

Global Compact 2016

United Nations Global Compact

Communication on Progress 2016

 **Aurubis**



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Global Compact 2016

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Dear readers,

Our affirmation of the Global Compact has committed Aurubis AG, since the end of 2014, to be guided by the ten principles of the Global Compact regarding human rights, work standards, environmental protection and anti-corruption throughout the Group in the shaping of its business processes and strategies.

In our economic environment, in how we interact with the environment, our employees and society, we act responsibly and in an entrepreneurial spirit.

Aurubis presented its new Vision 2025 in March 2017. *Passion for metallurgy. Metals for progress. Together with you.* It contains a clear commitment to sustainability.

We want to be the leader in sustainable processing of primary and secondary raw materials. We want to use our expertise in resource-efficient production of copper for other non-ferrous metals in the future as well.

As a leading integrated copper company and the world's largest copper recycler, we already make a deciding contribution to supplies in copper and non-ferrous metals through our original business activity.

We want to process increasingly complex raw materials in an even more sustainable way and help close the material cycle for copper and other metals.

With the current Progress Report, we document our measures and activities that fulfill the requirements of responsible business operations and are thereby driving sustainable progress. We have, for example, set ourselves the goal of zero work accidents throughout the Group with "Vision Zero". Starting in the summer of 2018, an entire city district near our headquarters in Hamburg will be heated by CO₂-free district heating that is created through our production process. Just by extracting and reusing this heat, roughly 20,000 tons of CO₂ will be saved each year.

The principles of the Global Compact are in line with the values and principles on which we conduct our business. We take concrete initiatives to fulfill this aspiration. And I will work hard to ensure that we do this in the future as well. I invite you to take a look at our activities and to join the discourse with us. You can find further information and our Sustainability and Environmental Reports online at www.aurubis.com/responsibility.

Kind regards,

Jürgen Schachler
Hamburg, May 2017

About Aurubis



Aurubis is a leading integrated copper group and the world's largest copper recycler. We produce more than 1.1 million t of copper cathodes annually and a variety of non-ferrous metal products. Metallurgy is our passion, production expertise is our strength.

The Aurubis Group

Aurubis is a leading international integrated copper group whose core competencies lie in the production of copper, in recycling metals and in manufacturing copper products. The production of other non-ferrous metals, precious metals and special products completes our range of services. Aurubis is therefore represented in the significant parts of the value chain for copper.

Aurubis has production sites in Europe and the USA and an extensive service and sales system for copper products in Europe, Asia and North America. The larger production centers are located in Germany, Belgium and Bulgaria.

Aurubis was founded in 1866 as Norddeutsche Affinerie Aktiengesellschaft in Hamburg and celebrated its 150-year anniversary in 2016. To this day, the company, which has more than 6,400 employees around the world, is centrally managed from its corporate and administrative headquarters in Hamburg.

Sustainability as an integral part of the corporate strategy

Aurubis is oriented to sustainable growth and to increasing corporate value. We generate the highest added value from various raw materials along the entire value chain using the expertise that comes together in our company in smelting, refining, metal recovery, recycling and copper processing.

Sustainability plays a central role in all of our activities. This is why we treat the environment and limited natural resources with care. We exhibit responsibility towards our employees, suppliers, customers and neighbors. The same is true for the areas surrounding our plants to minimize possible negative effects of our business activities on the environment, employees and society as much as possible.

Our Sustainability Strategy specifies the main areas of activity as well as the corresponding plans for action and goals. We report regularly – within the company and to the outside – on the degree to which these have been achieved.

Further information can be found at

www.aurubis.com/responsibility

United Nations Global Compact

Communication on Progress



This is our Communication on Progress in implementing the principles of the United Nations Global Compact.

We welcome feedback on its contents.

Aurubis has participated in the United Nations Global Compact since December 2014. The UN Global Compact is based on ten principles related to human rights, labor, environment and anti-corruption.

The following tables show guidelines, management systems and measures that Aurubis has put in place and executes in order to implement the principles. It also shows the specific activities and progress made in 2016.

You can find further detailed information in our sustainability reports, the Aurubis Environmental Statements and Reports and, finally, in the Annual Reports (all available at www.aurubis.com). We inform our employees as well as external stakeholders regularly about the implementation of the UN Global Compact principles. We do so in events such as the new dialogue series CU2Talk, the inter- and intranet and the employee magazine CU.

Human Rights

Principle 01:

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 02:

Businesses should make sure they are not complicit in human rights abuses.

*Performance, Responsibility, Integrity, Mutability, and Appreciation. They form the anagram PRIMA. Employees from all company locations developed these five company-wide values in 2009. The principles in this form a Code of Conduct, which is regularly checked and adjusted.

Affirmations, regulations and management systems

- » Affirmation of commitment to the ILO Core Labor Standards
- » Aurubis requires its business partners, particularly those in primary raw material sourcing, to adhere to UN conventions on human rights
- » Sustainability strategy
- » Supplier screening
- » Code of conduct valid throughout the Group
- » Compliance management
- » PRIMA company values*
- » Group-wide guideline to avoid raw materials for gold manufacturing from conflict zones (“Gold Supply Policy”)
- » Due diligence guidelines of the OECD (Organisation for Economic Co-operation and Development)
- » “Good Delivery” status in the London Bullion Market Association (LBMA) confirmed for the fourth consecutive time
- » Vision Zero: Reducing workplace accidents as an aim of the sustainability strategy

Measures

- » Inclusion of a clause to adhere to UN sanctions and trade restrictions as well as UN conventions related to human rights, environmental protection and safety in all new supply contracts for primary raw materials
- » Business Partner Screening: Screening all suppliers and customers under aspects of sustainability, compliance and tax law
- » Whistle-blowing hotline (in multiple languages)

Activities in 2016 and assessment of the results

- » Percentage of – mostly long-term – contracts for primary raw materials that contain the aforementioned clause to adhere to UN Conventions increased to more than 80 %
- » Training sessions (for security personnel) on human rights issues at all company locations.
- » Continuation of the stakeholder dialogue on social issues

Downloads

- ↓ Sustainability Report 2015
- ↓ Aurubis Code of Conduct
- ↓ PRIMA company values (integrated into the Code of Conduct)

Further Information

- 🌐 www.aurubis.com/responsibility
 - 🌐 Sustainability Management
 - 🌐 Supply chain
- 🌐 www.aurubis.com/corporate_governance
- 🌐 www.aurubis.com/goldproducts

Labor

Principle 03:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 04:

Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 05:

Businesses should uphold the effective abolition of child labor.

Principle 06:

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

*Our corporate values (PRIMA) are Performance, Responsibility, Integrity, Mutability and Appreciation. PRIMA, which means "great" in German, is derived from the first letter of each value.

Affirmations, regulations and management systems

- » PRIMA company values*
- » Code of conduct valid throughout the Group
- » Compliance management
- » Develop measures to increase interest among girls and women for technical education and professions as an aim of the sustainability strategy

Measures

- » Whistle-blowing hotline
- » Measures related to diversity

Activities in 2016 and assessment of the results

- » Training sessions carried out In 2016, approximately 400 participants attended training sessions on antitrust and anti-corruption law.
- » Continuation of the stakeholder dialogue on issues of sustainability (for example as part of the 2016 Aurubis Sustainability Day, participation in the process by the German federal government to create a national action plan (NAP) for Business and Human Rights)
- » "Sustainability Week" held for Aurubis trainees

Downloads

- ↓ Sustainability Report 2015
- ↓ Aurubis Code of Conduct
- ↓ PRIMA company values (integrated into the Code of Conduct)

Further Information

- 🌐 www.aurubis.com/responsibility
 - 🌐 Sustainability Management
 - 🌐 Employees and society
- 🌐 www.aurubis.com/corporate_governance
- 🌐 www.aurubis.com/compliance
- 🌐 www.mintpink.de

Environment

Principle 07:

Businesses should support a precautionary approach to environmental challenges.

Principle 08:

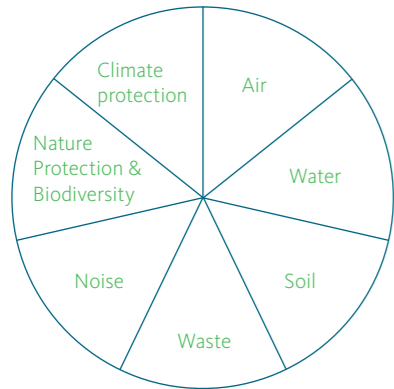
Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 09:

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Affirmations, regulations and management systems

- » Company guidelines on environmental protection
- » Corporate Environmental Protection Policy
- » Strategic environmental goals
- » Affirmation of external guidelines such as Responsible Care
- » Membership and active participation in the leading economic, industry and scientific associations
- » Dedicated organizational units for environmental protection at every location or in every plant
- » Introduction of an integrated management system (IMS) for Aurubis AG for the environment, quality and energy.
- » Certification in accordance with the "WEEE End Processor Standard" (voluntary standard on end-processing of precious metal-containing WEEE fractions such as circuit boards; WEEE = Waste of Electrical and Electronic Equipment)
- » Participate in the Carbon Disclosure Project
- » Stakeholder dialogue with non-governmental organizations and environmental associations
- » Hamburg master plan for climate protection
- » Aurubis is doing intensive research and development work to continually optimize products and processes and expand its position as a technological leader through new processes. The consideration of current and future environmental standards, an efficient approach to resources and the continuous reduction of emissions are important criteria in this respect.



Environmental targets until end of 2018

Air

- » Target: Reducing dust emissions in copper production by over 10 % compared to 2012
- » Example: Reduction of diffuse emissions at the KRS area in Lünen

Water

- » Targets: Reducing metal emissions to water in copper production by about 10 % compared to 2012
- » Example: Optimising new rain water treatment system in Lünen

Soil

- » Target: Reducing input of harmful substances into soil and groundwater
- » Example: Further sealing of plant premises in Lünen

Waste

- » Target: Increasing the recycling rates
- » Example: Stronger marketing of fayalite in Pirdop (BG)

Noise

- » Target: Reducing noise emissions especially as part of new technical projects

Nature Protection & Biodiversity

- » Target: Improvement of nature protection at the production sites
- » Example: Participation in the NABU project „UnternehmensNatur“ in Hamburg

Climate protection

- » Target: Reducing CO₂ emissions by 100,000 t of CO₂ compared to 2012 through energy efficiency projects and heat recovery projects
- » Example: Use of industrial waste heat for district heating in Hamburg

Measures

- » Group-wide environmental goals (medium and long-term) including target achievement control
- » Location-specific environmental goals (short and medium-term) including target achievement control
- » Continual improvement of water, soil and emission protection as well as efficient use of energy and resources in the production plants
- » Commitment to the EU project on achieving an environmental balance between organizations and products: “Organisational Environmental Footprint” and “Product Environmental Footprint” (2016: testing and development phase of the methods)
- » Internal and external audits to test the effectiveness of environmental, energy and quality management systems
- » Regular transfer of information between the environmental and energy officers at all production locations
- » Expansion of the stakeholder dialogue on environmental issues

Activities in 2016 and assessment of the results

- » More than € 15 million of investments in environmental protection for copper production in 2015, approximately € 530 million since 2000.
- » € 13 million of investments in R&D in fiscal year 2015/16
- » (Re-) certification of the environmental, energy and quality management systems at all production locations
- » Achievement of the Group-wide environmental protection standards in all areas
- » Significant outperformance of the emission reduction targets
- » Completion of countless measures at all locations to improve the environmental performance

Select examples

- » New off-gas treatment plant at the Pirdop site since March 2016
- » Optimization of the water treatment plant at the Pirdop site
- » Optimization of the rainwater retention, treatment and usage facility to reduce the use of city water in Lünen
- » Participation in the European research initiative “FORCE – Cities cooperating for circular economy” to develop new concepts to avoid and treat waste, with a focus on electrical and electronic waste
- » Participation in the UnternehmensNatur (Company Nature) NABU project
- » Active involvement in energy efficiency networks as part of an initiative of German government and business
- » Participation in NEW 4.0, a large interregional project to identify optimization potential in the area of electricity generation
- » Energy Efficiency Award for highly efficient electricity production from waste heat at the Lünen site
- » Continued implementation of the voluntary agreement with the city of Hamburg to further reduce emissions in collaboration with the Hamburg Authority for Urban Development and the Environment
- » After being selected as “Best Newcomer” in 2015, Aurubis received the status “Index Leader” of the Carbon Disclosure Project in 2016, making it one of the top 7 MDAX companies
- » Preparation of the lighthouse project on the use of industrial waste heat recovery for the eastern part of Hamburg’s Hafencity
- » The opening of a production plant (Umicast 6) at the Olen site whose energy consumption is reduced by 15 % through efficient technology
- » Cooperation in the installation of wind turbines at the Olen site with an output of up to 28,000 MWh of electricity (annual savings of more than 12,000 tons of CO₂)
- » Active involvement in the Eurometaux industry association (environment, energy and climate change, as well as sustainability committees)
- » Annual report of sustainability indicators to the International Copper Association (ICA) to show how the copper industry is contributing to sustainability goals

- » Official confirmation of the environmental and health compatibility of Aurubis Finland's Nordic Products through successful certification in accordance with ISO 14025 and EN 15804
- » Third Aurubis Sustainability Day, "On the Path to a Real Circular Economy" (Lünen, November 2016)
- » Aurubis Hamburg and Lünen: Sustainability Week for trainees
- » Extension of the partnership for air quality and low emission mobility with the city of Hamburg until 2020 and implementation of the sixth voluntary agreement to reduce emissions; start of the Hamburg theme week on the air quality partnership at the Hamburg Aurubis plant in September 2016
- » Pirdop: Special prize "Environmentally Friendly Water Infrastructure"
- » Participation in the Hamburg environmental economic summit in June 2016 as part of the environmental partnership
- » Affiliation of Aurubis Stolberg with seven additional companies to form the Energy Efficiency Network Aachen

Downloads

- ↓ [Aurubis Environmental Report 2015](#)
- ↓ [Aurubis Environmental Statement 2016](#)
- ↓ [Aurubis Sustainability Report 2015](#)
- ↓ [Table of certifications by location](#)

Further Information

- 🌐 www.aurubis.com/responsibility
 - 🌐 Environment & Energy
 - 🌐 Product Responsibility
 - 🌐 Sustainability Management
 - 🌐 Certificates
- 🌐 www.cdp.net/en
- 🌐 www.eurometaux.eu
- 🌐 www.sustainablecopper.org/en
- 🌐 www.ce-force.eu

Anti-corruption

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

Affirmations, regulations and management systems

- » Affirmation of the German Corporate Governance Code
- » Code of Conduct
- » Compliance management
- » Risk management

Measures

- » Compliance training sessions carried out
- » Risk assessment
- » Business Partner Screening: Screening all suppliers and customers under aspects of sustainability, compliance and tax law
- » Whistle-blowing hotline (in multiple languages)

Activities in 2016 and assessment of the results

- » Focus topics of the training sessions in 2016 were: Antitrust and anti-corruption
- » In 2016, approximately 400 participants attended training sessions on antitrust and anti-corruption law.
- » Examination of all business units for the risk of corruption as part of the institutionalized and regular risk assessment

Downloads

- ↓ [Aurubis Sustainability Report 2015](#)

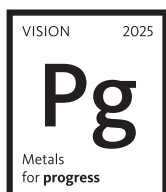
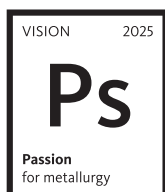
Further Information

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