER MANAGEMENT: In total, an area of around 4.5 hectares of the works site has been set aside as a seepage basin. More than 100 hectares of roof and factory grounds are drained via these seepage areas. The seepage troughs are regularly maintained and cleaned, including by external service providers. (GRI 303-2)

SERVICE WATER: In the 2022 reporting year, quantifiable optimisation potentials to reduce the use of service water were identified and an action plan was drawn up for this purpose. The implementation of the first specific projects is recorded and tracked in the energy and environmental program. In the course of constructing the new coil finishing line at the Ranshofen site, investment is being made in a new integrated wastewater treatment plant, which will enable specific water consumption to be reduced and minimised. This plant is currently being commissioned. (GRI 303-2)

Results (GRI 3-3)

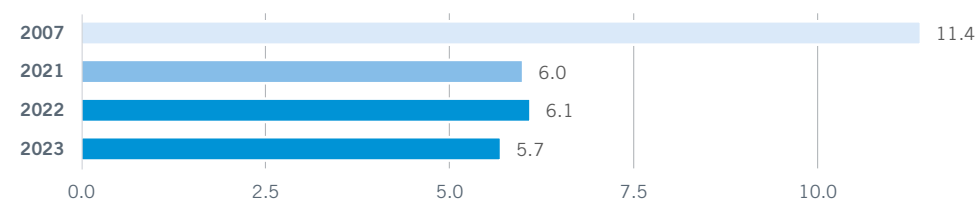
The ongoing expansion of closed loop cooling systems at the Ranshofen site has made it possible to keep water consumption stable, despite rising production volumes in recent years. The withdrawal volume less evaporation losses via the cooling circuits corresponds to the wastewater volume. The water withdrawal relates to that part of service water that is used at AMAG (i.e. industrial water consumed by other companies at the site is not included).

Total water withdrawal in thousands of m³



Service water withdrawal amounted to around 3,267,000 m³ in 2023 (2022: 3,779,600 m³).

Specific water withdrawal in m³/t at the Ranshofen site



The specific service water withdrawal at the Ranshofen site in 2023 amounted to 5.7 m³/t (2022: 6.1 m³/t). The reduction in usable water withdrawal arises from the change in production mix and capacity utilisation. Drinking water production, based on volumes withdrawn by AMAG Ranshofen, other companies at the site and the municipality of Braunau, amounted to 113,000 m³ (2022: 72,000 m³). The increase in drinking water withdrawal is due to the need for hygiene flushing, cleaning and emptying as well as a higher level of demand from the new company restaurant and the normalisation of bathing operations following the coronavirus restrictions for employees. Water withdrawal including on-site contractors amounted to 3,611,000 m³ (2022: 4,183,000 m³). To provide a multi-year comparison, the total service water withdrawal per tonne of aluminium produced at the Ranshofen site in 2007 was added to the bar chart. (GRI 303-3)

Further targets and next steps

Target:

- › Efficient and economical usage of water; limiting specific water withdrawal to 6 m³/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill

Next steps:

- › Improvement of wastewater treatment (investment in a coil finishing plant)
- › Inclusion of water reduction potentials in the energy and environmental program

BIODIVERSITY (GRI 3-3)

AMAG is committed to the sustainable promotion of biodiversity at the Ranshofen site as well as along the supply chain. The focus is on minimising the impact on biodiversity and protecting diverse ecosystems, including the animal and plant species they contain. AMAG is working together with external experts from the Vienna's University of Natural Resources and Life Sciences.

AMAG's forest management has set itself three main objectives for the management of the company's own forest: In addition to promoting biodiversity and strengthening the forest's stability and resilience, the main objectives of the AMAG forest strategy are to promote nature education and enhance related experiential value. The aim of forest management is not to maximise operating profit, but merely to cover the costs of forest management work.

The company is also supporting the breeding of varroa-resistant bees by the Upper Austria-Salzburg beekeeping group.

Targets 2023

› Promotion of biodiversity at the Ranshofen site

Management approach (GRI 304-1)

The preservation of biodiversity forms a central aspect of AMAG's environmental guidelines and is addressed as part of the environmental management system. Further information about environmental management is presented in the *Energy and emissions* section.

The requirements along the supply chain are anchored in the ESG requirements for suppliers and are described in greater detail in the *Human rights and responsibility in the supply chain* section.

FACTS AND FIGURES: In the 2023 reporting year, AMAG owned a land area of around 300 hectares at the Ranshofen site, of which just under two thirds – around 180 hectares – form part of the AMAG forest. This has been owned by the company for more than eighty years and it forms part of the “Lachforst” forest complex. A forest warden from the region is in charge of the responsible management of this forest. The Ranshofen site is situated only a few kilometres away from “Unterer Inn” and “Buchenwald” nature reserves, the “Auwälder am unteren Inn” fauna-flora-habitat area (FFH area) and the “Salzachmündung” bird sanctuary in Bavaria.

FOREST: In accordance with the established forest development plan, the AMAG forest is designated as a *welfare forest*. In other words, use aims at the forest exerting an equilibrating effect on the climate and water supplies, as well as on the purification and renewal of air and water.

The AMAG concept for the ecological management of the AMAG forest is based on the following six indicators, which are also reflected in the central measures' spheres of action:

1. **Deadwood:** Increasing the proportion of standing and lying deadwood of natural tree species in the forest
2. **Older wooded areas:** Increasing the proportion of older trees (especially old, large-crown deciduous and biotope trees)
3. **Forest structure:** Promotion of well-structured, differently aged, stable and climate-compatible mixed forest areas by continuously increasing the proportion of native hardwood species and rare woody plants and shrubs
4. **Woodland edges:** Promotion of well-structured and zoned, embayed woodland edges through introducing rare and endangered tree and shrub species, creation of bays and zoning (shrub belts and peripheral zones of woodlands)
5. **Biotopes:** To promote valuable small and wetland habitats
6. **Promotion of rare or endangered animal and plant species:** Introduction of rare tree species and creation of flower meadows on company premises

HUNTING: Hunting is an important aspect of ecological and sustainable forest management. A hunting concept was developed in order to both achieve a healthy stock of game population and ensure a resilient and diverse forest. This concept sets out clear responsibilities, defines hunting strategies for roe deer, game animals and game birds and contains agreements relating to habitat improvement goals – such as the maintenance of gameland for the grazing of roe deer, the sowing of flower strips, hedgerow formation and the adaptation of feeding to the respective type of game. These requirements are implemented by the respective hunting tenant.

GREEN AREAS: The green areas at AMAG's Ranshofen plant site cover around 25 hectares. They are designed as meadows, rainwater infiltration, lawns and protective embankments. Vacant land is used according to its *ecological potentials*. Selectively planted single trees provide shade and thus improve the microclimate on the factory premises.

Maintaining suitable mowing intervals also promotes biodiversity. Dams and embankments have been planted with shrubs or are deliberately left unplanted to serve as ruderal areas that provide valuable habitat for animals, insects and pioneer plant species. Pioneer plants have special adaptive abilities to colonise new areas and consequently require special protection. The individual trees, which have been planted on a targeted basis, not only provide shade and thereby improve the microclimate of the sealed open spaces, but also serve as a habitat and feeding ground for insects and birds.

In its construction activities, the company always endeavours to minimise as far as possible its interventions into nature, and protect animals and plants in their habitat. Accordingly, the use of existing buildings is preferable to new construction, and projects involving additional ground compaction must be weighed up responsibly.

Central measures in 2023

- › Development of the AMAG forest into a climate-adapted mixed forest area, including preparation of a regular progress report
- › Creation of a forest management plan on a scientific basis in cooperation with the University of Natural Resources and Applied Life Sciences, Vienna
- › Gradual conversion of monotonous lawns into near-natural meadows through the change in mowing that has been implemented as part of the newly defined green space maintenance
- › Ongoing care of the hives and promotion of varroa resistance breeding through cooperation with the Upper Austria-Salzburg beekeeping group
- › Planting trees on the works site

FOREST & HUNTING MANAGEMENT: The development of goals and measures for a climate-compatible forest first requires a meaningful survey of the current situation. On the basis of these results, a medium- to long-term management concept was drawn up, taking special account of biodiversity, climate change adaptation and historical features. A first interim report on the concept and its medium- to long-term objectives was issued in November 2022, with the final report being finalised at present. The following objectives have been defined and will be implemented as part of forest management:

- › Promotion of biodiversity
- › Promotion of stability and a climate-adapted (sustainable) forest structure
- › Fulfilling an educational and recreational mandate
- › Measures in line with groundwater protection

FOREST TRAIL: In the 2023 financial year, further measures were taken to establish a [forest trail](#). In the wooded area, which is located opposite the AMAG works entrance in Ranshofen, informative and interactive stations will be set up along an approximately 2 km long circular path, which are intended to encourage visitors to discover the forest and its surrounding area as well as to enjoy nature. As part of the forest trail, a forest island is also to be created, which will serve as a recreational area for both the public and employees. The completion of the forest trail as well as the forest island is planned for 2024.

BEE COLONIES: [Ten bee colonies](#) were established in the immediate vicinity of the Ranshofen site. These are managed in partnership with the Upper Austria-Salzburg beekeeping group, with the breeding of varroa-resistant bees being supported and scientifically monitored by the Arista Bee Research foundation. The locations of the beehives are accessible to the public via bike paths and hiking trails, and information boards provide visitors with more in-depth information about the insects.

GREEN AREAS: Lawns were maintained and expanded into species-rich meadows during the financial year under review. In addition, further trees were planted within the company premises at the Ranshofen site. Green space maintenance by external service providers is conducted regularly with a special focus on biodiversity. Maintenance measures prescribed by the authorities are implemented and documented as part of the green space maintenance concept.

A [groundwater protection](#) measure was realised by expanding the seepage troughs at the Ranshofen site. Further information is presented in the [Water](#) section.

Results (GRI 3-3)

The 2023 financial year saw the further development of the promotion of biodiversity and the protection of diverse ecosystems, including the animal and plant species they contain at the Ranshofen site. Individual trees were planted on the factory premises on a targeted basis.

In the financial year under review, scientific evaluations as part of research into varroa-resistant bees continued to show that mite numbers fall as soon as sufficient worker bees exist bearing the VSH (Varroa Sensitive Hygiene) trait.

Further targets and next steps

Target:

- › Promotion of biodiversity at the Ranshofen site and the construction of a forest trail

Next steps:

- › Start of implementation of the management concept as part of further developing the AMAG forest together with external experts
- › Completion of the forest trail
- › Creation of the forest island
- › Events (guided forest tours, information events for the regional population)

HANDLING INCIDENTS

Along with monitoring environmental effects of normal operating activities as part of certified environmental management, processes regulating the handling of anomalies have also been implemented. The primary objective is to prevent the unwanted release of substances and thus to rule out any risk to people and the environment. A corresponding set of “environmental incident” procedural instructions regulates responsibilities and measures in the event of unforeseen operating conditions. In order to comply with the legal requirements of the Austrian Environmental Information Act (UIG), current environmental measurement data are posted in front of the plant premises. Further information on compliance with regulatory requirements can be found in the [Compliance and transparency](#) section.

In the 2023 reporting year, no violations or uncontrolled processes occurred that either immediately or subsequently posed a serious risk to human health or the environment inside or outside the company and that resulted in the release of one or more hazardous substances.

An operational event at the Ranshofen site led to soil contamination as well as the contamination of soil filter layers in the seepage basin. Thanks to an early alarm and immediate initiation of the excavation and proper disposal of the affected soil layers, negative environmental effects were averted. The relevant regulator was notified immediately and the restoration of the affected areas was reported on time. [\(GRI 2-27\)](#)

SUSTAINABLE RESOURCE MANAGEMENT AND THE CIRCULAR ECONOMY

Responsible raw materials utilisation as well as resource and energy efficiency enhancement along the value chain form an integral part of our corporate policy. The most efficient and responsible resource utilisation, the core competence recycling, and the promotion of the circular economy and closed loop concepts form the basis of our business activities.

Enhancing resource efficiency and preserving non-renewable resources for future generations, as well as the responsible use of raw materials along the value chain, are top priorities for AMAG. Integrity and reliability of all parties involved is considered an essential prerequisite for sustainable activities in business relationships. Accordingly, all business partners are expected to fulfil this responsibility by respecting and actively supporting AMAG's central principles in their own business practices (see the section *Responsible corporate governance*).



RAW MATERIALS (GRI 2-6, GRI 3-3)

AMAG has committed itself to Responsible Procurement Management in order to meet statutory requirements, its responsibility as a member of the Aluminium Stewardship Initiative (ASI) and, last but not least, its own high standards. (GRI 308-1)

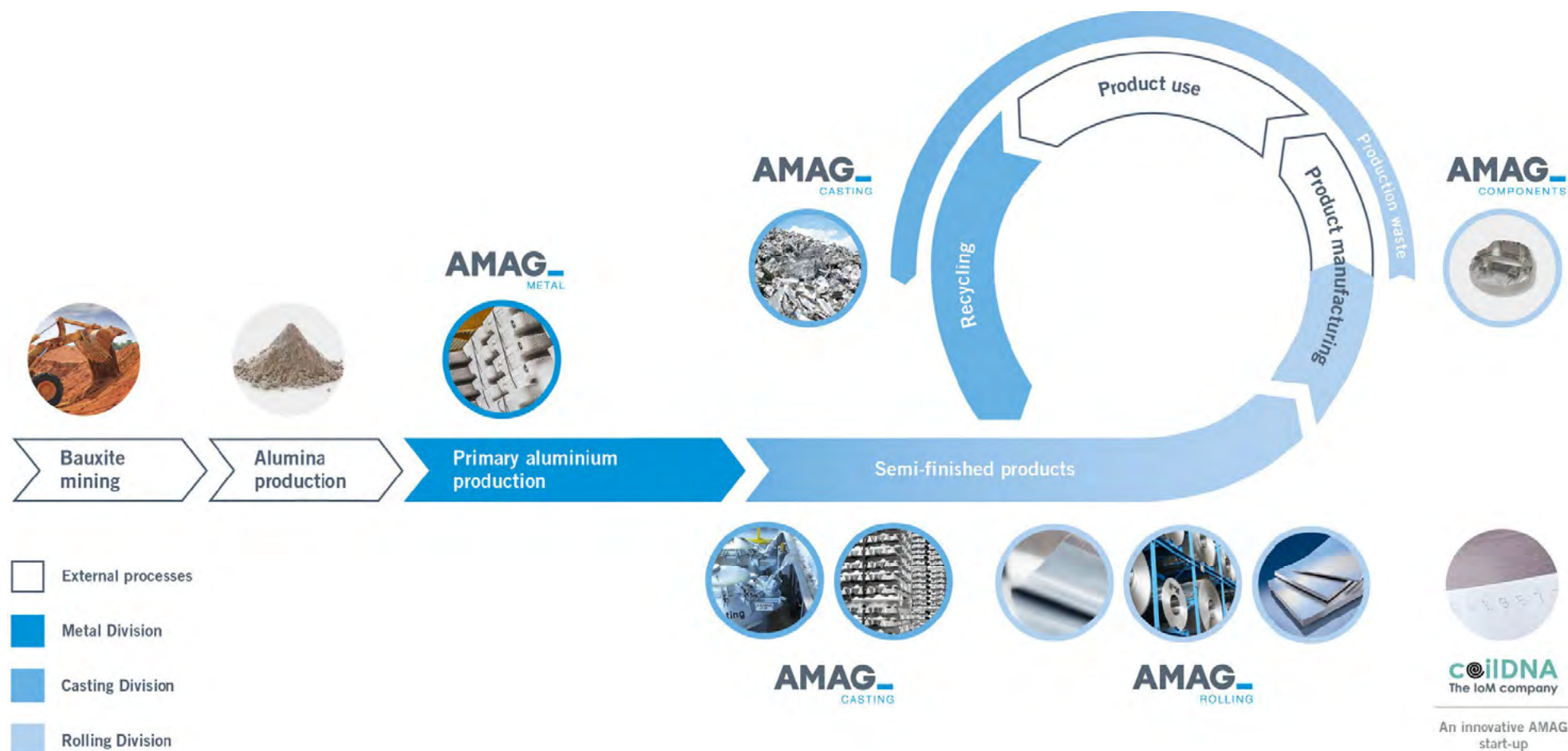
The main activities at the Ranshofen site in relation to raw materials comprise:

- › The purchasing of primary aluminium and rolling slabs
- › The purchasing of aluminium scrap and metal alloys
- › The assessment of key suppliers and a risk evaluation
- › The recycling of aluminium scrap

AMAG PRIMARY ALUMINIUM: AMAG holds a 20 % interest in the Alouette smelter in Sept-Îles, Canada. By sourcing its electrical energy from hydroelectric power and the ongoing optimisation of production technology, the Alouette smelter exhibits an exceptionally small carbon footprint by international standards. The fact that the Alouette smelter meets very high standards in its primary production not only at its own production site but also in the upstream supply chain is confirmed by Chain of Custody (CoC) certification by the Aluminium Stewardship Initiative (ASI). As far as Alouette's alumina supply is concerned, the Alouette partners agreed to prioritise procurement from ASI-certified sources. This confirmation of compliance with comprehensive sustainability requirements by the independent ASI represents an essential element in ensuring transparency and quality.

AMAG's value chain, starting with bauxite mining through to primary aluminium production in the Metal Division and the manufacture of semi-finished products in the Rolling Division, is shown in the diagram on the next page. The recirculation of production waste and the use of scrap after product utilisation form an essential part of the process chain in the Casting Division and take place as part of the recycling loop.

THE AMAG VALUE CHAIN



Targets 2023

-
- › Procurement of certified and sustainable raw materials to meet customer demand through:
 - › Procurement of at least 45,000 tonnes of ASI-certified aluminium in the form of rolling slabs and primary aluminium in 2023
 - › Maintain the share of ASI-certified scrap at or increase it to more than 35 % in 2023
-

Management approach

The procurement department ensures the central purchasing of consumables and supplies, overhead materials, capital goods, energy, and services as well as warehousing for all companies at the Ranshofen site and is the central service provider for all operational departments.

Separately, the procurement of primary metals and rolling slabs is ensured by AMAG metal and the procurement of scrap and alloy metals by AMAG casting and AMAG metal.

CENTRAL POLICIES: The purchasing guidelines regulate the entire procurement process as well as the competencies of the procurement department, the competencies of the persons responsible for purchasing, and cooperation with other requesting units at AMAG companies.

The metal management guidelines regulate raw materials trading and the management of aluminium price risks.

The “Foreign trade and export controls” guidelines regulate compliance with all statutory requirements of foreign trade law (compliance in the cross-border movement of goods). Further information is presented in the *Responsible corporate governance* section.

RESPONSIBLE PROCUREMENT MANAGEMENT: Implementation for the Ranshofen site is regulated in the “Responsible Procurement Management” procedural instructions. Further information about the key documents for implementing the AMAG Code of Conduct is presented in the *Human rights and responsibility in the supply chain* section. Where discrepancies are identified, risk mitigation measures must be defined and evaluated accordingly. (GRI 308-1)

PURCHASING PRINCIPLES: In procuring auxiliary and operating materials, overhead materials, capital goods and services etc., AMAG makes recourse to suppliers that are selected and commissioned as part of a clearly defined bidding process. Specifications, quality, environmental, occupational safety and information security requirements form the basis for decision-making and are to be ensured by the company’s requisitioner in cooperation with the purchasing department. Preference is generally given to suppliers whose management systems are certified in accordance with ISO 9001/14001/45001 and that operate a safety management system and pay attention to efficient energy utilisation in the rendering of their services (see also the *Energy and emissions* section).

For the Ranshofen site, preference is to be given to local suppliers from Upper Austria and the Innviertel region in order to promote local value creation. Further information is presented in the *Regional value creation* section.

AMAG components’ activities in the area of raw materials primarily involve the purchase of semi-finished aluminium and titanium products via suppliers approved by customers, as well as the provision of unmixed machining scrap for recycling. The Karlsruhe and Übersee sites are being incrementally integrated into the comprehensive process of Responsible Procurement Management.

CHEMICALS LEGISLATION: The European Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation and the Regulation on the Classification, Labelling and Packaging of Substances and Mixtures (CLP) impose various obligations and tasks on manufacturers, importers and users of chemical substances. Legislative developments are constantly monitored and followed.

Substances such as lead, mercury and cadmium, which are regulated by other EU directives (such as the Restriction of Hazardous Substances Directive (RoHS) and the End-of-Life Vehicles Directive (ELV)) as well as by national legislation, occur naturally in traces and are monitored in accordance with statutory restrictions as well as individual material specifications.

Primary aluminium and metal alloys used by AMAG are substances or mixtures in the meaning of the REACH Regulation. The implementation of statutory requirements is ensured in a set of procedural instructions. The central contacts are the REACH officers of the AMAG companies in Ranshofen, who are assigned to AMAG management systems. At AMAG components, responsibility lies with the environmental officers at the sites.

The products that AMAG manufactures are mixtures or articles (finished products). The AMAG subsidiaries fulfil statutory obligations in their roles as manufacturers of aluminium products, importers of raw materials and downstream users of many operating materials. Such obligations include:

- › The registration of metals contained in AMAG products that was successfully completed by AMAG or its upstream suppliers by the end of the last registration deadline on June 1, 2018
- › The passing on of information within the supply chain
- › The ongoing review of updates to candidate lists, Annexes XIV and XVII of the REACH Regulation. Pursuant to the statutory obligation, AMAG informs its customers about the potential use of substances from these lists in its products
- › The provision of safety data sheets and technical data sheets, if required under Title IV of the REACH Regulation. The relevant data sheets are available on the AMAG homepage



CONFLICT MINERALS: Tantalum, tin, gold, and tungsten that originate from conflict or high-risk areas such as the Democratic Republic of Congo or its neighbouring countries (“DRC” countries), are defined as “conflict minerals”. In addition, cobalt and mica are classified as “extended conflict minerals”. Suppliers have a duty to disclose if the use of these raw materials would be necessary for the functionality and manufacture of the products or raw materials they supply. AMAG continuously checks whether the aforementioned minerals are necessary for the functionality or manufacture of products. Where required, origin is proven by means of evidence from upstream suppliers. No conflict minerals were purchased in the 2023 reporting year.

PFAS AND PFAS COMPOUNDS: Per- and polyfluorinated alkyl compounds (PFAS) are a group of industrial chemicals comprising a large number of substances. These are organic compounds in which the hydrogen atoms are completely (“perfluorinated”) or partly (“polyfluorinated”) replaced by fluorine atoms. PFAS are deployed on a targeted basis to reflect their water and grease repellent properties as well as their stability and durability (persistence). Many of these PFAS are toxic, accumulate in the food chain or are mobile. AMAG products do not contain any PFAS or PFAS compounds.

MICROPLASTICS: Microplastics are small plastic particles that measure less than 5 mm and can consist of different types of plastic. For technical process reasons, AMAG products do not contain any microplastics.

ALUMINA: Alumina is the most important raw material in primary aluminium production and is extracted from the ore bauxite. Bauxite deposits are located along the tropical belt primarily in areas that have high biodiversity. Minimising the negative impact on biodiversity as well as the environment is consequently fundamental to sustainable bauxite mining and implies compliance with legal regulations, consideration of environmental and social criteria, and here, above all, the needs of local communities in terms of land conservation and use.

AMAG itself does not procure any bauxite or alumina for the Ranshofen site, only primary aluminium. Nevertheless, AMAG fulfils its responsibility in terms of ecologically and socially sustainable procurement. We expect all our business partners to assume this responsibility just as actively and to comply with the AMAG corporate values and principles as well as the defined “*ESG requirements for AMAG suppliers*” in their own business practices.

Central measures in 2023

- › Implementing and reviewing a responsible sourcing process and conducting the necessary supplier audits
- › Updating the purchasing guidelines and general terms and conditions to implement the “ESG requirements for AMAG suppliers”
- › Compliance with and implementation of all statutory regulations and constant monitoring of legal developments

For decades, AMAG has maintained a strong focus on responsible and resource-conserving aluminium production. AMAG is involved in key initiatives and associations (see the section on membership of associations), such as European Aluminium (EA) or the GDA (Aluminium Deutschland), the German Association of Metal Dealers (VDM), thereby making valuable contributions to the definition and implementation of sustainable standards in the aluminium industry. Moreover, AMAG management systems ensure compliance with and implementation of all statutory regulations and the constant monitoring of legal developments. The realisation and implementation of all requirements of the [ASI Performance Standard](#) and [ASI Chain of Custody Standard](#) are crucial in this context.

AMAG Ranshofen primarily purchases ASI-eligible material, in other words, primary aluminium or rolling slabs, and ASI-eligible scrap, from its upstream suppliers. ASI-eligible scrap is so-called “post-consumer” scrap, in other words, scrap that has already been used by the consumer or has served its intended purpose (for example, used rims, aluminium scrap from end-of-life vehicles, used aluminium packaging) as well as aluminium skimmings. The processing of certified material from a closely monitored upstream supply chain enables products to be identified as ASI-certified. These products, in turn, offer customers the opportunity to support responsible aluminium supply chains and thereby scrap recycling and sustainable aluminium production.

In the 2023 financial year, the purchasing guidelines, the relevant procedural instructions (“sustainable procurement management”) and the general terms and conditions of business were adapted in preparation for internal handling in relation to a future EU Supply Chain Act.

Results (GRI 3-3)

To ensure the availability of materials, new scrap, alloy and primary metal suppliers were qualified as part of the continuous expansion of the supplier base.

In the 2023 reporting year, 48,700 tonnes of ASI-certified rolling slabs and ASI-certified primary aluminium (2022: 46,600 tonnes) as well as an additional of 46,200 tonnes of ASI-eligible scrap (“post-consumer” scrap and dross) (subject to confirmation by ASI; 2022: 53,100 tonnes) were purchased in Ranshofen. The closed loop delivery of unmixed chips (separated by grade) from AMAG components is being advanced further.

External procurement of raw materials in % at the Ranshofen site



A total of 132,300 tonnes of aluminium scrap (2022: 165,200 tonnes) were purchased in various forms from external third parties. The company makes recourse to a total of 153 aluminium scrap suppliers (2022: 157). 16 main suppliers (2022: 20) cover 50% of the total scrap demand. In addition, contracts exist with customers which purchase rolled products for the purchase of production scrap from further processing or final production (collection points). (GRI 301-2)

The 84,800 tonnes of primary aluminium required for the Ranshofen site in 2023 (2022: 97,800 tonnes) were purchased from suppliers with which long-standing business relationships exist. Around 5.1 % of the primary aluminium required for the Ranshofen site in 2023 was purchased from Alouette via traders (2022: 1.1 %).

In addition to the rolling slabs produced in the company's own casthouse, rolling slabs are also purchased from third parties. The purchase of external rolling slabs amounted to 56,400 tonnes in 2023 (2022: 58,600 tonnes).

Magnesium, silicon, manganese, copper and zinc are the most important metal alloys for the Ranshofen site. In 2023, purchases of metal alloys accounted for approximately 8,700 tonnes (2022: 10,900 tonnes).

No conflict minerals were purchased in the 2023 reporting year.

In the 2023 reporting year, AMAG components purchased around 1,600 tonnes of aluminium semi-finished products (2022: 2,200 tonnes), around 32 tonnes of titanium semi-finished products (2022: 68 tonnes) and around 295 tonnes of steel semi-finished products.

Further targets and next steps

Targets:

- › Procurement of certified and sustainable raw materials to meet customer demand through:
- › Procurement of at least 45,000 tonnes of ASI-certified aluminium in the form of rolling slabs and primary aluminium in 2023
- › Maintain the share of ASI-certified scrap at or increase it to more than 35 % in 2023
- › External verification of Alouette material as low-carbon aluminium (<4 CO₂ for Scopes 1-3) to secure future demand for low-carbon metal for Ranshofen



RECYCLING (GRI 3-3)

AMAG is committed to aluminium recycling and to closing material cycles. Process and product innovations and the strategic focus on recycling have formed the economic basis of the company's activities for more than four decades. Given a high level of utilisation of recycled material despite rising production volumes, the company is proud of its position at the forefront of aluminium recycling. The aspiration of AMAG is to decouple growth and resource consumption as far as possible, thereby accelerating the shift towards a system of closed value cycles.

Recycling aluminium can save up to 95 % of the energy⁴ used in primary aluminium production, which not only creates an ecological advantage over primary production but also makes a significant contribution to reducing greenhouse gas emissions.

Target 2023

- › Production growth while retaining a scrap utilisation rate of around 75 to 80 %

Management approach

The Ranshofen site operates not only a rolling slab casthouse to supply its own rolling mill but also a casthouse for cast alloys. Both casthouses cooperate closely on recycling and benefit from their complementary technologies. Scrap sampling is one of the most important support processes and has been established at the start of the process chain. All incoming scrap shipments at the Ranshofen site undergo radioactivity testing before being forwarded for sampling and testing. The amount of scrap that can be used depends on the product group.

⁴ European Aluminium (EA) (2023): *Net-Zero by 2050: Science-based decarbonisation pathways for the European aluminium industry*, at 23-11-14-Net-Zero-by-2050-Science-based-Decarbonisation-Pathways-for-the-European-Aluminium-Industry_FULL-REPORT.pdf, p. 58, downloaded on December 13, 2023.

The [Recycling Center Ranshofen](#), which is equipped with the most advanced, leading-edge technologies for metal analysis, separation and sorting, makes a significant contribution to achieving this recycling goal. At its Ranshofen site, AMAG has many different state-of-the-art smelting furnaces which are supported by automation and digitalisation processes. The company's recycling expertise is rounded off by accurate separation, differentiated storage of the input material, "alloy-to-alloy" recycling and output maximisation by means of batch calculation for each smelting furnace. Further information is presented in the article "Recycling as a core competency" in the [special ESG AluReport ESG 2023](#).



For many years, AMAG has relied on in-house research and development, as well as alliances with universities (see the [Innovation](#) section) to continuously optimise and advance the aforementioned processes.

CALCULATION OF THE CARBON FOOTPRINT: The innovative further development of recycling processes, combined with a focus on the upstream chain and, in particular, the use of renewable energy in the production of primary aluminium, reduces product footprints. A procedural instruction regulates the calculation and communication of product-related CO₂ emissions. The methodology for calculating the carbon footprint in accordance with ISO 14067 was verified by an independent third party. Further information is presented in the [Energy and emissions](#) section.

Central measures in 2023

- > Optimisation of energy consumption as part of the "SMA²RT" project
- > Continuous analysis of molten metal at the shaft furnace as part of the "DREAM" project
- > Expansion of recycling capacities and expertise in the scrap sorting area

As part of the circular economy, AMAG is specifically focusing on "closed loops". Various types of aluminium scrap are generated as part of processing the semi-finished product at the customer's site. For many years, production scrap has been successfully taken directly from customers and reprocessed into high-quality wrought and cast alloys using state-of-the-art recycling technology, ideally to be used as input material for the manufacture of the same products. This process is supplemented by the internal "closed loop", which has short transport routes, ensures the resource-conserving re-utilisation of all scrap and dross using the "alloy-to-alloy" recycling principle, as well as end-to-end value creation. Further information is presented in the [special ESG AluReport ESG 2023](#).

The production sites of AMAG components make a key contribution to closing the AMAG cycle by separating their machining residues, such as chips, according to type.

In order to expand resource-conserving closed loop relationships, discussions are held with customers on an ongoing basis and contracts are concluded with customers from the automotive sector, and existing contracts are extended. Further potentials are identified on an ongoing basis.

RESEARCH PROJECTS: As part of the "SMA²RT" research project (simulation, measurement and automation of aluminium recycling technologies), the energy consumption of the smelting furnaces is to be reduced through the efficient utilisation of the scrap used based on waste gas levels, and the utilisation of secondary raw materials with organic adhesions is to be optimised.

The "SCRA⁴P" research project (scrap characterisation for recycling, automation and digitalisation processes) is investigating the comprehensive characterisation of scrap with organic adhesions and the development of a new evaluation method as a basis for automatic smelting programs.

As part of the **DREAM** project (Dynamic Calculation of Primary Materials by Automatic Metal Analysis), continuous analysis of the molten metal is carried out at the shaft smelting furnace. The project goal is to better exploit analysis tolerances and to avoid faulty batches.

Further research projects are described in more detail in the [Innovation](#) section.

The process optimisation department conducts targeted projects to optimise energy consumption, reduce the use of auxiliary and operating materials, and standardise process management (batch sequence, salt utilisation, etc.). Further information about energy efficiency is presented in the [Energy and emissions](#) section.

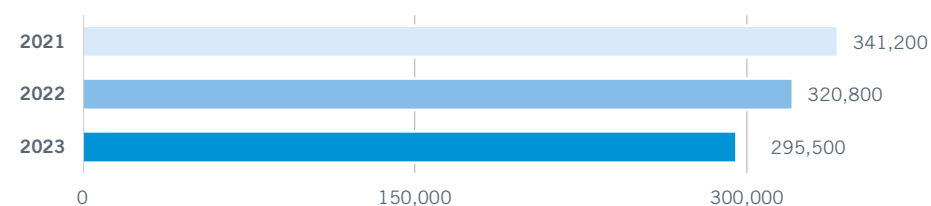
EXPANSION OF SORTING FACILITIES CAPACITY: In order to make even better use of the growing supply of mixed scrap in the future, AMAG is further expanding its recycling capacities and expertise in the scrap sorting area. This makes a significant contribution to securing supplies of aluminium scrap.

Results (GRI 3-3)

The capacity expansion of the scrap sorting plant was successfully implemented.

In the 2023 financial year, scrap utilisation (purchased external scrap and recycling scrap from the company's own production) amounted to around 295,500 tonnes (2022: 320,800 tonnes). This corresponds to an average scrap utilisation rate of 76.1 % (2022: 76.5 %) across all products. (GRI 301-2)

Scrap utilisation at the Ranshofen site in tonnes



Scrap utilisation rate at the Ranshofen site on Ø across all products produced at the Ranshofen site in %



Further targets and next steps

Target:

- › Productivity enhancement while retaining the scrap utilisation rate in the range of 75 to 80 % on average across all products

Next steps:

- › Advancing the circular economy and closed loop projects
- › Continuation of existing research and development projects
- › Expansion of recycling capacities and expertise in the scrap sorting area

WASTE (GRI 3-3)

AMAG is committed to environmentally responsible waste management. A special focus is placed on waste prevention and the disposal of hazardous waste (such as used oil, emulsions, workshop waste and filter dust, etc.) in compliance with statutory requirements. The following exclusive approach applies at all locations: prevention BEFORE recycling and BEFORE disposal. AMAG is thereby pursuing the “Zero Waste to Landfill” objective.

In the manufacture of products, as well as in the performance of production processes and other activities, attention is paid to environmentally sound waste management. Waste is generated in production, in the maintenance and servicing of equipment, in the new construction and conversion of infrastructure as well as during administrative activities. The largest share of waste at the Ranshofen site comprises metal scrap, which is a key raw material for AMAG products. The raw materials are described in detail in the corresponding chapter.

Target 2023

- › Avoidance or reduction of waste; production-specific waste volume < 16 kg/t at the integrated Ranshofen site

Management approach (GRI 306-1)

Waste management forms part of operational environmental protection, which is anchored within the organisational responsibility of the management systems department. Further information is presented in the *Energy and emissions* section. The reduction and recycling of waste is set out in the *Environmental guidelines*.

“Waste management” procedural instructions regulate waste management (with the exception of aluminium scrap) in the production and administrative areas, and are binding for all AMAG companies at the Ranshofen site. *Waste managers* have been appointed for the operational collection and treatment of hazardous waste. *Officers* have been appointed for non-hazardous waste.

The individual companies’ management teams are responsible for monitoring compliance with waste legislation. They are supported by the *environmental officers* and, at the Ranshofen site, by the *waste management officers*, who are required to submit reports.

Central waste logistics at the Ranshofen site are handled by AMAG service, which also operates the new interim waste storage facility constructed in 2021. This is where waste is centrally collected and digitally recorded according to type, quantity, origin and location. The disposal of defined waste flows, such as filter dusts, emulsions and salt slag, is handled directly by the Group companies.

As part of the smelter operation at the Ranshofen site, which was discontinued in 1992, various types of waste were sent to a landfill. The aftercare of the landfill, which is recorded in the contaminated sites register, is realised on an ongoing basis by the technical departments.

The leachate produced in the landfill is treated on the plant premises, and the groundwater in the vicinity of this landfill is monitored at regular intervals. The company is also aware of other former landfills that are included in the register of potentially hazardous sites. AMAG owns an abandoned landfill site in Furth im Wald (Germany) which is undergoing aftercare and is required to report annually to the relevant authorities on the environmental situation of this landfill site and on precautionary measures. Implementation and monitoring of the measures are the responsibility of the respective management.

Central measures in 2023 (GRI 306-1, 306-2)

- › Evaluation of further measures for the reduction of packaging material (such as wood, foils)
- › Training via CIP screens on the topic of waste

At the Ranshofen site, waste is recorded on a complete basis according to waste type and volume for the purpose of traceability in accordance with the Austrian Waste Documentation Ordinance. Waste at the Ranshofen, Karlsruhe and Übersee sites is transferred to licensed companies for disposal and treatment in accordance with legislation. For the AMAG components sites, waste is collected by local waste disposal companies.

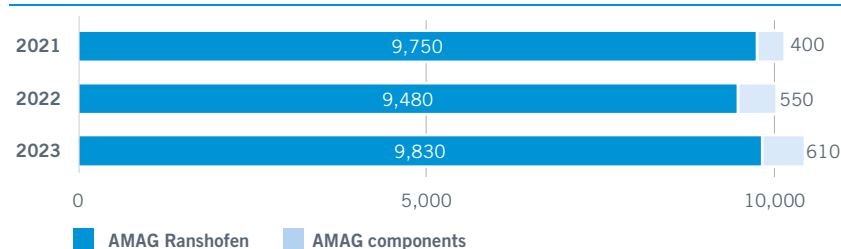
SALT SLAG: Salt slag is a significant type of waste at the Ranshofen site. The recycling of aluminium in tilting drum smelting furnaces requires the application of salt flux to provide protection against oxidation and to remove and separate the oxidic and non-metallic contaminants. This generates salt slag, all of which is recycled by specialist companies. Delivery to the recyclers is by rail. The oxidic residue is utilised in the cement industry, for example. Recovered salt can be re-utilised in the cast-house as salt flux.

WASTE REDUCTION: As part of implementing the measures from the energy and environmental program, waste reduction potentials are evaluated and projects are carried out. Due to necessary maintenance and servicing measures and greater process-related requirements, as well as the commissioning of the new coil finishing line, a higher waste volume was recorded. As part of environmental management, the topic is addressed, documented and, if necessary, appropriate measures are derived accordingly.

Employees receive regular training via CIP screens on waste reduction and correct disposal measures. The CIP screens are installed at assembly points in the factory halls. These screens not only inform employees about company matters but also provide content-related training sessions and serve as a source of information directly at the place of work.

Results (GRI 3-3)

Total waste volume in tonnes

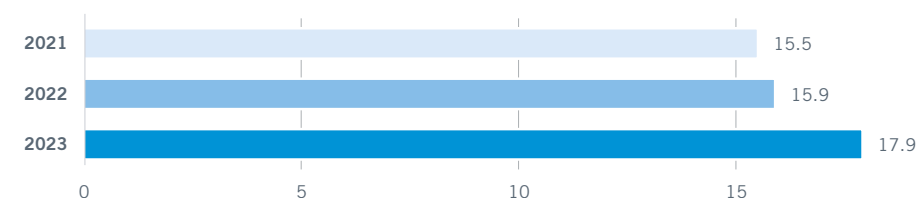


Of the waste volume at the Ranshofen site in 2023, 5,300 tonnes were classified as hazardous (2022: 5,170 t) and 4,530 tonnes as non-hazardous (2022: 4,310 t).⁵ In the process, 65 % of non-hazardous waste (such as waste wood, iron and steel waste) was recycled and 35 % disposed of. Of the hazardous waste (such as used oil, filter dust), 6 % was recycled, and 94 % disposed of. Of the non-hazardous waste recovered, 2,380 tonnes (80 %) were recycled and 580 tonnes (20 %) were thermally recovered. Of the hazardous waste recovered, 124 tonnes (38 %) were recycled and 201 tonnes (62 %) were thermally recovered.

A total of around 610 tonnes (2022: 550) of waste were generated at the Übersee and Karlsruhe sites. (GRI 306-4, 306-3)

⁵ Waste types designated "g" in the 2016 waste list pursuant to Section 1 (1) are regarded as hazardous waste (Austrian Official Gazette [BGBl] II 2005/89; BGBl II 2008/498).

Production-specific waste volume in kg/t at the Ranshofen site



Specific waste volumes in relation to production volume amounted to 17.9 kg/t in 2023 (2022: 15.9 kg/t). (GRI 306-2)

The increase in waste volumes reflects scheduled maintenance and repair work on the furnaces, which leads to a higher volume of broken furnace linings and refractories. In 2023, increased expenses were recorded for work processes that generate washing and process wastewater, resulting in an increase in the amount of oil and water mixtures to be disposed of. These higher volumes were discussed at the environmental management team meeting.

The figures do not include:

- > Scrap metal generated during production, as this is recycled and returned to the production process as recycled scrap
- > Construction waste at the plant site that is reutilised as recycled building material
- > Waste from construction activities (such as construction and demolition wood, construction debris, concrete demolition, contaminated soils)
- > Wastewater
- > Salt slag

Further targets and next steps

Target:

- > Avoidance or reduction of waste; production-specific waste volume < 16 kg/t at the integrated Ranshofen site

Next steps:

- > Inclusion of waste reduction potentials in the energy and environmental program

SOLID CUSTOMER RELATIONSHIPS AND INNOVATIVE PRODUCTS

AMAG Group has been focusing on the responsible, resource-conserving production of aluminium for many years. Extensive, in-depth recycling expertise, especially in the case of significantly contaminated scrap, as well as application-oriented research and development form the basis for the innovation of sustainable products.

AMAG's innovation and R&D activities at the Ranshofen site are the driving force behind greater competitiveness and the development of customer-specific solutions as part of its strategy of profitable growth. Many of the product innovations directly or indirectly address current and global social and ecological topics such as fossil resource shortage, recycling, climate change and mobility. Special attention is paid to solutions that enable closed loop concepts with customers as well as alloy-to-alloy recycling, or allow recycling-compatible alloys and cross-over alloys, reduce environmental impacts (such as lightweight components) and offer new as well as improved application possibilities.

INNOVATION (GRI 3-3)

AMAG's research strategy aims to enhance competitiveness through developing customer-specific solutions to problems, as well as specialty products, thereby making important contributions to its growth strategy. A high level of specialisation, state-of-the-art production technologies and extensive digitalisation play an important role in this context. R&D activities also include optimisation of material characteristics and efficient materials deployment. At its locations, AMAG focuses here on collaborating with key customers from technologically challenging sectors with high innovation potential (such as automotive, aircraft).

Research and development efforts are focused on:

- › The manufacture of products promoting the use of aluminium and its sustainable development (including AMAG AL4®ever)
- › The deployment of R&D and technology to ensure optimal operation and enhance product quality
- › The development of new recycling technologies and the further development of existing recycling technologies for optimal materials utilisation (including alloy-to-alloy recycling)
- › Increasing the share of specialty products for tailor-made customer solutions through process and alloy development

- › The improvement of process stability, productivity, costs and safety through the use of digital possibilities (e.g. big data analytics)

Target 2023

- › Increase AMAG's share of specialties by 1.5 % (shipments in tonnes) per year to over 50 % by 2027 (according to the respective valid definition)
- › Research transfer and greater depth of scientific research through annual number of at least three new dissertations and at least twelve ongoing dissertations

Management approach

Responsibility for coordinating the research, development and technology of individual companies lies with the corporate technology department, whose management reports directly to the Chief Operating Officer. The department is responsible for the development and implementation of the R&D strategy, alliances with (non-)university research institutes, the new and further development of products and processes, application-oriented materials development, digital analysis technologies, and the intellectual property (IP) strategy for the screening, safeguarding and exploitation of intellectual property. The operating companies also have their own technology areas.

AMAG's innovation success is measured by, among other metrics, the number of new customers or new orders for which new applications for AMAG's products have been developed, and constantly monitored by the share of specialty products in its shipments. Successful innovations are also characterised by the optimisation of alloys, and these help to enhance materials efficiency (best possible utilisation).

RESEARCH AND DEVELOPMENT: The AMAG R&D system forms the crucial basis for innovative progress. In addition to the company's internal R&D departments, it consists of research partners and the Scientific and Technological Advisory Board, which has been an important accompanying body since 2008 and currently consists of eight permanent members. The experts on the Scientific and Technological Advisory Board belong to various universities (see the adjacent box) and support scientifically oriented projects or assist AMAG Group with technical issues. Equally, members study current technical literature and communicate concerning important publications, scientific and technological developments and trends, or patent applications. The Scientific and Technological Advisory Board, which meets every six months, develops measures to promote innovation, which are taken into consideration in the R&D strategy, among other areas. Implementation is monitored on an ongoing basis.

PARTNER UNIVERSITIES ON THE SCIENTIFIC AND TECHNOLOGICAL ADVISORY BOARD:

- University of Leoben
- JKU Linz
- Vienna University of Technology
- Graz University of Technology
- ETH Zurich
- Max Planck Institute in Düsseldorf

INNOVATION: AMAG relies on in-house research combined with expertise from partnerships with external entities. This networking of internal and external expertise not only contributes to the improvement of existing products, but also ensures forward-looking results. Accordingly, research partnerships range from basic research and conventional contract research to new product development. AMAG supports bachelor's and master's degree projects and dissertations, is a member of the Christian Doppler Society for Advanced Aluminium Alloys and participates in several COMET centres of excellence (Materials Center Leoben, AC²T). Last but not least, an endowed professorship at the University of Leoben is being financed together with the majority shareholder B&C, and work is ongoing in the materials development area in several working groups throughout Europe. Such measures serve to develop both expertise and personnel. Further alliances are listed in the adjacent box. These alliances are continuously deepened in the context of long-term projects.

ALLIANCES:

- University of Leoben
- Vienna University of Technology
- Graz University of Technology
- Johannes Kepler University Linz
- Paris Lodron University Salzburg
- ETH Zurich
- Friedrich-Alexander University Erlangen-Nuremberg
- Materials Center Leoben, AC²T
- LKR Leichtmetallkompetenzzentrum Ranshofen
- FELMI-ZFE Austrian Centre for Electron Microscopy and Nanoanalysis
- Freiberg University of Mining and Technology
- Max Planck Institute for Iron Research in Düsseldorf

CENTER FOR MATERIAL INNOVATION (CMI): The CMI materials research and testing centre is a central pillar of research activities at the Ranshofen site, where the R&D and technology departments as well as the production areas work closely together to advance alloy development and surface technology. Important future-oriented R&D topics are also addressed at the CMI. In addition to the development of new alloy classes, these topics also include decarbonisation. Moreover, the CMI provides significant support to the technology departments and the production areas of AMAG rolling and AMAG casting in issues relating to the physics of metals, and also performs approval tests for AMAG products at the end of the process chain. As AMAG serves many different industries and customers, a large number of different standard specifications and customer requirements must also be met. As a consequence, AMAG also complies with the relevant accreditations, certifications and approvals (see box).

ACCREDITATIONS, CERTIFICATIONS AND APPROVALS:

- ISO 17025
- NADCAP MTL
- NADCAP HT
- NADCAP NDT
- JIS MARK SCHEME
- IATF 16949
- AS/EN 9100

A wide range of test methods are available at the CMI to determine the material characteristics required by customers and to determine the resilience of AMAG products. This ranges from standard testing technology (tensile and compression testing, hardness testing, bending testing, etc.) to complex, three-dimensional sheet metal forming tests in the forming technology centre. A wide variety of sample geometries are produced according to clearly specified product-specific requirements and with the tightest tolerances in modern sample production.

The department for environmental measurement technology at the CMI performs regulatory emission measurements for systems requiring approval and is also the point of contact for special queries relating to immission control. In addition to product approval testing, damage analysis and the processing of metallurgical topics, the CMI also analyses operating materials (such as hot rolling emulsion, cold rolling oils) and develops them further together with external research partners.

SMART FACTORY: AMAG's digitalisation strategy pursues high standards in terms of planning, quality, reproducibility, speed of processing and flexibility; accordingly, the "Smart Factory for sample production and testing" has been introduced to implement highly efficient and automated material testing of sheet products from the rolling mill. The Smart Factory's range of machinery comprises an autonomous interlinked production system for sample production and tensile testing, plus intelligent software systems for sampling and materials testing management.

With the help of the smart production environment, inspection orders steer themselves through production, request their required capacities (machines, robots, means of transport, people) autonomously and can be clearly identified and localised at any time. This will provide significant flexibility in production routes and allow swift responses to changing customer requirements. A detailed description of the Smart Factory for sample production and testing is presented in the two [AluReport issues 01](#) and [02 2022](#).



Worldwide alliances have also been established in the area of testing technology, to which the company makes consistent recourse. Important activities include participation in committees, working groups and research projects initiated in this context, such as at European Aluminium (EA), the German Aluminium Association (AD), the German Materials Society (DGM), the German Aerospace Industries Association (BDLI), Hydrogen Europe, and in various standardisation bodies, such as the Austrian Standards Institute (ASI), the German Institute for Standardisation (DIN) and the Austrian Society for Non-destructive Testing (ÖGfZP). The extensive digitalisation of processes is being evaluated and further developed on the basis of the Smart Factory testing technology flagship project (see the [Central measures in 2023](#) sub-section in this section).

AMAG AL4®EVER PRODUCT PORTFOLIO: For many years, AMAG's strategy has relied on special products and innovation-based sustainability. The [Decarbonisation Roadmap](#) forms part of this strategy, which describes the path to climate-neutral production based on extensive R&D activities and investments in facilities and infrastructure. More extensive recycling, enhanced energy efficiency and the stronger replacement of fossil fuels are the key to achieving this goal. Even though AMAG Group is already very well positioned in terms of sustainable manufacturing entailing a small carbon footprint with the production of sustainable primary metal at Alouette, and cast and rolled products with a very high recycled content from Ranshofen, the company aims to go one step further and offer customers products that exhibit defined, small carbon footprints with related certification. This ambition has resulted in the [AMAG AL4®ever](#) family of aluminium rolled and cast products with significantly smaller carbon footprints (cradle-to-gate). This service model of providing certified products to customers requires stringent organisation in scrap management and separation, as well as closed loop systems, appropriate systems, and disciplined implementation documented by an auditing process. Customers that purchase a product together with a certificate are able to document and report Scope 3 emissions, such as "inbound CO₂" in their supply chain. With its innovative AMAG AL4®ever product line, AMAG is making a significant contribution to a transparent and significantly lower carbon supply chain. Now AMAG AL4®ever products have already been supplied to several industries, such as automotive and retail. [\(GRI 2-6\)](#)

INNOVATION AWARD: In order to recognise the special importance of innovation and technological development, innovation projects in the categories of product and process innovations are honoured at an annual innovation award ceremony. In addition, prizes are awarded each year for the best publications of the year ("Best Paper Award"). The Innovation Award and the Best Paper Award take into consideration not only scientific collaboration in the area of materials development and simulation, but also all areas of value creation, from optimal scrap utilisation through to the creation and deployment of intelligent data analysis tools.

CONTINUOUS IMPROVEMENT PROCESS (CIP): One of the company's special strengths also lies in its employees' creative potential and commitment. The continuous improvement process (CIP) gives employees the opportunity to actively help shape work processes and contribute ideas in terms of the company's activities, including ecological and social approaches. The CIP organisation within the company is based on efficient teams. The various activities of the CIP teams are brought to the attention of all employees via various communication channels and instruments such as notice boards, the intranet, regular newsletters, and CIP events based on a standardised reporting system. The suggestions for improvement are collected and processed in a central database. Administrators ensure that suggestions are systematically evaluated and processed. If the idea receives a positive evaluation, a bonus is paid to reflect the expected benefit. This actively promotes a culture of change and constant innovation.

Central measures in 2023

- › Multi-year collaboration with institutes in projects and expansion of the scientific network
- › Expansion of the scientific network for key topics (simulation, materials science, data analysis)
- › Targeted promotion of dissertation candidates to foster loyalty to the Group over the long term
- › Developing specialty products and efficient production processes
- › Tapping new applications for AMAG products
- › Industrial establishment of completely new alloy families (AMAG Crossalloys®)
- › FET projects “OExAir” (Operational Excellence Aircraft) launched in AMAG casting and AMAG rolling
- › Expansion of the AL4®ever family through greater scrap utilisation
- › Building up expertise in the decarbonisation area as part of several weeks of large-scale industrial trials on smelting by way of H₂
- › Advancing the use of digitalisation through statistical analysis deploying cloud computing, machine learning and materials tracking to enhance process efficiency
- › Green Business Data Award for forward-looking quality assurance and efficient materials and energy utilisation as well as emissions reduction

SCIENCE AND RESEARCH: Together with the Scientific and Technological Advisory Board, measures and target achievement levels were evaluated as part of the R&D strategy newly defined from 2022 onwards. At an annual meeting of the Board with the Chief Operating Officer, managing directors and further R&D managers, a list of recommendations for key topics was derived from this evaluation. No new priorities arose for the 2023 reporting year. Important successes have been achieved in the areas of decarbonisation, machining technology and the circular economy, and highly intensive work on implementation is ongoing.

The area of the circular economy and decarbonisation is also covered content wise by AMAG's two large, multi-year **Green Frontrunner projects** (DeCAST, DekaWW), which aim both to replace fossil fuels with regenerative alternatives and to boost the scrap utilisation rate while maintaining or improving product quality. Green Frontrunner projects are R&D projects that have to cover two dimensions of an offensive business field strategy: on the one hand, they promote new product, process and service innovations and, on the other, they are aligned with the European Green Deal and address the challenges of environmental and climate protection. They are funded by the Federal Ministry (BMK) and the Austrian Research Promotion Agency (FFG).

AMAG Austria Metall AG contributes financially to the expansion of research infrastructure at technical universities in Austria. For example, together with the private foundation B&C Privatstiftung, a seven-year research funding agreement was signed in 2021 with the University of Leoben for

personnel and infrastructure in the “Aluminium Microstructure Analysis Gainhub (AMAGh)”. The focus of this alliance is on research into the micro-structure of aluminium in order to be able to control its properties in further processing and applications. Already in 2022, Professor Pogatscher's CD laboratory “Advanced Aluminium Alloys”, a close cooperation with AMAG R&D, was also positively evaluated and extended for two further years with the option of an additional year.

To facilitate the transfer of research and increase the depth of academic research, work continued on the promotion of doctoral candidates at the Ranshofen site in 2023.

TECHNICAL PROGRESS: In 2023, the successful integration of the most advanced, leading-edge machining systems at the two AMAG components sites in Übersee am Chiemsee and in Karlsruhe marked a major step towards growth and greater efficiency in the production of aluminium and titanium components for the aircraft industry. A total of five new machining centres were put into operation, which are specially designed for machining components for the aircraft industry.

The modernisation of the AMAG components sites is a key component of a strategic master plan that includes investments in infrastructure projects, automation and new facilities, as well as the optimisation of materials flows. This will lay the foundations for the company's growth in an expanding market as well as for productivity and efficiency enhancement. The new systems also help to further enhance the quality, reliability and thereby the safety of air traffic.

In the project **SoRA (Science of Recycling Alloys)**, the company is continuously working towards increasing the proportion of recycled materials in existing products and towards developing new products comprising higher proportions of recycled materials. Detailed knowledge of the influence of chemical composition on material properties, optimisation of alloying and smelting technology, and process development in casting and rolling enable AMAG to maintain a consistently high scrap utilisation rate while at the same time increasing product volumes. Results from SoRA activities contribute significantly to the fact that a wide variety of scrap (from unpainted, large-scale production scrap to more heavily contaminated scrap) can be utilised to produce high-quality products again.

CERTIFICATIONS: In 2023, AMAG was once again awarded the “JIS Mark Scheme” certification in accordance with Japanese Industrial Standards (JIS) for aluminium products pursuant to JIS H 4000. The company was thereby recognised as a high-quality and reliable supplier with a strong commitment to the Japanese market. Back in 2020, AMAG was the first European aluminium producer to receive the JIS seal of approval, reflecting the highest quality standards in international comparison. Recertification in 2023 was awarded after a comprehensive audit including material tests and is valid for a further three years.

Increasing customer demands and requirements in terms of sustainability and recyclability are making the applicability of aluminium crossover alloys increasingly relevant. These requirements are met by **AMAG Crossalloys®**, which underline the potential of new approaches in alloy design by combining the best properties of individual alloying elements. For the production of crossover alloys, appropriate technologies are required for a stable manufacturing process, which AMAG and its research partners also dealt with intensively in 2023. Further information on the AMAG Crossalloys® can be found in the *Alu Report 02 2022* (see QR code). (GRI 2-6)



Increasing demands made of aircraft products require a constant expansion of testing competencies and testing capacities. At the Ranshofen site, AMAG is preparing for further growth in the aircraft sector with the modernisation of the laboratory for stress corrosion cracking (SCC) testing at the Center for Material Innovation (CMI).

In 2023, employees who came up with innovative ideas were once again rewarded in the form of the **AMAG Innovation Award**. The winning project in the “Product” category is concerned with the uni-alloy concept for automotive applications and Science of Recycling Alloys (SoRA).

DIGITALISATION: In the process area, the digitalisation of the entire process chain was advanced. The digitalisation and automation of the sampling process is an excellent example of such endeavours. Sampling is the starting point for almost all AMAG products at the Ranshofen site and is consequently of essential importance. The appropriate setup and connection of digital systems from data acquisition, processing and allocation through to integration in the ERP system has established an important building block for digitalisation, with the aim of making the entire process chain from input material to finished product digitally traceable at the click of a mouse.

In the digitalisation area, the implementation of AMAG’s data strategy was also advanced with the connection of the process plants. By automatically analysing the process data, a specific coil can be digitally tracked from the cold rolling mill through to the finishing lines with all its metadata including orientation (top/bottom, left/right, front/back). The activities for correct metre-precise coil tracking have already been started.

Data analysis at the casting plants was also successful. Evaluation of the process data revealed technological dependencies about which the company had previously been unaware. After successful verification of the hypotheses and corresponding process adjustment, the already low reject rate was thereby reduced even further. AMAG received the ICT Austria award for “**Sustainable Digitalisation**” in the “Data Science” area.

In the coilDNA area, the necessary printing equipment was installed and the tamper-proof digital identification code was applied to customer tapes. In addition to metadata, target-oriented metrics that are relevant for subsequent process steps are evaluated together with customers.

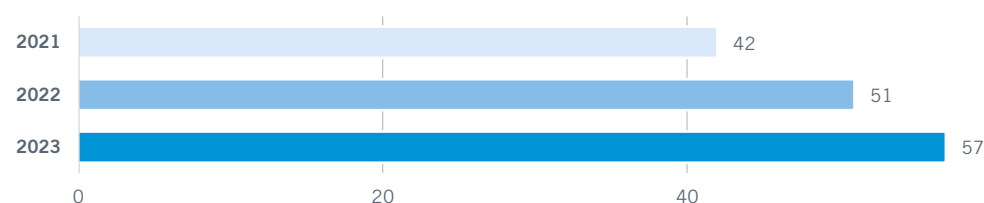
Digitalisation was also advanced in the facility management area. For example, software models have been created for various energy and media networks, which can now be used to simulate energy and media flows, enabling changes to the supply network and their correct design to be checked in advance and problem areas to be identified at an early stage. The software models make a significant contribution to maintaining and further improving supply security, and can also be exploited to derive specific action plans for risk minimisation and crisis management.

NEW IDEAS MANAGEMENT SYSTEM: In 2023, a new IT system was implemented for AMAG’s ideas management, whose key objectives are to enhance performance and improve user-friendliness. The new ideas management software is also intended to ensure that suggested improvements are processed efficiently and that they are assessed and implemented quickly. A primer and an information page on the e-learning platform ALEX were published as a guide for both submitters and reviewers.

Results (GRI 3-3)

AWARDS IN THE RESEARCH AND DEVELOPMENT AREA: AMAG ranked first in the Green Business Data Award for the efficient utilisation of environmental and sustainability data to achieve ecological goals. The award-winning “AMAG BigData for Predictive Quality” project enables early detection of quality deviations in the ongoing production process and the avoidance of unnecessary energy and resource utilisation.

Share of specialty products as % of shipments



The specialty share amounted to 57 % in 2023 (2022: 51 %).

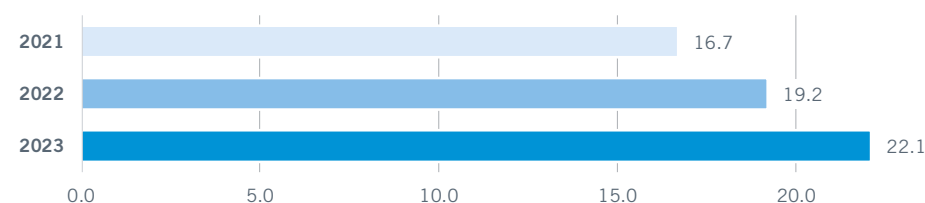
The specialty share refers to those products that meet defined criteria and significantly exceed the usual market standard. A distinction is drawn between two types of criteria:

Singular criteria: As soon as a product meets a criterion in this area – such as a unique position on the market – it is classified as a specialty product. Patented products, for example, fall into this category.

Multiple criteria: For classification as a specialty product, at least two criteria of a defined criteria catalogue must be met in this area. Heat-treated aircraft panels for OEMs with appropriate qualifications are one example.

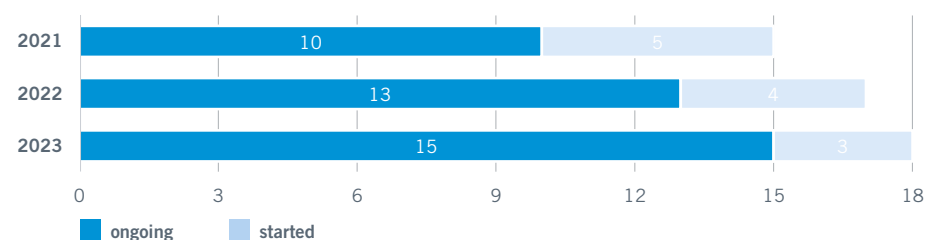
The high proportion of specialty products in the 2023 reporting year is primarily due to the changed product mix, which is the result of the increased supply to original equipment manufacturers (OEMs).

Research and development expenditures in EUR million



With 169 employees (December 31, 2023/headcount) in research and development, and expenditures in this area of around EUR 22.1 million (2022: 19.2 million), AMAG has positioned itself as an innovation leader and continues to build on this strength.

Number of dissertations supported

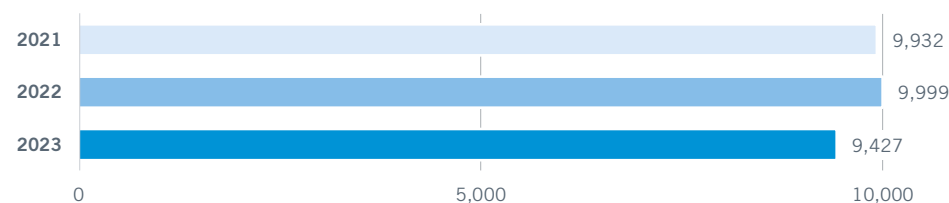


In the 2023 reporting year, the graduate rate in Ranshofen stood at 11.4 % (2022: 11.3 %), and at AMAG components at 5.3 % (2022: 8.9 %). A total of 15 ongoing dissertations are being supervised at the CMI (Center for Material Innovation), while 3 were started. Where necessary, follow-up dissertations on important topics have already been started. AMAG thereby lies within the target range of twelve ongoing dissertations at the Ranshofen site.

CIP – net benefit per employee

In addition to expenditure on research and development and the supervision of dissertations, employees' suggestions for improvement also represent a significant source of innovation.

A net benefit of EUR 9,427 per employee (2022: 9,999 EUR) was achieved in 2023.



A total of 9,238 suggested improvements (2022: 9,370) were submitted, with an implementation rate of 75.9 % (2022: 74.9 %).

Further targets and next steps

Targets:

- › Profitable increase in AMAG's share of specialties by 1.5 % (shipments in tonnes) per year to over 50 % by 2027 on the basis of the currently valid definition of share of specialties
- › Research transfer and greater depth of scientific research through annual number of at least three new dissertations and at least twelve ongoing dissertations

Next steps:

- › Market development and further development of Crossalloy® products
- › Expansion of the portfolio and increase in the volume of AL4®ever, AL4®ever star and ASI material sold
- › Development activities to increase the TRL (Technology Readiness Level) of AMAG's internal development activities (such as 5xxx+Fe)
- › Industrialisation of recycling-compatible alloys
- › Utilisation of data analysis (hypothesis generation) and machine learning to reduce waste and optimise processes

CUSTOMER RELATIONSHIPS AND CONSISTENT CUSTOMER ORIENTATION (GRI 3-3)

In order to ensure sustainable corporate development, AMAG focuses on sound and long-standing customer relationships. The aim is to continuously develop and deepen customer relationships and acquire new customers on a basis of trust in order to expand business relationships and create or deepen an understanding of customer requirements.

Customer expectations are crucial to AMAG's production, service and quality. One focus is on alloy and process development, which is also carried out in close coordination with customers, such as in the context of product research and development. One of AMAG's key principles is to manufacture all aluminium products in as environmentally compatible a manner as possible, thereby providing customers with the best possible support in achieving their own environmental and emissions targets.

Target 2023

Long-term retention of existing customers by deepening understanding of customers and attracting new customers, as well as by providing high-quality, sustainably produced aluminium products, including through:

- › Establishment and market communication of the AMAG AL4®ever and AL4®ever star products
- › Completion of trial orders and at least one series order in 2023

Management approach

In partnership with customers, AMAG focuses on recycling-compatible alloys and closed loop recycling. The company's customers are active in sectors such as the transport industry with a focus on the aircraft and automotive sectors, metals trading, construction and mechanical engineering, sporting goods, electronics and the packaging industry as well as renewable energy generation. (GRI 2-6)

The Ranshofen site produces cast alloys and rolled products of all aluminium alloy families. Components and ready-to-install parts made of aluminium and titanium are manufactured for the international aircraft industry at the AMAG components sites in Karlsruhe and Übersee am Chiemsee. As a consequence, the company is able to supply customers with customised specialty products with a small environmental footprint for a wide range of applications, and flexibly cover customer requirements.

The complete takeover of AMAG components in 2021/2022 marked the extension of the value chain in the aircraft sector. In addition to machining complex geometries from aluminium and titanium, AMAG components' specialities also include assembly expertise. Optimising the value chain by improving the use of materials and closed loop recycling helps to minimise the products' carbon footprint. At the same time, direct deliveries to AMAG components aim to increase the utilisation of AMAG's plate production capacity and strengthen its strategic position with key aircraft sector customers.

The core tasks of strategic development, tapping new markets and optimising the product portfolio are the responsibility of the Chief Sales Officer and of the business development, sales and marketing departments. Responsibility for operational sales lies with the management and is supported by divisional management and key account management. Sales are generally handled by AMAG's headquarters in Ranshofen or the Übersee site, and are supported accordingly by the sales branches.

In addition to direct communication with top management, senior executives and sales staff, customer requirements are identified in personal customer meetings at trade fairs and trade events or via external communication tools. For many years, the Net Promoter System has been used to improve product quality, problem-solving skills and delivery reliability based on customer feedback. All companies have set up quality management systems that serve the continuous review and improvement of customer satisfaction.

AMAG offers its customers appropriate branded products for the most demanding requirements. Some are listed in the adjacent box:

BRANDED PRODUCTS (GRI 2-6):

- AMAG AL4[®]aero
- AMAG AL4[®]architecture
- AMAG AL4[®]automotive
- AMAG AL4[®]brazing
- AMAG AL4[®]defense
- AMAG AL4[®]consumer electronics
- AMAG AL4[®]foundries
- AMAG AL4[®]grip
- AMAG AL4[®]packaging
- AMAG AL4[®]tooling
- AMAG AL4[®]transport
- AMAG AL4[®]trims
- AMAG AL4[®]sports
- AMAG AL4[®]Zn smelters
- AMAG AL4[®]ever & AMAG AL4[®]ever star
- AMAG ALSI7.REC
- AMAG Titanal[®]green 80

Central measures in 2023

- › Making further progress with customer qualifications and focus on customer demands
- › Intensive marketing communication (AluReport reports, Alu-Drive newsletter, promotional video)
- › Participation in the Paris Air Show 2023
- › Completion of the first trial and series orders for AMAG AL4[®]ever products
- › Regular customer meetings

The central importance of quality management is reflected in the fulfilment of numerous industry and customer-specific quality standards. AMAG successfully completed key management system recertifications in the areas of quality management (ISO 9001), quality management in the aircraft industry (AS/EN 9100) and in the automotive industry (IATF 16949), environmental management (ISO 14001), energy management (ISO 50001) and occupational health and safety (ISO 45001) in spring 2023 as well as recertification according to the Japanese JIS Mark Scheme quality standard.

The successful market positioning of AMAG AL4[®]ever products was further advanced in 2023. The first trial and series orders were completed. The AL4[®]ever product portfolio is characterised by a particularly low level of carbon emissions, thereby enabling customers to achieve their own emission targets or differentiate themselves accordingly.

In the packaging, aircraft and automotive sectors, ongoing discussions were held with customers, and contracts were concluded or existing contracts were extended with customers in 2023, with the aim of expanding resource-saving closed loop relationships.

PARIS AIR SHOW 2023: After a two-year interruption due to the pandemic, in June the 54th Paris Air Show reopened the doors of the historic Le Bourget airport for the largest aircraft trade fair. During the first few days, around 2,500 exhibitors from 50 countries, including AMAG, presented aircraft-related products, services and technological innovations to the trade public in a total space of 125,000 square metres. The remaining days were open to the general public.

Results (GRI 3-3)

In the 2023 reporting year, the Rolling Division shipped around 204,800 tonnes (2022: 223,400 tonnes) of high-quality aluminium products from the Ranshofen site, while the Casting Division shipped around 94,500 tonnes (2022: 92,700 tonnes). Positive trends in the aircraft industry and stable shipments in the automotive sector helped to offset market-led reductions in the areas of industrial applications, sport and architecture. The relevant market for the Casting Division relates mainly to Western and Central Europe. The automotive sector, including its supplier industry, represents the division's largest customer industry. In the development of recycling-compatible casting and wrought alloys, successful series transfers were made for products with a guaranteed small carbon footprint.

AIRBUS D2P CHALLENGER AWARD FOR AMAG COMPONENTS: AMAG components received the D2P Challenger award from Airbus in 2023. D2P stands for "Detail Parts Partner" and is an Airbus program to evaluate suppliers of detail parts, which is held every twelve to eighteen months. AMAG components has been listed since 2016 and has been D2P champion in the Challenger category since 2017. This category is for companies that are essential to Airbus. Competitor companies rank among the best machining companies in the world. The D2P award makes it possible to receive calls for tender directly from Airbus. Key figures such as delivery reliability, quality, service, competitiveness, size, financial security, investment capacity and sustainability are evaluated.

AIRBUS SQIP ACCREDITED AWARD FOR AMAG ROLLING: Already for the second time since 2020, in 2023 AMAG rolling received the "Accredited Supplier" award from Airbus, the highest award level of the program, thereby forming part of the Supply Chain & Quality Improvement (SQIP) program. Airbus operates this program together with selected premium suppliers to ensure continuous improvement of the entire supply chain.

Further targets and next steps

Targets:

Long-term retention of existing customers by deepening understanding of customers and attracting new customers, as well as by providing high-quality, sustainably produced aluminium products, including through:

- › Establishment and market communication of AMAG AL4[®]ever products in the context of customer visits, trade fair appearances and other marketing initiatives
- › Conclusion of AMAG AL4[®]ever series orders in the automotive sector, conclusion of orders for industrial applications and special products as well as clarification of requirements for AMAG AL4[®]ever for selected target customers in 2024

Next steps:

- › Customer loyalty through market differentiation for recycling-based cast alloys with small carbon footprints (substitution of primary cast alloys)
- › Regular customer meetings to determine specific customer requirements

B INFORMATION ABOUT THE SOCIAL AREA

KEY PERFORMANCE

HONEST EMPLOYEE RELATIONS & SOCIAL RESPONSIBILITY

- › The headcount including AMAG components increased to 2,164 employees (reporting date/individuals) (2022: 2,140)
- › Signing of the Diversity Charter
- › Preparation of information on respectful interaction at AMAG
- › Opening of the new AMAG company restaurant
- › New training centre opened in Ranshofen (Learning Quarter)
- › Special training formats for shift leaders and CIP group spokespersons
- › Scholarship for committed students with a migration background in Upper Austria
- › Mentoring program for female polytechnic students
- › Implementation of an apprentice coach to make apprenticeships more attractive at AMAG
- › Integration of AMAG components into training and development operations
- › Appointment of a Women's Officer at the Ranshofen site
- › Health checks and back fitness courses at the Ranshofen site
- › Free consultation with an occupational and health psychologist
- › Introduction of welcome boxes for new employees

IMPORTANT POLICIES AND DOCUMENTS:

IMPORTANT DOCUMENTS:

- › Corporate policy
- › Human Rights Code

IMPORTANT COMPANY WORKS AGREEMENTS:

- › Application of recreation options
- › Company working time regulations
- › Company working time regulations – home office
- › Company wage and salary regulations
- › Master company works agreement on employee data protection
- › Company works agreement relating to the company suggestion scheme

IMPORTANT GUIDELINES:

- › Occupational safety
- › Training and development

OTHER:

- › COVID-19 prevention concept
- › External company information

KEY CERTIFICATIONS

- › ISO 45001 "Occupational health and safety management systems"
- › Seal of approval for workplace health promotion

HONEST EMPLOYEE RELATIONS AND SOCIAL RESPONSIBILITY

With more than 2,100 industrial and salaried employees, AMAG always strives to fulfil its responsibility towards all its staff. Mutual appreciation, trust, openness, and fairness in dealing with employees form the cornerstones of the company's actions, and skilled and motivated employees are an important key to the company's success. Continuous development in the areas of occupational safety and health protection, as well as customised training and development offerings, comprise key conditions for honest and responsible employee relationships at AMAG.

Sustainable employment development is also based on fair and attractive working conditions, which include internal company benefits extending beyond labour law requirements. Flexible working time models, comprehensive health services, community activities and events, support and promotion of volunteer work and numerous further measures have been decided on and are offered.

Promoting equal opportunities and diversity is also essential for a stable and successful company. Accordingly, a priority at AMAG is to recognise the diversity of its employees and to view such diversity as an opportunity for the company. Respectful interaction at all levels is a prerequisite for ensuring the well-being and satisfaction of employees.

OCCUPATIONAL HEALTH AND SAFETY (GRI 3-3, 403-1)

AMAG is committed to its duty to ensure, maintain and continuously improve the safety and health protection of all employees at every workplace on the basis of statutory regulations. The company, together with all employees, pursues a "zero accidents strategy" in order to identify, analyse, evaluate and eliminate potential hazards. An important support for this aim is the database that records relevant incidents from which the key figures for occupational safety are derived represents an important tool in the realisation of this vision. High occupational safety standards also apply to external company employees working at the site. In addition to health protection and promotion, the focus is on exercise, nutrition and psychosocial health care. (GRI 403-2)

Occupational safety is based on four pillars:

- › **Workplace evaluation:** Records and documentation of all workplaces and operations, maintenance and repair work, emergency and rescue measures, including evaluation documentation
- › **Incident/safety audit database:** Reporting of relevant incidents including recording and reporting, risk assessment as well as instruction, determination of measures and reviewing them for effectiveness
- › **Legal compliance:** Compliance with occupational health and safety legislation, including establishment of an in-house occupational health and safety organisation that complies with legal and normative requirements; integrated contractor/access management
- › **Machine safety:** Compliance with and implementation of the legal requirements (in particular the requirements of the CE directives such as the Machinery/Low Voltage Directive) based on relevance testing and harmonised standards

These pillars are supplemented by the following principles, which are essential for safety:

- › Information
- › Trust
- › Competence
- › Experience
- › Appropriate protective clothing
- › Precision
- › Considered actions

Target 2023

-
- › Reduction of the TRIFR accident rate as part of the “zero accidents” strategy to a target level of ≤ 1.1 in 2023 given a long-term TRIFR target level of 1.0 by 2024.
-

Management approach (GRI 403-1)

The Management Board and the individual companies' management teams are responsible for occupational health and safety. Optimisation potentials are identified and strategic goals are defined. The occupational safety department is assigned to the management systems area. Its head reports directly to the Chief Operating Officer.

PERSONAL PROTECTIVE EQUIPMENT – PPE: Protective equipment must be worn in the production areas. Personal protective equipment generally consists of head protection, hearing protection, overalls and safety shoes. Additional regulations also apply to certain areas or activities.

MANAGEMENT SYSTEM ACCORDING TO ISO 45001: The processes and standards in the area of occupational safety are aligned with the requirements of the international occupational safety management standard EN ISO 45001, which are integrated into the existing management system and documented in a corresponding guideline. All employees (including temporary workers) are covered. The management system for occupational safety and health at the Ranshofen site is certified. Extensive safety instructions and audits, training measures and workshops as part of the Continuous Improvement Process (CIP) serve to achieve the objectives. (GRI 403-8, 403-7)

EXTERNAL COMPANY MANAGEMENT: In order to ensure safe collaboration with external companies, digital safety training is provided, with additional tests to establish that such training has been comprehended. The central principles and requirements relating to occupational safety are also set out in the [ESG requirements for suppliers](#) and consequently also apply to the supply chain.

QUENTIC: Quentic is a modular, cloud-based database used to record and document legal and normative requirements relating to occupational safety, incident management, audits and hazardous substances. The data can be recorded on mobile devices via an app and can then be processed on a computer. (GRI 403-1)

AUDITS: The effectiveness of the occupational safety system and the fulfilment of normative requirements are regularly reviewed by internal and external audits.

SAFETY STEERING COMMITTEE – SILAS:

SILAS is the highest supervisory body for occupational safety and health management and is headed by the Management Board. It is responsible for reviewing legal compliance and the effectiveness of occupational health and safety on the basis of defined performance indicators and, if necessary, deciding on any corrective measures, as well as for initiating work topics and groups.

Permanent SILAS members:

- › Management Board
 - › Management teams of the operating companies
 - › Occupational safety managers
 - › Preventative staff (safety specialist, safety officer)
 - › Occupational medicine
 - › HR department and the Works Council
-

OCCUPATIONAL SAFETY AND HEALTH COMMITTEE (ASA): The Occupational Health and Safety Committee deals with safety incidents and the measures taken, key issues from safety audits, and evaluations of key figures. It defines improvement measures in the occupational health and safety area and decides which additional topics SILAS is to deal with. In addition, safety officers (SVP) take part in ASA meetings of the individual companies as employee representatives.

SAFETY SPECIALIST (SFK): The safety specialist's most important tasks include providing safety-related advice to supervisors and employees, supporting compliance with occupational safety laws and reporting accidents at work to external organisations and authorities.

SAFETY OFFICER (SVP): Safety representatives and safety officers are defined and registered for the operational areas. They provide support and information to employees on safety and health protection topics. They represent the interests of the employees vis-à-vis the employer, the relevant regulators, and other bodies in consultation with the employee bodies.

OCCUPATIONAL MEDICINE: As part of the Human Resources department, occupational medicine at the Ranshofen site is the central point of contact for health-related issues, from first aid and medical examinations through to health promotion and counselling. The care of the workforce is provided by a dedicated team of medical doctors. External works doctors have been engaged for the two AMAG components sites in Germany.

COVID-19 PREVENTION CONCEPT: The [COVID-19 prevention concept guidelines](#) regulate the handling of COVID-19 for all AMAG Group companies at the Ranshofen site until further notice, and describe the COVID-19 prevention concept required by law. Responsibility is defined in AMAG Group Communications in coordination with AMAG Occupational Medicine.

WORKPLACE HEALTH PROMOTION: The AMAG site in Ranshofen holds the Seal of Approval for Company Health Promotion (BGF), a national award in the employee health area. Related measures are particularly effective in the areas of occupational health and safety, ergonomics, nutrition and psychosocial healthcare. Health promotion is integrated into the CIP system so that employees suggest improvements, with the result that it can continuously and consistently inform as many relevant processes as possible. ([GRI 403-3](#), [403-4](#), [403-6](#), [403-8](#))

Central measures in 2023

- › Implementation of the 2023 occupational safety program
- › AMAG components: integration on track
- › Maternity protection evaluations
- › Workplace evaluations
- › First aid exercises in the operational area
- › Safety training
- › Health checks
- › Implementation of company vaccinations
- › Physiotherapy and back fitness course offerings
- › Participation in running events
- › Free of charge psychological counselling offerings
- › Health survey for Seal of Approval for Company Health Promotion (BGF), evaluation and application for the BGF
- › Implementation of occupational safety focus areas in Group companies
- › Change in occupational medicine
- › New defibrillators

OCCUPATIONAL MEDICINE: A change occurred in the AMAG Ranshofen company outpatient clinic in the 2023 financial year. The AMAG company doctor retired after around twenty-five years of service for the company. Since September, the occupational medicine team has been supported by a new staff member and now consists of two female practitioners and one medically qualified employee.

HEALTH SURVEY: The health and job satisfaction of employees is a special priority for AMAG. As a consequence, a health survey was conducted at the Ranshofen site at the beginning of 2023. The results form an important foundation for the further development of workplace health promotion and the ongoing evaluation of mental stress in the workplace.

DEFIBRILLATORS: Ten new defibrillators have been in operation at the AMAG Ranshofen site since July 2023. Spoken instructions and pictograms guide users through the resuscitation process. As part of the new acquisition, three events were held to demonstrate the use of the new defibrillators.

HEALTH CHECK: In the period from the end of February to the end of March 2023, employees at the Ranshofen site once again had the opportunity to undergo a health check. The focus this year was on the thyroid gland. The examination included a detailed blood test, a blood pressure measurement and a body fat measurement.

MENTAL HEALTH PROMOTION: The company endeavours to counteract the negative psychological effects that professional or private challenges can entail. All employees are supported in maintaining and promoting their psychosocial health through free consultations with the occupational and health psychologist in Ranshofen.

COMPANY RESTAURANT: The fact that AMAG employees value their health is also shown by the figures for the new company restaurant. In 2023, around 61,000 meals were served, around 40% of which were vegetarian or vegan.

Key occupational health and safety topics in 2023

- › Raising the awareness of safety officers, managers and new employees about occupational health and safety issues
- › Communication of safety topics via AMAG connect and display of safety topics on CIP screens at exposed points in production areas
- › Safety Campaign 2023: The specification of new protective equipment, the evaluation of hand sorting in relation to ergonomics, load handling and the development and implementation of a new concept for emergency showers, among other measures, were carried out according to the STOP principle (substitution of potential hazards, technical and organisational measures, personal protective equipment)
- › Rescue chain exercise: Re-enactment of various accident situations, including first aid, securing the accident site and checking the functioning of the information chain
- › Pilot project – “internal traffic versus passenger traffic”: Special sensors distinguish between vehicles and people, and LED spotlights project pictograms and stop lines
- › Increased on-site presence of the occupational safety department: Safety tours, audits, personal consultation

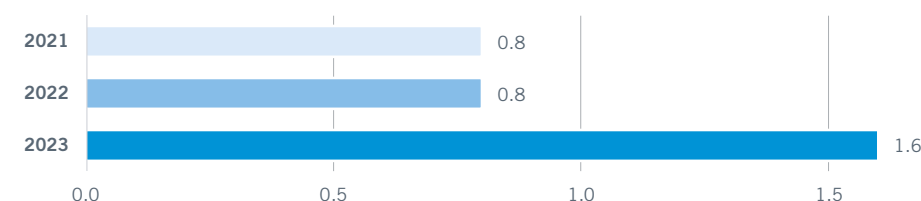
OCCUPATIONAL SAFETY AWARENESS: Ongoing activities included safety audits and the measures derived from them, workplace evaluation, the provision of safety information via AMAG connect and in the ALEX e-learning system, and ensuring machine safety and legal compliance for new plants and conversions. The so-called “**Safety Quarter Hour**”, during which employees are informed weekly about current topics (incidents, ad hoc training, safety videos) either via CIP screens or in conversation with their direct supervisors (shift supervisors/foremen), was continued in 2023. Safety seminars were held for safety officers, and basic safety training (lecture and instruction) for new employees. The changeover to the new, higher-quality workwear and protective wear that was already launched in 2021 is being continued on an ongoing basis. Support and coordination of digital access management for external companies and visitors was ensured. **(GRI 403-5)**

On May 7, 2023, the AMAG team took part in the Wings for Life Run. A total of 47 employees covered a combined running distance of 580 kilometres. Participation supports spinal cord research. The company was also strongly represented at the Business Run of the Austrian Chamber of Commerce (WKO). A total of eleven teams with three runners each competed and four of these ranked among the top 100 of the 679 participating teams.

Results (GRI 3-3)

Performance in the area of occupational safety is assessed using the TRIFR (Total Recordable Injury Frequency Rate) safety indicator. TRIFR measures the accidents (per capita) with Lost Time Injuries (LTIs), plus incidents entailing medical treatment in relation to the sum of working hours⁶ x 200,000 hours. Road accidents and accidents involving other employees are not included in the statistics.

TRIFR at the Ranshofen site



At the Ranshofen site, a TRIFR figure of 1.6 was achieved (2022: 0.8). For the AMAG components sites, the TRIFR figure stood at 5.5. The TRIFR target of < 1.1 for the Ranshofen, Karlsruhe and Übersee sites, which was set for the 2023 financial year, was exceeded with a TRIFR figure of 2.1. For contract workers, the TRIFR figure for the three sites was recorded at 16.7 (2022: 4.6). After two excellent years, AMAG's aspiration could clearly not be met with the TRIFR 2023. Prevention and education are essential for a stable TRIFR target of 1.0. An evaluation of TRIFR-related accidents by injury type showed that the most frequent accidents occurred due to stumbling and falling as well as “getting trapped and squeezed”. This evaluation once again served as the basis for determining work safety priorities to counteract the higher number of accidents and to create improvements for the following years.

The number of occupational accidents amounted to 35 (2022: 17), including 24 in Ranshofen (2022: 12) and 1 accident involving a contract worker (2022: 1). A total of 11 occupational accidents occurred at AMAG components in the 2023 reporting year (2022: 5), including 2 accidents involving contract workers (2022: 0). As in previous years, in 2023 no fatalities occurred due to work-related injuries. In 2023 there was one work-related injury that prevented return to work within six months. **(GRI 403-9, 403-1)**

⁶ Number of employees in FTEs x 1,600 hours + actual contract worker hours

The rate of lost work days⁷ in relation to the company's own employees amounted to 49.3 in the 2023 reporting year (2022: 19.6). At the Ranshofen site, the rate of lost work days among the company's own employees amounted to 49.7 (2022: 20), while the rate at the AMAG components sites amounted to 46.5 (2022: 16.2).

The number of work days lost by the company's own employees amounted to 822 (2022: 298), including 735 in Ranshofen (2022: 271) and 87 at AMAG components (2022: 27).

Actual productive hours (including temporary workers) amounted to a total of 3,022,121 hours in 2023 (Ranshofen: 2,657,121 hours; AMAG components: 364,306 hours). (GRI 403-9)

Further targets and next steps

Target:

- › Reduction of the TRIFR accident rate as part of the “zero accidents” strategy to a target level of ≤ 1.0 by 2024

Next steps:

- › Continuation of the integration of AMAG components into the AMAG occupational safety standard – preparation for an ISO 45001 certification
 - › Continuation of the occupational safety program with a focus on “raising awareness of occupational safety” for the whole business concern
 - › Definition of current focus topics, such as those deriving from measures from incidents or audits
 - › Create safety videos to support instructional materials
-

⁷ Definition of LDR: number of days lost including public holidays and weekends in relation to total productive hours (FTEs x 1,600 h) x 200,000 hours

TRAINING AND DEVELOPMENT (GRI 3-3)

It is an important aim of AMAG to promote and develop new and existing employees and offering them appropriate future prospects in order to achieve a high level of employee retention is a key objective at AMAG. Our actions are based on strengthening the internal learning culture and building a future-oriented, learning organisation. Expertise-oriented and sustainable employee development helps to ensure the company's successful performance. Tailored training and development programs ensure internal talent development.

Target 2023

- › Qualification and development of all employees
- › Increase the number of training and development courses to an average of two days per employee in 2023, including AMAG components

Management approach

AMAG is a future-oriented, learning organisation and is based on sustainable employee development, which is ensured by appropriate training and development measures. The constantly diminishing number of external skilled staff and the ever-increasing demands placed on employees pose a major challenge, and for this reason AMAG sees it as its task to provide existing employees with the best possible training and development. In the first instance, all training and development measures are managed centrally for all companies in the HR department, especially HR development, and are accessible to all employees in the training catalogue. The aim of all development measures is to ensure sustainable knowledge transfer and necessary qualifications in accordance with legal regulations and customer or internal company requirements.

EMPLOYEE GOAL SETTING AND DEVELOPMENT MEETINGS: In annual employee goal setting and development meetings between employees and managers, the need for further training is determined and, where necessary, appropriate training and development measures are introduced. A key approach here consists of structured training programs that build on each other and create an internal pool of young talent. These young talents are specifically promoted and prepared for future tasks.

TRAINEE PROGRAM: Trainee programs are strategic HR development measures that serve to recruit and promote young talent. Through at least 18 months of in-house training (job rotation in various specialist areas) with coordinated accompanying training measures, business orientation and specialist training are combined with the further development of personal skills. The HR development department is involved in the design of trainee programs from the outset.

APPRENTICE COACH: Since 2022, an additional contact person has been available for apprentices at AMAG's Ranshofen site, who specifically addresses individual concerns and needs in personal discussions. Active dialogue with the AMAG apprentice coach is intended to prevent conflicts and misunderstandings. Apprentices are continuously accompanied and supported during their training. For example, tutoring courses in various subjects are also offered.

ALEX: With AMAG Learning & Expertise (ALEX), AMAG's e-learning platform, the company provides all employees with simple, fast and flexible access to the training content that is required as part of the company's mandatory training. In the future, the platform will offer a wide range of training opportunities that can be booked independently. ALEX is available to all employees in Ranshofen and at both AMAG components locations.

DEVELOPMENT PROGRAMS: A key training format is the so-called "AluAkademie", which creates the basis for AMAG-specific knowledge. Both new and existing employees can take part. For employees from the production environment, the "Master Academy" offers an exciting opportunity for further development. The "Key Player Program" is intended to prepare specialist experts and junior managers for the assumption of responsibilities. Building on this, there is the "Leadership Program", in which skills are further developed and consolidated. The "Young Talents Program" serves as preparation for the future assumption of key positions at AMAG and takes place every five years.

APPRENTICESHIP AT AMAG: At its Ranshofen site, AMAG offers training in eleven apprenticeships in cooperation with the Braunau Training Centre in which AMAG holds a 20 % interest. As future skilled workers, the apprentices receive practical training in modern workshops in various specialist areas and complete their basic metal training as well as subject-specific modules at the centre. Around three quarters of the apprentices complete vocational school or their final apprenticeship examination with excellent or good results. An option also exists to complete an apprenticeship with a (high) school leaving certificate.

As part of the “Apprenticeship at AMAG. Apprenticeship with a future” project, apprenticeship training was analysed with regard to potential for improvement. Steps deriving from this relate to the apprentice presence on the AMAG website, internal training documents, personal support and the recruiting of apprentices.

The early retention of potential employees is achieved through the supervision of final theses and dissertations and participation in information evenings at the respective universities. University alliances promote teaching and research in AMAG-relevant disciplines.

Central measures in 2023

- › Extensive range of training courses in various expertise areas (personal and social skills, technical and methodological expertise, leadership and strategic skills, language and intercultural skills)
- › Development of special training formats for shift leaders and CIP group spokespersons
- › Integration of AMAG components into training and development operations
- › Opening of a new training centre (Learning Quarter) at the Ranshofen site

In the 2023 financial year, the focus of training and development was on programs concentrating on communication and conflict management as well as Office365, which were developed for shift managers and CIP group spokespersons, for example. The AluAkademie started in September 2023 with 40 participants.

APPRENTICESHIP FAIRS: In October 2023, AMAG was represented at several apprenticeship fairs with its own stand and the apprenticeship coach.

Results (GRI 3-3)

NUMBER OF HOURS FOR TRAINING AND DEVELOPMENT⁸

	Group		Change in %	AMAG Ranshofen	AMAG components
	2023	2022		2023	2023
total	55,190	43,853	25.9	49,137	6,053
per employee	26	20	24.5	26	25
per woman	23	22	5.9	24	8
per man	26	20	28.0	26	27
per industrial worker	10	7	36.0	10	6
per salaried employee	14	9	48.8	15	8
per apprentice	398	361	10.4	415	323

In the 2023 reporting year, 55,190 hours of training and development were completed by employees (2022: 43,853), equivalent to an average per employee of 26 hours (2022: 20). Due to external training at the Braunau Training Centre, the training hours for apprentices are significantly higher. This survey does not include training and development hours as part of the “AluAkademie” and participation in lectures and conferences. (GRI 404-1)

A total of 20 apprentices completed their training at AMAG in the 2023 reporting year, including five with excellent grades and ten with good grades.

Employee participation in goal setting and development meetings stood at 93 % in the 2023 reporting year, including AMAG components. Exceptions include trainees, employees with reasons for absence (such as military/community service, parental leave) and employees with employment contracts of less than six months. In addition to the training and development measures agreed in the employee goal setting and development meetings, such measures are also agreed throughout the year. At AMAG components, employee interviews are conducted in accordance with the AMAG standard, although not yet in digital form, as already established in Ranshofen. (GRI 404-3)

⁸ Excluding AMAG sales companies and the interest in Alouette

Further targets and next steps

Targets:

- › Qualification and development of all employees:
- › Reach an average of two days of training and development courses per employee in 2024
- › Utilisation of the new training centre (Learning Quarter) at the Ranshofen site of at least 60 %

Next steps:

- › Development of a new training format: Training day for all managers on currently relevant topics
- › Further development of the annual employee goal setting and development meeting as an instrument for employee development (revision of the questions and targeted training of managers and employees)
- › Increased provision of e-learning courses for personal development via the ALEX learning platform
- › Evaluation of the educational and further educational offers with respect to need and quality
- › Renewal of the apprenticeship workshop centre at AMAG components in Übersee am Chiemsee
- › Measures to increase the number of apprenticeships at all sites of AMAG

WORKING CONDITIONS AND EMPLOYMENT DEVELOPMENT (GRI 3-3)

As a responsible employer, AMAG Austria Metall AG is committed to fair and transparent working conditions, which include internal company works agreements as well as (inter)national statutory requirements. The statutory framework includes, among other elements, the ten core conventions of the International Labour Organization (ILO), the Austrian Labour Constitution Act (ArbVG) and the collective agreements applicable to the Ranshofen site for the Non-Ferrous Metals Industry Association of Austria.⁹

AMAG stringently observes employee rights with regard to freedom of association and collective agreements, fair working time regulations and appropriate remuneration, as well as the prohibition of child labour and any form of forced labour.

Open and constructive dialogue is essential in order to create a trusting working environment. Accordingly, transparent communication between AMAG and its employees and stakeholders is important.

Target 2023

- › Demand-based hiring to support AMAG's growth track
- › Strengthening of AMAG's employer brand while maintaining the employee turnover rate at or reducing it to < 6 % in 2023

Management approach

The strategic approach to sustainable employment management aims to cover current and future personnel requirements both quantitatively and qualitatively. Responsibilities lie with the HR department, with divisional management reporting regularly to the CEO. Tools and guidelines for the recruitment process, the onboarding phase, career and succession planning, and employee training and development formats are defined in the HR department. Open positions are initially advertised internally for existing employees and can be viewed in the HR department as well as via the AMAG Connect corporate platform. Only subsequently is a job advertisement placed externally. AMAG pursues the goal of promoting the development potential of existing employees in the best possible manner and of long-term hiring.

⁹ Workers' collective agreement in the version applicable to the Non-Ferrous Metals Industry Association of Austria; framework collective agreement, supplementary collective agreements and salary regulations for employees in the industry in the version applicable to the Non-Ferrous Metals Industry Association of Austria

EMPLOYMENT CONTRACTS AND COLLECTIVE AGREEMENTS: The employment relationship of employees and workers at AMAG is based on a written employment contract that complies with all statutory requirements. For AMAG employees in Austria, the collective agreements for the Non-Ferrous Metals Industry Association of Austria also apply. Divergent agreements in employment contracts (see company works agreements) are only valid if they do not contradict statutory and collective agreement requirements and place employees in a more favourable position. The employees at the AMAG components sites in Germany are not covered by any collective bargaining agreement. They are subject to standardised individual agreements with the employer in compliance with all relevant legislation.

POLICIES: Central [company works agreements](#) in the HR department define flexible working time models and home office regulations, working time regulations including maximum daily and weekly working hours as well as wage and salary regulations, among other matters. They are accessible to all employees. Company works agreements must comply with the statutory and collective agreement requirements and are directly legally binding.

Central company works agreements include:

-
- › Application of time off options (company works agreement pursuant to Section 96 (1) No. 4 of the Austrian Labour Constitution Act [ArbVG])
 - › Company working time regulations (company works agreement pursuant to Section 97 (1) No. 2/13 ArbVG)
 - › Company working time regulations – home office (company works agreement pursuant to Section 97 (1) No. 2/13 ArbVG)
 - › Company wage and salary regulations (company works agreement pursuant to Section 96 (1) No. 4 ArbVG)
 - › Master company works agreement on employee data protection
 - › Company works agreement relating to the company suggestion scheme
-

In addition to the employee rights set out in company works agreements, the [Human Rights Code](#) sets out further work-related rights that are of particular importance for employees at all AMAG locations as well as for suppliers, including the prohibition of child labour, any form of forced or compulsory labour, protection against discrimination and a commitment to diversity and equal opportunities.

SOCIAL DIALOGUE: At the site in Ranshofen, the Works Council, which has seats and voting rights on the Supervisory Board of AMAG Austria Metall AG in accordance with the Austrian Labour Constitution Act (ArbVG), represents employees' interests. The Works Council provides regular information via various channels (e-mails, Works Council newspaper, Works Council app) on matters relating to

labour law and collective bargaining agreements as well as on special offerings and support for employees.

AMAG has established an active feedback culture, which especially includes the annual employee goal setting and development meetings between employees and managers. This provides the opportunity to discuss personal concerns and address individual development potentials in the best possible manner.

With regard to minimum notification periods for significant operational changes, AMAG Ranshofen consistently adheres to the laws and regulations applicable in Austria, as well as the provisions agreed in the collective agreements for the Non-Ferrous Metals Industry Association of Austria. No minimum notification periods are applicable in Germany. AMAG components complies with applicable legislation in this regard. [\(GRI 402-1\)](#)

SCOPE OF APPLICATION OF THE TERMS AND CONDITIONS OF EMPLOYMENT: Rights and obligations in the context of the terms and conditions of employment apply to the entire workforce, including all contract workers. These employees are mainly deployed in the production area. The general conditions for the provision of labour are regulated in the transfer agreement between AMAG and the transfer company. Contract workers have an employment relationship with the transfer company. However, supervision and management are the responsibility of the company engaging the contract worker. [\(GRI 2-8\)](#)

WORK-LIFE BALANCE: AMAG supports a healthy work-life balance with various measures. These measures include the aforementioned company works agreements as well as offerings such as a four-week summer holiday care program for children, promotions and discounts for leisure activities and the promotion of volunteer work.

Central measures in 2023

Strengthening the employer brand:

- > Introduction of welcome onboarding boxes
- > Continuation of the partnership with Lease my Bike, Job Bike

Recruiting:

- > Enhanced communication with applicants via social media funnel
- > #Generation AMAG video campaign
- > Relaunch of the career homepage
- > Intensification of university contacts (informal events, career fairs, supervision of dissertations and theses, specialised and holiday internships, get-togethers at universities and colleges)
- > Participation in various trade fairs
- > Events and plant visits (AMAG company fire department exhibition, school visits, plant tours for interest groups)
- > Lecture series and activities at the AMAG Forum

Employee retention:

- > AMAG company restaurant (wide range of healthy and regional dishes)
- > Establishment of a free occupational psychology consultation hour
- > Implementation of back fitness courses
- > Various community-building events and activities

RECRUITING: Digital platforms (karriere.at) and social networks (LinkedIn, XING, Instagram, and YouTube) were increasingly utilised in order to reach potential applicants. The #Generation AMAG video campaign was continued by regularly publishing short videos with job descriptions of AMAG employees. Greater presence at schools (through class partnerships and internships) and the supervision of pre-scientific diploma theses were further advanced. A total of 123 interns were employed by AMAG in the 2023 reporting year. Presentations on various AMAG topics at the AMAG Forum give potential applicants an initial insight into the company and an opportunity to talk with employees.

EMPLOYEE RETENTION: The company uses various measures as a sign of its respectful treatment of employees and to position AMAG as an attractive employer. For example, employees benefit from improvements in the shift and bonus system, from flexible working hours through flexitime models, and from established home office arrangements. Additional benefits, such as a pension fund, are also available.

All employees can take advantage of the company's internal health promotion program (more on this in the *Occupational health and safety* section). Team sports events such as the AMAG ski day, pool and running events (Wings for Life Run, Business Run of the Austrian Chamber of Commerce) as well as social events, such as the AMAG company day, anniversary celebrations, and as part of the winners' trips of the CIP, innovation and social awards, also contribute to employee motivation.

The following measures aimed at employee retention have been constantly implemented in recent years and have become an integral part of the employer brand:

- > Improvement of overall conditions in the remuneration scheme for production employees (allowance system/shift leader and deputy allowance)
- > Introduction of a 4-shift fully continuous (light) shift system
- > Development and implementation of customised further education and training programs
- > Implementation of digital processes and increase in HR service level through IT-supported systems (digital workflows, digital remuneration and time record also for industrial workers, digital holiday and time compensation application for salaried employees)
- > Flexible working hours with various flexitime models in the salaried sector
- > Permanent home office arrangement (set out in company works agreement since May 2022)
- > Company pension (payment into a pension fund)
- > Employees owning shares in the company via the AMAG Arbeitnehmer Privatstiftung employee private foundation (which holds an 11.5 % interest in AMAG)
- > Employee catering (company restaurant including AMAG subsidy)
- > Events and campaigns for employees (such as running events, AMAGic Tree, doughnut and ice cream campaign etc.)
- > Health promotion measures (health check, courses for a healthy back)
- > Sabbaticals and semi-retirement, parental leave for fathers, fathers month
- > Holiday care program for children
- > Employee bonuses
- > Transport subsidy
- > Possibility of tax consulting for employees from Germany
- > Implementation of an onboarding tool
- > Further benefits and cooperation with corporate benefits
- > Job bike leasing

Although AMAG endeavours to retain employees over the long term, employee turnover rates in the 2021, 2022 and 2023 reporting years were nevertheless higher than the defined target (< 6 %). As part of a target evaluation by the Sustainability Committee 2023, the labour market situation as well as demographic, social and societal conditions were identified as the main reasons for the failure to meet the target. In a comparison of employee turnover within the sector, it was also found that a turnover rate of less than 6 % is rarely achieved. For this reason, an adjusted target of less than 8 % was defined for 2024.

Results (GRI 3-3)

The average length of service to the company of 11.3 years (2022: 11.2) shows that emphasis has been placed on collaborating closely with employees on a long-term basis.

The number of employees (counted per head) increased year-on-year to 2,164 (2022: 2,140). The proportion of employees covered by collective bargaining agreements in Ranshofen amounts to 99 % (this does not include the respective managing directors and the entire Management Board, with whom individual agreements have been concluded in each case). As of December 31, 2023, 78 AMAG apprentices were undergoing training (2022: 75), including 66 industrial (2022: 64) and 12 commercial apprentices (2022: 11). (GRI 2-30)

Based on flexitime models, 34 % of women (2022: 31 %) and 3 % of men (2022: 3 %) work on a part-time basis. The proportion of temporary employment contracts has settled at a very low level. A total of 2,135 employees (2022: 2,109) were permanently employed, while 29 employees (2022: 31) had temporary employment contracts.

On October 25, 2023, it was announced that CEO Gerald Mayer would be leaving AMAG at the end of the year, and on November 22, 2023 the announcement of the new Management Board was published. As of January 1, 2024, the AMAG Management Board will consist of CEO and COO Dr. Helmut Kaufmann, Chief Financial Officer Mag.^a Claudia Trampitsch and Chief Sales Officer Victor Breguncci, MBA. The announcement of the new composition of the Management Board was published. Both events were communicated to all stakeholders in accordance with statutory compliance requirements (EU Market Abuse Regulation ("MAR") and Directive ("MAD"), Austrian Stock Exchange Act 2018 (BörseG 2018)). (GRI 402-1)

TOTAL NUMBER OF EMPLOYEES

(AS OF DECEMBER 31/INDIVIDUALS)¹⁰

	Group		Change in %	AMAG Ranshofen	AMAG components
	2023	2022		2023	2023
Total	2,164	2,140	1.1	1,919	245
of which women	337	323	4.3	309	28
of which with permanent employment contract	334	320	4.4	306	28
of which with fixed-term employment contract	3	3	0.0	3	0
of which full-time	222	222	0.0	207	15
of which part-time	115	101	13.9	102	13
of which men	1,827	1,817	0.6	1,610	217
of which with permanent employment contract	1,801	1,789	0.7	1,599	202
of which with fixed-term employment contract	26	28	-7.1	11	15
of which full-time	1,777	1,768	0.5	1,571	206
of which part-time	50	49	2.0	39	11
Temporary employees	17	13	31	6	11
Contract workers	2	0	-	2	0

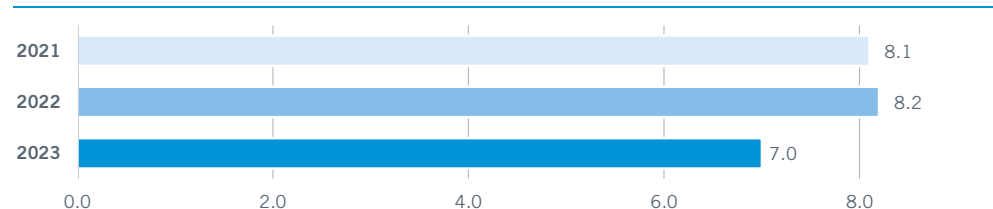
(GRI 2-7, 2-8)

¹⁰ Excluding AMAG sales companies and the interest in Alouette

**EMPLOYEES AT AMAG SALES COMPANY
(AS OF DECEMBER 31/INDIVIDUALS)**

SALES COMPANIES	Sales region		2023
	Asia, Europe & North America	Total	45
		of which women	19
		of which men	26
AMAG Asia Pacific and China	Asia: Taiwan, China	Total	7
		of which women	3
		of which men	4
AMAG Benelux B. V., Deutschland GmbH, Eastern Europe, France S.a.r.l., Italia Srl., rolling Iberia S.L, UK Ltd., Turkey	Europe: Netherlands, Germany, Czech Republic, France, Italy, Spain, UK	Total	28
		of which women	12
		of which men	16
AMAG USA Corp.	North America: USA	Total	10
		of which women	4
		of which men	6

As of December 31, 2023, the AMAG sales companies in Europe, Asia and North America employed 45 individuals (2022: 47), of whom just under 42 % were women (2022: 40 %) and 58 % men (2022: 60 %). All AMAG sales company employees are employed on a permanent basis. A total of 41 employees work full-time (2022: 45), and three employees (one employee AMAG USA Corp., two employees AMAG UK Ltd. and AMAG Benelux B. V.) work part-time (2022: 2). (GRI 2-7, 401-1)

Employee turnover in %

The employee turnover rate amounted to 7.0 % (reference date/headcount) (2022: 8.2 %). This includes all staff departures (excluding individuals going into retirement and employment contracts ending due to expiry or probationary periods concluding). The majority of departures occurred in the production areas, while a low turnover rate was recorded in the salaried employee area. Interviews were held with all employees to determine the reasons for leaving. (GRI 401-1)

DEPARTURES (AS OF DECEMBER 31/INDIVIDUALS)¹¹ (GRI 401-1)

	Group	Change in %	AMAG Ranshofen	AMAG components
	2023	2022	2023	2023
Total	206	234	-12.0	180 26
of which women	34	38	-10.5	28 6
of which under 30 years of age	7	17	-58.8	5 2
of which between 30 and 50 years of age	18	12	50.0	14 4
of which over 50 years of age	9	9	0.0	9 0
of which men	172	196	-12.2	152 20
of which under 30 years of age	53	67	-20.9	44 9
of which between 30 and 50 years of age	74	84	-11.9	67 7
of which over 50 years of age	45	45	0.0	41 4

¹¹ Excluding AMAG sales companies and the interest in Alouette

NEW ENTRANTS (AS OF DECEMBER 31/INDIVIDUALS)¹²

Group	2023	2022	Change in %	AMAG Ranshofen	AMAG components
	2023	2022		2023	2023
Total	236	289	-18.3	205	31
of which women	47	61	-23.0	44	3
of which under 30 years of age	18	39	-53.8	16	2
of which between 30 and 50 years of age	23	20	15.0	22	1
of which over 50 years of age	6	2	200.0	6	0
of which men	189	228	-17.1	161	28
of which under 30 years of age	96	105	-8.6	84	12
of which between 30 and 50 years of age	77	105	-26.7	66	11
of which over 50 years of age	16	18	-11.1	11	5

Further targets and next steps

Target:

- › Increasing the quality of job placements through target-group-oriented, national and international searches and maintaining the employee turnover rate at or reducing it to < 8 % in 2024

Next steps:

- › Ongoing improvement of the onboarding process
- › Enhancing employee loyalty (remodelling and improved offers in the restaurant, "Health Street" offering)
- › Expansion of communication with applicants via social media funnels to include the salaried employees area
- › Continuation of the #Generation AMAG video campaign
- › Expansion of the range of factory tours

¹² Excluding AMAG sales companies and the interest in Alouette

- › Use of new social media recruitment channels
- › Use of AI for the target-group-specific generation of job advertisements

EQUAL OPPORTUNITIES AND DIVERSITY (GRI 3-3)

AMAG Austria Metall AG is committed to promoting diversity and equal opportunities and to providing protection against discrimination. Characteristics such as age, origin (nationality, ethnicity), skin colour, marital status, parenthood, gender, gender identity, sexual orientation, disability, religion or belief are essential components of an identity and are particularly worthy of protection. Discrimination on the basis of these characteristics is strictly prohibited, the legal requirements and the corresponding ILO Core Labour Standard¹³ are complied with, and high internal standards are pursued. AMAG Austria Metall AG expects its employees and business partners to treat each other with respect. Diversity and equal treatment aspects are conveyed to the latter via the ESG requirements for suppliers.

For AMAG, diversity in practice means not only recognising the diversity of personalities, attitudes and motivations as normality, but also fostering such diversity to a special extent, and regarding it as a central development opportunity for the entire company. Accordingly, it is important to maintain a respectful and open approach and to ensure fairness and equal opportunities at all times, particularly with regard to development opportunities and remuneration.

Target 2023

Open approach to diversity and promotion of equal opportunities through:

- › Making technical professions more attractive for women
- › Increasing the number of female apprentices in the industrial area (to a share of 20 % by 2024 inclusive)
- › Increasing the proportion of women in (senior) management positions to reflect the average proportion of women in the company (by 2024)

Management approach

The Management Board, all managers and all employees bear responsibility for a non-discriminatory, inclusive and fair working environment. The Management Board and managers play an important role

¹³ ILO Core Labour Standard No. 111

as role models in this context and set corresponding targets as part of the annual sustainability program, which are monitored throughout the year and accompanied by measures where necessary. The commitment to non-discriminatory treatment is enshrined in both the company's Code of Conduct and its Human Rights Code. All employees can make recourse to various internal points of contact in the event of suspected unequal treatment, such as compliance officers, the HR department, line managers and representatives. Employees, business partners and the public can use the compliance line to report suspected cases, including on an anonymous basis.

Further responsibilities are assigned to HR management, including HR development and apprentice training. The range of training and development formats follows the principle of the best possible individual development and is open to all employees. Detailed information about training and development measures is presented in the *Training and development* section.

FAIR PAY: Salaries are based on stringent gender equality, and all employees are offered a fair basic salary. The bonus system for managers includes performance-related salary components and consists of company targets (monetary and non-monetary) and individual performance contributions.

SUPPORT INITIATIVES FOR WOMEN: AMAG is aware that equality between men and women requires internal measures that extend beyond statutory requirements. For this reason, the company is setting an example and promoting the commitment of women. The company has entered into partnerships with schools in order to encourage young women to become more interested in a technical career. Further coordinated measures are being implemented to create a diverse and appreciative working environment (see *Central measures in 2023*).

A database for applicants promotes transparency in application processes by digitally managing all internal and external job advertisements. Alongside professional skills and commitment, when selecting personnel importance is placed on the candidate's identification with AMAG's corporate culture which is characterised by respect, working together in a spirit of appreciation and innovative capability.

TEMPORARY JOB SWITCHING PROJECT: In 2023, AMAG Austria Metall AG supported a temporary job switching project for the third time, which is realised by the association of the same name and initiated by the MEGA Education Foundation. The project offers teachers the opportunity to work in a company for a year and gain valuable experience both in the company and subsequently at school or in the classroom. The project provides the company with the opportunity to integrate an external and educational perspective into internal processes and circumstances and to reflect on the expectations that schools, trainees and companies can have of each other during the one-year exchange with

the teacher. The temporary job switching project also helps to make students more aware of requirements in companies and better able to take advantage of opportunities on the job market through the experiences of teachers who temporarily switch jobs.

Central measures in 2023

-
- › Signing of the Diversity Charter
 - › Preparation of information for respectful interaction at AMAG
 - › Appointment of a Women's Officer
 - › Mentoring program for female polytechnic students
 - › START scholarship in Upper Austria for committed students with a migration background
 - › Greater presence at schools (girls' technology days: Power Girls, third grade of middle school)
 - › Integration of international skilled workers (language course, integration assistance)
-

DIVERSITY CHARTER: AMAG Austria Metall AG signed the *Diversity Charter* in 2023, underpinning its commitment to valuing diversity in general and, in particular, the diversity of all those who have a relationship with the company. The initiative of the Chambers of Commerce of Austria and Vienna promotes the exchange of information and experience in the area of fostering diversity in companies.

INFORMATION ON RESPECTFUL INTERACTION AT AMAG: In order to fulfil the responsibility for a non-discriminatory and respectful working culture in the best possible way and to sensitise all employees accordingly, the Sustainability, Human Resources, Works Council and Legal departments have prepared information that will be distributed to all employees in the future in the form of a procedural instruction and through training. It describes potentially stressful situations, provides guidance on ethical behaviour and lists contact points within AMAG that can be contacted in the event of concerns or incidents. The brochure is to be distributed to all employees in the future. The topic of discrimination is also already included in training courses about the company's Code of Conduct and its Human Rights Code.

INNOVATIVE DIVERSITY AND THE PROMOTION OF WOMEN: In order to promote diversity and to use it as an opportunity, AMAG endeavours to integrate international specialists into the company and to drive innovation and creativity through a diversity of points of view.

In addition to the generally established principles and measures already mentioned, AMAG has employed a Women's Officer since 2023. The Women's Officer provides a point of contact specifically

for female employees to discuss concerns in confidence and to identify and mediate potential solutions to problems as well as development opportunities.

As an industrial company, AMAG strives to continuously increase the proportion of women and thereby also diversity. As part of a series of lectures at the AMAG FORUM, interested parties had the opportunity to find out more about “Women in production careers – from apprenticeships to career changers at AMAG”. Such presentations are intended to encourage girls and women to study for technical professions.

In order to promote the potential of female specialist/technical staff, two female pupils in their fourth year were accompanied as part of a mentoring program for pupils at engineering-focused secondary schools. Launched already in July 2022, the program aims specifically to promote young women employees in technical professions. The pupils are accompanied in a structured manner by AMAG mentors over a three-semester period, and receive insights into the company during a four-week holiday internship. In 2023, AMAG has again taken on a START scholarship. Committed students with a migration background receive support on their path to a (high) school leaving certificate. In addition to an educational contribution, a variety of workshops and seminars are also offered. Furthermore, diploma theses by students of Braunau's commercial academy and polytechnic were supervised.

Despite the measures taken, it was found that the targets and time horizons regarding the proportion of female apprentices and female managers in relation to the overall proportion of women need to be adapted to reflect the labour market situation. The targets, time horizons and corresponding key figures were critically reviewed and adjusted by the Sustainability Committee.

Results (GRI 3-3)

The following table shows the composition of employees according to diversity criteria at the Ranshofen, Karlsruhe and Übersee sites.

COMPOSITION OF EMPLOYEES ACCORDING TO DIVERSITY ASPECTS

	Group		Change in %	AMAG Ranshofen	AMAG components
	2023	2022		2023	2023
Industrial workers	58%	59%	-1.9	59%	51%
of which women	3%	4%	-4.9	4%	2%
of which men	97%	97%	0.2	96%	98%
of which under 30 years of age	20%	21%	-3.3	20%	20%
of which between 30 and 50 years of age	58%	58%	0.7	60%	45%
of which over 50 years of age	22%	22%	1.7	21%	35%
Salaried employees	38%	37%	2.7	38%	43%
of which women	34%	33%	2.1	35%	25%
of which men	66%	67%	-1.0	65%	75%
of which under 30 years of age	18%	19%	-1.1	20%	10%
of which between 30 and 50 years of age	57%	56%	0.4	58%	50%
of which over 50 years of age	25%	25%	0.0	23%	40%
Apprentices	4%	4%	2.9	3%	6%
of which women	22%	23%	-4.0	27%	0%
of which men	78%	77%	1.2	73%	100%
of which with other diversity indicators (registered disabled individuals)	2%	2%	-5.8	2%	2%

The heavily industrialised structure of the company naturally determines that the workforce employed is composed as follows: 58 % of the employees are industrial workers (2022: 59 %), 38 % are salaried employees (2022: 37 %) and 4 % are apprentices (2022: 4%). In terms of geographic distribution, most of the workforce is based in Austria.

In total, the AMAG workforce consists of 38 nations (2022: 31). Just under 64 % come from Austria (2022: 65 %), just under 27 % from Germany (2022: 28 %) and around 9 % from other nations (2022: 7.5 %).

At senior management level (corresponding to individuals in the first management level below the Management Board and the managing directors), around 77 % of managers are natives of Austria (2022: 77 %). (GRI 202-2)

A total of 16 % of employees are female (2022: 15 %), and the proportion of women in management positions is 13 % (2022: 13 %).

As of the December 31, 2023 reporting date, the proportion of women in the apprentice category was 22 % (2022: 23 %). The relatively low overall proportion of women in the company is also due to the heavily industrialised structure.

AMAG records the employment rate of people with disabilities in accordance with the Disability Employment Act (BEinstG). As of December 31, 2023, 2 % of the AMAG workforce comprised individuals with disabilities (2022: 2 %).

In the 2023 reporting year, the average age of the workforce remained approximately the same at 39.2 years (2022: 39.0). Of the industrial workers, around 20 % were under 30 years of age (2022: 20 %), 58 % were between 30 and 50 years of age (2022: 58 %), and 22 % were over 50 years of age (2022: 22 %). Of the salaried employees, 18 % were under 30 years old (2022: 19 %), 57 % were between 30 and 50 years old (2022: 56 %), and 25 % were over 50 years old (2022: 25 %). A total of 0 % of employees in management positions were under 30 years old (2022: 2 %), 52 % were between 30 and 50 years old (2022: 53 %), and 48 % were over 50 years of age (2022: 45 %). (GRI 405-1)

No cases of discrimination came to light in the reporting year 2023. (GRI 406-1)

Further targets and next steps

Target:

Open approach to diversity and promotion of equal opportunities through:

- › Making technical professions more attractive for women
- › Increasing the number of female apprentices to a share of 25 % by 2027 inclusive
- › Increasing the proportion of women in management positions (senior management) in relation to the average proportion of women in the company by 2027 inclusive

Next steps:

- › Coaching for managers
- › Partnership with initiatives to promote the recruitment of workers from third countries
- › AMAG company restaurant (adaptation of the food on offer to reflect international cultures)
- › Organisation of work permits for foreign production employees
- › Mentoring for and by women; apprenticeship development specifically for women
- › Stronger presence in schools; girls' technology days (Power Girls, third grade of middle school)

C INFORMATION ABOUT CORPORATE POLICY (GOVERNANCE)

KEY PERFORMANCE

RESPONSIBLE CORPORATE GOVERNANCE

- › No compliance or human rights violations recorded
- › Updating ESG requirements for AMAG suppliers
- › Adaptation of Responsible Procurement Management
- › SDG Award in the “Company” category from the Senate of Economy
- › Repeated top rating of platinum by EcoVadis – AMAG Austria Metall AG ranks among the “Top 1 %” within the sector
- › AMAG receives low-risk rating and is ranked in first place in the “Aluminium sub-industry” category from Sustainalytics
- › AMAG is again listed in the Austrian stock market sustainability index VÖNIX
- › AMAG is awarded with the “Effective Sustainability Reporting Award” by the Cercle Investor Relations Austria (CIRA)
- › AMAG wins Best Business Award in bronze from the Best Business Association

SOCIAL ENGAGEMENT & REGIONAL VALUE CREATION

- › AMAG Social Award 2023: EUR 28,500 of support for social projects in the region
- › Major orders in 2023 worth EUR 118.6 million placed in Upper Austria

KEY POLICIES AND DOCUMENTS

IMPORTANT DOCUMENTS:

- › Company works agreements (working time regulations, wages and salaries)
- › Corporate policy
- › Code of Conduct and Human Rights Code

IMPORTANT GUIDELINES:

- › Anti-corruption
- › Anti-trust law
- › Issuer compliance
- › Data protection
- › Sales representatives
- › Foreign trade and export control
- › Corporate communications and public relations
- › Crisis management and crisis communication
- › Risk management

IMPORTANT PROCEDURAL INSTRUCTIONS:

- › Non-financial statement – EU Taxonomy
- › Responsible procurement management

KEY CERTIFICATIONS

- › Information security management according to ISO 27001
- › TISAX certification

RESPONSIBLE CORPORATE GOVERNANCE

AMAG Austria Metall AG (AMAG) and all its subsidiaries are aware of their special responsibility to employees, business partners, society, shareholders, investors and government institutions. The ethical, social and ecological demands placed on the company and its suppliers are derived from (inter)national laws and recognised human rights, social, environmental and corporate governance standards (ESG standards), and are also reflected in the AMAG Code of Conduct, the AMAG Human Rights Code as well as further guidelines and procedural instructions.

The [AMAG mission](#) describes the central values of innovation, sustainability, diversity and the human touch, and at the same time defines the mission and direction of future corporate development for the site in Ranshofen as well as the AMAG components sites in Übersee am Chiemsee and in Karlsruhe:

- › AMAG Austria Metall AG is a sustainable and profitable premium supplier of aluminium rolled products and aluminium recycled cast alloys, as well as ready-to-install components for the aircraft industry, and is regarded as a specialist with a high level of innovative capability in its selected product markets.
- › AMAG is growing profitably with quality products that reflect a balanced relationship between the standard and specialty areas.
- › AMAG focuses on customer orientation as a special trademark. The company's ability to respond rapidly and flexibly to customer needs represents a key success factor in the context of competition.
- › AMAG stands for quality and reliability and operates sustainably as one of the largest aluminium recyclers at a single location in Europe and as co-owner of one of the world's most environmentally compatible and efficient smelters.
- › AMAG embraces diversity in its product portfolio, customer landscape and workforce, thereby making it a stable partner.
- › AMAG attaches great importance to the human touch in its dealings with all of the company's stakeholders.

Acting with integrity towards all stakeholders, treating people and the environment with respect and appreciation and competing fairly are of the utmost importance to the company. As an innovative and profitable premium supplier of aluminium products, AMAG is convinced that it can contribute to

sustainable economic development. Undue influence by employees, suppliers and customers, such as in the form of corruption, bribery or unfair competition, is contrary to this conviction and is not tolerated. A comprehensive compliance system ensures that potential misconduct is identified, prevented or stopped and that the company and its stakeholders are protected. Concerns and misconduct can also be reported on an anonymous basis via a reporting system (AMAG Compliance Line). AMAG expects employees and business partners to comply with the ethical requirements in terms of responsible corporate governance, including those anchored in the company's Code of Conduct and its Human Rights Code, as well as the ESG requirements for suppliers, and to actively promote their implementation.

COMPLIANCE AND TRANSPARENCY (GRI 3-3)

AMAG Austria Metall AG is committed to complying with all relevant legislation, (inter)national standards and additional corporate values and compliance principles, and is consequently committed to responsible corporate governance and control systems designed to deliver sustainable value creation.

Target 2023

- › Continuous further development of the compliance system: No violations

Management approach (GRI 2-23, 2-24)

A comprehensive compliance system has been implemented to manage negative effects, both from within AMAG and externally, on the company and its stakeholders. The foundation was put in place by guidelines in the form of documents defining corporate values and conduct, the assignment of responsibilities as well as specific processes and effectiveness checks. These are publicly available and are also published on the AMAG intranet, where they are accessible to all employees.

[Company works agreements](#) are the most important documents in the hierarchy of applicable documents. These written agreements are concluded between the Management Board, the companies' management teams and the Works Council and are only permissible if they are provided for by law or a collective agreement, and contain even more favourable conditions for employees than required by legislation. These agreements are directly legally binding.

The [corporate policy](#) formulates the most important principles of action in terms of quality, occupational health and safety, environmental protection, energy efficiency and information security, as well as the principle of continuous improvement. It is subject to a Management Board resolution and applies to all employees and external contractors.

The [AMAG Code of Conduct](#) and the [AMAG Human Rights Code](#) also rank among the central principles for action. These have been developed on the basis of statutory requirements as well as our own demands and are approved by Management Board resolution. Both codes are described in detail in the following sections.

The [management handbook](#) is organised according to the high-level structure of the ISO system standards and, on the basis of the corporate policy, describes the principles and processes required to comply with the ISO system standards and internal regulations. Detailed procedures (guidelines, procedural, work and test instructions) are derived from the specifications of the management systems manual.

[Guidelines](#) are drawn up centrally by AMAG Austria Metall AG or the individual companies, and contain overarching regulations from various external and internal requirements for the fulfilment of corporate responsibility. They are published on the intranet and are binding for all employees covered by the scope of the respective guidelines. They describe the basic organisational specifications of AMAG, whereas the [procedural instructions and occupational safety regulations](#) define the operational processes and apply to the organisational unit concerned. They include, for example, responsibilities, cross-departmental interface regulations and special requirements that are necessary to fulfil certain tasks.

[Work, safety and test instructions](#) are area-specific, detailed regulations for certain activities that primarily describe the method of a work or testing activity. The principles of action anchored in the various documents are supplemented by audits and training courses. Compliance-relevant regulations are contained especially in the guidelines on anti-corruption, data protection, commercial sales representatives, anti-trust and issuer compliance. The guidelines are reviewed annually in accordance with the internal control system (ICS), updated as necessary and distributed in a regulated process.

The primary objective of the compliance system is to prevent violations from the outset. The cornerstones of the compliance system comprise:

- › Systematic risk analysis to evaluate potential compliance risks
- › Compliance program for prevention, response, and fulfilment of legal and operational requirements
- › Compliance organisation to define monitoring, control and information responsibilities
- › Training and communication relating to dialogue with risk owners and establishment of a shared understanding of compliance: mandatory training in the context of classroom events or online with specific deadlines
- › AMAG compliance line for the reporting of violations – including on an anonymous basis
- › Monitoring relating to the adaptation, control and review of the adequacy and efficiency of the compliance system

The Compliance Committee reports on relevant compliance issues to the Management Board on a regular basis. In turn, the latter informs the Supervisory Board about issues and progress in the further development of the compliance system. The heads of the respective departments work together on the ongoing updating of the compliance system, reporting within their area of responsibility to the Management Board. Ongoing audit checks and an internal control system (ICS) secure the compliance system. The Compliance Committee consists of the heads of the following departments:

AREA	DEPARTMENT RESPONSIBLE
Issuer compliance	Investor relations and legal
Anti-trust law	Legal
Anti-corruption	Legal
Code of Conduct	Communications
Guidelines	Communications
ESG compliance	Management systems
Risk management	Management systems
Data protection	IT and legal
Export control and customs	Customs and foreign trade law
Internal audit	Controlling
Information security	IT

The following sections report on compliance aspects that were identified as material in the analysis of potential impacts, opportunities and risks in the area of compliance and transparency:

GENERAL BUSINESS CONDUCT: Trustworthy and fair business conduct forms a cornerstone of AMAG's corporate philosophy and is set out in the *AMAG Code of Conduct* (see QR code). This code covers topics such as fair and free competition, avoidance of conflicts of interest and discrimination, protection of information and data, corporate policy, human rights and the reporting of misconduct. The Code of Conduct, together with the *Human Rights Code* and the *ESG requirements for AMAG suppliers*, are available on the company website. Compliance with the Code of Conduct is expected of all AMAG employees and business partners.



ANTI-CORRUPTION: In addition to the Code of Conduct, the Anti-Corruption Guidelines set out detailed definitions, codes of conduct and reporting obligations that are intended to guide and support employees in acting in an ethically and legally correct manner. The aim and purpose of these regulations is to prevent damage arising from the inappropriate granting or acceptance of any benefits. The guidelines define clear conditions and limits for gifts and invitations. The guidelines are distributed to all employees. Regular training courses are held to ensure compliance with these guidelines.

ISSUER COMPLIANCE: As a listed company, AMAG Austria Metall AG is subject to the provisions of the EU Market Abuse Regulation ("MAR") and Directive ("MAD"), as well as the Austrian Stock Exchange Act concerning the principles for the dissemination of information and on organisational measures to avoid insider trading within the company. The Issuer Compliance Guidelines are in force to implement these legal provisions, and they are reviewed and updated at regular intervals. The Issuer Compliance Officer and Deputy Issuer Compliance Officer report directly to the plenary Management Board and submit regular reports to both the Management Board and the Supervisory Board. Their primary responsibility is to comply with and continuously review the rules to prevent misuse or disclosure of sensitive and confidential information that could affect the company's share price. In addition, the Issuer Compliance Officer is available to respond to employees' questions on this topic.

DATA PROTECTION: The protection and security of personal data is an important matter for AMAG. Personal data are only collected, processed, and used to the extent absolutely necessary for operational purposes. The handling of such data is subject to stringent legal regulations. The highest priority is placed on the technical protection of personal data against unauthorised access. AMAG has appointed a data protection team and data protection coordinators to implement and monitor regulatory requirements. Designated employees from the legal, project management, customs, and foreign trade as well as IT departments act as the data protection team and are the point of contact for all data protection coordinators appointed within the respective departments to coordinate data protection-related activities. The data protection team is also responsible for maintaining all data protection

directories. In addition, company works agreements on employee data protection and binding, internal data protection regulations as well as standard contractual clauses for the transfer of personal data were concluded with all sales subsidiaries, and processes for data subject rights and any data protection breaches, including rules of procedure, were introduced.

The *Data Protection Policy* (see QR code) can be viewed on the AMAG website.



TAXES & DUTIES: For AMAG, uncompromising compliance with national and international tax laws forms an essential part of sustainable corporate governance. To this end, the company has a tax control system designed to ensure tax compliance in all areas of activity. The Group tax guidelines are the relevant guidelines in this context, which define tasks and responsibilities for dealing with tax risks. The AMAG Code of Conduct, which includes the obligation to act in accordance with the applicable legal provisions in relation to the respective authorities, is also authoritative. The Group tax guidelines relate to all domestic and foreign taxes and duties where a legal obligation exists for the companies to cooperate.

The objectives of the guidelines include:

-
- › The preparation and timely filing of all tax returns
 - › The checking of tax statements for correctness
 - › The timely and punctual payment of all tax payments
 - › The fulfilment of documentation duties
 - › The proper recording and processing of tax-relevant facts
 - › The fulfilment of approval, cooperation, and information obligations
 - › The ongoing calculation and monitoring of the Group tax rate
-

The responsibilities and competencies for tax-related areas are clearly defined. The Management Board is responsible for compliance with tax regulations, while their implementation is delegated to the managing directors where the Group company concerned is responsible. The Management Board is informed on a regular basis about tax matters. The ongoing fulfilment of all tax law obligations is generally conducted with the involvement of the Group financial accounting department. Work instructions are created in the process. In addition, controls are performed and training is offered on a regular basis. Reporting to the Supervisory Board on significant tax risks and positions is also carried out at least once a year. AMAG attaches great importance to open and transparent dealings with the tax authorities. All returns and filings are completed properly and on time. In addition, no structures are maintained with the aim of aggressive tax planning or tax avoidance. It is also the case that no corresponding tax issues have been communicated in the context of discussions with stakeholders.

The **AMAG Compliance Line** whistleblower system is available to identify potential misconduct and a lack of integrity in relation to taxes, which enables the anonymous reporting of suspected violations. Moreover, all transfer pricing documentation requirements based on the international legislative framework (OECD Transfer Pricing Guidelines) and national statutory documentation requirements are fulfilled. AMAG Austria Metall AG is not obligated to prepare a country-by-country report (CbCR). AMAG submits the corresponding data to B&C Privatstiftung, which as the majority shareholder prepares the CbCR within twelve months of the annual financial statements. **(GRI 207-1, 207-2, 207-3)**

FOREIGN TRADE LAW AND EXPORT CONTROLS: AMAG has implemented guidelines to prevent and manage compliance risks in this area and to ensure compliance with all statutory requirements for the cross-border movement of goods. In order to comply with foreign trade legislation, export controls are carried out in relation to persons, countries, goods and uses. Responsibility lies with the AMAG companies' management teams, which are supported by the customs and foreign trade department, among others, in an advisory capacity.

PARTICIPATION IN POLITICAL DISCOURSE: AMAG Austria Metall AG actively participates in political discourse in order to ensure that the company's perspective is always appropriately and transparently represented in decision-making processes. To this end, AMAG is also in regular contact with governments, associations and interest groups. Any form of inappropriate influence (benefits, forms of pressure) is strictly prohibited in dealings with authorities, companies, public officials and policymakers. AMAG provides regular instructions for individuals involved in such discourse, and commits them to acting in a legally and ethically correct manner.

WHISTLEBLOWER SYSTEM: Compliance with legislation and principles of conduct (such as the Code of Conduct and the Human Rights Code, environmental guidelines, etc.) is in the common interest of both AMAG Austria Metall AG and its stakeholders. If related concerns arise or if misconduct has occurred, the AMAG Compliance Line can be contacted – including on an anonymous basis. This system consists of several reporting channels and is available to employees and business partners as well as the general public. Information can be reported via an online system on the company website. Once the report has been received via a protected mailbox and checked by the relevant legal and communications departments, whistleblowers are informed about how their report is being followed up. Besides the reporting of specific information, contact representatives are also available to respond to concerns and queries. In addition to the online-based system, reports can also be made by telephone or e-mail. Whistleblowers do not suffer any disadvantages as a result of reporting concerns or misconduct, and their identity is treated with absolute confidentiality.

The persons responsible for the internal reporting office have been trained accordingly. Guidelines define responsibilities and processes in detail and will be available to all employees in future. The effectiveness of the complaints procedure is reviewed once a year or on an ad hoc basis. **(GRI 2-26)**

> Website:	https://hint.amag-al4u.com
> Email address:	ethics@amag.at
> Telephone number:	+43 7722 801 2227



TRANSPARENT REPORTING: AMAG attaches great importance to transparency, timeliness and completeness in its internal and external communications. As a listed company, AMAG Austria Metall AG is required to fulfil transparency and reporting obligations to its investors, customers and business partners. The investor relations department ensures that information about company developments that are relevant to the capital market is communicated directly and simultaneously to all shareholders and interested parties. The various information channels are listed in the adjacent box.

INFORMATION CHANNELS – INVESTOR RELATIONS:

- Quarterly information
- Half-yearly financial reports
- Annual financial reports
- Annual General Meeting
- Results conferences for the press
- Investor conferences
- Roadshows
- Ad hoc announcements
- Information about investor relations on the AMAG website



Further responsibilities and processes are defined in the guidelines on corporate communications and public relations as well as crisis management and communication in order to be able to communicate important information to relevant stakeholders in a timely and comprehensive manner. Since 2017, ESG information has been reported as part of the annual report. Since 2023, selected sustainability indicators have also been published in the quarterly information and the half-yearly report. In accordance with statutory and regulatory requirements as well as feedback from stakeholders, ESG reporting is evaluated on an ongoing basis and expanded where necessary.

HUMAN RIGHTS: Information and data concerning the observance and promotion of human rights are presented in the *Human rights and responsibility in the supply chain* section.

ENVIRONMENTAL AND CHEMICAL LAW: Information and data about compliance with and management of environmental and chemical legislation are presented in the *Commitment to climate and environmental protection* section.

Central measures in 2023

In the 2023 reporting year, several measures were implemented to anchor the importance of compliance and transparency even more firmly throughout the company:

Investor Relations Department:

- › Issuer compliance training several times a year for AMAG employees who are involved in confidential areas for the first time
 - › Annual issuer compliance policy update and quiz via the ALEX e-learning platform
 - › Issuer compliance information for new employees and workers via onboarding video
 - › Information meetings with the Management Board, company management teams and the Works Council
 - › Random checks to ensure the correct handling of confidential information
-

Legal Department:

- › Regular Compliance Committee meetings
 - › Continuous development of training activities at AMAG, ensuring rapid transfer of information in the event of regulatory changes
 - › Maintenance of the training system, incorporation of new developments (EU Whistleblower Directive, EU Supply Chain Act, German Supply Chain Act etc.)
 - › Introduction of a whistleblower system that enables anonymous two-way communication (AMAG Compliance Line – available on the website)
 - › Regular monitoring of company valuations on platforms
 - › Compliance check regarding AMAG events (marketing activities)
 - › Introduction of a system for reviewing direct and indirect sanctions
 - › Integration of AMAG components into the compliance system
-

ISSUER COMPLIANCE: Mandatory training, which is primarily online, forms a key element in avoiding compliance violations. Ongoing information discussions were held internally about issuer compliance and the capital market, and regular updates were provided on the topic. This includes the annual issuer compliance information meeting with the Management Board and the management teams. Issuer compliance training was provided for new employees in confidential areas. Furthermore, a video was already created in 2021 to provide initial information about issuer compliance. This is distributed to all new employees via the e-learning system. A further measure comprised the annual revision and distribution of the issuer compliance guideline.

ANTI-CORRUPTION: Required documents and guidelines have been checked to ensure that they are up-to-date and in compliance with legal requirements. A compliance check was also conducted in relation to AMAG events (“marketing activities”) that are held for and with customers. This involved ensuring that the requirements set out in the guidelines were complied with and documented.

COMPLIANCE COMMITTEE: This committee advises on key compliance issues and met three times in 2023. At these meetings, care was taken to ensure that compliance standards are uniformly developed, applied and communicated. Direct communication on compliance issues occurred in the context of meetings of the Management Board and of the Supervisory Board’s Audit Committee, and regular coordination between the Issuer Compliance Officer and the Management Board.

DATA PROTECTION AND CYBERSECURITY: In the data protection area, IT security patrols and random checks were performed to ensure the correct handling of confidential information. As in the reporting year 2022, the focus of the information security management system was again on the continuous improvement of information security measures. Regular reviews in the form of audits and recertifications ensure that information security processes and measures are adhered to. In the year under review, the recertification audit for the ISMS (Information Security Management System) according to ISO 27001 was successfully passed. In addition, work was carried out to enhance IT security in the production-related environment, IT emergency management was revised, and training courses were held to raise employee awareness concerning IT security. TISAX certification was already issued in 2022. This certifies that AMAG fulfils the information security requirements of the German Association of the Automotive Industry (VDA).

RISK ANALYSIS: The risk of compliance violations, including corruption risks, is identified through a systematic risk assessment. In the course of the compliance risk analysis, the three compliance areas of occupational health and safety, export compliance and public law (administrative law, and tax and duties law) were prioritised in 2023 and appropriate measures were taken. In the export compliance area, apart from the addition of export control training modules to the e-learning system, a compliance check with a focus on foreign trade and export control awareness-raising measures were conducted at AMAG components. In the area of public law (administration, environment, taxes, duties, etc.), respective officers with appropriate qualifications have been appointed and a specialist department for tax issues has been set up. Corresponding guidelines and ongoing audits underpin the importance of this issue. The area of occupational safety is covered by the company's own specialist department and transferred to a management system.

EU WHISTLEBLOWER DIRECTIVE: On February 1, 2023, the Austrian Whistleblower Protection Act (HSchG) was passed, thereby transposing the EU Whistleblower Directive ((EU) 2019/1937) into Austrian law. The existing complaints mechanism (AMAG Compliance Line) was expanded in line with requirements. Details are presented in the *Compliance and transparency – management approach – whistleblower system* section.

ANNUAL GENERAL MEETING: AMAG Austria Metall AG held its twelfth Annual General Meeting on April 13, 2023 at the Schlossmuseum Linz. All items on the agenda were dealt with and resolutions were passed by a large majority, including the payment of a dividend of EUR 1.50 per share for the 2022 financial year.

INTEGRATION OF AMAG COMPONENTS: In the 2023 reporting year, further progress was made in integrating AMAG components into the compliance system and into AMAG's Responsible Procurement System. Training sessions were held on topics such as exports, customs, corruption prevention and anti-trust law. Moreover, the data protection directories of AMAG components were filled in

accordingly together with the data protection coordinators of AMAG components. A set of occupational safety guidelines has already been implemented and AMAG components is also in constant contact with AMAG's management systems and occupational safety department at the Ranshofen site. Access security was checked at the AMAG components site at Übersee, Germany. All AMAG components employees have access to the online platform for training purposes (ALEX).

Results (GRI 3-3)

In the 2023 reporting period, no violations and no reports were submitted via the compliance line or to the relevant departments. Furthermore, no proceedings were reported or identified to AMAG Group due to anti-competitive behaviour or violations of anti-trust and monopoly law, due to non-compliance with laws and regulations in the social and economic area, due to non-compliance with environmental laws and regulations, or due to violations of corporate due diligence obligations in relation to sustainability. As a consequence, the company also did not pay any fines for violations or non-compliance with the above laws and regulations in 2023. (GRI 2-27, 206-1)

RATINGS & AWARDS (GRI 2-18): AMAG's sustainability activities are evaluated on a regular basis by external organisations such as rating agencies. The ratings provide investors and customers with a basis for decision-making and help to continuously review and, if necessary, supplement sustainability activities.

In May 2023, AMAG received a very good ESG risk rating of 16.5 from rating provider [Sustainalytics](#). The value indicates a low risk of being exposed to material financial effects through ESG factors. The ESG risk rating places AMAG in second place within the "Diversified Metals" category out of a total of 229 aluminium companies assessed. In the aluminium sub-sector, AMAG achieved first place for the first time out of a total of 39 listed companies. This rating relates to factors that are identified as the significant ESG issues for a sector, such as environmental performance, resource conservation, human rights compliance and supply chain management.

[EcoVadis](#), operator of an internationally recognised independent sustainability and CSR (Corporate Social Responsibility) assessment platform, once again awarded AMAG's sustainability performance with the highest, platinum rating in 2023. This places AMAG in the top one per cent of companies assessed in the "Precious metals and non-ferrous metals" industry category.

For the 2023/2024 period, AMAG Austria Metall AG has once again been listed in the [VÖNIX](#), the sustainability benchmark of the Vienna Stock Exchange's Austrian stock market. This index comprises those Austrian companies that rank as leaders in terms of social and ecological performance. The VÖNIX is based on measurement of corporate sustainability. AMAG has been consistently included in the VÖNIX since the 2014/2015 rating.

As part of the 2023 annual conference of Cercle Investor Relations Austria (CIRA), AMAG was presented with the [“Effective Sustainability Communicator Award 2022”](#) for a third consecutive time, thereby underscoring the quality of its sustainability reporting. The performance of ATX Index companies in terms of sustainability reporting was assessed on the basis of annual reports, capital market presentations and web presences in the investor relations area, among other factors. AMAG's successful second place ranking among all participating ATX companies reflected its holistic and transparent sustainability reporting.

Each year, the Austrian Chamber of Tax Consultants and Auditors (KSW), in collaboration with the Institute of Austrian Certified Public Accountants (iwp), honours companies for the best Austrian sustainability reports of the previous financial year. AMAG Austria Metall AG was honoured for its non-financial statement 2022 with the [“Austrian Sustainability Reporting Award” \(ASRA\)](#) in bronze.

In the 2023 reporting year, AMAG was also pleased to receive the transnational award [“Best Business Award”](#) in bronze for sustainable corporate governance. Among other merits, the company impressed with its high level of expertise in recycling, sustainable production and clear focus on innovation. The prize is awarded by the Best Business Association, which is a trinational business network in the European region Danube-Moldova comprising, regions in Austria, Bavaria and the Czech Republic.

In 2023, AMAG also participated in the [Carbon Disclosure Project \(CDP\)](#) project. The CDP is a non-profit organisation that uses standardised questionnaires to collect extensive data on carbon emissions, climate risks and companies' reduction targets and strategies. No current rating result was available at the time of the audit of this annual report.

Further target and next steps

Target:

- › Continuous further development of the compliance system and no violations

Next steps:

- › Continuous development of training activities
 - › Distribution and publication of the “AMAG whistleblower system” guidelines on the AMAG e-learning platform ALEX
 - › Preparation for legal changes (such as the European Supply Chain Act)
 - › Continued support of AMAG components in selected compliance issues (data protection, customs, export control, access management)
 - › Review of the compliance management system to update and prioritise the defined compliance areas
 - › Up to four meetings per year of the Compliance Committee for ongoing evaluation of current developments in the compliance management system
-

HUMAN RIGHTS AND RESPONSIBILITY IN THE SUPPLY CHAIN (GRI 3-3)

Respect for and compliance with human rights, both within its own company and in its supply chain represent core elements of responsible corporate governance. Employee rights in accordance with national constitutional provisions and international human rights conventions enjoy the highest protection and priority at all sites. Managers have a special role model function in this respect. They exemplify the values and bring them to bear in day-to-day management. All employees are treated according to the principle of equal opportunities – characteristics such as age, origin (nationality, ethnicity), skin colour, marital status, parenthood, gender, gender identity, sexual orientation, disability, religion or belief are essential components of an identity and consequently are particularly worthy of protection.

AMAG Austria Metall AG is committed to the following (inter)national standards:

- › **International Bill of Human Rights** (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights)
- › **The ILO Declaration on Fundamental Principles and Rights at Work**, in particular non-participation in child labour, forced labour or debt bondage.
- › **UN Global Compact (UNGC)**: As a signatory to the UN Global Compact, AMAG is committed to promoting the UNGC's ten principles on sustainable and responsible economic management and development.
- › **UN Guiding Principles on Business and Human Rights**: The UN Guiding Principles on Business and Human Rights are a key initiative for corporate human rights responsibility.
- › **OECD Guidelines for Multinational Enterprises**: These form the basis of a multilateral Code of Conduct to promote responsible corporate conduct in international business.
- › **Aluminium Stewardship Initiative (ASI)**: In raw material supply chains with a high risk of human rights violations, AMAG Group pursues the aspiration of the greatest possible transparency over upstream stages of the value chain. This enables critical human rights issues to be identified and targeted measures to be defined and implemented.
- › **Diversity Charter**: AMAG Austria Metall AG is a signatory to the *Diversity Charter*, thereby underpinning its commitment to valuing diversity in general and, in particular, the diversity of all those who have a relationship with the company.

Suppliers and business partners are expected to comply with the same high standards in terms of human rights. When selecting suppliers and business partners, the company thereby also takes into consideration key non-financial criteria such as respect for human rights and environmental and safety standards.

Human rights also occupy an essential position in the respective essential topics or subject areas – especially, for example, in fair and honest employee relations. This section provides a clear presentation of all key information relating to AMAG's general handling of human rights obligations.

Target 2023

Compliance with the basic principles of human rights by AMAG and suppliers:


- › Creation of a human rights brochure
- › Involvement of AMAG components in Responsible Procurement Management

Management approach (GRI 2-23, 2-24)

Overall responsibility for compliance with human rights lies with the Management Board. The respective specialist departments regularly review activities for the risk of human rights violations with the aim of avoiding actual and potential adverse effects on human rights in the context of business activities as well as along the value chain. For example, the HR department deals with human rights issues relating to labour law, while the purchasing departments are responsible for managing human rights aspects in the supply chain. The Occupational Health and Safety department is responsible for safety-related human rights issues, while the Group Communications department implements AMAG policy in relation to the impact of human rights on local communities. The effectiveness of the measures taken is reviewed annually or on a risk-related basis. Among other matters, the purchasing departments report on the progress and results of the risk evaluation of suppliers as well as on optimisation potentials. On the basis of these reports, the Management Board may specify changes and follow-up measures.

CENTRAL POLICIES: Company works agreements (such as concerning working time regulations as well as wage and salary regulations) and internal regulations (such as the Human Rights Code and the Code of Conduct) promote respect for employee rights and are intended to prevent discrimination. The protection of personal data is also of great importance to the company, and agreements and guidelines have been implemented accordingly (Group-wide data protection policy, company works agreements, privacy policy).

The norms and values anchored in the aforementioned (inter)national standards are reflected in AMAG's principles of action (company works agreements, guidelines, codes and procedural instructions) and form the binding framework for action for employees, business partners and suppliers. Four key documents relating to the implementation of the AMAG Code of Conduct are presented below:

- › **Human Rights Code:** A Human Rights Code was drawn up in order to create and deepen a basic understanding of human rights and potential impacts within the company and among suppliers. AMAG thereby underscores its commitment to unconditional compliance with, and promotion of, human rights, and demonstrates the core elements of the company's duty of care. Online training via the ALEX e-learning system on the topic of responsibility for human rights as well as the basic principles of human rights is available. Departments that deal with human rights issues – especially Human Resources, Sales, Purchasing and Communications – receive information and recommendations with the special objective of raising awareness in relation to human rights both within the company and along the supply chain. 
- › **Code of Conduct:** This describes how AMAG and its companies deal with the special responsibility they have towards their stakeholders. It also supports employees and managers in conducting their activities in a legally and ethically correct manner. The Code of Conduct is published on the company website and is distributed to new employees as well as via an e-learning training course for information and compliance with a final self-test. Practical instruction on correct behaviour is provided on the basis of case studies (such as bribery, anti-trust law, data protection, conflicts of interest as well as discrimination and harassment).
- › **Procedural instructions for “Responsible procurement management” (GRI 308-1):** A systematic approach is pursued along the supply chain on the basis of Responsible Procurement Management in order to avoid or remedy human rights violations and negative effects on the environment as far as possible. The companies' purchasing departments check all major new and existing suppliers (scrap, primary metals, rolling slabs, metal alloys, dross and energy suppliers) for compliance with human rights on a risk-related basis. The supplier evaluation covers four areas. The overall assessment of the supplier results in the risk classification and associated measures. The

first area includes the confirmation of *ESG requirements for AMAG suppliers*. The second area comprises the determination of the materials origin risk. The other areas of assessment concern certifications and key issues relating to the origin of goods, supply chain management and reporting on ESG-relevant data, among other matters. Risk mitigation measures are defined for suppliers in the “high risk” category and their effectiveness is evaluated accordingly. Depending on the level of risk ascertained, the respective supplier must be reassessed every one to three years.

- › **ESG requirements for suppliers:** Here, the basic sustainability requirements of suppliers in relation to management, human rights, occupational health and safety, environmental protection and energy efficiency, among other areas, are defined in the compliance rules for suppliers. The principles defined in relation to human rights include the right to form or join independent union representation, fair treatment of employees in relation to suitable working times, regular holidays and performance-related remuneration. The *ESG requirements for suppliers* are available on the AMAG website and are integrated into the company's general terms and conditions of purchase. In recognising the ESG requirements, suppliers in their own supply chains are expected to actively drive the implementation of the sustainability requirements defined in them. In the event of a violation, the contract with the supplier may be terminated early on exceptional grounds with immediate effect, or the company may withdraw from the contract.

(GRI 2-24)

COMMUNICATIONS: Both employees and external stakeholders can make recourse to different communication channels to report concerns or incidents regarding compliance with human and social rights. Employees can contact the HR department directly, and apprentices can also contact the apprentice coach or the AMAG Youth Consultative Council. Female employees can contact the Women's Officer. Both internal and external stakeholders have access to the AMAG Compliance Line, which can be used to raise concerns, incidents as well as other issues on an anonymous basis.

Central measures in 2023

- › E-learning training on AMAG's role in human rights to develop a basic understanding of human rights and the impact companies can have on these areas through their business activities and business relationships
- › Preparations and audits of internal handling in relation to the EU Supply Chain Act
- › Design and review of a responsible sourcing process including preparation or revision of key documents and procedural instructions (including ESG requirements for suppliers)
- › Review of human rights and conflict zone criteria in the Responsible Sourcing Process: Identification of suppliers that do not comply with the AMAG Code of Conduct and with the human rights and conflict criteria contained in the code
- › Conducting requisite supplier audits
- › Discussions with suppliers about the importance of ESG

EXTERNAL COMPANY MANAGEMENT: External company employees are demonstrably informed and trained by AMAG about hazards and safety rules. Explicit requirements regarding compliance with human rights have been added to the *External Company Information* document, which sets out all relevant provisions relating to the safe and legally compliant execution of orders. The document is communicated via an external company portal, and workers only receive an external company ID card once they have been instructed accordingly.

SUPPLY CHAIN RESPONSIBILITY: The issue of human rights due diligence, particularly in the supply chain, has gained momentum in recent years. A European Supply Chain Directive, the preparation of which is progressing, sends a clear political signal in this context. This cross-industry set of rules aims to encompass social, environmental and human rights due diligence requirements within the supply chain. In December 2022, the European Supply Chain Directive was adopted by the EU Council of Ministers. In June 2023, the European Parliament voted on its policy position in relation to the directive, and trilogue negotiations are currently being held. AMAG is already indirectly affected by the German Supply Chain Act, which came into force on January 1, 2023. To this end, the relevant sustainability, legal and purchasing departments have critically evaluated and revised AMAG's sustainable procurement management and relevant documents ("Responsible Procurement Management" procedural instructions, purchasing guidelines, requirements for suppliers and the company's general terms and conditions of purchase).

As already mentioned in the *Compliance and transparency – central measures* section, the two AMAG components locations (Karlsruhe and Übersee) are being progressively integrated into AMAG's established due diligence processes. The new ESG requirements for AMAG suppliers apply to all Group companies, including the AMAG components sites in Karlsruhe and at Übersee am Chiemsee.

AMAG Austria Metall AG signed the [Diversity Charter](#) in 2023 and as a consequence supports the initiative of the Chambers of Commerce of Vienna and Austria to promote respect for all members of society. AMAG is committed to maintaining a climate of acceptance and mutual trust, both internally and externally. This commitment is underscored by the preparation of information on the subject of respectful interaction. In particular, this aims to raise AMAG employee awareness about circumspect and respectful behaviour towards fellow employees. See also the section on *Diversity and equal opportunities*.

Results (GRI 3-3)

In 2023, no violations of human rights were reported by suppliers or employees.

In 2023, 91 % (2022: 88 %) of employees working in areas relevant to human rights policy completed appropriate training. [\(GRI 412-2\)](#)

In the context of the risk assessment of key suppliers in the upstream supply chain (metal alloys, scrap, primary aluminium and rolling slabs), no suppliers were identified as high-risk. More than 95 % (2022: > 95 %) of the procurement volume was purchased from low-risk suppliers.

Further targets and next steps

Target:

Adherence to principles of human rights at AMAG and at its suppliers, including through:

- › Involvement of AMAG components in Responsible Procurement Management
- › Training and raising the awareness of sales employees and managers about Responsible Procurement Management, sustainability communication and ESG requirements for suppliers

Next steps:

- › Continuous risk assessment of suppliers
- › Preparation for new legislative framework conditions (such as the EU Supply Chain Act)
- › Evaluation of the effectiveness of complaints mechanisms for employees and external parties

SOCIAL ENGAGEMENT

Being a trustworthy business partner and an attractive employer in the region is a key corporate objective. In addition to the production of high-quality aluminium products as its core activity, AMAG is also aware of its social responsibility and supports initiatives and projects that strengthen social development and cohesion.

Through its business activities, the aim is always to contribute to value creation within the Innviertel region where the company is situated and thereby add value for the local population and suppliers.

COMMUNITY RELATIONS (GRI 3-3)

AMAG attaches great importance to respectful and transparent communications – not only within the company, but also with the public – and especially with neighbouring and local communities.

With the use of financial resources, material and material donations, personal commitment and voluntary initiatives, the company contributes to the promotion of the common good and fulfils its social responsibility as a leading company in the region.

In particular, donations and sponsoring are used to support organisations and initiatives that serve the common good. Sponsorship measures are targeted at specific groups and must always be in line with internal company codes, such as the Code of Conduct or anti-corruption guidelines. Processing and approval are carried out by Corporate Communications, with the final decision on the implementation of donations and sponsorship activities resting with the Chairman of the Management Board. All donations and sponsorship payments are properly documented in sufficient detail.

Targets 2023

- › Developing the region through community and social investments:
 - › Balanced scope of donations and sponsoring expenditures in the areas of education, science and research, social affairs, sports and culture in the vicinity of the company's headquarters
-

Management approach

AMAG promotes sustainable projects in the four areas of **education**, **social**, **sports** and **culture**. Educational sponsorship promotes the development and continuing education of children, young people and adults. A multitude of projects in the social area are supported, also as part of the AMAG Social Prize. A further part of the spending is devoted to sport, in particular youth development and local sporting events. Cultural sponsoring supports various cultural events and institutions in the regional area.

As part of the annual AMAG Social Prize competition, employees are invited to submit projects in which disadvantaged people or those in need in the region can be supported. The projects are evaluated by an independent jury, and benefits can be in the form of a donation of money or goods to an organisation (hospital, retirement home, etc.) or individuals.

The AMAG Forum was set up in Braunau am Inn town square in 2022. This provides the framework for communication with people from the region as well as space for lectures and exhibitions. The forum is regarded as an essential foundation for sustainable communication with the regional public.

Central measures in 2023

- › Support for various educational initiatives ("Children's Lab", Chemistry Olympics)
 - › Presentation of the AMAG Social Prize 2023
 - › Support for the Austrian Red Cross in the "Disaster Relief Service"
 - › "GOOD TO KNOW" lecture series at the AMAG forum
 - › AMAG forest tours
 - › AMAG guided tours by night
 - › Intensification of communication via social media
 - › Support for cultural events as part of the AMAG Summer Culture Initiative
-

EDUCATION: Guided tours of the AMAG forest were held in August 2023. Both employees and the local population were invited to find out more about biodiversity and environmental protection. An external expert led the excursion, during which children, in particular, were able to play and thereby explore the forest and learn lots of new things. In order to be able to offer all interested parties information about the AMAG forest in the future, further measures were taken to establish an educational forest trail. Further information is presented in the *Biodiversity* section.

The Upper Austrian Job Week was held in March 2023. This week is an initiative of the Upper Austrian Chamber of Commerce and offers apprenticeship and job seekers the opportunity to get to know companies better. On three days, the opportunity was available to participate in a taster session.

AMAG continues to support the “Children’s Lab” educational initiative, which enables children at elementary and primary level to engage in research-based learning in the STEM area. The Children’s Lab is made available to kindergartens and schools in the form of a specially constructed piece of furniture – equipped with a wide variety of research tools. The aim is to support up to two new children’s labs per year in the company’s environment.

SOCIAL: In the year under review, the AMAG Social Prize was presented for the sixteenth time. In total, the **AMAG Social Prize 2023** generated around EUR 28,500 in support for social projects in the region. In addition to the winning project, “Emergency backpack with defibrillator for Mauerkirchen First Responders”, six other projects were supported.

In order to support employees with childcare during the summer holidays, AMAG once again worked together with “Kinderfreunde” (“Children’s Friends”). This enabled children between the ages of four and twelve to be registered for childcare on a weekly basis during summer 2023.

In March 2023, the “GOOD TO KNOW” lecture series was launched once again at the AMAG forum in Braunau’s town square. On three dates, insights were offered into AMAG and the world of aluminium. The series was continued in the autumn and three more lectures were held.

After a break due to COVID-19, around 1,700 employees once again celebrated together at this year’s AMAG Company Day at the Lokschnitten in Simbach. The presentation of the winners of the Innovation, CIP and Social prizes formed the central point of the program.

AMAG also made a valuable contribution as a sponsor to the opening of the women’s shelter in Ranshofen Castle.

The show program of the AMAG company fire department, in which numerous firefighting operations were simulated and displayed, also left a lasting impression. A hazardous materials operation, a

display of a forklift truck on fire and of a grease fire, tours of vintage fire engines and an exhibition of emergency vehicles and equipment delighted more than 600 visitors to the exhibition.

“AMAG by night” **works tours** are a further way to foster communication with the regional population and to provide transparent and comprehensible information. Participants learn about the Ranshofen site, are informed about the company’s financial situation and activities in terms of sustainability, and can follow the production process at various places in the works. Numerous employees as well as members of the public take the opportunity to participate in these plant tours.

SPORT: An AMAG team cycled once around the equator in 2023 – based on the total distances covered by the employees involved. As part of the “Upper Austria cycles” initiative, employees cycled a combined total distance of over 46,000 kilometres. This saved more than 8,100 kilograms of CO₂, which would have been used if this distance had been driven with fuel-powered vehicles. This performance placed AMAG in the top ranks of “Upper Austria cycles” as well as “Austria cycles”.

The company also supports ambitious employees in pursuing their passion for sport, such as by enabling them to take part in professional national and international pool billiards tournaments.

Information about further AMAG sports and health initiatives is presented in the *Occupational health and safety* section.

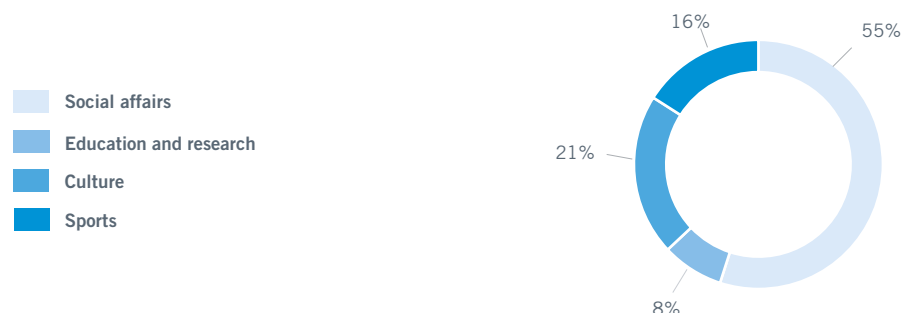
CULTURE: The AMAG Summer Culture Initiative 2023 and a budget of around EUR 15,000 supported 37 events in the region during the summer months until the end of August. The prerequisite for such support is that employees are significantly involved in the initiative and that a regional connection exists.

AMAG has assumed the sponsorship for the restoration of the “Sebastianaltar” in the Braunau am Inn parish church. The painting on the Zürn Altar in the parish church is an impressive depiction of the martyrdom of St. Sebastian. The Braunau “Sebastianaltar” was erected in 1639 in the Zürnwerkstätte and has been preserved to this day and can be viewed in the parish church.

Results (GRI 3-3)

AMAG's donations and sponsorship expenses at the Ranshofen site in %

In the 2023 reporting year, AMAG's Ranshofen site provided around EUR 253,700 in support services (2022: EUR 122,700). The percentage breakdown of sponsorship and donation expenses can be seen in the chart.



Further targets and next steps

Target:

- › Developing the region through community and social investment: Balanced scope of donations and sponsoring expenditures in the areas of education, science and research, social affairs, sports and culture in the vicinity of the company's headquarters

Next steps:

- › Continued use of the AMAG forum as a platform to communicate with the region
- › Plant tours such as "AMAG by night" and guided tours for specific target groups (schools, universities, teaching staff)
- › Promotion of voluntary work by AMAG employees through the AMAG Social Prize and the AMAG Summer Culture Initiative
- › Continuation of the partnership with the Braunau Red Cross and the Caritas Upper Austria learning café

REGIONAL VALUE CREATION (GRI 3-3)

Through its business activities, AMAG Group makes a significant contribution to regional value creation in the area surrounding the company's location.

Target 2023

- › Promotion of local value creation

Management approach

AMAG considers acting as responsibly as possible in procurement as an essential element of sustainable corporate management. Property, plant and equipment, services, consumables and supplies are procured centrally for all companies by the AMAG Ranshofen purchasing department. Ecological and social aspects are taken into consideration in purchasing decisions, as are price, quality, reliability and flexibility. Further information is presented in the [Raw materials](#) section.

A set of binding [purchasing guidelines](#) for supplies, overhead materials, capital goods, services and energy defines the central purchasing principles and procedures. These guidelines also state that the [ESG requirements for suppliers](#) must be complied with by all suppliers. For more information, please see the [Human rights and responsibility in the supply chain](#) section.

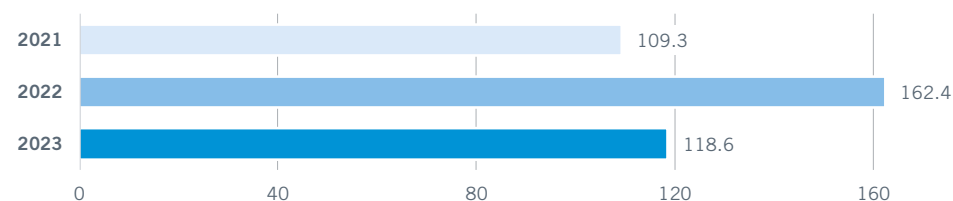
Given equal performance, at the Ranshofen site preference is given to local suppliers from Upper Austria and the Innviertel region in order to promote local value creation.

Central measures in 2023

In the purchasing process, AMAG attaches importance to regional value creation, among other priorities, as this strengthens the business location and enhances the availability of goods and services. In the 2023 reporting year, numerous contracts were awarded to [regional suppliers](#) (such as for electrical systems, hall lighting, transformer station, etc.).

Results (GRI 3-3)

Expenditures for local suppliers in Ranshofen in EUR million



In the 2023 reporting year, major orders worth EUR 118.6 million were placed in [Upper Austria](#) (2022: EUR 162.4 million), of which EUR 55.7 million went to the [Innviertel region](#) (2022: EUR 84.3 million). Around two thirds of the suppliers of property, plant and equipment, services as well as auxiliary materials and supplies come from Austria. Thanks to the high proportion of orders awarded locally and the prominent presence of suppliers' personnel at the site (accommodation, gastronomy, commerce), companies within the region and the federal state of Upper Austria benefit from the growth path of AMAG. [\(GRI 204-1\)](#)

Further targets and next steps

Target:

- › Promotion of local value creation

Next steps:

- › Further anchoring in decision-making

ECONOMIC TRENDS

The global recovery from the crises of recent years and from the associated economic effects is unfolding on a sluggish and uneven basis. Together with the consequences of the COVID-19 pandemic, the war in Ukraine and other geopolitical conflicts, monetary policy measures to curb inflation exerted a particularly dampening effect on growth in 2023. In retrospect, however, global economic growth is proving to be highly resilient: although it has slowed, it has clearly not come to a standstill.¹⁴

The Purchasing Managers' Index for the manufacturing sector¹⁵ clearly reflects the overall downbeat mood in 2023. Although the easing of supply chains and the drop in energy market prices, among other factors, continued to exert a positive impact in the first quarter of 2023, sentiment subsequently deteriorated.

With regard to the global economy, the International Monetary Fund (IMF)¹⁶ in its January 2024 report expected gross domestic product (GDP) growth of 3.1 % for 2023, following 3.5 % in the previous year.

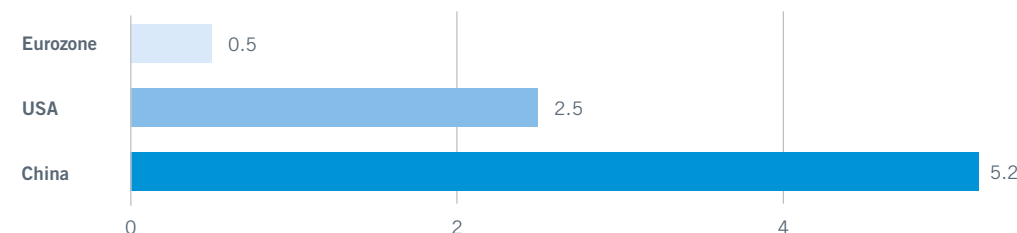
Growth for industrialised countries for 2023 was forecast at 1.6 %, compared to 2.6 % in the previous year. This mainly reflects the +2.5 % economic growth expected for the USA (previous year: +1.9 %). For the Eurozone, the IMF estimated GDP growth of just 0.5 %, following +3.4 % in the previous year. A recessionary trend of -0.3 % was forecast for the German economy over the full course of 2023 (previous year: +1.8 %). GDP forecasts for Spain, France and Italy were significantly higher at +2.4 %, +0.8 % and +0.7 % respectively for 2023.

Like Germany, Austria is also anticipated to have experienced a mild recession over the full course of 2023, according to data from the Austrian Institute of Economic Research.¹⁷ Value added in Austria already diminished during the first half of 2023. In addition to the recessionary trend in industry, service sectors also reflected an increasing downturn. In terms of 2023 overall, a decline in real economic output of 0.8 % was forecast.

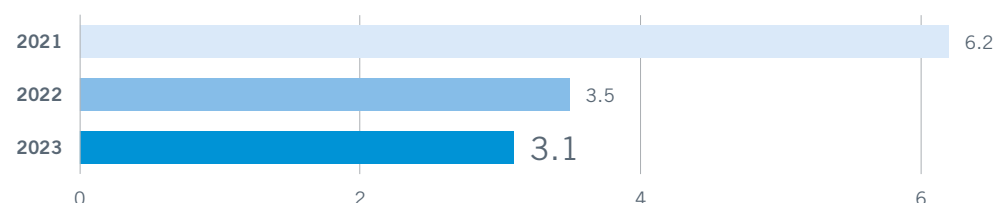
According to IMF forecasts,¹⁸ the economy in emerging and developing countries was forecast to have expanded by an average of 4.1 % during 2023 (previous year: +4.1 %). The International Monetary

Fund points to resilient GDP growth in many countries, although the real estate crisis in China and associated loss of confidence have had a dampening effect on growth. In 2023, the Chinese economy was forecast to have expanded by 5.2 % overall, compared with +3.0 % in the previous year.

Real economic growth in 2023 in a country comparison in %



Real global economic growth in %



¹⁴ IMF, World Economic Outlook, January 2024

¹⁵ Bloomberg

¹⁶ IMF, World Economic Outlook, January 2024

¹⁷ WIFO, Economic Outlook 4/2023, December 2023

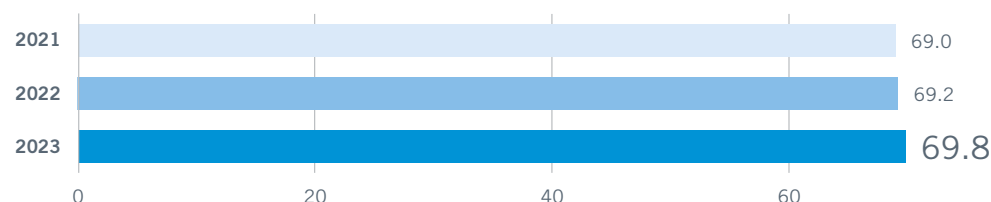
¹⁸ IMF, World Economic Outlook, January 2024

DEMAND FOR ALUMINIUM PRODUCTS

The global demand trend for primary aluminium and aluminium rolled products is of central importance to AMAG Group, primarily due to its globally active Metal and Rolling divisions. The subdued economic environment in the reporting year was also reflected in global demand for aluminium rolled products. However, thanks to aluminium's positive properties (weight, stability, formability, etc.) and its great importance in the area of decarbonisation, demand is expected to continue to rise over the coming years.¹⁹

For primary aluminium, the CRU (Commodity Research Unit)²⁰ forecasts a moderate increase of 0.9 % compared to 2022. The forecast global demand thereby amounted 69.8 million tonnes for the reporting year, compared with 69.2 million tonnes in the previous year.

Global demand for primary aluminium in millions of tonnes



Demand for aluminium rolled products is expected to have decreased over the full course of 2023, according to CRU forecasts.²¹ Compared with 30.9 million tonnes in the previous year, demand in the reporting year is expected to have amounted to 29.7 million tonnes. Demand growth from the transport sector is anticipated to have been very positive at +8.1 % to 5.4 million tonnes in 2023, according to CRU forecasts. However, forecast demand in the mechanical engineering sector (-10.5 % to 1.8 million tonnes), the construction sector (-7.3 % to 3.6 million tonnes) and the packaging industry (-5.0 % to 15.8 million tonnes) reflects the subdued market environment.

¹⁹ CRU, Aluminium Market Outlook, October 2023, and Aluminium Rolled Products Market Outlook, November 2023

²⁰ CRU, Aluminium Market Outlook, October 2023

²¹ CRU, Aluminium Rolled Products Market Outlook, November 2023

Demand from other application areas was also down, by 7.4 % to 3.2 million tonnes, according to CRU forecasts.

Global demand for aluminium rolled products in millions of tonnes



In AMAG Group's Casting Division, the cast alloys business features as a regional business with a focus on Western and Central Europe. The automotive sector (including the automotive supply industry) ranks as this division's largest customer, accounting for around 60 % of total shipment volumes. Consequently, the relevant economic environment is primarily shaped by European automotive industry trends.

The global automotive industry benefited from an overall improvement in the supply situation, according to the latest data from the German Association of the Automotive Industry (VDA).²² This enabled significant increases in new registrations on the major international automotive markets. In the European market (EU, EFTA & UK), a total of 12.8 million vehicles were registered, 14 % more than in 2022. It should be noted that in the previous year particularly the European automotive market was significantly impacted by the consequences of the war in Ukraine. As a result, new registrations in 2023 are still 19 % below the figures recorded in the 2019 pre-crisis year. In Germany, new registrations of 2.8 million cars in the reporting year also reflect significant year-on-year growth of 7 %. At -21 %, the difference compared with the pre-crisis level in 2019 is nevertheless well into double figures.²³

²² VDA, press release "International passenger car markets with strong growth in 2023", January 2024

²³ VDA, press release "Car production in Germany in 2023: Significant increase compared to previous year's level", January 2024

PRICE TRENDS OF ALUMINIUM AND RAW MATERIALS

The Metal Division's earnings reflect LME (London Metal Exchange) aluminium price trends. As far as the Casting and Rolling divisions are concerned, their risk from aluminium price fluctuations is almost completely hedged. In these two divisions, fluctuations in the aluminium price are reflected in both revenue and the cost of materials in almost equal measure and are therefore almost neutral in terms of profit and loss.

Over the course of 2023 as a whole, aluminium (3-month LME) traded relatively constantly within a price range between 2,123 USD/t (August 21, 2023) and 2,662 USD/t (January 18, 2023). During the first six months of 2023, the average price amounted to 2,360 USD/t (H1/2022: 3,088 USD/t). In the second half of 2023, the average price was recorded at 2,212 USD/t (H2/2022: 2,351 USD/t). With regard to the year as a whole, the average aluminium price of 2,285 USD/t stood 15.8 % lower than the previous year's average (2,713 USD/t). Aluminium was trading at a price of 2,382 USD/t as of December 29, 2023 (December 30, 2022: 2,392 USD/t).²⁴

Aluminium price (3-month LME) in USD/t



²⁴ London Metal Exchange

The premiums that are added to aluminium prices are determined especially by the location of delivery, supply and demand, as well as trade restrictions. The premium for deliveries to the USA reduced significantly year-on-year. This particularly reflects price effects from the US import duty, which decreased due to the drop in the aluminium price, as well as the generally subdued economic environment. Premiums were also down tangibly in Europe.

Like the aluminium price, the price of alumina, the raw material required for primary aluminium production, remained stable during the reporting year. In relation to the price of aluminium (3-month LME), the price level rose overall. The average for the year amounted to 344 USD/t (previous year: USD 362/t), or 15.1 % in relation to the aluminium price (previous year: 13.3 %).²⁵ Other raw materials required for the smelter process remained relatively stable overall at a significantly higher level compared to the long-term average, despite a slight easing, such as for petroleum coke. Aluminium scrap is the most important raw material for the Ranshofen site. Here, following primary metal premiums, prices were down year-on-year, in some cases significantly.

Alumina price in USD/t



²⁵ Bloomberg

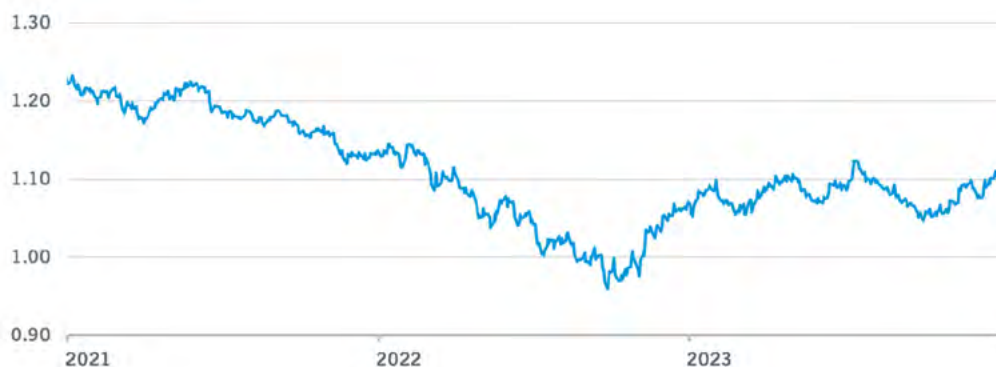
CURRENCY MARKET TRENDS

Especially US dollar (USD) and Canadian dollar (CAD) trends can impact on AMAG Group's business performance.

The Metal Division includes the 20 % interest in the Alouette smelter in Sept-Îles, Canada. The US dollar is the main currency for the primary aluminium business. The aluminium price, for example, is quoted in USD on the London Metal Exchange. In addition to the proceeds from the sale of primary aluminium, essential raw materials and most of the electricity required for production are also priced in USD. Furthermore, costs in CAD are incurred at the location in Canada. A weakening of the Canadian dollar against the USD improves the cost structure and strengthens the position in international competition.

As part of consolidation, the results and balance sheet of the Alouette investment are converted from USD to EUR. Changes in the EUR/USD exchange rate can give rise to significant translation effects.

EUR/USD exchange rate



²⁶ European Central Bank

In the Casting Division, currencies play a subordinate role due to its focus on Western and Central Europe.

Fluctuations in foreign exchange rates can have a bearing on competitiveness in the Rolling Division.

On average, the euro was stronger against the US dollar (USD) in the 2023 financial year. The average exchange rate for the year amounted to 1.08 in the reporting period, compared with 1.05 in the previous year. At the end of the year, EUR/USD was trading at 1.11, compared with 1.07 at the end of 2022.²⁶

In terms of the USD/CAD exchange rate, the USD was significantly stronger at 1.35 compared to the previous year (1.30). The USD/CAD exchange rate stood at 1.33 at the year-end (year-end 2022: 1.35).²⁷

USD/CAD exchange rate



²⁷ European Central Bank

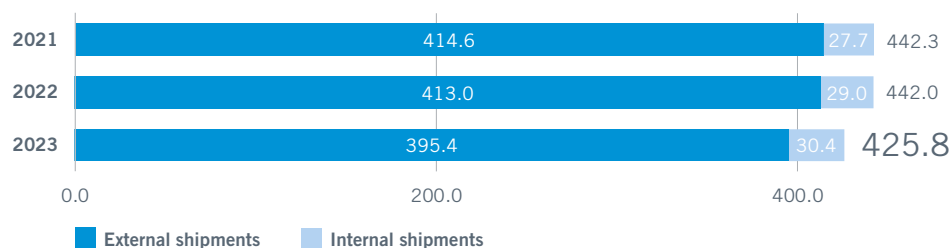
REVENUE AND EARNINGS TRENDS

SHIPMENTS AND REVENUE

Demand for aluminium was considerably impacted by the generally subdued economic situation, particularly since the second quarter of 2023. The company's broad product portfolio and continued high productivity significantly cushioned market-related reductions in demand. Overall, total shipments in the reporting year amounted to 425,800 tonnes compared with 442,000 tonnes in the previous year. The Metal Division continued to benefit from stable production levels and the high number of active pots at the Alouette smelter in Canada. At 126,500 tonnes, primary aluminium shipments increased slightly compared to the previous year's level (125,900 tonnes). The Casting Division increased its total shipments of recycled cast alloys by 1.9 % to 94,500 tonnes thanks to high productivity and a stable market environment in the automotive industry. In the Rolling Division, the increasingly recessionary economic environment in many customer sectors had an impact. Due to its broad positioning, however, the reduction in shipments of industrial applications as well as of sports and architectural products was cushioned to a considerable extent by significant growth in the aircraft and automotive sectors. Overall, total shipments of aluminium rolled products were down by 8.3 % year-on-year to 204,800 tonnes. AMAG components, which forms part of the Rolling Division, had no significant effect on AMAG Group's 2023 business figures.

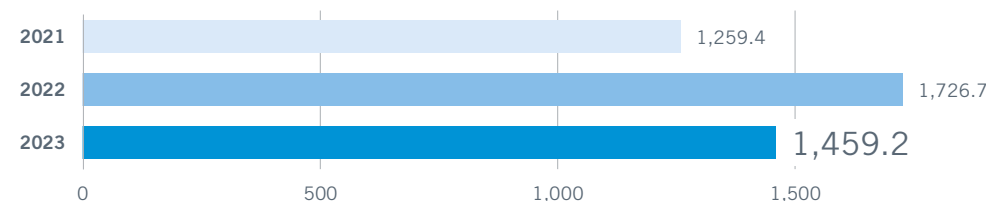
AMAG Group's external shipment volumes amounted to 395,400 tonnes in the 2023 financial year compared with 413,000 in 2022.

Shipments in thousands of tonnes

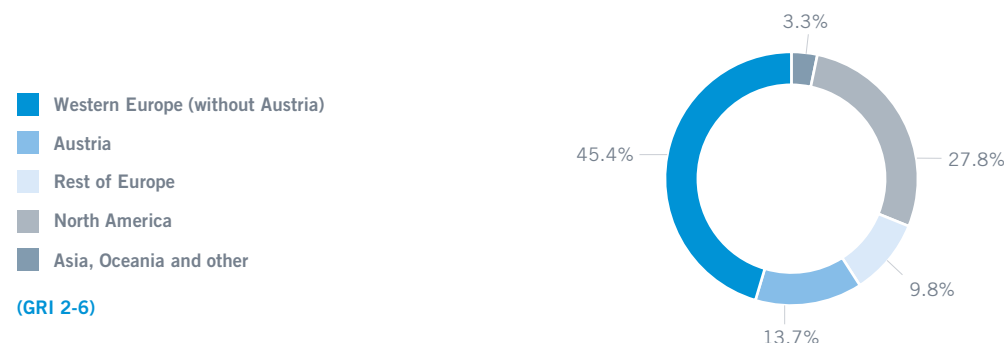


Revenue decreased by 15.5 % to EUR 1,459.2 million. In addition to the lower shipment volume, this particularly reflected the lower aluminium price level. The premiums charged in addition to the aluminium price were influenced by lower demand for aluminium products, among other factors. The premium in the USA was also down, reflecting import duties on the lower aluminium price.

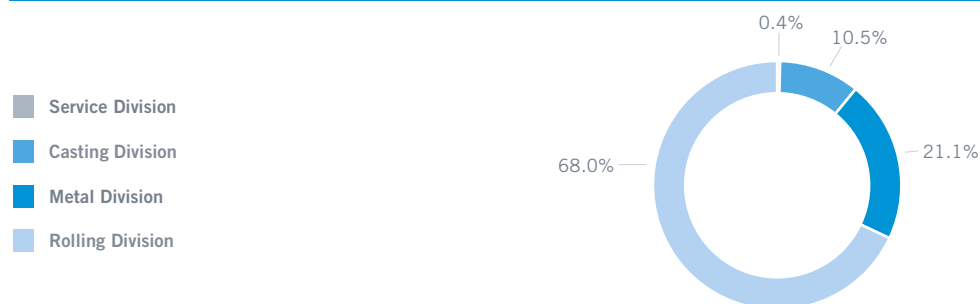
Revenue in EUR million



Revenue by regions in %



Revenue by division in %



RESULTS OF OPERATIONS

While demand from many customer sectors for aluminium products remained solid overall at the start of the year, the economic slowdown, particularly in Europe, was increasingly reflected in AMAG's order book position. Despite the significant easing in energy markets, consumption patterns in many industries were significantly impacted by high inflation and the associated countermeasures. Geopolitical conflicts continued to exert an unsettling effect on the general market environment. To a considerable extent, AMAG Group was able to cushion the market downturns and generate solid results due to its high level of adaptability and its broad diversity in terms of products, sectors and customers. Working capital was also optimised. The supply security of raw materials has remained unchanged and is based on a consistently broad portfolio of suppliers.

Following record earnings in the previous year (EUR 247.1 million), AMAG Group once again generated solid earnings before interest, taxes, depreciation and amortisation (EBITDA) of EUR 188.4 million in the 2023 financial year and thus achieved the second-best result in history.

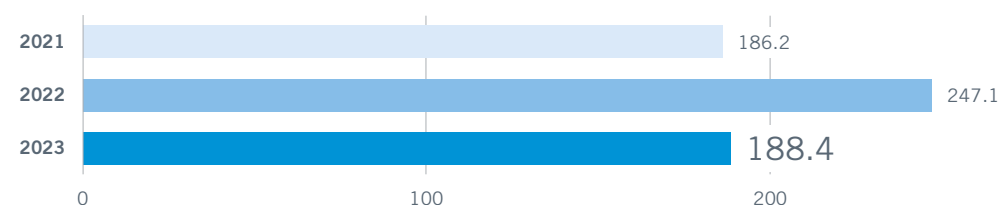
The Metal Division continued to benefit from stable production levels at the smelter in Canada and, as a consequence, was able to exploit the market environment very well. Compared to the previous year, the significantly lower aluminium price and premium level as well as higher raw material costs (especially alumina in relation to the aluminium price) exerted a tangible impact on earnings. Following record EBITDA of EUR 108.8 million in the previous year, an operating result of EUR 67.7 million was achieved in the 2023 financial year, which stands significantly above the long-term average.

In the past financial year, the Casting Division was able to capitalise on the stable market environment in the automotive industry and respond with high productivity levels. Shipment volumes were therefore again slightly higher than in the previous year. With structural costs rising due to inflation, the division once again achieved double-digit EBITDA of EUR 11.0 million (previous year: EUR 13.5 million).

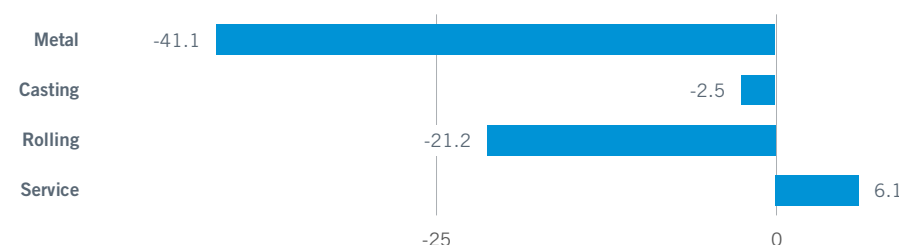
The Rolling Division achieved solid earnings overall within a challenging environment. This division's broad positioning made it possible to partly offset the significant reduction in demand for industrial applications, sports and architectural products with significant growth in the transportation sector. Valuation effects also had a positive effect, partly due to lower energy prices. Higher structural costs were largely offset by price adjustments. The Rolling Division generated EBITDA of EUR 115.0 million in the 2023 financial year, compared with EUR 136.2 million in the previous year.

In the Service Division, EBITDA in the 2023 financial year amounted to EUR -5.2, compared with EUR -11.3 million in the previous year. This improvement in the result particularly reflects structural cost developments.

EBITDA in EUR million



Change in EBITDA compared with 2022 in EUR million



In the income statement prepared in accordance with the cost of sales method, the cost of sales decreased year-on-year, mainly due to the lower average aluminium price and the significant reduction in energy and raw material costs. Overall, the comparison with the previous year (EUR 1,427.1 million) shows a decrease of 14.7 % to EUR 1,217.6 million.

Other income includes grants from research and development, costs passed on for maintenance and infrastructure services, and income from currency translation. Overall, other income decreased from a total of EUR 18.2 million in the previous year to EUR 10.3 million in the reporting year, mainly due to the lower level of currency income.

Selling and distribution expenses decreased significantly by 15.0 %, primarily due to the reduction in shipment volumes, and amounted to EUR 73.9 million in 2023, compared with EUR 86.9 million in the previous year.

Administrative expenses decreased slightly from EUR 42.2 million in the previous year to EUR 41.0 million in the year under review.

Research and development activities were further expanded in the past financial year. Compared with the previous year, expenses rose from EUR 19.2 million to EUR 22.1 million in the year under review.

The share of profit of associates amounted to EUR 0.1 million in the 2023 financial year (previous year: EUR 0.2 million).

Depreciation and amortisation of EUR 86.0 million was slightly lower than in the previous year (EUR 87.5 million). A reduction was particularly evident in the Rolling Division.

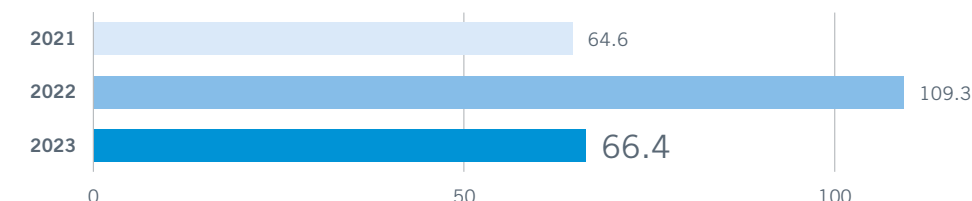
The operating result (EBIT) amounted to EUR 102.4 million in the reporting year (previous year: EUR 159.7 million).

The net financial result of EUR -12.3 million particularly reflects the change in the interest rate environment (previous year: EUR -10.8 million).

Due to the lower level of earnings before taxes (EBT) in the 2023 financial year, current tax expenses also decreased from EUR 34.2 million in the previous year to EUR 22.5 million in the reporting year. Including the deferred tax expense of EUR 1.3 million (previous year: EUR 5.4 million), the total income tax expense amounted to EUR 23.8 million in 2023 (previous year: EUR 39.6 million).

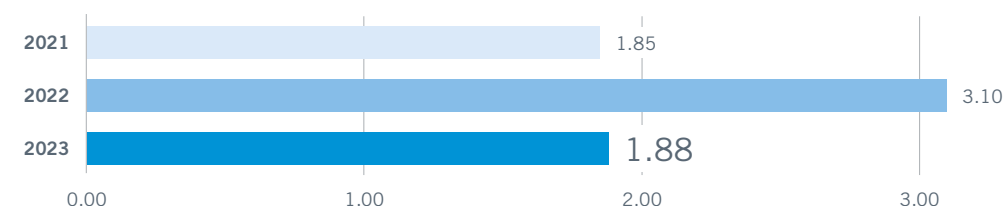
Net income after taxes amounted to EUR 66.4 million in the reporting year compared with EUR 109.3 million in the previous year.

Net income after taxes in EUR million



On the basis of a year-on-year unchanged number of AMAG shares, earnings per share of EUR 1.88 were generated in 2023 (previous year: EUR 3.10 per share).

Earnings per share in EUR



CONSOLIDATED STATEMENT OF INCOME, CONDENSED IN EUR MILLION	2023	2022	Change in %
Revenue	1,459.2	1,726.7	-15.5
Cost of sales	-1,217.6	-1,427.1	14.7
Gross profit	241.6	299.6	-19.4
Other income	10.3	18.2	-43.4
Selling and distribution expenses	-73.9	-86.9	15.0
Administrative expenses	-41.0	-42.2	2.7
Research and development expenses	-22.1	-19.2	-15.2
Other expenses	-12.5	-10.0	-24.7
Share of profit of associates	0.1	0.2	-10.8
Earnings before interests and taxes (EBIT)	102.4	159.7	-35.8
EBIT margin in %	7.0	9.2	-
Net financial income (expenses)	-12.3	-10.8	-13.7
Earnings before taxes (EBT)	90.2	148.9	-39.4
EBT margin in %	6.2	8.6	-
Income taxes	-23.8	-39.6	40.0
Net income after taxes	66.4	109.3	-39.2
thereof net income after taxes non-controlling interests	0.0	0.0	-

DIVIDEND

The Management Board will propose a dividend of EUR 1.50 per share to the Annual General Meeting to be held on April 11, 2024 (previous year: 1.50 EUR/share).

STRUCTURE OF ASSETS AND CAPITAL

CONSOLIDATED BALANCE SHEET

AMAG Group's total assets amounted to EUR 1,620.2 million as of December 31, 2023 and were thereby below the previous year's level (December 31, 2022: EUR 1,792.9 million).

Non-current assets rose slightly from EUR 769.8 million at the end of 2022 to EUR 774.2 million as of December 31, 2023. This increase particularly reflects the construction of the new surface treatment line in the Rolling Division as well as derivative valuation effects. Current assets decreased significantly from EUR 1,023.1 million in the previous year to EUR 846.0 million as of the end of the year under review. This reduction particularly reflects the repayment of debt financing as well as the implementation of working capital optimisation measures and the lower aluminium price level.

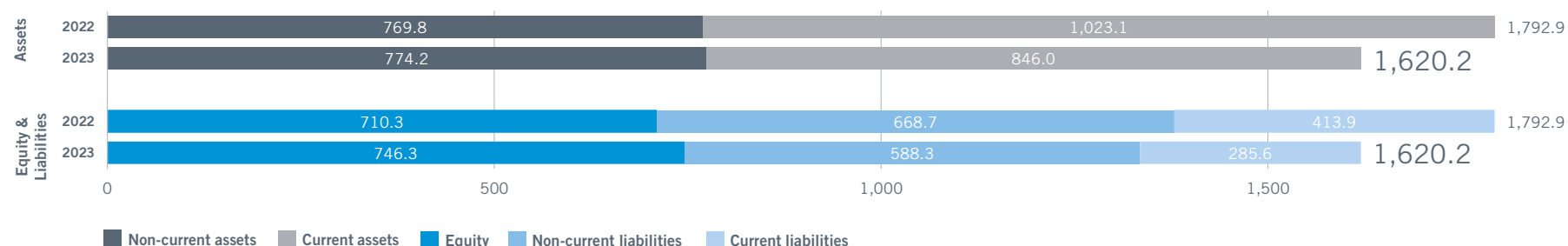
AMAG Group's equity rose to EUR 746.3 million as of December 31, 2023 (December 31, 2022: EUR 710.3 million). In addition to the net income after taxes, valuation effects from the hedging reserve, in particular, exerted a positive effect. The dividend of EUR 52.9 million, which was paid out in April 2023, reduced equity.

Non-current liabilities were down significantly to EUR 588.3 million due to scheduled repayments of debt financing (December 31, 2022: EUR 668.7 million). For the aforementioned reasons, current liabilities of EUR 285.6 million as of the end of 2023 also showed a clear year-on-year reduction (December 31, 2022): EUR 413.9 million).

ASSETS IN EUR MILLION	2023	2022
Intangible assets, property, plant and equipment	741.1	735.8
Equity accounted investments	1.5	1.5
Other non-current assets and deferred taxes	31.5	32.5
Non-current assets	774.2	769.8
Inventories	433.1	486.9
Trade receivables	153.9	166.8
Current tax assets	1.7	1.9
Other current assets	86.0	79.5
Contract assets	2.4	2.4
Cash and cash equivalents	168.9	285.7
Current assets	846.0	1,023.1
ASSETS	1,620.2	1,792.9

EQUITY AND LIABILITIES IN EUR MILLION	2023	2022
Share capital	35.3	35.3
Capital reserves	377.7	377.7
Retained earnings	333.4	297.4
Equity	746.3	710.3
Non-current provisions	81.0	74.7
Interest-bearing non-current financial liabilities	454.7	515.8
Other non-current liabilities and grants	44.5	73.3
Deferred tax liabilities	8.1	4.8
Non-current liabilities	588.3	668.7
Current provisions	17.9	36.1
Interest-bearing current financial liabilities	78.7	163.3
Trade payables	93.1	112.3
Current tax liabilities	0.1	0.1
Other current liabilities and grants	95.8	102.2
Current liabilities	285.6	413.9
EQUITY AND LIABILITIES	1,620.2	1,792.9

Balance sheet structure in EUR million



EQUITY RATIO

The equity ratio expresses the relationship between equity and the sum of equity and liabilities. At the end of 2023, the ratio increased significantly to 46.1 %, primarily due to valuation effects from the hedging reserve and the reduction in debt financing (December 31, 2022: 39.6 %).

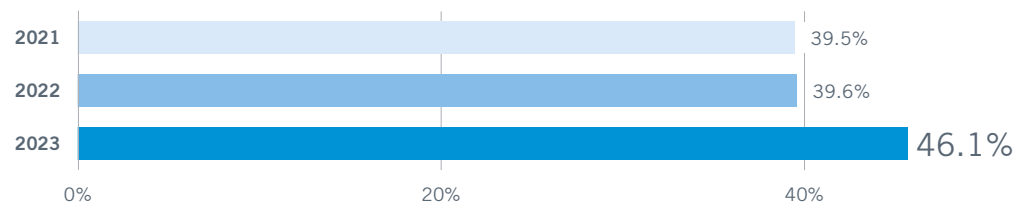
NET FINANCIAL DEBT

Net financial debt is calculated as the balance of cash and cash equivalents plus financial receivables less financial liabilities and amounted to EUR 364.3 million as of December 31, 2023 (December 31, 2022: EUR 393.3 million). This particularly reflects working capital optimisation and the lower aluminium price level.

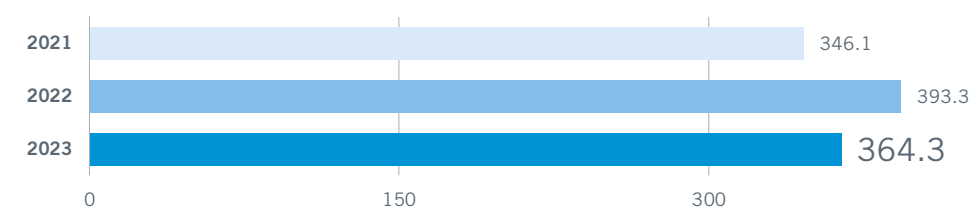
GEARING

Gearing represents the ratio between net financial debt and equity. The lower level of net financial debt reduced gearing to 48.8 % as of December 31, 2023 (December 31, 2022: 55.4 %).

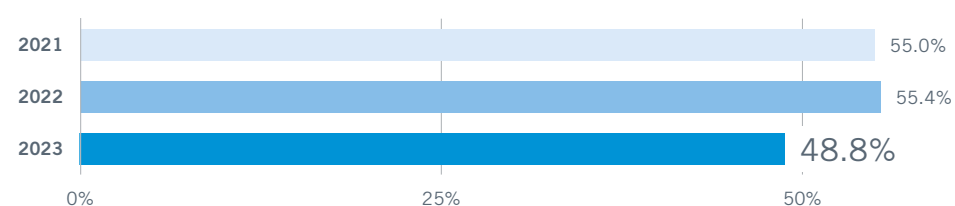
Equity ratio in %



Net financial debt in EUR million



Gearing in %



CASH FLOW STATEMENT

Cash flow from operating activities increased significantly to EUR 180.9 million in the 2023 financial year, compared with EUR 86.1 million in the previous year. In addition to the solid operating result in the 2023 financial year, working capital, in particular, was successfully optimised. The lower aluminium price level also exerted a positive effect.

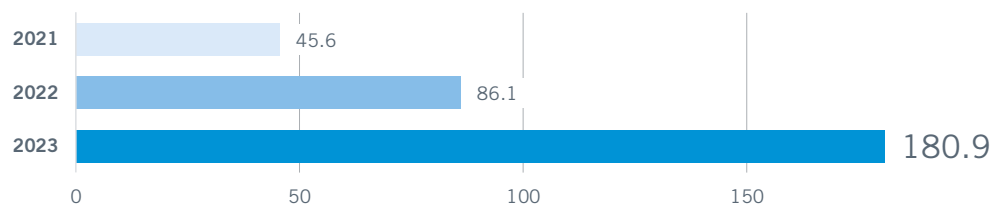
Cash flow from investing activities of EUR -93.8 million in the reporting year was recorded above the previous year's level of EUR -74.9 million, as planned. This enabled the company to generate free cash flow of EUR 87.1 million in the 2023 financial year, well above the level of net income after taxes (previous year: EUR 11.1 million).

Cash flow from financing activities amounted to EUR -200.6 million in 2023, and particularly reflected scheduled loan repayments as well as the dividend payment of EUR -52.9 million (previous year: EUR -52.9 million), which is also included in this figure.

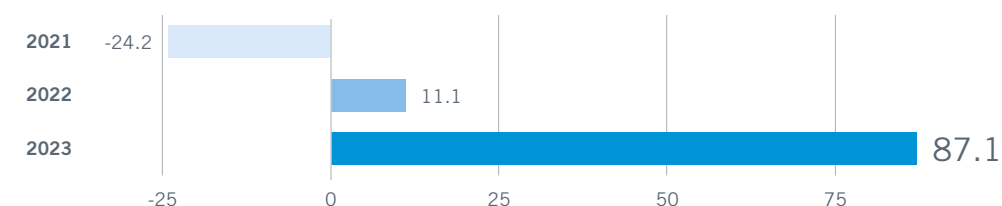
CONSOLIDATED CASH FLOW STATEMENT, CONDENSED IN EUR MILLION

	2023	2022	Change in %
Cash flow from operating activities	180.9	86.1	110.2
Cash flow from investing activities	-93.8	-74.9	-25.1
Free cash flow	87.1	11.1	682.9
Cash flow from financing activities	-200.6	105.6	-290.0

Cash flow from operating activities in EUR million



Free cash flow in EUR million



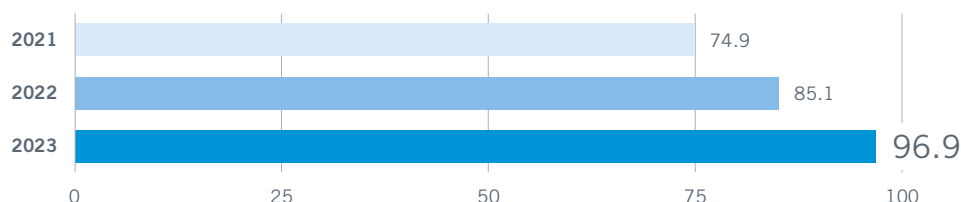
INVESTMENTS

Investments amounted to EUR 96.9 million over the full course of the 2023 year, compared with EUR 85.1 million in the previous year. Of this amount, EUR 91.9 million was invested in property, plant and equipment, and EUR 5.0 million in intangible assets.

The focus of investment activity at the Canadian Alouette smelter remained consistently on the ongoing pot relining. In addition to proceeding replacement and automation/optimisation projects, the first anode furnace at the Canadian smelter was renewed as planned in 2023. The second furnace is scheduled for general refurbishment in 2024. This will ensure that the anodes, which are essential for the production of primary aluminium, can be produced in-house in the future.

A large number of investment projects were successfully realised at the headquarters in Ranshofen. The construction of a new surface treatment line and an additional homogenisation furnace warrant special mention in this context. Additional system modernisations and digitalisation projects were also implemented as planned. The migration to SAP S4/HANA was completed on schedule in the current reporting year. In addition to various automation projects, investments in the areas of safety and the environment as well as research and development were also consistently implemented at the Ranshofen site.

Investments/additions to non-current assets in EUR million



With the new surface treatment line at the Ranshofen site, our high-quality aluminium coils can be optimally prepared for further processing by the customer. Equipped with state-of-the-art technology, this plant enables the flexible surface finishing of different products and therefore offers advantages for customers from several industries.

KEY FINANCIAL PERFORMANCE INDICATORS

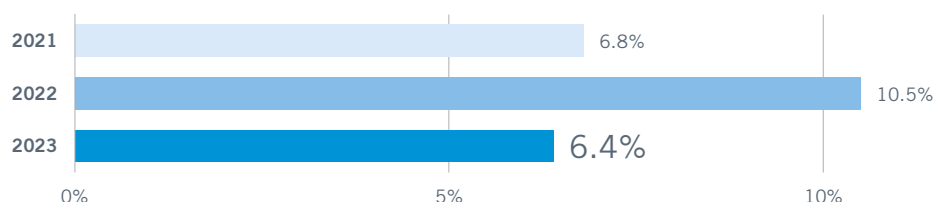
RETURN ON CAPITAL EMPLOYED

Return on capital employed (ROCE) is defined as the ratio between net operating profit after tax (NOPAT) and average capital employed, expressed as a percentage. Accordingly, this ratio measures the profitability of the business based on average capital employed during the financial year.

Average capital employed during the financial year is the sum of average equity and average net debt. Average net debt is calculated on the basis of non-current and current interest-bearing financial liabilities and provisions for social capital less cash and cash equivalents and current securities.

AMAG Group generated a 6.4 % return on capital employed in 2023, compared with 10.5 % in the previous year. The change especially reflects the lower level of net income after taxes.

ROCE in %²⁸



²⁸ In 2022, an adjustment was made in the ROCE calculation. The provision for social capital is now also taken into consideration when calculating the average capital employed. In addition, an adjustment was made in the calculation of taxes on net interest income for the calculation of NOPAT. The ROCE figures before 2022 reflect these two adjustments.

RETURN ON EQUITY

Return on equity is the ratio between net income after taxes and average equity, expressed as a percentage. ROE shows the profitability in relation to average equity employed during the financial year.

Due to the earnings situation, the ROE of 9.1 % in the reporting year stood below the previous year's level of 16.3 %.

CALCULATION OF ROCE AND ROE IN EUR MILLION

	2023	2022
Net income after taxes	66.4	109.3
Net interest result	-12.0	-11.5
Taxes on interest income	3.2	3.1
NOPAT	75.2	117.7
Equity**	728.3	669.9
Non-current interest-bearing financial liabilities**	485.2	455.9
Current interest-bearing financial liabilities**	121.0	142.4
Provisions for employee benefits**	60.8	77.0
Cash and cash equivalents***	-227.4	-228.6
Capital employed**	1,167.9	1,116.6
ROCE in %	6.4	10.5
Net income after taxes	66.4	109.3
Equity**	728.3	669.9
ROE IN %	9.1	16.3

** Year-average

*** Year-average cash and cash equivalents

METAL DIVISION

ECONOMIC ENVIRONMENT

Global demand for primary aluminium increased by 0.9 % year-on-year to 69.8 million tonnes in 2023, whereby this growth is attributable to China, according to CRU forecasts.²⁹ Expected total demand in China grew by 3.7 % from 40.7 million tonnes in the previous year to 42.3 million tonnes in the reporting year, according to the CRU. With an approximately 60 % share of the total market, China remains the largest consumer of primary aluminium. With regard to the rest of the world, the CRU have forecast a 3.3 % reduction in demand to 27.6 million tonnes in 2023. Expected demand in Europe has reduced significantly by 6.8 % to 8.3 million tonnes, according to the market research institute. An even greater percentage decrease of 7.9 % and consequently demand of 6.3 million tonnes is forecast for Western Europe. In North America, the expected annual demand amounted to 5.9 million tonnes, 4.8 % below the previous year's level.

The CRU expected tangibly stronger growth in primary aluminium production of +2.2 % for the full 2023 year. Global production is thereby expected to reach 70.4 million tonnes, up from 68.8 million tonnes in the previous year. However, a negative trend is again forecast for Europe, with production anticipated to have reduced by 4.4 % to 7.2 million tonnes. Based on global estimates of demand and production trends, the market reflected a net surplus of 0.6 million tonnes of primary aluminium in the year 2023. Stocks at LME-registered warehouses were slightly higher year-on-year at 0.6 million tonnes, according to the CRU's estimate.

In 2023, aluminium traded within a relatively stable price range between 2,123 USD/t (August 21, 2023) and 2,662 USD/t (January 18, 2023). The average aluminium price for the year amounted to 2,285 USD/t, significantly below the previous year's level of 2,713 USD/t. In addition to significantly lower electricity prices, the aluminium price also reflects the generally subdued economic environment in 2023. Aluminium was trading at a price of 2,382 USD/t as of December 29, 2023 (December 30, 2022: 2,392 USD/t).³⁰

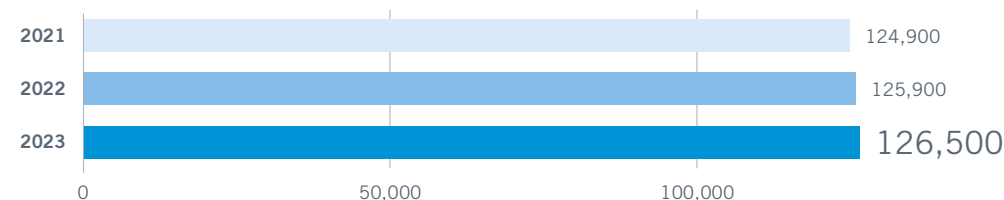
The premiums that are added to aluminium prices are determined especially by the location of delivery, supply and demand, as well as trade restrictions. The premium for deliveries to the USA reduced significantly year-on-year. This particularly reflects price effects from the US import duty, which decreased due to the drop in the aluminium price, as well as the generally subdued economic environment.

Like the aluminium price, the price of alumina, the raw material required for primary aluminium production, remained stable in the reporting year. In relation to the price of aluminium (3-month LME), its price level rose overall. The average for the year amounted to 344 USD/t (previous year: USD 362/t) or 15.1 % (previous year: 13.3 %) in relation to the aluminium price.³¹ Other raw materials required for the smelter process remained relatively stable at a significantly higher level compared to the long-term average, despite a slight easing, such as for petroleum coke in the second half of 2023.

2023 FINANCIAL YEAR

Production at the Alouette smelter in Canada remained virtually unchanged at the previous year's high level. The total shipment volume amounted to 126,500 tonnes (previous year: 125,900 tonnes). Of these shipments, no volumes were shipped to Ranshofen on an intragroup basis.

Shipments in tonnes



²⁹ CRU, Aluminium Market Outlook, October 2023

³⁰ London Metal Exchange

³¹ Bloomberg

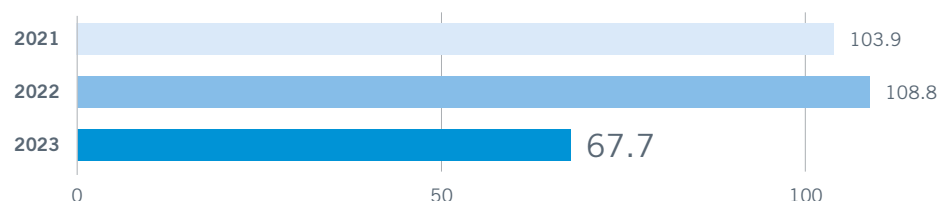
2023 EARNINGS TRENDS

Particularly reflecting the lower aluminium price as well as the lower premium level, revenue was down from EUR 1,422.7 million in the previous year to EUR 1,038.1 million in the reporting year. The stronger EUR against the USD on average over the year also exerted a negative effect on the revenue trend in the 2023 financial year. Of the total revenue, EUR 729.8 million was attributable to intragroup revenue. This consisted mainly of deliveries of primary materials – including primary aluminium, scrap and rolling slabs – to the casthouse and rolling mill.

After two record years in 2021 and 2022, the Metal Division generated EBITDA of EUR 67.7 million in the reporting year (previous year: EUR 108.8 million). The operating result thereby stood well above the division's long-term average. The main reason for the year-on-year downturn is the significantly lower aluminium price and premium levels. Higher alumina prices in relation to the price of aluminium also exert a negative impact on earnings. As in the previous year, the Metal Division benefited from the customs exemption between Canada and the USA by selling 100 % of Alouette's primary aluminium into the USA. The result from inventory hedging amounted to EUR 6.9 million in the reporting year (previous year: EUR -6.7 million), reflecting the rising forward curve (contango).

The operating result (EBIT) amounted to EUR 41.1 million compared with EUR 82.4 million in the previous year.

EBITDA in EUR million



INVESTMENTS

In the Metal Division, investments in property, plant and equipment of EUR 31.8 million exceeded the previous year's level of EUR 25.8 million. In addition to the general refurbishment of the anode furnaces as a major investment project, pot relining activities as well as ongoing replacement, automation and sustainability projects were implemented as planned. A stronger USD/CAD exchange rate as well as a stronger EUR/USD exchange rate had a positive impact on investments reported in EUR.

EMPLOYEES

The number of employees (full-time equivalents) rose from 197 individuals in the previous year to an average of 211.

KEY FIGURES FOR THE METAL DIVISION IN EUR MILLION

	2023	2022	Change in %
Revenue	1,038.1	1,422.7	-27.0
thereof, internal revenue	729.8	1,053.1	-30.7
EBITDA	67.7	108.8	-37.8
EBITDA margin in %	6.5	7.6	-
EBIT	41.1	82.4	-50.2
EBIT margin in %	4.0	5.8	-
Investments	31.8	25.8	23.3
Employees (Ø FTE)*	211	197	7.0

* The percentage share of personnel resulting from the 20 % interest in the Alouette smelter amounts to around 200 employees and is included in the calculation of the number of employees.

CASTING DIVISION

ECONOMIC ENVIRONMENT

In AMAG Group's Casting Division, the cast alloys business features as a regional business with a focus on Western and Central Europe. The automotive sector (including the automotive supply industry) ranks as the Casting Division's largest customer, accounting for around 60 % of the total shipment volume. As a consequence, the relevant economic environment is primarily shaped by European automotive industry trends.

In the European market (EU, EFTA & UK), a total of 12.8 million vehicles were registered, 14 % more than in 2022. It should be noted that particularly the European automotive market was significantly impacted by the consequences of the war in Ukraine in the previous year. As a consequence, new registrations in 2023 still stand 19 % below those of the 2019 pre-crisis year.³² In Germany, new registrations of 2.8 million cars in the reporting year also reflected significant year-on-year growth of 7 %. As a result, the difference compared with the pre-crisis level in 2019 amounts to -21 %.³³

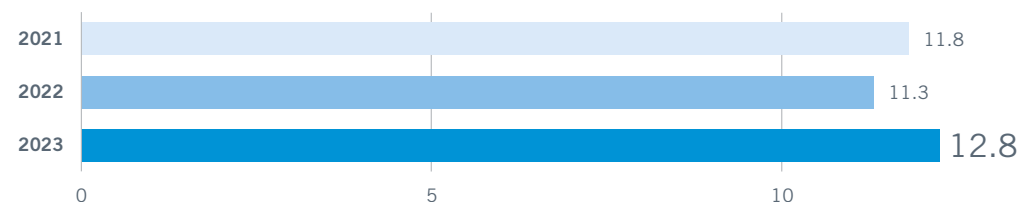
Finally, shipments in the USA also present a positive trend. The VDA³⁴ have forecast an increase of 12 % to a volume of 15.5 million light vehicles (passenger cars and light commercial vehicles) over the course of 2023 as a whole.

The Chinese passenger car market set a sales record. With 25.8 million units sold 11% more cars were registered in 2023 than in the previous year. Compared to the previous record year 2017, this corresponds to an increase of almost 7%.

³² VDA, press release "International passenger car markets with strong growth in 2023", January 2024

³³ VDA, press release "Car production in Germany in 2023: Significant increase compared to previous year's level", January 2024

New passenger car registrations in Europe (EU27, EFTA, UK) in million units



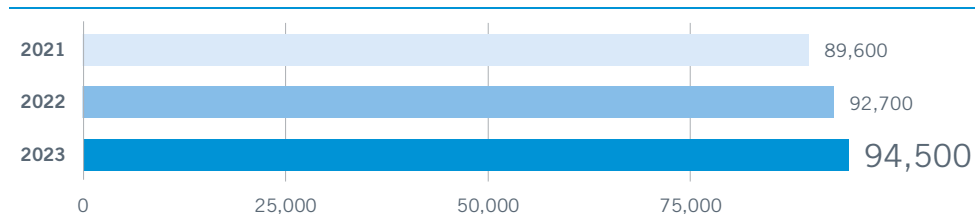
2023 FINANCIAL YEAR

The Casting Division was able to serve the positive market environment in the automotive industry with stable production levels, while maintaining high productivity at the same time. As a consequence, capacity utilisation was high in the recycled cast alloys production area over the course of 2023 as a whole. Total shipments in the Casting Division increased by 1.9 % to 94,500 tonnes (previous year: 92,700 tonnes). Around 64,700 tonnes of the total shipment volume were sold to external customers in the form of ingots, sows and liquid aluminium.

The Casting Division continued to make a valuable contribution to the supply of primary materials for the Rolling Division through intragroup deliveries of around 29,800 tonnes. As a result, additional recycled aluminium was successfully reintroduced into the value cycle to produce high-quality aluminium rolled products. The Casting Division thereby made a significant contribution to maintaining a high level of scrap utilisation at the Ranshofen site.

³⁴ VDA, press release "International passenger car markets with strong growth in 2023", January 2024

Shipments in tonnes



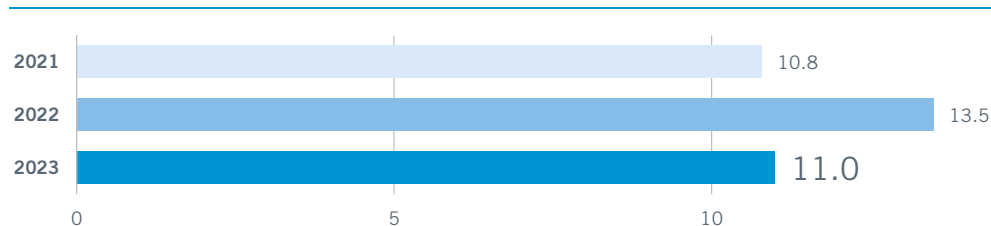
2023 EARNINGS TRENDS

Revenue decreased year-on-year from EUR 174.6 million to EUR 165.8 million, particularly due to the lower price level.

At EUR 11.0 million, EBITDA once again reflected a very positive trend in the 2023 financial year (previous year: EUR 13.5 million). Compared to the previous year, higher structural costs were especially noticeable, which were only partly offset by price adjustments and lower energy costs. The implementation of the IFRS 16 standard since 2019 exerted a positive effect due to interdivisional EBITDA shifts from the Service Division to the Casting Division. In the 2023 financial year, this effect amounted to EUR 1.6 million (previous year: EUR 1.7 million).

The operating result (EBIT) amounted to EUR 8.7 million in the reporting year, compared with EUR 11.1 million in the previous year.

EBITDA in EUR million



INVESTMENTS

In the Casting Division, investments in property, plant and equipment amounted to EUR 4.1 million, compared with EUR 4.2 million in the previous year. Shifts due to the interdivisional reclassification due to IFRS 16 amounted to EUR 2.5 million (previous year: EUR 3.2 million).

EMPLOYEES

The average number of employees (full-time equivalents) stood at 123 individuals, slightly above the previous year's level (119 employees).

KEY FIGURES FOR THE CASTING DIVISION IN EUR MILLION

	2023	2022	Change in %
Revenue	165.8	174.6	-5.1
thereof, internal revenue	12.0	12.0	0.0
EBITDA	11.0	13.5	-18.5
EBITDA margin in %	6.6	7.7	-
EBIT	8.7	11.1	-21.4
EBIT margin in %	5.3	6.4	-
Investments	4.1	4.2	-1.2
Employees (Ø FTE)	123	119	2.7

ROLLING DIVISION

ECONOMIC ENVIRONMENT

Global demand for aluminium rolled products was impacted by the generally downbeat market environment in 2023, according to forecasts by the CRU market research institute.³⁵ Following growth of 2.7 % in the previous year, a reduction of 3.8 % to 29.7 million tonnes is expected for the year under review.

With an expected change of +8.1 %, the CRU estimates that the transportation industry performed very well despite the lower level of demand overall. Compared to the previous year (5.0 million tonnes), demand of 5.4 million tonnes is forecast for 2023. The other sectors presented by the CRU failed to record any year-on-year growth. With an expected year-on-year reduction of 10.5 %, demand in the mechanical engineering sector dropped significantly to 1.8 million tonnes. With regard to the construction sector, the CRU estimates a decrease in demand of 7.3 % to 3.6 million tonnes in 2023. The global demand forecast for the large-volume packaging industry also reflects a reduction of 5.0 % to a total of 15.8 million tonnes. Demand for aluminium rolled products in the other consumer goods area decreased by 7.4 % to 3.2 million tonnes, according to CRU estimates.

As far as the forecast demand trend in core markets is concerned, a decrease is evident in all regions. However, the extent of this reduction varies in individual countries, and in some cases significantly. With an estimated decrease of 7.6 % to 6.0 million tonnes, demand was down markedly, particularly in North America. With regard to Western Europe, an even greater reduction of 9.2 % to 4.1 million tonnes is expected. In China, by contrast, demand is expected to have risen slightly by 0.4 % to 11.5 million tonnes. For the overall Asian region, a decrease of 0.6 % to 16.5 million tonnes is expected over the full course of 2023, according to the CRU.

International flows of aluminium rolled products continue to be subject to customs effects, which can be associated with both price advantages and price disadvantages. During the 2023 financial year, the agreement reached between the USA and the EU at the end of October 2021 continued to enable deliveries to the USA to be exempted from an additional 10 % duty for a certain quota (quota system,

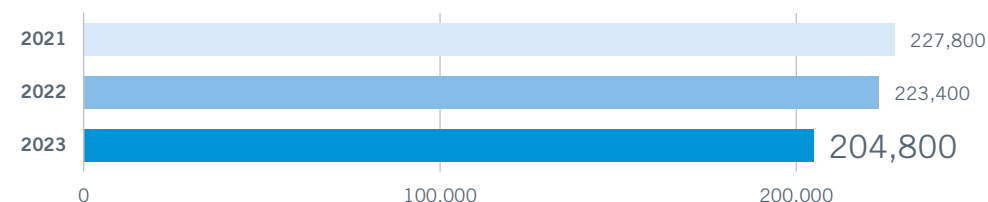
Section 232). For the Rolling Division, no significant customs-related effects on revenues generated in the US market were identified in the reporting year.

The EU anti-dumping duty on aluminium rolled products from China, which has actually been levied since mid-2022, tends to support growth in this division.

2023 FINANCIAL YEAR

The market-led reduction in demand for aluminium rolled products was also reflected in the Rolling Division's shipments. After a start to 2023 that was still characterised by solid new order intake from many industries, significant reductions subsequently arose, particularly in demand for industrial applications, sports and architectural products. However, the division's broad positioning and AMAG's high level of flexibility enabled these factors to be offset to a significant extent through volume growth in the automotive and aircraft sectors. Overall, total shipments of 204,800 tonnes stood 8.3 % below the previous year's level of 223,400 tonnes.

Shipments in tonnes



The rolling slab casthouse at the Ranshofen site delivered around 233,000 tonnes of rolling slabs in the 2023 financial year. Accordingly, a large share of the primary material required for rolled products was produced in-house, mainly using aluminium scrap. AMAG continues to make recourse to a broad portfolio of suppliers and was able to secure supplies of primary materials at all times during the past financial year.

³⁵ CRU, Aluminium Rolled Products Market Outlook, November 2023

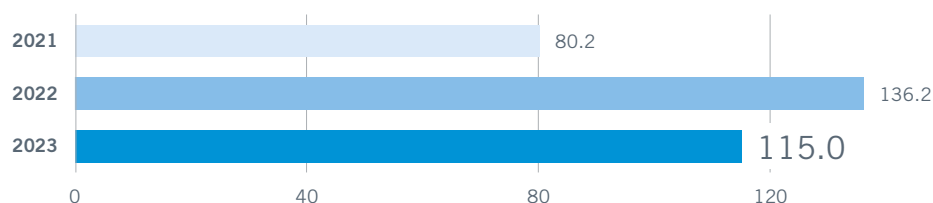
2023 EARNINGS TRENDS

Revenue decreased year-on-year from EUR 1,510.5 million to EUR 1,175.4 million. In addition to the lower aluminium price level, this is primarily due to the market-related lower volume of shipments.

EBITDA was once again in the triple-digit range at EUR 115.0 million, but posted a decrease compared to the 2022 financial year (EUR 136.2 million) due to the lower shipment volume. Lower demand was particularly evident in industrial applications as well as in the sports and architecture sectors. These reductions were cushioned to a considerable extent by growth in shipments to the aircraft and automotive industries. Higher structural costs were largely offset by price adjustments. The reduction in energy prices had a positive impact on the Rolling Division's earnings and is also responsible for positive valuation effects. The implementation of the IFRS 16 standard since 2019 exerted a positive effect due to interdivisional EBITDA shifts from the Service Division to the Rolling Division. In the 2023 financial year, this effect amounted to EUR 16.0 million (previous year: EUR 16.4 million). Depreciation and amortisation decreased from EUR 53.0 million in the previous year to EUR 51.1 million in the reporting year.

Due to the aforementioned influencing factors, the operating result (EBIT) amounted to EUR 63.9 million in the 2023 financial year (previous year: EUR 83.1 million).

EBITDA in EUR million



INVESTMENTS

Investments in the Rolling Division amounted to EUR 47.6 million in the reporting year, compared with EUR 45.0 million in 2022. Investments were realised primarily in the automation and modernisation of systems, with the completion of the surface treatment line and the construction of an additional homogenisation furnace representing particularly noteworthy projects. In addition, investments were realised in the area of occupational and plant safety. As a consequence of the intersegment shift, EUR 5.9 million was reclassified, primarily for the expansion of halls and operating buildings including infrastructure (previous year: EUR 11.2 million).

EMPLOYEES

The average number of employees of 1,702 (full-time equivalents) was slightly below the previous year's level (previous year: 1,706 employees).

KEY FIGURES FOR THE ROLLING DIVISION IN EUR MILLION

	2023	2022	Change in %
Revenue	1,175.4	1,510.5	-22.2
thereof, internal revenue	183.8	322.2	-42.9
EBITDA	115.0	136.2	-15.6
EBITDA margin in %	9.8	9.0	-
EBIT	63.9	83.1	-23.1
EBIT margin in %	5.4	5.5	-
Investments	47.6	45.0	5.8
Employees (Ø FTE)	1,702	1,706	-0.3

SERVICE DIVISION

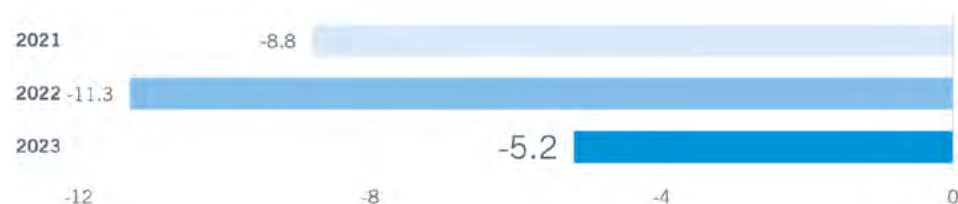
Through providing infrastructure and services, the Service Division makes an important contribution to AMAG Group's sustainable success, profitability and continued growth. Besides managing the Group, the division's scope of responsibility also includes waste disposal, as well as measures aimed at waste prevention and recycling. Energy supply at the Ranshofen site also falls within the division's remit, and in addition the Service Division deals with requirements relating to decarbonisation. The works services function comprises site infrastructure services such as security guards and messengers. Since February 2023, the Service Division has been expanded to include the AMAG restaurant at the Ranshofen site.

The facility management function is responsible for around 300 ha of ground area. Of this, the industrially developed area amounts to around 100 ha. In 2023, the supplies function provided a procurement volume (excl. PV quantities) of 216 GWh (previous year: 227 GWh) of electrical energy and approximately 471 GWh of natural gas (previous year: approximately 508 GWh).

2023 EARNINGS TRENDS

Especially due to the passing on of energy costs, revenue amounted to EUR 119.9 million in the 2023 financial year (previous year: EUR 120.1 million), and included services rendered at the Ranshofen site for the other divisions as well as for entities outside the Group. The IFRS 16 leasing regulation, which has been in application since 2019, has since led to interdivisional shifts in revenue and earnings. The Service Division's EBITDA during the reporting year amounted to EUR -5.2 million, compared with EUR -11.3 million in the previous year. The positive difference especially reflects the change in structural costs.

EBITDA in EUR million



INVESTMENTS

Total investments of EUR 13.3 million in the reporting year were above the previous year's level of EUR 10.1 million. In addition to the renovation of a scrap storage area and a larger scrap storage hall, infrastructure measures were implemented to secure supplies at the Ranshofen site. The migration to SAP S4-HANA was also successfully implemented in the 2023 financial year. The shifts due to the interdivisional reclassification as a consequence of the application of IFRS 16 amounted to EUR -8.4 million (previous year: EUR -14.4 million).

EMPLOYEES

The average number of employees of 211 (full-time equivalents) was above the previous year's level (192 employees).

KEY FIGURES FOR THE SERVICE DIVISION IN EUR MILLION

	2023	2022	Change in %
Revenue	119.9	120.1	-0.2
thereof, internal revenue	114.4	113.9	0.4
EBITDA	-5.2	-11.3	53.9
EBITDA margin in %	-4.3	-9.4	-
EBIT	-11.2	-17.0	33.8
EBIT margin in %	-9.4	-14.1	-
Investments	13.3	10.1	32.2
Employees (Ø FTE)	211	192	10.0

Systematic risk management has been implemented as an integral component in order to identify, assess and control all significant risks and opportunities within AMAG Group. Risks are to be identified at an early stage and, where possible, proactively managed in order to limit or completely avoid their occurrence and potential negative effects. In addition to mitigating risks, the aim is to leverage business opportunities in a targeted manner. A balanced approach to opportunity and risk management is one of the Group's key success factors. Those risks arising especially from the interest in Alouette are presented in the section "Risks from the interest in Aluminerie Alouette".

This risk and opportunity report refers particularly to those strategic and operational risks and opportunities that derive from an outside-in view. This refers to risks and opportunities that affect the company from outside. In addition, sustainability issues (ESG) and associated risks and opportunities, which are assigned to the areas of employee concerns, combatting corruption and bribery, social concerns, and respect for human rights, among others, are also becoming increasingly important and are explained accordingly in the risk and opportunity report. The identification and assessment of climate- and environment-related risks and opportunities also form part of risk management, although here, as with strategic risks, a longer-term observation period of up to ten years was selected. Climate- and environment-related risks were also taken into consideration in the study on the avoidance of significant adverse effects according to the EU Taxonomy (Regulation (EU) 2021/2139).

In the course of defining the main topics for the non-financial statement, a corresponding analysis was performed which, in addition to the outside-in view, also includes those effects that emanate from the company or its value chain and can exert a positive or negative impact on the corporate environment (inside-out view). The results of this analysis are presented in tabular form in the "Materiality analysis" section of the non-financial statement. The handling of these effects, targets and measures, which is steered by management documents such as codes, guidelines and procedural instructions, is explained in the respective topical sections of the non-financial statement.

RISK MANAGEMENT SYSTEM

Risk management is oriented to ensuring a sustained positive trend in AMAG Group's financial position and performance, growth in the company's value, as well as the minimisation of negative influences on the environment. This system that has been implemented relies primarily on:

- › The regulation of operational processes by means of Group guidelines and instructions
- › Active hedging of specific risks (volatility of the aluminium price and in exchange rates)
- › The coverage of certain risks by insurance
- › Further specific measures to avoid and manage risks

Strategic and operational risks are monitored in the context of an annual cycle. Moreover, guidelines and instructions, as well as the insurance concept, are subject to ongoing review and updated whenever necessary. In addition, external auditors conduct evaluations on a case-by-case basis in selected corporate areas to determine the effectiveness of the internal control system.

INTERNAL CONTROL SYSTEM

The internal control system as well as risk management are based on the standards as set out in the internationally established rules for internal control systems (COSO: Internal Control and Enterprise Risk Managing Frameworks of the Committee of Sponsoring Organizations of the Treadway Commission), and on ISO 31000 risk management guidelines. The objective is for the relevant managers to identify and manage risks.

MAIN FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM RELATING TO THE FINANCIAL ACCOUNTING PROCESS

As a matter of principle, the establishment of appropriate internal controlling and risk management systems in relation to the financial accounting process and financial reporting is the responsibility of the respective management. AMAG Austria Metall AG has established Groupwide mandatory standards for the management of its most important business risks, and for the financial accounting and reporting process. The standards are implemented by the management teams within the companies, and augmented where necessary.

The integrated financial accounting and reporting for the Ranshofen site is performed centrally. The consolidated financial statements are also prepared centrally, based on reporting by the subsidiaries. The fulfilment of legal requirements – the complete, correct, timely and orderly entry in the books and other records – is ensured by appropriate organisational measures. The entire process from procurement through to payment is governed by stringent regulations and guidelines within AMAG Group, which aim to ensure that all associated risks are avoided.

These measures and regulations include functional separations, regulations relating to signing authorities, joint signatory powers for payments restricted to a limited number of persons, and system-supported checks by the deployed software (e.g. SAP). The financial accounting systems are largely based on standard software, and protected against unauthorised access.

A standardised financial reporting system has been established throughout AMAG Group. The management teams as well as the Management Board are updated on all relevant matters, including additional company-specific information. The AMAG Austria Metall AG Supervisory Board is informed at its Supervisory Board meetings, which take place at least every quarter, about current business progress, and also annually about the Group's operative planning and medium-term strategy, with these being approved by the Supervisory Board. The Supervisory Board is also informed directly in special cases. In addition, the audit committee meetings confer about the internal controlling system, the risk management system and anticorruption measures. (GRI 2-17)

PERSONNEL RISKS

Employees form a key element in the company's success thanks to their expertise and commitment. In order to secure and strengthen this factor, investments in occupational safety and health promotion take very high priority. In the area of accident prevention, a wide range of preventative measures are implemented, such as the safe design and the evaluation of workplaces, personal protective equipment (PPE), as well as ongoing training and education of employees. Special attention is also paid to the protection of personal data.

Demographic trends and the high level of employment, especially at the Group's headquarters, lead to a risk of a shortage of skilled staff. AMAG is increasingly responding to such challenges with regard to employee recruitment, and is meeting them with a performance-based remuneration scheme, flexible working hours, tailored training and development programs, the early identification and promotion

of high-potential employees, as well as further benefits. Special attention is also paid to apprentice training and to the retention of employees in the company.

OPERATIONAL RISKS

Production

At various stages in the value chain, AMAG Group's operating companies are not only exposed to the risk of interruption of operations but also to risks relating to quality and occupational safety. Comprehensive procedural instructions in the areas of production, quality and occupational health and safety, as well as the high level of employee responsibility that is promoted as part of the CIP process, make a significant contribution to minimising risks.

Within the scope of AMAG Group's sphere of influence and control, risks of plant breakdown and interruption of energy supply, especially at the Ranshofen site, are also countered with systematic preventative maintenance and regular risk-based maintenance (RBM), as well as a regular evaluation of technical plant risk and setting appropriate measures. Furthermore, modernisation and replacement investments are planned on a long-term basis.

Business processes are being standardised as part of the "SAP Application Standard" project. This will create the conditions for further automation and more flexible processes. Extensive preparatory work mitigates risks during the project term and during commissioning.

Emergency plans have been prepared for important products that enable rapid transitioning to a replacement manufacturing route in the case of a plant standstill. Systemic measures also provide support for the complex production of high-tech products with the aim of ensuring fault-free manufacturing processes. Machine breakdown insurance provides additional security. The supply of technical gases at the Ranshofen site is secured by long-term contracts, supply line extension and procurement from several suppliers.

As far as the risk of insufficient energy supplies and power outages is concerned, especially the past two financial year showed that, in addition to significant price volatility, uncertainties in supply security can also arise rapidly. AMAG is dependent on an adequate energy supply to maintain operations and implements price hedging strategies in the short to medium term for the Ranshofen site. In

addition, a certain volume of natural gas was already purchased for storage in the year 2022 as a risk-mitigating measure.

Technological developments

In technologically advanced sectors such as aircraft, automotive engineering and sport, aluminium is exposed to competition from potential alternative materials offering comparable properties, such as carbon fibre composites, plastics, magnesium or advanced steels. Equally, some new manufacturing processes and technical upheavals in individual customer sectors might exert a disruptive effect on relevant markets. This risk potential is countered by ongoing market observation, technology scouting and joint development work with customers, as well as by continuously improving the properties of aluminium materials within the framework of alloy development and optimisation. At the same time, work is ongoing that is geared to tapping new application areas for aluminium alloys, and we are engaging in cooperation activities that will actively establish AMAG-relevant products for new applications as well as in potentially disruptive technologies.

Failure mode and effects analyses (FMEA) are performed in order to identify potential error sources in alloy and process development, and to minimise risks accordingly.

In order to ensure legal freedom of action, the “Intellectual Properties” environment (patents, utility models) is continuously and repeatedly automated and manually monitored by several instances in terms of numerous sectors. If necessary, appropriate steps are taken (see also “Research and development risks”).

Equally, technological developments in the digitalisation area are monitored constantly and implemented where potential benefits exist. Important topics are included in the Digitalisation Compass and implemented accordingly (e.g. Smart Factory, Digital Partner Excellence).

Natural hazard risks

In line with the related requirements, selected measures are taken to prevent and manage natural hazards such as storms, floods and fire:

- › Structural, technical and organisational measures are implemented on an ongoing basis (e.g. building design, fire protection measures, rainwater seepage)
- › Early warning and damage detection (e.g. severe weather warning system, ongoing investment in in-house firefighting equipment, etc.)
- › Crisis management and communication in the event of relevant incidents

Environmental risks

The danger due to environmental risks materialising, such as risks relating to water, waste, soil contamination and air emissions, is minimised by stringent compliance with legal and official requirements, and compliance is monitored continuously by the environmental management system certified according to ISO 14001. In addition to environmental management, an energy management system in accordance with ISO 50001 is also being advanced at the Ranshofen site, which ensures the continuous improvement of energy performance.

Conventional energy sources such as diesel and natural gas release air emissions when they are combusted, which can exert a negative effect on the environment and the climate. A lower level of energy consumed in the production of AMAG Group's high-quality products also leads to lower greenhouse gas emissions. As part of the energy management system, measures to reduce energy consumption are continuously implemented in addition to energy performance monitoring at the Ranshofen site.

Chemicals policy is also monitored in connection with environmental legislation, as potential restrictions on substances as well as outright bans on substances could affect recycling and thereby the closing of material cycles. As part of the “Green Deal” the EU has set itself the goal of promoting a sustainable recycling economy. The recycling of aluminium scrap represents a functioning cycle for an increasingly important raw material, whose functioning should not be restricted.

Past pollution from earlier use of the Ranshofen site has been secured and rectified by prompt implementation of remedial measures. The expected costs are otherwise covered by provisions. Primary materials bearing pollution risks are exhaustively examined at the time of delivery, and rejected where required.

Climate risks

Climate change and its consequences are leading to a variety of problems and are impacting on our environment, our economy and our society. A fundamental distinction is drawn between physical and transitory climate risks in terms of their impacts and associated risks.

Physical risks can be acute or chronic. Acute risks are event-driven. These include heat and cold waves, drought, storms, floods, heavy rainfall and other extreme weather events. Chronic risks arise from long-term climate change due to permanently higher temperatures or chronic heat waves.

Transitory risks for companies arise, for example, from the requirement of gradual decarbonisation, such as from the effects of an ambitious climate protection policy. This includes more stringent emissions trading, more stringent efficiency regulations and the promotion of sustainable technologies.

AMAG considers climate change to represent one of the greatest global challenges and is committed to the climate protection goals of the Paris Agreement. Decarbonisation, for which AMAG has drawn up its own roadmap, represents an important step in combating climate change. In order to manage regulatory risks in connection with decarbonisation due to political decisions, the company is constantly monitoring the legal situation as well as draft legislation, and also attends various committees and conferences in this connection.

Furthermore, climate-relevant risks and opportunities are taken into consideration when developing the business strategy and planning operational activities. In this respect, the company strives to continuously improve the carbon efficiency of its business activities and product portfolio. The aim is to reduce emissions with measures such as the construction of photovoltaic systems, measures in the area of heating supply and the lowest possible energy utilisation through efficient production processes. The transformation from conventional energy sources to, for example, green electricity and hydrogen is particularly challenging. In particular, timely availability at competitive prices and in sufficient quantities will also be crucial. By contrast, more restrictive climate policies in Europe and Austria can increase the costs of fossil energy and electricity, or lead to additional carbon fees. Competitive disadvantages in the global competitive environment may potentially arise if climate policy measures are only implemented unilaterally and without adequate compensation mechanisms at national or European level (such as the free allocation of carbon certificates for carbon leakage companies such as AMAG casting and AMAG rolling, which will be gradually reduced from 2026 by the EU's Carbon Border Adjustment Mechanism (CBAM)). Unequal conditions, for example due to different energy prices within and outside the EU, can also lead to competitive disadvantages.

Information processing and security

The Group's primary focus in this sensitive area is on data security, systems compatibility and effectiveness, outage and access protection, manipulation and malware protection, and operating reliability, especially in the case of networked, digitalised production plants. Groupwide IT activities are managed by the Information Technology divisional management and the Information Security Officer on the basis of a set of IT guidelines, defined standard IT processes in accordance with ITIL and a certified management system for information security in accordance with ISO 27001.

The instructions are structured to ensure that IT services meet requirements in terms of availability, confidentiality and integrity, and that personnel and product resources are deployed effectively and efficiently in providing IT services.

Furthermore, security and authorisation concepts as well as locally separated backup data centres and numerous other measures have been implemented to reduce the risk and duration of a system failure due to hardware defects, data loss or manipulation, including in the event of a cyber-attack.

(Digital) IT security training sessions are also held regularly to raise employee awareness about such risks (e.g. cyber-attacks). Furthermore, external cyber-attack tests are conducted on an ongoing basis in order to check the efficacy of the measures implemented. Regular crisis exercises are used to further develop existing emergency plans. Corresponding insurance policies in the cyber and crime area are in place.

The company takes data protection very seriously. The data privacy policy and data privacy management system comply with legal requirements. Regular reviews of the data protection management system are conducted. The technical and organisational measures are continuously improved and expanded in order to improve data protection (including indirectly).

Particular attention was paid to the issue of data protection and secure remote access to company applications, including in connection with remote working. TISAX certification was already successfully completed in the year 2022 in order to meet German automotive industry requirements.

Risks arising from insufficient supervisory systems and fraudulent activities

An extensive internal control system in order to identify risks at an early stage, and to monitor and avoid them, has been established. This system provides all of the instruments and procedures required for the avoidance and timely identification of risks, and for appropriate responses to any risk incidents.

BUSINESS RISKS

Procurement

The manufacture of aluminium products requires raw and auxiliary materials from external sources that may be subject to price and availability risks.

Alumina, among other materials, is required for primary aluminium production. AMAG is responsible for supplying the Canadian Alouette smelter with alumina in accordance with the 20 % interest it holds in this company. In addition to the price, the availability of alumina is also a significant risk, which is mitigated by a sufficient number of suppliers as well as the qualification of several alumina refineries. When selecting suppliers, care is taken – as far as is possible in light of industrial structure and size – to ensure that suppliers act responsibly in order to minimise the environmental and social effect of bauxite mining. For example, alumina is preferably sourced from ASI-certified suppliers.

The main risk for the casthouses lies in the sufficient supply of primary material in terms of both quantity and quality, especially in relation to scrap. This risk is minimised through long-term contracts with professional metals dealers where business relationships have been established over many years and which have major collection points, and by internationally diversified sourcing. With continuous investments in new scrap sorting and processing technologies, a wide range of scrap can be processed and used. This further secures supplies of scrap. In addition to scrap, the primary metal required is procured, in the form of ingots or sows, from suppliers with which the company maintains long-standing business relationships. Here, too, care is taken to ensure a broad spread of supply sources in order to minimise risk. AMAG Group also has the option to purchase primary aluminium for the Ranshofen site directly from the Alouette smelter.

Particularly with regard to key metal alloys (such as magnesium and silicon), the risk of supply shortages due to supply chain problems has already been mitigated in recent years by expanding the supplier portfolio. Moreover, safety stocks have been increased accordingly. This represented an early response to uncertainties related to maintaining the supply chain.

The rolling mill sources most of its rolling slabs, which utilise a high proportion of recycled materials, from AMAG's own casthouse in Ranshofen. To secure the remaining volumes required, contracts have been concluded with renowned international partners following a qualification process. AMAG components, as part of AMAG Group, will in future also be supplied with plates directly from AMAG rolling mills.

Inventories of critical materials are reviewed on an ongoing basis. In addition, supplier and service provider risk is countered by expanding the portfolio.

Counterparty default risk may be negatively affected by rising cost inflation and significant interest rate increases. AMAG counters this risk with ongoing creditworthiness monitoring, among other measures.

Compliance rules for suppliers include descriptions of codes of conduct connected with the special responsibility in terms of society, shareholders, employees and business partners. Suppliers for the Ranshofen site are correspondingly obligated to comply with such rules. An assessment of the main suppliers is conducted regularly as part of the established "responsible procurement management" process.

Market environment and sales

As an internationally operating company, AMAG Group is exposed to macroeconomic risks, which can influence price and demand, among other things. These include, for example, global economic growth, geopolitical conflicts and the political situation in individual sales regions. Further factors include the impact of climate policy, international trade restrictions and the introduction of tariffs.

In general, AMAG faces a growing long-term risk of lacking competitive strength. The significant increase in climate protection measures that is being pushed by Austrian and European politicians without corresponding infrastructure plans deserves special mention in this context. In addition to high personnel costs, high energy costs compared to international competitors and the investments required to meet climate protection targets are increasingly jeopardising competitive capabilities.

The European market continued to be impacted by the consequences of the war in Ukraine during the past financial year. Particular factors in this context include high energy price volatility and uncertainties about energy supplies. In addition to the Group's own production sites, AMAG Group's sales markets may also be negatively affected by further developments. AMAG Group will constantly monitor trends in the global market environment and initiate appropriate measures as required. Energy price hedges are implemented for the AMAG site in Ranshofen, which can cushion any price volatility on the market accordingly. In addition, natural gas allotted to AMAG corresponding to a production volume of around two months was already purchased in 2022.

AMAG Group's broad product range ensures its independence from a few sales regions, customer sectors and major customers. In 2023, the top 10 customers accounted for 30 % of Group revenue. Long-term agreements with key customers assist in the endeavour to minimise sales risks. At the same time, the Group is extending the product range and sales markets in attractive premium segments that require innovative solutions, sustainable products and top quality. The expansion of the Ranshofen site to include new hot and cold rolling mills, which extended the product range towards larger dimensions, also made positive contributions in this context. Customer qualifications achieved in the automotive and aircraft sectors in recent years are also of crucial importance in this context. High flexibility is ensured through forward-looking planning and alternative production routes. With the complete takeover of AMAG components, AMAG has taken a significant strategic step and extended its value chain. The related higher dependence on the aircraft industry may represent an additional risk.

The focus on premium products and a wide range of customer sectors ensures a risk-minimising and balanced portfolio. Relations with large customers are supported by joint development projects and high-quality customer service. Liquid aluminium supplies and the development and improvement of new alloys together with customers make an important contribution to greater customer loyalty in the Casting Division. Regular surveys test customer satisfaction. Aluminium price risks and currency risks are minimised by active hedging.

In line with the comments made in the section on "Procurement", an increased risk of default by business partners may also emerge on the sales side due to rising cost inflation and significant interest rate increases. AMAG mitigates such risk through credit insurance, among other measures.

Projects and investments

Risks emanating from large-scale projects are monitored at regular project supervisory meetings. The ongoing search for ways to minimise risks and implement risk-reducing measures forms a key task for project supervisors.

Competitors and the capital market

AMAG Group is committed without reservation to fair competition, fair and legally compliant contracts with its business partners, as well as compliance with capital market regulations. This commitment takes the form of appropriate rules and regulations (anti-trust guidelines, issuer compliance guidelines and anti-corruption guidelines), and the code of conduct.

The compliance structure is divided into separate compliance areas. For example, respective compliance officers support the organisation through ongoing training measures, and supervise compliance with internal regulations. A compliance hotline also exists to report any compliance violations anonymously by telephone or email.

Research and development

The general increase in applications for intellectual property rights, driven especially by the continuing consolidation of aluminium groups and the emergence of (country-based) usage patents, poses a risk to development work.

As a consequence, when planning development activities and in addition to continuous checks, it is essential to review the current patent rights situation as part of dedicated external patent searches, among others, to evaluate in coordination with external patent lawyers and to document the present status of research in Austria and abroad, in order to establish the extent of related risk, including implications for AMAG. Internal technical risks and the effects of the respective project on the company's financial performance must be presented in the corresponding project proposal. An R&D steering group consisting of senior management and an external group of renowned experts regularly reviews project proposals and the progress of existing projects, and the patent rights that can be derived from them. Furthermore, joint research activities are always conducted with customers in all product areas of relevance, in order to minimise the risk of errors. In order to further minimise risk, the company conducts both manual and automated patent monitoring with external lawyers through all relevant IP databases as well as personal research conducted by AMAG staff, patent lawyers and members of the scientific advisory council. If third-party industrial property rights are relevant to

AMAG Group, it endeavours in advance either to license them at a favourable price or, if this proves impossible, to lodge corresponding appeals.

The potential reduction of the technological lead over competitors can represent a further risk. Through regular strategy discussions with customers and ongoing monitoring of competitors, the company ensures that early requirements and (technological) changes are identified and taken into account. R&D focus projects ensure the continuous further development of AMAG's recycling and alloying expertise at the Ranshofen site, in particular.

Legal

AMAG Group is exposed to various legal risks due to its business activities. The Group has a specialised legal department that examines and appraises legal risks in-house or through recourse to external lawyers, depending on requirement and jurisdiction. When structuring contracts, risks are mitigated through implementing liability limits.

Risks arising from potential losses due to product liability are minimised through quality assurance measures. Moreover, any residual risks are covered by liability insurance policies. Uniform terms and conditions of delivery and sale for customers and uniform terms and conditions of purchase for suppliers are available, which are generally and, as far as possible, also applied in the individual operating companies.

Compliance with legal obligations is monitored continuously, such as in the course of internal audits carried out as part of the management systems implemented (e.g. in the area of environmental law and employee protection), as well as through regular external reviews. Moreover, existing regulations may change, which could have an effect on the financial position and performance.

Finance

As an aluminium producer and processor, AMAG Group is principally exposed to metal price risks and currency risks. Aluminium is traded in US dollars on the LME. Without appropriate hedging measures, the volatility of aluminium prices and the US dollar exchange rate would exert a direct effect on profitability. The Group's mandatory guidelines – its metal management guidelines and financial management guidelines – set out procedures to record and hedge these two main risks.

In order to stabilise results from the AMAG interest in the Alouette smelter, the sales prices of parts of our production can be hedged by forward sales and options. Besides the current market situation,

estimates of future aluminium price trends and attendant production costs comprise key decision-making criteria in this context. As a general rule, aluminium price volatility risks in Ranshofen are hedged.

The metal management function at the Ranshofen site registers all LME-related aluminium purchases and stocks centrally as well as all of the operating companies' LME-related aluminium sales, and constantly calculates the aluminium price risk exposure. This aluminium position management is performed in SAP. Open aluminium positions are hedged against metal price risk through contracts with brokers and investment banks. As a consequence, the underlying transactions' market price risk is fully offset by countervailing hedge movements. All underlying and hedge transactions are marked to market daily. As cast alloys and LME prices are largely insufficiently price-correlated, cast alloy sales are hedged by physical purchases of primary materials. The position is monitored continuously.

The premiums for primary aluminium in addition to the aluminium price affect AMAG Group on both the purchasing and sales sides. These premiums can develop differently in individual regions. The metal management function regularly measures and evaluates the premium status. If necessary, hedging transactions can also be implemented for these premiums.

Potential margin requirements associated with hedging (liquidity risks) are covered with liquid funds and bank lines available at short notice. Counterparty risks on derivatives with a positive market value are limited by the careful selection of international banks and brokers, and a limit policy for risk diversification. Receivables default risk is mitigated by taking out credit insurance and banking collateral such as guarantees and letters of credit.

Financing and investment activities, the hedging of such activities, and foreign currency management are managed centrally for the entire Group. Working capital financing is based on short-term liquidity planning. Centralised daily euro pooling serves the purpose of financial equalisation within the Group. Medium- and long-term corporate financing occurs on the basis of preview and budget data. Interest-rate risks pertaining to variable rate financing facilities can be hedged proportionally by way of swaps and caps. Ensuring an adequate level of liquidity and constant monitoring of potential default risks are implemented on an ongoing basis.

Counterparty risks relating to bank balances are actively managed by setting deposit limits for each bank, and – where available – by making recourse to credit ratings and the regular monitoring of CDS spreads.

To the extent that receipts and payments in the same foreign currency do not provide a natural hedge against exchange rate risk, AMAG proportionally hedges major foreign currency exposures through forward currency transactions and, where required, options.

An SAP-integrated payment process has been set up at the Ranshofen site. Manipulation risk in payment transactions is minimised through eliminating possibilities to intervene manually at interfaces. Billing and payment approvals occur Groupwide according to a multiple control principle secured in both technical and organisational terms.

RISKS FROM THE INTEREST IN ALUMINERIE ALOUETTE

The significant arrangements relating to the joint operation of the Alouette smelter, in which AMAG Group holds a 20 % interest, are set out in a consortium agreement. In the case of significant decisions regarding Alouette's business, resolutions with 90 % approval are required. With the present ownership structure, and also in the instance of a change in the ownership structure, the risk exists of conflicting interests among shareholders.

Pursuant to the existing consortium agreement, obligations exist that are of essential importance for current production operations. A failure to satisfy such obligations could result in a loss of co-determination rights, implying liability for potential losses. This applies, for example, with respect to the procurement of AMAG's share of the alumina required for production.

The sales price for the primary aluminium produced at Alouette is mainly defined by the price on the London Metal Exchange and therefore cannot be influenced by AMAG. This investment's long-term and sustainable profitability requires a beneficial cost position on an international comparison. The long-term electricity contract agreed since 2017, cost-optimised production, and logistical advantages through direct access to deep-sea harbours represent important cornerstones of the smelter's long-term competitiveness. Strategic hedging instruments can also be deployed to reduce the risk of loss and the volatility of results.

Due to IFRS accounting standards, the electricity price formula for the electricity contract generates an embedded derivative whose recognition might temporarily affect the level of equity reported by AMAG Group. The electricity contract and the accounting parameters are regularly evaluated.

As far as operative risks are concerned, a proprietary risk management system and an extensive insurance concept also exist for the Alouette smelter. The risk of damages from events such as the loss of production owing to electrical power outages caused by bad weather is largely covered. Operative risks, such as production downtimes (lasting several hours), internal power failures, the useful life of pot linings, and risks relating to occupational health and safety, personnel and the supply of essential primary materials (such as petroleum coke) are monitored continuously and minimised by taking appropriate measures. As far as electricity supplies are concerned, even greater supply security for electric power has been ensured since the end of 2015 thanks to the construction of a redundant power line.

BUSINESS OPPORTUNITIES

AMAG Group concentrates on premium products in attractive market niches across a broad spectrum of industrial sectors. The business positioning with primary aluminium from Alouette and high-quality recycling foundry alloys and rolled products from Ranshofen offers a balanced mix of stability and growth.

The integrated site in Ranshofen with casthouses and rolling mills, and its geographic proximity to strong industrial regions foster further technological development and intensive customer service. The re-acceptance and recycling of aluminium fabrication waste in a closed loop (so-called closed loop recycling) and liquid aluminium supplies additionally bolster customer loyalty. As a leading supplier of innovative products, AMAG Group responds flexibly and rapidly to customers' requests on a customised basis. Thanks to the unique alloy and product diversity, our customers are offered both innovative and customised products for very varied application areas. AMAG Group also stands out clearly from its competitors with its extensive certifications in the areas of quality, sustainability and occupational safety.

The very high proportion of specialty products compared with the rest of the sector and the consistent implementation of the strategy with a focus on innovation and sustainability are distinguishing features of the company. The company's innovative capabilities will continue to be augmented in the coming years by expanding research and development activities. The employees' high level of specialist and technical expertise plays an important role in this context. With the CMI (Center for Material Innovation) at the Ranshofen site, AMAG offers a cutting-edge working environment with state-of-the-art working equipment. A large number of accredited measurement procedures enable targeted R&D to be conducted in proximity to customers. Recourse can also be made to an extensive network of renowned universities and research institutions.

Outstanding technological capabilities in the areas of sensor-based scrap sorting, casting and rolling, cladding, and the surface and heat treatment of rolled products, open up opportunities to further expand in attractive market areas (such as automotive, aircraft, packaging, construction, engineering applications and high-strength materials for sports industry applications, as well as braze clad materials and cathode sheets).

With the expansion of the Ranshofen plant in recent years, the capacity and product portfolio of aluminium rolled products was significantly expanded to larger dimensions (width, thickness). Consequently, new markets can be tapped and existing customer relationships expanded. In this context, important approvals have been achieved with many customers in recent years. Productivity enhancement and continuous cost optimisation can further improve competitiveness. Investments in extending the vertical range of manufacture and investments in the foundry's installations enable additional growth potentials to be tapped.

The two casthouses at Ranshofen offer the smelting technologies for almost all types of scrap, high-level skills and expertise in scrap sorting, as well as a high-tech plant for scrap processing. The Recycling Center Ranshofen has been consistently expanded over recent years.

The digitalisation of processes is also a high priority. An appropriate framework for the integration of forward-looking digital technologies has already been created. The company has actively seized the opportunities that digitalisation presents, and its digitalisation strategy is being closely coordinated with the Information Processing and Security department.

Considerable potential also exists for AMAG Group to achieve successful growth in marketing high-quality products worldwide. For this reason, the international sales marketing network has been expanded consistently over the past years.

A long-term trend towards greater sustainability has been observable for some years. In this context, the target of reducing carbon emissions plays an especially important role worldwide. AMAG Group has always been involved in the development of sustainable products. It is very well positioned in the industry due to the harnessing of hydroelectric power at the Alouette smelter in Canada, renewable energy sources for electricity requirements at the Ranshofen site and the high recycling share. The high level of technological expertise in recycling and closed loop projects with customers opens up opportunities to conserve raw materials and improve its products' net carbon footprint. To this end, products with a low carbon footprint were specifically positioned on the market under the "AMAG AL4@ever" brand in the 2023 financial year.

Certifications according to the Performance Standard as well as according to the Chain of Custody Standard of the Aluminium Stewardship Initiative (ASI) furnish important evidence of the company's responsible production and procurement of aluminium. Establishing binding supply chain standards offers the opportunity for sustainable customer loyalty. It is to be assumed that AMAG Group will benefit from the increasing and necessary trend towards lightweight construction in the automotive sector, especially through growth in electromobility.

The Alouette smelter commands an advantageous cost position compared with the rest of the sector. The electricity price is based on the market price for aluminium in US dollars. This significantly improves the risk associated with fluctuations in aluminium prices and exchange rates. (GRI 2-23)

Corporate Governance Report

The corporate governance report of AMAG Austria Metall AG can be downloaded at www.amag-al4u.com > Investor Relations > Corporate Governance.

DISCLOSURES PURSUANT TO SECTION 243A (1) UGB

The following disclosures are made pursuant to Section 243a of the Austrian Commercial Code (UGB):

The share capital of AMAG Austria Metall AG amounts to EUR 35,264,000, and is divided into 35,264,000 nil par shares, each corresponding to EUR 1 of the share capital. All the shares confer the same rights and obligations. No shares exist that carry special control rights. Each share grants one vote at the general meeting of shareholders. No differing classes of shares exist. (GRI 2-1)

The Management Board is aware of the following agreements between shareholders:

- › Investment agreement between B&C Industrieholding GmbH and Raiffeisenlandesbank Oberösterreich Aktiengesellschaft dated April 1, 2015: On the basis of this participation agreement with Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, a further 16.5 % of the share capital and voting rights of AMAG Austria Metall AG are attributable to B&C Privatstiftung.
- › Investment agreement between B&C Industrieholding GmbH and Esola Beteiligungsverwaltungs GmbH of February 12, 2019: On the basis of this investment agreement, a further 4.19 % of the share capital and voting rights are attributable to B&C Privatstiftung pursuant to Section 133 (1) and (7) of the Austrian Stock Exchange Act (BörseG) 2018.

Direct or indirect holdings in the company representing ten percent or more of its capital are comprised as follows as of the end of 2023: (GRI 2-1)

› B&C Privatstiftung	52.7 %
› Raiffeisenlandesbank Oberösterreich AG	16.5 %
› AMAG Arbeitnehmer Privatstiftung	11.5 %

The voting rights attaching to the shares held in AMAG Austria Metall AG by AMAG Arbeitnehmer Privatstiftung (the AMAG Employees' Private Foundation) are exercised by the latter's management board, which has three members. The manner in which these voting rights are exercised requires the approval of the Foundation's advisory board, however. Decisions are taken at joint meetings of the Foundation's management board and advisory board. Approval is passed with a simple majority. The advisory board consists of three members nominated by the executive committee of the Group Works Council. The chair of the management board has a casting vote. The employees at the Austrian site are the Foundation's beneficiaries.

Amendments to the company's articles of incorporation require a simple majority of the votes cast and the capital, unless the law prescribes a greater majority. Supervisory Board members can be recalled before the end of their term of office by a simple majority.

Loans as part of two promissory loan notes issued, nine bilateral loan agreements, four committed credit lines as well as the refinancing facility granted by Österreichische Kontrollbank contain change-of-control clauses that grant the lending banks a right of termination in the case of a change of control at AMAG Austria Metall AG. Apart from the aforementioned agreements, AMAG Austria Metall AG has entered into no other material agreements that would come into effect, be modified or terminate as a consequence of a change of control at AMAG Austria Metall AG due to a takeover bid.

Two Management Board members' contracts contain change of control clauses. The severance payment claim in such a case is limited to the remaining term of the Management Board contract, albeit to a maximum of two years' total remuneration.

Approved share capital

Pursuant to Section 4 (5) of the articles of incorporation of AMAG Austria Metall AG, the Management Board is authorised until September 22, 2025, with the approval of the Supervisory Board, to increase the company's share capital – in several tranches if necessary – by up to EUR 17,500,000 by issuing up to 17,500,000 new nil par value bearer or registered shares in return for cash capital contributions and/or non-cash capital contributions, and to determine the type of shares, the issue price and the issue conditions (Approved Capital 2020). Statutory subscription rights can be granted to the shareholders by transferring the capital increase to a bank or a syndicate of banks with the obligation that it be offered to shareholders according to their subscription rights (indirect subscription rights). However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the event of a capital increase from the authorised capital (i) if the capital increase is made against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, parts of operations, equity interests in companies or other assets related to an acquisition project, (ii) to service an over-allotment option (greenshoe) or (iii) to settle fractional amounts. The Supervisory Board is authorised to approve amendments to the articles of incorporation resulting from the issue of shares from authorised capital.

Convertible bond issue

By resolution of the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised, pursuant to Section 174 (2) of the Austrian Stock Corporation Act (AktG), to issue convertible bonds within five years of the date of this resolution, in other words, by July 21, 2025, with the approval of the Supervisory Board, including in several tranches, which grant or provide for subscription or conversion rights or a subscription or conversion obligation for a total of up to 17,500,000 shares in the company (Convertible Bond 2020). The issue amount, the issuance, the conversion procedure of the convertible bonds and all other conditions are to be

determined by the Management Board with the approval of the Supervisory Board. The issue price and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics and the stock market price of the company's shares in a recognised pricing procedure. Statutory subscription rights can be granted to the shareholders by transferring the convertible bonds to a bank or a syndicate of banks with the obligation that they be offered to shareholders according to their subscription rights (indirect subscription rights). The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in whole or in part when issuing convertible bonds (i) if the convertible bonds are issued against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, parts of operations, interests in companies or other assets related to an acquisition project, or (ii) to compensate for fractional amounts resulting from the subscription ratio. The Management Board is further authorised, with the consent of the Supervisory Board, to wholly or partially exclude subscription rights to convertible bonds if the Management Board, after due examination, arrives at the opinion that the bonds' issue amount at the time of the final determination of the issue amount is not less than their hypothetical market value calculated according to recognised methods, especially financial mathematical methods, and the subscription shares' conversion price or subscription price (issue amount) is in each case calculated in a recognised pricing process according to recognised financial mathematical methods as well as the price of the company's ordinary shares, and does not lie below the stock exchange price of the company shares during the 20 trading days preceding the date of the announcement of the convertible bond issue.

Conditional capital

The company's share capital is increased conditionally pursuant to Section 159 (2) Clause 1 of the Austrian Stock Corporation Act (AktG) by up to EUR 17,500,000 through issuing up to 17,500,000 ordinary nil par value ordinary bearer shares (nil par value shares) for issuing to holders of convertible bonds, for which the Management Board was authorised by the Shareholders' General Meeting of July 21, 2020 (Conditional Capital 2020). The capital increase may only be carried out to the extent that creditors of convertible bonds exercise their subscription or conversion rights to shares in the company, or those who are obligated to subscribe or convert fulfil their obligation to subscribe or convert, and the Management Board passes a resolution to service these convertible bonds with new shares. The issue amount and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics as well as the price of the company's ordinary shares in a recognised pricing procedure (basis for calculating the issue amount); the issue amount may not be lower than the pro rata amount of the share capital. The new shares to be issued in the conditional capital increase are fully entitled to dividends for the entire financial year in which they are issued. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of

the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the articles of incorporation in accordance with the respective issue of the subscription shares. The same applies in the event of non-utilisation of the authorisation to issue convertible bonds after expiry of the authorisation period, and, in the event of non-utilisation of the conditional capital, after expiry of the deadlines in accordance with the convertible bond conditions.

Share repurchase

At the Annual General Meeting of AMAG Austria Metall AG on April 20, 2022, the Management Board was authorised – with the simultaneous cancellation of the relevant resolutions of the Annual General Meeting of July 21, 2020 – to purchase treasury shares for the company, with the approval of the Supervisory Board (the lowest price to be paid at the time of repurchase is 25 % below the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program, and the highest price to be paid at the time of repurchase is 25 % above the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program), as well as to determine the repurchase conditions, whereby the Management Board must publish the Management Board resolution and the respective repurchase program that is based upon it, including its duration, in accordance with the statutory provisions (in each case). The Management Board may exercise this authorisation within the statutory limits on the maximum permissible number of treasury shares once or several times in total up to a maximum limit of 10 % of the share capital. The authorisation can be exercised wholly or in part, or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The purchase can occur through the stock market or off-bourse, in compliance with statutory regulations. Trading in treasury shares is excluded as the purpose of the purchase. The Management Board was also authorised, with the consent of the Supervisory Board, to redeem or resell the acquired treasury shares without requiring a further resolution by the Annual General Meeting and to determine the terms and conditions of the sale. The authorisation can be exercised wholly or in several partial amounts and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The Management Board was also authorised for a period of five years from April 20, 2022, pursuant to Section 65 (1b) of the Austrian Stock Corporation Act (AktG) – with simultaneous cancellation of the relevant resolutions of the Annual General Meeting of July 21, 2020 – to determine, with the consent of the Supervisory Board, a legally permissible method of sale other than via the stock exchange or a public offer, and to decide on any exclusion of the shareholders' repurchase rights (subscription rights) and to determine the terms and conditions of the sale.

ECONOMIC OUTLOOK FOR 2024

After forecasting global economic growth of 3.1 % for the reporting year, the IMF³⁶ anticipates an identical GDP growth for 2024. The International Monetary Fund draws attention to the downside risks to its forecast due to the numerous uncertainties and challenges arising from geopolitical conflicts, as well as in the area of fiscal and monetary policy, among other factors.

With anticipated growth of 1.5 % in 2024, the IMF assumes that GDP growth in industrialised countries will be lower than in 2023 (+1.6 %). Eurozone economic output is expected to expand by 0.9 % (2023: +0.5 %), with an increase of 0.5 % forecast for Germany (2023: -0.3 %). Economic growth in the USA is viewed to be significantly more positive at +2.1 % (2023: +2.5 %). The Canadian economy is forecast to expand by 1.4 % in 2024 (2023: +1.1 %). In Japan, GDP is expected to increase by 0.9 % compared with +1.9 % in 2023. At +0.6 %, a similar trend is seen for the UK as in 2023 (+0.5 %). Austrian GDP is set to grow by 0.9 % in 2024, according to the Austrian Institute of Economic Research (WIFO)³⁷ (2023: -0.8 %).

In the group of emerging and developing countries, the IMF also expects GDP growth of 4.1 % in 2024, the same as in 2023. In China, economic output is expected to expand by 4.6 % next year (2023: +5.2 %). For India, the forecast growth is 6.5 % after +6.7 % in 2023.

³⁶ IMF, World Economic Outlook, January 2024

³⁷ WIFO, Economic Outlook 4/2023, December 2023

ALUMINIUM MARKET OUTLOOK

MARKET OUTLOOK FOR 2024

After an overall subdued demand trend for primary aluminium and aluminium rolled products in the reporting year, the CRU expects a much more positive trend in 2024.

Global demand for primary aluminium is set to increase by 2.7 % to 71.7 million tonnes in 2024. Global production will expand by 2.1 % in the coming year to reach 71.8 million tonnes, according to the CRU. This suggests a market largely in equilibrium in 2024.³⁸

The CRU forecasts that global demand for aluminium rolled products will rise by 4.0 % to a level of 30.9 million tonnes in 2024. A nearly similar growth rate of +4.1 % is expected for global production. A total of 30.9 million tonnes of aluminium rolled products are also anticipated to be produced in 2024.³⁹

Due to its many positive properties (weight, stability, formability, etc.), aluminium continues to be a material that is utilised and processed in numerous industries. This is also clearly reflected in the CRU's sector-based growth forecast. With growth of 6.0 %, demand in the transport sector, in particular, is expected to continue to perform well and rise to 5.7 million tonnes in 2024. The packaging industry is anticipated to partly offset its previous year's downturn with forecast growth of 4.0 % to 16.4 million tonnes. With regard to other consumer goods, the CRU expects a rise of 3.0 % to 3.3 million tonnes. Mechanical engineering is also forecast to post a slight recovery of +2.9 % to 1.9 million tonnes in 2024. The construction sector exhibits a forecast growth of 2.3 % to 3.6 million tonnes.

³⁸ CRU, Aluminium Market Outlook, October 2023

³⁹ CRU, Aluminium Rolled Products Market Outlook, November 2023

MEDIUM-TERM MARKET OUTLOOK UP TO 2028

Global demand for primary aluminium is anticipated to expand by 2.0 % per year on average to reach 77.1 million tonnes by 2028 (2023: 69.8 million tonnes), according to CRU forecasts.⁴⁰ For Europe, an average increase of 2.4 % p.a. is expected. Demand is thereby set to increase to 9.3 million tonnes by 2028. For North America, demand is forecast to rise by an average of 4.4 % p.a., with demand of 7.4 million tonnes by 2028. For China, the average growth rate is expected to amount to 0.7 % p.a. By 2028, total demand is thereby forecast to amount to 43.7 million tonnes (around 60 % of global demand).

The CRU see signs emerging of significantly stronger annual growth in the area of aluminium rolled products.⁴¹ Global demand is expected to increase by an average of 4.3 % p.a. to 36.7 million tonnes by 2028 (2023: 29.7 million tonnes). In the core markets of Western Europe and North America, annual growth rates of 3.9 % and 5.5 % to reach 4.9 million tonnes and 7.9 million tonnes, respectively, are forecast. Demand in Asia is set to rise by an average of 3.8 % p.a. to a total of 19.9 million tonnes, according to the CRU. In China, annual growth is expected to amount to 3.3 %, taking demand to a level of 13.5 million tonnes by 2028.

As far as individual sectors are concerned, the transport sector continues to be the most significant driver of demand growth for aluminium rolled products. An average growth rate of 6.8 % p.a. is expected over the next five years. Total demand is thereby anticipated to increase to 7.4 million tonnes in 2028. The large-volume packaging industry also reflects a positive trend with an expected increase of 4.0 % p.a. to a level of 19.2 million tonnes by 2028. Demand in the mechanical engineering and other consumer goods sectors is also anticipated to follow a positive trend until 2028, at +3.9 % p.a. to 2.2 million tonnes and at +3.8 % p.a. to 3.8 million tonnes, respectively. The construction sector reflects the lowest average growth with a forecast increase of 2.5 % p.a. to 4.0 million tonnes.

Overall, the CRU's forecasts clearly reflect the positive outlook for the aluminium market, thereby continuing to provide a solid foundation for AMAG Group to continue on its successful growth trajectory.

⁴⁰ CRU, Aluminium Market Outlook, October 2023

BUSINESS TREND OUTLOOK FOR 2024

AMAG Group's broad positioning enabled solid business growth over the past financial year, despite the generally downbeat and partly recessionary economic environment. As outlined at the beginning of this section, economic trends are expected to remain subdued in 2024. Not only effects associated with inflation but also geopolitical conflicts as well as energy price developments will have a bearing on the economy over the coming year.

Consequently, the market environment is expected to remain challenging during the 2024 financial year, although different sectors of the economy will continue to be impacted to varying degrees. AMAG Group will continue to respond flexibly to different trends in demand from its customer industries and make optimum use of its high level of product and sector diversity. From today's perspective, business trends in AMAG's individual operating divisions can be summarised as follows:

In the Metal Division, the high level of primary aluminium production is expected to continue at the company's interest in the Canadian smelter Alouette. As a consequence, earnings performance will continue to be determined by price trends, particularly for aluminium and raw materials (and especially alumina and petroleum coke). The Canadian smelter's very good cost position and sustainable production harnessing 100 % hydroelectric power continue to form ideal conditions for profitable business performance in 2024.

In the Casting and Rolling divisions, business performance over the coming year will depend, among other factors, on the general market environment, particularly in Europe. Here, the trend in the automotive industry is particularly important for the Casting Division. From today's perspective, solid demand for recycling foundry alloys can also be expected in 2024. With productivity remaining at a high level, it is thereby assumed that business will continue to perform well. The Rolling Division's broad portfolio is being leveraged to respond flexibly to the market environment. Further volume growth in the transportation sector can be expected from today's perspective. The extent to which demand for industrial applications, sports and architectural products will recover will depend on economic and interest rate trends, among other factors. In the medium and long term, demand for aluminium rolled products is set to rise in all sectors addressed by the CRU. Rising structural costs (such

⁴¹ Aluminium Rolled Products Market Outlook, November 2023

as for personnel) and the energy price trend will continue to pose challenges in the 2024 financial year.

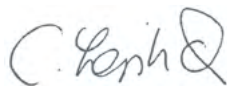
It is not possible at present to issue earnings guidance in the form of an EBITDA range for the 2024 financial year. However, the AMAG Management Board is convinced that AMAG Group's unique positioning will ensure a continuation of the successful business trend in 2024.

Ranshofen, February 5, 2024

The Management Board



Priv.-Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Executive Officer,
Chief Operating Officer



Mag.ª Claudia Trampitsch
Chief Financial Officer



Victor Breguncci, MBA
Chief Sales Officer

CORPORATE GOVERNANCE

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Information

Dear ladies and gentlemen,



In the 2023 financial year, the Supervisory Board of AMAG Austria Metall AG performed with great care the tasks incumbent upon it according to the law and the company's articles of incorporation, and in compliance with the Austrian Corporate Governance Code. The Management Board reported regularly to the Supervisory Board both verbally and in written form, promptly and comprehensively on all material developments within the company, its business policy, on the financial position and performance, investments, and other fundamental issues relating to sustainable and responsible corporate governance and planning. Between Supervisory Board meetings, the Management Board kept the Supervisory Board informed of important events on an ongoing basis. Current specific topics and projects were discussed in regular conversations between the Management Board and the Supervisory Board Chairman. Individual issues were dealt with in detail in the committees set up by the Supervisory Board, which in turn reported to the full Supervisory Board on their activities. In cases of particular urgency, circular resolutions were passed. (GRI 2-17)

MAIN TOPICS OF THE MEETINGS (GRI 2-16)

In the 2023 reporting year, the Supervisory Board met on February 15, 2023, as well as on April 13, 2023, June 14, 2023, September 20, 2023, October 25, 2023, and on November 22, 2023, in accordance with both statutory obligations as well as obligations pursuant to the articles of incorporation. These meetings included discussions with the Management Board on the course of business as well as the Group's current performance and strategic development. In order to implement the concept that had been approved for the company's further strategic alignment, a corresponding update was prepared by the Strategy Committee and discussed by the Supervisory Board. Furthermore, in 2023 an ESG Committee was established for the first time to deal, in particular, with the effectiveness of processes installed to implement sustainability reporting requirements. (GRI 2-17)

High energy prices and the associated high inflation rate, as well as the war in Ukraine, have made the working environment more difficult. The Management Board concerned itself in detail with the changed geopolitical environment and implemented measures to mitigate the negative influences. With a view to the climate targets set in the EU and in Austria, potential effects of the energy transition on AMAG Group and corresponding measures formed the focus of the discussions. An approved decarbonisation roadmap was reviewed by the Management Board and discussed by the Supervisory Board. Necessary investments for continuous site development were approved. In addition, the Supervisory Board was concerned with the company's personnel development as well as with matters in relation to research & development and digitalisation.

Future business policy as well as future financial position and performance trends were agreed as part of the planning for 2024, as well as the medium-term planning through to 2028. The Supervisory Board also concerned itself with the issuer compliance officer's annual activity report, the Supervisory Board's self-assessment, the audit of the non-financial statement, as well as the requirements of the EU Taxonomy.

The Management Board contract of CEO Gerald Mayer was terminated early at the end of 2023 at his wish and by mutual agreement. Gerald Mayer had been CFO of AMAG since 2007 and was additionally appointed as CEO as of March 1, 2019. During his tenure on the Management Board, important strategic decisions were made and AMAG was successfully listed on the Vienna Stock Exchange. Subsequently, Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann was appointed as Management Board Chairman (Chief Executive Officer) of AMAG Austria Metall AG from January 1, 2024, in addition to his previous function as Chief Operating Officer, a role in which he has already served successfully over the past sixteen years. In addition, Claudia Trampitsch was appointed, also with effect from January 1, 2024, as Chief Financial Officer. Ms. Trampitsch has already worked at AMAG since 2015 as Head of Group Accounting and since 2018 additionally as Commercial Managing Director of AMAG metal GmbH, and with her extensive expertise will continue to ensure that the company continues to enjoy a solid financial position.

SUPERVISORY BOARD AND COMMITTEES (GRI 2-17)

The Supervisory Board of AMAG Austria Metall AG reconstituted itself at its meeting on April 13, 2023. The Chairman of the Supervisory Board and his two deputies were re-elected unchanged. The chair of the Audit Committee and the members of the Audit, Nomination, Remuneration and Strategy committees, as well as the Committee for Urgent Matters, were also re-elected. Furthermore, the members of the additionally established ESG Committee were newly elected.

The Audit Committee convened for three meetings in the 2023 reporting year. Representatives of the auditors attended the meetings to report on their auditing activities. Specific financial accounting topics were also discussed in the auditor's presence. In addition to examining and preparing the adoption of the annual financial statements and the consolidated financial statements, the Audit Committee dealt with the additional tasks pursuant to Section 92 (4a) of the Austrian Stock Corporation Act (AktG); in particular, it critically examined and monitored the functioning and effectiveness of the internal control, audit and risk management systems. The Audit Committee also concerned itself with the requirements of the EU Taxonomy Regulation. The results were subsequently discussed with the plenary Supervisory Board. The Nomination Committee convened for three meetings in the reporting year. It discussed nominations to the Supervisory Board and submitted corresponding resolution proposals. In addition to personnel matters relating to the management of AMAG rolling GmbH, the committee was particularly involved in the CEO/CFO succession search and, in this context, the preparation of competency profiles. Corresponding succession proposals were submitted to the Supervisory Board. The Remuneration Committee convened for seven meetings during the reporting year. Target agreements with the Management Board were dealt with in depth. The Remuneration Committee also dealt with the preparation of the remuneration report of AMAG Austria Metall AG, the termination of Gerald Mayer's contract and the new Management Board contracts with Helmut Kaufmann and Claudia Trampitsch. The Strategy Committee met twice during the year under review and concerned itself, in particular, with the effects of the changed geopolitical environment as well as with the implementation and update of the approved strategy, market-relevant topics and AMAG Group's further strategic development. An additional Strategy Committee meeting was convened to discuss market-relevant topics in greater depth. The results were subsequently discussed with the plenary Supervisory Board. The newly established ESG Committee met once in the reporting year. Its consultations particularly related to an update of the decarbonisation roadmap as well as sustainable energy supplies at the Ranshofen site. The results were subsequently discussed with the plenary Supervisory Board.

The corporate governance report provides further information about the composition and working methodology of the Supervisory Board.

CORPORATE GOVERNANCE

The Supervisory Board of AMAG Austria Metall AG is committed to complying with the Austrian Corporate Governance Code, and consequently to responsible corporate governance and control systems designed to deliver sustainable value creation. A summary of activities in this area is presented in the corporate governance section in this annual report and on the website of AMAG.

AUDIT AND APPROVAL OF THE 2023 ANNUAL FINANCIAL STATEMENTS (GRI 2-5)

The Management Board prepared the separate annual financial statements, the separate management report, the consolidated financial statements according to International Financial Reporting Standards (IFRS), the Group management report as of December 31, 2023, including the non-financial statement, and the disclosures required pursuant to Section 245a of the Austrian Commercial Code (UGB), which Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (appointed pursuant to Section 270 UGB) audited and awarded an unqualified audit opinion. The Supervisory Board, in the auditor's presence, examined in the meaning of Section 96 AktG the separate and consolidated annual financial statements, the separate and Group management reports, including the non-financial statement, as well as the corporate governance report and the proposal for the distribution of profit together with the audit findings, and approved them on February 14, 2024. The Supervisory Board concurs with the Management Board's proposal for the application of profits, whereby a dividend of EUR 1.50 per dividend-entitled share is to be distributed. The separate annual financial statements have thereby been adopted pursuant to Section 96 (4) AktG.

THANKS

The Supervisory Board would like to express its thanks and recognition for the dedicated work of the Management Board and of all employees at AMAG. Their personal commitment enabled AMAG to respond with flexibility to the challenging market environment and to achieve a further set of successful results this year. We would like to extend our special thanks to Gerald Mayer, who has played a key role in shaping the company's positive development and growth over the course of his sixteen years on the AMAG Management Board.

We also appreciate the trust and close connections that we enjoy with our shareholders, customers, suppliers and lenders, and look forward to our further successful cooperation.

Ranshofen, February 14, 2024



Dipl.-Ing. Herbert Ortner

Chairman of the Supervisory Board

DECLARATION CONCERNING THE AUSTRIAN CORPORATE GOVERNANCE CODE

The Austrian Corporate Governance Code (ÖCGK) provides domestic stock corporations with a framework for the management and supervision of companies. The Code aims to establish corporate governance and controlling that is oriented towards responsibility, as well as towards sustainable and long-term value creation. This in turn is intended to create a high level of transparency for all stakeholders in the company. The Code is publicly accessible at www.corporate-governance.at. The Code is based on the guidelines of the Austrian Stock Corporation Act (UGB), the Stock Exchange Act and the Capital Market Act, European Union recommendations concerning the tasks of supervisory board members and the remuneration of management board members, and the principles of the OECD guidelines on corporate governance. It is based on a voluntary commitment. The Management and Supervisory Boards of AMAG Austria Metall AG have recognised and implemented the Code. AMAG Austria Metall AG is consequently committed to adhering to the ÖCGK in its latest version.

The ÖCGK contains the following rules:

- › “L rules” (legal), these are legally prescribed measures;
- › “C rules” (comply or explain), where a failure to comply must be explained;
- › “R rules” (recommendations) are recommendations that AMAG Austria Metall AG largely follows.

AMAG Austria Metall AG adheres to all “L rules” and “C rules”. As a consequence, the corresponding GRI standards relating to corporate governance are also met.

Pursuant to Rule 62, compliance with the Code’s C rules should be evaluated externally on a regular basis, in other words, at least every three years. The last evaluation was performed for the 2023 financial year as part of the audit of the 2023 annual financial statements by the Group’s auditor. As a result of the evaluation, the auditors found that the declaration of compliance of AMAG Austria Metall AG with the Austrian Corporate Governance Code in the version of January 2023 corresponds to the actual circumstances. In accordance with Rule 62 of the ÖCGK, the next external evaluation is planned for the 2026 financial year.

MANAGEMENT AND SUPERVISORY BOARDS’ WORKING METHODOLOGIES (GRI 2-16, 2-17)

AMAG Austria Metall AG is a public stock corporation established under Austrian law with a Management Board and a Supervisory Board as its management bodies (dualistic system).

The Management Board consisted of three members at the end of 2023. The Supervisory Board appoints the members of the Management Board.

The Management Board conducts business based on the law, the ÖCGK, the articles of incorporation and the rules of business procedure. These set out regulations for the collaboration between the Management Board members and the allocation of responsibilities. The Management Board members constantly exchange information with each other. At Management Board meetings, they discuss the current course of business, make decisions and pass resolutions. Meetings are to be held at regular intervals, if possible at least every two weeks.

The Management Board informs the Supervisory Board concerning all issues of relevance to financial and strategic business development. This includes the risk position and risk management of both the company and its significant Group companies. Information is provided promptly and comprehensively at regular meetings. In addition, the Supervisory Board Chairman is in regular contact with the Management Board Chairman (Chief Executive Officer) and discusses the company’s strategy, business development and risk management with him.

The Supervisory Board supervises the company’s Management Board and supports it in the executive management of the company, especially in relation to decisions of fundamental significance. The election of Supervisory Board members occurs at the Annual General Meeting on the basis of the requirements of the Austrian Stock Corporation Act (AktG) and the ÖCGK. Accordingly, the persons proposed for election to the Supervisory Board must disclose to the Annual General Meeting their professional qualifications, their professional or comparable functions, and any circumstances that could give rise to concerns about bias.

Management and Supervisory Board members must disclose any conflicts of interest in accordance with the requirements of the ÖCGK. No divergences from this requirement arose in the reporting year. (GRI 2-15)

COMPOSITION OF THE MANAGEMENT BOARD AS OF DECEMBER 31, 2023 (GRI 2-9)

Compared to the previous year, in the 2023 financial year no changes occurred to the Management Board team of AMAG Austria Metall AG. The previous CEO, Gerald Mayer, left the company early at his own request on December 31, 2023.

	Mag. Gerald Mayer Chief Executive Officer	Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann Chief Operating Officer	Victor Breguncci, MBA Chief Sales Officer
Year of birth	› 1971	› 1963	› 1975
First appointed as Management Board member	› March 1, 2019: Appointment as Management Board Chairman (Chief Executive Officer) › February 18, 2011: Appointment as Chief Financial Officer › November 2007: Initial appointment to the predecessor company Austria Metall AG	› February 18, 2011: Appointment as Chief Operating Officer › September 2007: Initial appointment to the predecessor company Austria Metall AG	› June 1, 2019: Appointment as Chief Sales Officer
End of the current term of office	› December 31, 2023	› December 31, 2026	› May 31, 2026
Allocated Group functions	› Strategy, M&A, Organisation › Personnel › Communications › Investor Relations/Issuer Compliance › Purchasing › Legal › Controlling › Financial Accounting/Tax › Financial Management › Metals Management	› Production Rolling/Casting › Research/Corporate Technology › Innovation Management › Management Systems › AMAG service GmbH › Information Technology › Technical Business Development	› Strategic Sales Development › Sales Rolling/Casting › Supply Chain Management › Marketing › Market Monitoring and Development
Supervisory board mandates at other companies	› None	› None	› None

The Supervisory Board of AMAG Austria Metall AG appointed Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann as Management Board Chairman (Chief Executive Officer) as of January 1, 2024, in addition to his previous function as Chief Operating Officer. Helmut Kaufmann's Management Board contract runs until December 31, 2026. In addition, Claudia Trampitsch was appointed Chief Financial Officer from January 1, 2024. Her contract term also ends on December 31, 2026. As of January 1, 2024, the AMAG Management Board team thereby consists of Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann (CEO and COO), Victor Breguncci, MBA (CSO) and Claudia Trampitsch (CFO).

COMPOSITION OF THE SUPERVISORY BOARD (GRI 2-9, 2-10, 2-11, 405-1)

At the Annual General Meeting on April 13, 2023, the number of Supervisory Board members elected by the Annual General Meeting was increased from eight to nine members (thereby remaining within the limits imposed by the articles of incorporation) with effect from September 1, 2023. Dipl.-Ing. Franz Viehböck was re-elected to the Supervisory Board of AMAG Austria Metall AG. Gerhard Schwartz was newly elected to the Supervisory Board. Maximilian Angermeier was elected as a member of the Supervisory Board with effect from September 1, 2023.

The Supervisory Board of AMAG Austria Metall AG reconstituted itself at its meeting on April 13, 2023. Herbert Ortner was re-elected as Chairman of the Supervisory Board, Thomas Zimpfer as First Deputy Chairman and Dr. Heinrich Schaller as Second Deputy Chairman.

The employee representatives nominated among others Maximilian Angermeier as a delegate to the Supervisory Board of AMAG Austria Metall AG. Due to his retirement on September 1, 2023, the Group Works Council nominated Harald Berger as a new member of the Supervisory Board of AMAG Austria Metall AG.

All Supervisory Board members participated in at least half of the meetings.

SUPERVISORY BOARD MEMBERS AS OF DECEMBER 31, 2023

Dipl.-Ing. Herbert Ortner (1968)

Supervisory Board Chairman

First appointed: April 17, 2018; Reappointment: April 13, 2021

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2024

Supervisory board mandates at other listed companies: -

Mag. Thomas Zimpfer (1983)

First Deputy Supervisory Board Chairman

First appointed: April 10, 2019; Reappointment: April 20, 2022

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2025

Supervisory board mandates at other listed companies: -

Dr. Heinrich Schaller (1959)

Second Deputy Supervisory Board Chairman

First appointed: May 16, 2012; Reappointment: April 13, 2021

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2023

Supervisory board mandates at other listed companies: Raiffeisenbank International AG (second deputy chairman), voestalpine AG (first deputy chairman)

Max Angermeier (1958)

Supervisory Board member

First appointed: September 1, 2023

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2024

Supervisory board mandates at other listed companies: -

Dr. Wolfgang Bernhard (1960)

Supervisory Board member

First appointed: April 10, 2019; Reappointment: April 20, 2022

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2025

Supervisory board mandates at other listed companies: Andritz AG

Dipl.-Ing. Walter Oblin (1969)

Supervisory Board member

First appointed: April 13, 2021

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2024

Supervisory board mandates at other listed companies: -

Mag. Gerhard Schwartz (1965)

Supervisory Board member

First appointed: April 13, 2023

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2026

Supervisory board mandates at other listed companies: Lenzing AG

O. Univ.-Prof.ⁱⁿ Dr.ⁱⁿ Sabine Seidler (1961)

Supervisory Board member

First appointed: May 16, 2012; Reappointment: July 21, 2020

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2023

Supervisory board mandates at other listed companies: -

Dipl.-Ing. Franz Viehböck (1960)**Supervisory Board member**

First appointed: April 16, 2015; Reappointment: April 13, 2023

Mandate duration: until the AGM that passes a resolution concerning the ratification for FY 2026

Supervisory board mandates at other listed companies: -

WORKS COUNCIL DELEGATES**Martin Aigner (1968)****Supervisory Board member**

Delegated: January 1, 2017

Maximilian Angermeier (1958)**Supervisory Board member**

Delegated: April 14, 2011, until August 31, 2023

Harald Berger (1974)**Supervisory Board member**

Delegated: September 1, 2023

Robert Hofer (1977)**Supervisory Board member**

Delegated: December 31, 2011

Günter Mikula (1966)**Supervisory Board member**

Delegated: August 1, 2014

DISCLOSURES ABOUT THE INDEPENDENCE OF SUPERVISORY BOARD MEMBERS (GRI 2-9)

The Supervisory Board determines the criteria for its independence. This is based on Annex 1 of the ÖCGK. All Supervisory Board members confirmed that they consider themselves independent (Rule 53). This applies to all Supervisory Board members elected by the Shareholders' General Meeting. (GRI 2-10)

Rule 54 is not applicable to AMAG Austria Metall AG at present. The reason for this is the low free float of less than 20 %.

SUPERVISORY BOARD COMMITTEES (GRI 2-9, 2-10, 2-12)

The articles of incorporation authorise the Supervisory Board to form committees from among its members. They also define their tasks and rights. Furthermore, they can delegate to the committees the right to take decisions. The employee representatives on the Supervisory Board are entitled to delegate members to the Supervisory Board's committees. This is based on Section 110 (1) of the Austrian Work Organisation Act (ArbVG). This does not apply to committees that handle relationships between the company and its Management Board members.

AUDIT COMMITTEE

The Audit Committee performs the tasks assigned to it in accordance with Section 92 (4a) of the Austrian Stock Corporation Act (AktG). It is responsible for the auditing and preparation of the adoption of the separate annual financial statements, the proposal for distributing profit, the management report, the corporate governance report and the examination of the risk management system. It is also required to examine the consolidated financial statements. Furthermore, it makes a proposal for the election of the auditor of the financial statements, checks and monitors its independence, and approves and controls the provided non-audit services. The chair of the Audit Committee determines the mutual communication between the auditor and the Audit Committee (C Rule 81a ÖCGK). The committee is obligated to report to the Supervisory Board on its activities.

Members of the Audit Committee as of December 31, 2023:

- › Dipl.-Ing. Walter Oblin (chair and finance expert)
- › Dipl.-Ing. Herbert Ortner (deputy chair)
- › Dr. Heinrich Schaller
- › Mag. Gerhard Schwartz
- › Robert Hofer
- › Günter Mikula

NOMINATION COMMITTEE

The Nomination Committee is responsible for the preparation of the diversity concept, succession planning, the submission of proposals to the Supervisory Board for filling vacant Management Board mandates and the submission of proposals to the Annual General Meeting for filling vacant Supervisory Board mandates. The appointment of certain key positions within the Group and at subgroup level, such as the appointment and recall from office of managing directors, requires the approval of the committee. It monitors the structure, functionality and effectiveness of the talent management process and the succession planning process below Management Board level.

Members of the Nomination Committee as of December 31, 2023:

- › Dipl.-Ing. Herbert Ortner (chair)
- › Mag. Thomas Zimpfer (deputy chair)
- › Dr. Heinrich Schaller
- › Dipl.-Ing. Franz Viehböck
- › Robert Hofer
- › Günter Mikula

STRATEGY COMMITTEE

The Strategy Committee's tasks include discussing the corporate strategy, including the company-specific key performance indicators derived from it, with the Management Board, the ongoing monitoring of strategy implementation by the Management Board, and monitoring the presence of a strategy process appropriate to the company's size and structure.

Members of the Strategy Committee as of December 31, 2023:

- › Dipl.-Ing. Herbert Ortner (chair)
- › Mag. Thomas Zimpfer (deputy chair)
- › Dr. Wolfgang Bernhard
- › Dr. Heinrich Schaller
- › Robert Hofer
- › Günter Mikula

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for drafting and concluding as well as amending and terminating employment agreements with Management Board members. In addition, it is responsible for the preparation as well as regular reviews of the remuneration policy for Management Board and Supervisory Board members and for monitoring the implementation of the remuneration policy for Management Board members. Furthermore, it controls the processing and execution of Management Board contracts and supports the Management Board in preparing the remuneration report.

Members of the Remuneration Committee as of December 31, 2023:

- › Dipl.-Ing. Herbert Ortner (chair)
- › Mag. Thomas Zimpfer (deputy chair)
- › Günter Mikula

COMMITTEE FOR URGENT MATTERS

The Committee for Urgent Matters is authorised to approve transactions and legal acts of the Management Board in urgent cases that require Supervisory Board approval in accordance with the law, the articles of incorporation, and the ÖCGK, or the rules of procedure for the Management Board. The precondition for this is that the decision cannot be postponed until the next ordinary Supervisory Board meeting. The committee chair is obligated to report immediately to the Supervisory Board on the resolutions that are passed.

Members of the Committee for Urgent Matters as of December 31, 2023:

- › Dipl.-Ing. Herbert Ortner (chair)
- › Mag. Thomas Zimpfer (deputy chair)
- › Dr. Heinrich Schaller
- › Mag. Gerhard Schwartz
- › Robert Hofer
- › Günter Mikula

ESG COMMITTEE (GRI 2-17)

The ESG Committee was established in 2023 for the first time and is tasked, in particular, with monitoring the establishment and effectiveness of processes for the implementation and assessment of sustainability reporting in accordance with the EU Corporate Sustainability Reporting Directive (No. 2022/2464 – CSRD) and further applicable legislation as well as related reporting to the Audit Committee and the plenary Supervisory Board. From the 2024 financial year onwards, AMAG's sustainability reporting is to be carried out in accordance with the CSRD. The ESG Committee then has the task of supporting the Audit Committee in its duties regarding sustainability reporting. It also supports and advises on ESG issues at the request of the full Supervisory Board or one of its committees, such as the Remuneration Committee in its preparation of ESG target setting for Management Board remuneration, or the Strategy Committee in its linking of ESG and corporate strategy.

Members of the ESG Committee as of December 31, 2023:

- › Dipl.-Ing. Herbert Ortner (chair)
- › Mag. Gerhard Schwartz (deputy chair)
- › Dr. Heinrich Schaller
- › Dipl.-Ing. Franz Viehböck
- › Robert Hofer
- › Günter Mikula

NUMBER AND MAIN FOCUSES OF SUPERVISORY BOARD AND COMMITTEE MEETINGS (GRI 2-12)

The tasks of the Supervisory Board are set out in both the company's articles of incorporation and the law. The Supervisory Board performed its duties at five ordinary meetings and one extraordinary meeting. AMAG Group's current business and financial position was reported on in an ongoing manner at these meetings. In order to implement the concept that had been approved for the company's further strategic alignment, a corresponding update was prepared by the Strategy Committee and discussed by the Supervisory Board. An ESG Committee was established for the first time to deal, in particular, with the effectiveness of processes installed to implement sustainability reporting requirements.

High energy prices, the associated high inflation rate, the war in Ukraine and the change to the geopolitical environment were just as much the focus of the discussions as the climate targets set in

the EU and Austria and the potential impact of the energy transition on the AMAG Group. An approved decarbonisation roadmap was reviewed by the Management Board and discussed by the Supervisory Board. Necessary investments for continuous site development were approved.

In addition to planning for the 2024 financial year and medium-term planning up to 2028, further focus areas of meetings included, in particular, ESG topics, the company's personnel development as well as topics relating to research & development and digitalisation.

The Supervisory Board also concerned itself with the issuer compliance officer's annual activity report as well as with precautions to combat corruption, the audit of the non-financial statement, and the requirements of the EU Taxonomy.

Moreover, the annual evaluation of the Supervisory Board's activities in relation to their effectiveness and efficiency was conducted. Recommendations for improvements were discussed and derived on this basis. (GRI 2-18)

The Management Board contract of CEO Gerald Mayer was terminated early at the end of 2023 by mutual agreement. Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann was appointed Management Board Chairman (Chief Executive Officer) of AMAG Austria Metall AG from January 1, 2024 in addition to his previous function as Chief Operating Officer. In addition, Claudia Trampitsch was appointed Chief Financial Officer of AMAG Austria Metall AG, also with effect from January 1, 2024.

The Audit Committee held three meetings. At these, the committee focused on the preparation and examination of the company's consolidated and separate financial statements, the audit results and the auditor's planning for 2023. Further topics included the requirements of the EU Taxonomy Regulation, the effectiveness and functioning of the internal control, audit, and risk management system, and specific financial accounting issues.

The Nomination Committee met three times in 2023 and dealt with the nominations to the Supervisory Board, personnel matters relating to the management of AMAG rolling GmbH and, in particular, the CEO/CFO succession search and, in this context, the preparation of competency profiles.

The Remuneration Committee convened for seven meetings during the 2023 financial year. The focus was on the target agreements with the members of the Management Board, the preparation of the remuneration report, the termination of Gerald Mayer's contract, and the new Management Board contracts with Priv.-Doz. Dr. Helmut Kaufmann and Claudia Trampitsch.

The Strategy Committee held two meetings in 2023. The focus was on the effects of the change to geopolitical conditions, the implementation and update of the approved strategy, the further strategic development of AMAG Group, and market-relevant topics.

The newly established ESG Committee met once in the reporting year. Its consultations particularly related to an update of the decarbonisation roadmap as well as sustainable energy supplies at the Ranshofen site. (GRI 2-17)

REMUNERATION REPORT FOR THE MANAGEMENT AND SUPERVISORY BOARDS

With the Austrian Stock Corporation Law Amendment Act 2019 (AktRÄG [BGBl I 2019/63]), the provisions relating to the disclosure of the total remuneration of the individual members of the Management Board and the principles of the remuneration policy no longer apply. This information is now given in detail in the remuneration report to be submitted to the Annual General Meeting for voting (Section 78d AktG). In accordance with the requirements of the GRI Universal Standards 2021, selected disclosures about the remuneration policy and the remuneration itself are presented below.

The principles applied in determining the remuneration of the Management and Supervisory Boards of AMAG Austria Metall AG are set out in the remuneration policy of AMAG Austria Metall AG. The primary aim of the remuneration policy is to promote the long-term and sustainable development of the company. A remuneration policy for AMAG Austria Metall AG was approved for the first time by the Annual General Meeting on July 21, 2020. Due to the issue of sustainability, which is becoming increasingly significant for all companies and especially for AMAG, the principles of the remuneration policy in the new version, which was approved in 2022, have been adjusted. On top of the existing criteria for the long-term variable performance bonus (LTI) for the Management Board members, two to four sustainability criteria from a predefined set of criteria have been added. (GRI 2-19, 2-20)

The Supervisory Board's Remuneration Committee is responsible for preparing, regularly reviewing and monitoring the implementation of the remuneration policy for the Management Board. The Supervisory Board as a plenum bears responsibility for the final determination of this remuneration policy. If necessary, the Remuneration Committee and/or the Supervisory Board are supported by an external remuneration consultant. In order to avoid conflicts of interest, care is taken to ensure that

any advisor to whom recourse is made does not at the same time advise the Management Board on remuneration issues. (GRI 2-20)

When determining Management Board remuneration, the tasks and performance of the individual Management Board members, the company's situation and standard remuneration levels are taken into consideration. The individual Management Board members' professional experience and responsibility as well as the scope and complexity of their activities are also taken into consideration. A horizontal remuneration comparison with other Austrian and German industrial companies is applied in order to achieve competitive Management Board remuneration in line with the market, in order to attract, motivate and retain the most qualified Management Board members for the company. Furthermore, the remuneration and employment conditions of the company's employees are taken into consideration, in order to set the Management Board's remuneration in relation to the company's remuneration structure. (GRI 2-19, 2-20)

The Management Board members' remuneration comprises both non-performance-based and performance-based components as follows:

The basic salary represents a fixed payment at a competitive level, incentivising the Management Board members to act in the company's best interests, taking into consideration shareholders' and employees' interests, as well as the public interest.

The short-term variable incentive (STI) is based on the company's performance during the past financial year, and depends on the financial targets for consolidated EBITDA and consolidated ROCE, as well as non-financial criteria.

The long-term variable incentive (LTI) comprises multi-year, performance-based remuneration aimed at achieving a long-term incentive effect. The LTI is granted on a rolling basis, in other words, in annual tranches with three-year assessment periods each. For this purpose, financial performance criteria and, since the 2022 financial year, sustainability criteria have been applied, in other words, consolidated net income after taxes, consolidated ROCE, sustainability criteria to be defined per tranche, and – given a free float of at least 20 % – the company's capital market performance in relation to selected peer companies (relative TSR).

As far as C Rule 27 of the Austrian Corporate Governance Code (ÖCGK) is concerned, the remuneration policy makes provision whereby the company can reclaim variable remuneration components if it transpires they were paid out on the basis of manifestly false data ("clawback").

The Remuneration Committee reserves the right to award special bonuses for particular services over and above the variable performance bonuses mentioned previously, provided that such particular services shall have created a future-related benefit for the company. These special bonuses are intended to motivate the members of the Management Board to manage the company in a long-term and sustainable manner.

It is permissible to grant sign-on and retention bonuses to members of the Management Board. This may be necessary in order to recruit particularly qualified Management Board members for the company, or to retain them for the company.

AMAG Austria Metall AG makes contributions to an external pension fund for the Management Board members it employs. The amount of such payments is agreed individually in the employment contracts and amounts to between 5 % and 15 % of the annual basic salary. In general, no provision is made for early retirement programs. (GRI 2-19)

The highest paid individual remuneration per year can vary significantly due to the performance-based salary components. In 2023, the ratio of highest paid remuneration (including STI remuneration components and excluding vested LTI entitlements) to the average remuneration of employees (excluding the Management Board and employees of the Alouette interest) stood at 15. The highest paid remuneration (including STI remuneration components and excluding vested LTI entitlements) shows no change compared to the previous year. The average employee remuneration has increased by 8 % compared to the 2022 financial year. The key figures stated were calculated on a full-time equivalent basis including all ancillary costs. (GRI 2-21)

DIVERSITY CONCEPT AND PROMOTION OF WOMEN

Respect, diversity and inclusion form integral and indispensable elements of the corporate culture of AMAG Austria Metall AG, and are taken into consideration in appointments to all functions. For Supervisory Board appointments proposed to the Annual General Meeting and when nominating Management Board members, attention is paid to a balance in relation to qualifications and diversity, as these contribute significantly to the professionalism and effectiveness of the work of the Supervisory and Management Boards. Along with specialist and personal qualifications, this approach also includes aspects such as age structure, origin, gender, education and experience. A diversity concept in written form was approved as of February 7, 2018.

Decisions concerning the appointment of employee representatives to the Supervisory Board are based on the results of works council elections at the individual Group companies and the subsequent passing of resolutions – subject to an absolute majority – at the constitutive meeting of the Group Works Council.

The proportion of women employed in Ranshofen and at AMAG components stood at 16 % in the 2023 financial year, and the proportion of women in management positions was recorded at 13 %. The proportion of female apprentices totalled 22 %. O. Univ.-Prof.ⁱⁿ Dr.ⁱⁿ Sabine Seidler has been a member of the AMAG Austria Metall AG Supervisory Board since 2012. On January 1, 2024, Claudia Trampitsch became the first woman to become a member of the Management Board of AMAG Austria Metall AG. She was appointed Chief Financial Officer. The non-financial statement in the Group management report presents more information on the topic of equal opportunities and diversity. AMAG is committed to equal opportunities, and rejects any type of discrimination, especially based on age, gender, skin colour, sexual orientation, background, religion or handicap. (GRI 2-10, 405-1)

COMPLIANCE

Compliance forms a central element of good corporate governance and comprises a basic prerequisite for sustainable corporate performance and success. AMAG operates a comprehensive compliance system, which is described in detail in the non-financial statement in the Group management report.

CHANGES AFTER THE REPORTING DATE

No changes occurred to reportable matters between the reporting date and the date when the corporate governance report was prepared.

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CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2023

ASSETS IN EUR THOUSAND	Section H	December 31, 2023	December 31, 2022
Intangible assets and goodwill	1	17,856	15,077
Property, plant and equipment	1	723,285	720,700
Equity accounted investments	2	1,541	1,516
Other non-current assets and financial assets	3	22,124	15,297
Deferred tax assets	4, 110	9,376	17,167
Non-current assets		774,181	769,757
Inventories	5	433,103	486,882
Trade receivables	6	153,862	166,810
Current tax assets	110	1,724	1,880
Other current assets	7	85,979	79,465
Contract assets	8	2,403	2,419
Cash and cash equivalents	9	168,937	285,672
Current assets		846,007	1,023,128
TOTAL ASSETS		1,620,188	1,792,885

EQUITY AND LIABILITIES IN EUR THOUSAND	Section H	December 31, 2023	December 31, 2022
Share capital	10	35,264	35,264
Capital reserves	10	377,661	377,661
Retained earnings	10	333,354	297,390
Equity		746,279	710,314
Non-current provisions	11, 12	80,992	74,733
Interest-bearing non-current financial liabilities	13	454,726	515,769
Other non-current liabilities and grants	14	44,492	73,320
Deferred tax liabilities	15, 110	8,137	4,845
Non-current liabilities		588,347	668,666
Current provisions	11, 12	17,882	36,100
Interest-bearing current financial liabilities	13	78,723	163,251
Trade payables	16	93,089	112,313
Current tax liabilities	110	74	76
Other current liabilities and grants	14	95,794	102,164
Current liabilities		285,562	413,904
TOTAL EQUITY AND LIABILITIES		1,620,188	1,792,885

The following notes to the consolidated financial statements form an essential part of the consolidated balance sheet.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE 2023 FINANCIAL YEAR

CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

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ACCORDING TO THE COST OF SALES METHOD IN EUR THOUSAND	Section I	1-12/2023	1-12/2022
Revenue	1	1,459,172	1,726,705
Cost of sales	2, 4, 6	-1,217,605	-1,427,076
Gross profit		241,568	299,628
Other income	3	10,280	18,170
Selling and distribution expenses	2, 4, 6	-73,937	-86,940
Administrative expenses	2, 4, 6, 7	-41,013	-42,151
Research and development expenses	2, 4, 5, 6	-22,128	-19,203
Other expenses	2, 4, 6	-12,469	-9,998
Share of profit of associates	8	140	157
Earnings before interest and taxes (EBIT)		102,441	159,663
Net interest result		-11,999	-11,490
Other financial result		-284	692
Net financial income (expenses)	9	-12,283	-10,798
Earnings before taxes (EBT)		90,158	148,865
Income taxes	10	-23,770	-39,585
Net income after taxes		66,388	109,280
Total number of nil par value shares		35,264,000	35,264,000
Diluted and basic earnings per share (EUR)		1.88	3.10
Proposed dividend per nil par value share (in EUR)	H10	1.50	1.50

The following notes to the consolidated financial statements form an essential part of the consolidated statement of profit and loss.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2023 FINANCIAL YEAR

IN EUR THOUSAND

	Section	1-12/2023	1-12/2022
Net income after taxes		66,388	109,280
Items that may be reclassified to profit or loss			
Currency translation differences		-6,626	9,320
Changes in the hedging reserve	K		
Recognised expenses and income during the financial year		32,105	-63,894
Reclassifications of amounts that have been recognised in the statement of profit or loss		13,141	50,229
Deferred taxes relating thereto		-11,781	3,944
Foreign currency translation differences relating thereto		1,473	-1,632
Changes in fair value reserve	K	687	80
Deferred taxes relating thereto		-158	-42
Items that will not be reclassified subsequently to profit or loss			
Changes in revaluation reserve	H10	2	101
Remeasurement of defined benefit plans	H11	-8,166	36,981
Deferred taxes relating thereto		1,960	-9,887
Foreign currency translation differences relating thereto		-161	-848
Share of other comprehensive income of associates	H2	-15	47
Deferred taxes relating thereto		3	-11
Other comprehensive income for the year (net of tax)		22,463	24,388
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		88,851	133,668

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 2023 FINANCIAL YEAR

IN EUR THOUSAND	Section	1-12/2023	1-12/2022
Earnings before taxes (EBT)		90,158	148,865
Net interest result	I9	11,999	11,490
Share of profit of associates	I8	-140	-157
Depreciation on non-current assets	I6	85,988	87,456
Losses/gains from the disposal of non-current assets		530	331
Proceeds from dividends		100	201
Other non-cash expenses/income	J	122	-1,347
Changes in inventories		51,684	-88,231
Changes in trade receivables		12,933	-13,107
Changes in trade payables		-17,082	-5,393
Changes in provisions		-22,023	17,050
Changes in derivatives		22,724	-3,849
Changes in contract assets		15	-79
Changes in other receivables and liabilities		-21,356	-13,515
Securities measured at fair value through profit or loss		-555	0
		215,098	139,715
Tax payments		-26,047	-46,603
Interest received		9,513	1,926
Interest paid		-17,667	-8,964
Cash flow from operating activities		180,897	86,074

IN EUR THOUSAND	Section	1-12/2023	1-12/2022
Proceeds from disposals of non-current assets		1,005	2,291
Payments for investments in property, plant and equipment and intangible assets		-96,923	-78,423
Proceeds from grants for investments		2,135	1,185
Cash flow from investing activities		-93,783	-74,946
Repayments of borrowings	J	-151,836	-254,070
Proceeds from borrowings	J	4,152	412,539
Dividends paid	H10	-52,896	-52,896
Cash flow from financing activities		-200,581	105,573
Change in cash and cash equivalents		-113,467	116,701
Cash and cash equivalents at the beginning of the period	J, H9	285,672	171,431
Effect of exchange rate changes on cash and cash equivalents		-3,268	6,980
Reclassifications from cash and cash equivalents		0	-9,440
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	J, H9	168,937	285,672

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2023 FINANCIAL YEAR

CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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IN EUR THOUSAND	Section	Share capital	Capital reserves	Hedging reserve	Fair value reserve	Revaluation reserve	Revaluation of defined benefit plans	Foreign currency translation differences	Retained earnings	Equity
Balance as of January 1, 2022		35,264	377,661	-52,044	-898	858	-31,789	46,525	253,898	629,474
Net income after taxes									109,280	109,280
Other comprehensive income for the year (net of tax)				-11,352	37	100	26,282	9,320		24,388
Total comprehensive income for the year				-11,352	37	100	26,282	9,320	109,280	133,668
Effect of hyperinflation	E								69	69
Dividend distribution	H10								-52,896	-52,896
Balance as of December 31, 2022 = January 1, 2023		35,264	377,661	-63,395	-861	958	-5,507	55,845	310,351	710,314
Net income after taxes									66,388	66,388
Other comprehensive income for the year (net of tax)				34,937	529	2	-6,379	-6,626		22,463
Total comprehensive income for the year				34,937	529	2	-6,379	-6,626	66,388	88,851
Effect of hyperinflation	E								9	9
Dividend distribution	H10								-52,896	-52,896
BALANCE AS OF DECEMBER 31, 2023		35,264	377,661	-28,458	-332	959	-11,886	49,219	323,852	746,279

A THE COMPANY

The corporate purpose of AMAG Austria Metall AG and its Group companies (referred to below as “AMAG Group” or “AMAG”) comprises the production, processing and distribution of aluminium, and of aluminium wrought and cast products.

As an Austrian holding company, AMAG Austria Metall AG is registered in the companies register at Ried im Innkreis District Court, and its headquarters are located in 5282 Ranshofen, Lamprechtshausener Straße 61, Austria. The company prepares consolidated financial statements as the ultimate parent company of AMAG Group. The shares of AMAG Austria Metall AG have been listed on the Prime Market of the Vienna Stock Exchange since April 8, 2011. AMAG Group companies are included in the consolidated financial statements of B&C Holding Österreich GmbH. B&C Privatstiftung, based in Vienna, Austria, is the ultimate parent company of B&C Holding Österreich GmbH, and consequently of the company.

B BASIS OF ACCOUNTING

Conformity with IFRS

The consolidated financial statements for the 2023 financial year were prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRS-IC) as formulated by the International Accounting Standards Board (IASB) and adopted by the European Union, which require mandatory application in 2023, as well as in accordance with Section 245a of the Austrian Commercial Code (UGB).

Functional currency

The consolidated financial statements have been prepared in euros, the functional currency of the Group parent company. The amounts presented in the consolidated financial statements have been commercially rounded to the nearest thousand. The totals of the values and percentages presented may differ as the result of such rounding.

C CURRENCY TRANSLATION

The consolidated financial statements of AMAG Austria Metall AG have been prepared in euros, and the separate financial statements of the consolidated companies have been prepared in their respective functional currencies. When preparing the consolidated financial statements, the assets and liabilities of entities applying a functional currency other than the euro are translated at the European Central Bank reference rate as at the end of the reporting period, and their statements of profit or loss at the annual average of the reference rate. Any resultant currency translation differences are recognised under the foreign currency translation differences item in other comprehensive income. In the event of the disposal of a foreign operation, the related foreign currency translation differences recognised as other comprehensive income are reclassified to profit or loss.

Foreign currency transactions are recognised on the transaction date applying the exchange rate prevailing at that date. Monetary foreign currency positions are measured applying the rates as of the balance sheet date. Translation differences are recognised in profit or loss in the period in which they occur. Non-monetary items measured at historical cost in a foreign currency are translated applying the exchange rate at the transaction date. Non-monetary items measured at fair value in a foreign currency are translated applying the exchange rate at the date when the fair value was measured. In the year under review, foreign currency translation differences of EUR -2,233 thousand were recognised in profit or loss (previous year: EUR 7,087 thousand).

The exchange rates of the currencies that are of significance for AMAG Group have changed as follows:

EXCHANGE RATES PER EUR

	Closing rate		Annual average rate	
	December 31, 2023	December 31, 2022	1-12/2023	1-12/2022
U.S. Dollar (USD)	1.1050	1.0666	1.0816	1.0539
Canadian Dollar (CAD)	1.4642	1.4440	1.4596	1.3703
Pound Sterling (GBP)	0.8691	0.8869	0.8699	0.8526
Japanese Yen (JPY)	156.3300	140.6600	151.9420	138.0051
Taiwan Dollar (TWD)	33.8607	32.7235	33.6803	31.3187
Chinese Yuan Renminbi (CNY)	7.8509	7.3582	7.6591	7.0801
Czech Koruna (CZK)	24.7240	24.1160	24.0006	24.5603
Turkish Lira (TRY)	32.6531	19.9649	25.7487	17.3849

The consolidated financial statements include AMAG Austria Metall AG and the entities it controls. Control exists when AMAG Austria Metall AG has exposure, or rights, to variable returns from its involvement with an investee, and has the ability to use its power over the investee to affect the amount of the investor's returns.

Through AMAG Erste Beteiligungsverwaltungs GmbH, AMAG Austria Metall AG wholly owns Austria Metall GmbH, which, in turn, directly or indirectly wholly owns the other consolidated companies. A detailed presentation of the consolidated subsidiaries and the interests held in them is presented in the overview on the next page.

The annual financial statements of the subsidiaries that are included in consolidation are based on uniform accounting policies. The reporting date of all these companies was December 31, 2023.

Intragroup transactions are eliminated on consolidation.

Intragroup trade receivables and other assets are offset against intragroup liabilities as part of the consolidation of liabilities. All intragroup expenses and income are eliminated as part of the consolidation of expenses and income, as well as intragroup profit or loss arising from intragroup delivery and service transactions.

D CONSOLIDATION PRINCIPLES

Scope of consolidation and consolidation method

Business combinations are accounted for applying the purchase method. The cost of an acquisition is measured as the sum of the consideration transferred, measured at fair value as of the acquisition date, and the non-controlling interest in the acquiree.

As of December 31, 2023, the scope of consolidation of AMAG Group, including AMAG Austria Metall AG as the parent company, includes 26 fully consolidated companies (previous year: 25 fully consolidated companies), one joint operation and one equity accounted company. In the 2023 financial year, the scope of consolidation was expanded to include the sales company AMAG Asia Pacific Limited, Tokyo, Japan, which was founded on September 11, 2023.

Group companies

	Registered office	Shares in %
Fully consolidated companies		
AMAG Austria Metall AG (parent company)	Ranshofen, A	
AMAG Erste Beteiligungsverwaltungs GmbH	Ranshofen, A	100.0
Austria Metall GmbH	Ranshofen, A	100.0
Aluminium Austria Metall Québec Inc.	Montréal, CAN	100.0
AMAG metal GmbH	Ranshofen, A	100.0
AMAG casting GmbH	Ranshofen, A	100.0
AMAG rolling GmbH	Ranshofen, A	100.0
AMAG Asia Pacific Ltd.	Taipei City, TW	100.0
AMAG Benelux B.V.	Delft, NL	100.0
AMAG China Co. Ltd.	Shanghai, CN	100.0
AMAG Deutschland GmbH	Neu-Ulm, G	100.0
AMAG rolling Eastern Europe, s.r.o.	Prague, CZ	100.0
AMAG France S.A.R.L.	Suresnes, F	100.0
AMAG rolling Iberia S.L.	Madrid, E	100.0
AMAG Italia S.R.L.	Milan, IT	100.0
AMAG Alüminyum Ticaret Limited Şirketi	Istanbul, TR	100.0
AMAG Asia Pacific Limited	Tokyo, JP	100.0
AMAG UK Ltd.	East Horsley, Surrey, GB	100.0
AMAG USA Corp.	Upper Saddle River, New Jersey, USA	100.0
AMAG service GmbH	Ranshofen, A	100.0
Metallwerk Furth GmbH	Furth im Wald, G	100.0
coilDNA GmbH	Linz, A	100.0

AMAG components GmbH	Ranshofen, A	100.0
AMAG components Deutschland GmbH	Übersee, G	100.0
AMAG components Übersee GmbH	Übersee, G	100.0
AMAG components Karlsruhe GmbH	Karlsruhe, G	100.0

Companies consolidated for its interest

Aluminerie Alouette Inc. (direct shareholder is the fully consolidated Aluminium Austria Metall Québec Inc.)	Sept-Îles, CAN	20.0
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Associated companies

Speditionsservice Ranshofen Gesellschaft m.b.H.	Ranshofen, A	25.1
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Non-consolidated companies

Ausbildungszentrum Braunau Ges.m.b.H.	Braunau, A	20.0
APK Pensionskasse AG	Vienna, A	2.0
unit-IT Dienstleistungs GmbH & Co KG	Linz, A	12.6
unit-IT Dienstleistungs GmbH	Linz, A	12.6

The shareholdings are unchanged compared with the previous year.

The sales company AMAG Asia Pacific Limited, Tokyo, Japan, was founded on September 11, 2023.
(GRI 2-2)

Corporate acquisitions

As in the previous year, no corporate acquisitions or disposals were realised in the 2023 financial year.

Jointly controlled operation

The Group operates an aluminium smelter in Canada as part of a joint arrangement with other companies (Aluminerie Alouette Inc. – hereinafter referred to as “Alouette”). Through this joint arrangement, the parties have joint control of the business operations of the aluminium smelter (see also section F Accounting judgements and estimates). In accordance with the agreement, a 20 % share of the assets, obligations for liabilities, and expenses is attributable to the Group. As a consequence, pursuant to IFRS 11, the Group considers the proportionate assets, obligations for liabilities and expenses in this jointly controlled operation. Each party itself is responsible for sales, as Alouette does not realise material revenues with third parties.

The consolidated financial statements comprise the following amounts for the jointly controlled operation of Aluminerie Alouette Inc.:

AMOUNTS OF JOINTLY CONTROLLED OPERATIONS IN EUR THOUSAND	2023	2022
Non-current assets	119,717	128,274
Current assets	47,901	47,686
Non-current provisions and liabilities	75,801	99,613
Current provisions and liabilities	34,656	41,646
Expenses	179,044	186,090

The significant arrangements relating to the joint operation of the Alouette smelter are set out in a consortium agreement. In the case of significant decisions regarding Alouette’s business, resolutions with a minimum 90 % approval are required. With the present ownership structure, or even with a change in structure, the risk exists of conflicting interests among shareholders.

Pursuant to the existing consortium agreement, obligations exist that are of essential importance for current production operations. A failure to satisfy such obligations could result in a loss of co-determination rights, implying liability on the part of AMAG for potential losses. This applies, for example, with respect to the procurement of AMAG’s share of the alumina required for production.

Equity accounted investments

The associate’s results and assets are included in the consolidated financial statements by applying the equity method. Interests in associates are carried on the balance sheet at cost, adjusted for changes in the share of net assets after the acquisition date as well as for impairment losses. For further details, please refer to section H Notes to the consolidated balance sheet item 2.

E ACCOUNTING POLICIES

First-time mandatory or early adoption of standards

The following new standards or standards revised by the IASB have required mandatory application since January 1, 2023:

- › IFRS 17 Insurance Contracts
- › Amendments to IFRS 17 Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- › Amendments to IAS 1 Disclosure of Accounting Policies
- › Amendments to IAS 8 Definition of Accounting Estimates
- › Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- › Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules

The Minimum Taxation Act (MinBestG), which will apply in Austria from January 1, 2024, implements the OECD model regulations and corresponding EU Directive to ensure global minimum taxation for corporate groups (“Pillar Two”) in Austrian law. Numerous further countries are currently introducing corresponding minimum taxation regulations. Of the countries where AMAG Group operates with Group companies, only Taiwan, China, Turkey and the USA have not yet implemented any measures.

B&C Privatstiftung, Vienna, is the ultimate parent company of AMAG AG and of its subsidiaries in the meaning of the minimum taxation rules.

Future tax burdens and effects of the Pillar Two regulations on AMAG Group as a subgroup of B&C Group are being evaluated jointly on an ongoing basis, although no significant effects on AMAG Group’s income taxes are currently expected due to temporary safe harbour regulations and the minimum tax calculation. The current assessment is based primarily on country-by-country reporting for the 2022 financial year and is updated on an ongoing basis. On the basis of the ongoing evaluations, the safe harbour regulations are clearly being complied with at present.

The amendment to IAS 12 “Income Taxes” includes a temporary, mandatory exemption from recognising deferred taxes arising from the implementation of the Pillar Two rules. This exemption is utilised in these consolidated financial statements. The exemption from recognising deferred taxes shall apply with retroactive effect without any impact to the present consolidated financial statements due to a lack of implementation of the Pillar Two regulations at the previous year’s balance sheet date. Current taxes from Pillar Two would be accounted for as current taxes according to IAS 12, whereas as of December 31, 2021 there were no taxes recognised relating to Pillar Two rules.

The other amendments to standards lead to no significant changes compared with the previous year, and they have no significant effects on the accounting policies applied within AMAG Group.

Standards adopted, but not yet applied

Application of the following new, revised or supplemented standards of the IASB and interpretations of the IFRS IC is voluntary, and these will not be applied early:

STANDARD/ INTERPRETATION	Application mandatory	Endorsement status	Impact on the consolidated financial position of AMAG Group
Amendments to IAS 1 Classification of liabilities as current or non-current	01/01/2024	19/12/2023	currently no impact
Amendments to IAS 1 Non-current liabilities with covenants	01/01/2024	19/12/2023	currently no impact
Amendments to IFRS 16 Lease Liability in a Sale and Leaseback	01/01/2024	20/11/2023	currently no impact
Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements (disclosure requirements)	01/01/2024	-	currently no impact
Amendments to IAS 21 Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	01/01/2025	-	currently no impact

Going concern

The consolidated financial statements are prepared on the basis of the going concern assumption. No indications exist that necessitate a divergence from the going concern assumption.

As of December 31, 2023, the Group has equity of EUR 746,279 thousand. Furthermore, the Group reports positive cash flow (see consolidated cash flow statement) as well as a cash and cash equivalents position of EUR 168,937 thousand.

In relation to the risks cited in the previous year regarding natural gas supplies, the situation eased significantly in the 2023 financial year. In the past financial year, natural gas was purchased for storage as a short-term risk-mitigating measure.

Significant accounting policies

Accounting and valuation within the Group are based on uniform criteria. For the sake of clarity, items have been summarised on the consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows, and are listed and explained separately in the notes to the financial statements in accordance with the principle of materiality.

The valuation principles applied in the preparation of the consolidated financial statements are based on historical cost – with the exception of securities and derivative financial instruments, which are measured at fair value.

As of June 30, 2022, Turkey was classified as a hyperinflationary economy for the first time in accordance with IAS 29. To date, this situation continues to prevail, as a consequence of which these provisions will continue to be applied to the currency translation of the sales company Alüminyum Ticaret Limited Şirketi. The Turkish Tüketici fiyat endeksi (TÜFE) was used for the calculation. In the 2023 financial year, the effect on the statement of profit and loss amounts to EUR 150 thousand (previous year: EUR 105 thousand), and the resultant change in Group equity in the 2023 financial year amounts to EUR 9 thousand (previous year: EUR 69 thousand).

Non-current and current assets and liabilities

Pursuant to IAS 1, the consolidated balance sheet is structured on a term basis. Assets and liabilities with terms of up to one year are classified as current, and those with terms of over one year as non-current.

The terms are always determined with reference to the date at the end of the reporting period.

F ACCOUNTING JUDGEMENTS AND ESTIMATES

Accounting judgements

In the case of the interest held in the Canadian smelter Aluminerie Alouette Inc., Sept-Îles, a discretionary assessment was made as to whether this is to be classified as a jointly controlled operation (IFRS 11.15). Within AMAG Group, the classification occurred mainly for the following reasons:

- › The agreement between the various partners regulates the joint control of Alouette's operations.
- › The partners own pro rata shares of all of the company's assets.
- › Alouette's revenue generated with third parties is very minor and the parties are obligated to purchase the entire production on a pro rata basis. The partners are also obligated to meet cash calls on a pro rata basis in order to fulfil Alouette's financing and liquidity requirements.
- › For this reason, the partners are the primary source of cash flows, and are consequently obligated to cover any debts that Alouette might incur.

Please refer in this context to section D Consolidation principles.

Cash and cash equivalents include money market funds in an amount of EUR 67,733 thousand (previous year: EUR 127,104 thousand). This classification was made for the following reasons: the invested funds can be accessed daily without further restrictions; the money market funds have sufficient liquidity to ensure this. The historical performance shows that the value of the funds are only subject to insignificant fluctuations in value. The funds invest exclusively in high-quality and mainly short-term investments. Furthermore, these investments do not serve as financial investments, but instead serve to meet current payment obligations.

In the previous year, a money market fund with a fund volume of EUR 9,440 thousand no longer met the criteria of cash equivalents due to the investment structure, and for this reason a reclassification to non-current financial assets had to be made as of December 31, 2022.

Assumptions and estimation uncertainties

When preparing the consolidated financial statements, it is to some extent necessary to make estimates and assumptions that influence the reported assets, provisions and liabilities, the disclosures

of other commitments as at the end of the reporting period, and the presentation of income and expenses for the reporting period. Actual future results may differ from the estimates, and this may have a significant impact on the consolidated financial statements.

The Management Board of AMAG Austria Metall AG believes that it has made reasonable assumptions, such that the consolidated financial statements in all material respects provide a true and fair view of the Group's financial position and performance.

The estimates and underlying assumptions are subject to considerable uncertainty, and their accuracy is scrutinised constantly as a consequence. Changes in the estimates are recognised in the periods in which they are made.

Impact of macroeconomic developments

Current macroeconomic developments may have an impact on the financial reporting in the financial statements. This can have an impact on the recoverability of non-current assets, particularly in the case of assumptions in connection with the impairment of goodwill, the assessment of triggering events, the calculation of provisions and the assessment of deferred taxes. The corresponding analyses were performed:

No indications arose of impairment of assets or of goodwill, either during the course of the year or as of December 31, 2023 as well as in the previous year. For further information about the impairment test of goodwill, please refer to the related explanations in section H Notes to the consolidated balance sheet, subsection 01 Non-current assets.

As described in the consolidated financial statements, AMAG is facing an increasingly challenging market environment due to persistently high inflation and lower demand for aluminium products in individual industries, which has had a corresponding impact on AMAG Group's financial position and results of operations. In this respect, please also refer to the presentation of the key financial figures in the Group management report.

Lower costs and cost expectations in the energy sector led to a reduction in the contract risk provision in the 2023 financial year. The change in the provision is shown in section H Notes to the consolidated balance sheet, subsection 12 Other provisions.

In the case of deferred taxes on loss carryforwards, an assessment was made as to whether they could be utilised. The tax planning is based on approved budgets; these reflect the corresponding macroeconomic assessments accordingly. In this context, please refer to section H Notes to the consolidated statement of financial position, subsection 4 Deferred tax assets.

Further information about the economic impact on AMAG Group and its key financial figures is contained in the Group management report.

Climate risks and impacts of climate change

AMAG evaluates climate-related risks and opportunities on an ongoing basis as part of systematic risk management. For further information, please refer to the explanations in the Management Report (risk and opportunity report).

In accordance with the requirements of the GRI Universal Standard 2021 and based on the European Sustainability Reporting Standards (ESRS), a materiality analysis was carried out in which the impacts, risks and opportunities, among other issues, were assessed. The analysis can be found in the Non-Financial Statement in the Management Report.

AMAG is clearly committed to climate protection and the goals of the Paris Agreement. For the Ranshofen Site, a strategy (decarbonisation roadmap) has been drawn up for the necessary decarbonisation of all processes, which is primarily based on expanding recycling capacity, increasing energy efficiency as well as substituting fossil energy sources. The main challenge is the transformation of conventional energy sources, which requires extensive research activities in the upcoming years. An essential component of the decarbonisation strategy is the assumption that the required quantities of green electricity and green fuels such as hydrogen will be provided by external suppliers in sufficient volumes and at internationally competitive conditions in a timely manner. For further information on the individual measures, please refer to the explanations on energy and emissions in the section on commitment to environmental protection included in the Non-Financial Statement in the Management Report.

The climate strategy for the Canadian site, where the Group operates an aluminium smelter as part of a joint arrangement with other companies that already uses most of its energy from renewable sources is focused on the further reduction of process emissions using new technologies.

Current developments and measures relating to environment and climate protection are also continuously evaluated with regard to their impact on the financial reporting of the AMAG Group. Therefore, the following aspects have been analysed in particular:

- > Useful lives of assets:
To implement the measures from the decarbonisation strategy, extensive investments will be necessary. In the interest of sustainability, the plan is to use existing property, plant and equipment until the end of their useful lives if possible. During the annual analysis of useful lives, no material reduction of the useful lives of existing property, plant and equipment could be identified from today's perspective.
- > Impairment of assets:
Climate-relevant risks and opportunities are taken into consideration in the strategic corporate plans that serve as the basis for impairment tests, using the best possible estimate based on the information available on the balance sheet date. This applies in particular to the necessary investments as well as research and development expenses. No indicators for potential impairment of assets have been identified from current developments and measures.
- > Provisions and contingent liabilities:
As in previous years, expenses and provisions were recorded for environmental risks in connection with clean-up costs for potential hazardous sites from previous uses of the company's sites. Further information can be found in section H Notes to the consolidated balance sheet, subsection 12 Other provisions, as well as in the following explanations regarding contingent liabilities. Further commitments regarding environmental and climate protection, which require the recognition of provisions or the disclosure of contingent liabilities cannot be identified as of the balance sheet date. In connection with personnel-related provisions, compensation-related non-financial targets were taken into account.
- > Accounting for energy supply contracts:
In the course of decarbonisation, the electricity supply is increasingly converted to renewable energy. Therefore, various long-term energy supply contracts were concluded that could have an impact on the financial reporting in the future depending on the agreements in the corresponding contracts. Details on the contracts concluded in the current business year can be found in subsection Leases.

> Accounting for emission certificates:

In the group financial statements of AMAG, certificates allocated free of charge are recognised according to the so-called net liability method. Accordingly, a provision is only recognised if the scope of the actual emissions exceeds that of the emission allowances granted. If emission rights are acquired from third parties, they are shown under other current assets and reported at the lower of cost or market principle (max. acquisition costs). As of the reporting date, the value of the purchased and unused certificates amounts to EUR 5,422 thousand (previous year: EUR 5,397 thousand). If the free allocation of certificates should be reduced or gradually expires in the future, this may also increase the acquisition costs for purchased certificates and will consequently lead to an increase in the provisions (and, if applicable, assets) recognised unless there are emission savings to the same extent. Corresponding estimates and assumptions regarding future additional burdens are included in the planning adjusted on an ongoing basis.

Physical risks such as heat and cold waves, drought, storms, floods, heavy rainfall and other extreme weather events as well as permanently higher temperatures or chronic heat waves are continually evaluated in the course of risk management but did not result in any accounting provisions as of the balance sheet date.

From today's perspective, AMAG's business model can be continued unchanged.

The following notes to the financial statements include information about assumptions and uncertainties relating to estimates which can generate a considerable risk that necessitates a significant adjustment during the following financial year:

Useful lives of intangible assets and property, plant and equipment

The estimated useful lives of depreciable property, plant and equipment, and intangible assets represent the estimated period over which the assets are expected to be utilised. With regard to the change due to changes in the useful lives of intangible assets and property, plant and equipment, please refer to section H Notes to the consolidated balance sheet item 1.

Asset impairment tests

Concerning the extent to which assets retain their value at the level of a cash-generating unit, a continuous review is conducted as to whether indications exist of impairment that would necessitate an impairment test. In the case of intangible assets that cannot be utilised yet and intangible assets with an indefinite useful life, impairment testing is also conducted at least annually even if related

indications do not exist. In this connection, please refer to section H Notes to the consolidated balance sheet item 1.

Financial asset impairment tests

When valuing financial assets, assumptions are to be made especially concerning the likelihood of default and the assessment of the impairment of receivables. These are made on the basis of historical analyses, taking expected future developments into consideration. For more information see section K Financial instruments, in the subsection Credit risks.

Credit risks relating to trade receivables

The assessment of future developments as part of estimating the need for write-downs on trade receivables was evaluated. Already in previous years, this led, firstly, to a changed, higher estimate of the probabilities of default as well as a higher risk classification of individual countries. Premiums were calculated on the historical default rates, staggered according to overdue status. Furthermore, according to our assessment, a premium was included in the calculation for particularly affected/critical countries. The risk categories remained unchanged. As of December 31, 2023, EUR 274 thousand (previous year: EUR 570 thousand) of loss allowances for receivables were recognised. Details about the measurement of the valuation adjustments can be found in section K Financial instruments, in the subsection Credit risks.

Leases

In the course of accounting according to IFRS 16 "Leases", assumptions were made in relation to the contract term and the discount rate applied. The lease term that is determined includes the non-cancellable term of the lease agreement. Cancellation and renewal options are included in the analysis if the exercise is estimated with sufficient certainty and taking into consideration all facts and circumstances that constitute an economic incentive to exercise. For leases with an indefinite term, the useful life is determined in the same manner as the expected useful life for assets capitalised as non-current assets. A risk-free interest rate relevant to the term, taking into consideration the respective currency and the company's credit rating, was applied as the discount rate for the valuation of leasing liabilities.

In the 2023 financial year, long-term energy supply contracts were concluded for the purchase of hydroelectric power from January 1, 2024 for a maximum of 37 GWh per year (currently corresponding to around 15 % of annual electricity requirements), which were classified as leases in accordance

with IFRS 16. The supply date lies outside the 2023 financial year, as a consequence of which, in accordance with IFRS 16 B36, the lease was not yet recognised as of December 31, 2023.

Receivables, other liabilities and revenue

As part of applying IFRS 15, estimates and assumptions based on analyses of past data and taking into consideration expected future developments were made in relation to variable payments (contractually agreed bonuses and graduated prices) as well as in the deferral of expected transportation costs deriving from customer contracts with the CIF, CFR or CIP supply term. Further explanations can be found in section H Notes to the consolidated balance sheet item 6, and I Notes to the consolidated statement of profit and loss item 1.

Cash flow hedges

For the accounting treatment of cash flow hedge relationships, assumptions are to be made above all concerning the likelihood of the occurrence of future revenues. Here, uncertainties exist particularly in relation to the expected scope of future revenues and the assumption that expected cash flows will be received (default probability).

Embedded derivative (electricity contract concluded by Aluminerie Alouette Inc.)

For the accounting of the embedded derivative, estimates also had to be made, including in relation to the expected term. It is assumed, as for the consolidated financial statements as of December 31, 2022, that no change in the current electricity contract is expected before the end of the contract. This leads to unchanged accounting for the embedded derivative until the contract expires on December 31, 2029. Further information about the Aluminerie Alouette Inc. electricity contract is presented in the section about the Aluminerie Alouette Inc. electricity supply contract (embedded derivative) in section K Financial instruments.

Deferred tax

In order to measure deferred tax assets on loss carryforwards, assumptions relating to future taxable income and the timing of realisation are to be made. Such assets are recognised in relation to non-forfeitable tax loss carryforwards under the assumption that sufficient taxable income will be generated in the future to realise the tax loss carryforwards. For this, budgeted operating business results and earnings effects arising from the reversal of taxable temporary differences are taken into consideration. As the future trend of business is uncertain, and lies partially outside the Group's control,

assumptions that are to be made in connection with the recognition of deferred tax assets are connected with uncertainties.

AMAG components has non-forfeitable loss carryforwards. Deferred tax assets relating to non-forfeitable loss carryforwards are measured on the basis of medium-term planning for the coming five years, which is reconciled with the tax planning account. Based on the current tax planning for AMAG components, deferred tax assets have been recognised for loss carryforwards for the corresponding period to the extent that positive tax results are expected with sufficient certainty taking the history of losses into consideration.

Further details can be found in section H Notes to the consolidated balance sheet item 4.

Personnel provisions

When measuring provisions for severance payments, pensions, medical care benefits and service anniversary bonuses, assumptions are to be made relating to financial parameters (discount rate, salary increases) and demographic parameters (staff turnover rate, calculation basis). The discount rate is determined on the basis of market yields achieved by top grade fixed-interest corporate bonds on the balance sheet date. In Austria, the data tables produced by MERCER Deutschland serve as the basis, and in Canada, Fiera Capital's "CIA (Canadian Institute of Actuaries) Method Accounting Discount Rate Curve". Derived from past years' trends, salary growth comprises expected future increases that are estimated annually depending on inflation and career trends (except pensions), among other factors. As of December 31, 2023, provisions of EUR 64,257 thousand were recognised for severance payments, pensions, medical care benefits and service anniversary bonuses (previous year: EUR 57,322 thousand). Further details can be found in section H Notes to the consolidated balance sheet item 11.

Provisions

Non-current provisions for other risks are formed if an obligation to third parties exists, an outflow of resources is probable, and the prospective obligation can be estimated reliably. The amount formed as a provision comprises the best possible estimate of the obligation on the balance sheet date. Provisions with an original term of more than one year are formed with the settlement amount discounted to the reporting date. Provisions are reviewed regularly, and adjusted to reflect new information or a change in circumstances. Further details can be found in section H Notes to the consolidated balance sheet item 12.

Contingent liabilities

Contingent liabilities as per IFRS 3 deriving from previous years for environmental clean-up costs for potential hazardous sites exist in an amount of EUR 5,700 thousand (previous year: EUR 5,700 thousand). The recognised values were retained pursuant to IFRS 3.56, as neither the conditions for derecognition nor the criteria for a provision pursuant to IAS 37 were met as of the balance sheet date.

AMAG Group has the obligation to purify leachate from a closed and sealed landfill to predetermined consensus values, and to manage landfills. The obligations were calculated at the present value of the estimated operating costs. The congruent maturity interest rate deriving from the European government yield curve was applied as the interest rate. The carrying amount of the non-current portion of the provision stands at EUR 4,894 thousand (previous year: EUR 4,341 thousand).

Further details can be found in section L Contingent liabilities and guarantees.

G SEGMENT REPORTING

Business divisions

Reporting by business divisions (the Metal, Casting, Rolling and Service divisions) conforms to the Group's organisational and management structure, and this serves as the basis for segment information.

Production of primary aluminium, management of metal production streams, hedging the aluminium price risk exposure of the operating subsidiaries of AMAG, and marketing primary aluminium fall under the Metal Division's remit.

The Casting Division is responsible for the production of high-quality cast aluminium alloys from aluminium scrap for use by various sectors, including the automotive sector and supply industry, as well as the engineering and electrical engineering sectors.

The Rolling Division comprises the manufacturing of high-quality aluminium rolled products such as sheets, coils and plates. These products are deployed in the automotive and aircraft sectors, as well as in sports, engineering, transportation and industry. The division also specialises in brightening qualities, customised cathode elements for zinc smelters, brazing materials, special tread plates and high-strength alloys. The portfolio is rounded out by foil stock materials for the packaging industry. In addition, AMAG components is allocated to the Rolling Division. This company manufactures high-quality detail parts for aircraft by machining and cutting plates, forgings and castings.

The Service Division provides all centralised services to AMAG's operating divisions at the Ranshofen facility, and overall management functions for AMAG Group. Its tasks especially also include the entire building and space management at the Ranshofen site. The building values and depreciation for the production-relevant buildings are allocated to the Casting and Rolling divisions. Energy supply, waste disposal, general site services and materials management are also included in the Service Division. The revenue reported in the Service Division relates entirely to the provision of services.

No business divisions were combined in order to create the four reportable divisions described above. The accounting principles applied to prepare the segment information for AMAG Austria Metall AG are based on the IFRSs applied in the preparation of the consolidated financial statements.

AMAG Austria Metall AG evaluates divisional performance on the basis of shipments and earnings before interest, taxes, depreciation and amortisation (EBITDA), as well as earnings before interest and tax (EBIT), among other indicators.

Interdivisional revenue and purchases of materials and services are calculated based on market prices. Segment assets and liabilities comprise all assets and liabilities recognised based on the financial statements that are prepared by the operating divisions and included in the consolidated financial statements. Divisional investment comprises additions to intangible assets and to property, plant and equipment.

Interdivisional transactions

The revenue, expenses and income of each division include elimination of intragroup balances between business divisions and geographical segments. Interdivisional transfer pricing is based on comparable, standard market terms.

BUSINESS DIVISIONS 2023 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Shipments in tonnes	126,521	94,485	204,794		-30,402	395,398
thereof internal*	0	29,821	581		-30,402	0
Revenue	1,038,055	165,754	1,175,439	119,880	-1,039,955	1,459,172
External	308,279	153,767	991,611	5,515	0	1,459,172
Internal	729,776	11,987	183,828	114,365	-1,039,955	0
Gross profit	56,114	15,491	165,275	20,286	-15,597	241,568
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	67,678	10,975	114,982	-5,206	0	188,429
Depreciation and amortisation	26,625	2,247	51,081	6,035	0	85,988
Earnings before interest and taxes (EBIT)	41,052	8,729	63,902	-11,242	0	102,441
Interest income	8,699	33	439	22,181	-21,839	9,513
Interest expenses	-4,688	-124	-20,089	-18,452	21,842	-21,512
Net interest result	4,011	-91	-19,651	3,729	3	-11,999
Other financial result	-494	0	151	27,140	-27,080	-284
Net financial income (expenses)	3,517	-91	-19,500	30,869	-27,077	-12,283
Earnings before taxes (EBT)	44,569	8,637	44,402	19,627	-27,077	90,158
Income taxes	-11,813	-2,012	-10,179	233	0	-23,770
Net income after taxes	32,756	6,626	34,223	19,861	-27,077	66,388
Balance sheet						
Division assets	531,215	53,157	821,986	839,743	-625,913	1,620,188
Division liabilities	302,925	29,715	584,653	448,734	-492,117	873,909
Other disclosures						
Investments (excluding financial investments)	31,789	4,111	47,609	13,347	0	96,857
Employees (FTE)	211	123	1,702	211	0	2,246

* Internal volumes include reprocessing volumes in the Casting Division.

BUSINESS DIVISIONS 2022 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Shipments in tonnes	125,947	92,676	223,423		-29,095	412,952
thereof internal*	0	29,006	89		-29,095	0
Revenue	1,422,694	174,612	1,510,492	120,138	-1,501,231	1,726,705
External	369,573	162,626	1,188,289	6,217	0	1,726,705
Internal	1,053,121	11,986	322,203	113,921	-1,501,231	0
Gross profit	96,307	16,793	185,661	14,152	-13,285	299,628
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	108,769	13,464	136,182	-11,297	0	247,119
Depreciation and amortisation	26,380	2,361	53,035	5,679	0	87,456
Earnings before interest and taxes (EBIT)	82,389	11,103	83,147	-16,976	0	159,663
Interest income	3,699	1	512	8,990	-11,276	1,926
Interest expenses	-3,835	-77	-10,567	-10,203	11,266	-13,416
Net interest result	-136	-76	-10,055	-1,213	-10	-11,490
Other financial result	1,344	0	105	55,676	-56,433	692
Net financial income (expenses)	1,208	-76	-9,950	54,463	-56,444	-10,798
Earnings before taxes (EBT)	83,597	11,027	73,198	37,487	-56,444	148,865
Income taxes	-21,691	-2,694	-11,043	-4,157	0	-39,585
Net income after taxes	61,906	8,333	62,155	33,331	-56,444	109,280
Balance sheet						
Division assets	538,667	52,595	843,254	1,038,363	-679,994	1,792,885
Division liabilities	334,289	28,676	629,284	620,681	-530,359	1,082,571
Other disclosures						
Investments (excluding financial investments)	25,778	4,161	45,020	10,095	0	85,054
Employees (FTE)	197	119	1,706	192	0	2,214

* Internal volumes include reprocessing volumes in the Casting Division.

GEOGRAPHICAL DIVISIONS 2023 IN EUR THOUSAND	Production site Austria/Germany	Production site Canada	Total	Consolidation	Group
Revenue					
Austria revenue*	199,399	304,914	504,313	-304,914	199,399
Europe revenue	805,993	0	805,993	0	805,993
Other markets	461,047	-7,267	453,780	0	453,780
	1,466,440	297,647	1,764,087	-304,914	1,459,172
Earnings					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	132,544	55,885	188,429	0	188,429
Earnings before interest and taxes (EBIT)	73,163	29,278	102,441	0	102,441
Balance sheet					
Non-current division assets	628,902	112,239	741,141	0	741,141

GEOGRAPHICAL DIVISIONS 2022 IN EUR THOUSAND	Production site Austria/Germany	Production site Canada	Total	Consolidation	Group
Revenue					
Austria revenue*	230,645	368,104	598,749	-368,104	230,645
Europe revenue	870,327	0	870,327	0	870,327
Other markets	632,954	-7,221	625,732	0	625,732
	1,733,926	360,883	2,094,809	-368,104	1,726,705
Earnings					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	139,397	105,275	244,672	2,447	247,119
Earnings before interest and taxes (EBIT)	78,313	78,903	157,216	2,447	159,663
Balance sheet					
Non-current division assets	623,955	111,823	735,777	0	735,777

* Aluminium production at the Alouette smelter in Canada is sold on a pro rata basis to the Austrian metal management subsidiary, which in turn sells AMAG's share of production.

The revenues were allocated to the respective sales markets based on the customers' headquarters.

H NOTES TO THE CONSOLIDATED BALANCE SHEET

01) NON-CURRENT ASSETS

Consolidated statement of changes in non-current assets

CHANGES IN HISTORICAL COST IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2023	27,526	331,464	1,118,181	74,188	54,845	1,578,678
Exchange differences	-165	-1,777	-12,388	-151	-357	-14,674
Additions	4,950	11,021	42,460	7,272	31,154	91,906
Disposals	-34	-2,012	-11,490	-2,287	-117	-15,906
Reclassifications	91	7,201	20,965	408	-28,665	-91
AS OF DEC. 31, 2023	32,368	345,897	1,157,728	79,430	56,860	1,639,914

CHANGES IN HISTORICAL COST IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2022	24,750	315,627	1,068,777	67,044	40,738	1,492,186
Exchange differences	277	2,902	19,313	233	590	23,038
Additions	2,598	7,157	28,146	6,008	41,145	82,455
Disposals	-222	-1,062	-14,223	-3,544	-48	-18,878
Reclassifications	123	6,840	16,170	4,447	-27,580	-123
AS OF DEC. 31, 2022	27,526	331,464	1,118,181	74,188	54,845	1,578,678

**CHANGES IN DEPRECIATION
AND AMORTISATION
IN EUR THOUSAND**

	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2023	12,449	132,936	675,153	49,610	280	857,978
Exchange differences	-88	-1,261	-9,385	-118	0	-10,765
Additions	2,165	9,770	67,317	6,983	0	84,070
Disposals	-15	-1,619	-10,811	-2,224	0	-14,654
AS OF DEC. 31, 2023	14,512	139,825	722,274	54,250	280	916,629

**CHANGES IN DEPRECIATION
AND AMORTISATION
IN EUR THOUSAND**

	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2022	10,356	121,961	604,055	46,253	280	772,550
Exchange differences	111	2,010	14,239	168	0	16,417
Additions	1,999	9,914	68,805	6,739	0	85,458
Disposals	-17	-950	-11,946	-3,550	0	-16,446
AS OF DEC. 31, 2022	12,449	132,936	675,153	49,610	280	857,978

**CARRYING AMOUNTS
IN EUR THOUSAND**

	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
Historical cost Dec. 31, 2023	32,368	345,897	1,157,728	79,430	56,860	1,639,914
Accumulated amort./depr. Dec. 31, 2023	14,512	139,825	722,274	54,250	280	916,629
Book values Dec. 31, 2023	17,856	206,072	435,454	25,180	56,580	723,285
Book values Dec. 31, 2022	15,077	198,528	443,029	24,578	54,565	720,700

Intangible assets and goodwill

Purchased intangible assets are measured at cost. Intangible assets of finite useful life are amortised over their economic useful life. Amortisation is applied straight-line over periods from 2 - 25 years. Goodwill and assets with indefinite useful lives are not amortised but are instead tested annually for impairment. Besides goodwill, no intangible assets with indefinite useful lives exist at present.

The intangible assets comprise purchased industrial property rights, franchises, trademarks and other rights, licences, patents and software.

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the combination.

Impairment test:

AMAG Group reports goodwill from the AMAG components business combination totalling EUR 4,515 thousand. Goodwill is tested for impairment at the level of the AMAG components cash-generating unit.

A current strategic corporate plan for the years 2024 to 2028 was applied as the basis for the IAS 36 impairment test. These plans reflect current economic conditions, the business environment and current assessments of future market developments considering external market assessments.

The resultant impairment test for estimating value-in-use applies the discounted cash flow method, whereby the recoverable amount depends to a large extent on the discount rate applied (WACC), as well as on the cash inflows expected and budgeted in the medium-term planning (detailed planning period), and in the perpetual growth rate.

The estimate of the value-in-use was determined applying a discount rate of 8.18 % after taxes (previous year: 8.23 %). A tax rate of 29 % was applied.

As in the previous year, a change in the interest rate of 0.1 % and a change in the planned EBIT of -1 % would not result in any impairment of goodwill.

The impairment test for goodwill did not result in any need for impairment losses.

Property, plant and equipment

Property, plant and equipment is capitalised at cost, less any accumulated depreciation and impairment losses, if subject to wear and tear.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, as well as any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation of property, plant and equipment is applied straight-line over the asset's expected economic life:

USEFUL LIVES IN THE GROUP

Office, factory and other buildings	5 - 50 years
Plant and machinery	2 - 50 years
Other fixtures and fittings, tools and equipment	2 - 20 years

The expected useful life and depreciation method applied are reviewed periodically to assess whether they reflect the economic benefits embodied by the assets. For further information, please refer to section F Accounting judgements and estimates.

The costs of production for property, plant and equipment include direct costs and production-related production overheads. Administrative expenses are not capitalised.

Cost comprises the cost to replace a part of an asset if the related recognition criteria are met. Otherwise, replacement and maintenance equipment is recognised under inventories.

If large parts of items of property, plant and equipment must be replaced at regular intervals, such parts are recognised as separate assets with their own useful lives and depreciation methods. When performing major inspections, the cost is recognised accordingly in the carrying amount of the item of property, plant and equipment as a replacement, provided that the recognition criteria are met. The present value of the expected cost of post-use disposal of an asset is included in the cost of the asset if the criteria for recognition of a provision are met. See also section 12.

Expenditure arising after the commissioning of non-current assets, such as repair, maintenance and reconditioning costs, is expensed, as a matter of principle.

If it is likely that the subsequent costs will lead to additional economic benefits from the use of the asset, such costs are capitalised.

Leasing rights-of-use

Since January 1, 2019, the Group as lessee generally recognises assets for the rights to use the leased assets and liabilities for the payment obligations entered into for all leases on the balance sheet at present values.

Right-of-use assets are capitalised at the inception of the lease at the amount of the corresponding lease liability, adjusted for any initial direct costs and lease payments made to the lessor on or before the date of provision, less any lease incentives received from the lessor. Lease liabilities are measured at the marginal borrowing rate unless the interest rate on which the lease is based can be readily determined. Subsequent measurement is at amortised cost. Rights-of-use are amortised straight-line over the contractual relationship's term. The lease term that is determined includes the non-cancelable term of the lease agreement. Cancellation and renewal options are included in the analysis if the exercise is estimated with sufficient certainty and taking into consideration all facts and circumstances that constitute an economic incentive to exercise.

The following table shows the rights-of-use of assets that are recognised under property, plant and equipment as part of a lease:

RIGHT-OF-USE ASSETS IN EUR THOUSAND	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment
Historical cost as of Dec. 31, 2023	7,321	2,163	460	9,944
thereof additions	941	196	83	1,220
Accumulated depreciation/amortisation	2,956	668	252	3,877
Book values as of Dec. 31, 2023	4,364	1,495	207	6,066
Book values as of Dec. 31, 2022	4,546	1,551	231	6,328

The annual amortisation of right-of-use assets is as follows:

DEPRECIATION OF RIGHT-OF-USE ASSETS IN EUR THOUSAND	2023	2022
Land and buildings	965	958
Plant and machinery	234	294
Other fixtures and fittings, tools and equipment	100	166
	1,299	1,418

The following presentation arises for the statement of profit and loss:

LEASES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2023	2022
Expenses short-term leases	604	486
Expenses low-value leases	1,438	1,069
Other lease expenses (additional costs)	35	34
Expenses for variable lease payments	354	362
	2,431	1,951

AMAG Group is a lessee particularly in relation to the leasing of office and warehouse space, a plot of land and production buildings, production machinery, transport containers, forklifts, tanks (including for liquefied gas in Canada), and the leasing of vehicles.

Information on the corresponding lease liabilities is provided under section 13.

For leased assets of minor value and for short-term leases (less than twelve months), use is made of the relief on offer, with payments being expensed straight-line through the statement of profit and loss (mainly administrative expenses).

Leased assets with a new purchase value not exceeding EUR 5 thousand are categorised as low-value leased assets. This applies particularly to the asset classes telephones, photocopiers, fax machines and printers.

The accounting regulations of IFRS 16 are not applied to leases of intangible assets.

Leasing and non-leasing components are shown separately. When determining the contractual terms, all facts and circumstances are taken into consideration that provide an economic incentive to exercise renewal options or not to exercise termination options. Changes in the term of the contract arising from the exercise or non-exercise of such options are only taken into consideration in the contract term if they are reasonably certain.

Residual value guarantees as well as limitations and assurances related to leases are not relevant. Additional payments because of renewal or cancellation options are not expected.

The planned variable lease payments relating to the photovoltaic system over the next five years amount to EUR 5,123 thousand (previous year: EUR 3,817 thousand).

The possible future cash outflows from unrecognised renewal options in the next few years relate to options on land and building leases:

LEASE PAYMENTS OF RENEWAL OPTIONS NOT EXERCISED IN EUR THOUSAND	2023	2022
up to 5 years	0	0
more than 5 years	6,020	6,020

As in the previous year, the exercise of the renewal options is not reasonably certain as of December 31, 2023.

The factors of currency, economic environment and term as well as creditworthiness are included in the calculation of the marginal borrowing rate.

Advance payments made and assets under construction

Items of property, plant and equipment that are not yet operational are recognised as assets under construction and measured at cost. Depreciation does not commence until the assets concerned are ready for operation.

Impairment losses and reversals of impairment losses

On each reporting date, the carrying amounts of property, plant and equipment and intangible assets are examined to determine whether indications of impairment exist. If such indications are identifiable, the asset's recoverable amount is estimated in order to determine the scope of any applicable impairment loss. If the recoverable amount for the specific asset cannot be estimated, the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

If the estimated recoverable amount of an asset (or cash-generating unit) is below its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The impairment loss is expensed immediately.

If the impairment loss is to be reversed subsequently, the carrying amount of the asset (or cash-generating unit) is increased to the level of the more recent estimate of the recoverable amount. In this context, the increase in the carrying amount is to be limited to the amount that would have arisen if no impairment loss had been reported for the asset (or cash-generating unit) in previous years.

Specialist spare parts

In the year under review, specialist spare parts in an amount of EUR 142 thousand were recognised as assets (previous year: EUR 24 thousand).

Obligations arising from investments in plant

Obligations arising from investments in plant amounted to EUR 24,760 thousand as of December 31, 2023 (previous year: EUR 41,122 thousand).

02) EQUITY ACCOUNTED INVESTMENTS

CARRYING AMOUNT OF INVESTMENTS IN ASSOCIATES IN EUR THOUSAND

	2023	2022
Book value as of January 1	1,516	1,514
Share of profit of the year	140	157
Share of other comprehensive income	-15	47
Share of dividends received	-100	-201
BOOK VALUE AS OF DECEMBER 31	1,541	1,516

The 25.1 % interest in Speditionsservice Ranshofen GmbH (SSR) is equity accounted. SSR performs customs and dispatch processing for the Ranshofen site. The company is based in Ranshofen and its balance sheet date is December 31.

The following section presents the company's financial information in summarised form:

SUMMARISED FINANCIAL INFORMATION ON INVESTMENT IN ASSOCIATES IN EUR THOUSAND	2023	2022
Current assets	5,332	4,536
Non-current assets	5,636	5,082
Equity	6,139	6,041
Current liabilities	4,031	2,959
Non-current liabilities	799	618
Revenue	8,309	7,837
Profit of the year	557	624
Other comprehensive income	-59	187
Total comprehensive income	498	811
Dividends received	400	800

The deferred taxes incurred on the proportional result were not recognised, as AMAG itself can manage the corresponding reversal, and from today's perspective this is not to occur.

03) OTHER NON-CURRENT ASSETS AND FINANCIAL ASSETS

Other non-current financial assets and investments comprise securities measured at fair value and non-consolidated interests as well as the interest in the company unit-IT Dienstleistungs GmbH & Co KG.

As part of initial recognition, the election was utilised to recognise the measurement in other comprehensive income. The option was exercised, as the financial instruments comprise strategic investments and are not held for trading.

The "hold" business model is applied to other non-current financial assets that are debt instruments, and are recognised at amortised cost as a consequence.

OTHER NON-CURRENT ASSETS AND FINANCIAL ASSETS IN EUR THOUSAND

	2023	2022
Derivatives recognised as non-current assets	8,993	1,948
Securities measured at fair value resulting in neither profit nor loss	1,691	1,677
Securities measured at fair value resulting through profit or loss	9,994	9,440
Other non-current assets	1,446	1,894
Non-current deferred expenses	0	338
	22,124	15,297

Information about derivatives is presented in section K Financial instruments, in the subsection on derivative financial instruments.

Securities measured at fair value resulting in neither profit nor loss contain interests of less than 20 % in three companies.

The securities measured at fair value through profit or loss item includes money market funds. Details can be found in section F Accounting judgements and estimates, in the subsection Accounting judgements.

Other non-current assets include claims on insurance companies for insured receivables from customers in settlement or bankruptcy proceedings, binding commitments for government grants in an amount of EUR 231 thousand (previous year: EUR 28 thousand), and non-consolidated equity investments.

04) DEFERRED TAX ASSETS

DEFERRED TAX ASSETS IN EUR THOUSAND	2023	2022
Deferred tax assets affecting net income	-603	-2,233
Deferred tax assets not affecting net income	9,978	19,399
	9,376	17,167

Deferred tax is calculated applying the balance sheet liability method. Deferred tax reflects the tax effects of the temporary differences between the reported carrying amounts of assets and liabilities on the one hand, and the corresponding amounts based on respective tax regulations on the other. Deferred tax assets and liabilities are measured applying the tax rates (and tax regulations) that are expected to apply to the period when the deferred tax assets are expected to be realised or the liabilities settled. Deferred taxes are recognised for all taxable temporary differences that give rise to deferred tax liabilities. Deferred tax assets are recognised only if it is probable that sufficient future taxable profit will be available for the deferred tax asset to be utilised. For this purpose, the carrying amounts of the deferred tax assets are reviewed at the end of each reporting period. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of the asset to be utilised.

Deferred tax assets include deferred taxes for loss carryforwards in an amount of EUR 3,386 thousand (previous year: EUR 2,557 thousand). They derive primarily from the loss carryforwards of AMAG components amounting to EUR 11,389 thousand (previous year: EUR 8,547 thousand) and from pre-consolidation losses of AMAG Group amounting to EUR 244 thousand (previous year: EUR 244 thousand), for which a prospect of realisability exists on the basis of tax planning.

No deferred tax assets have been recognised for loss carryforwards in Germany in an amount of EUR 10,812 thousand, as it is unlikely that they can be realised (previous year: EUR 8,263 thousand). Furthermore, no deferred tax assets were recognised in Austria for outstanding sevenths on the impairment of investments in affiliated companies amounting to EUR 3,282 thousand (previous year: EUR 0 thousand).

The non-capitalised tax loss carryforwards may be carried forward for an unlimited period of time.

The deferred tax rate for Austria was set at 23 % (previous year: 23 %), as the deferred taxes are mainly based on long-term temporary differences.

An offsetting of EUR 2,775 thousand of deferred taxes was also applied at the level of the AMAG components tax group in the year under review (previous year: EUR 2,386 thousand). The offsetting concerned the AMAG Austria Metall AG tax group in an amount of EUR 1,182 thousand (previous year: EUR 1,708 thousand).

Deferred tax is recognised directly in equity if the tax relates to items that are recognised directly in equity, and this tax is offset against or credited to equity in the same or a different period.

DEFERRED TAX IN EUR THOUSAND

	Deferred taxes 2023		Deferred taxes 2022	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	0	24,649	24	22,704
Other non-current assets and financial assets	2	5,451	0	1,731
Inventories	3,244	1,552	7,930	2,465
Other current assets	12,527	11,609	22,683	13,506
Tax loss carryforward	3,386	0	2,557	0
Provisions	14,776	4,140	12,874	6,926
Liabilities	21,661	6,955	21,021	7,437
	55,595	54,356	67,089	54,768
Offsetting towards the same taxation authority	46,219	46,219	49,923	49,923
Net deferred tax assets and liabilities	9,376	8,137	17,167	4,845

The following table shows the changes and distribution of changes in deferred tax among those components that are recognised in profit or loss, and those recognised directly in equity:

CHANGE OF DEFERRED TAXES IN EUR THOUSAND	Deferred tax assets	Deferred tax liabilities
As of Jan. 1, 2022	23,076	-2
Profit or loss changes	4,397	9,335
Cash flow hedges	-954	-4,095
Revaluation of defined benefit pension plans	-6,187	3,701
Currency translation differences	929	0
Not recognised in profit or loss	-6,212	-395
Offsetting on tax group level	-4,094	-4,094
As of Dec. 31, 2022	17,167	4,845
Profit or loss changes	4,824	6,003
Cash flow hedges	-8,827	2,563
Revaluation of defined benefit pension plans	643	-1,318
Currency translation differences	-474	0
Not recognised in profit or loss	-8,658	1,246
Offsetting on tax group level	-3,957	-3,957
As of Dec. 31, 2023	9,376	8,137

05) INVENTORIES

Raw materials and consumables that are fully interchangeable inventories and are destined for use are measured applying consumption tracking methods (weighted average cost, and first-in, first-out methods). Inventories that are not normally exchangeable are recognised at cost, including incidental purchase costs. Impairment losses are applied whenever the net realisable value is below the carrying amount.

Work in progress and finished goods are capitalised at the lower of cost of conversion or net realisable value. Costs of conversion include direct material and production costs, as well as appropriate material and production overheads, based on normal capacity utilisation. General administrative expenses as well as selling and distribution expenses are not included. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to realise the sale.

The aluminium price component of the inventories that have been designated as at fair value hedge are carried at fair value. The unhedged component is measured at cost. If the net realisable value (average value of customer orders) is lower on the reporting date, this market value is recognised.

INVENTORIES IN EUR THOUSAND	2023	2022
Raw materials and consumables	259,989	291,919
Work in progress	79,412	90,429
Finished goods	93,488	103,932
Merchandise	214	602
	433,103	486,882

This item includes impairment losses of EUR 45,862 thousand (previous year: EUR 35,811 thousand). Of the change in the impairment loss, EUR 12,618 thousand (previous year: EUR 4,379 thousand) relates to additions and EUR 2,493 thousand (previous year: EUR 1,963 thousand) to utilisations, with the remainder mainly relating to currency translation differences.

Inventories of EUR 792,428 thousand were recognised in profit or loss in the period under review (previous year: EUR 981,151 thousand), EUR 789,334 thousand of which were attributable to cost of sales (previous year: EUR 978,808 thousand).

06) TRADE RECEIVABLES

Trade receivables without significant financing components are initially recognised at their transaction price in the meaning of IFRS 15, and subsequently at amortised cost, less any valuation adjustments for expected credit losses. See also section K Financial instruments.

Foreign currency receivables are measured at the average rate prevailing on the balance sheet date.

Contractually agreed bonuses and graduated prices reducing the transaction price are treated as variable payments according to IFRS 15 and offset with related customer receivables.

TRADE RECEIVABLES IN EUR THOUSAND

	2023	2022
Trade receivables	153,839	166,745
Other receivables	22	65
	153,862	166,810

Valuation adjustments of EUR 274 thousand were recognised in the 2023 financial year (previous year: EUR 570 thousand).

Details on the measurement of the valuation adjustments can be found in section K Financial instruments, in the subsection Credit risks.

07) OTHER CURRENT ASSETS

OTHER CURRENT ASSETS IN EUR THOUSAND

	2023	2022
Other receivables and advanced payments	46,250	45,684
Derivatives recognised as current assets	39,511	33,781
Financial receivables - funds in transit	218	0
	85,979	79,465

Other receivables and prepayments include social security receivables and taxes of EUR 11,296 thousand (previous year: EUR 13,464 thousand), receivables of EUR 16,071 thousand due from Alouette partners (previous year: EUR 13,106 thousand), EUR 3,186 thousand of current receivables from state subsidies (previous year: EUR 5,599 thousand), EUR 3,608 thousand of prepayments and accrued income (previous year: EUR 4,759 thousand), EUR 5,422 thousand of current emissions certificates (previous year: EUR 5,397 thousand), and EUR 1,295 thousand of firm commitments (previous year: EUR 120 thousand).

Information on derivatives and firm commitments is presented in section K Financial instruments, in the subsection on derivative financial instruments.

The tables below show the values before and after netting.

OFFSETTING FINANCIAL ASSETS AND LIABILITIES 2023 IN EUR THOUSAND

	Before offsetting	Offsetting	After offsetting
Derivatives recognised as current assets	56,055	-16,544	39,511
Derivatives recognised as current liabilities	56,987	-16,544	40,442

OFFSETTING FINANCIAL ASSETS AND LIABILITIES 2022 IN EUR THOUSAND

	Before offsetting	Offsetting	After offsetting
Derivatives recognised as current assets	46,491	-12,710	33,781
Derivatives recognised as current liabilities	49,587	-12,710	36,877

Netting is applied if corresponding agreements with the business partners exist. Only derivatives that are not in a hedging relationship are included, and it is also ensured that only the valuation per broker, per delivery date and per currency is applied.

08) CONTRACT ASSETS

CONTRACT ASSETS IN EUR THOUSAND

	2023	2022
Value as of January 1	2,419	2,340
Revenue recognised over time	2,403	2,419
Reclassification to trade receivables	-2,419	-2,340
	2,403	2,419

Contract assets comprise revenues recognised over time relating to orders for customer-specific products whose alternative use is contractually limited, and for which a claim exists to payment at any time in respect of the service already provided.

09) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and short-term investments as well as certain money market funds.

Measurement is at amortised cost. The exemption to waive an analysis of a deterioration of credit risk if low credit risks are ascribed to the banks on the reporting date is utilised for all bank deposits, as the corresponding banks carry an investment-grade category rating and therefore exhibit low credit risk.

The carrying amounts correspond to market values.

CASH AND CASH EQUIVALENTS IN EUR THOUSAND

	2023	2022
Cash on hand	41	30
Current account surplus	35,777	72,912
Assessments	133,119	212,730
	168,937	285,672

These items on the balance sheet relate to the cash positions at the start and end of the reporting period that are contained in the consolidated statement of cash flows. Please refer to section F Accounting judgements and estimates.

10) EQUITY

Changes in equity are presented in a separate table (consolidated statement of changes in equity).

Share capital

The subscribed share capital exclusively comprises ordinary shares securitising the same rights, and all of which are issued.

The share capital comprises 35,264,000 nil par shares, each corresponding to EUR 1.00 of the share capital. All shares are fully paid in, and in circulation.

Capital reserves

The capital reserves include shareholder contributions, payments made by shareholders in connection with the issuance of shares, and effects arising from reorganisations.

The capital reserves amount to EUR 377,661 thousand, of which an amount of EUR 94,752 thousand is attributable to appropriated capital reserves and an amount of EUR 282,909 thousand is attributable to unappropriated capital reserves. No change occurred compared to the previous year.

Hedging reserve

The hedging reserve comprises gains and losses from the effective portion of cash flow hedges. Cumulative gains or losses from hedging transactions that are recognised under the hedging reserve are transferred to the statement of profit and loss only when the hedged transaction affects results. The change in the reserve in the year under review is primarily due to the change in the US dollar exchange rate as well as the measurement of the embedded derivative.

Fair value reserve

Changes in the fair values of options are recognised directly in the fair value reserve, without affecting profit or loss.

Revaluation reserve

The fair value adjustments to participating interests are recognised in the revaluation reserve. The disposal of the corresponding financial instrument also entails no recognition through profit or loss.

Revaluation of defined benefit plans

Actuarial gains and losses from the provisions for severance payments, pensions and medical care benefits are fully recognised in the reserves in the period in which they are accrued.

Foreign currency translation differences

The reserves for exchange differences recognise differences arising from the translation of the financial statements of subsidiaries that report in a foreign currency. The change in the reserve in the year under review is primarily due to the change in the US dollar exchange rate.

Retained earnings

Retained earnings consist of cumulative retained earnings from the period under review and from prior periods.

The company paid a dividend of EUR 52,896 thousand or EUR 1.50 per share in the financial year under review (previous year: EUR 52,896 thousand or EUR 1.50 per share).

The Management Board proposes to distribute a dividend of EUR 1.50 per share from the parent company's profit for the year.

Approved capital

Pursuant to Section 4 (5) of the articles of incorporation of AMAG Austria Metall AG, the Management Board is authorised until September 22, 2025, with the approval of the Supervisory Board, to increase the company's share capital – in several tranches if necessary – by up to EUR 17,500,000 by issuing up to 17,500,000 new nil par value bearer or registered shares in return for cash and/or non-cash capital contributions, and to determine the type of shares, the issue price and the issue conditions (Approved Capital 2020). Statutory subscription rights can be granted to the shareholders by transferring the capital increase to a bank or a syndicate of banks with the obligation that it be offered to shareholders according to their subscription rights (indirect subscription rights). However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the event of a capital increase from the authorised capital (i) if the capital increase is made against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, parts of operations, equity interests in companies or other assets related to an acquisition project, (ii) to service an over-allotment option (greenshoe) or (iii) to

settle fractional amounts. The Supervisory Board is authorised to approve amendments to the articles of incorporation resulting from the issue of shares from authorised capital.

By resolution of the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised, pursuant to Section 174 (2) of the Austrian Stock Corporation Act (AktG), to issue convertible bonds within five years of the date of this resolution, in other words, by July 21, 2025, with the approval of the Supervisory Board, including in several tranches, which grant or provide for subscription or conversion rights or a subscription or conversion obligation for a total of up to 17,500,000 shares in the company (Convertible Bond 2020). The issue amount, the issue, the conversion procedure of the convertible bonds and all other conditions are to be determined by the Management Board with the approval of the Supervisory Board. The issue price and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics and the stock market price of the company's shares in a recognised pricing procedure. Statutory subscription rights can be granted to the shareholders by transferring the convertible bonds to a bank or a syndicate of banks with the obligation that they be offered to shareholders according to their subscription rights (indirect subscription rights). The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in whole or in part when issuing convertible bonds (i) if the convertible bonds are issued against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, parts of operations, interests in companies or other assets related to an acquisition project, or (ii) to compensate for fractional amounts resulting from the subscription ratio. The Management Board is further authorised, with the consent of the Supervisory Board, to wholly or partially exclude subscription rights to convertible bonds if the Management Board, after due examination, arrives at the opinion that the bonds' issue amount at the time of the final determination of the issue amount is not less than their hypothetical market value calculated according to recognised methods, especially financial mathematical methods, and the subscription shares' conversion price or subscription price (issue amount) is in each case calculated in a recognised pricing process according to recognised financial mathematical methods as well as the price of the company's ordinary shares, and does not lie below the stock exchange price of the company shares during the 20 trading days preceding the date of the announcement of the convertible bond issue.

The company's share capital is increased conditionally pursuant to Section 159 (2) Clause 1 of the Austrian Stock Corporation Act (AktG) by up to EUR 17,500,000 through issuing up to 17,500,000 ordinary nil par value ordinary bearer shares (nil par value shares) for issuing to holders of convertible bonds, for which the Management Board was authorised by the Shareholders' General Meeting of July 21, 2020 (Conditional Capital 2020). The capital increase may only be carried out to the extent that

creditors of convertible bonds exercise their subscription or conversion rights to shares in the company, or those who are obligated to subscribe or convert fulfil their obligation to subscribe or convert, and the Management Board passes a resolution to service these convertible bonds with new shares. The issue amount and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics as well as the price of the company's ordinary shares in a recognised pricing procedure (basis for calculating the issue amount); the issue amount may not be lower than the pro rata amount of the share capital. The new shares to be issued in the conditional capital increase are fully entitled to dividends for the entire financial year in which they are issued. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the articles of incorporation in accordance with the respective issue of the subscription shares. The same applies in the event of non-utilisation of the authorisation to issue convertible bonds after expiry of the authorisation period, and, in the event of non-utilisation of the conditional capital, after expiry of the deadlines in accordance with the convertible bond conditions.

At the Annual General Meeting of AMAG Austria Metall AG on April 20, 2022, the Management Board was authorised – with the simultaneous cancellation of the relevant resolutions of the Annual General Meeting of July 21, 2020 – to purchase treasury shares for the company, with the approval of the Supervisory Board (the lowest price to be paid at the time of repurchase is 25 % below the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program, and the highest price to be paid at the time of repurchase is 25 % above the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program), as well as to determine the repurchase conditions, whereby the Management Board must publish the Management Board resolution and the respective repurchase program that is based upon it, including its duration, in accordance with the statutory provisions (in each case). The Management Board may exercise this authorisation within the statutory limits on the maximum permissible number of treasury shares once or several times in total up to a maximum limit of 10 % of the share capital. The authorisation can be exercised wholly or in part, or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The purchase can occur through the stock market or off-bourse, in compliance with statutory regulations. Trading in treasury shares is not permitted as the purpose of the purchase. The Management Board was also authorised, with the consent of the Supervisory Board, to redeem or resell the acquired treasury shares without requiring a further resolution by the Shareholders' General Meeting, and to determine the terms and conditions of the sale. The authorisation can be exercised wholly or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The Management Board was also authorised

for a period of five years from April 20, 2022, pursuant to Section 65 (1b) of the Austrian Stock Corporation Act (AktG) – with simultaneous cancellation of the relevant resolutions of the Annual General Meeting of July 21, 2020 – to determine, with the consent of the Supervisory Board, a legally permissible method of sale other than via the stock exchange or a public offer, and to decide on any exclusion of the shareholders' repurchase rights (subscription rights) and to determine the terms and conditions of the sale.

Restrictions

Following an internal review, the Management Board is not aware of any restrictions in the meaning of Section 243a Clause 2 of the Austrian Commercial Code (UGB).

Additional disclosures regarding capital management

AMAG is not subject to any capital requirements under its articles of incorporation. Due to the volatile nature of the aluminium business and the high fixed assets ratio, the sound capital structure provides an important basis for financial flexibility.

The main aim of capital management at AMAG is to secure the Group's growth and further development, and to optimise returns for shareholders. The management exclusively regards consolidated equity as measured pursuant to IFRS as its equity capital. The capital structure is monitored constantly, and is as follows at the end of the reporting period:

CAPITAL STRUCTURE IN EUR THOUSAND	2023	2022
Total equity	746,279	710,314
Equity ratio	46.1%	39.6%
BALANCE SHEET TOTAL	1,620,188	1,792,885

11) PERSONNEL PROVISIONS

Provisions for defined benefit pension plans and post-employment medical care plans, as well as severance payments and service anniversary bonuses obligations, are remeasured annually by independent actuaries.

The obligations and costs are measured applying the projected unit credit method, in accordance with IAS 19. The projected benefits are attributed to the entire period of employment. In the provisions for severance arrangements, the anticipated obligations are distributed over the period until the attainment of the individually maximum possible entitlement.

PERSONNEL PROVISIONS IN EUR THOUSAND	2023	2022
Provisions for severance payments	30,439	27,517
Provisions for pensions	17,934	15,229
Provisions for medical care benefits	7,002	7,041
Provisions for service anniversary bonuses	8,882	7,535
TOTAL PERSONNEL PROVISIONS	64,257	57,322
thereof non-current	59,352	49,470

Provisions are measured based on the following financial and demographic assumptions:

Discounting rates are determined on a country-specific basis reflecting returns achieved on the market by top grade industrial bonds. The pension schemes of the Austrian companies are measured on the basis of yield trends as determined by MERCER Deutschland, and in accordance with the obligations' residual durations. In Canada, Fiera Capital's "CIA Method Accounting Discount Rate Curve" is applied as a reference in an analogous manner.

Salary growth is derived from the beneficiaries' wage and salary trends over recent years, taking expectations about the future into consideration. Pension adjustments in Austria are based on the ECB's long-term inflation target. In Canada, cost trends for medical care services reflect the circumstances prevailing there.

The rate of staff turnover is calculated on a country-specific basis according to various criteria such as length of service and age.

The latest figures for salaried employees contained in the AVÖ 2018-P mortality tables published by the Austrian Actuaries Association (AVÖ) serve as the measurement basis. These are applied both for mortality as well as for invalidity and marriage probabilities. At the Canadian company Aluminerie Alouette Inc., the “CPM2014Priv projected with scale CPMB (2 dimensions)” tables are applied as the basis for mortality, with a reduction in the mortality rate of 2.5 % and 5 % respectively.

Current service cost and any past service cost are reported among personnel expenses, with the net interest expense on the measurement of the aforementioned obligations being reported in the net financial result. Actuarial gains and losses other than those related to service anniversary bonuses are stated under other comprehensive income. Payments anticipated in the subsequent financial year are shown under current provisions.

Provisions for severance benefits

Employees of Austrian Group companies who joined the Group before January 1, 2003 are entitled to severance payments upon reaching retirement age or if their employment contract is terminated. The entitlement is determined by years of service and final salary (“old severance”). These obligations are accounted for as defined benefit plans.

For employees who joined after January 1, 2003, contributions to employee benefit funds (MVKs) in an amount of EUR 1,441 thousand have been made for severance entitlements in defined contribution plans (previous year: EUR 1,271 thousand).

The provisions for severance benefits changed as follows:

PROVISIONS FOR SEVERANCE BENEFITS IN EUR THOUSAND	2023	2022
Present value of the obligation as of January 1	27,517	37,596
Current service cost	604	985
Interest cost	1,055	461
Payments	-1,964	-1,440
EXPECTED VALUE OF THE OBLIGATION AS OF DEC. 31	27,212	37,602
PRESENT VALUE OF THE OBLIGATION AS OF DEC. 31	30,439	27,517
Revaluation of the period (other comprehensive income)	3,228	-10,085
thereof from changes in financial assumptions	2,117	-12,351
thereof from experience-based adjustments	1,112	2,265

The calculations were based on the following parameters:

PARAMETERS SEVERANCE BENEFITS	2023	2022
Increase in salary in %	4.50	4.50
Discount factor in %	3.60	4.20
Retirement age/pension age (years)	65	65

Taking the probability of a payout into consideration, employee turnover is graduated by years of service and ranges, depending on the period of service, between 0.50 and 7.50 % (previous year: between 0.50 and 7.50 %). The actuarial losses arise mainly from the change in the interest rate.

The average remaining duration of the obligations amounts to 12.7 years (previous year: 12.4 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2023	2022
Included in personnel expenses		
Current service cost	604	985
Expenses for severance payments	227	136
Contributions to employee benefit funds	1,441	1,271
Expenses for severance payments and contributions to employee benefit funds	2,272	2,392
Included in net interest expenses		
Interest cost	1,055	461

For the following financial year, severance benefits of EUR 473 thousand (previous year: EUR 1,554 thousand) are to be expected, which are reported under current provisions.

SENSITIVITY PROVISIONS FOR SEVERANCE BENEFITS (IN %)

	2023		2022	
	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
Effect of changes in salaries on the defined benefit obligation	3.1%	-3.0%	3.0%	-2.9%
Effect of changes to the discount factor on the defined benefit obligation	-3.0%	3.1%	-2.9%	3.0%

Provisions for pensions

Provisions for pensions relate mainly to provisions in Austria and Canada for defined benefit plans, which are largely covered by plan assets. Where a pension plan qualifies for offsetting of the plan assets against the provision required by IAS 19, such offsetting is performed.

The Austrian companies' obligations are to former executives based on individual contractual commitments. Entitlements are based on final salary and are index-linked. The group of beneficiaries largely comprises individuals who are already entitled to benefits, as well as former employees who are not yet entitled to benefits. A pensionable retirement age of 61.5 years is applicable to the latter within the scope of individual contractual arrangements, as a matter of principle. As the beneficiaries include no active employees, no employee turnover is taken into consideration.

In Canada, a defined benefit scheme is in place for all employees who joined the Group before June 2012. The benefits are determined by years of service and average salary. Since June 2012, only production staff have received contracts that include defined benefit plans. The pensionable age for both men and women lies between 55 and 65 years. The measurement comprises a distribution over this period, with an ascending weighting. Staff turnover is included differentiated by age and gender.

The provisions for pensions changed as follows:

PROVISIONS FOR PENSIONS IN EUR THOUSAND	2023	2022
Present value of the obligation as of January 1	86,542	114,483
Exchange differences	-786	568
Current service cost	1,382	2,518
Contributions to plan assets (employees)	656	708
Interest cost	4,169	3,132
Payments from plan assets	-4,221	-4,142
EXPECTED VALUE OF THE OBLIGATION AS OF DEC. 31	87,743	117,267
PRESENT VALUE OF THE OBLIGATION AS OF DEC. 31	97,106	86,542
Revaluation of the period (other comprehensive income)	9,363	-30,725
Fair value of plan assets in EUR thousand		
Fair value of plan assets as of January 1	71,313	75,440
Exchange differences	-702	-285
Interest income	3,345	2,068
Contributions to plan assets (employer)	4,383	3,577
Contributions to plan assets (employees)	656	708
Payments from plan assets	-4,211	-4,138
EXPECTED VALUE OF PLAN ASSETS AS OF DEC. 31	74,784	77,369
FAIR VALUE OF PLAN ASSETS AS OF DEC. 31	79,172	71,313
Revaluation of the period	4,387	-6,056
PROVISIONS FOR PENSIONS DEC. 31	17,934	15,229

PROVISIONS FOR PENSIONS IN EUR THOUSAND

	2023	2022
Revaluation of the period (other comprehensive income)	4,976	-24,669
thereof from changes in financial assumptions	6,499	-33,193
thereof from experience-based adjustments	2,864	2,468
thereof from plan asset changes	-4,387	6,056

The calculations were based on the following parameters:

PARAMETERS PENSIONS

	2023	2022
Austria		
Increase in salaries in %	2.50	2.00
Discount factor in %	3.50	4.10
Canada		
Increase in salary in %	3.00	3.00
Discount factor in %	4.65	5.06

The average residual duration of the obligations amounts to 9.8 years in Austria (previous year: 9.3 years), and to 15.4 years in Canada (previous year: 16.4 years).

In Austria, actuarial losses derived mainly from the change in the interest rate. As in Austria, the change in the interest rate also led to actuarial losses in Canada.

EFFECTS ON EARNINGS IN EUR THOUSAND	2023	2022
Included in personnel expenses		
Current service cost (employer)	2,038	3,226
Contributions to plan assets (employees)	-656	-708
Included in net interest expenses		
Interest cost	824	1,064

ALLOCATION OF PENSION EXPENSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2023	2022
Cost of sales	2,734	3,579
Selling and distribution expenses	344	331
Administrative expenses	589	559
Other expenses	170	266
	3,837	4,735

The change in plan assets in Austria and Canada is as follows:

Plan assets:

The plan assets are invested in Austria with APK Pensionskasse AG. This is realised in various investment and risk pools (VRG) depending on the respective obligation structure. Assets relating to pensions drawn by retired employees are invested in VRG2, which has an investment and risk strategy based on significantly shorter maturities than those applied under VRG19, which manages assets related to projected benefit obligations. The Group is obligated to meet any funding shortfalls only in the event that returns do not cover the funding requirements for ongoing pension payments from APK.

In the following financial year, supplementary payments of EUR 2,240 thousand (previous year: EUR 3,217 thousand) are anticipated, and are reported under current provisions.

In Canada, the individual pension schemes are invested in each case in their own pension funds that are all held through a trust under joint asset management (Fiducie Desjardins), for whose management Letko Brosseau & Associates, TD Asset Management, UBS, Montrusco Bolton, and Axiom Capital Inc. are responsible.

Employer contributions to the plan assets of the Canadian company will amount prospectively to EUR 1,473 thousand in the following year (previous year: EUR 2,358 thousand); these expected payments are also reported under current provisions.

FAIR VALUE OF PLAN ASSETS IN EUR THOUSAND

	2023		2022	
	Austria	Canada	Austria	Canada
Fair value of plan assets as of January 1	11,154	60,159	13,249	62,191
Exchange differences	0	-702	0	-285
Interest income	407	2,938	141	1,927
Contributions to plan assets	2,876	2,163	1,138	3,146
Payments from plan assets	-1,766	-2,445	-1,784	-2,354
Actuarial (gains)/losses	609	3,779	-1,590	-4,466
FAIR VALUE OF PLAN ASSETS AS OF DEC. 31	13,279	65,892	11,154	60,159

The investment structure is as follows:

INVESTMENT TO PLAN ASSETS AS OF DEC. 31 (IN %)

	2023		2022	
CLASSES OF ASSETS	Austria	Canada	Austria	Canada
Shares	24.6	46.7	27.9	45.4
Bonds	52.4	41.4	49.2	40.8
Real estate	9.0	10.2	10.0	12.0
Cash and cash equivalents	8.2	1.7	7.2	1.4
Other	5.8	0.0	5.8	0.4
TOTAL	100.0	100.0	100.0	100.0

The plan assets predominantly comprise assets whose prices are quoted on active markets. Of the equity instruments in Austria, approximately one third reflects euro equities, one third US equities and one third Asian equities. The debt securities in Austria comprise approximately 40 % government bonds, of which around one half derived from the OECD area. The rest are corporate bonds. The debt instruments in the Canadian plan assets comprise exclusively foreign currency securities (non-euro). Of the equity instruments, 17 % are denominated in euros and 83 % in foreign currencies, with 27 % deriving from emerging markets.

SENSITIVITY FOR PENSIONS (IN %)

	2023		2022	
	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
Effect of changes in salaries				
on the defined benefit obligation	1.4 %	-1.4 %	0.9 %	-0.9 %
Effect of changes to the discount factor				
on the defined benefit obligation	-3.3 %	3.5 %	-3.1 %	3.2 %

Defined contribution plans:

In Austria, managers and employees are also entitled to defined contribution plans after they have been employed by the company for a certain period of time. The Group companies make payments into a pension scheme depending on salary.

In Canada, payments are made into defined contribution plans for administrative staff, managers and senior employees of Aluminerie Alouette Inc.

The total amount of such payments in the year under review stood at EUR 2,213 thousand (previous year: EUR 1,973 thousand), which were expensed. No further obligations arising from this exist.

Provisions for medical care benefits

Defined benefit supplementary health insurance has been taken out for employees of Aluminerie Alouette Inc. who joined the company before April 1, 2009. The benefits are determined by years of service and average salary. The pensionable age for both men and women lies between 55 and 65 years. The measurement comprises a distribution over this period, with an ascending weighting. Staff turnover is included differentiated by age and gender.

The provision changed as follows:

PROVISIONS FOR MEDICAL CARE IN EUR THOUSAND	2023	2022
Present value of the obligation as of January 1	7,041	9,108
Exchange differences	-81	53
Current service cost	57	98
Interest cost	327	286
Payments	-303	-278
Expected value of the obligation as of Dec. 31	7,040	9,267
Present value of the obligation as of Dec. 31	7,002	7,041
Revaluation of the period (other comprehensive income)	-38	-2,226
thereof from changes in financial assumptions	337	-2,324
thereof from experience-based adjustments	-375	98

The calculations were based on the following parameters:

PARAMETERS MEDICAL CARE	2023	2022
Salary increase in %	3.00	3.00
Increase in costs in %	4.75	4.75
Discount rate in %	4.65	5.06

The average remaining duration of the obligations amounts to 16.8 years (previous year: 16.8 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2023	2022
Included in personnel expenses		
Current service cost	57	98
Included in net interest expenses		
Interest cost	327	286

In the following year, employer contributions are expected to amount to EUR 310 thousand (previous year: EUR 292 thousand), and are reported under current provisions.

The effects of a change of 0.25 percentage points in the projected movement of medical care benefits costs were as follows:

SENSITIVITY PROVISIONS FOR MEDICAL CARE (IN %)	2023		2022	
Effects of changes of medical care benefit costs	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
on the defined benefit obligation	2.8 %	-2.7 %	2.2 %	-1.5 %

Provisions for service anniversary bonuses

The provision for service anniversary bonuses relates to the provisions that Group companies in Austria form for payments under collective agreements and/or works agreements, depending on length of service. A provision of EUR 8,882 thousand is recognised as of December 31, 2023 (previous year: EUR 7,535 thousand).

Of the obligation, the service anniversary bonuses anticipated in the subsequent year amount to EUR 409 thousand (previous year: EUR 432 thousand), which are reported as current provisions.

The calculations were based on the following parameters:

PARAMETERS SERVICE ANNIVERSARY BONUSES	2023	2022
Increase in salaries in %	4.50	4.50
Discount factor in %	3.60	4.20
Retirement age/pension age (years)	65	65

Taking into consideration the probability of the payout, employee turnover is graduated by years of service and ranges, depending on period of service, between 0.50 and 12.00 % (previous year: between 0.50 and 12.00 %). The increase in the interest rate also led to actuarial losses which are included in personnel expenses.

The average remaining duration amounts to 13.4 years (previous year: 12.8 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2023	2022
Included in personnel expenses		
Current service cost	472	722
Actuarial (gains)/losses	973	-3,915
Included in net interest expenses		
Interest cost	297	134

12) OTHER PROVISIONS

Other provisions are formed if an obligation to third parties arises from a past event, utilisation is probable, and the prospective level of the provisioning amount can be estimated reliably on the balance sheet date.

OTHER PROVISIONS IN EUR THOUSAND	2023	2022
Other non-current provisions	21,640	25,263
Other current provisions	12,977	28,248
	34,617	53,511

CHANGES OF OTHER PROVISIONS 2023 IN EUR THOUSAND	Post-closure care	Contract risks	Customer complaints	Others	Total
Book value as of January 1, 2023	16,682	31,241	1,312	4,276	53,511
Exchange differences	-207	0	0	-11	-218
Utilisation	-1,202	-12,524	-346	-3,234	-17,306
Reversal	-186	-9,947	-1,136	0	-11,268
Addition	1,944	2,352	1,121	4,147	9,564
Compounding	352	0	0	-18	334
BOOK VALUE AS OF DECEMBER 31, 2023	17,384	11,123	951	5,161	34,617
THEREOF CURRENT	2,147	5,910	951	3,970	12,977

CHANGES OF OTHER PROVISIONS 2022 IN EUR THOUSAND	Post-closure care	Contract risks	Customer complaints	Others	Total
Book value as of January 1, 2022	14,471	9,505	2,738	2,666	29,379
Exchange differences	227	0	0	15	242
Utilisation	-332	-9,917	-909	-723	-11,880
Reversal	-61	0	-1,565	-564	-2,190
Addition	2,100	31,654	1,048	2,882	37,683
Compounding	277	0	0	0	277
BOOK VALUE AS OF DECEMBER 31, 2022	16,682	31,241	1,312	4,276	53,511
THEREOF CURRENT	2,381	21,468	1,312	3,086	28,248

Provisions for post-closure care comprise the following items:

Aluminerie Alouette Inc. is required to dispose professionally of contaminated furnace linings of pots at the end of their expected operational lives. Provisions are formed for the estimated disposal costs at their present value as of the commissioning date. The discounting factor is calculated based on five-year maturity Canadian government bonds. The carrying amount of the non-current portion of the provision stands at EUR 4,403 thousand (previous year: EUR 4,032 thousand).

Furthermore, the items relating to environmental follow-up costs, leachate treatment and landfill maintenance are included in section F Accounting judgements and estimates.

The provisions for contract risk relate to provisions for anticipated losses on onerous contracts. All customer orders are investigated for losses. This entails comparing estimated costs, taking inflation into consideration, with agreed prices. If the costs exceed the expected revenues, the difference is discounted applying a congruent maturity interest rate (congruent maturity European government yield curve on euro-denominated government bonds), and a provision is formed. For further information, please refer to section F Accounting judgements and estimates, in the section on Provisions.

Under reclaims, all open reclaim cases are measured in relation to their estimated expenses, and recognised as provisions.

13) INTEREST-BEARING FINANCIAL LIABILITIES

INTEREST-BEARING FINANCIAL LIABILITIES IN EUR THOUSAND	2023	2022
Interest-bearing non-current financial liabilities	454,726	515,769
Interest-bearing current financial liabilities	78,723	163,251
	533,449	679,020

Details about changes to financial liabilities are presented in section J Notes to the consolidated statement of cash flows.

14) OTHER LIABILITIES AND GRANTS

OTHER LIABILITIES AND GRANTS IN EUR THOUSAND	2023	2022
Other non-current liabilities and grants	44,492	73,320
Other current liabilities and grants	95,794	102,164
	140,286	175,484

Other non-current liabilities and grants include the non-current portion of the grant in connection with the conclusion of the Alouette electricity contract in an amount of EUR 30,222 thousand (previous year: EUR 42,136 thousand), non-current derivatives with negative fair values in an amount of EUR 12,001 thousand (previous year: EUR 26,352 thousand), other liabilities to employees in an amount of EUR 62 thousand (previous year: EUR 345 thousand), non-current accruals and deferred income in an amount of EUR 0 thousand (previous year: EUR 59 thousand), and other liabilities in an amount of EUR 750 thousand (previous year: EUR 1,098 thousand).

The Management Board contracts include a long-term performance-based component. The long-term variable performance bonus is calculated for each Management Board member until the end of the respective contract term. It is based mainly on the future trend in the value of the company's equity. Provisions of EUR 621 thousand (previous year: EUR 2,385 thousand) plus incidental salary costs of EUR 45 thousand (previous year: EUR 173 thousand) were formed in other non-current liabilities in the financial year under review for these long-term variable bonuses of the Management Board, which depend on future developments and the realisation of key figures. Due to the early departure of a Management Board member, EUR 568 thousand plus ancillary salary costs of EUR 41 thousand in non-current liabilities were released.

OTHER CURRENT LIABILITIES AND GRANTS IN EUR THOUSAND	2023	2022
Derivatives recognised as current liabilities	40,442	36,877
Liabilities due to employees	25,527	24,975
Other tax liabilities	4,217	3,103
Liabilities due to social security carriers	4,235	3,506
Grant power contract	10,449	15,900
Liabilities due to group taxation	7,926	11,583
Sundry other liabilities	2,997	6,219
	95,794	102,164

Details about derivatives are summarised in section K Financial instruments, in the subsection on derivative financial instruments. Details on the netting of derivatives can be found in section 7.

For more information on Group taxation, please see section M Related party disclosures.

15) DEFERRED TAX LIABILITIES

DEFERRED TAX LIABILITIES IN EUR THOUSAND	2023	2022
Deferred tax assets affecting net income	11,946	9,136
Deferred tax assets not affecting net income	-3,809	-4,292
	8,137	4,845

Details on the accounting treatment of deferred tax are presented in section 4.

16) TRADE PAYABLES

TRADE PAYABLES IN EUR THOUSAND	2023	2022
Trade payables	93,089	112,313
	93,089	112,313

Of the trade payables, EUR 15,732 thousand are attributable to investment liabilities (previous year: EUR 16,568 thousand).

I NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

AMAG Group prepares its statement of profit and loss applying the cost of sales method.

01) REVENUE

AMAG Group's revenue streams derive from the sale of primary aluminium (Metal Division), the sale of aluminium rolled products and high-quality detail parts for aircraft (Rolling Division), aluminium cast alloys (Casting Division) and services connected with building and space management, works services, etc. at its Ranshofen site (Service Division), whereby external revenue generated from services plays a subordinate role (0.38 % of total revenue, previous year: 0.36 %). The segment report in section G includes further information about revenue.

AMAG Group's activities in several business segments significantly reduce the risk of dependency on a small number of customers. Its ten largest customers account for 30.1 % of revenue (previous year: 30.9 %), and the largest single customer, which is attributable to the Rolling Division, accounts for 9.4 % (previous year: 8.7 %).

The revenue is comprised as follows:

ALLOCATION OF REVENUE IN EUR THOUSAND	2023	2022
Revenue from third parties	1,460,807	1,756,297
Revenue from services	5,515	6,217
Result derivatives	-7,149	-35,810
	1,459,172	1,726,705

The entirety of the revenue derives from revenue generated from contracts with customers.

The services rendered by AMAG Group comprise mainly point in time-related services. To a minor extent, services are rendered that are realised over time, particularly in the case of customer-specific products whose alternative use is contractually limited, and for which a claim exists to payment at any time with respect to the service already rendered.

In the case of point in time-related services, revenue is recognised as soon as the customer obtains power of control over the transferred goods. Gaining power of control occurs in accordance with agreed Incoterms. Customer contracts with CIF, CFR or CIP supply terms comprise the only exception. In this case, transport services/insurance are invoiced in addition to the delivery. The corresponding expected transportation costs are deferred under revenue and receivables in such cases if the transport has not yet been carried out as of the reporting date. The transaction price comprises the aluminium price, any premiums (for transportation, etc.) and mark-ups for reprocessing and qualities. Payment targets are contractually agreed individually, but amount to a maximum of 180 days.

In the case of services rendered over time, revenue is recognised in accordance with the stage of completion, which is determined as the ratio of contract costs incurred to the estimated total contract costs (cost-to-cost method).

The result from derivatives includes expenses from derivatives designated as in a cash flow hedge pursuant to IFRS 9. Only the Service Division generates revenue from services.

AMAG Group recognises revenue in the following regions:

REVENUE BY REGIONS 2023 IN EUR THOUSAND					
	Metal	Casting	Rolling	Service	Group
Western Europe (without Austria)	92,471	122,049	448,348	6	662,875
Austria	0	21,116	172,774	5,509	199,399
Rest of Europe	0	10,389	132,730	0	143,119
North America	215,808	212	188,898	0	404,918
Asia, Oceania and other	0	0	48,862	0	48,862
	308,279	153,767	991,611	5,515	1,459,172

REVENUE BY REGIONS 2022 IN EUR THOUSAND					
	Metal	Casting	Rolling	Service	Group
Western Europe (without Austria)	63,890	119,538	545,371	0	728,799
Austria	136	29,558	194,734	6,217	230,645
Rest of Europe	0	13,529	127,999	0	141,527
North America	305,547	0	228,070	0	533,617
Asia, Oceania and other	0	0	92,115	0	92,115
	369,573	162,626	1,188,289	6,217	1,726,705

02) COST OF MATERIALS

PRESENTATION IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2023	2022
Cost of sales	935,625	1,133,164
Selling and distribution expenses	270	384
Administrative expenses	573	251
Research and development expenses	2,590	1,972
Other expenses	2,828	994
	941,887	1,136,765

Details about the derivatives' effects on the cost of materials are presented in section K Financial instruments, in the subsection on derivative financial instruments.

As a matter of principle, expense-related government grants are recognised as revenue on a scheduled basis over the period that is required to offset the expenses that they subsidise. In the 2023 financial year, EUR 19,515 thousand (previous year: EUR 21,920 thousand) of expense-related government grants were recognised in income. Within the cost of sales, these are included under the cost of materials in an amount of EUR 15,679 thousand (previous year: EUR 16,092 thousand) and in other income in an amount of EUR 3,836 thousand (previous year: EUR 5,829 thousand); see section 3. The grants derive to a large extent from the Alouette electricity contract.

03) OTHER INCOME

ALLOCATION OF OTHER INCOME IN EUR THOUSAND	2023	2022
Grants and government subsidies	3,836	5,829
Income from currency translation	5	5,920
Other income	6,439	6,422
	10,280	18,170

Grants and government subsidies mainly comprise research grants of EUR 3,309 thousand (previous year: EUR 5,094 thousand). Sundry other income comprises income from maintenance services and received compensation payments.

04) PERSONNEL EXPENSES

ALLOCATION OF PERSONNEL EXPENSES IN EUR THOUSAND	2023	2022
Wages	90,517	84,395
Salaries	69,335	65,143
Expenses for severance payments and contributions to employee benefit funds	2,272	2,392
Retirement benefit obligation	3,837	4,735
Expenses for social security contributions	35,831	32,895
Other expenses for social benefits	492	504
	202,283	190,065

Personnel expenses are included in the following statement of profit and loss items:

ALLOCATION OF PERSONNEL EXPENSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2023	2022
Cost of sales	145,044	136,151
Selling and distribution expenses	18,108	17,271
Administrative expenses	23,194	22,500
Research and development expenses	12,482	11,499
Other expenses	3,456	2,645
	202,283	190,065

In the previous year, COVID-19 subsidies (mainly for quarantine and special care time) amounting to EUR 1,207 thousand were recognised as a reduction of personnel expenses.

Management Board members and senior executives

The variable remuneration of the AMAG Management Board is based on a number of indicators including return on investment and consolidated net income after tax. The ratio of fixed to variable components in the total remuneration of Management Board members is approximately 63 % to 37 % (previous year: approximately 66 % to 34 %). Management Board compensation owing, including expenses for pensions and severance benefits, stood at EUR 5,144 thousand in the financial year under review (previous year: EUR 4,769 thousand). An amount of EUR 3,344 thousand was expensed in the financial year under review (previous year: EUR 4,064 thousand).

Managing directors of the fully consolidated companies and Group executive staff received EUR 14,882 thousand of compensation (previous EUR 12,306 thousand).

Expenses for severance payments and contributions to employee benefit funds are comprised as follows:

EXPENSES FOR SEVERANCE PAYMENTS AND CONTRIBUTIONS TO EMPLOYEE BENEFIT FUNDS ACC. TO FUNCTION IN EUR THOUSAND	2023	2022
Board members	74	42
Executive employees	95	82
Other employees	2,103	2,269
	2,272	2,392

Of this amount, employee benefit funds account for EUR 1,441 thousand (previous year: EUR 1,271 thousand).

Pension expenses are comprised as follows:

PENSION EXPENSES ACCORDING TO FUNCTION IN EUR THOUSAND	2023	2022
Board members	152	142
Executive employees	393	362
Other employees	3,292	4,232
	3,837	4,735

This includes payments to pension funds in an amount of EUR 2,213 thousand (previous year: EUR 1,973 thousand).

A premium of EUR 74 thousand (previous year: EUR 59 thousand) was paid for D&O liability insurance.

The pension scheme for Management Board members and managing directors of consolidated companies is comprised entirely of defined contribution plans, for which the company is not required to render supplementary payments.

Number of employees

AVERAGE NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENTS)

	2023	2022
Industrial workers	1,400	1,420
Salaried employees	846	794
	2,246	2,214

In 2023, the headcount includes a 20 % share of the average workforce at the Aluminerie Alouette joint operation, or 203 employees (139 wage earners, 64 salaried employees) (previous year: 194 employees: 129 wage earners, 65 salaried employees).

05) RESEARCH AND DEVELOPMENT EXPENSES

Research costs are expensed in the period in which they are incurred. Development costs are expensed if the criteria for capitalisation as per IAS 38 are not met. A total of EUR 22,128 thousand was recognised as research and development expenses in the year under review (previous year: EUR 19,203 thousand).

06) AMORTISATION, DEPRECIATION, AND IMPAIRMENT LOSSES

ALLOCATION OF AMORTISATION, DEPRECIATION, AND IMPAIRMENT LOSSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2023	2022
Cost of sales	80,386	81,948
Selling and distribution expenses	810	734
Administrative expenses	1,736	2,042
Research and development expenses	1,816	1,634
Other expenses	1,240	1,098
	85,988	87,456

07) ADMINISTRATIVE EXPENSES

Other expenses (administrative expenses) include costs for the audit of the separate financial statements in accordance with local law, as well as of the individual Group companies' IFRS packages, and of the AMAG Austria Metall AG consolidated financial statements by the Group auditor Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

ALLOCATION OF SERVICES GROUP AUDITOR IN EUR THOUSAND	2023	2022
Audits	319	279
Other certification services	79	45
Other services	31	26

Supervisory Board

Compensation of EUR 980 thousand was paid to the members of the Supervisory Board of AMAG Austria Metall AG in the 2023 financial year (previous year: EUR 638 thousand).

Remuneration for members of the Supervisory Board is determined by the Annual General Meeting, in consideration of responsibility borne, and activities undertaken, by the Supervisory Board. In particular, the company's size and organisational structure, and the scope of decisions made by the Supervisory Board, are taken into consideration. In contrast with Management Board compensation, the company's financial position is not relevant to the remuneration of the Supervisory Board and for this reason is not taken into consideration in its remuneration.

The distribution of remuneration between Supervisory Board members is decided by the Supervisory Board.

08) RESULT FROM EQUITY ACCOUNTED INVESTMENTS

The result from equity accounted investments of EUR 140 thousand (previous year: EUR 157 thousand) relates to the share of the net result after taxes.

09) NET FINANCIAL RESULT

ALLOCATION OF NET FINANCIAL RESULT IN EUR THOUSAND	2023	2022
Interest income	9,513	1,926
Interest expenses	-21,512	-13,416
Other financial result	-284	692
	-12,283	-10,798

INTEREST EXPENSES IN EUR THOUSAND	2023	2022
Interest expenses from financial liabilities at amortised cost	-17,419	-8,407
Interest expenses from provisions	-2,838	-2,222
Interest expenses from non-financial liabilities	-1,216	-2,763
Interest expenses from lease liabilities	-39	-23
	-21,512	-13,416

Interest expenses from provisions include the net interest expense from provisions for employee benefits, as well as the unwinding of discounts applied to provisions.

The other financial result includes, among other items, income from non-consolidated participating interests and equity investments amounting to EUR 259 thousand (previous year: EUR 338 thousand), effects from the translation from financing amounting to EUR -494 thousand (previous year: EUR 1,344 thousand) and the ineffective portion of hedging amounting to EUR -730 thousand (previous year: EUR -1,244 thousand). Details about the derivatives' effects on the net financial result are presented in section K Financial instruments, in the subsection on derivative financial instruments.

Dividends are recognised when shareholders' rights to receive payment are substantiated.

10) INCOME TAXES

Income taxes comprise income taxes paid and payable, as well as deferred tax. Parts of AMAG Group companies are assessed as tax groups. A tax group also exists for the companies AMAG components Übersee GmbH and AMAG components Karlsruhe GmbH. A new tax transfer agreement was concluded for the AMAG tax group on May 4, 2022. For more information, please see section M Related party disclosures.

INCOME TAXES IN EUR THOUSAND	2023	2022
Current taxes	22,485	34,185
thereof current taxes due to tax transfer agreements	12,243	11,583
thereof current taxes payable to tax authorities	10,242	22,602
Deferred taxes	1,286	5,399
	23,770	39,585

TAX RECONCILIATION IN EUR THOUSAND	2023	2022
Earnings before taxes (EBT)	90,158	148,865
Tax expenses at 24% / 25 %	21,638	37,216
Not deductible expenses	1,087	1,083
Tax-free income	-1,050	-1,293
Other tax rates	128	243
Tax expenses previous years	455	-34
Deferred tax assets for losses carried forward	0	-57
Utilisation of unrecognised losses carried forward	574	1,621
Tax benefit	-369	-418
Credit note tax group B&C	-83	-390
Withholding tax	1,382	1,571
Other	9	42
Current tax expenses	23,770	39,585
Tax payments	26,047	46,603

Tax assets and tax liabilities are offset when they relate to income taxes levied by the same taxation authority and a right exists to offset such tax assets against tax liabilities. The income tax liability is based on the net result before taxes, taking deferred tax into consideration.

In Austria, dividend payments from Group companies to the Group parent company are free of tax. Pursuant to double taxation treaties between Canada and Austria, dividend payments rendered by Aluminium Austria Metall (Québec) Inc. incur 5 % withholding tax.

In the 2023 financial year, a dividend of USD 30,000 thousand (previous year: USD 33,500 thousand) was paid by the Canadian subsidiary to the Austrian parent company. Withholding taxes of USD 1,500 thousand (previous year: USD 1,675 thousand) were incurred on this amount.

If the entire net profit of the Canadian subsidiary of USD 95,217 thousand (previous year: USD 102,214 thousand) were to be paid out as a dividend, USD 4,761 thousand (previous year: USD 5,111 thousand) of withholding tax would be incurred.

Tax payments are made in the following countries:

TAX PAYMENTS BY COUNTRIES IN EUR THOUSAND	2023	2022
Austria	17,253	5,591
Canada	8,614	40,904
Other	181	108
TAX PAYMENTS	26,047	46,603

Information relating to the impact of global minimum taxation (Pillar Two) can be found in section E Accounting policies.

J NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows is presented according to the indirect method. A distinction is drawn in the statement between cash flows deriving from operating, investing and financing activities.

The other non-cash expenses and income included in cash flow from operating activities primarily comprise valuation effects from currency translation.

The item "Payments for investments in property, plant and equipment and intangible assets" includes the change in investment liabilities of EUR -751 thousand (previous year: EUR 7,019 thousand).

The cash and cash equivalents reported in the statement of cash flows comprise cash on hand of EUR 41 thousand (previous year: EUR 30 thousand) and short-term, highly-liquid investments amounting to EUR 168,896 thousand (previous year: EUR 285,642 thousand).

Cash flow from financing activities includes the following changes in financial liabilities:

CHANGES IN FINANCIAL LIABILITIES IN EUR THOUSAND	Cashflows					Non-cash changes	As of Dec. 31, 2023
	As of Jan. 1, 2023	Acquisition	Amortisation	Exchange differences	New leases	Valuation effects	
Borrowings	672,986	4,152	-150,234	-231	0	1,144	527,817
Lease liabilities	6,034	0	-1,603	-44	1,210	34	5,632
FINANCIAL LIABILITIES	679,020	4,152	-151,836	-274	1,210	1,178	533,449

CHANGES IN FINANCIAL LIABILITIES IN EUR THOUSAND	Cashflows				Non-cash changes		As of Dec. 31, 2022
	As of Jan. 1, 2022	Acquisition	Amortisation	Exchange differences	New leases	Valuation effects	
Borrowings	510,349	412,539	-252,067	-170	0	2,335	672,986
Lease liabilities	7,281	0	-2,003	-23	768	11	6,034
FINANCIAL LIABILITIES	517,630	412,539	-254,070	-193	768	2,346	679,020

The cash outflows for leases amounted to EUR 4,073 thousand (previous year: EUR 3,977 thousand). The leased assets are reported at carrying amounts of EUR 6,066 thousand (previous year: EUR 6,328 thousand); see section H Notes to the consolidated balance sheet item 1.

K FINANCIAL INSTRUMENTS

Risk management strategies

AMAG Austria Metall AG is exposed to risks arising from changes in exchange rates, interest rates and quoted share prices, which can have an impact on assets, liabilities and planned transactions. The handling of such risks is regulated in Group-wide valid guidelines that are updated constantly and adjusted to reflect changes in circumstances. The aim of financial risk management is to limit market risk by means of the Group's ongoing operating and financial activities. Derivative instruments are deployed solely for hedging purposes.

Liquidity risks

Liquidity risk refers to the risk that the company will not enjoy uninterrupted access to funding in order to settle its financial obligations on time. Accordingly, the Group takes steps to ensure that sufficient cash and cash equivalents are available, and that financing requirements can be met through credit facilities. Liquidity risks are calculated by liquidity planning, which is conducted across the Group on the basis of different currencies. Capital measures for the Group companies are planned on the basis of these results.

In order to manage liquidity risk, both credit guarantee lines and committed credit lines are available to AMAG Group.

AMAG Austria Metall AG has issued to financing partners the following covenants relating to key financials in connection with various facilities:

Undrawn, committed lines as of December 31, 2023, with a total volume of EUR 150 million and a term ending 2024 - 2025, arranged by means of bilateral contracts with several house banks, include covenants relating to the consolidated equity ratio exceeding 20 % and 30 % respectively and, in part, a net financial debt to EBITDA ratio not exceeding 3.5 and 4.0 respectively.

A refinancing facility from OeKB (KRR), undrawn as of December 31, 2023 and with a total volume of EUR 75 million, exists by means of bilateral contracts with four house banks, which include covenants relating to the consolidated equity ratio exceeding 30 % and a net financial debt to EBITDA ratio not exceeding 3.5 and 4.0 respectively.

A drawn OeKB facility which refinances two financing rounds with a total volume outstanding of EUR 95.8 million and terms ending in 2024 and 2024-2026 respectively, arranged by means of bilateral contracts with several house banks, includes covenants relating to the consolidated equity ratio exceeding 30 % and a net financial debt to EBITDA ratio not exceeding 3.5 and 4.0 respectively.

A long-term ECB refinancing transaction (TLTRO) with an outstanding volume of EUR 14 million and a maturity of 2024-2025, concluded with a principal bank and in effect as of December 31, 2023, contains covenants relating to a consolidated equity ratio exceeding 30 % and a ratio of net financial debt to EBITDA not exceeding 3.5 and 4.0 respectively.

As of December 31, 2023, a loan refinanced with OeKB with a total outstanding volume of EUR 38.7 million and a term ending 2024-2029 was in place to finance a coil finishing line. The bilateral agreements with two principal banks require compliance with a consolidated equity ratio in excess of 30 %.

Furthermore, a EUR 25 million loan refinanced with OeKB, concluded with a principal bank, and with a term ending in 2027, exists as of December 31, 2023. This contains covenants regarding compliance with a consolidated equity ratio exceeding 30 %.

In order to safeguard AMAG Group in connection with current geopolitical events, as well as the ongoing distortions in the energy market, the covenants relating to the "net financial debt to EBITDA" ratio were suspended for all of the aforementioned financing and lines up to and including 2024. Furthermore, the covenants regarding the consolidated equity ratio were changed from "more than 30 %" to "more than 20 %" up to and including 2024.

A EUR 200 million promissory loan note issued in 2018 with terms ending in 2025 and 2028 does not contain any financial covenants that could entitle it to be called.

In addition, a promissory loan note of EUR 200 million with terms ending in 2025, 2027 and 2029 was issued in 2022. This loan does not contain any financial covenants that could entitle it to be called.

In the aforementioned financing lines, valuation effects from a long-term electricity contract of Alouette are excluded from the calculation of these financial covenants.

Failure to comply with a covenant entitles the lender to increase the lending conditions or to terminate the respective financing agreement. All assurances were complied with both in relation to the respective cut-off dates and also during the course of the year.

The residual terms of the liabilities are as follows:

RESIDUAL TERMS OF LIABILITIES 2023 IN EUR THOUSAND

	Book value	Undiscounted cash flow	With a residual term of less than 1 year	With a residual term of more than 1 but less than 5 years	With a residual term of more than 5 years
Financial liabilities without lease liabilities	527,817	575,961	76,886	419,981	79,094
Lease liabilities	5,632	5,654	1,562	3,058	1,033
Other liabilities and grants without derivatives	3,276	3,276	2,525	750	0
Derivatives recognised as liabilities	52,443	52,443	40,442	9,473	2,528
Trade payables	93,089	93,089	93,089	0	0
	682,257	730,422	214,504	433,263	82,655

RESIDUAL TERMS OF LIABILITIES 2022 IN EUR THOUSAND

	Book value	Undiscounted cash flow	With a residual term of less than 1 year	With a residual term of more than 1 but less than 5 years	With a residual term of more than 5 years
Financial liabilities without lease liabilities	672,986	719,409	159,908	518,577	40,924
Lease liabilities	6,034	6,068	1,224	3,219	1,624
Other liabilities and grants without derivatives	6,312	6,312	5,214	1,098	0
Derivatives recognised as liabilities	63,229	63,229	36,877	16,892	9,460
Trade payables	112,313	112,313	112,313	0	0
	860,874	907,331	315,536	539,787	52,007

Credit risks

Credit risk and the risk of default by contractual partners is managed by way of credit assessments, credit limits and routine checks. Where appropriate, the Group obtains government export guarantees or guarantees from private credit insurers in order to minimise default risk.

The Group operates exclusively with financial partners with good credit ratings, which also serves to reduce credit risk.

The following risk categories exist at present:

RISK CATEGORY	Description	Expected credit loss
1. Without risk	Low default risk and past counterparty payments on time.	12m ECL
2. Doubtful	Amount is more than 30 days overdue or a significant increase in default risk has occurred since first recognition.	Lifetime ECL
3. In default	Diminished credit standing due to bankruptcy or start of insolvency proceedings.	Lifetime ECL
4. Adjustment	No realistic prospect of recovery. Payment not expected to be collected.	Will be written off

With regard to assets, the reported values of the relevant primary financial instruments represent the maximum credit or default risk. Provisions are formed for all identified risks. The management is of the opinion that no other credit risks above and beyond these will arise.

Trade receivables at the Ranshofen site are measured applying the simplified model (expected credit losses due to all potential default events during the expected term). For this purpose, the requirement for impairment losses is calculated in an impairment matrix applying a past analysis and an estimate of future trends. Those companies of AMAG components measure receivables by means of the Implied Rating Model applying the probabilities of default of the relevant customers as available in Reuters, taking into consideration the payment terms according to the general method. Receivables are only derecognised in the event of insolvency or unsuccessful attempts to enforce claims by taking legal

action. Impairment losses are reversed through profit or loss if the reason for the impairment no longer applies or an improvement has occurred. Interest-free or low-interest receivables with an expected residual maturity of over one year are discounted.

Trade receivables that are not yet due are owed mainly by long-term business partners. Creditworthiness is assessed on the basis of internal guidelines. Defaults over the last ten years were evaluated at AMAG to calculate the impairment requirement. The analysis showed that no significant risk exists for receivables with a certain overdue status and the management is of the opinion that this estimation is applicable for the following years. Receivables due from companies in insolvency proceedings were written off (EUR 126 thousand; previous year: EUR 6 thousand). Credit insurance has been arranged with an insurance company for a significant proportion of the trade receivables (87 %; previous year: 90 %). An excess is payable in the event of a claim. A maximum of the deductible is recognised as an impairment for an expected credit loss on such receivables. An elevated default risk on receivables more than 90 days overdue was not determined based on an analysis of past experience. For this reason, overdue status beyond 90 days is not regarded as an indicator of a default event having occurred, which would require allocating the receivables to Stage 3.

The following table shows the risk profile of trade receivables based on the impairment matrix:

MATURITIES OF RECEIVABLES IN EUR THOUSAND	2023	2022
Not yet due	131,623	136,647
Overdue receivables	22,238	30,163
Less than 30 days overdue	18,433	25,680
More than 30 days, but less than 60 days overdue	2,822	2,413
More than 60 days, but less than 90 days overdue	149	661
More than 90 days overdue	641	1,361
More than 180 days overdue	193	48
	153,862	166,810

None of the other financial receivables are overdue.

Market risks

Currency risks

Currency risk refers to the risk that the value of a financial instrument may change due to exchange rate fluctuations. The Group concludes exchange futures and options transactions (cash flow hedges) in order to limit the currency risk arising from cash flows from operating activities. The fair value of assets and liabilities reported on the balance sheet is hedged using exchange forward transactions and options.

The Group is exposed to currency risk on account of the fact that it operates, and generates revenue, in various countries around the world. Foreign currency receivables and liabilities related to transactions that require disclosure are recognised at the time when the respective contract is entered into, as are undisclosed items, in particular recurring transactions required for operating activities (e.g. anticipated purchases of raw materials and consumables, and revenue).

Production costs at the Ranshofen site are incurred mainly in euros, although also in US dollars, as well as, to a minor extent, in other foreign currencies. From a defined threshold, any imbalance between expenses and revenue is hedged. Costs at the Canadian plant are incurred in US dollars and Canadian dollars as well as in euros, although sales revenues are realised primarily in US dollars. Items not covered by natural hedges are hedged in accordance with the risk position and risk horizon.

Differences in the value-determining factors between the underlying transaction and the hedging instrument creates sources of ineffectiveness. As the basis values of the underlying transaction and the hedging instrument always converge, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting. No ineffectivenesses exist as a consequence.

The table below shows the composition of primary financial instruments – comprising trade receivables and payables, loans receivable, borrowings and financial assets – by currency at the end of the reporting period:

		2023		2022	
NON-DERIVATIVE FINANCIAL INSTRUMENTS/ASSETS	Currency	in EUR thousand	Share	in EUR thousand	Share
	EUR	227,007	64.3 %	363,470	75.7 %
	USD	118,531	33.6 %	108,946	22.8 %
	CAD	4,739	1.3 %	3,524	0.7 %
	GBP	2,274	0.6 %	2,629	0.5 %
	JPY	624	0.2 %	1,501	0.3 %
	NOK	0	0.0 %	55	0.0 %
		353,176	100.0 %	480,127	100.0 %
NON-DERIVATIVE FINANCIAL INSTRUMENTS/LIABILITIES	Currency	in EUR thousand	Share	in EUR thousand	Share
	EUR	572,869	91.0 %	723,616	90.7 %
	USD	30,562	4.8 %	47,542	6.0 %
	CAD	26,364	4.2 %	26,478	3.3 %
	Other	18	0.0 %	9	0.0 %
		629,813	100.0 %	797,645	100.0 %

Interest rate risks

This refers to risks associated with changes in the net interest result or present value. Due to the interaction between these types of risks, interest rate risk may not be eliminated entirely. The Group's exposure to risks related to present value affects interest-bearing financial instruments and assets, while net interest income-related risks have an impact on interest expense and income.

At the end of the reporting period the Group had entered into euro-denominated interest rate swaps that qualified as cash flow hedges. AMAG Austria Metall AG pays fixed interest on the notional value of the swap contract and, in return, receives variable interest payments on the same principal amount.

These interest rate swaps offset the impact of future changes in interest rates on the cash flows derived from the underlying variable-rate financial liabilities. The interest rate swaps are reported at fair value on the balance sheet.

Changes in the fair value of interest rate swaps designated as cash flow hedges are recognised in equity under the hedging reserve item. Once interest payments are received in relation to the hedged underlying transaction, the hedging reserve is reclassified and recognised in profit or loss under net interest income/expense.

The economic connection between underlying transaction and hedging instrument is established by comparing the value-determining risk factors. Given complete or approximate convergence of the main value-determining risk factors of the underlying transaction and the hedging instrument, evidence of the economic connection is rendered based on the critical terms match method. In all other cases, depending on the extent of the divergence of the value-determining risk factors in each case, either sensitivity analyses or the characteristics of the dollar offset methods are utilised to evidence the economic connection.

Differences in the value-determining factors between the underlying transaction and the hedging instrument create sources of ineffectiveness. In the case of designated hedges in the interest rate risk area, no potential sources of ineffectiveness exist at present. As the basis values of the underlying transaction and the hedging instrument always converge, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting. No ineffectivenesses exist for this reason.

A detailed overview of the weighted interest rates applicable at the end of the reporting period is provided below:

**INTEREST RATE
SUMMARY
AS OF DEC. 31, 2023**

POSITION	Rate type	Average	Bank accounts	Current	Non-current
Deposits	Fixed	-	-	-	-
	Variable	4.65 %	4.02 %	4.72 %	-
	Average	4.65 %	4.02 %	4.72 %	-
Financial liabilities	Fixed	1.49 %	-	1.09 %	1.54 %
	Variable	4.64 %	-	4.55 %	4.65 %
	Average	3.24 %	-	2.98 %	3.27 %

**INTEREST RATE
SUMMARY
AS OF DEC. 31, 2022**

POSITION	Rate type	Average	Bank accounts	Current	Non-current
Deposits	Fixed	-	-	-	-
	Variable	2.18 %	2.19 %	0.84 %	-
	Average	2.18 %	2.19 %	0.84 %	-
Financial liabilities	Fixed	1.36 %	-	1.01 %	1.51 %
	Variable	3.14 %	-	2.60 %	3.24 %
	Average	2.32 %	-	1.62 %	2.51 %

Commodity price risks

In the commodities area, AMAG Austria Metall AG is particularly exposed to price risks arising from aluminium. These derive from the fact that AMAG Group produces and processes aluminium.

Resultant purchasing and sales risks relating to price-change risks for future purchases and stocks of raw materials as well as sales of aluminium products (primary aluminium, cast alloys, rolled products) of raw materials listed on the London Metal Exchange (LME) are hedged deploying marketable forward commodity transactions and commodity options as hedging instruments.

The aluminium price traded on the London Metal Exchange (LME) comprises a separately identifiable price component in the case of both products manufactured at AMAG (primary aluminium, foundry products, rolled products) as well as raw materials employed such as primary aluminium and aluminium scrap. This is contractually agreed as a separate component, plus any premiums (for transport, etc.), and mark-ups for processing as well as grades and grade discounts (in the case of scrap). Such identifiability also remains for products in the production process (inventories). This component can be valued reliably given the listing of the aluminium price on the LME. This is the most important component exposed to price risks. The share of value changes in the aluminium price as a proportion of changes to the fair value of inventories cannot be estimated, as the aluminium price can be subject to very sharp fluctuations (including on the relevant reporting date).

Hedges of future cash flows from the sale of aluminium products of Aluminerie Alouette Inc. are classified as cash flow hedges.

All stocks of aluminium components are hedged against aluminium price risk by means of either derivative financial instruments or customer contracts. The price change risk resulting from such stocks is managed in a dynamic process, as aluminium stocks change constantly due to new additions and disposals. AMAG reports the dynamic hedging of its stocks hedged by derivative financial instruments as fair value hedges in its financial statements, to reduce the profit and loss volatility resulting from the constant measurement of the derivative financial instruments deployed. Fair value hedges are designated with a one-month period and the designated hedges are re-designated after each month to reflect the month-on-month change in the aluminium stock as an underlying transaction together with the volume change in hedging instruments as part of hedge accounting.

Differences in the value-determining risk factors between the underlying transaction and the hedging instrument create sources of ineffectiveness. In the case of designated hedges in the raw materials

risk area, no potential sources of ineffectiveness exist at present, apart from the potential ineffectiveness from taking into consideration the LME premium expectation (as described above). As the basis values of the underlying transaction and the hedging instrument always converge, and the intrinsic value is always designated when deploying options as hedging instruments, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting.

Derivatives recognised at fair value through profit or loss cannot be classified as cash flow or fair value hedges under current accounting standards, although they serve as hedges against the Group's operating risk exposures.

Due to the long risk horizon in some cases, such risks are hedged for periods of up to three years (up to six years in the case of derivatives not forming part of hedges). In the commodities price hedging

area, too, derivatives are deployed only to hedge raw material price risk if they can be clearly accounted for and measured.

For risks based on fluctuating premiums in connection with aluminium purchasing, premium derivatives are arranged as required. For commodity price risk connected with copper purchases, copper derivatives are arranged to hedge the future copper purchase where required. For commodity price risk connected with alumina purchases, alumina derivatives are arranged to hedge the future alumina purchase where required. Such derivatives are recognised as cash flow hedges.

For commodity risks in connection with the procurement of natural gas at the Ranshofen site, forward contracts are also concluded as required in order to hedge the future price of natural gas. Such derivatives are recognised as cash flow hedges.

SENSITIVITY ANALYSES AS OF DEC. 31, 2023 (IN EUR THOUSAND)

	Change	EUR	USD	CAD	Other	Total
Foreign exchange rate risks						
Change in net financial liabilities due to an exchange rate reduction by	10 %	0	-1,819	-442	-27	-2,289
	-10 %	0	1,605	535	30	2,170
Effect to profit or loss from foreign currency transactions due to an exchange rate reduction by	10 %	526	-107	0	-18	401
	-10 %	-567	97	0	35	-435
Effect to other comprehensive income from foreign currency transactions due to an exchange rate reduction by	10 %	48,108	-2,281	-2,142	0	43,685
	-10 %	-43,243	1,983	7,888	0	-33,372
Interest rate risks	Change	EUR	USD	CAD	Other	Total
Change in net interest result due to an interest rate increased by	1 %	-2,461	521	25	3	-1,912
thereof assets		354	572	25	3	955
thereof liabilities		-2,815	-51	0	0	-2,867
Change in net interest result due to an interest rate reduced by	-1 %	2,461	-521	-25	-3	1,912
thereof assets		-354	-572	-25	-3	-955
thereof liabilities		2,815	51	0	0	2,867
Effect to other comprehensive income from interest rate swap due to an interest rate increased by	1 %	240	0	0	0	240
	-1 %	-240	0	0	0	-240
Effect on the result from bond funds due to an interest rate change by	1 %	-217	0	0	0	-217
	-1 %	217	0	0	0	217
Commodity price risks	Change				AL	Total
Change in inventory write-down due to an LME aluminium price reduction by	10 %				-9,648	-9,648
Effect to profit or loss from commodity price hedging due to an aluminium price reduction by	10 %				515	515
Effect to other comprehensive income from commodity price hedging due to an LME reduction by	10 %				5,306	5,306

SENSITIVITY ANALYSES AS OF DEC. 31, 2022 (IN EUR THOUSAND)

	Change	EUR	USD	CAD	Other	Total
Foreign exchange rate risks						
Change in net financial liabilities due to an exchange rate reduction by	10 %	0	-4,395	3,378	-46	1,152
	-10 %	0	4,835	-3,733	50	-1,063
Effect to profit or loss from foreign currency transactions due to an exchange rate reduction by	10 %	3,144	-2,216	0	-51	-672
	-10 %	-2,389	1,624	0	93	877
Effect to other comprehensive income from foreign currency transactions due to an exchange rate reduction by	10 %	21,580	-5,693	-4,575	0	-2,424
	-10 %	-16,170	5,746	8,000	0	11,312
Interest rate risks	Change	EUR	USD	CAD	Other	Total
Change in net interest result due to an interest rate increased by	1 %	-1,149	522	12	5	-609
thereof assets		2,270	529	18	8	2,826
thereof liabilities		-3,419	-6	-6	-3	-3,435
Change in net interest result due to an interest rate reduced by	-1 %	1,149	-522	-12	-5	609
thereof assets		-2,270	-529	-18	-8	-2,826
thereof liabilities		3,419	6	6	3	3,435
Effect to other comprehensive income from interest rate swap due to an interest rate increased by	1 %	410	0	0	0	410
	-1 %	-410	0	0	0	-410
Effect on the result from bond funds due to an interest rate change by	1 %	-296	0	0	0	-296
	-1 %	296	0	0	0	296
Commodity price risks	Change				AL	Total
Change in inventory write-down due to an LME aluminium price reduction by	10 %				-10,020	-10,020
Effect to profit or loss from commodity price hedging due to an aluminium price reduction by	10 %				183	183
Effect to other comprehensive income from commodity price hedging due to an LME reduction by	10 %				10,130	10,130

Primary financial assets and liabilities

Financial assets and liabilities comprise other non-current assets and financial assets, trade receivables and payables, other receivables and payables, cash and cash equivalents, and interest-bearing borrowings.

Financial assets in the meaning of IFRS 9 are classified either as financial assets at amortised cost, or as measured at fair value in other comprehensive income (with or without recycling), or as measured at fair value through profit or loss. This classification occurs on the basis of the company's business model for the management of financial assets and the characteristics of the contractual cash flows from the financial asset.

Assets are recognised at amortised cost that are held as part of a business model whose objective is to hold financial assets for the receipt of contractual cash flows exclusively comprising interest and principal payments. The "hold" business model is mainly applied at AMAG.

Financial assets are measured at fair value on initial recognition. Settlement date accounting is normally applied to standard market purchases and sales of financial instruments. Price offers by banks or similar pricing models are used to measure the fair value of financial instruments at the end of a reporting period. The fair values of financial assets generally correspond to their market prices on the balance sheet date. In the absence of quoted prices on active markets, they are calculated applying generally accepted valuation models and current market parameters (especially interest rates, exchange rates and counterparties' credit ratings). To this end, the cash flows generated by the financial instruments are discounted to the balance sheet date.

Derecognition of financial assets

Financial assets are derecognised if the contractual rights conferred by the assets expire, or the Group has transferred its contractual rights to receive cash flows from the assets, or assumed a contractual obligation to pay the cash flows to a third party immediately under an agreement that meets the conditions set out in IFRS 9 3.2 (a so-called "pass-through arrangement"), and has either (a) transferred substantially all the risks and rewards entailed in ownership of the financial asset or (b) neither transferred nor retained substantially all the risks and rewards entailed in ownership of the financial asset, but has transferred control of the asset.

If the Group transfers its contractual rights to receive cash flows from an asset, or enters into a pass-through arrangement, and neither transfers nor retains substantially all the risks and rewards entailed

in ownership of the financial asset, but retains control of the transferred asset, then the Group continues to recognise the asset to the extent of its continuing involvement in the latter. Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled, or expires.

Firm commitment

When an off-balance-sheet firm commitment (customer order) is designated as a hedged item, the subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or liability through profit or loss.

Liabilities

Liabilities are recognised at amortised cost in accordance with IFRS 9, applying the effective interest method. The effective interest method amortises the difference between the cost and the nominal value, applying the effective interest rate. The effective interest rate is the rate that discounts the estimated future cash flows until maturity, or the next market price-oriented interest rate adjustment date, to the current carrying amount of the financial asset or financial liability.

Derivative financial instruments

Exclusively standard market instruments with sufficient market liquidity and from business partners with low default risk are utilised for hedging. Where material, measurement takes into consideration counterparty credit risk as well as the company's own credit risk.

Embedded derivatives

Derivatives embedded in other financial instruments or host contracts are treated as separate derivatives if their risks and characteristics are not closely related to those of the host contracts, and they are in any case not measured at fair value.

Cash flow hedges

Foreign exchange derivatives are employed to hedge cash flows from outstanding and anticipated foreign currency transactions. Additionally, raw material price risks (in relation to aluminium and, to a minor extent, copper, alumina, zinc, as well as premiums) arising from expected and highly probable forecast transactions are hedged using commodity derivatives. Euro-denominated interest rate swaps

serve as a hedge against interest rate risk. Fixed interest is paid on the notional value of the swap contract and, in return, the Group receives variable interest payments on the same principal amount. These interest rate swaps offset effects on the cash flows of the underlying variable rate financial liabilities due to future changes in interest rates, and the fair values of the interest rate derivatives derive from the change in the yield curve that has occurred since the start of the term.

In the case of options, only the intrinsic value of the derivative is designated as a hedging instrument. Changes in the fair value of this intrinsic value are recognised in the hedging reserve, and changes in the fair value of the derivative are carried directly to equity in the fair value reserve. When hedging transaction-related underlying transactions, on the date when the hedge transaction occurs the fair value reserve is either released against the purchase costs of the non-financial asset or in other cases reclassified in profit or loss through other comprehensive income. If periodic underlying transactions are hedged, the fair value reserve is released systematically in profit or loss over the designation period, as a matter of principle. In accordance with IFRS 9B6.5.31, systematic release in profit or

loss is waived if the amount of the fair value reserve is attributable to combinations of call and put options whose fair value amounted to zero on the designation date.

In the case of a cash flow hedge, the effective portion of the change in fair value is recognised in other comprehensive income, under the hedging reserve item, whereas the ineffective portion is recognised immediately in profit or loss, under the cost of materials. However, if a hedge of a forecast transaction results in the recognition of a non-financial asset or non-financial liability, the amounts recognised in other comprehensive income are recorded as part of the cost of that non-financial asset or non-financial liability at the time of recognition. In all other cases, amounts deferred in equity are recognised in profit or loss on the date, or dates, on which the hedged cash flows affect the result.

The Group uses forward contracts and options to hedge part of future sales of its share of production from Aluminerie Alouette Inc. The derivatives used for this purpose are classified as cash flow hedges.

Derivative financial instruments qualifying as cash flow hedges and recognised in the hedging reserve are as follows:

			2023			2022		
CURRENCY OR COMMODITY			Longest term	Nominal values *)	Market values in EUR thousand	Longest term	Nominal values *)	Market values in EUR thousand
Currency derivatives								
Foreign exchange forwards								
USD	Sale		02/2030	572,320	7,395	12/2025	210,466	-8,843
JPY	Sale		12/2025	508,914	729	12/2025	668,814	490
CAD	Buy		03/2027	77,000	326	12/2025	96,000	-1,389
USD	Buy		11/2024	24,760	-271	11/2023	63,565	-519
Commodity derivatives								
Forward contracts								
AL	Sale		12/2025	23,325	-1,585	12/2025	31,615	1,867
CU	Buy		06/2028	900	-18	12/2023	300	74
TE	Buy					01/2023	7,000	-363
ZN	Buy		06/2028	2,250	322			
PR	Buy		01/2026	19,661	-4	01/2024	14,550	-1,045
Options								
AL	Sale		12/2025	18,000	-431	12/2024	18,000	-2,004
Energy derivatives								
Commodity swaps								
Gas	Buy		01/2030	534,576	-5,170	12/2026	4,047	107
Interest rate derivatives								
Interest rate swaps								
EUR			12/2025	24,000	1,258	12/2024	20,000	2,421
Embedded derivative								
AL	Sale		12/2029	136,268	-2,031	12/2029	158,959	-22,199

*) The nominal values of currencies are stated in thousands, those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE), zinc (ZN), premium (PR), and those of energy derivatives in MWh.

	2023			2022		
CASH FLOW HEDGES IN EUR THOUSAND	Receivable	Liability	Total	Receivable	Liability	Total
Currency derivatives	11,481	-3,303	8,179	3,865	-14,126	-10,261
Commodity derivatives	1,289	-3,005	-1,715	2,933	-4,404	-1,471
Energy derivatives		-5,170	-5,170		107	107
Interest rate derivatives		1,258	1,258		2,421	2,421
Embedded derivative	-2,031		-2,031	-22,199		-22,199
TOTAL	10,740	-10,219	521	-15,401	-16,002	-31,403

		Term of 1 year		Term of 1 to 3 years		Term of more than 3 years	
CURRENCY OR COMMODITY 2023 IN EUR THOUSAND		Nominal *)	Average forward rate	Nominal *)	Average forward rate	Nominal *)	Average forward rate
Currency derivatives							
Foreign exchange forwards							
USD	Sale	167,886	1.1095	184,887	1.1226	219,547	1.1431
JPY	Sale	367,600	125.5967	141,314	121.2338		
CAD	Buy	38,000	1.3153	36,000	1.3493	3,000	1.3616
USD	Buy	24,760	1.0927				
Commodity derivatives							
Forward contracts							
AL	Sale	20,325	2,074	3,000	2,353		
CU	Buy	200	7,630	600	7,630	100	7,630
TE	Buy						
ZN	Buy	500	2,222	1,500	2,222	250	2,222
PR	Buy	19,007	219	654	221		
Options							
AL	Sale	12,000	2,285	6,000	2,262		
Energy derivatives							
Commodity swaps							
Gas	Buy	144,288	51.14	313,512	37.15	76,776	39.53
Interest rate derivatives							
Interest rate swaps							
EUR		17,000	3.51%	7,000	3.16%		
Embedded derivative							
AL	Sale					136,268	2,696 USD/tonne

*) The nominal values of currencies are stated in thousands, those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE), zinc (ZN), premium (PR), and those of energy derivatives in MWh.

		Term of 1 year		Term of 1 to 3 years		Term of more than 3 years	
CURRENCY OR COMMODITY 2022 IN EUR THOUSAND		Nominal *)	Average forward rate	Nominal *)	Average forward rate	Nominal *)	Average forward rate
Currency derivatives							
Foreign exchange forwards							
USD	Sale	178,680	1.1209	31,786	1.1973		
JPY	Sale	225,900	122.3160	442,914	121.7079		
CAD	Buy	53,000	1.3260	43,000	1.3114		
USD	Buy	63,565	1.0590				
Commodity derivatives							
Forward contracts							
AL	Sale	22,615	2,217	9,000	2,319		
CU	Buy	300	7,768				
TE	Buy	7,000	304				
PR	Buy	14,550	259				
Options							
AL	Sale	18,000	2,234				
Energy derivatives							
Commodity swaps							
Gas				3,603	58.75	444	50.70
Interest rate derivatives							
Interest rate swaps							
EUR		10,000	2.68%	10,000	2.70%		
Embedded derivative							
AL	Sale					158,959	2,663 USD/tonne

*) The nominal values of currencies are stated in thousands, those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE), zinc (ZN), premium (PR), and those of energy derivatives in MWh.

The following underlying transactions were hedged:

	2023		2022	
RISK	Change in value of underlying transaction	Amount of reserve	Change in value of underlying transaction	Amount of reserve
Currency risks				
Future sale	8,123	-8,123	-8,353	8,353
Future purchase	55	-55	-1,908	1,908
Commodity price risks				
Future sale	-9,217	43,961	-22,335	77,594
Future purchase	-4,870	4,870	-1,227	1,227
Interest rate risks				
Future interest paid	1,258	-1,258	2,421	-2,421
less deferred tax from hedging reserve		-10,936		-23,267
TOTAL	-4,649	28,458	-31,403	63,395

The cumulative valuation adjustment of the underlying transaction from the cash flow hedge accounting is consistent with the value change of the derivative plus the ineffectiveness. The change in value of the embedded derivative corresponds to the level of the reserve less the ineffectiveness and the initial measurement amount.

The table below shows the changes in the hedging reserve (gross) in accordance with IFRS 9:

HEDGING RESERVE 2023 IN EUR THOUSAND	Currency derivatives	Commodity derivatives	Energy derivatives	Interest rate derivatives	Embedded derivative	Total
Change in fair value recognised directly in other comprehensive income (OCI)	18,571	-4,641	-5,278	-623	24,076	32,105
Reclassification from OCI recognised through profit or loss	6,086	-3,223			10,278	13,141
Revenue	3,880	-3,979			5,139	5,040
Materials	2,307	756			5,139	8,202
Other operating expenses	439					439
Net financial income (expenses)	-540					-540
HEDGING RESERVE 2022 IN EUR THOUSAND	Currency derivatives	Commodity derivatives	Energy derivatives	Interest rate derivatives	Embedded derivative	Total
Change in fair value recognised directly in other comprehensive income (OCI)	1,994	-14,559	107	2,744	-54,180	-63,894
Reclassification from OCI recognised through profit or loss	26,425	1,818			21,986	50,229
Revenue	25,789	2,731			10,993	39,513
Materials	785	-913			10,993	10,865
Other operating expenses	24					24
Net financial income (expenses)	-173					-173

Fair value hedges

Forward transactions designated as fair value hedges are used for the purpose of aluminium inventory hedging. Physical stocks are hedged against exchange rate and price movements (portfolio hedging of the aluminium price portion of inventories). Changes in the market value of these instruments are recorded as raw materials and consumables used.

In a fair value hedge, both the underlying transaction in relation to the hedged risk and the derivative hedging instrument are measured at fair value, and changes in the latter are recognised in profit or loss. Subsequent measurement is at market value, as a matter of principle.

The following derivative financial instruments qualify as fair value hedges, and are recognised in profit or loss:

		2023			2022		
CURRENCY OR COMMODITY		Longest term	Nominal values *)	Market values in EUR thousand	Longest term	Nominal values *)	Market values in EUR thousand
Commodity derivatives							
Forward contracts							
AL	Sale	02/2024	91,175	-12,376	03/2023	94,793	13,734
AL	Buy				12/2023	293	-20
Hedged firm commitments							
AL	Sale				12/2023	293	20
AL	Buy	02/2024	91,175	12,376	03/2023	94,793	-13,734

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL)

	2023			2022		
FAIR VALUE HEDGES IN EUR THOUSAND	Receivable	Liability	Total	Receivable	Liability	Total
Commodity derivatives	-12,376	12,376	0	13,754	-13,754	0

The following underlying transactions were hedged:

	2023		2022	
RISK	Change in value of hedged item	Book value of hedged item	Change in value of hedged item	Book value of hedged item
Commodity price risks				
Inventories	-1,579	169,810	-22,805	181,731

The cumulative valuation adjustment of the underlying transaction from the fair value hedge accounting concurs with the value change of the hedge.

Fair value reserve

FAIR VALUE RESERVE IN EUR THOUSAND	2023	2022
As of Jan. 1	-861	-899
Changes in fair value	529	37
AS OF DEC. 31	-332	-861

Derivative financial instruments

Foreign exchange and commodity (aluminium) derivatives that do not meet the requirements for hedge accounting under IFRS 9 in terms of documentation and effectiveness must be classified as measured at fair value. Fair value changes in these derivative financial instruments are recognised through profit or loss.

Derivative financial instruments qualifying as measured at fair value through profit or loss:

CURRENCY OR COMMODITY		2023			2022		
		Longest term	Nominal values *)	Market values in EUR thousand	Longest term	Nominal values *)	Market values in EUR thousand
Currency derivatives							
Foreign exchange forwards							
JPY	Buy	02/2024	43,000	-6	09/2023	75,300	-28
USD	Buy	02/2024	921	10	02/2024	21,924	1,302
GBP	Sale	05/2024	2,750	7	07/2023	3,645	84
JPY	Sale	02/2024	203,000	11	09/2023	171,500	56
USD	Sale	02/2024	1,165	16	02/2024	21,965	-2,595
NOK	Sale				04/2023	1,075	1
Commodity derivatives							
Forward contracts							
AL	Buy	12/2025	402,375	37,887	12/2023	338,707	-24,044
AL	Sale	12/2024	402,375	-29,948	08/2023	338,707	15,556
Interest rate derivatives							
Interest rate swaps							
EUR		12/2025	14,000	-61	12/2025	21,000	-142

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL)

The nominal values comprise the gross sum of the purchase and sales prices of the derivative financial transactions. The value of commodity derivatives is stated in tonnes in the transaction currency.

The market values are based on the values at which the respective transactions are traded as at the end of the reporting period. The market values of commodity derivatives reflect official aluminium prices listed on the London Metal Exchange (LME) at the end of the reporting period.

The fair value of forward derivatives is calculated on the basis of the forward rate as at the end of the reporting period.

Recognised models are applied in order to determine option prices. The market valuation of interest rate swaps, interest rate caps and forward rate agreements is performed on the basis of generally accepted mathematical measurement models. A hedge's term is determined by that of its underlying transaction, as a matter of principle.

Additional disclosures about financial instruments pursuant to IFRS 7:

2023
FINANCIAL INSTRUMENTS
PURSUANT TO IFRS 7 IN EUR THOUSAND

	Fair value hedge	Cash flow hedge	Mandatorily at fair value through profit or loss	Equity investments at fair value through OCI	At amortised cost	Not a financial instrument	Book value as of Dec. 31, 2023	Fair value as of Dec. 31, 2023
Assets								
Other non-current assets and financial assets	0	8,969	10,019	1,699	1,437	0	22,124	22,124
Trade receivables	0	0	0	0	153,862	0	153,862	153,862
Current tax assets	0	0	0	0	0	1,724	1,724	1,724
Other current assets	0	8,358	31,153	0	24,838	21,630	85,979	85,979
Contract assets	0	0	0	0	2,403	0	2,403	2,403
Cash and cash equivalents	0	0	0	0	168,937	0	168,937	168,937
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	450,643	0	450,643	427,740
Non-current lease liabilities	0	0	0	0	4,083	0	4,083	4,083
Other non-current liabilities and grants	0	11,986	15	0	750	31,741	44,492	44,492
Interest-bearing current financial liabilities (without leases)	0	0	0	0	77,174	0	77,174	74,683
Current lease liabilities	0	0	0	0	1,549	0	1,549	1,549
Trade payables	0	0	0	0	93,089	0	93,089	93,089
Current tax liabilities	0	0	0	0	0	74	74	74
Other current liabilities and grants	12,376	4,820	23,246	0	2,525	52,827	95,794	95,794

2022
FINANCIAL INSTRUMENTS
PURSUANT TO IFRS 7 IN EUR THOUSAND

	Fair value hedge	Cash flow hedge	Mandatorily at fair value through profit or loss	Equity investments at fair value through OCI	At amortised cost	Not a financial instrument	Book value as of Dec. 31, 2022	Fair value as of Dec. 31, 2022
Assets								
Other non-current assets and financial assets	0	1,942	9,446	1,697	1,874	338	15,297	15,297
Trade receivables	0	0	0	0	166,810	0	166,810	166,810
Current tax assets	0	0	0	0	0	1,880	1,880	1,880
Other current assets	13,834	7,299	12,648	0	21,655	24,029	79,465	79,465
Contract assets	0	0	0	0	2,418	0	2,418	2,418
Cash and cash equivalents	0	0	0	0	285,672	0	285,672	285,672
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	510,938	0	510,938	476,875
Non-current lease liabilities	0	0	0	0	4,830	0	4,830	4,830
Other non-current liabilities and grants	0	26,268	84	0	1,098	45,870	73,320	73,320
Interest-bearing current financial liabilities (without leases)	0	0	0	0	162,047	0	162,047	157,257
Current lease liabilities	0	0	0	0	1,204	0	1,204	1,204
Trade payables	0	0	0	0	112,313	0	112,313	112,313
Current tax liabilities	0	0	0	0	0	76	76	76
Other current liabilities and grants	120	14,377	22,381	0	5,214	60,072	102,164	102,164

Cash and cash equivalents, financial instruments, and trade receivables and other assets generally have short terms. For this reason, the carrying amounts for these items are approximately the same as the respective fair value. Financial instruments not categorised in accordance with IFRS 7 include financial assets and liabilities measured at fair value as well as those recognised at amortised cost.

In general, trade payables and other current liabilities have terms of less than one year, and the recognised values are approximations of their respective fair value. The fair values of bank borrowings and other financial liabilities are calculated as the present values of the related payments on the basis of the respective yield curve, taking account of the Group's credit risk exposure.

The derivatives are divided into the following categories in accordance with IFRS 9:

**DERIVATIVES WITH
POSITIVE FAIR VALUE**

IN EUR THOUSAND

	2023		2022	
	Long-term	Short-term	Long-term	Short-term
Derivatives mandatorily at fair value through profit or loss	24	31,153	6	12,648
Fair value hedge derivatives	0	0	0	13,834
Cash flow hedge derivatives	8,969	8,358	1,942	7,299
TOTAL	8,993	39,511	1,948	33,781

**DERIVATIVES WITH
NEGATIVE FAIR VALUE**

IN EUR THOUSAND

	2023		2022	
	Long-term	Short-term	Long-term	Short-term
Derivatives mandatorily at fair value through profit or loss	15	23,246	84	22,381
Fair value hedge derivatives	0	12,376	0	120
Cash flow hedge derivatives	11,986	4,820	26,268	14,377
TOTAL	12,001	40,442	26,352	36,877

Derivatives with positive fair values are reported on the balance sheet under the other assets item, and derivatives with negative fair values are reported under other liabilities and grants.

Net gains and losses by measurement categories

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS IN EUR THOUSAND	2023	2022
Hedging instruments mandatorily at fair value through profit or loss	1,934	-5,851
Fair value through other comprehensive income	259	338
Liabilities at amortised costs	-2,233	7,087
	-41	1,574

The net profit/loss from financial instruments includes dividends received, but not profit attributable to non-controlling interests, or interest expense and interest received. Impairment losses and reversals of impairment losses, foreign exchange gains and losses, gains and losses on disposals, and other changes in the fair values of financial instruments recognised in profit or loss are included in the calculation of net profit/loss from financial instruments.

Gains and losses from derivative financial instruments used to hedge operating risk, which are offset by expenses under raw material and consumables and by revenue, are not included in net profit/loss from financial instruments.

The measurement categories are as follows:

	2023				2022			
MEASUREMENT CATEGORIES IN EUR THOUSAND	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Other non-current assets and financial assets	9,994	8,993	1,699	20,687	9,440	1,948	1,697	13,085
Other current assets	0	39,511	0	39,511	0	33,781	0	33,781
LIABILITIES								
Interest-bearing non-current financial liabilities	0	427,740	0	427,740	0	476,875	0	476,875
Other non-current liabilities and grants	0	6,688	5,313	12,001	0	4,485	21,867	26,352
Interest-bearing current financial liabilities	0	74,683	0	74,683	0	157,257	0	157,257
Other current liabilities and grants	0	40,442	0	40,442	0	36,545	332	36,877

The Group applies the following hierarchy to determine and report the fair value of financial instruments for each valuation:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities. This relates in its entirety to an investment fund.

Level 2: Methods in which all inputs that have a material effect on the reported fair value are directly or indirectly observable. The transactions outlined below are recognised at this level:

Forward currency transactions:

In forward currency transactions, a specified amount of a certain currency is exchanged for an amount in another currency at an agreed exchange rate on a particular date. Both of the cash flows arising at the maturity date are recognised at present value on the basis of the yield curve for each transaction currency. The present value of the forward currency transaction comprises the difference between the two cash flows discounted to their present value and translated into the reporting currency applying the exchange rates. The exchange rates and the yield curve are applied as inputs.

Interest rate swap:

Interest rate swaps involve the exchange of a floating interest rate for a fixed rate. Measurement entails calculating the present value of the variable interest payments and the present value of the fixed interest payments. The present value of the interest rate swap is the difference of the two cash flows discounted to present value over the term of the transaction. The inputs comprise 3-month Euribor and the yield curve.

Commodity futures:

The value of these futures is the difference between the contract price and the aluminium price quoted on the London Metal Exchange (LME) at the maturity date of the transaction. The inputs are the closing price of aluminium price as quoted on the LME, including the term structure, as well as the currency forward structure curve (USD to EUR).

Commodity options:

The Black-Scholes model is applied in the valuation of commodity options. The key inputs are the closing price of aluminium price as quoted on the London Metal Exchange (LME), including the term structure, the currency forward structure curve (USD to EUR), and aluminium price volatility data.

Alumina and premium derivatives:

The valuation of the alumina and premium business derives from the difference between the contract price and the final quotation of the alumina or premium price according to the broker on the respective due date of the transaction. The closing prices of the alumina or premium price according to the broker and the currency forward structure curve (USD to EUR) are applied as inputs.

Forward contracts for natural gas:

The valuation of the forward contracts reflects the difference between the contract price and the closing quotation of the natural gas price (THE EEX Base) as of the respective due date of the transaction. The closing price on the stock exchange is used as the input.

Level 3: Methods based on inputs that have a material effect on fair value and are not based on observable market data.

The measurement of the participating interests was not based on observable data, but instead on company estimates, and is consequently allocated to Level 3.

Assets measured at a fair value determined in accordance with Level 3 in the course of a subsequent measurement relate to the embedded derivative included in the electricity supply agreement for the Alouette smelter.

Electricity contract concluded by Aluminerie Alouette Inc. (embedded derivative):

Alouette has an electricity contract with a state-owned utility that directly ties the rate to be paid by Alouette to the market price of aluminium under a contractual pricing formula.

The contract contains an embedded derivative due to the dependency of the electricity price on the aluminium price. This derivative is designated as a hedging instrument as part of cash flow hedges. The fair value of the derivative is measured on the basis of a model. Given the monopolistic electricity market in Canada, no liquid electricity market exists in the conventional sense (a mark-to-market price is not directly observable). A forward price model is consequently employed to value the derivative, applying an electricity reference price, related yield curves, forward aluminium prices and forward foreign currency exchange rates.

In order to obtain a market-based valuation of the contract, the present value of future electricity payments is subsequently calculated applying forward aluminium prices plus a premium (Midwest premium) based on the expected term of the electricity contract and compared with the present value of future electricity payments based on Alouette's reference electricity price taking into consideration USD to CAD forward structures. The difference calculated in this manner provides a model-based valuation of the embedded derivative.

The derivative's positive fair value on initial measurement was classified as a public subsidy (from the Government of Québec), and reported under other non-current and current liabilities accordingly. The subsidy is released through profit or loss in line with the expenses as expected according to the terms in the contract.

The fair value of the embedded derivative in the electricity purchasing contract of Aluminerie Alouette Inc. is based on Level 3 fair value measurement. The change in the value of the embedded derivative is shown below:

DEVELOPMENT OF EMBEDDED DERIVATIVE IN EUR THOUSAND	2023	2022
As of Jan. 1	-22,199	23,123
Currency translation differences	350	1,996
Changes in fair value	24,076	-54,180
Recycling	-4,259	6,862
AS OF DEC. 31	-2,031	-22,199
thereof current	3,283	-332

The impact of a change in the aluminium price on measurement is outlined below:

SENSITIVITY IN EUR THOUSAND	2023		2022	
	+10 %	-10 %	+10 %	-10 %
Other non-current assets and financial assets	-27,597	27,597	-32,864	32,864
Other current assets	-4,977	4,977	-5,079	5,079

The effect of a change in the derivative's term on the measurement is presented below:

SENSITIVITY IN EUR THOUSAND	2023	2022
	1 year shorter	1 year shorter
Other non-current assets and financial assets	-1,715	-4,730

L CONTINGENT LIABILITIES AND GUARANTEES

Legal proceedings

As at the end of the reporting period, no legal proceedings were pending that represented risks beyond those arising from normal business operations. In addition, the Group was unaware as of the reporting date of any legally relevant circumstances which could lead to the instigation of such proceedings.

Supplementary information

SECURITIES AND GUARANTEES 2023 IN EUR THOUSAND	2023	2022
Securities and guarantees	2,364	3,717
	2,364	3,717

The securities and guarantees mainly relate to bank guarantees for public institutions (EUR 582 thousand, previous year: EUR 1,947 thousand). A provision of EUR 3,410 thousand (previous year: EUR 2,437 thousand) has been formed for the same matter.

Contingent liabilities are not shown on the balance sheet, apart from those recognised in accordance with IFRS 3 (details are included in section F Accounting judgements and estimates). They are disclosed when the possibility of an outflow of resources embodying economic benefits cannot be excluded, but the criteria for the recognition of a provision are not met.

Contingent assets are disclosed in the consolidated financial statements only if an inflow of resources embodying economic benefits is probable. No contingent receivables exist at present.

M RELATED PARTY DISCLOSURES

All of the transactions under this item occur on an arm's length basis.

The following remuneration was granted to members of the Supervisory and Management boards, and to managing directors:

REMUNERATION 2023 IN EUR THOUSAND	Supervisory Board members	Management Board members	Directors	Total
Benefits	980	3,344	3,388	7,712
Post-employment benefits	0	0	436	436
	980	3,344	3,824	8,148

REMUNERATION 2022 IN EUR THOUSAND	Supervisory Board members	Management Board members	Directors	Total
Benefits	638	3,880	3,261	7,779
Post-employment benefits	0	184	78	261
	638	4,064	3,339	8,041

Management Board compensation owing, including expenses for pensions and severance benefits, stood at EUR 5,144 thousand in the financial year (previous year: EUR 4,769 thousand). An amount of EUR 3,344 thousand was expensed in the financial year under review (previous year: EUR 4,064 thousand).

The Management Board contracts include a long-term performance-based component. The long-term variable performance bonus is calculated for each Management Board member until the end of the respective contract term. It is based mainly on the future trend in the value of the company's equity. Provisions of EUR 621 thousand (previous year: EUR 2,385 thousand) plus incidental salary costs of

EUR 45 thousand (previous year: EUR 173 thousand) were formed in other current liabilities in the financial year under review for these long-term variable bonuses of the Management Board, which depend on future developments and the realisation of key figures. Due to the early departure of a Management Board member, EUR 568 thousand plus ancillary salary costs of EUR 41 thousand in non-current liabilities were released.

No loans have been extended to Management and Supervisory Board members, and no guarantees have been given on their behalf. No other transactions – and, in particular, no purchase contracts involving assets of significant value – have been entered into with related parties.

Supplier relationships

SUPPLY RELATIONSHIP 2023 IN EUR THOUSAND	RLB Ober- österreich AG	Spedi- tionsservice Ranshofen Ges.m.b.H.	Others	Total
Received	651	21,347	1,347	23,345
Provided	0	423	13	436
Status of receivables	13,318	22	0	13,340
Status of payables	29,147	1,317	35	30,500

SUPPLY RELATIONSHIP 2022 IN EUR THOUSAND	RLB Ober- österreich AG	Spedi- tionsservice Ranshofen Ges.m.b.H.	Others	Total
Received	277	20,191	752	21,220
Provided	0	326	1	327
Status of receivables	108	49	0	158
Status of payables	25,129	1,308	75	26,512

The services purchased at Speditionsservice Ranshofen Ges.m.b.H. relate to freight and forwarding services. The rendered services concern rentals of operating buildings. The services procured at RLB Oberösterreich AG derive from interest payments and commissions for loans granted. Furthermore, committed credit lines of RLB Oberösterreich exist in an amount of EUR 30,000 thousand (previous year: EUR 30,000 thousand).

From January 1, 2012 to December 31, 2021, AMAG Austria Metall AG was the parent company of a corporate group pursuant to Section 9 (1) of the Austrian Corporation Tax Act (KStG) 1988. As of January 1, 2012 with the group member AMAG Erste Beteiligungsverwaltungs GmbH, as of the beginning of the 2018 financial and calendar year with the further group members Austria Metall GmbH, AMAG casting GmbH, AMAG metal GmbH, AMAG rolling GmbH and AMAG service GmbH, and as of the beginning of the 2019 financial year with the further group member coILDNA GmbH. The tax offsetting was regulated in the Group and Tax Offsetting Agreement dated December 10, 2012. A transfer was payable to the group parent company in the amount corresponding to a tax that would be payable in the absence of a corporate group. In any case, a group transfer equivalent to the minimum corporation tax had to be paid. Records of tax losses and minimum corporation taxes were kept for offsetting against future taxable profits. By agreement dated May 4, 2022, the corporate group with the group parent company AMAG Austria Metall AG was discontinued at the end of the 2021 calendar and financial year.

With the Group and Tax Offsetting Agreement dated May 4, 2022, AMAG Austria Metall AG joined the corporate group as a group member in the meaning of Section 9 (1) KStG 1988 with group parent company B&C Holding Österreich GmbH. The grouping between B&C Holding Österreich GmbH and AMAG Austria Metall AG occurs for the first time for the group member's 2022 fiscal year. Pursuant to the agreement, AMAG Austria Metall AG and AMAG companies that are included in the group form the AMAG tax group.

The AMAG tax group's combined tax result, which is to be determined by taking into consideration the special regulations for tax groups, is relevant for determining the tax transfer of AMAG Austria Metall AG to the group parent. The regulations concerning the limitation of the tax deductibility of interest expenses pursuant to Section 12a KStG must be taken into consideration. In determining the tax transfer, the corporation tax rate applicable for the respective fiscal year is applicable. Domestic or foreign withholding taxes of AMAG tax group companies that are effectively deductible against the tax liability relating to the overall group result at the group parent company, and that are passed on to the group parent company, reduce the tax allocation, or in certain cases are settled. The tax transfer is reduced if the group parent company can offset tax loss carryforwards or tax losses caused by the group parent company against the allocated taxable profit of the AMAG tax group. The principle of

equal treatment of all group members and the group parent applies to the assessment of the possibility to offset losses and/or loss carryforwards. If the AMAG tax group incurs a tax loss or a loss that cannot be offset for tax purposes in a given fiscal year, this loss is recorded and offset against future taxable profits. At least an amount corresponding to the sum of the minimum taxes for all corporations subject to unlimited tax liability in Austria that are included in the AMAG tax group must be paid to the group parent company as a tax transfer. The minimum tax transfer is recorded and offset against future tax transfers. Upon termination of the agreement, losses and minimum tax transfers that have not yet been offset are to be settled appropriately by the group parent company in the form of a compensation payment. The same applies to interest and EBITDA carryforwards that have not yet been offset.

For the AMAG tax group, a separate tax allocation agreement was concluded on May 4, 2022, with effect from January 1, 2022, between AMAG Austria Metall AG and AMAG companies included in the group. If in a fiscal year a company in the AMAG tax group achieves a taxable profit as determined in accordance with the regulations of the Austrian Corporation Tax Act (KStG), this company is obligated to pay a tax transfer to AMAG Austria Metall AG equivalent to the corporation tax (notionally) attributable to this profit. The tax transfer is owed irrespective of whether or in what amount AMAG Austria Metall AG is required to pay a tax transfer to the group parent. Deductible domestic or foreign withholding taxes of a company of the AMAG tax group that are passed on to the group parent company reduce this company's tax transfer, or in certain cases are to be refunded. If a company in the AMAG tax group incurs a loss determined in accordance with the provisions of the Austrian Corporation Tax Act (KStG), this company receives a credit from AMAG Austria Metall AG equivalent to the corporation tax relief (notionally) attributable to this loss. The credit note is issued irrespective of whether or in what amount a credit note is paid to AMAG Austria Metall AG by the group parent company. A notional minimum corporation tax amount is not deducted from the credit amount. Insofar as the AMAG tax group's result is negative, no credit is issued for allocated losses. The credit is recovered as soon as AMAG Austria Metall AG for its part is able to utilise the losses of the group members of the AMAG tax group. In determining the tax transfer, the corporation tax rate applicable for the respective fiscal year is applicable.

N SUPPLEMENTARY INFORMATION

Events after the balance sheet date

No events that require reporting occurred after the balance sheet date.

O APPROVAL

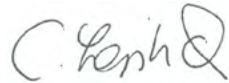
The Management Board approved the consolidated financial statements on February 5, 2024 (previous year: February 6, 2023), and released them for review by the Supervisory Board, for submission to the AGM, and for subsequent publication. The Supervisory Board can institute an amendment to the financial statements as part of the review incumbent upon it.

Ranshofen, February 5, 2024

The Management Board



Priv. Doz. Dipl.-Ing.
Dr. Helmut Kaufmann,
Chief Executive Officer,
Chief Operating Officer



Mag.^a Claudia Trampitsch,
Chief Financial Officer



Victor Breguncci, MBA
Chief Sales Officer

INFORMATION

Group management report

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DECLARATION OF THE MANAGEMENT BOARD UNDER SECTION 124 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT (BORSEG 2018)

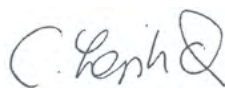
The Management Board hereby declares that to the best of its knowledge the consolidated annual financial statements of AMAG Austria Metall AG, prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's financial position and performance. Likewise, the Group management report as far as possible gives a true and fair view of the AMAG Group's financial position and performance, provides information on the course of business, results and position of the Group, and describes the risks and uncertainties to which the Group is exposed.

Ranshofen, February 5, 2024

The Management Board



Priv.-Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Executive Officer,
Chief Operating Officer



Mag.ª Claudia Trampitsch
Chief Financial Officer



Victor Breguncci, MBA
Chief Sales Officer

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of AMAG Austria Metall AG, Ranshofen, and its subsidiaries (the Group), consisting of the consolidated balance sheet as of December 31, 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the financial year ending on this reporting date, as well as the notes to the consolidated financial statements.

Based on the results of our audit, in our opinion the attached consolidated financial statements conform with legal regulations, and present a true and fair view of the Group's financial position as of December 31, 2023, as well as of its financial performance and cash flows for the financial year ending as of this date, in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU, and the additional requirements of Section 245a of the Austrian Commercial Code (UGB).

BASIS FOR THE AUDIT OPINION

We conducted our audit in accordance with the EU Regulation No. 537/2014 (hereinafter referred to as the "EU Regulation") and with the Austrian generally accepted auditing principles. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities in accordance with such regulations and standards are described in greater detail in the section entitled "Auditor's responsibilities for the auditing of the consolidated financial statements". We are independent of the Group in accordance with Austrian corporation law and professional law regulations, and we have fulfilled our other professional duties in accordance with these requirements. We believe that the audit evidence that has been obtained until the date of this audit opinion is sufficient and appropriate to provide a sound basis for our audit opinion as of this date.

PARTICULARLY IMPORTANT AUDIT MATTERS

Particularly important audit matters comprise such matters that according to our best judgement were the most important for our audit of the consolidated financial statements for the financial year under review. These matters were taken into consideration in connection with our audit of the consolidated financial statements as a whole, and when forming our audit opinion on these financial statements, and we do not issue a separate audit opinion on these matters.

Below, we present the audit matter we consider particularly important:

Power supply contract concluded by Aluminerie Alouette Inc.

Description:

In October 2016, Aluminerie Alouette Inc., Canada, ("AAI") – according to IFRS 11, a joint arrangement to be included proportionally in the consolidated financial statements of AMAG Austria Metall AG – concluded a power supply contract with the state electricity supplier, where the agreed electricity price is tied to the LME market price of aluminium. Based on this link, the electricity supply contract includes an embedded derivative, which is to be recognised separately. The embedded derivative was designated as a hedging instrument for future primary aluminium sales, representing the underlying transaction in a cash flow hedge. As of the date when the contract was concluded, the derivative's fair value also constitutes a government grant.

The derivative has a negative value of EUR 2.0 million as of the balance sheet date on December 31, 2023. In the consolidated financial statements of AMAG Austria Metall AG as of December 31, 2023, the derivative is included in the amount of EUR 3.3 million in the item "Other current assets" and in the amount of EUR 5.3 million in the item "Other non-current liabilities and grants". The total amount recognised on the balance sheet for the government grant is EUR 40.7 million and is reported under "Other non-current liabilities and grants" in an amount of EUR 30.2 million and under "Other current liabilities and grants" in an amount of EUR 10.5 million.

The assessment of this matter requires significant assumptions and estimates by the management concerning the related valuation, as the embedded derivative reflects various value-determining risk factors and valuation parameters. The company continues to measure the derivative's fair value applying a forward price model. An electricity reference price, corresponding yield curves and the forward prices of aluminium and foreign currencies are utilised.

In this context, a further significant factor is the assessment of the power supply contract's expected term, whereby the company assumes that the power supply contract will be valid until the end of the contractual term (December 31, 2029).

The corresponding information from the company is contained in the notes to the consolidated financial statements in sections "E Accounting policies", "F Accounting judgements and estimates", "H07 Other current assets", "H14 Other liabilities and grants" and "K Financial instruments".

How we addressed this matter as part of the audit:

We critically scrutinised the management's assumptions and estimates, which included conducting the following audit actions:

- › Assessing the extent to which the hedge's risk management objective is consistent with AMAG's risk management strategy, and whether changes have arisen during the financial year under review;
- › Evaluating the process for the management's assessment of the expected (still valid) term of the power contract;
- › Auditing the arithmetical correctness of the forward price model and appraisal of the valuation parameters applied;
- › Auditing the correct presentation in the IFRS consolidated financial statements.

OTHER INFORMATION

The legal representatives are responsible for the other information. Other information includes all information in the 2023 Annual Report apart from the consolidated financial statements, the Group management report and the audit opinion.

Our audit opinion in relation to the consolidated financial statements does not extend to such other information, and we do not issue any type of assurance in this context.

In connection with our audit of the consolidated financial statements, we have a responsibility to read this other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be misstated.

If, based on the work we perform, we conclude that a material misstatement of that other information has arisen, we are required to report that fact. We have nothing to report in this connection.

RESPONSIBILITIES OF THE LEGAL REPRESENTATIVES AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The legal representatives are responsible for the preparation of the consolidated financial statements, and for the fact that, in accordance with IFRS as applicable in the EU and the additional requirements of Section 245a UGB, they convey to the greatest possible extent a true and fair view of the Group's financial position and performance. Moreover, the legal representatives are responsible for the internal controls they deem necessary to enable consolidated financial statements to be prepared that are free of material misstatement, whether intended or unintended.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's capacity to continue as a going concern, for stating matters connected with the Group as a going concern – where relevant – as well as for applying the going concern accounting principle, unless the legal representatives intend to either liquidate the Group or discontinue the company's operations or have no realistic alternative to such options.

The Audit Committee is responsible for monitoring the Group financial accounting process.

AUDITOR'S RESPONSIBILITIES FOR AUDITING THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to gain sufficient certainty as to whether the consolidated financial statements as a whole are free of material misstatement, whether intended or unintended, and to issue an audit certificate containing our audit opinion. Sufficient certainty refers to a high degree of certainty, but provides no guarantee that an audit of financial statements conducted in accordance with the EU Regulation and Austrian generally accepted auditing principles, and requiring the application of ISAs, always exposes a material misstatement if such a misstatement exists. Misstatements can arise from fraudulent actions or errors, and are deemed significant if they could reasonably be expected, either individually or in their entirety, to affect business decisions made by users on the basis of these consolidated financial statements.

As part of the auditing of financial statements in accordance with the EU Regulation and Austrian generally accepted auditing principles requiring the application of ISAs, we exercise due professional discretion during the entire audit and maintain a fundamentally critical stance.

The following also applies:

-
- › We identify and assess the risks of material – whether intended or unintended – misstatement in the consolidated financial statements, plan audit activities as a response to such risks, implement them, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinion. The risk that material misstatements arising from fraudulent actions remain undisclosed is greater than a risk arising from errors, as fraudulent actions can comprise fraudulent collaboration, falsifications, intentionally incomplete documentation, misleading presentations or the overriding of internal controls.
 - › We gain an understanding of the internal control system of relevance for the audit in order to plan audit actions that are appropriate in the given circumstances, although not with the aim of issuing an audit opinion on the efficacy of the Group's internal control system.
 - › We evaluate the appropriateness of the accounting policies applied by the legal representatives, as well as the justifiability of the estimated figures the legal representatives present in the financial accounting and related disclosures.
 - › We draw conclusions about the suitability of the legal representatives' application of the going concern principle, as well as – based on the audit evidence obtained – whether significant uncertainty exists in connection with events or circumstances that can raise considerable doubts about the Group's capability as a going concern.
If we draw the conclusion that significant uncertainty exists, we are obligated to draw attention in our audit opinion to the related disclosures in the consolidated financial statements, or, if such disclosures are unsuitable, to amend our audit opinion. We draw our conclusions on the basis of audit evidence obtained up until the date of our audit opinion. Future events or circumstances, however, can result in the Group no longer comprising a going concern.
 - › We appraise the overall presentation, the structure and content of the consolidated financial statements, including the disclosures, as well as whether the consolidated financial statements reproduce the underlying business transactions and events in a manner that as far as possible presents a true and fair view.
 - › We obtain sufficient suitable audit evidence concerning the financial information of the units or operating activities within the Group in order to issue an audit opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the consolidated financial statements. We bear sole responsibility for our audit opinion.
-

We communicate with the Audit Committee, including concerning the planned scope and planned time allocation for the audit of the financial statements, as well as about important audit findings, including any significant defects in the internal control system that we identify during our audit.

We also issue a statement to the Audit Committee that we have complied with the relevant professional conduct requirements relating to independence, and communicate with it about all relationships and other matters where it could be reasonably assumed that they affect our independence and – where relevant – related protective measures.

Of those matters about which we communicated with the Audit Committee, we determine those that were most significant for the audit of the consolidated financial statements in the financial year under review, and consequently comprise particularly important audit matters. We describe such matters in our audit opinion, unless legislation and other legal regulations prevent the public disclosure of the matter, or we determine in extremely rare cases that a matter should not be communicated in our audit opinion because it is reasonably assumed that the negative consequences of such a communication would exceed its benefits for the public interest.

OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS

REPORT ON THE GROUP MANAGEMENT REPORT

Based on Austrian corporation law regulations, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with applicable legal requirements.

Our responsibility is to examine whether the consolidated non-financial statement included in the Group management report has been prepared, and to read it and, in doing so, to assess whether this other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be misstated.

The legal representatives are responsible for the preparation of the Group management report in accordance with Austrian corporation law regulations.

We conducted our audit in compliance with professional principles relating to the auditing of group management reports.

Opinion

In our opinion, the Group management report has been prepared in accordance with the applicable legal requirements, includes the appropriate disclosures pursuant to Section 243a UGB, and is consistent with the consolidated financial statements.

Statement

Given the findings from the audit of the consolidated financial statements and the understanding gained about the Group and its environment, no significant erroneous disclosures were found in the Group management report.

ADDITIONAL DISCLOSURES PURSUANT TO ARTICLE 10 OF THE EU REGULATION

We were elected as auditors by the Annual General Meeting on April 13, 2023 and appointed by the Supervisory Board on May 11, 2023 to audit the financial statements. We have been the auditors without interruption since the 2017 financial year.

We declare that the audit opinion in the section "Report on the consolidated financial statements" is consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Regulation.

We declare that we have not rendered any prohibited non-auditing services (Article 5 (1) of the EU Regulation) and that we have maintained our independence from the audited company in performing our audit of the financial statements.

AUDITOR RESPONSIBLE FOR THE MANDATE

Mr. Mag. Thomas Haerdtl is the certified public auditor responsible for the mandate to audit the financial statements.

Vienna, February 5, 2024

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Thomas Haerdtl m.p.
Certified Public Auditor

ppa Dr. Dominik Permanschlag m.p.
Certified Public Auditor

REPORT ON THE INDEPENDENT AUDIT OF THE NON-FINANCIAL REPORTING 2023

We performed the audit of the non-financial reporting 2023 prepared in accordance with the legal requirements pursuant to Section 267a UGB (Sustainability and Diversity Improvement Act [NaDiVeG]), as well as in accordance with the requirements pursuant to Article 8 of the EU Taxonomy Regulation as amended and the supplementary delegated regulations, and the GRI Standards 2021, in order to obtain limited assurance (hereinafter “audit”) of AMAG Austria Metall AG (hereinafter “AMAG”), Ranshofen.

The audit comprised the non-financial reporting 2023 as follows:

The section “Non-financial statement” in this Group management report relating to AMAG’s consolidated financial statements as of December 31, 2023, and the GRI Content Index in the annual report.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVES

The proper preparation of the non-financial reporting 2023 in accordance with Section 267a UGB,⁴² the requirements pursuant to Article 8 of the EU Taxonomy Regulation⁴³ and the GRI Standards⁴⁴ is the responsibility of the company’s management.

We have included in our files a declaration of completeness signed by the legal representatives.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion, based on our audit procedures and on the audit evidence we obtained, as to whether any matters have come to our attention that cause us to believe that the non-financial reporting 2023 has not been presented, in all material respects, in accordance with the regulations of Section 267a UGB (NaDiVeG), Article 8 of the EU Taxonomy Regulation, and the GRI Standards 2021.

⁴² <https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf>

⁴³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32021R2139> and <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2178&qid=1639643622790>

We conducted our audit in accordance with the International Federation of Accountants’ ISAE 3000 (Revised) standard.

These standards require us to comply with our professional duties, including independence requirements, and to plan and execute the engagement with due regard to the principle of materiality in such a way that we can express our opinion with limited assurance.

Our liability is limited in accordance with the “General Terms and Conditions of Contract for Public Accounting Professions”. Accordingly, the person entitled to exercise the profession shall be liable only for intentional and grossly negligent breaches of the obligations assumed. In the event of gross negligence, the maximum liability to the client and to any third parties shall amount to EUR 726,730.

Our audit procedures were designed so as to obtain limited assurance as a basis for our opinion. The scope of the audit procedures for obtaining audit evidence is less than that for reasonable assurance (such as an annual audit), and less assurance is available as a consequence.

The selection of audit procedures lies at the auditor’s discretion and included the following activities, in particular:

- › Obtaining a complete overview of the company’s activities and of its organisational structure and procedures;
- › Conducting interviews with company officers in order to understand relevant systems, processes and internal controls regarding the audited report contents, which support the gathering of information for reporting;
- › Reviewing the relevant documents at Group, Management Board and management level in order to assess awareness and priority of issues in reporting, and to understand how progress was monitored;
- › Surveying the risk management and governance processes in relation to sustainability and critical evaluation of the presentation in the non-financial reporting;
- › Performing analytical procedures at company level;
- › Moreover, we conducted random checks of individual disclosures in the non-financial reporting for 2023 at site level with regard to completeness, reliability, accuracy and timeliness;

⁴⁴ <https://www.globalreporting.org/standards>

- › Random testing of data and processes in order to determine whether they have been appropriately transferred, consolidated and reported at Group level. This included assessing whether the data were reported in an accurate, reliable and complete manner;
- › An assessment of reporting on key issues raised in stakeholder dialogues, reported on in external media, and referred to by key competitors in their environmental and social reports;
- › An evaluation of the company's internal materiality analysis including sector-specific megatrends as well as GRI aspects;
- › An assessment as to whether the requirements pursuant to Section 267a UGB were adequately addressed;
- › Random checks of the statements in the reporting based on the reporting principles of the GRI Standards;
- › An assessment of whether GRI standards have been applied in a compliant manner ("in accordance"); and
- › An assessment of whether the requirements pursuant to Article 8 of the EU Taxonomy Regulation as amended and the supplementary delegated regulations have been adequately addressed.

The object of our engagement was neither an audit of financial statements nor a review of historical financial information. We did not submit to any further audit the performance indicators and statements as well as information from the corporate governance report and risk reporting audited as part of the audit of the annual financial statements. We reviewed solely the GRI-compliant presentation of this information in the reporting. Similarly, neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust and regulatory offences, nor the assessment of the management's effectiveness and economic efficiency formed the subject of our engagement. Furthermore, figures taken from external studies, forward-looking statements and prior-year figures were not the subject of our engagement. The report examined the references listed in the GRI content index, but did not examine further (web) references.

In our view, the audit evidence we have obtained is sufficient and appropriate to provide a basis for our summary opinion.

SUMMARY ASSESSMENT

Based on our audit procedures and the evidence we obtained, no matters have come to our attention that cause us to believe that the non-financial reporting 2023 has not been presented, in all material respects, in accordance with the statutory regulations of Section 267a UGB (NaDiVeG), the requirements pursuant to Article 8 of the EU Taxonomy Regulation and the supplementary delegated regulations, and the GRI Standards 2021.

RESTRICTION OF USE

As our report is prepared solely on behalf of and in the interests of the client, it does not form the basis for any reliance by third parties on its content. For this reason, claims by third parties cannot be derived from this report. Accordingly, this report may not be forwarded to third parties, either in whole or in part, without our express consent.

ENGAGEMENT CONDITIONS

We submit this report on the basis of the contract concluded with you, which, including with effect in relation to third parties, is based on the General Conditions of Contract attached to this report.

Vienna, February 5, 2024

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Thomas Haerdtl

ppa. Susanna Gross, MA

AMAG Austria Metall AG has reported in accordance with the GRI standards for the period from January 1, 2023 to December 31, 2023.

GRI STANDARD	Disclosure	Page number	Chapter or section; comments	Reference to material topics
GRI 1 Foundation 2021				
GRI 2 General Disclosures 2021				
The organisation and its reporting practices				
2-1	Organisational details	5; 128	Company profile; Disclosures pursuant to section 243A (1) UGB	
2-2	Entities included in the organisation's sustainability reporting	8; 152	About this report; Consolidation principles	
2-3	Reporting period, frequency and contact point	7p.	About this report	
2-4	Restatements of information	8	About this report	
2-5	External assurance	7; 135	About this report; Supervisory Board Report	
Activities and workers				
2-6	Activities, value chain and other business relationships	5p., 47p., 59p., 63p., 102	Company profile, Company structure; Raw materials; Innovation; Customer relationships & consistent customer orientation, Revenue and earnings trends	Innovation; Customer relationships & consistent customer orientation; Raw materials
2-7	Employees	77p.	Working conditions & employment development	Working conditions & employment development
2-8	Workers who are not employees	75, 77	Working conditions & employment development	Working conditions & employment development
Governance				
2-9	Governance structure and composition	10p., 137pp.	Organisational anchoring of sustainability; Corporate Governance Report	
2-10	Nomination and selection of the highest governance body	138pp., 143	Corporate Governance Report	
2-11	Chair of the highest governance body	138pp.	Corporate Governance Report	
2-12	Role of the highest governance body in overseeing the management of impacts	10p., 16, 18; 139pp.	Organisational anchoring of sustainability; Stakeholder management; Materiality analysis, Corporate Governance Report	
2-13	Delegation of responsibility for managing impacts	10p.	Organisational anchoring of sustainability	
2-14	Role of the highest governance body in sustainability reporting	10p.	Organisational anchoring of sustainability	
2-15	Conflicts of interest	136	Corporate Governance Report	
2-16	Communication of critical concerns	10; 134; 136	Organisational anchoring of sustainability; Supervisory Board Report; Corporate Governance Report	
2-17	Collective knowledge of the highest governance body	10; 119; 134; 136; 141p.	Organisational anchoring of sustainability; Risk and opportunity report; Supervisory Board Report; Corporate Governance Report	
2-18	Evaluation of the performance of the highest governance body	89; 141	Compliance & transparency; Corporate Governance Report	Compliance & transparency

GRI STANDARD	Disclosure	Page number	Chapter or section; comments	Reference to material topics
2-19	Remuneration policies	142p.	Corporate Governance Report	
2-20	Process to determine remuneration	142	Corporate Governance Report	
2-21	Annual total compensation ratio	143	Corporate Governance Report	
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	9	Integrated corporate and sustainability strategy	
2-23	Policy commitments	11; 84pp.; 91pp.; 127	Organisational anchoring of sustainability; Compliance & transparency; Human rights & responsibility in the supply chain; Risk and opportunity report;	Compliance & transparency; Human rights & responsibility in the supply chain
2-24	Embedding policy commitments	84pp., 91pp.	Compliance & transparency; Human rights & responsibility in the supply chain	Compliance & transparency; Human rights & responsibility in the supply chain
2-25	Processes to remediate negative impacts	15, 21pp.	Risk management; List of key topics	
2-26	Mechanisms for seeking advice and raising concerns	87	Compliance & transparency	Compliance & transparency
2-27	Compliance with laws and regulations	46; 89	Handling incidents; Compliance & transparency;	Compliance & transparency
2-28	Membership in associations	14	Memberships in associations	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	16	Stakeholder management	
2-30	Collective bargaining agreements	77	Working conditions & employment development	Working conditions & employment development
GRI 3 Material Topics				
3-1	Process to determine material topics	18	Materiality analysis	
3-2	List of material topics	21pp.	List of key topics; Sustainability program	
3-3	Management of material topics	7, 11, 17, 21pp.,	About this report; Organisational anchoring of sustainability; Stakeholder management; List of key topics; 3-3 c-f are described in the respective chapters on the material topics	All topics
GRI 201 Economic performance 2016				
201-1	Direct economic value generated and distributed	145pp.	Consolidated financial statements	
GRI 202 Market presence 2016				
202-2	Proportion of senior management hired from the local community	82	Equal opportunities & diversity	Equal opportunities & diversity
GRI 204 Procurement practices 2016				
204-1	Proportion of spending on local suppliers	97	Regional value creation	Regional value creation
GRI 206 Anti-competitive behaviour 2016				
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	89	Compliance & transparency	Compliance & transparency

GRI STANDARD	Disclosure	Page number	Chapter or section; comments	Reference to material topics
GRI 301 Materials 2016				
301-2	Recycled input materials used	51, 54	Raw materials; Recycling	Raw materials; Recycling
GRI 302 Energy 2016				
302-1	Energy consumption within the organisation	38	Energy & emissions	Energy & emissions
302-3	Energy intensity	39	Energy & emissions	Energy & emissions
GRI 303 Water and Effluents 2018				
303-1	Interactions with water as a shared resource	42	Water	Water
303-2	Management of water discharge-related impacts	42	Water	Water
303-3	Water withdrawal	43	Water Information on withdrawal quantities in m³; no extraction from sources with water stress	Water
GRI 304 Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	44	Biodiversity	
GRI 305 Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	39	Energy & emissions	Energy & emissions
305-2	Energy indirect (Scope 2) GHG emissions	39	Energy & emissions	Energy & emissions
305-3	Other indirect (Scope 3) GHG emissions	40	Energy & emissions	Energy & emissions
305-4	GHG emissions intensity	40	Energy & emissions	Energy & emissions
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	40	Energy & emissions Annual averages were not calculated for sulphur oxide (SOx), persistent organic pollutants (POP), volatile organic compounds (VOC) and hazardous air pollutants (HAP); particulate matter (PM) is measured as total dust emissions	Energy & emissions
GRI 306 Waste 2020				
306-1	Waste generation and significant waste-related impacts	55p.	Waste	Waste
306-2	Management of significant waste-related impacts	55p.	Waste	Waste
306-3	Waste generated	56	Waste	Waste
306-4	Waste diverted from disposal	56	Waste	Waste
GRI 308 Supplier environmental assessment 2016				
308-1	New suppliers that were screened using environmental criteria	47, 49; 92	Raw materials; Human rights & responsibility in the supply chain	Raw materials; Human rights & responsibility in the supply chain

GRI STANDARD	Disclosure	Page number	Chapter or section; comments	Reference to material topics
GRI 401 Employment 2016				
401-1	New employee hires and employee turnover	78	Working conditions & employment development	Working conditions & employment development
GRI 402 Labor/management relations 2016				
402-1	Minimum notice periods regarding operational changes	75, 77	Working conditions & employment development	Working conditions & employment development
GRI 403 Occupational health and safety 2018				
403-1	Occupational health and safety management system	67pp.	Occupational health & safety	Occupational health & safety
403-2	Hazard identification, risk assessment, and incident investigation	67	Occupational health & safety	Occupational health & safety
403-3	Occupational health services	69	Occupational health & safety	Occupational health & safety
403-4	Worker participation, consultation, and communication on occupational health and safety	69	Occupational health & safety	Occupational health & safety
403-5	Worker training on occupational health and safety	70	Occupational health & safety	Occupational health & safety
403-6	Promotion of worker health	69	Occupational health & safety	Occupational health & safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68	Occupational health & safety	Occupational health & safety
403-8	Workers covered by an occupational health and safety management system	68p.	Occupational health & safety	Occupational health & safety
403-9	Work-related injuries	70p.	Occupational health & safety	Occupational health & safety
GRI 404 Training and education 2016				
404-1	Average hours of training per year per employee	73	Training & development	Training & development
404-3	Percentage of employees receiving regular performance and career development reviews	73	Training & development	Training & development
GRI 405 Diversity and equal opportunity 2016				
405-1	Diversity of governance bodies and employees	82; 138p., 143	Equal opportunities & diversity; Corporate Governance Report	Equal opportunities & diversity
GRI 406 Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	82	Equal opportunities & diversity	Equal opportunities & diversity

TECHNICAL GLOSSARY

Semi-finished aluminium:

Generic term used to describe aluminium products in the form of sheet, coils and sections, pipes, etc.

Alloy-to-alloy recycling:

Specific separation and sophisticated metal analysis that enables scrap (input materials) to be recycled, usually for manufacturing finished product alloys of identical analysis

Anode baking furnace:

Furnace used to produce anodes required for primary aluminium production

Heat-treatable plates:

Aluminium plates with increased hardness achieved through special thermal processing

Continuous solution annealing furnace for aluminium strip:

Continuous solution annealing furnace to adjust certain metallurgical properties of aluminium strip

Closed loop recycling:

Fabrication scrap from customers is returned and remelted, before being reprocessed into high-quality aluminium products

Digital twin:

Simulating production across the entire value chain by means of software tools

Electrolysis process:

Splitting a chemical compound under the impact of an electric current

Collection point:

Production site where scrap from cans, foils, wheel rims, window frames, chips and engine blocks etc, is collected, classified, sorted by type to the highest possible accuracy, and stored for recycling purposes

Manufacturing of rolling ingots:

Manufacturing of ingots intended for rolling that are vertically cast in the ingot casthouse

Homogenisation furnace:

Type of furnace used in the casthouse to produce a homogenised microstructure prior to subsequent hot rolling

Horizontal heat-treatment furnace:

Non-continuous, multizone furnace in the rolling mill, utilised for solution annealing of heat-treatable plates

Cathode sheet:

Metallic zinc deposits on pure aluminium sheets that are placed in an electrolysis tank containing zinc solvent in a sulphuric solution

LIBS scrap sorting plant:

Sorting plant for mixed scrap that can be sorted accurately into several material classes by means of laser technology.

Clad brazing sheet:

Composite material consisting of a core aluminium alloy and a cladding layer of a brazing alloy with a lower melting point (for use in coolers and heat exchangers)

Cast ingots:

Aluminium or aluminium alloy ingots cast in moulds for re-melting in aluminium foundries (die casting, mould casting, sand casting)

Hot rolling simulation:

Computer simulation of hot rolling to make predictions about the final product prior to the actual rolling process

Passivation:

The oxide layer of the aluminium is replaced by an artificial barrier layer, providing a good surface for adhesively bonded joints

Primary aluminium:

Aluminium produced from alumina using electric power, petroleum coke, pitch and other raw materials

Precision cast plates:

Aluminium precision plates cut from rolling slabs and precision-milled on both sides

Stretcher:

Stretchers are used to remove unevenness from sheets, coils and plates, and to reduce the material's residual stress

Rolling slab:

Vertically cast ingots for use in rolling mills

Secondary aluminium:

Aluminium alloy obtained from recycled aluminium scrap

Smart Factory:

Production environment where manufacturing plants and logistics systems largely organise themselves without human intervention

Sows:

Ordinary cast form for aluminium, suited for remelting

Special rolled products:

Rolled products that are distinguished from standard products through a combination of specific properties (e.g. bright sheet)

Rolling:

A forming process. If materials are formed at temperatures above their recrystallisation temperature, the process is referred to as hot rolling, otherwise as cold rolling

Two-piece ingots and horizontal direct chill cast ingots:

Two-piece ingots and horizontal direct chill cast ingots: Ingots produced in two-part or horizontally continuous casting lines

FINANCIAL GLOSSARY

ATX prime:

Benchmark index of the Vienna Stock Exchange that includes all stocks in the prime market segment

Backwardation:

A situation in a futures market where the spot price is higher than the futures price

Market capitalisation:

Calculated by multiplying the number of a company's shares in issue by their current share price on the stock market

Capital employed:

The total of average equity and average net debt (long-term and short-term interest-bearing financial liabilities less liquid assets and short-term securities)

Cash flow:

Financial parameter indicating the net cash received over a period of time; an indicator of a company's solvency

Compliance:

Compliance with laws and directives as well as voluntary codes

Contango:

A situation in a futures market where the spot price is lower than the forward price

Corporate governance:

Rules of behaviour for responsible management and controlling of companies, as set out in the Austrian Corporate Governance Code; compliance with this code is voluntary

Corporate Social Responsibility (CSR):

Term referring to voluntary initiatives implemented with a view to promoting sustainable corporate governance that extends above and beyond statutory requirements, and reflects all stakeholders' interests

Coverage:

Regular reporting by analysts about a company's development

D&O: Directors & Officers:

Legally liable members of company boards such as the management or supervisory board of a public limited company, or corporate officers and directors in a limited liability corporation

Derivative financial instruments:

Financial instruments whose prices are based on other investments' actual or expected prices

Dividend yield:

Ratio between a company's dividend and its share price, expressed in percent; shows the return on invested capital per share

EBIT (earnings before interest and taxes):

A measure of operating income after taking depreciation and amortisation into account

EBITDA (earnings before interest, taxes, depreciation and amortisation):

A measure of cash operating income

EBT (earnings before taxes):

A measure of profit before the application of tax

Equity ratio:

Ratio between equity and total assets

Employer branding:

Corporate strategic measure utilising marketing concepts to present a company as an attractive employer overall and to establish a positive distinction from other employment market competitors

Profit attributable to non-controlling interests:

Portion of net income attributable to non-controlling interests. If the amount is positive, a pro rata share of the consolidated subsidiary's net loss is added to consolidated profit

Earnings per share:

Derived by dividing consolidated net profit or loss by the weighted average number of shares in issue

Total shareholder return:

Derived by adding together the dividend paid for a financial year and the share price appreciation realised during the year

Gearing:

Ratio of net debt (non-current and current interest-bearing borrowings less cash and cash equivalents, and non-current and current securities) to equity

Hedging:

Financial risk management measures to limit or avoid the negative impact of market price changes in the areas of interest rates, currencies, asset values or commodities

ISIN (International Security Identification Number):

A reference number for securities

Price/earnings ratio (PER):

Ratio to value a share on the stock market; ratio between the current share price and earnings per share

London Metal Exchange (LME):

One of the world's largest metals trading exchanges for spot and forward transactions

Management letter:

A document addressed to a management board with recommendations for potential improvements at the company, published by an independent auditor as part of a legally prescribed auditors' report and opinion

NOPAT (net operating profit after taxes):

Net income after taxes adjusted to reflect the net interest result and related tax (tax effect deriving from the net financial result)

ROCE (return on capital employed):

NOPAT divided by average capital employed = profitability of capital employed

ROE (return on equity):

Ratio between net income after taxes and average equity, expressed as a percentage. It shows the profitability in relation to average equity employed in the course of the financial year

Small and mid caps:

Listed companies with small or medium market capitalisations

Stakeholder:

Person with a vested interest in the conduct of a company (e.g. a shareholder, employee, customer or supplier); the stakeholder value approach assesses the company in its overall socioeconomic context with a view to reconciling the needs of the various stakeholder groups

Treasury:

Corporate department responsible for finance, market risk management and cash management

Working capital:

Comprises the balance sheet items “inventories” and “trade receivables” less “trade payables”

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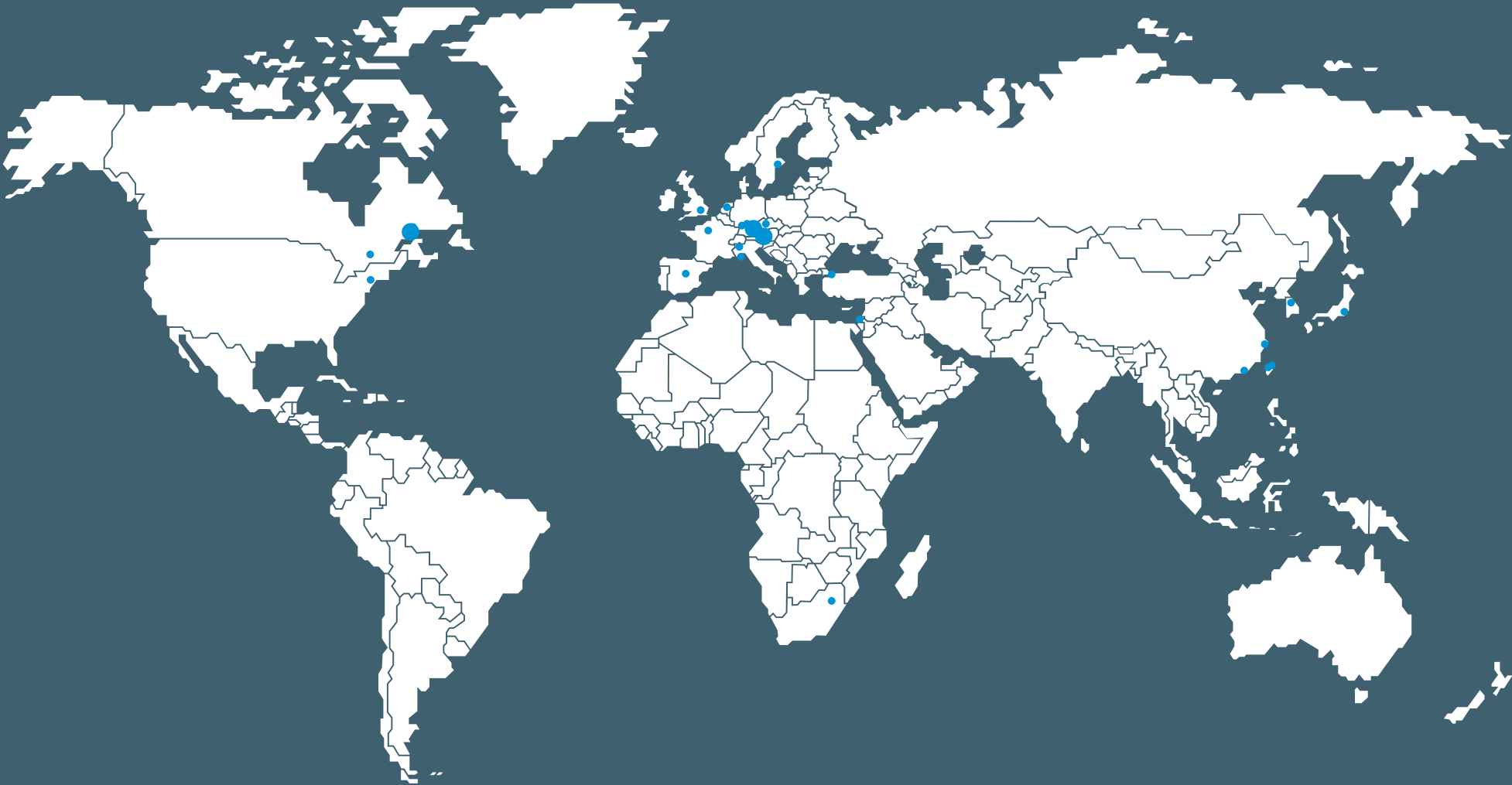
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