# Internal control system

## Objective

The internal control system (ICS) at Aurubis comprises the principles, processes and measures to ensure the effectiveness and efficiency of our business activities, the correctness and reliability of our reporting, and compliance with the legal regulations that apply to the company.

Moreover, the ICS serves to identify risks that could result from potential statutory violations and/or that could endanger the company's assets or objectives. It is also an information system that supports the management and stakeholders in fulfilling their duties.

As such the ICS contributes to the following targets:

- Safeguard the effectiveness and profitability of our business activities (this includes asset protection, along with preventing and detecting financial losses)
- Ensure the correctness and reliability of our accounting (internal control and risk management system related to the Group accounting process)
- Comply with the legal provisions applicable to the Aurubis Group as well as our internal Group standards

The ICS has been established as a fixed component of our central and decentral internal control and monitoring processes. It also includes a compliance management system, which reflects the company's risk situation (see G1-1 in the (Group) Sustainability Statement).

The ICS is documented in a corporate policy and aligns with the principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the Three Lines Model of the Institute of Internal Auditors.

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### Responsibility, risk assessment, and control catalogue

The Aurubis AG Executive Board bears overall responsibility for the ICS and ensures the appropriate tone from the top, and tone at the top, with targeted messages and an extensive catalogue of corporate policies. The ICS & Risk Management corporate function, which reports directly to the CFO, supports the Executive Board with this by providing (critical) reviews of the sites and the corporate functions, systematically developing the ICS further, and organizing the respective reporting formats.

The ICS & Risk Management function carries out an annual analysis to identify the risks for the main reporting entities, key business processes, and significant value drivers relevant for the ICS. Building on this foundation, the existing control catalogue is analyzed to determine whether it seems suitable for reducing these risks or if additional or supplementary controls should be introduced. These controls include authorization concepts, access and entry restrictions, the separation of functions, completeness and validity checks, and monitoring limits. The sites, business areas, and central functions established in the risk analysis are responsible for the implementation, execution and effectiveness of the controls and for decentralized regulations and directives. The respective organizational entities have appointed ICS officers for decentralized coordination of these duties. Software-supported reporting on the deployed controls is issued quarterly from the bottom up. The ICS & Risk Management function is responsible for both this reporting process and the corresponding reporting to the Executive Board and the Supervisory Board's Audit Committee.

### Monitoring

The ICS is subject to regular process-integrated and process-independent monitoring.

The effectiveness of the controls implemented in the processes is reviewed in the quarterly reporting process using the dual-control principle within the responsible division or across departments, depending on the design of the control (process-integrated monitoring).

To reinforce process-independent monitoring, we hired a large auditing firm to conduct an ICS system assessment for the Aurubis AG central functions during the past fiscal year. Most of the indications and recommendations for improvement from this assessment have already been incorporated into the processes described above under “Responsibility, risk assessment, and control catalogue”. However, this also means that we will be undertaking additional improvements in the next fiscal year, including further refining our control catalogue and obtaining confirmations from the responsible managers of the sites, business areas, and central functions regarding the effectiveness of their respective local internal control systems. These confirmations will be a crucial element for evaluating the effectiveness of the ICS from the Group perspective.

Another improvement is that we will continue intensifying Internal Audit's monitoring of the effectiveness of our ICS in the future. Internal Audit will thus be contributing to the correctness and improvement of business processes as well as — in addition to the process-integrated monitoring described above — to the effectiveness of installed controls.

The Audit Committee also regularly assesses the effectiveness of the ICS. Together with the Executive Board, Internal Audit and the Group Compliance and ICS & Risk Management corporate functions regularly inform the committee about current developments.

## Internal control and risk management system relating to the Group accounting process

(Report pursuant to Section 289 (4) and Section 315 (4) of the German Commercial Code (HGB))

The objective of the internal control system (ICS) for the accounting process is to ensure that

- Financial statements are prepared in compliance with regulations
- Accounting procedures are reliable and performed correctly
- Business transactions are thoroughly recorded in a timely manner as prescribed by law and the Articles of Association
- Legal norms and internal guidelines on accounting are observed

### Process and responsibility

As the parent company, Aurubis AG prepares the Aurubis Group's consolidated financial statements. The financial reporting of the consolidated Group companies that are included in the consolidated financial statements takes place prior to this process. These Group companies prepare their financial statements locally and transfer them to the Corporate Accounting department via a defined uniform Group-wide data model. The Group companies are responsible for compliance with applicable Group-wide guidelines and procedures, as well as for the correct and timely execution of accounting processes and systems.

### Main principles

The ICS based on the Group accounting process includes the following main principles:

- Ensuring standardized accounting procedures in the preparation of the separate financial statements of Aurubis AG by means of systematically implemented controls, which are supported by manual accounting controls and other authorization and approval procedures (separation of functions, access regulations and limitations, the use of the dual control principle, guidelines on payment transactions)
- Ensuring uniform Group accounting procedures in accordance with IFRS through the application of uniform accounting regulations and policies, central audit of reporting packages, analysis of deviations from the budget, and quarterly reporting as part of centralized discussions on earnings
- Compiling external accounting and internal reporting by all Group companies in a uniform consolidation and reporting system
- Overall consolidation of the Group financial statements by Corporate Accounting, which is responsible for the centralized consolidation, coordination and monitoring of the standards related to the schedule and the process
- Giving the Group companies support in accounting issues by having central contact persons in Corporate Accounting
- Clarifying special technical questions and complex issues related to specific cases with external consultants

## Opportunity management system

Opportunity management is embedded as a central pillar within Aurubis' integrated strategy and planning framework. Alongside our risk processes, we systematically seek out and evaluate the factors that can strengthen long-term competitiveness and financial resilience. This involves continuously monitoring both internal initiatives and external market dynamics to capture emerging trends early and translate them into concrete growth pathways. The process is anchored in our annual strategy cycle but is reinforced throughout the year by operational and commercial functions, making opportunity recognition a shared management responsibility at every level of the Group. By aligning these insights with our corporate strategy and portfolio of strategic projects, we ensure that opportunities are actively pursued, measured against risks, and transformed into actionable initiatives that support sustainable value creation.

## Explanation of relevant opportunities

### Rising global demand for copper and metals of the future driven by megatrends

Global metals demand is undergoing a structural transformation, shaped by six megatrends that will define industrial growth for decades to come: (1) electrification, (2) artificial intelligence and advanced technologies, (3) defense and security, (4) renewable energy, (5) mobility and transport, and (6) urbanization and infrastructure development. Each of these megatrends drives a surge in demand not only for copper, but also for other metals that Aurubis produces across its broad multimetal portfolio, including nickel, tin, bismuth, silver, gold, selenium, tellurium and the platinum group metals to name a few.

The structural need is undisputed: Refined copper demand is projected to rise by nearly a quarter, from around 27 million t in 2025 to approximately 34 million t by 2040. Other metals critical to these megatrends will grow even faster — for example, bismuth demand is expected to triple, nickel requirements to rise by two thirds, and tin consumption to expand by 40 % within the same timeframe. These metals underpin the technologies of the future: copper and nickel for e-mobility batteries, bismuth for specialty alloys and green energy storage, platinum group metals for catalytic and hydrogen technologies, and tin for semiconductors and advanced electronics.

Aurubis is uniquely positioned to benefit from this broad-based expansion. Our multimetal production not only secures our exposure to the growth of copper but also diversifies earnings across high-demand elements. In doing so, we strengthen our resilience, broaden our role as a supplier of critical materials to multiple value chains, and underpin our contribution to global progress.

## Changes in treatment and refining charges and market prices for our products

Aurubis' earnings profile is strongly influenced by the development of treatment and refining charges (TC/RCs) for copper concentrates, scrap and complex recycling materials, alongside market prices for our products such as wire rod, copper cathodes, sulfuric acid, and precious and minor metals. Treatment charges for copper concentrate are currently at low levels; should they develop more positively than anticipated, this would translate directly into additional earnings potential for the Group. Importantly, our diversified earnings model prevents overexposure to single elements of the business. Premiums for our copper products, continued strength in sulfuric acid markets, and broad diversification across end-use industries ensure stability and resilience. This balance allows Aurubis to maintain a positive financial trajectory even in a challenging pricing environment.

## Increasing significance of critical raw materials and resource independence

Aurubis ranks among the global leaders in recycling copper and complex raw materials, with operating processes designed to minimize waste and maximize recovery of valuable metals. The company's low-loss approach ensures efficient utilization of raw materials and reinforces its recognized sustainability leadership by extracting greater value from each ton processed.

At the same time, the strategic relevance of critical raw materials is increasing sharply, as they form a cornerstone of both economic resilience and national security. Governments worldwide, including both the United States and the European Union, have identified copper, nickel, bismuth, antimony and platinum group metals — all part of the Aurubis portfolio — as critical to ensuring energy independence, technological sovereignty, and defense capability. Against the backdrop of global geopolitical tensions and supply chain vulnerabilities, the ability to secure access to these raw materials has become a matter of industrial policy and strategic interest for many sovereign nations.

Aurubis is positioned to play a central role in this landscape. By producing and refining metals included on critical raw materials registers, the Group provides reliable supply supporting the transition to renewable energy, the expansion of advanced mobility and digitalization, and the safeguarding of critical infrastructure. This strengthens Aurubis' relevance as a reliable supplier and long-term partner for customers, business partners, and policymakers. As such, Aurubis continues to evaluate opportunities to expand production of critical metals, thereby contributing directly to the resilience of economies and societies worldwide.

## Advancing capabilities in complex raw material processing

The composition of both primary and secondary raw materials is becoming increasingly complex. Miniaturization in electronics reduces the concentration of individual metals, while modern concentrates often contain a higher share of impurities as well as valuable precious metals. These developments require advanced metallurgical expertise and sophisticated processing capabilities.

Aurubis has established itself as a leader in handling such complexity across its integrated smelter network. The Group continuously invests in targeted technical projects to optimize processes and enhance the efficiency of metal recovery. By streamlining production steps and deploying new process technologies, Aurubis is able to increase the intake of complex raw material feeds and recover an even broader spectrum of valuable elements. This not only secures access to future material streams but also supports margin stability by unlocking value from raw materials that are more difficult to process.

Through its ongoing commitment to advancing metallurgical expertise, Aurubis ensures that its network remains positioned at the forefront of complex raw material processing — a capability that is becoming increasingly decisive for competitiveness in global metals markets.

## New material streams emerge with supply diversification opportunities

As the global economy transitions toward electrification and digitalization, increasing volumes of relevant material streams are reaching the market. End-of-life electric vehicles, batteries and consumer electronics contain complex mixes of a wide variety of metals that will enter the recycling chain in growing volumes over the coming decades. Materials such as copper foils from battery applications represent feedstocks that did not exist in meaningful quantities in the past but will gain significance.

Urban mining, the recovery of metals from products, buildings and infrastructure already in use, is expected to become an important source of future supply. These new flows, combined with the increasing availability of end-of-life scrap, expand the accessible resource base and will help to reduce dependency on primary supply from mining. Aurubis' technological capabilities in complex raw material processing provide a decisive advantage in capturing value from such streams. The Group's metallurgical processes are already designed to separate and recover a broad spectrum of elements, positioning the network to integrate these new inputs efficiently.

Tapping into new material sources not only broadens Aurubis' raw material base but also enhances resilience. Supply diversification across a wider range of feedstocks strengthens the Group's role as a reliable partner to suppliers seeking advanced recycling solutions. Over the long term, these developments reinforce Aurubis' strategic position as a key enabler of circular economy models and as a stabilizing force in global metals supply chains.

## Digitalization as a driver of continuous process improvement, cost optimization, and synergies

Intense global competition underscores the importance of operational excellence within the Aurubis Group. Continuous improvements in processes and cost position remain a strategic priority, supported by a broad range of digitalization and efficiency initiatives.

Current digitalization projects focus on automation and data-driven optimization. One example is the implementation of advanced sampling and analysis technologies that enable faster, automated evaluation of metal content in raw materials. These systems provide quicker, high-quality results to suppliers and internal processes alike, raising efficiency while also enhancing service levels across the value chain. Similar automation is evident in the Aurubis Digital Factory program, where digital tools are deployed to support more precise decision-making, safer operations, and efficient resource utilization.

Several projects launched in the past year demonstrate the scope of these efforts. At Aurubis Olen, sensors now continuously monitor the condition of furnace cooling blocks, allowing predictive maintenance that reduces unplanned downtime, increases safety, and ensures consistent material quality. At the Hamburg plant, a new web-based logistics system mathematically optimizes the sequence and processing of incoming containers, reducing costs, increasing transparency, and improving planning reliability. Another example is the introduction of LiDAR-based stockpile measurement, which enables automated, real-time monitoring of material volumes. This innovation delivers reliable data, improves safety, and significantly increases efficiency in material logistics. Together, these initiatives highlight how digital technologies are being applied across both production and logistics to enhance reliability, efficiency and customer service.

Alongside digital initiatives, the Group is implementing a range of process improvements and strategic projects aimed at debottlenecking production, ensuring more efficient use of assets, and optimizing the routing of material flows across the network. Synergies from the latest investments are also being realized: The ramp-up of Aurubis Richmond contributes additional blister copper to the system, while expansions in electrolyte and anode slime processing at the Belgian sites are being fully integrated into the Group's material flow. These steps collectively enhance network efficiency and reinforce Aurubis' competitive position.

By consistently advancing digitalization, operational excellence, and network synergies, Aurubis strengthens its ability to generate incremental earnings and maintains a resilient foundation for sustainable growth.

## Capacity expansion linked with internationalization

In light of growing global demand for sustainable metal production and metal recycling, Aurubis continues to see growth potential from expanding processing capacities in regions with favorable market conditions. A key step during the reporting period was the successful start of the gradual commissioning of the first stage of Aurubis Richmond, the Group's first greenfield recycling plant in the United States. This facility marks a milestone for both Aurubis and the US market by establishing a domestic source of sustainable copper production at a time of rising demand and limited refining capacity. The ramp-up of the first stage is underway, and the second stage of the site will be commissioned in FY 2025/26.

The fundamentals underpinning the US market remain highly attractive. Refined copper demand is projected to rise to around 2.4 million t by 2040, while the country will continue to rely on annual imports of roughly 900 kt due to insufficient domestic refining. Aurubis Richmond contributes directly to closing this gap, creating "American copper for America" and supporting US ambitions for greater material independence. Given this backdrop, the US remains an appealing market for Aurubis, and the Group continues to evaluate suitable options for potential future growth.

Beyond North America, capacity expansions are also being implemented at existing European sites, such as enlarging the tankhouse in Pirdop, alongside initiatives to optimize material flows within the smelter network and secure sustainable supply. These steps enhance geographic coverage, increase resilience, and strengthen the Group's ability to respond flexibly to shifting global trade and regulatory conditions.

### Circular economy solutions for our business partners, from scrap supply to refined metal

Aurubis collaborates closely with industrial customers and suppliers across the value chain to design solutions that advance the circular economy. This includes developing tailored products, providing specialized services, processing customer-specific raw materials, and creating "closing-the-loop" models that return valuable metals into the production cycle. The Tomorrow Metals commitment underlines this approach by offering certified products supported by life cycle assessments that transparently document $CO_2$ emissions compared with global benchmarks. The digitalization of customer and supplier interactions further enhances efficiency, service quality, and long-term loyalty.

Global market trends such as electrification, digitalization and the expansion of renewable energy are accelerating the demand for circular solutions. Copper is a globally traded commodity, but collection and sorting infrastructure is less mature worldwide. Europe is comparatively well positioned, and Aurubis already achieves a recycling rate of 45 % on copper cathodes, well above European and global averages. This leadership is reinforced by advanced multimetal processes that enable efficient recovery of copper and other valuable metals from a wide variety of production residues and end-of-life products.

Together with downstream customers in wire rod, shapes, bars and profiles, and flat rolled products, Aurubis has established a range of active partnerships to reclaim metal-bearing production waste and residues. These collaborations create closed material cycles in which metals are continuously recovered and returned to the economy as new products. Building on this success, the Group is focused on expanding closing-the-loop partnerships further, strengthening relationships with industrial customers and business partners, and delivering tangible progress toward a resource-efficient circular economy.

### Innovations from future research and development activities

Research and development are integral to maintaining Aurubis' technological leadership and securing long-term competitive advantages. The Group's R&D efforts focus on developing innovative processes, adapting existing technologies, and improving efficiency across the smelter network. Particular emphasis is placed on resource-efficient processing of complex feed materials, enabling higher metal recovery while reducing energy intensity and environmental impact.

Building on established successes such as the patented black mass recycling process for batteries, Aurubis continues to refine and expand its metallurgical capabilities. The focus is increasingly on scaling and integrating these technologies into the broader production system, ensuring that future material streams can be processed reliably and profitably. This includes exploring new pathways for recovering metals from emerging feedstocks and enhancing throughput in existing facilities through process innovation.

By continuously advancing research and development, Aurubis secures its ability to treat increasingly diverse and complex raw materials, while opening up new opportunities for growth in recycling markets. These innovations strengthen the Group's role as a reliable supplier of critical metals for the technologies of the future, underpinning resilience and value creation across economic cycles.

## Assessment of the Aurubis Group's risk and opportunity situation

No risks threatening the company's continued existence arose in the reporting year. There were no particular structural changes in the Group's risks. According to our current assessment, there are no risks that endanger the company's continued existence.

Both the Audit Committee (Supervisory Board) and the auditors ascertained that the Executive Board has taken the measures prescribed by Section 91 (2) of the German Stock Corporation Act (AktG) in an appropriate manner and that the legally required early risk detection system fulfills all requirements.

For a complete overview of company activities, the opportunities of the Group have to be considered in addition to the risks.

## Part of the management report not subject to mandatory auditing

The Executive Board intensively addressed the risk management system (RMS) and the internal control system (ICS) during the past fiscal year 2024/25.

Risk Awareness was established as one of the seven core topics of the Group-wide Power for Performance culture campaign. On this basis, the ICS & Risk Management corporate function worked closely with the Executive Board to conduct Group-wide training for managers of the Aurubis sites and central functions to improve risk culture.

The Executive Board furthermore tasked a large auditing firm to compare the RMS with best practices and report back to them with the results. There was ultimately no significant need for adjustments or improvements.

Internal Audit oversees the ongoing assessment of RMS effectiveness in the Aurubis Group. This process-independent authority follows an annual risk-oriented audit plant and directly reports the results of its audits to the Executive Board. Internal Audit did not audit the RMS in fiscal year 2024/25.

The Executive Board and the Supervisory Board’s Audit Committee regularly discussed the RMS.

The Executive Board is not aware of any matters indicating that the RMS is not appropriate or effective for Aurubis in any material respects. Nevertheless, an RMS — regardless of its design — cannot provide absolute security.

As with the RMS, the Executive Board also commissioned a large auditing firm to review the current status of the ICS and report the results to them. The improvement potential identified was consistently fulfilled during the fiscal year and included

- Fundamentally revising the ICS Policy
- Refining the Group-wide risk assessment process
- Increasing the number of reporting entities in the IT-supported reporting system
- Continuing the quality inspection started in the previous fiscal year and successively implementing the improvement catalogue regarding control concept and design
- Intensifying effectiveness monitoring.

As with the RMS, Internal Audit oversees the ongoing assessment of ICS effectiveness and reports their audit results directly to the Executive Board.

The Executive Board and the Supervisory Board’s Audit Committee regularly discussed the ICS as well. The topics addressed included difficulties switching an IT system and issues with the precision of inventory management during the year.

The Executive Board is not aware of any matters indicating that the ICS is not appropriate or effective in any material respects. Nevertheless, an ICS — regardless of its design — cannot provide absolute security.